CONDOMINIUM OFFERING PLAN

THE SURREY CONDOMINIUM

20 EAST 76TH STREET
NEW YORK, NY 10021
COUNTY OF NEW YORK

Total Offering Amount (14 Residential Units):..... $195,250,000

The Condominium will also include 1 Non-Residential Unit (the Hotel Unit) which is not being offered for sale under this Offering Plan.

SPONSOR:	**SELLING AGENT:**
Surrey Propco, LLC	**Douglas Elliman**
2500 Enterprise Drive	**575 Madison Avenue**
Allen Park, MI 48101	**New York, NY 10022**

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

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

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

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

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PART I

CONDOMINIUM OFFERING PLAN

THE SURREY CONDOMINIUM
20 EAST 76TH STREET
NEW YORK, NY 10021

COUNTY OF NEW YORK

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SPECIAL RISKS

Hotel

1. (a) The condominium regime contemplated herein (the "Condominium") will include a fifteen-story building (the "Building") with Floors referred to herein for marketing purposes as Lower Cellar, Cellar, Floors 1 through 12, Floors 14 through 15, Penthouse, Roof, Penthouse Roof and Upper Roof. The Condominium will comprise: (a) fourteen (14) residential units (the "Residential Units") located on Floors 11 through 12, 14 through 15, Penthouse and Roof of the Building, which Residential Units are being offered for sale under this offering plan (the "Plan"); (b) one (1) non-residential unit (the "Hotel Unit"), located on Floors Lower Cellar, Cellar and 1 through 10 of the Building, which Hotel Unit is not being offered for sale hereunder; and (c) certain common elements as more particularly described herein (the "Common Elements"). Although the Hotel Unit may be used for any lawful purpose, it is initially anticipated that the Hotel Unit will be operated as a hotel which will initially feature approximately 100 guest rooms and which may also include, but shall not be limited to, hotel ancillary spaces, retail, bar/restaurant, lounge and club areas, a fitness center, conference rooms, ballrooms, event spaces and spa facilities (the "Hotel"). As of the initial date of filing of this Plan (the "Filing Date") with the New York State Department of Law (the "Department of Law"), it is anticipated that Sponsor will retain ownership of the Hotel Unit, however, Sponsor reserves the right to convey the Hotel Unit or any portion thereof to an affiliate or an unrelated third party either pursuant to a "no-action" or "no-jurisdiction" or other letter ruling issued by the Department of Law, an amendment to this Plan (as and to the extent the same is accepted by the Department of Law), or a separate offering plan filed with the Department of Law. No representation or warranty is made with respect to: (i) the identity of the owners, users or tenants of the Hotel Unit at any time or that the same will be agreeable to the owners of Residential Units (the "Residential Unit Owners") or any other parties or (ii) the uses to which all or any portion of the Hotel Unit may be put at any time. Neither the board of managers of the Condominium (the "Condominium Board") nor the Residential Unit Owners will have any interest in the rents, profits or revenues generated from the business, rental, or other use of any space in the Hotel. The uses of the Hotel Unit may generate noise, traffic, odors, vibrations or other disturbances typical in the operation of a full-service hotel, and which will be outside the control of the Condominium Board and the Residential Unit Owners.

(b) It is anticipated that, as of the Filing Date, all or a portion of the Hotel will be managed by a hotel operator (the "Hotel Operator") on behalf of the owner of the Hotel Unit (the "Hotel Unit Owner"), pursuant to a management agreement between the Hotel Unit Owner and the Hotel Operator (the "Hotel Management Agreement"). Sponsor has entered into a Hotel Management Agreement with CHL Surrey, Inc., an affiliate of Corinthia Hotels Limited, to initially serve as the Hotel Operator. The Hotel Management Agreement has an initial term of twenty-five (25) years, with two (2) automatic ten (10) year renewals unless either party elects not to renew in accordance with the Hotel Management Agreement. The Hotel Management Agreement provides that the Hotel and the Common Elements will be maintained to an aesthetic and operational standard consistent with the Hotel Standard (as hereinafter defined). As such, the Condominium Documents provide that the Common Elements must all times be maintained in accordance with the Hotel Standard. The "Hotel Standard" means any standard for operation, management and maintenance which is required to be maintained by the Hotel Operator, the Hotel Unit Owner and/or the Condominium under the terms of the Hotel Management Agreement entered into between the Hotel Operator and the Hotel Unit Owner from time to time, which may include standards of quality, service, character, appearance and image, required by the Hotel Operator from time to time. Pursuant to the Hotel Management Agreement in place as of the Filing Date, the Hotel Standard means substantially the same quality, operating, service and standards (including guidelines developed for use with the Hotel as modified, amended or supplemented from time to time, without limitation standards and specifications related to health, fire and life safety, security, guest services and assistance, quality assurance as well as design and construction standards)

as determined by the Hotel Operator and notified to Hotel Unit Owner from time to time to apply in respect of the hotels operated by the Hotel Operator as part of the group of hotels operated or licensed, as applicable, under the brand name "Corinthia" and owned and/or operated and/or franchised from time to time by the Hotel Operator and/or its affiliates (provided such standards are then applied in a generally consistent manner in all or substantially all such group of hotels) (subject to all limitations with respect thereto set forth in the Hotel Management Agreement). No representation or warranty is made with respect to the existence or identity of the Hotel Operator from time to time or the continued operation of the Hotel under any particular trade name or flag. Purchasers are advised that any different or future agreement with a Hotel Operator may require that the Property (including the Hotel and the Common Elements) be operated, managed and maintained at a minimum according to a Hotel Standard which may be different than the existing Hotel Standard, and the Hotel Unit Owner shall have the right to require the Condominium to abide by such standards. As a result of the Hotel Standard in effect from time to time, Residential Unit Owners may incur certain expenses associated with the operation and maintenance of the Condominium (through Common Charges or otherwise) that they might not otherwise incur in a typical residential condominium.

(c) The Hotel Unit Owner will have the right, among other things, without the approval of the Condominium Board, the Managing Agent or other Unit Owners or Mortgage Representatives, if any, and without amendment to the Plan, to: (i) make alterations, additions, improvements or repairs in or to the interior and exterior portions of the Hotel Unit, whether structural or non-structural, ordinary or extraordinary, including, without limitation, any alterations with respect to the type, number or layout of rooms in the Hotel Unit; (ii) subdivide and/or combine the Hotel Unit, or any part thereof; (iii) amend the certificate of occupancy for the Property with respect to the use or the number of units comprising the Hotel Unit; (iv) change the Hotel Unit in size by relocating the boundary walls in and around the Hotel Unit; and (v) make all arrangements for the prompt repair and restoration of the Hotel Unit to the extent the Hotel Unit is damaged or destroyed by fire or other casualty. In the event of a subdivision of the Hotel Unit, the Hotel Unit Owner shall additionally have the right to reapportion among any Units resulting from such subdivision the Common Interest of its Unit. Any additional condominium units created as a result of the subdivision of the Hotel Unit will, as and to the extent provided for in the Condominium Documents, retain the same rights, privileges and benefits afforded the original Hotel Unit Owner and be subject to the same obligations imposed upon the original Hotel Unit Owner, as set forth in the Condominium Documents. Additionally, the Hotel Unit Owner shall have the right, as part of its subdivision of the Hotel Unit, to create additional Units and offer the same for sale as Residential Units or as fractional/timeshare interests or otherwise. Sponsor shall not offer additional Residential Units for sale without either an amendment to the Plan offering such additional Residential Units for sale (as and to the extent the same is accepted by the Department of Law) or pursuant to a separate offering plan filed with the Department of Law with respect thereto. Sponsor will not offer any fractional/timeshare interests for sale without filing a separate offering plan with respect thereto.

(d) The Hotel Unit Owner and/or the Hotel Operator may, from time to time, either own or obtain licenses to rights in certain trademarks, trade names, copyrights and/or other intellectual property (collectively, the "Hotel Intellectual Property"). Except as expressly provided herein, in no event shall any Residential Unit Owner (other than Sponsor, the Hotel Unit Owner or the Hotel Operator, or any of their affiliates, designees or licensees, to the extent the same may be a Residential Unit Owner) or the Condominium Board, without the express consent of the Hotel Unit Owner or the Hotel Operator (which consent may be conditioned upon execution of a license agreement and/or payment of licensing fees), as applicable, use any of the Hotel Intellectual Property in connection with any advertisements, promotion, rental or sale of any Units (or portion thereof or interest therein) or (to the extent permitted by the Condominium Documents and applicable law) any business being operated therein or therefrom or in any other commercial manner. Without limiting any other right or remedy available at law or in equity, the foregoing may be enforced by an action for specific performance and/or injunctive relief. Under no circumstances shall the Hotel Intellectual Property be deemed part of property of the Condominium or an appurtenance of any Residential Unit or the property of any Person subject to the foregoing. The Hotel

Intellectual Property shall at all times remain the sole and exclusive property of the Hotel Unit Owner and/or the Hotel Operator, as applicable, and/or their licensees.

(e) In addition to the foregoing, the Hotel Unit Owner and its Permitted Users shall have the right and an easement, as applicable, without the approval of the Condominium Board, Managing Agent, other Unit Owners or Mortgage Representatives, if any, to: (i) erect, maintain, repair and replace one or more signs and lighting, of such size and content as the Hotel Unit Owner shall determine on the façade or in the windows of the Building, including, without limitation, the storefronts, of the Hotel Unit, for purposes of advertising (a) the sale or rental of all or any portion of the Hotel Unit or a Residential Unit or (b) the operation of any business for which the Hotel Unit is used; (ii) (a) alter, modify and/or restore the exterior façade appurtenant to, and/or the windows of, the Hotel Unit, including, without limitation, any storefronts, and (b) create additional means of egress and ingress to the Hotel Unit in the Building; (iii) use the sidewalk adjacent to the Building for any purposes permitted by Law, including, without limitation, food and beverage services and the placement of outdoor seating, tables, lighting and signage on such sidewalk, provided that the entrances to the Building are not impeded by such use. In the event the Hotel Unit Owner utilizes a sidewalk adjacent to the Building, the maintenance, replacement and repair of the sidewalk during the period of use, together with all costs and expenses associated therewith, shall be the responsibility of the Hotel Unit Owner, subject to the provisions of the Condominium Documents, in all events.

(f) Sponsor, in its capacity as the initial owner of the Hotel Unit, has arranged with the Hotel Operator to provide Residential Unit Owners with certain privileges and access to services and facilities of the Hotel. Such services will be categorized as either "Basic Hotel Services" or "A La Carte Services" and are collectively referred to herein as "Hotel Services". The Basic Hotel Services will include: (i) a doorman, bellperson and/or receptionist; (ii) twenty-four (24) hour concierge and valet services including package delivery and holding, and (iii) the right to access and use certain facilities and amenities of the Hotel, including the Hotel lobby, fitness center and the fitness center adjacent terrace. Basic Hotel Services will be provided to Residential Unit Owners at no additional expense other than Common Charges, as the cost therefor will be payable by the Residential Unit Owners to the Condominium as a Common Expense. A La Carte Services may (at the discretion of the Hotel Unit Owner and the Hotel Operator from time to time) include: (a) privileges and access to areas which are within the Hotel Unit (or services which are offered on the premises of the Hotel Unit), in all events, subject to availability, such as: entrance to bars and special events, restaurant reservations at Hotel restaurants, Hotel room reservations, signing privileges and direct billing services at Hotel vendor outlets and other public facilities, access to personal fitness trainers/classes and massage and spa services, access to Hotel meeting rooms, access to Hotel rentable space for private functions and access to Hotel lounges, and (b) privileges and services offered in or from a Residential Unit Owner's Unit such as: room service, catering services, event planning, personal shopping, messenger services, pet walking, sitting and/or grooming services, pick-up and delivery of laundry and dry cleaning services, newspaper delivery and housekeeping services. A La Carte Services will be made available to Residential Unit Owners on an "a la carte" basis, and Residential Unit Owners will be individually and separately charged for the A La Carte Services on a per-use basis at the prevailing rates then charged therefor (the "Per-Use Fees"). The Hotel Unit Owner and/or Hotel Operator reserve the right to condition the provision of A La Carte Services to any Residential Unit Owner on execution by the Residential Unit Owner of an agreement setting forth the conditions upon which the A La Carte Services will be made available to such Residential Unit Owner, including the obligation of the Residential Unit Owner to pay the Per-Use Fees therefor. Purchasers are advised that Hotel Services will be made available to Residential Unit Owners as well as guests of the Hotel and others, at the discretion of the Hotel Unit Owner and/or the Hotel Operator, which may impact the level of Hotel Services available to Residential Unit Owners at times. Sponsor makes no representation or warranty that all or any of the Hotel Services will continue to be offered to Residential Unit Owners for any period of time or with respect to the nature or quality of the Hotel Services or the costs associated therewith. In the event that Sponsor sells the Hotel Unit to a third-party or enters into an agreement with a different Hotel Operator or if there is a labor dispute which affects the Hotel or the Condominium or otherwise, the provision of Hotel Services to the Residential Unit Owners may be modified

or the cost thereof may increase. Notwithstanding the foregoing, the Condominium Documents provide that, for so long as the Condominium remains current on payment of the Hotel Reimbursable Expenses (as hereinafter defined), the Hotel Unit Owner shall be required to make the Basic Hotel Services available to the Residential Unit Owners (subject to the Hotel Unit Owner's right to deny Hotel Services to a Residential Unit Owner who is not current in payment of any Per-Use Fees applicable to such Residential Unit Owner).

(g) Purchasers are advised that certain components of the Building, including, but not limited to, the Building's main entrance, entrance vestibule, lobby (the "Hotel Lobby"), certain service corridors and the fitness center together with its adjacent terrace, which serve both the Hotel Unit and the Residential Units, shall be part of the Hotel Unit (or, in the case of the fitness center's adjacent terrace, a Hotel Common Element) and, therefore shall be owned (as applicable) and controlled by the Hotel Unit Owner and may be managed by the Hotel Operator on the Hotel Unit Owner's behalf. Those components of the Building which serve or benefit both the Hotel Unit Owner and the Residential Unit Owners but are included in the Hotel Unit (or are Hotel Common Elements) are referred to herein as the "Hotel Shared Components" and are more specifically identified in the Condominium Declaration set forth in Part II of this Plan. The Residential Unit Owners will have exclusive use of a portion of the Hotel Lobby which will serve as a mail room and private elevator lobby for the Residential Unit Owners (the "Residential Lobby"), but the same is only accessible through the Hotel Lobby. As more particularly set forth in Section 11.12 of the Declaration set forth in Part II of the Plan, each Residential Unit Owner shall be granted a perpetual easement across portions of the Hotel Unit to utilize the Hotel Shared Components (the "Hotel Easement Areas"). The Hotel Easement Areas shall include: (a) the Building's main entrance, vestibule and Hotel Lobby as well as the corridors and areas leading from the Hotel Lobby to the Residential Lobby and the service elevator, all at the 1st floor of the Building; and (b) the fitness center and any corridors leading to and from the Building's elevators or stairs to the fitness center, located at the 2nd Floor of the Building. Additionally, the Residential Unit Owners will be granted the same access to public portions of the Hotel Unit which are granted to hotel guests of the Hotel. The Hotel Shared Easement Areas are part of the Hotel Shared Components. Purchasers are advised that since the Hotel Shared Components will be part of the Hotel Unit, decisions with respect to the staffing, maintenance and operation thereof will be made by the Hotel Unit Owner or the Hotel Operator on the Hotel Unit Owner's behalf and not by the Condominium Board, and therefore, neither the Condominium Board nor the Residential Unit Owners will have any right to participate in or control decisions with respect to the same. Further, the Hotel Operator may have the right to substantially control the decoration, appearance and management of the Hotel, and the hiring, retention and dismissal of building staff, as well as the design and appearance of staff uniforms and other aspects of operation of the Hotel within the Building. Pursuant to the Condominium Documents, the Hotel Unit Owner shall have the right to modify the Hotel Shared Easement Areas and the Hotel Shared Components from time to time without the consent of the Condominium Board or any Residential Unit Owner, neither of whom shall have the right to restrict the Hotel Unit Owner in this regard, provided that no modification to the Hotel Shared Easement Areas or the Hotel Shared Components which are part of the Hotel Unit shall materially and adversely affect any Residential Unit Owner's ability to access the Residential Lobby, its Unit or the fitness center and adjacent terrace, and provided further that the same complies with all Legal Requirements. Purchasers are advised that, the Hotel Unit Owner's right to modify the Hotel Shared Easement Areas and the Hotel Shared Components from time to time without the consent of the Condominium Board or Residential Unit Owner may result in withdrawal of amenities which may be available for use by any Residential Unit Owners at a given time, provided that, at all times, the Basic Hotel Services shall be made available to the Residential Unit Owners (subject to the Hotel Unit Owner's right to deny Hotel Services to a Residential Unit Owner who is not current in payment of any Per-Use Fees applicable to such Residential Unit Owner).

As a result of the foregoing, the only amenity areas in the Building which are available for use by the Residential Unit Owners and which are not part of the Hotel Unit or a Hotel Common Element, include the Residential Lobby, which is a Residential Common Element and the common recreational terrace located at the Roof of the Building (the "Common Terrace"), which is a General Common Element. All other spaces in the Building which are designated as Common Elements comprise primarily back-of-house spaces,

mechanical and/or utility rooms or areas, stairs, elevators, common corridors and the like. Purchasers should refer to the Floor Plans in Part II of the Plan for a complete description of those portions of the Building which are part of the Hotel Unit and those portions of the Building which are Common Elements. Additionally, Purchasers should refer to the easement set forth in Section 11.12 of the Declaration set forth in Part II of the Plan for further discussion regarding the Hotel Easement Areas.

(h) Hotel staff will operate and maintain the Common Elements and the Hotel Shared Components and will provide Basic Hotel Services to the Residential Unit Owners, and therefore, the Condominium will not employ any staff of its own. As such, the line item "Personnel & Hotel Services" set forth in Schedule B – Budget for First Year of Condominium Operation is representative of the Condominium's allocated share of such shared staff, and such amount shall be payable by the Residential Unit Owners as reimbursement to the Hotel Unit Owner of the cost thereof. Additionally, as more particularly set forth in the Condominium Documents, the Hotel Unit Owner may enter into certain service contracts from time to time in order to provide the Basic Hotel Services and, at the request of the Condominium, the Hotel Unit Owner may contract on behalf of the Condominium from time to time to provide certain maintenance and repairs to the Common Elements of the Condominium. In such event, the Condominium shall reimburse the Hotel Unit Owner for an allocated share of the cost thereof, which amount shall be payable by the Residential Unit Owners as part of their Common Charges (such amount, together with the aforementioned shared staffing costs shall be referred to herein as "Hotel Reimbursable Expenses"). Since the Residential Unit Owners will be obligated to pay an allocated share of the cost to operate and maintain certain portions of the Hotel as aforesaid, which costs may include items not routinely associated with the operation of a typical residential condominium, Residential Unit Owners may pay common charges which are greater than those which might otherwise be found in a typical residential condominium. The Hotel Reimbursable Expenses are not inclusive of Per-Use Fees, which shall be separately payable by the Residential Unit Owner incurring said Per-Use Fees directly to the Hotel Unit Owner, the Hotel Operator or the applicable provider of such goods or services at the then prevailing fees for such goods and services. Per-Use Fees shall be promptly paid by the Residential Unit Owners as and when due, failing which, with respect to any Per-Use Fees payable to the Hotel Unit Owner or the Hotel Operator, if any, the Hotel Unit Owner shall have the right to cause the Condominium Board to place a lien on the applicable Residential Unit Owner's Unit and to deny such Unit Owner continued access to the Hotel Services, as and to the extent more particularly set forth in the Condominium Documents. In accordance with the terms of the Condominium Documents, the Residential Unit Owners, as a group, whether acting through their representatives on the Condominium Board or otherwise, would not be permitted to retain their own manager or employees or terminate any staffing arrangement with the Hotel Unit Owner without first obtaining the consent of the Condominium Board, which consent may be granted or withheld in the Condominium Board's sole discretion.

(i) The residents of the Building will have non-exclusive access to a common terrace with an adjacent pantry and two (2) water closets located at the Roof (the "Common Terrace"), which Common Terrace is a General Common Element of the Condominium. Use of the Common Terrace shall be subject to regulation by the Condominium Board, which may include, without limitation: (i) restrictions concerning the number of people permitted on the Common Terrace at one time; (ii) noise constraints; (iii) prohibitions from utilizing glassware; (iv) restrictions concerning access during inclement weather; and (v) a requirement for a chaperone for children under the age of 18. The Condominium Board reserves the right to grant priority access to the Hotel Unit Owner and/or its representatives (including, but not limited to, the Hotel Operator and/or commercial tenants or occupants of the Hotel Unit) for use of the Common Terrace and to permit the Hotel Unit Owner and/or its representatives (including, but not limited to, the Hotel Operator and/or commercial tenants or occupants of the Hotel Unit) from time to time to reserve the Common Terrace for private events, and therefore, temporarily restrict use of the Common Terrace by Residential Unit Owners.

(j) See the sections of the Plan entitled "Hotel Unit", "Introduction" and "Description of Property and Improvements" for details.

Hotel Unit Owner's/Sponsor's Control of the Condominium Board

2. (a) Until the First Annual Meeting (which will be held on (i) a date that is approximately 30 days after the second anniversary of the First Closing or (ii) such earlier date on which the initial Condominium Board has scheduled the First Annual Meeting, in its sole discretion), the Condominium Board shall consist of three (3) persons designated by Sponsor (the "Initial Condominium Board").

(b) At the First Annual Meeting, the incumbent Initial Condominium Board will resign and a new Board consisting of seven (7) members, will be installed as follows: (i) four (4) members to be designated by the Hotel Unit Owner (the "Hotel Members") (which may be Sponsor); and (ii) three (3) members to be elected by the Residential Unit Owners (the "Residential Members"), provided that Sponsor and/or its designees shall have the right to designate the Residential Members as and to the extent set forth herein.

(c) At and after the First Annual Meeting and for so long as Sponsor and/or its designee owns at least one (1) Residential Unit: (i) Sponsor and/or its designee shall designate two (2) of the three (3) Residential Members who are related to or affiliated with Sponsor or such designee; and (ii) Sponsor, such designee and all other Residential Unit Owners shall have the right to elect the remaining one (1) Residential Member, who shall not be related to or affiliated with Sponsor or such designee, in the manner set forth in the Condominium By-Laws. Purchasers are advised that since Sponsor has the unconditional right to rent, rather than sell Residential Units after consummation of the Plan, Sponsor or its designee may continue to retain a majority of the Residential Units in number and Common Interest, and therefore may have the power, acting alone, to elect the remaining Residential Member otherwise to be elected by the Residential Unit Owners pursuant to clause (ii) of the immediately preceding sentence, provided that such Residential Member shall not be related to or affiliated with Sponsor or its designee. After such time as Sponsor and/or its designee no longer owns any Residential Units, all three (3) of the Residential Members shall be elected by the Residential Unit Owners in the manner set forth in the Condominium By-Laws. The Hotel Unit Owner shall at all times have the right to designate all four (4) of the Hotel Members on the Condominium Board.

(d) Whether or not Sponsor controls or holds seats on the Condominium Board through its ownership of one or more Units, the Condominium Board cannot take any action whatsoever which would interfere to any degree with Sponsor's rights under the Plan or Sponsor's ability to meet its obligations under the Plan, including without limitation Sponsor's obligation to procure a PCO for the Building.

(e) As a result of the foregoing, the Hotel Unit Owner (and for so long as Sponsor owns the Hotel Unit, Sponsor) will control the Condominium Board. Therefore, the Hotel Unit Owner (and for so long as Sponsor owns the Hotel Unit, Sponsor) will have control of the maintenance and operation of, and the services to be provided by, the Condominium, and will determine the Common Charges to be paid by all Unit Owners. Notwithstanding the foregoing, the vote of the Hotel Members shall not be required (and the Hotel Members shall not be entitled to vote) with respect to matters which do not affect the Hotel Unit or the Hotel Unit Owner (it being understood that any matter that affects compliance with the Hotel Standard or the hiring of employees or a manager (whether or not such employees or manager are intended to serve only the Residential Units or Residential Common Elements) or the termination of any staffing arrangement with the Hotel Unit Owner shall be deemed to affect the Hotel Unit and the Hotel Unit Owner, and the Hotel Members shall be entitled to vote on such matters), and the votes of a majority of the Residential Members at a Board meeting at which a quorum is present, shall constitute the decision of the Board.

(f) See the sections of the Plan entitled "Control by Sponsor/Hotel Unit Owner" and "Condominium Board" for details.

Purchase of a Condominium Unit

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

(b) At the time Purchaser executes a Purchase Agreement, Purchaser will be required to deliver an Initial Deposit in an amount equal to 10% of the Purchase Price. At the earlier to occur of (i) 6 months after the date the Purchase Agreement is fully executed; or (ii) 15 days after the Presentation Date of an amendment declaring the Plan effective, Purchaser will be required to deliver an Additional Deposit in an amount equal to 10% of the Purchase Price. Notwithstanding the foregoing, a Purchaser executing a Purchase Agreement on or after the date the Plan is declared effective is required to deliver the full Deposit in an amount equal to 20% of the Purchase Price.

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

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

(e) Under current law, if a Purchaser makes a Deposit in excess of $250,000 for the purchase of a Residential Unit, the amount in excess of $250,000 will not be federally insured. If a Purchaser maintains accounts at the Escrow Bank, the funds in such accounts, together with the Deposit, may be aggregated by the Escrow Bank for purposes of determining the $250,000 federally insured limit. Additionally, until such time as Purchaser delivers either an executed W-9 Form or W-8 Form to Sponsor, the Deposit shall remain non-interest-bearing. Until the Deposit is transferred into an interest-bearing sub-

account, the Deposit may not be federally insured even if the Deposit does not exceed $250,000. No representation is made with respect to any further changes in Law concerning such accounts. Purchasers should consult with their accountants or financial advisors for further information. (See the section of the Plan entitled "Escrow and Trust Fund Requirements" for details.)

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

(g) The signing of the Purchase Agreement signifies Purchaser's acceptance of the condition of the Property (as represented by Sponsor in the Plan) including, but not limited to, the Unit, the Building and all Common Elements. Sponsor has no obligation to make any repairs, improvements or decorations in or to the Property, the Units, the Building or the Common Elements, except as may otherwise be set forth in the Plan. (See the sections of the Plan entitled "Procedure to Purchase" and "Rights and Obligations of Unit Owners" for details.)

(h) Special Work Funds will initially be placed in the Escrow Account. However, Purchasers should note that such Special Work Funds may be released from the Escrow Account by Escrow Agent to Sponsor to pay, or to reimburse Sponsor, for such special work. As a result, in the event Sponsor cancels the Purchase Agreement or Purchaser is entitled to rescind the Purchase Agreement in accordance with the Plan or if Sponsor abandons or withdraws the Plan, the Special Work Funds will be returned to Purchaser, to the extent not expended or committed. Escrow Agent shall be under no duty to verify that Sponsor used or committed such funds for special work. (See the section of the Plan entitled "Escrow and Trust Fund Requirements" for details.)

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

Conveyance of Title

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

or to eliminate any encumbrances or title defects. (See the section of the Plan entitled "Terms of Sale" for details.)

Sponsor's Right to Rent Unsold Units

5. (a) Sponsor intends, in good faith, to sell rather than rent Residential Units. However, Sponsor reserves the unconditional right to rent rather than sell (i) the Hotel Unit prior to the consummation of the Plan and (ii) all Units after the consummation of the Plan; provided that Sponsor will not rent any Units or any portions of any Units to any residential tenants prior to consummation of the Plan, it being acknowledged that the Hotel Unit Owner shall have the right to operate the Hotel within the Hotel Unit and utilize the Hotel guest rooms for transient use prior to such time. Because Sponsor is not limiting the conditions under which it will rent rather than sell Units, Sponsor is not committed to sell more Units than the 15% necessary to declare the Plan effective (i.e., 3 Units based on 14 Units offered for sale) and therefore this Plan may not result in the creation of a condominium in which a majority of the Residential Units are owned by owner-occupants or investors unrelated to Sponsor.

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

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

Closing Fees

6. (a) Each Purchaser shall be required to pay the following fees and taxes associated with the purchase of their Unit: (i) Sponsor Closing Fees, (ii) New York City Real Property Transfer Tax ("RPT Tax") and New York State Real Estate Transfer Tax ("State Transfer Tax"), and (iii) New York Tax Law "additional tax," commonly referred to as the "mansion tax" ("Mansion Tax").

(b) While the State Transfer Tax and RPT Tax are the statutory obligation of Sponsor (in its role as seller), this obligation has been transferred to the Purchasers under the terms of this Plan, as is typical and customary in the majority of offering plans filed with the Department of Law. The New York City Department of Finance has taken the position that where a purchaser of property assumes the obligation for the payment of the RPT Tax, the State Transfer Tax, and other fees that are generally obligations borne by a seller (which in this case includes Sponsor Closing Fees) ("Other Fees"), those amounts will be treated as additional consideration that is added to the Purchase Price (the resulting sum, the "RPT Consideration") when calculating the RPT Tax payable by Purchaser at the Closing. However, only the RPT Tax and Other Fees that are added to the Purchase Price as additional consideration (the resulting sum, "the STT Consideration"), when calculating the State Transfer Tax payable by Purchaser at the Closing. As the Mansion Tax is a statutory obligation of Purchaser, the payment by Purchaser of the Mansion Tax is not treated as additional consideration for the transaction. However, the New York City Department of Finance has taken the position that the amount of Mansion Tax due at Closing (if any) is calculated based on the STT Consideration, as opposed to the Purchase Price or RPT Consideration, and therefore Purchasers should be aware that in some instances it is possible that the aforementioned "bulking up" of the consideration by virtue

of the Other Fees can ultimately cause a Purchase Price of less than $1,000,000 to exceed $1,000,000 in STT Consideration. The disclosures in this section regarding calculation of the State Transfer Tax, RPT Tax, and Mansion Tax are subject to change based on guidance documentation that may be issued in the future by the Department of Law, New York City Department of Finance, New York State Department of Taxation and Finance or other applicable authority that may dictate a different interpretation of how to calculate the State Transfer Tax, RPT Tax, and Mansion Tax in light of changes made to New York State Tax Law Section 1404(a) effective as of July 1, 2021. For more information regarding calculations of transfer taxes, Purchasers are advised to consult with their title company or with counsel.

(c) Purchasers are advised that, as part of the budget bill for New York's 2020 fiscal year (effective July 1, 2019), the legislature has adopted certain increases to the State Transfer Tax and has established a new supplemental tax ("Additional Mansion Tax") that functions like an expansion of the Mansion Tax (while remaining technically distinct therefrom), all of which apply to transactions of real property in New York City. Purchasers are encouraged to refer to the section of the Plan entitled "Closing Costs and Adjustments" to review current tax rates applicable to the RPT Tax, State Transfer Tax, Mansion Tax, and Additional Mansion Tax.

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

Reserve Fund and Working Capital Fund

7. (a) Sponsor has not established a reserve fund for capital replacements or repairs. Upon completion of renovation, the Building will be predominately newly renovated and consequently Sponsor does not anticipate the imminent need for capital repairs, replacements or improvements. However, no representation is given that such needs will not arise in the future. Unit Owners will be obligated to pay their share of the cost of repairs, replacements and/or improvements to the Common Elements as the need for such arises. The Condominium Board, in its discretion, and subject to certain restrictions contained in the By-Laws, may decide in the future to create a reserve fund by Special Assessment or by increases in Common Charges.

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

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

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

Foreign Government Purchaser

8. Any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (.i.e. diplomatic or sovereign immunity) ("Foreign Government Purchaser") shall be required to expressly and voluntarily waive such immunity and consent to any suit, action or proceeding arising out of or relating to the Purchase Agreement or the Condominium Documents being brought in any State

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

Non-Resident Building Management

9. The Condominium Board will not employ a Building manager for the Condominium to live in the Building. Rather, a member of the Hotel staff will perform the typical functions of the Building manager for the benefit of the Residential Unit Owners, and the cost therefor shall be deemed a Hotel Reimbursable Expense hereunder. Sponsor reserves the right to substitute the management of the Building for an alternative arrangement but in all events shall provide for "adequate janitorial services" in compliance with the Administrative Code of the City of New York, § 27-2052 et seq. (See the section of the Plan entitled "Description of Property and Improvements.")

No Bond or Other Security Posted

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

Services and Facilities

11. (a) Purchasers are advised that some or all of the services and facilities described in the Plan may not be available until approximately 12 months or more after the First Closing. However, all services and facilities (subject to the rights of Sponsor and the Hotel Unit Owner or Hotel Operator to make changes thereto as more particularly set forth herein) will be available within 24 months of the First Closing. Purchasers should also be aware that the hours and dates for move-ins, move-outs and/or alterations, as well as the use of the passenger and/or service elevators, may be restricted during the period that Sponsor is performing work in the Building. Additionally, until certain occupancy levels in the Building are achieved, the hours and duties of the Building staff may be reduced. However, at all times after the First Closing of a Residential Unit, the lobby will be attended 24 hours a day, 7 days a week.

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

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

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

Temporary Certificate of Occupancy

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

Furthermore, because Sponsor and the By-Laws of the Condominium may permit Unit Owners to undertake renovations prior to the procurement of a PCO, such renovations may cause additional delays in the issuance of a PCO. Nevertheless, Sponsor and its principals are obligated to procure the PCO. However, Sponsor or the Condominium Board may refuse to permit a Residential Unit Owner to perform alterations until such time as a PCO has been obtained.

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

(b) The only construction prerequisite to Closing is the issuance of a TCO for the Unit or a PCO for the Building. As such, each Purchaser shall be required to close title to their particular Residential Unit once a TCO is issued irrespective of outstanding items of work, provided Sponsor has satisfied the closing conditions set forth in the section of the Plan entitled "Terms of Sale" and subject to the section of the Plan entitled "Rights and Obligations of Sponsor."

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

Ongoing Construction and Sales

13. (a) It is anticipated that for a significant period of time following the First Closing through, including and beyond the Closing of Title to any Residential Unit, work should be expected to be undertaken and performed by or on behalf of Sponsor to complete construction work at the Building, including without limitation, the Residential Units, the amenities and facilities, the decoration or finishing of the lobby, corridors, elevator finishes and other portions of the Building, including installing light fixtures, painting, hanging wall coverings, or laying carpeting, or fitting out of the Hotel Unit. All of the foregoing work and conditions may create a noisy or otherwise disruptive condition in the Building. Notwithstanding the foregoing, Sponsor currently estimates that Sponsor's construction work at the Building will be completed approximately 1 to 2 years after the First Closing, subject to Force Majeure. The Condominium Board may refuse to permit a Residential Unit Owner to perform alterations in a Residential Unit until such time as Sponsor's construction work at the Building has been completed and a PCO has been obtained. Certain services, such as telecommunications, and other similar services may be provided by outside suppliers and delays in providing these services shall not be the responsibility of Sponsor. Such suppliers may not provide these services until occupancy in the Building has reached certain levels. In addition, the presence of scaffolding, hoists or construction elevator shafts or similar temporary construction facilities may delay the Closing of Title to certain Residential Units or lines of Residential Units until such scaffolding, hoists, elevators or temporary facilities are no longer needed and are removed. Notwithstanding the foregoing, Sponsor shall at all times ensure that such construction work will not render any of the occupied Residential Units uninhabitable pursuant to Law.

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

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

(d) The Building will contain certain major mechanical equipment, including, but not limited to, elevator machine rooms, fans, pumps, emergency generator, domestic water tanks and packaged units (collectively, "Equipment"), which may cause noise and vibration throughout the Building. While Sponsor will endeavor to reduce excessive noise and vibration emanating from the Equipment, it may be impossible to eliminate such noise and vibration entirely. As a result, Residential Units and amenity areas in close proximity may be affected.

(e) The Condominium Board, Sponsor, and their respective Permitted Users have the right to operate the emergency generator as necessary, as well as to activate the emergency generator for

testing on a periodic basis, normally once per month. During such testing periods, which may occur at any time, occupants of Residential Units may experience excessive noise and vibration.

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

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

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

Special Allocation of Certain Common Expenses

14. Each Unit Owner must pay Common Charges to cover the cost of the operation and maintenance of the Condominium and Building in accordance with the New York Condominium Act (Real Property Law §§339(i)1(iv) and 339(m)). These costs, including those directly attributable to the Units and an allocated share of expenses attributable to the Condominium as a whole, will generally be borne by the Unit Owners in proportion to their respective Common Interest. However, certain budgeted items are allocated between the Residential Units and the Hotel Unit on a special basis which reflects actual benefit and/or use associated with that particular item of expense or exclusive control of particular Common Elements (which percentages may be less (or more) than their Common Interest), all as more particularly shown on Schedule B and described in the Notes to Schedule B set forth in Part I of this 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 Hotel Unit Owner) or lower (if greater services are being provided to the Hotel Unit Owner) shared expenses of the Condominium. As more particularly set forth in Article 6 of the Condominium By-Laws in Part II of the Plan, The Hotel Unit's allocated share of Common Expenses may not be modified without the consent of the Hotel Unit Owner. The requirements for amending Article 6 of the Condominium By-Laws do not differ from those otherwise provided in the Condominium By-Laws. In the opinion of Sponsor's budget expert, as set forth in the Certifications of Budget Expert set forth in Part II of the Plan, the allocated Common Charges payable by the Hotel Unit Owner are sufficient to cover the expenses fairly attributable to the Hotel Unit. (See the section of the Plan entitled "Schedule B – Budget for First Year of Condominium Operation" and subsection 6.2 of the By-Laws for details.)

Apportionments with the Condominium

15. At the First Closing, certain apportionments will be made between Sponsor and the Condominium. If the result of Closing adjustments is a net credit in favor of Sponsor, the payment of any net credit shall be deferred and paid to Sponsor by the Condominium in one installment on the first

anniversary of the First Closing, without interest, pursuant to an unsecured, negotiable, promissory note executed by the Condominium Board and delivered to Sponsor at the First Closing. The promissory note may be prepaid by the Condominium in full at any time, or in part from time to time, without penalty. (See the section of the Plan entitled "Working Capital Fund and Apportionments" for details.)

Window Treatments

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

Effectiveness of the Plan

17. Pursuant to Law, Sponsor may declare the Plan effective by entering into Purchase Agreements for the sale of a minimum of 15% of the Units offered for sale (i.e., 3 Units based on 14 Units offered for sale). Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to create a Condominium with fewer than the minimum number of sales, if Purchasers counted towards effectiveness do not ultimately close title to their Units. In the event that all Purchase Agreements are rescinded or terminated prior to the date of the First Closing (regardless whether the Declaration has been recorded), Sponsor will re-declare the Plan effective by submission of an amendment to the Department of Law. (See the section of the Plan entitled "Effective Date" for details.)

Purchase Agreement Not Contingent on Financing

18. (a) Although a Purchaser may obtain financing from any lending institution or other source, Purchaser's obligation to purchase a Residential Unit is not contingent on Purchaser obtaining financing. Without limiting the generality of possible default scenarios, in the event a Purchaser enters into a Purchase Agreement with the expectation to obtain financing but defaults under a Purchase Agreement beyond any applicable cure period for any reason whatsoever, including without limitation by failing to close relating to any inability to obtain financing, Sponsor shall be entitled to exercise any remedies provided under the Purchase Agreement, including without limitation the right to retain the Deposit as liquidated damages. Neither Sponsor nor Selling Agent makes any representation as to the availability, cost, or other terms of any form of financing. Purchasers who desire financing may want to consult with a lending institution and/or finalize their financing arrangements before signing a Purchase Agreement. While the First Closing is projected to occur on or around October 1, 2024, neither Sponsor nor Selling Agent makes any representation as to the actual closing date for any particular Unit. In addition, as set forth in the Plan and the Purchase Agreement, Sponsor has the right to adjourn the Closing Date from time to time and Purchasers should be aware that if the Closing Date is adjourned, Purchaser's financing terms may be adversely affected, the interest rate may increase and the loan commitment could expire. Sponsor shall have no liability as a result of any scheduling or adjournment of Closing beyond the expiration of a loan commitment.

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

a Purchaser to resell a Residential Unit if prospective buyers are unable to obtain a loan due to the same sales or owner-occupancy minimum requirements of lenders.

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

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

Special Rights of Sponsor

19. (a) Sponsor and its Permitted Users shall have an exclusive easement for so long as Sponsor owns an Unsold Unit to erect, use, lease, maintain, repair, replace and operate (a) antennae, satellite dishes and other communications equipment, and (b) any pipes, risers, ducts, flues and equipment necessary or desirable to provide heat, air-conditioning, exhaust, or ventilation as required or, as permitted by Law, on any part of the roof and/or façade of the Building and elsewhere on the Common Elements (excluding any Residential Limited Common Elements) and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith. Sponsor and its Permitted Users shall have an easement in, over, under, through and upon the General Common Elements and Residential Common Elements (including but not limited to, residential lobbies, hallways and corridors), to use the same, without being subject to any fee or charge, for all purposes and activities in connection with the sale or renting of Unsold Residential Units, including, without limitation, the right to erect, maintain, replace and/or repair any sign and/or lighting permitted by Law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit or the operation of any business of a tenant or occupant of any Unit. Sponsor shall be entitled to permit any one or more of such easements to be utilized by the Hotel Unit Owner and/or Permitted Users. Sponsor reserves the right to install additional fireplace flues and mechanical equipment on the roof of the Building. Sponsor is currently the lessor under that certain Building and Rooftop Lease Agreement (the "Verizon Lease") between Sponsor as successor to the original lessor thereunder, 20 East 76th Street Co., LLC and New York SMSA Limited Partnership ("Verizon"), d/b/a Verizon Wireless, with its principal offices at One Verizon Way, Mail Stop 4AW100, Basking Ridge, New Jersey 07920, as lessee. Pursuant to the Verizon Lease, Verizon has leased space in the Building located at the Cellar, Penthouse Roof and Upper Roof, upon which Upper Roof Verizon maintains an antennae (the "Verizon Space"). The Verizon Space is part of the Hotel Unit, and, it is intended that, upon formation of the Condominium, the Hotel Unit Owner will become the lessor under the Verizon Lease. As such, upon formation of the Condominium, all of the rights and obligations of lessor under the Verizon Lease shall accrue solely to the Hotel Unit Owner and not the Condominium or any other Unit Owner, and no party other than the Hotel Unit Owner shall have any rights or obligations thereunder except that the Condominium Documents grant to the Hotel Unit Owner an easement across the Property in order to enable the Hotel Unit Owner to fulfill its obligations under the Verizon Lease. (See the section of the Plan entitled "Rights and Obligations of Sponsor" for details.)

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

reflect such change in an amendment to the Declaration and Tax Lot Drawings, if applicable and required. (See the sections of the Plan entitled "Changes in Prices and Units" for details.)

(c) Sponsor shall have the right, in its sole discretion, to cause the Condominium Board to waive Unit Owner obligations to pay Common Charges from and after the First Closing for a period of time, as determined by Sponsor, prior to full occupancy of the Building, provided all actual costs of the Condominium (inclusive of any insurance premiums and reserves) are paid by Sponsor. If Sponsor so elects, Sponsor shall disclose such waiver of Common Charges and the expected period of time of such waiver of Common Charges ("Waiver Period") in the post-closing amendment to the Plan. In the event Sponsor elects to extend the Waiver Period, Sponsor will amend the Plan to disclose the extended Waiver Period. Sponsor shall additionally notify Unit Owners of the expiration of the Waiver Period at least thirty (30) days prior to such expiration. To the extent that Common Charges are waived in accordance herewith, then for the year(s) in which Common Charges are waived the Condominium Board shall obtain certified financial statements for the Waiver Period. Upon commencement of collection of Common Charges from all Unit Owners, there will not be a Special Assessment for any expense set forth in the approved budget for which Common Charges were not collected during the Waiver Period. The Condominium Board shall remain obligated to update the budget in accordance with the terms of the Plan. Purchasers should note that, if Sponsor elects to waive Unit Owners' obligation to pay Common Charges, Unit Owners will remain responsible during such Waiver Period for individual Unit expenses, including without limitation real estate taxes, utility charges (if applicable) and Per-Use Fees. (See the section of the Plan entitled "Rights and Obligations of Unit Owners," subsection "Common Charges: Determination and Assessment" for details.)

(d) Sponsor reserves certain rights to make changes in the proposed Condominium Documents and modifications to the Plans and Specifications, as set forth in the section of the Plan entitled "Changes in Prices and Units" and "Rights and Obligations of Sponsor" in more detail. Provided that Purchaser is not in default of its obligations under the Purchase Agreement, no change will be made with respect to such Unit for which a Purchase Agreement is then in effect which materially decreases the square footage unless the Purchaser consents to such changes. A decrease in a Unit's square footage will not affect a Purchaser's obligations unless such decrease is determined to be material. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. The foregoing reservations of Sponsor's rights to make changes is subject to the governing regulations of the Department of Law which provide for (i) an affected Purchaser's consent for any material changes in the size, layout, or percentage of common interest of a Unit provided that such affected Purchaser is not in default of its obligations under the Purchase Agreement and (ii) all Purchasers' consents for any material change in the size or material adverse change in the quality of the Common Elements. If Purchaser's consent is required as a result of a change due to field conditions and construction variances and tolerances, or as a result of changes in Law (including without limitation applicable building codes and regulations) and Purchaser refuses to consent, then in such event, Sponsor's sole obligation shall be to terminate the Purchase Agreement and refund to Purchaser all Deposits made under the Purchase Agreement, together with any interest earned thereon, as well as any Special Work Funds less any amounts already expended or committed. (See the section of the Plan entitled "Changes in Prices and Units" for details.)

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

Lot Line Windows

20. Lot line windows exist in Units 11A, 11B, 11C, 12A, 12B, 12C, 14A, 14B, 14C, 15A, 15B, 15C, PH1 and PH2. Purchasers should refer to the Floor Plans set forth in Part II of the Plan for the specific locations of the lot line windows in such Units. Lot line windows are windows located on an

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

Future Construction

21. No representation is made that future construction in the neighborhood surrounding the Property will not result in obstruction of the views from any windows and/or Terraces in the Building. In the event Sponsor engages in any development project that will be immediately adjacent to or directly across the street from the Condominium and such project has a material impact on the Condominium (e.g. impairment of views or closing of lot line windows), Sponsor shall disclose such material impact in an amendment to the Plan within a reasonable period of time. While Sponsor is under no obligation to undertake any inquiry into whether any development project is planned or underway by a party other than Sponsor that will be immediately adjacent to or directly across the street from the Condominium, in the event that (i) Sponsor becomes aware of such a project, and (ii) such project has a material impact on the Condominium (e.g. impairment of views or closing of lot line windows), Sponsor shall endeavor to disclose such project in an amendment to the Plan within a reasonable period of time after Sponsor obtains actual knowledge thereof. (See the section of the Plan entitled "Location and Area Information" for details.)

Unit Measurements

22. (a) Floor Plans depicting proposed layouts of Units appear in Part II of the Plan. Each Unit is measured horizontally from the exterior face of the exterior walls (columns, mechanical pipes, shafts, chases, and conduits are not deducted from measurement of each Unit) to the centerline of the partitions separating one Unit from another Unit, or separating one Unit from corridors, stairs, elevators and common mechanical shafts or any Common Elements not within a Unit or to the exterior side of the opposite exterior walls. Each Unit will consist of the area measured vertically from the top of the structural slab to the underside (of any fire protection) of the structural members above. Any and all measurements are approximations within reasonable tolerances.

(b) As the manner in which the square footage areas were calculated are not based on measurements from interior surfaces of interior walls, the square footage areas of the Units provided in Schedule A significantly exceed the usable floor area.

(c) See the footnotes in the section of the Plan entitled "Schedule A" in Part I of the Plan and the "Description of Property and Improvements" set forth in Part II of the Plan for details.

Legally-Compliant Window Guards / Window Stops

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

Vault Space

24. The cellar contains one (1) city vault(s) ("Vault Space") which will be used as part of the Building waste room and designated as a General Common Element(s). The City of New York has the right to repossess the Vault Space, in which event the Condominium will no longer have the right to utilize the Vault Space. In such event, the Condominium Board, at its option, may elect to move the waste room to a different location in the Building. Sponsor does not make any representation that such substitute location will be available. (See the section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws.")

Lead-Based Hazards and Asbestos

25. (a) Under applicable Federal and local law, lead-based paint can no longer be used in the construction of a building. Under Federal Law, Sponsor must provide Purchasers with all available records and material pertaining to lead-based paint and/or lead-based hazards in the Building. Sponsor will comply with applicable Law concerning the use of lead-based paint and/or lead-based paint hazards. Set forth as an Exhibit in Part II of the Plan is a copy of the booklet issued by the United States Environmental Protection Agency, EPA 747-K-95-001, which details certain information regarding lead-based paint. Since the existing building was heavily gutted, Sponsor believes in good faith that the risk of any lead-based hazards is likely very minimal – nevertheless, Sponsor does not make any representation as to the existence or non-existence of lead-based paint within the walls or any other lead-based hazards. Purchasers are advised that, in the event they remove sheetrock at any time in the future, they may be responsible for removing and abating lead-based paint in accordance with applicable Law at their sole cost and expense.

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, a copy of which is included as an Exhibit in Part II of this Plan. 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 of the Plan entitled "Sponsor's Statement of Building Condition" and the Purchase Agreement set forth in Part II of the Plan for details.)

(b) Based upon limited asbestos inspection reports (the "Asbestos Reports") commissioned by Sponsor and set forth in Part II of this Plan, asbestos-containing material ("ACM") was found to be present in the Building's pipe insulation. However, the ACP-5 Certificate set forth in Part II of the Plan certifies that the portion of the Building included in the scope of Sponsor's

renovation work at the Property does not contain ACM and that ACM will not be disturbed during Sponsor's renovation work. Purchasers are advised that the Asbestos Reports were commissioned by Sponsor for the limited purpose of inspecting the portions of the Building that could or would be impacted by Sponsor's planned renovation work at the Property and do not represent a complete survey of the Property. Sponsor makes no representation as to the existence or non-existence of ACM in any other locations in the Building, including, but not limited to, in any Residential Units, and Purchasers are advised that such other locations in the Building, including, but not limit to, the Residential Units, may contain ACM. Exposure to ACM increases an individual's risk of developing certain serious health issues, including, but not limited to, lung cancer, mesothelioma and asbestosis. To the extent a Unit Owner or the Condominium Board seeks to perform alterations in its Unit or the Common Elements, respectively, such party may be required to conduct additional assessment to determine whether ACM would be disturbed during the performance of such work, and if it is determined that ACM is present in the affected areas and would be disturbed in connection with such work, the same would require remediation at the sole cost and expense of the Unit Owner or the Condominium Board, as the case may be. Sponsor's obligations under the Plan do not include an obligation to perform additional asbestos testing, including, but not limited to, within the Residential Units (other than the testing already disclosed in the Asbestos Reports) or to perform any remedial work in connection with any ACM found to be present other than in connection with Sponsor's renovation work at the Building.

Excess Development Rights

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

Marketing Materials

27. In no event shall the presence of any furniture, furnishings, finishes, equipment or decorations, wall coverings, window treatments, carpeting and the like ("FFE") in any portion of the Building or Residential Units set forth in any marketing materials and/or advertisements, and/or websites used in connection with the sales and marketing of the Residential Units imply or represent that any such FFE will be located within any portion of the Building or Residential Units. The presence of FFE in such marketing materials is for illustrative purposes only. In addition, marketing materials may use designations, labels or nomenclature to describe certain areas or rooms within Residential Units that differ from the designations utilized on the Floor Plans of the Residential Units set forth in Part II of the Plan, including, without limitation, closets, hallways, dens/media rooms and powder rooms. In no event, however, shall any designations, labels or nomenclature used in marketing materials conflict with the legally permitted uses of such areas or rooms. The use of such designations, labels or nomenclature is for marketing purposes only and does not obligate Sponsor to deliver such areas or rooms designed or fitted

out in the manner depicted or implied in the marketing materials. (See the section of the Plan entitled "Rights and Obligations of Sponsor" for details.)

Wood Products

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

Post-Closing Restrictions

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

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

(c) Purchasers are advised that, Purchasers shall be permitted to rent their Units on a long-term (i.e., for a term of six (6) months or longer) or short-term (i.e., for a term of thirty (30) days to less than six (6) months) basis in accordance with the terms hereof. In accordance with applicable Law, no Residential Unit Owner shall be permitted to rent their Unit for a term of less than thirty (30) days. As more particularly set forth in the Condominium Documents, a Residential Unit Owner other than Sponsor may make its Residential Unit available for rental on a short-term basis (i.e., for a term of thirty (30) days to less than six (6) months) and advertise such availability only through: (i) a direct rental made by such Residential Unit Owner; (ii) a licensed rental agent who appears on the Hotel Unit Owner's list (which list may be kept by the Hotel Operator on the Hotel Unit Owner's behalf) of qualified agents that possess the objective minimum quality standards as reasonably set forth by the Hotel Unit Owner (or the Hotel Operator on the Hotel Unit Owner's behalf) from time to time (the "Rental Agent Standards"); or (iii) a rental agent selected by the Residential Unit Owner and approved by the Hotel Unit Owner (or Hotel Operator on the Hotel Unit Owner's behalf), in its sole discretion, and subject to certain conditions as determined by the Hotel Unit Owner in its sole discretion, which otherwise satisfies the Rental Agent Standards. Any rental agent qualifying under clauses (ii) and (iii) of the immediately preceding sentence shall be referred to herein as a "Qualified Broker". The Rental Agent Standards shall initially require that the agent: (v) agree to enter into a confidentiality and license agreement with respect to the use of the applicable Hotel Intellectual Property, if applicable; (w) be licensed and bonded in accordance with applicable law; (x) conduct their business commensurate with the Hotel Standard; (y) be sufficiently familiar with the Condominium and the Condominium Documents, including the Residential Rules and Regulations annexed thereto to inform potential renters; and (z) satisfy such additional standards established by the Hotel Unit Owner (or the Hotel Operator on its behalf) from time to time. Upon request, the Hotel Unit Owner (or the Hotel Operator on its behalf) shall make available to the Residential Unit Owners, the list of Qualified Brokers and/or Rental Agent Standards in effect at a given time. Notwithstanding anything contained herein to the contrary, the Hotel Unit Owner and the Hotel Operator or either of their designees shall each at all times be deemed to be a Qualified Broker. Each Qualified Broker other than the Hotel Unit Owner or the Hotel Operator or either of their designees will be required to provide evidence of insurance held by the Qualified Broker upon request by the Condominium Board (or the Hotel Unit Owner or Hotel Operator). Any Residential Unit Owner directly renting its Residential Unit on a short-term basis (i.e., for any term of thirty (30) days to less than six (6) months) shall at all times comply with all applicable laws in connection with the rental of its Residential Unit and shall not utilize any third-party rental agent or brokerage services or otherwise in connection with the short-term rental of its Residential Unit. Sponsor reserves the right, after the consummation of the Plan, to rent one or more of the Residential Units for any amount of time (whether long-term, short-term or otherwise); and the foregoing provisions of this paragraph shall not apply to Sponsor with respect to any Unsold Residential Units. Short-term rentals of Residential Units may be subject to sales, hotel occupancy or other taxes and fees imposed by the state and/or local governmental authorities, occupancy limitations and other applicable laws and regulations. Residential Unit Owners are responsible for ensuring the collection and remittance of such fees and taxes to the appropriate governmental authorities and should consult with their own legal counsel or accounting professionals to understand the types and amounts of such taxes and/or fees. Additionally, Residential Unit Owners should consult with their own counsel to determine whether and to what extent other applicable laws would govern their ability to rent their Units on a short-term basis. The Condominium Board, the Managing Agent, the Hotel Unit Owner and the Hotel Operator (if any) each reserve the right to require any Qualified Broker or Residential Unit Owner seeking to rent their Unit on a short-term basis and/or any short-term renter of such Residential Unit to execute any other documentation reasonably required by the Condominium Board, the Managing Agent, the Hotel Unit Owner and/or the Hotel Operator in connection therewith.

(d) A Residential Unit shall be used for residential purposes only, including permitted "home occupation" as defined in the Zoning Resolution (except as described below), and not more than one family may occupy a Residential Unit at one time. A Residential Unit may not be used for any "dormitory," "bed and breakfast" or other transient hotel-type use, provided that short-term rentals (i.e., rentals for thirty (30) days to less than six (6) months) and long-term rentals (i.e., rentals of six (6) months or more) shall be

permitted in accordance with the further terms hereof. Any lease of a Residential Unit may be subject to additional conditions and restrictions as may be determined by the Condominium Board, including, without limitation, acceptable background and credit checks, income limits and tenant reference letters. The Condominium Board reserves the right to impose lease processing and administrative fees in connection with the rental of any Residential Unit. In no event shall any Residential Unit be used as part of or in furtherance of an Occupancy Plan or a program, plan, entity, agreement or other arrangement providing for short-term, fractional or shared use and/or ownership of such Unit, or as part of a travel club, "home share" platform such as AirBnB or Onefinestay, vacation rental platform such as VRBO, swap or exchange company or any enterprise having similar attributes; provided, however, if as, and when and only for so long as the Hotel Unit is being used by the Unit Owner thereof in connection with an Occupancy Plan (and for avoidance of doubt the use of the Hotel Unit as a transient hotel in the ordinary course shall not be considered "use…in connection with an Occupancy Plan"), the Residential Units may be so used on the same basis with the consent of the Condominium Board, in its sole discretion, and provided the same is in compliance with applicable law. An "Occupancy Plan" means a program, plan, agreement or other arrangement for the use, occupancy, marketing, advertising, or promotion of one or more Units under short-term, timeshare, fractional or shared ownership interval exchange, vacation club, destination club, vacation membership, private membership, private residence club and points club products, programs and services (whether the program is based on direct exchange of occupancy rights, cash payments, reward programs or other point or accrual systems) or other membership plans, arrangements or forms of products, programs and services through which a participant in a plan or arrangement acquires a direct or indirect ownership interest, use or other rights in the Unit(s) in question with attendant rights of periodic use and occupancy or acquires contract rights to such periodic use and occupancy of such Unit(s) or a portfolio of accommodations including such Unit(s). The provisions of this paragraph shall not apply to Sponsor with respect to any Unsold Residential Units.

(e) With certain exceptions, any sale or long-term lease (of six (6) months or more) of a Residential Unit will be subject to a right by each of the Condominium Board and the Hotel Unit Owner (or its designee) to acquire or lease such Residential Unit, 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 and the Hotel Unit Owner (or its designee) is not applicable to a sale or lease of the Unsold Residential Units, the resale or lease of a Residential Unit to Sponsor or its designee or any subsequent sale or lease of such Residential Unit by Sponsor or its designee. It is also not applicable to the sale or lease of the Hotel Unit. The Hotel Unit Owner (or its designee) shall in all events have priority over the Condominium Board in exercising any right of first refusal offered in accordance with the terms of the Condominium By-Laws.

(f) No Residential Unit Owner shall take any action to circumvent the prohibitions set forth in this Special Risk, including but not limited to, by disguising a short-term rental as a long-term rental (i.e., of six (6) months or more) or disguising a long-term rental as a short-term rental or otherwise.

(g) As a result of the foregoing provisions of this Special Risk, Purchasers are advised that a significant number of Residential Units may be used for short-term rentals as opposed to long-term occupancy and may not be occupied by owner-occupants.

(h) See the section of the Plan entitled "Rights and Obligations of Unit Owners" for further details.

Principals of Sponsor Have Executed the Certification of Sponsor and Principals for Compliance with the Martin Act and Governing Regulations

30. Consistent with a recent First Department decision, the principals of Sponsor expressly disclaim the existence of any private right of action for contract claims by individual unit owners (or a board on their behalf) in connection with or arising solely from their execution of the Certification of Sponsor and Principals, absent liability under another statute or under an alter-ego or other veil-piercing

theory. See Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC, et al, 106 A.D. 3d 542 (1st Dept. 2013). (See the form of "Purchase Agreement" set forth in Part II of the Plan.)

Insurance

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

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

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

Natural Stone Surfaces

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

(b) Sponsor makes no representations or guarantees that a sealer will be applied to any Natural Stone Surfaces, with the understanding that the Natural Stone Surfaces may be conveyed by Sponsor to Purchaser at the Closing with an applied sealer or alternatively in the original finish of the product, which may be honed, polished, or otherwise as applicable. To the extent that any Natural Stone Surfaces are delivered with a sealer (making no representations or guarantees with respect thereto), then (i) all decisions with respect to selecting the professionals and the products shall be made by Sponsor in its sole discretion and (ii) Purchasers are advised that the application of a sealer to the stone does not in any way guarantee that future discoloration or etching will not occur. In any event, it will be each Unit Owner's obligation to maintain any and all Natural Stone Surfaces in the Unit, including without limitation to engage a professional to polish, seal, reapply the sealer at regular intervals, and/or otherwise adopt a necessary maintenance program for the Natural Stone Surfaces, as may be applicable. Purchasers should consult a professional regarding the proper care and maintenance necessary to preserve the quality and appearance of the Natural Stone Surfaces.

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

Fireplace Maintenance Agreements

33. (a) Unit PH1 will contain a gas burning fireplace and one alcohol ventless fireplace, which fireplaces with all associated parts and equipment (including without limitation, as applicable, the flue) (the "Fireplaces"), shall be considered a part of such Residential Unit.

(b) Notwithstanding the foregoing, all continued maintenance and repairs associated with the Fireplaces shall be performed by such Residential Unit Owner at its sole cost and expense, who shall be required to deliver to the Condominium Board a copy of the service and maintenance agreement for the

Fireplaces. Notwithstanding the foregoing, the Condominium Board reserves the right to require that the service and maintenance agreements for the Fireplaces be chosen and regulated by the Condominium Board in its reasonable discretion, and, in such event, the cost of such service and maintenance agreement shall be paid by the Condominium Board and assessed against the Unit Owner of Unit PH1 as a special assessment. Such Residential Unit Owner shall be responsible for maintaining insurance with respect to the Fireplaces at its sole cost and expense.

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

Fannie Mae and FHA

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

Principals of Sponsor

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

Financial Crimes Enforcement Network Disclosure

36. For the purpose of preventing evasion of the Bank Secrecy Act, the director of the Financial Crimes Enforcement Network of the U.S. Department of Treasury ("FinCen") issued a Geographic Targeting Order ("Order") to collect information about certain transactions, which applies to any corporation, limited liability company, partnership or other similar business entity, whether formed under the laws of a state, or of the United States, or a foreign jurisdiction (other than a business whose common stock or analogous equity interests are listed on a securities exchange regulated by the Security Exchange Commission, a self-regulatory organization registered with the Security Exchange Commission, or an entity solely owned by such a business) using currency or a cashier's check, a certified check, a traveler's check, a personal check, a business check, a money order in any form, a funds transfer, or virtual currency, whether wholly or in part, without a bank loan or other similar form of external financing, to purchase "residential real property" in any borough of New York City for a total price in excess of certain threshold amounts. At the time of the Filing Date of the Plan, such reporting threshold is $300,000, which may be subject to change in the future. For the purposes of FinCEN, "residential real property" is defined as "real property (including individual units of condominiums and cooperatives) designed principally for the occupancy of from one to four families." Purchasers are advised that FinCEN has revised and extended the Order from time to time, which currently remains in effect until October 15, 2024, but may be subject to further extension. In the event that a Purchaser enters into a transaction that falls within the current scope of the Order, the Purchaser shall be required to deliver to the

title company at Closing all documents and information necessary in order for the title company to comply with the requirements set forth in the Order. Any failure by a Purchaser to deliver such documents and information shall be deemed an Event of Default under the Purchase Agreement. For further details, Purchasers are advised to consult with a title company.

Real Estate Tax Projections

37. Purchasers are advised that the value of the Building will increase once the Building is assessed as being fully renovated, which means that the real estate taxes may be significantly higher than those projected in the Plan for the First Year of Condominium Operation. Purchasers should note that once the Building is assessed as being fully renovated, it is estimated that the real estate taxes for the Residential Units will total approximately $1,206,448, assuming no change in certain tax rate assessments. (See the sections of the Plan entitled "Real Estate Taxes" set forth in Part I and "Real Estate Tax Projection Opinion" set forth in Part II for details.)

Use and Occupancy Agreements

38. The Use and Occupancy Agreement shall provide, among other things, that an uncured default by the Purchaser under the Purchase Agreement with respect to the Unsold Residential Unit which is the subject of the Use and Occupancy Agreement will constitute a default under the Use and Occupancy Agreement entitling Sponsor, at its option, to terminate such Use and Occupancy Agreement in accordance with Law. In addition, each Purchase Agreement shall provide that an uncured default by the Purchaser under any Use and Occupancy Agreement with respect to the Unsold Residential Unit which is the subject of the Purchase Agreement will constitute a default under the Purchase Agreement entitling Sponsor, at its option, to terminate such Purchase Agreement and to exercise any remedies provided therein. In the event a Purchaser is permitted to take possession of the Unsold Residential Unit prior to Closing, such Purchaser will be required to obtain liability insurance and renter's insurance for their own benefit in such amounts as determined by Sponsor. A Purchaser who takes possession of a Unit prior to Closing assumes the risk of loss not covered by insurance. (See the section of the Plan entitled "Use and Occupancy Agreements" for details.)

First Closing and Subsequent Closings

39. (a) Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by Force Majeure, Sponsor's construction work at the Building will be sufficiently completed to permit the First Closing to take place on or about October 1, 2024. Sponsor has the right to change the projected date of the First Closing from time to time by an amendment to the Plan. If the First Closing does not occur within 12 months after the projected date set forth in Schedule B in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor will offer those affected Purchasers only a right to rescind their Purchase Agreements for 15 days from the Presentation Date of the amendment disclosing Sponsor's failure to close within such time frame. Any Purchasers electing rescission will have their Deposits returned together with any interest earned thereon, except for any Special Work Funds to the extent that such Special Work Funds have been expended and/or committed. Even if the First Closing occurs within 12 months after the date set forth in Schedule B for the First Year of Condominium Operation in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor is not obligated under the regulations promulgated by the Attorney General to schedule any subsequent closing within any specified time frame. Residential Units will be completed at different times over a period that may begin prior to and/or extend significantly beyond the projected date of the First Closing, and Residential Units on higher floors generally close later than Residential Units on lower floors. Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to any credit, offset or reduction in the Purchase Price or otherwise be relieved from any obligations under the Purchase Agreement, if the First Closing or any Closing occurs earlier or later than the projected date, or

the time to complete or to close title to any Residential Unit is delayed or postponed by Sponsor. Nothing contained in this section will be construed so as to render Sponsor liable for money damages, nor shall Purchaser have against Sponsor any liability, suit, claim, cause of action, or demand under any legal theory. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS WHEN DETERMINING WHETHER TO PURCHASE A RESIDENTIAL UNIT.

(b) In the event the actual or projected date of the First Closing is to be delayed by 6 months or more, Sponsor will amend the Plan to include a revised budget with updated common charge projections. If the total common charge projections in the amended budget exceed those in the latest budget set forth in the Plan by 25% or more, Sponsor will, in the amendment disclosing such updated budget, offer all Purchasers the right, for 15 days, to rescind their Purchase Agreements and receive a refund of their Deposits, together with any interest earned thereon (provided, however, that after the Plan has been declared effective and the amendment disclosing the same has been accepted by the Department of Law, a Purchaser who is in default under the Purchase Agreement beyond the expiration of any applicable grace period will not have the right to rescind).

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

Loss or Damage from Power Outages

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

Smoking Policy

41. (a) The Residential Rules and Regulations and the form of Purchase Agreement set forth in Part II of the Plan provide the following smoking policy for the Property ("Smoking Policy") in accordance with §17-506.1 of the Administrative Code of the City of New York:

(i) Smoking is prohibited as follows: Smoking is prohibited in the Common Elements (other than Terraces) of the Building, including without limitation, the lobby, stairwells, service entrance, below-grade spaces, roofs, amenity areas, and any common outdoor space as well as the sidewalk perimeter area of 6 feet from the Building. Ashes, matches and other smoking debris shall be disposed of in closed trash containers and not left on the grounds or sidewalk adjacent to the Building. This rule applies to residents and any other persons on the Property, including guests and service persons. Smoking is permitted in the Residential Units only when all doors are closed and on a Residential Unit's Terrace; but in any event only to the extent the same does not trigger complaint of smoke or smoke odors infiltrating or permeating into other Units or Common Elements.

(ii) Definition of "Smoking": "Smoke" or "Smoking" is defined as carrying, burning, inhaling, exhaling, or otherwise handling any lighted or smoldering object or device or nicotine vaporizing device, including, but not limited to, cigarettes, electronic cigarettes, cigars, pipes, vapes or any other lighted object, device, matter or substance.

(iii) Tenant Smoking: In accordance with the Condominium Documents, any lease or renewal lease entered into by a Residential Unit Owner, as landlord shall include a copy of the Smoking Policy and shall provide that the Smoking Policy is a material term of the lease and that failure to comply will permit landlord or the Condominium Board to take action against the tenant, including, without limitation, the right to evict the tenant for breach thereof.

(iv) Complaint Procedure: Complaints about smoking or smoke or smoke odors infiltrating or permeating into a Unit or Common Element should be made promptly to the Managing Agent. Complaints should be made in writing and should be as specific as possible, including the date, approximate time, location, and source of the smoke or smoke odors. The Condominium Board may enter any Residential Unit to investigate any such complaints.

(v) Compliance: Residential Unit Owners are required to advise all of their co-occupants, tenants, guests, visitors, contractors, and other invitees of the Smoking Policy and shall be responsible for any violations of the smoking policy caused by such parties, which violations may subject a Unit Owner to fines. Purchasers are advised that the By-Laws empower the Condominium Board to amend the Residential Rules and Regulations, including without limitation to modify or replace the Smoking Policy, and Sponsor makes no representations or guarantees as to whether the Condominium Board will choose to do so at any time.

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

(c) See the section of the Plan entitled "Rights and Obligations of Unit Owners," the form of Purchase Agreement set forth in Part II of the Plan, and the Residential Rules and Regulations annexed to the By-Laws in Part II of the Plan for details.

Façade Inspection Safety Program

42. The Façade Inspection Safety Program (formerly Local Law 11.98), which has been incorporated into the Administrative Code as section 28.302.1 ("FISP") shall apply to the Building. A copy of the last issued FISP report is set forth as an Exhibit in Part II of this Plan. Sponsor will address any conditions noted as unsafe in such existing FISP report as part of Sponsor's renovation work at the Building. In accordance with FISP, the Condominium Board is responsible for scheduling any future inspections of the physical condition of the exterior walls and any Terrace/balcony railings and guards (including fire escapes) of the Building and submitting a technical report thereof with the Buildings Department every five (5) years. The cost and expense thereof, including the cost of any repairs or maintenance to the façade or other parts of the Building as a result of any such future inspections, shall be borne by the Condominium and shall be charged to all Unit Owners as a Common Expense (subject to any rights by the Condominium Board to draw from the Working Capital Fund, in its sole discretion). (See the section of the Plan entitled "Rights and Obligations of the Condominium Board/ Summary of By-Laws.")

Purchase Agreement Provisions

43. The form of Purchase Agreement set forth in Part II of the Plan contains provisions that require each Purchaser to (i) waive trial by jury in any litigation arising out of, connected with, or relating to, the Purchase Agreement or the relationship created thereby or in the Plan, and (ii) keep all of the terms and conditions of the Purchase Agreement confidential (except for certain limited exceptions set forth

therein), failing which Purchaser will be in default under the Purchase Agreement, entitling Sponsor to exercise the remedies set forth in the Purchase Agreement. (See the form of Purchase Agreement set forth in Part II of the Plan for details.)

Sponsor's Renovation Work at the Building

44. Purchasers are advised that the Building is an existing Building which was originally constructed in 1926 and was previously operated as a hotel. The Property became vacant prior to Sponsor's acquisition thereof and there were no units in the Building which were subject to rent regulation at such time. Although Sponsor is substantially renovating the Building as more particularly described herein and in the Description of Property and Improvements set forth in Part II of this Plan, certain aspects of the Building will remain, including, but not limited to, certain aspects of the foundation, structure, and exterior walls and windows of the Building, among other things. As such, the Units and the Common Elements are being sold and delivered "AS IS," as described in the Plan at the time of transfer of title to such Unit (subject to Sponsor's obligation to deliver the Units and the Common Elements in the condition set forth in the Plan). As more particularly set forth in the Description of Property and Improvements set forth in Part II of this Plan, Sponsor's renovation work at the Building will include, among other things: (a) the reconfiguration of the Lower Cellar and Cellar, including the infill of two air wells as part of the new Cellar and Floor 1 space; (b) the addition of a new convenience stair from the Cellar to Floor 2; (c) the relocation of an egress stair from Floor 2 to Floor 1; (d) the reconfiguration and build out of spaces at Floors 1 through 10 to, among other things, accommodate the updated design of the Hotel to be operated within the Hotel Unit, which will include Hotel common spaces at Floors 1 and 2 and Hotel rooms and accommodations at Floors 3 through 10; (e) the reconfiguration and build out of spaces at Floors 11 through Roof to, among other things, accommodate the construction of the Residential Units on such floors and the Common Terrace at the Roof, and (f) the installation of a new HVAC system and updates to other building systems, as required. Purchasers should carefully review the Description of Property and Improvements set forth in Part II of the Plan to understand those aspects of the Building which will be renovated by Sponsor as opposed to those aspects which will remain, and the condition thereof.

No Warranties

45. Article 36B of the New York General Business Law ("Housing Merchant Implied Warranty Law") does not apply to this offering as the Building comprises more than five (5) stories. Sponsor makes no other warranties, express or implied, in connection with this offering of the Units and all such warranties are excluded, except for the Limited Warranty described in the Section of this Plan entitled "Rights and Obligations of Sponsor". Sponsor's obligations, regardless of any limitations in any warranty or in the Plan, cannot go below the duty to perform its construction work at the Building in accordance with all applicable Laws and the Plans and Specifications, and any conflict between any such disclaimers and Sponsor's obligation to perform its construction work at the Building in accordance with all applicable Laws and the Plans and Specifications shall be resolved in favor of the latter. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for further discussion.)

Landmark Designation

46. The Building is located within the Upper East Side – Historic District and the Special Madison Avenue Preservation Area and has therefore been designated by the New York City Landmarks Preservation Commission ("LPC") with landmark status and is on the National Registry of Historic Places. As a result of such landmark designation, no alterations may be made to the Building without LPC approval. Such reviews and/or approvals may involve additional costs or time on the part of Unit Owners desiring alterations. (See the section of the Plan entitled "Location and Area Information.")

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INTRODUCTION

Nature of the Transaction

Surrey Propco, LLC ("Sponsor") is a limited liability company organized and existing under the laws of the State of Delaware. Sponsor acquired the Property on December 3, 2020 from Surrey Realty Associates LLC.

Sponsor presents this offering plan, as the same may be amended from time to time ("Plan") for the establishment of condominium ownership of the Land and Building pursuant to the Condominium Act. The Condominium will be known as The Surrey Condominium and located at 20 East 76th Street, New York, NY 10021 ("Property") and shall be subject to and compliant with the Condominium Act.

The principals of Sponsor (as such term is defined in the Department of Law's regulations) are Richard Stone and Eileen Sawyer. (See the sections of the Plan entitled "Identity of Parties" and the "Certification of Sponsor and Principals" in Part II of the Plan for details.)

The Condominium will consist of: (a) 14 Residential Units and (b) 1 Hotel Unit. The Residential Units and the Hotel Unit are collectively referred to as the "Units."

The Offering Plan

The purpose of the Plan is to set forth in detail all material facts relating to the offering by Sponsor. The Plan is subject to and complies with the New York Condominium Act and contains all of the detailed terms of the transaction.

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

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

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

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

The Property

Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by Force Majeure, Sponsor's construction work at the Building will be sufficiently completed to permit the First Closing to take place on or about October 1, 2024. Sponsor has the right to change the projected date of the First Closing from time to time by an amendment to the Plan. If the First Closing does not occur within 12 months after the projected date set forth in Schedule B in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor will offer those affected Purchasers only a right to rescind their Purchase Agreements for 15 days from the Presentation Date of the amendment disclosing Sponsor's failure to close within such time frame. Any Purchasers electing rescission will have their Deposits returned together with any interest earned thereon, except for any Special Work Funds to the extent that such Special Work Funds have been expended and/or committed. Even if the First Closing occurs within 12 months after the date set forth in Schedule B for the First Year of Condominium Operation in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor is not obligated under the regulations promulgated by the Attorney General to schedule any subsequent closing within any specified time frame. Residential Units will be completed at different times over a period that may begin prior to and/or extend significantly beyond the projected date of the First Closing, and Residential Units on higher floors generally close later than Residential Units on lower floors. Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to any credit, offset or reduction in the Purchase Price or otherwise be relieved from any obligations under the Purchase Agreement, if the First Closing or any Closing occurs earlier or later than the projected date, or the time to complete or to close title to any Residential Unit is delayed or postponed by Sponsor. Nothing contained in this section will be construed so as to render Sponsor liable for money damages, nor shall Purchaser have against Sponsor any liability, suit, claim, cause of action, or demand under any legal theory. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS WHEN DETERMINING WHETHER TO PURCHASE A RESIDENTIAL UNIT.

In the event the actual or projected date of the First Closing is to be delayed by 6 months or more, Sponsor will amend the Plan to include a revised budget with updated common charge projections. If the total common charge projections in the amended budget exceed those in the latest budget set forth in the Plan by 25% or more, Sponsor will, in the amendment disclosing such updated budget, offer all Purchasers the right, for 15 days, to rescind their Purchase Agreements and receive a refund of their Deposits, together with any interest earned thereon (provided, however, that after the Plan has been declared effective and the amendment disclosing the same has been accepted by the Department of Law, a Purchaser who is in default under the Purchase Agreement beyond the expiration of any applicable grace period will not have the right to rescind).

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

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

Offering of Residential Units for Sale

Sponsor hereby offers the Residential Units for sale pursuant to the Plan. The Purchase Prices for each of the Residential Units are listed in the section of the Plan entitled "Schedule A - Purchase Prices and Related Information" ("Schedule A"). THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE

NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

Conveyance of Title

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

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

Sponsor intends, in good faith, to sell rather than rent Residential Units. However, Sponsor reserves the unconditional right to rent rather than sell (i) the Hotel prior to the consummation of the Plan and (ii) all Units after the consummation of the Plan; provided that Sponsor will not rent any Units or any portions of any Units to any residential tenants prior to consummation of the Plan, it being acknowledged that the Hotel Unit Owner shall have the right to operate the Hotel within the Hotel Unit and utilize the Hotel guest rooms for transient use prior to such time. Because Sponsor is not limiting the conditions under which it will rent rather than sell Units, Sponsor is not committed to sell more Units than the 15% necessary to declare the Plan effective (i.e., 3 Units based on 14 Units offered for sale) and therefore this Plan may not result in the creation of a condominium in which a majority of the Residential Units are owned by owner-occupants or investors unrelated to Sponsor.

Sponsor intends to offer Residential Units for sale both to Purchasers for personal occupancy and Purchasers who are purchasing for investment or resale. Purchasers for investment or resale may rent such Residential Units rather than use such Residential Units for personal occupancy, subject to the terms and provisions hereof. As a result, some and possibly many Residential Units may be occupied by renters instead of Residential Unit Owners. Since the Condominium Board does not have the right to approve or disapprove potential Purchasers of Residential Units, the Condominium Board is unable to limit the number of Purchasers who purchase Residential Units for investment or resale rather than for personal occupancy and there may always be a substantial percentage of Residential Unit Owners who are not occupants. It is possible that Residential Unit Owners who occupy Residential Units and those Residential Unit Owners who do not occupy Residential Units (including Sponsor) may have inherent conflicts on how the Condominium shall be managed because of their different reasons for purchasing (i.e. purchasing as a home as opposed to as an investment).

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

Sponsor has not yet procured financing for its construction at the Building and as of the Filing Date of this Plan, Sponsor does not anticipate that Sponsor will require construction financing in order to complete

its construction work at the Building. However, in the event Sponsor obtains construction financing in connection therewith, Sponsor will amend the Plan to disclose any requirements imposed by the Construction Lender with respect to the sale of the Residential Units.

Excess Development Rights

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

Basic Aspects of Condominium Ownership

The ownership of a Residential Unit is similar in many respects to the ownership of a private home in the case of a Residential Unit, and a building in the case of the Hotel Unit. Each Unit Owner owns fee title to the Unit and is entitled to the exclusive possession and use thereof and is obligated to comply, with the terms of the Condominium Documents and any other requirements implemented by the Condominium Board. Each Unit Owner also owns, in common with the owners of all other Units, an undivided interest in (and right to use) the Common Elements. The Common Elements are comprised of: (i) portions of the Property serving and benefiting all Units, generally, including, for example, the Land upon which the Building stands and foundations and supports of the Building, these Common Elements being more specifically designated as "General Common Elements," (ii) portions of the Building serving and benefiting the Residential Units, exclusively, including for example, and without limitation, the Residential Lobby, the residential hallways, and residential corridors exclusively servicing the Residential Units, these Common Elements being more specifically designated as "Residential Common Elements;" (iii) portions of the Building exclusively serving and benefiting one Residential Unit such as a Terrace, these Common Elements being specifically designated as "Residential Limited Common Elements"; and (iv) portions of the Building exclusively serving and benefiting the Hotel Unit such as a terrace appurtenant thereto, these Common Elements being specifically designated as "Hotel Common Elements".

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

Operation of the Condominium will be vested in a Condominium Board, the Members of whom will be elected by the Unit Owners and/or designated by the Hotel Unit Owner or Sponsor, as set forth in the section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws." When voting for Members of the Condominium Board, each Residential Unit Owner shall be entitled to cast

one vote for each .0001% of Common Interest attributable to the Residential Unit per Residential Member to be elected.

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

The Hotel Management Agreement provides that the Hotel and the Common Elements will be maintained to an aesthetic and operational standard consistent with the Hotel Standard (as hereinafter defined). As such, the Condominium Documents provide that the Common Elements must all times be maintained in accordance with the Hotel Standard. The "Hotel Standard" means any standard for operation, management and maintenance which is required to be maintained by the Hotel Operator, the Hotel Unit Owner and/or the Condominium under the terms of the Hotel Management Agreement entered into between the Hotel Operator and the Hotel Unit Owner from time to time, which may include standards of quality, service, character, appearance and image, required by the Hotel Operator from time to time. Pursuant to the Hotel Management Agreement in place as of the Filing Date, the Hotel Standard means substantially the same quality, operating, service and standards (including guidelines developed for use with the Hotel as modified, amended or supplemented from time to time, without limitation standards and specifications related to health, fire and life safety, security, guest services and assistance, quality assurance as well as design and construction standards) as determined by the Hotel Operator and notified to Hotel Unit Owner from time to time to apply in respect of the hotels operated by the Hotel Operator as part of the group of hotels operated or licensed, as applicable, under the brand name "Corinthia" and owned and/or operated and/or franchised from time to time by the Hotel Operator and/or its affiliates (provided such standards are then applied in a generally consistent manner in all or substantially all such group of hotels) (subject to all limitations with respect thereto set forth in the Hotel Management Agreement). No representation or warranty is made with respect to the existence or identity of the Hotel Operator from time to time or the continued operation of the Hotel under any particular trade name or flag. Purchasers are advised that any different or future agreement with a Hotel Operator may require that the Property (including the Hotel and the Common Elements) be operated, managed and maintained at a minimum according to a Hotel Standard which may be different than the existing Hotel Standard, and the Hotel Unit Owner shall have the right to require the Condominium to abide by such standards. As a result of the Hotel Standard in effect from time to time, Residential Unit Owners may incur certain expenses associated with the operation and maintenance of the Condominium (through Common Charges or otherwise) that they might not otherwise incur in a typical residential condominium.

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

The cost of operating the Condominium will be borne entirely by the Unit Owners in accordance with allocations set forth in the "Schedule B – Projected Budget for First Year of Condominium Operation." As more particularly set forth in the By-Laws, the Condominium Board will determine the amount of Common Expenses. On a monthly basis or at such other times as the Condominium Board determines, the Condominium Board will assess Unit Owners for Common Charges to meet Common Expenses. Common Expenses shall be either General Common Expenses attributable to all Unit Owners or Residential Common Expenses attributable to Residential Unit Owners only. Common Charges for Residential Common Expenses or such portion of the General Common Expenses as are allocable to the Residential Unit Owners in the aggregate will be assessed against Residential Unit Owners in the same proportion their respective

Residential Units bears to the aggregate Common Interest of all Residential Units. The estimated Common Charges for each Unit for the First Year of Condominium Operation are set forth in Schedule A. Purchasers are obligated to pay monthly Common Charges pursuant to the Condominium Act (Real Property Law §§339 (i) and (m)).

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

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

Certain budgeted items (See the "Notes to Schedule B" for details) are allocated between the Residential Units and the Hotel Unit on a special basis which reflects actual benefit and/or use associated with that particular item of expense or exclusive control of particular Common Elements. The Condominium Board may not modify these allocations without the consent of the Hotel Unit Owner. In the opinion of Sponsor's budget expert, as set forth in the Certifications of Budget Expert set forth in Part II of the Plan, the allocated Common Charges payable by the Hotel Unit Owner are sufficient to cover the expenses fairly attributable to the Hotel Unit. Unit Owners will have no interest in any rents, net profits or revenues derived from the rental or use of any Unit owned by another. The aggregate Common Interest of all Units equals 100%. The aggregate Residential Common Interest of all Residential Units equals 100%. Each Unit's Common Interest and Residential Common Interest, as applicable, and estimate of the Common Charges that will be payable by the Unit Owner during the First Year of Condominium Operation of the Property subsequent to the First Closing are set forth in the section of the Plan entitled "Schedule A – Purchase Prices of Units and Related Information."

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

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

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

A Residential Unit shall be used for residential purposes only, including permitted "home occupation" as defined in the Zoning Resolution (except as described below), and not more than one family may occupy a Residential Unit at one time. A Residential Unit may not be used for any "dormitory," "bed and breakfast" or other transient hotel-type use, provided that short-term rentals (i.e., rentals for thirty (30) days to less than six (6) months) and long-term rentals (i.e., rentals of six (6) months or more) shall be

permitted in accordance with the further terms hereof. Any lease of a Residential Unit may be subject to additional conditions and restrictions as may be determined by the Condominium Board, including, without limitation, acceptable background and credit checks, income limits and tenant reference letters. The Condominium Board reserves the right to impose lease processing and administrative fees in connection with the rental of any Residential Unit. In no event shall any Residential Unit be used as part of or in furtherance of an Occupancy Plan or a program, plan, entity, agreement or other arrangement providing for short-term, fractional or shared use and/or ownership of such Unit, or as part of a travel club, "home share" platform such as AirBnB or Onefinestay, vacation rental platform such as VRBO, swap or exchange company or any enterprise having similar attributes; provided, however, if as, and when and only for so long as the Hotel Unit is being used by the Unit Owner thereof in connection with an Occupancy Plan (and for avoidance of doubt the use of the Hotel Unit as a transient hotel in the ordinary course shall not be considered "use…in connection with an Occupancy Plan"), the Residential Units may be so used on the same basis with the consent of the Condominium Board, in its sole discretion, and provided the same is in compliance with applicable law. An "Occupancy Plan" means a program, plan, agreement or other arrangement for the use, occupancy, marketing, advertising, or promotion of one or more Units under short-term, timeshare, fractional or shared ownership interval exchange, vacation club, destination club, vacation membership, private membership, private residence club and points club products, programs and services (whether the program is based on direct exchange of occupancy rights, cash payments, reward programs or other point or accrual systems) or other membership plans, arrangements or forms of products, programs and services through which a participant in a plan or arrangement acquires a direct or indirect ownership interest, use or other rights in the Unit(s) in question with attendant rights of periodic use and occupancy or acquires contract rights to such periodic use and occupancy of such Unit(s) or a portfolio of accommodations including such Unit(s). The provisions of this paragraph shall not apply to Sponsor with respect to any Unsold Residential Units

Purchasers are advised that, Purchasers shall be permitted to rent their Units on a long-term (i.e., for a term of six (6) months or longer) or short-term (i.e., for a term of thirty (30) days to less than six (6) months) basis in accordance with the terms hereof. In accordance with applicable Law, no Residential Unit Owner shall be permitted to rent their Unit for a term of less than thirty (30) days. As more particularly set forth in the Condominium Documents, a Residential Unit Owner other than Sponsor may make its Residential Unit available for rental on a short-term basis (i.e., for a term of thirty (30) days to less than six (6) months) and advertise such availability only through: (i) a direct rental made by such Residential Unit Owner; (ii) a licensed rental agent who appears on the Hotel Unit Owner's list (which list may be kept by the Hotel Operator on the Hotel Unit Owner's behalf) of qualified agents that possess the objective minimum quality standards as reasonably set forth by the Hotel Unit Owner (or the Hotel Operator on the Hotel Unit Owner's behalf) from time to time (the "Rental Agent Standards"); or (iii) a rental agent selected by the Residential Unit Owner and approved by the Hotel Unit Owner (or Hotel Operator on the Hotel Unit Owner's behalf), in its sole discretion, and subject to certain conditions as determined by the Hotel Unit Owner in its sole discretion, which otherwise satisfies the Rental Agent Standards. Any rental agent qualifying under clauses (ii) and (iii) of the immediately preceding sentence shall be referred to herein as a "Qualified Broker". The Rental Agent Standards shall initially require that the agent: (v) agree to enter into a confidentiality and license agreement with respect to the use of the applicable Hotel Intellectual Property, if applicable; (w) be licensed and bonded in accordance with applicable law; (x) conduct their business commensurate with the Hotel Standard; (y) be sufficiently familiar with the Condominium and the Condominium Documents, including the Residential Rules and Regulations annexed thereto to inform potential renters; and (z) satisfy such additional standards established by the Hotel Unit Owner (or the Hotel Operator on its behalf) from time to time. Upon request, the Hotel Unit Owner (or the Hotel Operator on its behalf) shall make available to the Residential Unit Owners, the list of Qualified Brokers and/or Rental Agent Standards in effect at a given time. Notwithstanding anything contained herein to the contrary, the Hotel Unit Owner and the Hotel Operator or either of their designees shall each at all times be deemed to be a Qualified Broker. Each Qualified Broker other than the Hotel Unit Owner or the Hotel Operator or either of their designees will be required to provide evidence of insurance held by the Qualified Broker upon request by the Condominium Board (or the Hotel Unit Owner or Hotel Operator). Any Residential Unit Owner directly renting its

Residential Unit on a short-term basis (i.e., for any term of thirty (30) days to less than six (6) months) shall at all times comply with all applicable laws in connection with the rental of its Residential Unit and shall not utilize any third-party rental agent or brokerage services or otherwise in connection with the short-term rental of its Residential Unit. Sponsor reserves the right, after the consummation of the Plan, to rent one or more of the Residential Units for any amount of time (whether long-term, short-term or otherwise); and the foregoing provisions of this paragraph shall not apply to Sponsor with respect to any Unsold Residential Units. Short-term rentals of Residential Units may be subject to sales, hotel occupancy or other taxes and fees imposed by the state and/or local governmental authorities, occupancy limitations and other applicable laws and regulations. Residential Unit Owners are responsible for ensuring the collection and remittance of such fees and taxes to the appropriate governmental authorities and should consult with their own legal counsel or accounting professionals to understand the types and amounts of such taxes and/or fees. Additionally, Residential Unit Owners should consult with their own counsel to determine whether and to what extent other applicable laws would govern their ability to rent their Units on a short-term basis. The Condominium Board, the Managing Agent, the Hotel Unit Owner and the Hotel Operator (if any) each reserve the right to require any Qualified Broker or Residential Unit Owner seeking to rent their Unit on a short-term basis and/or any short-term renter of such Residential Unit to execute any other documentation reasonably required by the Condominium Board, the Managing Agent, the Hotel Unit Owner and/or the Hotel Operator in connection therewith.

With certain exceptions, any sale or long-term lease (of six (6) months or more) of a Residential Unit will be subject to a right by each of the Condominium Board and the Hotel Unit Owner (or its designee) to acquire or lease such Residential Unit, 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 and the Hotel Unit Owner (or its designee) is not applicable to a sale or lease of the Unsold Residential Units, the resale or lease of a Residential Unit to Sponsor or its designee or any subsequent sale or lease of such Residential Unit by Sponsor or its designee. It is also not applicable to the sale or lease of the Hotel Unit. The Hotel Unit Owner (or its designee) shall in all events have priority over the Condominium Board in exercising any right of first refusal offered in accordance with the terms of the Condominium By-Laws. (See the section of the Plan entitled "Rights and Obligations of Unit Owners" subsection "Sales and Leases of Units" for details.)

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

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

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

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DEFINITIONS

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

"A La Carte Services" shall have the meaning ascribed to such term in Special Risk 1 hereof.

"Additional Deposit" shall mean a deposit in an amount equal to 10% of the Purchase Price required to be delivered by Purchaser before the earlier to occur of (i) 6 months after the date on which a Purchase Agreement is executed by Sponsor and Purchaser, or (ii) 15 days after the Presentation Date of an amendment declaring the Plan effective.

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

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

"Basic Hotel Services" shall have the meaning ascribed to such term in Special Risk 1 hereof.

"Building" shall mean the building located at 20 East 76th Street, New York, NY 10021.

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

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

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

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

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

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

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

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

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

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

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

"Condominium Board" shall mean the board of managers of the Condominium which will manage the affairs of the Condominium. The Condominium Board is also sometimes referred to herein as the "Board".

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

"Force Majeure" shall mean unavoidable delays due to acts of God, weather, fire, flood, explosion, war, riot, sabotage, epidemics, pandemics, quarantine, acts of terrorism, freight embargos, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, governmental restrictions, preemptions or approvals, strike, lockout, action of labor

unions, or any other cause (whether similar or dissimilar to the foregoing) not within the control of Sponsor; however, for purposes of this definition, Sponsor's lack of funds or inability to obtain financing are expressly excluded from the meaning of "any causes not within the control of Sponsor."

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

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

"General Common Expenses" shall mean all Common Expenses allocated to both the Residential Unit Owners and the Hotel Unit Owner.

"Hotel" shall mean the hotel operation within the Hotel Unit, which may include, but shall not be limited to, hotel guest rooms and ancillary spaces, retail, bar/restaurant, lounge and club areas, a fitness center, conference rooms, ballrooms, event spaces and spa facilities.

"Hotel Common Elements" shall mean those portions of the Common Elements existing for the exclusive use of the Hotel Unit Owner, as more particularly described in the Declaration and the Tax Lot Drawings.

"Hotel Intellectual Property" shall mean any licenses to rights in certain trademarks, trade names, copyrights and/or other intellectual property which the Hotel Unit Owner and/or the Hotel Operator from time to time, either owns or obtains licenses for rights to.

"Hotel Management Agreement" shall mean any management agreement entered into between the Hotel Unit Owner and any Hotel Operator from time to time with respect to operations of the Hotel.

"Hotel Member" shall mean any members of the Condominium Board designated by the Hotel Unit Owner in accordance with the terms of the By-Laws.

"Hotel Operator" shall mean the operator, if any, of the Hotel which may be retained by the Hotel Unit Owner from time to time. Sponsor has entered into a Hotel Management Agreement with CHL Surrey, Inc., an affiliate of Corinthia Hotels Limited, to initially serve as the Hotel Operator.

"Hotel Services" shall have the meaning ascribed to such term in Special Risk 1 of this Plan.

"Hotel Standard" shall mean any standard for operation, management and maintenance which is required to be maintained by the Hotel Operator, the Hotel Unit Owner and/or the Condominium under the terms of the Hotel Management Agreement entered into between the Hotel Operator and the Hotel Unit Owner from time to time, which may include standards of quality, service, character, appearance and image, required by the Hotel Operator from time to time. Pursuant to the Hotel Management Agreement in place as of the Filing Date, the Hotel Standard means substantially the same quality, operating, service and standards (including guidelines developed for use with the Hotel as modified, amended or supplemented from time to time, without limitation standards and specifications related to health, fire and life safety, security, guest services and assistance, quality assurance as well as design and construction standards) as determined by the Hotel Operator and notified to Hotel Unit Owner from time to time to apply in respect of the hotels operated by the Hotel Operator as part of the group of hotels operated or licensed, as applicable, under the brand name "Corinthia" and owned and/or operated and/or franchised from time to time by the Hotel Operator and/or its affiliates (provided such standards are then applied in a generally consistent manner in all or substantially all such group of hotels) (subject to all limitations with respect thereto set forth in the Hotel Management Agreement).

"Hotel Unit" shall mean the Unit designated as such in the Declaration together with its Common Interest.

"Hotel Unit Owner" shall mean the Unit Owner of the Hotel Unit at the time in question.

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

"Initial Deposit" shall mean a deposit in an amount equal to 10% of the Purchase Price required to be delivered by Purchaser at the time Purchaser signs and delivers the Purchase Agreement.

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

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

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

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

"Land" shall mean the land located in the Borough of Manhattan on the Tax Map of the Division of Land Records of The City of New York as Block 1390, Lot 57 and more particularly described in Exhibit A to the Declaration.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

"Residential Common Elements" shall mean those portions of the Common Elements either existing for the common use of the Residential Units or the Residential Unit Owners or necessary for, or convenient to, the existence, maintenance or safety of the Residential Units, as more particularly described in the Declaration and the Tax Lot Drawings.

"Residential Common Expenses" shall mean those Common Expenses to be incurred solely by the Residential Unit Owners.

"Residential Common Interest" shall mean the proportionate undivided interest, expressed as a numerical percentage, of each Residential Unit Owner in the Residential Common Elements. The total of all Residential Common Interest percentages appurtenant to all Residential Units equals 100%. The Residential Common Interest is the basis for determining a Residential Unit Owner's liability for such Unit Owner's share of the Residential Common Expenses.

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

"Residential Member" shall mean any member of the Condominium Board elected by the Residential Unit Owners or designated by Sponsor in accordance with the terms of the By-Laws.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

"Title Company" shall mean Prestige Title Agency, Inc., having an office at 55 West 39th Street, New York, New York 10018 (telephone: (212) 651-1200, or any successor Title Company at the time in question.

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

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

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

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

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

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

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

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

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

Location

The Property is located at 20 East 76th Street in the Borough of Manhattan, City and State of New York.

Improvements - General Description of Property

The Condominium will include a fifteen-story Building. The Building shall follow a marketing floor numbering system that will among other things omit the 13th floor designation, as follows: Lower Cellar, Cellar, 1st through 12th Floors, 14th Floor, 15th Floor, Penthouse, Roof, Penthouse Roof and Upper Roof. All floors referenced herein (including in the sections "Description of Property and Improvements" and "Floor Plans" set forth in Part II of the Plan) shall mean the marketing designation unless expressly provided otherwise. The Condominium will comprise: (a) fourteen (14) Residential Units located on Floors 11 through 12, 14 through 15, Penthouse and Roof of the Building, which Residential Units are being offered for sale hereunder; (b) one (1) Hotel Unit located on Floors Lower Cellar, Cellar and 1 through 10 of the Building, which Hotel Unit is not being offered for sale hereunder; and (c) certain Common Elements as more particularly described herein. Although the Hotel Unit may be used for any lawful purpose, it is initially anticipated that the Hotel Unit will be operated as a Hotel which will initially feature approximately 100 guest rooms and which may also include, but shall not be limited to, hotel ancillary spaces, retail, bar/restaurant, lounge and club areas, a fitness center, conference rooms, ballrooms, event spaces and spa facilities. The Building and the Units will be constructed in accordance with applicable zoning and building laws, and other requirements, including without limitation the Building Code of the City of New York and the Americans with Disabilities Act.

Purchasers are advised that certain components of the Building, including, but not limited to, the Building's main entrance, entrance vestibule, lobby (the "Hotel Lobby"), certain service corridors and the fitness center together with its adjacent terrace, which serve both the Hotel Unit and the Residential Units, shall be part of the Hotel Unit (or, in the case of the fitness center's adjacent terrace, a Hotel Common Element) and, therefore shall be owned (as applicable) and controlled by the Hotel Unit Owner and may be managed by the Hotel Operator on the Hotel Unit Owner's behalf. Those components of the Building which serve or benefit both the Hotel Unit Owner and the Residential Unit Owners but are included in the Hotel Unit (or are Hotel Common Elements) are referred to herein as the "Hotel Shared Components" and are more specifically identified in the Condominium Declaration set forth in Part II of this Plan. The Residential Unit Owners will have exclusive use of a portion of the Hotel Lobby which will serve as a mail room and private elevator lobby for the Residential Unit Owners (the "Residential Lobby"), but the same is only accessible through the Hotel Lobby. As more particularly set forth in Section 11.12 of the Declaration set forth in Part II of the Plan, each Residential Unit Owner shall be granted an easement across portions of the Hotel Unit to utilize the Hotel Shared Components (the "Hotel Easement Areas") and the Hotel Services, as and to the extent such Hotel Services are being made available to the Residential Unit Owners by the Hotel Unit Owner, at a given time. The Hotel Easement Areas shall include: (a) the Building's main entrance, vestibule and Hotel Lobby as well as the corridors and areas leading from the Hotel Lobby to the Residential Lobby and the service elevator, all at the 1st floor of the Building; and (b) the fitness center and any corridors leading to and from the Building's elevators or stairs to the fitness center, located at the 2nd Floor of the Building. Additionally, the Residential Unit Owners will be granted the same access to public portions of the Hotel Unit which are granted to hotel guests of the Hotel. The Hotel Shared Easement Areas are part of the Hotel

Shared Components. Purchasers are advised that since the Hotel Shared Components will be part of the Hotel Unit, decisions with respect to the staffing, maintenance and operation thereof will be made by the Hotel Unit Owner or the Hotel Operator on the Hotel Unit Owner's behalf and not by the Condominium Board, and therefore, neither the Condominium Board nor the Residential Unit Owners will have any right to participate in or control decisions with respect to the same. Further, the Hotel Operator may have the right to substantially control the decoration, appearance and management of the Hotel, and the hiring, retention and dismissal of building staff, as well as the design and appearance of staff uniforms and other aspects of operation of the Hotel within the Building. Pursuant to the Condominium Documents, the Hotel Unit Owner shall have the right to modify the Hotel Shared Easement Areas and the Hotel Shared Components from time to time without the consent of the Condominium Board or any Residential Unit Owner, neither of whom shall have the right to restrict the Hotel Unit Owner in this regard, provided that no modification to the Hotel Shared Easement Areas or the Hotel Shared Components which are part of the Hotel Unit shall materially and adversely affect any Residential Unit Owner's ability to access the Residential Lobby, its Unit or the fitness center, and provided further that the same complies with all Legal Requirements. Purchasers are advised that, the Hotel Unit Owner's right to modify the Hotel Shared Easement Areas and the Hotel Shared Components from time to time without the consent of the Condominium Board or any Residential Unit Owner may result in withdrawal of any amenities which may be available for use by any Residential Unit Owners at a given time, provided that, at all times, the Basic Hotel Services shall be made available to the Residential Unit Owners (subject to the Hotel Unit Owner's right to deny Hotel Services to a Residential Unit Owner who is not current in payment of any Per-Use Fees applicable to such Residential Unit Owner). As a result of the foregoing, the only amenity areas in the Building which are available for use by the Residential Unit Owners and which are not part of the Hotel Unit or a Hotel Common Element, include the Residential Lobby, which is a Residential Common Element and the common recreational terrace located at the Roof of the Building, which is a General Common Element. All other spaces in the Building which are designated as Common Elements comprise primarily back-of-house spaces, mechanical and/or utility rooms or areas, stairs, elevators, common corridors and the like. Purchasers should refer to the Floor Plans in Part II of the Plan for a complete description of those portions of the Building which are part of the Hotel Unit and those portions of the Building which are Common Elements. Additionally, Purchasers should refer to the easement set forth in Section 11.12 of the Declaration set forth in Part II of the Plan for further discussion regarding the Hotel Easement Areas.

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

Residential Units

There will be 14 Residential Units located on Floor 11 through Roof, the square footages of which are set forth on Schedule A.

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

Hotel Unit

The Condominium will contain 1 non-residential unit comprised of the Hotel Unit. The Hotel Unit is not being offered for sale pursuant to the Plan at this time. The Hotel Unit may be offered for sale in the future by a pursuant to a "no-action, "no-jurisdiction," or other ruling issued by the Department of Law, an amendment to this Plan (as and to the extent the same is accepted by the Department of Law), or a separate offering plan filed with the Department of Law.

Purchasers should refer to the section of the Plan entitled "Hotel Unit" for a detailed description of the Hotel Unit.

Construction Data for Units and Common Elements

Sponsor has engaged BKSK Architects LLP as architect of record. The Plans and Specifications have been prepared by such architect along with other design and construction professionals. (See the section of the Plan entitled "Identity of Parties" for details.)

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

Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by Force Majeure, Sponsor's construction work at the Building will be sufficiently completed to permit the First Closing to take place on or about October 1, 2024. Sponsor has the right to change the projected date of the First Closing from time to time by an amendment to the Plan. If the First Closing does not occur within 12 months after the projected date set forth in Schedule B in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor will offer those affected Purchasers only a right to rescind their Purchase Agreements for 15 days from the Presentation Date of the amendment disclosing Sponsor's failure to close within such time frame. Any Purchasers electing rescission will have their Deposits returned together with any interest earned thereon, except for any Special Work Funds to the extent that such Special Work Funds have been expended and/or committed. Even if the First Closing occurs within 12 months after the date set forth in Schedule B for the First Year of Condominium Operation in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor is not obligated under the regulations promulgated by the Attorney General to schedule any subsequent closing within any specified time frame. Residential Units will be completed at different times over a period that may begin prior to and/or extend significantly beyond the projected date of the First Closing, and Residential Units on higher floors generally close later than Residential Units on lower floors. Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to any credit, offset or reduction in the Purchase Price or otherwise be relieved from any obligations under the Purchase Agreement, if the First Closing or any Closing occurs earlier or later than the projected date, or the time to complete or to close title to any Residential Unit is delayed or postponed by Sponsor. Nothing contained in this section will be construed so as to render Sponsor liable for money damages, nor shall Purchaser have against Sponsor any liability, suit, claim, cause of action, or demand under any legal theory. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS WHEN DETERMINING WHETHER TO PURCHASE A RESIDENTIAL UNIT.

In the event the actual or projected date of the First Closing is to be delayed by 6 months or more, Sponsor will amend the Plan to include a revised budget with updated common charge projections. If the total common charge projections in the amended budget exceed those in the latest budget set forth in the Plan by 25% or more, Sponsor will, in the amendment disclosing such updated budget, offer all Purchasers the right, for 15 days, to rescind their Purchase Agreements and receive a refund of their Deposits, together with any interest earned thereon (provided, however, that after the Plan has been declared effective and the amendment disclosing the same has been accepted by the Department of Law, a Purchaser who is in default under the Purchase Agreement beyond the expiration of any applicable grace period will not have the right to rescind).

As set forth in the Purchase Agreement, Sponsor has the right to adjourn the Closing Date from time to time and Purchasers should be aware that if the Closing Date is adjourned, Sponsor shall have no liability

for any losses incurred by Purchaser as a result of such adjournment, including without limitation any costs associated with Purchaser's financing arrangements, travel or lodging expenses, fees associated with transfers of funds, and lost interest on liquidated assets.

Services and Facilities

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

(a) Staff

Staff retained by the Hotel Unit (or the Hotel Operator, on its behalf) will also provide the following services to the Residential Unit Owners as part of the Basic Hotel Services and subject, in all events to the provisions of this Plan with respect thereto: doorman, bellperson and/or receptionist, twenty-four (24) hour concierge, and valet, including package delivery and holding. The Notes to Schedule B in Part I of this Plan provide more detail on the initial staffing which will serve the Residential Units.

(b) Residential Lobby

Although Residential Unit Owners will utilize the Hotel main entrance and lobby to gain access to the Building and their Units, there will be a dedicated residential lobby (the "Residential Lobby") adjacent to one of the passenger elevators (PE1) within the Hotel Lobby, which Residential Lobby will be for the exclusive use of the Residential Unit Owners.

(c) Elevator Service

There will be two (2) passenger elevators (PE1 & PE2) and one (1) service elevator (SE3) which serve both the Residential Units and the Hotel Unit. However, one of the passenger elevators, PE1, will provide priority access to Residential Unit Owners from the Residential Lobby within the Hotel Lobby. Purchasers should refer to the Description of Property and Improvements set forth in Part II for details concerning the elevators.

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

(d) Telecommunications

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

(e) Mail

All incoming mail will be delivered to the Building and will either, as determined by the Condominium Board, be delivered to the individual Residential Units by building staff or placed by the United States Postal Service in mailboxes located in the Residential Lobby of the Building.

(f) Laundry Facilities

Each Residential Unit will contain a washing machine and dryer. There will not be a common laundry room for use by the Residential Unit Owners.

(g) Refuse Disposal

There will be recycling bins and access to refuse areas located on each floor containing Residential Units.

(h) Communication Facilities

Each Residential Unit will be equipped with a telephone system which will enable the occupants to communicate directly with the lobby attendant over a standard touch tone telephone. Sponsor reserves the right to substitute an alternate service to enable communication between the lobby attendant and the residents.

(i) Smoke and Carbon Monoxide Detector/Sprinklers

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

(j) Common Terrace

The residents of the Building will have non-exclusive access to a common terrace located at the Roof with an adjacent pantry area and two (2) water closets (the "Common Terrace"), which Common Terrace is a General Common Element of the Condominium. Use of the Common Terrace shall be subject to regulation by the Condominium Board, which may include, without limitation: (i) restrictions concerning the number of people permitted on the Common Terrace at one time; (ii) noise constraints; (iii) prohibitions from utilizing glassware; (iv) restrictions concerning access during inclement weather; and (v) a requirement for a chaperone for children under the age of 18. The Condominium Board reserves the right to grant priority access to the Hotel Unit Owner and/or its representatives (including, but not limited to, the Hotel Operator and/or commercial tenants or occupants of the Hotel Unit) for use of the Common Terrace and to permit the Hotel Unit Owner and/or its representatives (including, but not limited to, the Hotel Operator and/or commercial tenants or occupants of the Hotel Unit) from time to time to reserve the Common Terrace for private events, and therefore, temporarily restrict use of the Common Terrace by Residential Unit Owners.

(k) Bike Storage

There will by seven (7) bicycle parking spaces located in the Cellar, available on a first-come, first-served basis or as otherwise determined by the Condominium Board.

(l) General

Use of the services and facilities shall be available only to individuals who reside in a Residential Unit in the Building (i.e. a Residential Unit Owner or permitted tenant) and such individual's guests, provided that such Residential Unit Owner or tenant accompanies the guest during such use. In addition, use of the services and facilities are subject to such Rules and Regulations as may be promulgated from time to time by the Condominium Board, including, without limitation, the right to impose usage fees and restrictions on hours of access, use, and/or service, as applicable. No representation or warranty is made as to the continued operation or existence of any of the foregoing services, amenities or facilities and neither Sponsor, the Hotel Unit Owner, the Hotel Operator, the Selling Agent, the Managing Agent nor the Condominium Board will have any liability with respect to or arising from any Unit Owner's, tenant's or occupant's use of any of the foregoing or the amount of the fees charged therefor. In all likelihood, the nature of the services listed above, the hours during which they are provided and the rates charged for same will

change from time to time, in the discretion of the Condominium Board. However, all services required by law will be provided at all times. Neither Sponsor, the Hotel Unit Owner, the Hotel Operator, the Selling Agent, the Managing Agent nor the Condominium Board will in any event be liable for the availability, interruption, discontinuance or quality of any such services, including, but not limited to, any services provided by an outside company or person or for any injury to person or damage to property resulting from any act or omission of such company or persons or their employees or agents, except to the extent such injury or damage occurs as a result of gross negligence or willful misconduct of such party. The party operating these facilities has complete discretion in determining how these facilities will be operated, maintained or modified, whether facilities should be added or discontinued, and rates to be charged for their use.

Purchasers are advised that some or all of the services and facilities described in the Plan may not be available until approximately 12 months or more after the First Closing. However, all services and facilities (subject to the rights of Sponsor and the Hotel Unit Owner or Hotel Operator to make changes thereto as more particularly set forth herein) will be available within 24 months of the First Closing. Purchasers should also be aware that the hours and dates for move-ins, move-outs and/or alterations, as well as the use of the passenger and/or service elevators, may be restricted during the period that Sponsor is performing work in the Building. Additionally, until certain occupancy levels in the Building are achieved, the hours and duties of the Building staff may be reduced. However, at all times after the First Closing of a Residential Unit, the lobby will be attended 24 hours a day, 7 days a week. Purchasers will not be entitled to any credit or abatement against the Purchase Price or Common Charges if any services and/or facilities are not available for use on or after Purchaser's Closing. The Condominium Board shall have the right, but not the obligation, in its sole and absolute discretion, to adjust the First Year's Budget to reduce Common Charges for the period in which such services and/or facilities are not available.

It is anticipated that for a significant period of time following the First Closing through, including and beyond the Closing of Title to any Residential Unit, work should be expected to be undertaken and performed by or on behalf of Sponsor to complete construction work at the Building, including without limitation, the Residential Units, the amenities and facilities, the decoration or finishing of the lobby, corridors, elevator finishes and other portions of the Building, including installing light fixtures, painting, hanging wall coverings, or laying carpeting, or fitting out of the Hotel Unit. All of the foregoing work and conditions may create a noisy or otherwise disruptive condition in the Building. Notwithstanding the foregoing, Sponsor currently estimates that Sponsor's construction work at the Building will be completed approximately 1 to 2 years after the First Closing, subject to Force Majeure. The Condominium Board may refuse to permit a Residential Unit Owner to perform alterations in a Residential Unit until such time as Sponsor's construction work at the Building has been completed and a PCO has been obtained. Certain services, such as telecommunications, and other similar services may be provided by outside suppliers and delays in providing these services shall not be the responsibility of Sponsor. Such suppliers may not provide these services until occupancy in the Building has reached certain levels. In addition, the presence of scaffolding, hoists or construction elevator shafts or similar temporary construction facilities may delay the Closing of Title to certain Residential Units or lines of Residential Units until such scaffolding, hoists, elevators or temporary facilities are no longer needed and are removed. Notwithstanding the foregoing, Sponsor shall at all times ensure that such construction work will not render any of the occupied Residential Units uninhabitable pursuant to Law.

(m) Hotel Services/Hotel Shared Components

Sponsor, in its capacity as the initial owner of the Hotel Unit, has arranged with the Hotel Operator to provide Residential Unit Owners with certain privileges and access to services and facilities of the Hotel. Such services will be categorized as either "Basic Hotel Services" or "A La Carte Services" and are collectively referred to herein as "Hotel Services". The Basic Hotel Services will include: (i) a doorman, bellperson and/or receptionist; (ii) twenty-four (24) hour concierge and valet services including package delivery and holding, and (iii) the right to access and use certain facilities and amenities of the Hotel, including, the Hotel lobby, fitness center and the fitness center adjacent terrace. Basic Hotel

Services will be provided to Residential Unit Owners at no additional expense other than Common Charges, as the cost therefor will be payable by the Residential Unit Owners to the Condominium as a Common Expense. A La Carte Services may (at the discretion of the Hotel Unit Owner and the Hotel Operator from time to time) include: (a) privileges and access to areas which are within the Hotel Unit (or services which are offered on the premises of the Hotel Unit), in all events, subject to availability, such as: entrance to bars and special events, restaurant reservations at Hotel restaurants, Hotel room reservations, signing privileges and direct billing services at Hotel vendor outlets and other public facilities, access to personal fitness trainers/classes and massage and spa services, access to Hotel meeting rooms, access to Hotel rentable space for private functions and access to Hotel lounges, and (b) privileges and services offered in or from a Residential Unit Owner's Unit such as: room service, catering services, event planning, personal shopping, messenger services, pet walking, sitting and/or grooming services, pick-up and delivery of laundry and dry cleaning services, newspaper delivery and housekeeping services. A La Carte Services will be made available to Residential Unit Owners on an "a la carte" basis, and Residential Unit Owners will be individually and separately charged for the A La Carte Services on a per-use basis at the prevailing rates then charged therefor (the "Per-Use Fees"). The Hotel Unit Owner and/or Hotel Operator reserve the right to condition the provision of A La Carte Services to any Residential Unit Owner on execution by the Residential Unit Owner of an agreement setting forth the conditions upon which the A La Carte Services will be made available to such Residential Unit Owner, including the obligation of the Residential Unit Owner to pay the Per-Use Fees therefor. Purchasers are advised that Hotel Services will be made available to Residential Unit Owners as well as guests of the Hotel and others, at the discretion of the Hotel Unit Owner and/or the Hotel Operator, which may impact the level of Hotel Services available to Residential Unit Owners at times. Sponsor makes no representation or warranty that all or any of the Hotel Services will continue to be offered to Residential Unit Owners for any period of time or with respect to the nature or quality of the Hotel Services or the costs associated therewith. In the event that Sponsor sells the Hotel Unit to a third-party or enters into an agreement with a different Hotel Operator or if there is a labor dispute which affects the Hotel or the Condominium or otherwise, the provision of Hotel Services to the Residential Unit Owners may be modified or the cost thereof may increase. Notwithstanding the foregoing, the Condominium Documents provide that, for so long as the Condominium remains current on payment of the Hotel Reimbursable Expenses (as hereinafter defined), the Hotel Unit Owner shall be required to make the Basic Hotel Services available to the Residential Unit Owners (subject to the Hotel Unit Owner's right to deny Hotel Services to a Residential Unit Owner who is not current in payment of any Per-Use Fees applicable to such Residential Unit Owner).

Purchasers are advised that certain components of the Building, including, but not limited to, the Building's main entrance, entrance vestibule, lobby (the "Hotel Lobby"), certain service corridors and the fitness center together with its adjacent terrace, which serve both the Hotel Unit and the Residential Units, shall be part of the Hotel Unit (or, in the case of the fitness center's adjacent terrace, a Hotel Common Element) and, therefore shall be owned (as applicable) and controlled by the Hotel Unit Owner and may be managed by the Hotel Operator on the Hotel Unit Owner's behalf. Those components of the Building which serve or benefit both the Hotel Unit Owner and the Residential Unit Owners but are included in the Hotel Unit (or are Hotel Common Elements) are referred to herein as the "Hotel Shared Components" and are more specifically identified in the Condominium Declaration set forth in Part II of this Plan. The Residential Unit Owners will have exclusive use of a portion of the Hotel Lobby which will serve as a mail room and private elevator lobby for the Residential Unit Owners (the "Residential Lobby"), but the same is only accessible through the Hotel Lobby. As more particularly set forth in Section 11.12 of the Declaration set forth in Part II of the Plan, each Residential Unit Owner shall be granted an easement across portions of the Hotel Unit to utilize the Hotel Shared Components (the "Hotel Easement Areas") and the Hotel Services, as and to the extent such Hotel Services are being made available to the Residential Unit Owners by the Hotel Unit Owner, at a given time.. The Hotel Easement Areas shall include: (a) the Building's main entrance, vestibule and Hotel Lobby as well as the corridors and areas leading from the Hotel Lobby to the Residential Lobby and the service elevator, all at the 1st floor of the

Building; and (b) the fitness center and any corridors leading to and from the Building's elevators or stairs to the fitness center, located at the 2nd Floor of the Building. Additionally, the Residential Unit Owners will be granted the same access to public portions of the Hotel Unit which are granted to hotel guests of the Hotel. The Hotel Shared Easement Areas are part of the Hotel Shared Components. Purchasers are advised that since the Hotel Shared Components will be part of the Hotel Unit, decisions with respect to the staffing, maintenance and operation thereof will be made by the Hotel Unit Owner or the Hotel Operator on the Hotel Unit Owner's behalf and not by the Condominium Board, and therefore, neither the Condominium Board nor the Residential Unit Owners will have any right to participate in or control decisions with respect to the same. Further, the Hotel Operator may have the right to substantially control the decoration, appearance and management of the Hotel, and the hiring, retention and dismissal of building staff, as well as the design and appearance of staff uniforms and other aspects of operation of the Hotel within the Building. Pursuant to the Condominium Documents, the Hotel Unit Owner shall have the right to modify the Hotel Shared Easement Areas and the Hotel Shared Components from time to time without the consent of the Condominium Board or any Residential Unit Owner, neither of whom shall have the right to restrict the Hotel Unit Owner in this regard, provided that no modification to the Hotel Shared Easement Areas or the Hotel Shared Components which are part of the Hotel Unit shall materially and adversely affect any Residential Unit Owner's ability to access the Residential Lobby, its Unit or the fitness center, and provided further that the same complies with all Legal Requirements. Purchasers are advised that, the Hotel Unit Owner's right to modify the Hotel Shared Easement Areas and the Hotel Shared Components from time to time without the consent of the Condominium Board or any Residential Unit Owner may result in withdrawal of any amenities which may be available for use by any Residential Unit Owners at a given time, provided that, at all times, the Basic Hotel Services shall be made available to the Residential Unit Owners (subject to the Hotel Unit Owner's right to deny Hotel Services to a Residential Unit Owner who is not current in payment of any Per-Use Fees applicable to such Residential Unit Owner).

Hotel staff will operate and maintain the Common Elements and the Hotel Shared Components and will provide Basic Hotel Services to the Residential Unit Owners, and therefore, the Condominium will not employ any staff of its own. As such, the line item "Personnel & Hotel Services" set forth in Schedule B – Budget for First Year of Condominium Operation is representative of the Condominium's allocated share of such shared staff, and such amount shall be payable by the Residential Unit Owners as reimbursement to the Hotel Unit Owner of the cost thereof. Additionally, as more particularly set forth in the Condominium Documents, the Hotel Unit Owner may enter into certain service contracts from time to time in order to provide the Basic Hotel Services and, at the request of the Condominium, the Hotel Unit Owner may contract on behalf of the Condominium from time to time to provide certain maintenance and repairs to the Common Elements of the Condominium. In such event, the Condominium shall reimburse the Hotel Unit Owner for an allocated share of the cost thereof, which amount shall be payable by the Residential Unit Owners as part of their Common Charges (such amount, together with the aforementioned shared staffing costs shall be referred to herein as "Hotel Reimbursable Expenses"). Since the Residential Unit Owners will be obligated to pay an allocated share of the cost to operate and maintain certain portions of the Hotel as aforesaid, which costs may include items not routinely associated with the operation of a typical residential condominium, Residential Unit Owners may pay common charges which are greater than those which might otherwise be found in a typical residential condominium. The Hotel Reimbursable Expenses are not inclusive of Per-Use Fees, which shall be separately payable by the Residential Unit Owner incurring said Per-Use Fees directly to the Hotel Unit Owner, the Hotel Operator or the applicable provider of such goods or services at the then prevailing fees for such goods and services. Per-Use Fees shall be promptly paid by the Residential Unit Owners as and when due, failing which, with respect to any Per-Use Fees payable to the Hotel Unit Owner or the Hotel Operator, if any, the Hotel Unit Owner shall have the right to cause the Condominium Board to place a lien on the applicable Residential Unit Owner's Unit and to deny such Unit Owner continued access to the Hotel Services, as and to the extent more particularly set forth in the Condominium Documents. In accordance with the terms of the Condominium Documents, the Residential Unit Owners, as a group, whether acting

through their representatives on the Condominium Board or otherwise, would not be permitted to retain their own manager or employees or terminate any staffing arrangement with the Hotel Unit Owner without first obtaining the consent of the Condominium Board, which consent may be granted or withheld in the Condominium Board's sole discretion.

LOCATION AND AREA INFORMATION

Location

The Property is located at 20 East 76th Street between Madison Avenue and Fifth Avenue in the Borough of Manhattan in the City and State of New York.

Surrounding Area, Shopping, Culture and Recreation

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

Transportation

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

Transportation to and from the Condominium, and through New York City, is available by taxi, limousine, private automobiles, subway or bus. One of the closest subway stations to the Condominium is located at 77th Street and Lexington Avenue. One of the closest bus stations to the Condominium is located at 77th Street and Madison Avenue. A number of commercial parking garages are located within the New York City area.

Medical, Educational, and Religious Facilities

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

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

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

Municipal Services

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

The local police station is located at 153 East 67th Street, New York, New York.

The local fire station is located at 221 East 75th Street, New York, New York.

Mailing Address

The mailing address for the Building is 20 East 76th Street, New York, NY 10021.

Zoning

The Property is located within a C5-1 (Madison Avenue Special District), R8B and MP zoning district in which transient hotel, commercial, community facility, retail and residential uses are permitted.

Landmark Designation

The Building is located within the Upper East Side – Historic District and the Special Madison Avenue Preservation Area and has therefore been designated by the New York City Landmarks Preservation Commission ("LPC") with landmark status and is on the National Registry of Historic Places. As a result of such landmark designation, no alterations may be made to the Building without LPC approval.

General

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

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

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SCHEDULE A – PURCHASE PRICES OF UNITS AND RELATED INFORMATION

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SCHEDULE A

The Surrey Condominium
20 EAST 76th ST
NEW YORK, NY 10021

OFFERING PRICES AND RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION OCTOBER 1, 2024 - SEPTEMBER 30, 2025

(1) UNIT	(1) NO. BED-ROOMS	(1) NO. BATHS/ HALF BATHS	(2) APPROX UNIT SQUARE FOOTAGE	(2) APPROX TERRACE SQUARE FOOTAGE	(3) OFFERING PRICE	(4) RESIDENTIAL COMMON INTEREST	(4) COMMON INTEREST	(5) PROJECTED MONTHLY COMMON CHARGES	(5) PROJECTED ANNUAL COMMON CHARGES	(6) PROJECTED MONTHLY RE TAXES	(6) PROJECTED ANNUAL RE TAXES	(7) PROJECTED TOTAL MONTHLY CARRYING CHARGES
11A	3	3/1	2,980		$15,000,000	7.7529%	2.3519%	$5,314.32	$63,771.89	$7,058	$84,694	$12,372
11B	2	2/1	2,101		$9,000,000	5.4660%	1.6581%	$3,746.78	$44,961.32	$4,976	$59,712	$8,723
11C	3	3/1	2,436		$12,000,000	6.3376%	1.9225%	$4,344.19	$52,130.31	$5,769	$69,233	$10,114
12A	3	3/1	2,980		$15,500,000	7.7916%	2.3636%	$5,340.90	$64,090.75	$7,093	$85,117	$12,434
12B	2	2/1	2,101		$9,250,000	5.4934%	1.6664%	$3,765.51	$45,186.13	$5,001	$60,010	$8,766
12C	3	3/1	2,436		$12,500,000	6.3693%	1.9322%	$4,365.91	$52,390.96	$5,798	$69,579	$10,164
14A	3	3/1	3,200	195	$16,000,000	8.5366%	2.5896%	$5,851.53	$70,218.36	$7,771	$93,255	$13,623
14B	2	2/1	1,797		$8,250,000	4.7219%	1.4324%	$3,236.69	$38,840.29	$4,299	$51,583	$7,535
14C	2	2/1	2,127	195	$11,000,000	5.7171%	1.7343%	$3,918.88	$47,026.58	$5,205	$62,455	$9,123
15A	3	3/1	3,200		$15,000,000	8.4501%	2.5634%	$5,792.26	$69,507.08	$7,693	$92,310	$13,485
15B	2	2/1	1,797		$8,500,000	4.7453%	1.4395%	$3,252.71	$39,032.57	$4,320	$51,838	$7,573
15C	2	2/1	2,127		$9,500,000	5.6167%	1.7038%	$3,850.04	$46,200.49	$5,113	$61,358	$8,963
PH1 *	3	3/3	5,195	2346	$35,000,000	15.4174%	4.6769%	$10,568.08	$126,816.98	$14,035	$168,422	$24,603
PH2	3	3/1	2,858		$18,750,000	7.5842%	2.3007%	$5,198.69	$62,384.31	$6,904	$82,851	$12,103
Residential Total			**37,335**	**2,736**	**$195,250,000**	**100.0000%**	**30.3355%**	**$68,547**	**$822,558.00**	**$91,035**	**$1,092,417**	**$159,581**
Hotel Unit			107,113	504			69.6645%	$41,443	$497,321	-	-	-
Grand Total			**144,448**	**3,240**	**$195,250,000**		**100.0000%**	**$109,990**	**$1,319,879**	**-**	**-**	**-**
* Duplex												

**The projected real estate taxes for the first year of operation contained on Schedule A are based on an assessment of the building before rehabilitation is complete. Purchasers are advised that real estate taxes may increase materially when the building is reassessed after rehabilitation is complete. See Footnote 6 to Schedule A for more information regarding the projected assessed valuation after completion of rehabilitation.

***Certain Residential Units contain "home offices" or "recreation" rooms, the approximate square footages for which have been included in the Approx Unit Square Footages for the applicable Units set forth on Schedule A, however, such areas may not be used as legal bedrooms or living rooms under current Law. The use of such areas as a bedroom or living room can result in violations being posted against the Building. Any and all costs or expenses incurred by the Condominium as a result of use of such areas as a bedroom or living room shall be borne by the individual Residential Unit Owner. Excludes the amount of approx. exterior square footage for Unit.

The notes to this schedule an are an integral part hereof and should be read in connection herewith.

Notes to Schedule A

1. Purchasers should refer to the Floor Plans included in Part II of the Plan for an approximation of the dimensions and typical layouts of the Residential Units. The number of bedrooms and bathrooms for each Residential Unit was determined by Sponsor's architect in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York. Each Residential Unit should be inspected to determine its actual dimensions, layout and physical condition prior to Closing. Certain Residential Units contain home offices, libraries, and/or recreation areas which may not be used as legal bedrooms under current Law.

2. The square footages of the Units listed in Schedule A and in the Declaration are approximate within reasonable tolerances and may change due to field conditions and construction variances and tolerances and were obtained by using the method customarily used in New York City to measure condominium units. A decrease in a Unit's area of 5% or less will not affect a Purchaser's obligations under the Purchase Agreement unless such decrease is determined to be material. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. Sponsor's sole obligation if the net square footage of the Unit is decreased by more than 5% shall be to refund all Deposits made under the Purchase Agreement and any interest earned thereon, except for any Special Work Funds to the extent that such Special Work Funds have been expended and/or committed. Each Unit is measured horizontally from the exterior face of the exterior walls (columns, mechanical pipes, shafts, chases, and conduits are not deducted from measurement of each Unit) to the centerline of the partitions separating one Unit from another Unit, or separating one Unit from corridors, stairs, elevators and common mechanical shafts or any Common Elements not within a Unit or to the exterior side of the opposite exterior walls. Each Unit will consist of the area measured vertically from the top of the structural slab to the underside (of any fire protection) of the structural members above. Any and all measurements are approximations within reasonable tolerances. Any and all measurements are approximations within reasonable tolerances. As the manner in which the square footage areas were calculated are not based on measurements from interior surfaces of interior walls, the square footage areas of the Units provided in Schedule A significantly exceed the usable floor area. The method of measurement is applicable to all Units. Any Common Elements located within or appurtenant to any Unit shall not be considered as part of that Unit. Terraces shown on Schedule A are Residential Limited Common Elements.

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

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

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

(b) The percentage interest of each Residential Unit in the Residential Common Elements is apportioned in the same proportion that the Residential Unit bears to the aggregate Common Interest of all of the Residential Units in the Condominium.

5. The estimated monthly Common Charges for each Unit are based on Schedule B - Budget for First Year of Condominium Operation prepared by Budget Expert on the assumption that the First Year of Condominium Operation will be the year from October 1, 2024 through September 30, 2025. The actual First Year of Condominium Operation may be earlier or later than such year. In addition to these estimated payments, each Unit Owner will be responsible for real estate taxes on the Unit, mortgage payments under a loan, if any, obtained to finance the purchase of the Unit, the cost of electricity supplied to the Unit which will be separately metered and payable either directly to the utility company or to the Condominium Board for payment to the utility company, the cost of any insurance which the Unit Owner obtains for the Unit and the cost of interior repairs and decorations to the Unit. Business Improvement District taxes currently assessed against the Building have been incorporated into the Residential Common Expenses set forth in Schedule B. Sponsor does not make any representation as to the actual Business Improvement District taxes upon completion of construction. See the section of the Plan entitled "Schedule B-1 - Budget for Individual Energy Costs" concerning estimates of certain electric costs for the Residential Units.

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

6. The following discussion of projected real estate taxes for the First Year of Condominium Operation was based, in part, upon the opinion letter prepared by Marcus & Pollack LLP ("Real Estate Tax Counsel"), a copy of which is set forth in Part II of the Plan. It is estimated that the aggregate real estate taxes payable with respect to all Residential Units for the First Year of Condominium Operation will be approximately $1,092,417, assuming (a) an estimated taxable assessed valuation for the Property of $8,433,900 for the last nine (9) months of the 2024/2025 tax year reflecting the assessment for a partially renovated property, and an estimated taxable assessed valuation for the Property of $9,650,040 for the first three (3) months of the 2025/2026 tax year reflecting the assessment for a completed property, and (b) an estimated tax rate of 12.502% for the residential component for the 2024/2025 and 2025/2026 tax years. This tax projection does not take into account any real estate tax abatements that may be applicable to the Property at any given time.

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

Although the estimate of New York City real estate taxes is a good faith estimate, it is not possible to estimate same with any degree of certainty. Assessed valuations, apportionment or taxes among the Units and tax rates, when actually established by the City of New York, may be lesser or greater.

Accordingly, these estimates are to be considered opinions and are not intended, and should not be construed as, warranties as to future assessed valuations, tax rates or the actual real estate taxes to be assessed. In no event will Sponsor, its principals, Income Tax Counsel, Real Estate Tax Counsel or Selling Agent be liable to any Purchaser nor will any Purchaser have the right to rescind the Purchase Agreement if the assessed valuations, tax rates or taxes, when actually established, are lesser or greater than that projected herein or if the Administrative Code and the applicable rules and regulations of the City of New York are changed in the future.

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

Purchasers are advised that the value of the Building will increase once the Building is assessed as being fully renovated, which means that the real estate taxes may be significantly higher than those projected in the Plan for the First Year of Condominium Operation. Purchasers should note that once the Building is assessed as being fully renovated, it is estimated that the real estate taxes will total approximately $1,206,448, assuming no change in certain tax rate assessments.

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

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

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

SCHEDULE B – BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

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SCHEDULE"B"
The Surrey Condominium
Projected Budget for First Full Year of Condominium Operation
October 1, 2024 – September 30, 2025

PROJECTED INCOME

Common Charges (1)	
Residential Unit Common Charges	$ 822,558
Hotel Unit Common Charges	$ 497,321
TOTAL PROJECTED INCOME	$ 1,319,879

PROJECTED EXPENSES

Personnel and Basic Hotel Services (2)	$ 549,842
Hot Water (3)	$ 7,752
Cooking (4)	$ 2,562
Electricity (5)	$ 66,726
Water & Sewer (6)	$ 22,797
Repairs & Maintenance (7)	$ 30,000
Services & Supplies (8)	$ 163,200
Insurance (9)	$ 325,000
Management Fee (10)	$ 60,000
Legal & Auditing Fees (11)	$ 17,000
Administration (12)	$ 25,000
Contingency (13)	$ 50,000
TOTAL PROJECTED FIRST YEAR EXPENSES	$ 1,319,879

The accompanying notes are an integral part of this Schedule B and should be read in conjunction herewith

Notes to Schedule B

(1) COMMON CHARGES - (Budget - $1,319,879)

The estimated Common Charges to be collected from Unit Owners during the First Year of Condominium Operation are based upon the assumption that the First Year of Condominium Operation will be the twelve months commencing October 1, 2024. The actual first year of operation may be earlier or later.

In the event the projected commencement date of the First Year of Condominium Operation is to be delayed more than six (6) months from the anticipated date of the First Closing, the Plan will be amended to include a revised budget disclosing the then current budget projections. Sponsor will not declare the plan effective if any material changes to the budget are not yet disclosed in an amendment to the plan. If the Common Charges in the revised budget projections exceed the earlier budget projections by twenty-five percent (25%) or more, the Sponsor will offer all Purchasers the right to rescind their Purchase Agreements and have their Deposits refunded to them in a reasonable period of time that is not less than fifteen (15) days after the date of presentation to exercise the right, whether or not the Sponsor offers to guarantee the earlier budget projections.

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The allocation for the General Common Expenses to be borne by the Hotel Unit on the one hand, and Residential Units in the aggregate, on the other hand, has been allocated on the basis of their respective Percentage of Common Interest, 69.6645%. and 30.3355%. However, in certain cases the Hotel Unit will pay the cost associated with Common Element expenses based on usage of a particular line item or will not be allocated any portion of the line item to the extent the same only pertains to the Residential Units. Allocations of Common Expenses between the Residential Units, on the one hand and the Hotel Unit on the other hand are set forth in the chart below. Allocations made to the Residential Units as a whole are further allocated as between the individual Residential Units based upon Residential Common Interest.

		Residential Units	**Hotel Unit**
		30.3355%	69.6645%
Projected Income			
Common Charges			
Residential Unit Common Charges	822,558	822,558	
Hotel Unit Common Charges	497,321		497,321
Total Projected Income	1,319,879	822,558	497,321
Projected Expenses			
Personnel and Basic Hotel Services (Hotel Reimbursable Expenses)	549,842	549,842	0
Hot Water	7,752	7,752	0
Cooking Gas	2,562	2,562	0
Electricity	66,726	38,256	28,470
Water & Sewer	22,797	20,837	1,960
Repairs & Maintenance	30,000	9,101	20,899
Services & Supplies	163,200	49,508	113,692
Insurance	325,000	98,590	226,410
Management Fee	60,000	18,201	41,799
Legal & Auditing Fees	17,000	5,157	11,843
Administration	25,000	7,584	17,416
Contingency	50,000	15,168	34,832
Total Projected First Year Expenses	1,319,879	822,558	497,321

(2) PERSONNEL AND BASIC HOTEL SERVICES (HOTEL REIMBURSABLE EXPENSES) - (Budget -$549,842)

The entire staff will be employed by the Hotel Unit Owner, but certain staff members (i.e. concierges, porters, doorpeople, public area cleaning attendants, facilities director, payroll administrator and human resources coordinator) will also serve the Residential Unit Owners or the personnel serving the Residential Unit Owners. The budgeted amount includes a portion of the base wages, worker's compensation and disability insurance, health benefits, payroll taxes and the cost of sick days, holidays and vacation pay which have been allocated to the Residential Units representing their share of the cost to utilize such Hotel Unit staff members. The Residential Unit Owners will pay 12.5% of the total costs of these shared employees (which total cost is estimated to be $1,686,583during the First year of Condominium Operation, the Residential Unit Owners' share of which will be $210,823) and amounts paid to the Condominium pursuant to this line item will be paid to the Hotel Unit Owner as a reimbursement for such staffing costs. The Hotel Unit Owner will pay all other remaining payroll costs directly and not as part of the Condominium budget.

Additionally, the Hotel Unit Owner will enter into certain service contracts pursuant to which services will be provided to the Residential Unit Owners as part of the Basic Hotel Services (i.e., the security, engineering and fitness equipment contracts). The budgeted amount includes the portion of the costs associated with these contracts which have been allocated to the Residential Units representing their share of such costs. The Residential Unit Owners will pay 30.3355% (i.e., the aggregate Common Interest allocated to the Residential Units) of the total cost of these contracts (which total cost is estimated to be $1,117,565 during the First year of Condominium Operation, the Residential Unit Owners' share of which will be $339,019) and amounts paid to the Condominium pursuant to this line item will be paid to the Hotel Unit Owner as a reimbursement for such contract costs. The Hotel Unit Owner will pay all other remaining costs with respect to such contracts directly and not as part of the Condominium budget.

For the First year of Condominium Operation it is assumed that the Residential Units' share of the anticipated total of the cost of the Hotel personnel and service contracts in connection with the Hotel Unit Owner's provision of the Basic Hotel Services is expected to be $549,842.

(3) HOT WATER GAS - (Budget - $7,752)

The budgeted amount is based upon a letter dated November 10, 2023 from Cosentini Consulting Engineer located at 498 Seventh Ave, New York, NY 10018 Sponsor's Consulting Engineers. It is anticipated that the annual consumption of gas for hot water for the Residential Units will be approximately 3,915 therms at $1.80 per therm for a total cost of $7,047. A 10% inflation factor has been added.

The Residential Unit Owners will pay this amount directly to the Condominium. The Hotel Unit's hot water usage will be separately metered or sub metered and will pay the cost directly to the Condominium or the utility company.

It is not possible to predict how closely the budgeted figure will reflect the actual cost of gas for hot water during the First Year of Condominium Operation, because such cost will vary with the level of consumption and the price of gas. Consumption will be affected by the severity of the weather and by any conservation measures adopted by the Condominium Board or individual Unit Owners.

(4) COOKING GAS - (Budget - $2,562)

The Residential Units will not be separately metered for gas to be used for cooking. Based upon a letter dated November 10, 2023 from Cosentini, it is estimated that the gas cost for cooking for the Residential Units will be 1,294 therms of gas/year at an average rate of $1.80 per therm for a total cost of $2,329. A 10% inflation factor has been added.

The Residential Unit Owners will pay this amount directly to the Condominium. The Hotel Unit Owner will pay directly to the Utility the remaining costs for cooking.

(5) ELECTRICITY - (Budget – $66,726)

Based upon a letter dated November 10, 2023 from Cosentini, it is estimated that the electrical consumption for the Residential Common Elements will be 71,237 kilowatt hours of electricity, at a rate of approximately $ .33 per kilowatt hour of electricity including applicable sales tax, resulting in an annual cost of $ 23,508. In addition, each unit shall pay its Common Interest Percentage of Condominium shared electrical costs, estimated by Cosentini to be 112,580 kilowatt hours of electricity, at a rate of approximately $ .33 per kilowatt hour of electricity including applicable sales tax, resulting in an annual cost of $ 37,151. This is based on common area loads being supplied through a single house meter at Con Edison SC9-1 and the rates are based on the currently effective rates

A 10% inflation factor has been added.

Each Residential unit will be individually metered or submetered for consumption of electricity within their own units. See Schedule B-1 for the projected individual unit energy costs.

(6) WATER & SEWER - (BUDGET - $ 22,797)

The Building will have a single main water meter, which will measure actual water usage. Based upon a letter dated November 10, 2023 from Cosentini it is estimated that water and sewer charges for the Residential Units based upon a combined charge of $11.63 per 100 Cu. Ft. and an estimated usage of 1,562 C.C.F. will be $18,166 for the First Year of Condominium Operation. In addition, each unit shall pay its Common Interest Percentage of Condominium shared water and sewer costs, estimated by Cosentini to be 220 ccf of water, at a rate of $11.63 per ccf resulting in an annual cost of $ 2,559.

The Hotel Unit will be separately sub-metered or metered for water and sewer usage and will pay the costs of water and sewer usage directly to the Condominium or taxing authority. A 10% inflation factor has been added.

(7) REPAIRS & MAINTENANCE – (Budget - $30,000)

Since the residential portion of the Building will be newly renovated, it has no operating history upon which to project future costs of repairs and maintenance. No major capital repairs are included in the First Year's Budget since all major construction and mechanical systems will be new. Future major capital repairs to the Common Elements will be borne by all Unit Owners. The budgeted figure for this item includes the cost of normal maintenance and repairs to the Common Elements of the Building that are the responsibility of the Condominium. Each Unit Owner will be responsible for the cost of the interior maintenance, repairs, decoration and painting of their respective units, including the appliances, heating/air-conditioning units and any Residential Limited Common Elements appurtenant thereto. Repairs and Maintenance have been allocated to all Units based upon each Unit's Common Interest Percentage.

(8) SERVICE & SUPPLIES - (Budget - $163,200)

The budgeted amount includes the cost of cleaning equipment and miscellaneous supplies for the Common Elements, as well as the anticipated cost of shared service contracts during the First Year of Condominium Operation.

All of the mechanical systems within the Building will be new or refurbished, and some will be under a maintenance contract for the First Year of Condominium Operation from the contractor who will install the system. While this Schedule B includes a reasonable allowance for possible increases in cost that may occur prior to and during the First Year of Condominium Operations, no warranty is made that the actual cost for these or other services will be in accordance with this projection.

It is projected that the Condominium will enter into maintenance agreements for the following services:

Metal, Wood and Marble Maintenance	$ 25,000
Heating and Cooling System	$ 50,000
Elevator Maintenance	$ 24,000
Sprinkler System/Fire Protective Alarm System	$ 20,000
Exterminator	$ 6,200
Water Treatment	$ 10,000
Generator Maintenance	$ 5,000
Miscellaneous Supplies	$ 20,000
Submeter Reading	$ 3,000

The cost for these services have been allocated to all units within the Condominium based upon each unit's Common Interest Percentage.

(9) INSURANCE – (Budget - $325,000)

Based upon the proposal dated October 17, 2023, from WTW Inc. having an address at 200 Liberty St # 3, New York, NY 10281 the following insurance coverage will be obtained for the Building for the first year of Condominium operation.

Coverage	Limits
Property	
Blanket Real & Personal Property/Building Ordinance "All Risk", Replacement Cost	$50,000,000
Business Interruption	$12,000,000
Demolition/Increased Cost of Construction	$25,000,000
Equipment Breakdown	Included
Earthquake (aggregate)	$25,000,000
Flood (aggregate)	$25,000,000
Named Windstorm	Included
Terrorism	Included
Commercial General liability	
General Aggregate	$2,000,000
Each Occurrence	$1,000,000
Personal & Advertising Injury	$1,000,000
Products/Completed Operations Aggregate	$2,000,000
Fire Damage Legal Liability	$1,000,000
Medical Payments – each person	$5,000
Commercial Umbrella	$25,000,000
Workers Comp	Statutory
Employers Liability	$1,000,000
Commercial Crime	
Employee Theft	$1,000,000
Directors and Officers	
Combined limit	$1,000,000
Total Estimated Premium	**$325,000**

The annual premium for the above mentioned insurance policy is estimated to be $325,000.

The cost for insurance has been allocated to all Units based upon each Unit's Common Interest Percentage.

This budgeted amount represents current insurance premium at current rates. Because conditions in the insurance marketplace are volatile, it is not possible to predict what the premiums and/or deductibles will be for the budget year. Purchasers should be aware of the possible rate and deductible increases.

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 and Permitted Mortgagees; a waiver of subrogation; a waiver of invalidity because of the acts of the insured and Unit Owners; and a waiver of pro-rata reduction if Unit Owners obtain additional coverage.

Each individual Unit Owner must 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.

(10) MANAGEMENT FEE - (Budget - $60,000)

At or prior to the First Closing, the Condominium will enter into a management agreement with Halstead Management, LLC located at 770 Ave., New York, NY, 10065, a real estate management firm. The agreement will be for an initial term of 2 year. Thereafter, the agreement will be automatically renewed from month to month, with an increase mutually agreed upon but may be cancelled by either party without cause, upon not less than thirty (30) days' prior written notice.

The Managing Agent will receive an annual fee of $60,000 payable in equal monthly installment of $5,000.00. The Managing Agent's fee for the First Year of Condominium Operation is comparable to the "going rate" for similar services in comparable buildings.

The Management Fee has been allocated to all Units based upon each Unit's Common Interest Percentage. See the section of the plan entitled "Management Agreement" for further details.

(11) LEGAL & AUDIT FEES – (Budget - $17,000)

The Condominium will engage a law firm to act as the attorney for the Condominium for minor miscellaneous legal matters. The estimated cost for these services for the Condominium's first year is $4,500. Sponsor has not yet selected which law firm will be engaged for these services. Based upon a proposal from Prisand, Mellina, Unterlack & Co. LLP to provide audited tax returns and financial statement preparation for the Condominium, it is estimated that the first year cost for these services will be approximately $12,500.

These professional fees have been allocated to all Units based upon each Unit's Common Interest Percentage.

(12) ADMINISTRATION – (Budget - $25,000)

The budgeted amount includes anticipated expenses for administrative expenses associated with operating the Condominium. These costs include, but are not limited to, telephone, cell phones, internet, postage, printing, miscellaneous office supplies, bank charges, permits and fees for other compliance.

These costs for administration have been allocated to all Units based upon each Unit's Common Interest Percentage.

(13) CONTINGENCY – (Budget - $50,000)

This expense item is included in the budget to provide funds for unforeseen increases in Residential Common expense and General Common expense. Contingency has been allocated to all Units based upon each Unit's Common Interest Percentage.

(14) TOTAL PROJECTED EXPENSES – (Budget - $ 1,319,879)

The projections set forth in this budget assume that the First Year of Condominium Operation will cover the period from October 1, 2024 through September 30, 2025.

IN THE OPINION OF PENMARK PROPERTY ADVISORS, LLC, HAVING AN OFFICE AT 250 EAST 87TH STREET, STE 28G, NEW YORK, NY 10128, THE PROJECTED INCOME IS ADEQUATE TO MEET THE ESTIMATED EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION. THE BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE OR WARRANTY BY ANYONE THAT THE ANNUAL COMMON CHARGES OR COMMON EXPENSES FOR THE FIRST OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY BY THE BOARD WILL BE AS SET FORTH IN THE BUDGET. IN FACT, IT IS LIKELY THAT THE ACTUAL INCOME AND EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION WILL VARY FROM THE AMOUNTS SHOWN IN THE BUDGET.

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SCHEDULE B-1 - PROJECTED INDIVIDUAL ENERGY COSTS BUDGET

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SCHEDULE B-1
Projected Individual Energy Costs Budget

Cosentini Consulting Engineers, having an office at 498 Seventh Avenue, New York, New York 10018 provided the following estimate of annual electric energy costs for lighting and for operating the typical electrical appliances located in each Residential Unit.

Unit Type	Cost Range
A-Type	$6,964-$7,325
B-Type	$5,025-$5,523
C-Type	$17,917-$18,561
PH1	$10,521
PH2	$6,764

The estimated electrical cost is based on an average flat residential utility rate of 33 cents per KWH. The projected rates are not guaranteed and it must be expected that these rates will increase with the passage of time and may be affected by many factors which are beyond the control of Sponsor. Purchasers are advised that the projections are only estimates and actual consumption will be metered and will vary based on the personal needs of Residential Unit Owners and weather conditions.

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

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STARR ASSOCIATES LLP
ATTORNEYS AT LAW

220 EAST 42 STREET
NEW YORK, NY 10017
TEL 212 620 2680
FAX 212 898 0389
www.starr-lawfirm.com

Dated: June 4, 2024

Surrey Propco, LLC
2500 Enterprise Drive
Allen Park, MI 48101

Re: The Surrey Condominium
20 East 76th Street
New York, NY 10021 ("Property")

Ladies and Gentlemen:

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

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

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

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

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

[SIGNATURE PAGE TO FOLLOW]

Very truly yours,

STARR ASSOCIATES LLP

By: _____
Name: Samantha Sheeber
Title: Managing Partner

REAL PROPERTY LAW § 339-I COMPLIANCE LETTER

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PENMARK
PROPERTY ADVISORS, LLC

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

May 15, 2024

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

Re: Condominium Offering Plan
The Surrey Condominium
20 East 76th Street
New York, NY 10021

Dear Sir/Madam:

Surrey Propco, LLC ("Sponsor") of the Condominium Offering Plan ("Offering Plan") for the Property retained Penmark Property Advisors LLC ("Firm") to review the percentage of Common Interest in the Common Elements allocated to each Unit in the Property set forth in Schedule A of the Offering Plan.

The Firm is licensed as a real estate brokerage firm in the State of New York. The principals of the Firm have been engaged in the real estate business for over 40 years and have been actively associated with sale and management of condominium and cooperative buildings.

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

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

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

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

PENMARK
PROPERTY ADVISORS, LLC

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

Very truly yours,

PENMARK PROPERTY ADVISORS LLC

By: _____
Name: Leslie Bogen Winkler
Title: Manager

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

HOTEL UNIT

As more particularly described in the Declaration and in the Description of Property and Improvements, each of which are contained in Part II of the Plan, the Condominium will contain one (1) non-residential unit, which shall be comprised of the Hotel Unit. The Hotel Unit will be located on portions of floors Lower Cellar, Cellar and 1 through 10 of the Building.

It is anticipated that, as of the Filing Date, all or a portion of the Hotel will be managed by the Hotel Operator on behalf of the Hotel Unit Owner, pursuant to the Hotel Management Agreement between the Hotel Unit Owner and the Hotel Operator. Sponsor has entered into a Hotel Management Agreement with CHL Surrey, Inc., an affiliate of Corinthia Hotels Limited, to initially serve as the Hotel Operator. The Hotel Management Agreement has an initial term of twenty-five (25) years, with two (2) automatic ten (10) year renewals unless either party elects not to renew in accordance with the Hotel Management Agreement. No representation or warranty is made with respect to the existence or identity of the Hotel Operator from time to time or the continued operation of the Hotel under any particular trade name or flag.

General

Although the Hotel Unit may be used for any lawful purpose, it is initially anticipated that the Hotel Unit will be operated as a hotel which may include, but shall not be limited to, hotel guest rooms and ancillary spaces, retail, bar/restaurant, lounge and club areas, a fitness center, conference rooms, ballrooms, event spaces and spa facilities (the "Hotel"). As of the Filing Date, it is anticipated that Sponsor will retain ownership of the Hotel Unit, however, Sponsor reserves the right to convey the Hotel Unit or any portion thereof to an affiliate or an unrelated third party either pursuant to a "no-action" or "no-jurisdiction" or other letter ruling issued by the Department of Law, an amendment to this Plan (as and to the extent the same is accepted by the Department of Law), or a separate offering plan filed with the Department of Law. No representation or warranty is made with respect to: (i) the identity of the owners, users or tenants of the Hotel Unit at any time or that the same will be agreeable to the Residential Unit Owners or any other parties or (ii) the uses to which all or any portion of the Hotel Unit may be put at any time. Neither the Condominium Board nor the Residential Unit Owners will have any interest in the rents, profits or revenues generated from the business, rental, or other use of any space in the Hotel. The uses of the Hotel Unit may generate noise, traffic, odors, vibrations or other disturbances typical in the operation of a full-service hotel, and which will be outside the control of the Condominium Board and the Residential Unit Owners.

In the event Sponsor conveys the Hotel Unit in advance of the First Closing, the First Year of Condominium Operation as defined in the Plan will not commence until the First Closing.

Rights and Obligations of the Hotel Unit Owner

The Hotel Unit Owner will be obligated to pay its portion of the Common Charges in accordance with the allocations set forth in the section of the Plan entitled "Schedule B – Budget for First Year of Condominium Operation" ("Schedule B"). As set forth in the Footnotes annexed to Schedule B, certain budgeted items are allocated between the Residential Units and the Hotel Unit on a special basis which reflects actual benefit and/or use associated with a particular item of expense or exclusive control of particular Common Elements. In the opinion of Sponsor's budget expert, the allocated Common Charges payable by the Hotel Unit Owner are sufficient to cover the expenses fairly attributable to the Hotel Unit. See "Certification of Budget Expert Concerning the Adequacy of Common Charges Payable by the Hotel Unit Owner" set forth in Part II of the Plan for details.

The Hotel Unit Owner shall be entitled to designate four (4) members to the seven (7) member Condominium Board. Members of the Condominium Board designated by the Hotel Unit Owner may only be removed by the Hotel Unit Owner, who alone will have the right to elect or designate a replacement. As a result of the foregoing, the Hotel Unit Owner (and for so long as Sponsor owns the Hotel Unit, Sponsor) will control the Condominium Board. Therefore, the Hotel Unit Owner (and for so long as Sponsor owns the Hotel Unit, Sponsor) will have control of the maintenance and operation of, and the services to be provided by, the Condominium, and will determine the Common Charges to be paid by all Unit Owners. Notwithstanding the foregoing, the vote of Hotel Members shall not be required (and the Hotel Members shall not be entitled to vote) with respect to matters which do not affect the Hotel Unit or the Hotel Unit Owner (it being understood that any matter that affects compliance with the Hotel Standard or the hiring of employees or a manager (whether or not such employees or manager are intended to serve only the Residential Units or Residential Common Elements) or the termination of any staffing arrangement with the Hotel Unit Owner shall be deemed to affect the Hotel Unit and the Hotel Unit Owner, and the Hotel Members shall be entitled to vote on such matters), and the votes of a majority of the Residential Members at a Board meeting at which a quorum is present, shall constitute the decision of the Board.

Notwithstanding anything to the contrary, (i) the allocations of budgeted items between the Residential Units and the Hotel Unit (as set forth in Schedule B) may not be modified by the Condominium Board without the consent of the Hotel Unit Owner, and (ii) the Condominium Documents may not be amended or modified to adversely affect the Hotel Unit Owner without the prior written consent of the Hotel Unit Owner. Otherwise, any decisions by the Condominium Board which solely affect any Hotel Unit may be made only by the Hotel Members of the Condominium Board designated by the Hotel Unit Owner.

Notwithstanding anything to the contrary, the Hotel Unit Owner and its Permitted Users shall have the right to sell or lease all or any portion of such Hotel Unit (i) without prior approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any, (ii) without notice, (iii) without complying with any requirements with respect to rights of first offers or first refusals, and (iv) without payment of any fees or charges (including any transfer fees or resale fees).

The Hotel Unit Owner and its Permitted Users shall have an easement in, over, under, through or upon the Common Elements or elsewhere on the Property (i) to provide the Hotel Services; (ii) for the purpose of accessing the Hotel Unit or any portion of the Building servicing the Hotel Unit, (iii) for the purpose of exiting the Building in the event of an emergency, and (iv) to install, operate, maintain, repair, alter, rebuild, restore and replace any pipes, wires, ducts, vents, cables, conduits or other lines, equipment or Facilities forming a part of or servicing the Hotel Unit.

The Hotel Unit Owner and its Permitted Users shall additionally have the right and an easement, as applicable, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any:

1. to make alterations, additions, improvements, or repairs in or to the interior portions of the Hotel Unit, whether structural or non-structural, ordinary or extraordinary, including, without limitation, any alterations with respect to the type, number, or layout of rooms in the Hotel Unit.

2. to amend the Certificate of Occupancy of the Building with respect to the use or number of units comprising the Hotel Unit.

3. without amendment to the Plan, to (i) subdivide the Hotel Unit and/or combine any Units resulting therefrom; and/or (ii) change the Hotel Unit in size by relocating a boundary

walls in or around the Hotel Unit. In the event of a subdivision, combination, and/or change in size of the Hotel Unit, the Hotel Unit Owner shall additionally have the right to reapportion among the affected Units which were originally part of the Hotel Unit their respective Common Interest. Any additional condominium units created as a result of the subdivision of the Hotel Unit will, as and to the extent provided for in the Condominium Documents, retain the same rights, privileges and benefits afforded the original Hotel Unit Owner be subject to the same obligations imposed upon the original Hotel Unit Owner, as set forth in the Condominium Documents. Additionally, the Hotel Unit Owner shall have the right, as part of its subdivision of the Hotel Unit, to create additional Units and offer the same for sale as Residential Units or as fractional/timeshare interests or otherwise. Sponsor shall not offer additional Residential Units for sale without either an amendment to the Plan offering such additional Residential Units for sale (as and to the extent the same is accepted by the Department of Law) or pursuant to a separate offering plan filed with the Department of Law with respect thereto. Sponsor will not offer any fractional/timeshare interests for sale without filing a separate offering plan with respect thereto.

4. to make all arrangements for the prompt repair and restoration of the Hotel Unit to the extent the Hotel Unit is damaged or destroyed by fire or other casualty.

In addition to the foregoing, the Hotel Unit Owner and its Permitted Users shall have the right and an easement, as applicable, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any:

1. to erect, maintain, repair and replace one or more signs and lighting, of such size and content as the Hotel Unit Owner shall determine on the facade or in the windows of the Hotel Unit, including, without limitation, any storefronts of the Hotel Unit, for the purposes of advertising (a) the sale or rental of all or any portion of the Hotel Unit or (b) the operation of any business for which such Hotel Unit is used.

2. subject only to Sponsor's prior written consent in each instance for so long as Sponsor continues to own an Unsold Unit, to (i) alter, modify, and/or restore the exterior façade appurtenant to, and/or the windows of, the Hotel Unit, including, without limitation, any storefronts, and (ii) create additional means of egress and ingress to such Hotel Unit.

3. to use the sidewalk adjacent the Hotel Unit for any purposes permitted by Law, including, without limitation, food and beverage services and the placement of outdoor seating, tables, lighting and signage on such sidewalk, provided that the entrances to the Building are not impeded by such use. In the event any Hotel Unit Owner utilizes a sidewalk adjacent to the Hotel Unit, the maintenance, replacement, and repair of the sidewalk during the period of use, together with all costs and expenses associated therewith, shall be the responsibility of the Hotel Unit Owner.

Any alterations, additions, improvements, or repairs by the Hotel Unit Owner are to be performed at the Hotel Unit Owner's sole cost and expense and must be in compliance with Law and the terms of the Declaration and the By-Laws.

The Hotel Unit Owner and/or the Hotel Operator may, from time to time, either own or obtain licenses to rights in certain trademarks, trade names, copyrights and/or other intellectual property (collectively, the "Hotel Intellectual Property"). Except as expressly provided herein, in no event shall any Residential Unit Owner (other than Sponsor, the Hotel Unit Owner or the Hotel Operator, or any of their affiliates, designees or licensees, to the extent the same may be a Residential Unit Owner) or the Condominium Board, without the express consent of the Hotel Unit Owner or the Hotel Operator (which consent may be conditioned upon execution of a license agreement and/or payment of licensing fees), as

applicable, use any of the Hotel Intellectual Property in connection with any advertisements, promotion, rental or sale of any Units (or portion thereof or interest therein) or (to the extent permitted by the Condominium Documents and applicable law) any business being operated therein or therefrom or in any other commercial manner. Without limiting any other right or remedy available at law or in equity, the foregoing may be enforced by an action for specific performance and/or injunctive relief. Under no circumstances shall the Hotel Intellectual Property be deemed part of property of the Condominium or an appurtenance of any Residential Unit or the property of any Person subject to the foregoing. The Hotel Intellectual Property shall at all times remain the sole and exclusive property of the Hotel Unit Owner and/or the Hotel Operator, as applicable, and/or their licensees.

Reference should be made to the Declaration and the By-Laws set forth in Part II of the Plan for details with respect to rights and obligations of the Hotel Unit Owner relating to the use and ownership of the Hotel Unit.

CHANGES IN PRICES AND UNITS

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

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

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

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

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

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

USE AND OCCUPANCY AGREEMENTS

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

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

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

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

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

PROCEDURE TO PURCHASE

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

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

Although a Purchaser may obtain financing from any lending institution or other source, Purchaser's obligation to purchase a Residential Unit is not contingent on Purchaser obtaining financing. Without limiting the generality of possible default scenarios, in the event a Purchaser enters into a Purchase Agreement with the expectation to obtain financing but defaults under a Purchase Agreement beyond any applicable cure period for any reason whatsoever, including without limitation by failing to close relating to any inability to obtain financing, Sponsor shall be entitled to exercise any remedies provided under the Purchase Agreement, including without limitation the right to retain the Deposit as liquidated damages. Neither Sponsor nor Selling Agent makes any representation as to the availability, cost, or other terms of any form of financing. Purchasers who desire financing may want to consult with a lending institution and/or finalize their financing arrangements before signing a Purchase Agreement.

While the First Closing is projected to occur on or around October 1, 2024, neither Sponsor nor Selling Agent makes any representation as to the actual closing date for any particular Unit. In addition, as set forth in the Plan and the Purchase Agreement, Sponsor has the right to adjourn the Closing Date from time to time and Purchasers should be aware that if the Closing Date is adjourned, Purchaser's financing terms may be adversely affected, the interest rate may increase and the loan commitment could expire. Sponsor shall have no liability as a result of any scheduling or adjournment of Closing beyond the expiration of a loan commitment.

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

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

Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by Force Majeure, Sponsor's construction work at the Building will be sufficiently completed to permit the First Closing to take place on or about October 1, 2024. Sponsor has the right to change the projected date of the First Closing from time to time by an amendment to the Plan. If the First Closing does not occur within 12 months after the projected date set forth in Schedule B in effect on the date a

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

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

At the time Purchaser executes a Purchase Agreement, Purchaser will be required to deliver an Initial Deposit in an amount equal to 10% of the Purchase Price. At the earlier to occur of (i) 6 months after the date Purchaser executes the Purchase Agreement or (ii) 15 days after the Presentation Date of an amendment declaring the Plan effective, Purchaser will be required to deliver an Additional Deposit in an amount equal to 10% of the Purchase Price. Notwithstanding the foregoing, a Purchaser executing a Purchase Agreement on or after the date the Plan is declared effective is required to deliver the full Deposit in an amount equal to 20% of the Purchase Price. Sponsor may require that Purchasers of more than one (1) Residential Unit deliver a Deposit in excess of that set forth in the Plan, which amount shall be on terms individually negotiated with each Purchaser.

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

The signing of the Purchase Agreement signifies Purchaser's acceptance of the condition of the Property (as represented by Sponsor in the Plan), including, but not limited to, the Unit, the Building and all Common Elements. In the event of any inconsistency between the provisions of the Purchase Agreement and

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

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

Purchaser must deliver the payment of a Deposit or the Balance of the Purchase Price by wire transfer unless Sponsor offers, in Sponsor's sole discretion, to accept an official bank check. Any and all wire transfer fees charged by the initiating and/or receiving bank(s) shall be payable by Purchaser.

The Balance of the Purchase Price shall be payable simultaneously with the delivery of the deed to the Residential Unit. The deed will be substantially in the form as set forth in Part II of the Plan. Interest, if any, on Purchaser's Deposits will be credited or paid to Purchaser at Closing.

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

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

the rescheduled Closing Date if Purchaser fails for any reason to close title to the Unit on the rescheduled Closing Date.

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

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

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

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

Each Residential Unit Owner who acquired a Residential Unit from Sponsor ("Sponsor Sale") and subsequently enters into an agreement ("Resale Agreement") to sell such Residential Unit prior to the first anniversary of the First Closing ("Resale") shall be obligated to pay to Sponsor a portion of the proceeds of the Resale ("Resale Fee"). Such Residential Unit Owner will be required to provide Sponsor with Notice of the Resale Agreement within ten (10) days after entering into the Resale Agreement. The Resale Fee paid to Sponsor at the closing of the Resale shall be equal to 50% of the "Gross Profit," i.e. the difference between

(A) the "Net Profit," i.e. the sales price of the Residential Unit set forth in the Resale Agreement less the following expenses actually paid by the Residential Unit Owner (to the extent applicable): (1) brokerage commissions not exceeding 6% in the aggregate; (2) transfer taxes imposed by Law, if paid for by the Residential Unit Owner, and (3) actual legal fees not exceeding $5,000, and (B) the "Sponsor Sale Price," i.e. the Purchase Price paid to Sponsor in connection with the Sponsor Sale. At such time as Sponsor no longer owns any Unsold Residential Units or any Permitted Mortgagee acquires title to the Unit, the obligation to pay the Resale Fee shall no longer be applicable with respect to such Unit.

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

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

The risk of loss to any Residential Unit by fire or other casualty until the Closing for such Residential Unit is assumed by Sponsor (unless and until Purchaser takes possession of the Residential Unit, at which time such risk, to the extent not covered by existing insurance, shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Residential Unit. In the event of damage or destruction of a Residential Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, provided Sponsor elects (which election shall be in its sole discretion within sixty (60) days of the damage to the Unit) to repair or restore the Residential Unit, the Purchase Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price of the Residential Unit. In such event, Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Residential Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Residential Unit by fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, if Sponsor notifies Purchaser that it does not elect to repair or restore the Residential Unit (which election shall be made in its sole discretion within sixty (60) days of the damage to the Unit), or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws"), the Purchase Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return all Deposits, together with any interest earned thereon, except for any Special Work Funds to the extent that such Special Work Funds have been expended and/or committed, to Purchaser, whereupon Sponsor and Purchaser shall be released and discharged from all obligations and liability under the Purchase Agreement and the Plan; provided, however, if Purchaser is then in default under the Purchase Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

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

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

Each Purchaser shall be given an opportunity to examine the Residential Unit prior to the Closing during normal business hours and in the company of Sponsor's representative and is urged to make a careful inspection thereof, as more fully set forth in the Purchase Agreement set forth in Part II of the Plan. Purchaser is expressly prohibited from conducting any testing to the Residential Unit during the inspection for any reason, including without limitation making holes in the walls or ceiling and/or removing sheet rock, tiles, wood flooring, windows, or window panes to test for mold, asbestos, lead paint, mildew, spores, fungi, or other toxins or for any other purpose. At the Closing, each Purchaser of a Residential Unit shall be required to sign and deliver to Sponsor an Inspection Statement in substantially the form set forth in Part II of the Plan wherein Purchaser acknowledges the condition in which Purchaser has inspected the Residential Unit. Under no circumstances shall any item included on an Inspection Statement (i) constitute grounds for a Purchaser to postpone or otherwise delay the date scheduled for the Closing nor (ii) obligate Sponsor to deposit any monies in escrow at Closing.

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

Under applicable Federal and local law, lead-based paint can no longer be used in the construction of a building. Under Federal Law, Sponsor must provide Purchasers with all available records and material pertaining to lead-based paint and/or lead-based hazards in the Building. Sponsor will comply with applicable Law concerning the use of lead-based paint and/or lead-based paint hazards. Set forth as an Exhibit in Part II of the Plan is a copy of the booklet issued by the United States Environmental Protection Agency, EPA 747-K-95-001, which details certain information regarding lead-based paint. Since the existing building was heavily gutted, Sponsor believes in good faith that the risk of any lead-based hazards is likely very minimal – nevertheless, Sponsor does not make any representation as to the existence or non-existence of lead-based paint within the walls or any other lead-based hazards. Purchasers are advised that, in the event they remove sheetrock at any time in the future, they may be responsible for removing and abating lead-based paint in accordance with applicable Law at their sole cost and expense. (See the section of the Plan entitled "Sponsor's Statement of Building Condition" and the Purchase Agreement set forth in Part II of the Plan for details.)

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, a copy of which is included as an Exhibit in Part II of this Plan. 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.

Based upon limited asbestos inspection reports (the "Asbestos Reports") commissioned by Sponsor and set forth in Part II of this Plan, asbestos-containing material ("ACM") was found to be present in the Building's pipe insulation. However, the ACP-5 Certificate set forth in Part II of the Plan certifies that the portion of the Building included in the scope of Sponsor's renovation work at the Property does not contain ACM and that ACM will not be disturbed during Sponsor's renovation work. Purchasers are advised that the Asbestos Reports were commissioned by Sponsor for the limited purpose of inspecting the portions of the Building that could or would be impacted by Sponsor's planned renovation work at the Property and do not represent a complete survey of the Property. Sponsor makes no representation as to the existence or non-existence of ACM in any other locations in the Building,

including, but not limited to, in any Residential Units, and Purchasers are advised that such other locations in the Building, including, but not limit to, the Residential Units, may contain ACM. Exposure to ACM increases an individual's risk of developing certain serious health issues, including, but not limited to, lung cancer, mesothelioma and asbestosis. to the extent a Unit Owner or the Condominium Board seeks to perform alterations in its Unit or the Common Elements, respectively, such party may be required to conduct additional assessment to determine whether ACM would be disturbed during the performance of such work, and if it is determined that ACM is present in the affected areas and would be disturbed in connection with such work, the same would require remediation at the sole cost and expense of the Unit Owner or the Condominium Board, as the case may be. Sponsor's obligations under the Plan do not include an obligation to perform additional asbestos testing, including, but not limited to, the Residential Units (other than the testing already disclosed in the Asbestos Reports) or to perform any remedial work in connection with any ACM found to be present other than in connection with Sponsor's renovation work at the Building.

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

For the purpose of preventing evasion of the Bank Secrecy Act, the director of the Financial Crimes Enforcement Network of the U.S. Department of Treasury ("FinCen") issued a Geographic Targeting Order ("Order") to collect information about certain transactions, which applies to any corporation, partnership, limited liability company, or other similar business entity using currency or a cashier's check, a certified check, a traveler's check, a personal check, a business check, a money order in any form, a funds transfer, or virtual currency, whether wholly or in part, without a bank loan or other similar form of external financing, to purchase "residential real property" in any borough of New York City for a total price in excess of certain threshold amounts. At the time of the Filing Date of the Plan, such reporting threshold is $300,000, which may be subject to change in the future. For the purposes of FinCEN, "residential real property" is defined as "real property (including individual units of condominiums and cooperatives) designed principally for the occupancy of from one to four families." Purchasers are advised that FinCEN has revised and extended the Order from time to time, which currently remains in effect until October 15, 2024, but may be subject to further extension. In the event that a Purchaser enters into a transaction that falls within the current scope of the Order, the Purchaser shall be required to deliver to the title company at Closing all documents and information necessary in order for the title company to comply with the requirements set forth in the Order. Any failure by a Purchaser to deliver such documents and information shall be deemed an Event of Default under the Purchase Agreement. For further details, Purchasers are advised to consult with a title company.

The Purchase Agreement provides that, in the event that any obligation or undertaking required by Sponsor under the Purchase Agreement is prevented, delayed, or hindered by Force Majeure, Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the duration of the Force Majeure event and such tolling shall not entitle Purchaser to any credit, offset, or reduction in purchase price of the Unit or to be relieved of any other obligation under the Purchase Agreement. Purchasers should refer to the section of the Purchase Agreement entitled "Force Majeure" for more details.

ESCROW AND TRUST FUND REQUIREMENTS

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

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

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

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

Escrow Agent has established an escrow account entitled "Starr Associates LLP, Escrow Account" ("Escrow Account") at Webster Bank located at 420 Lexington Avenue, New York, New York 10170 ("Escrow Bank").

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

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

The checking account portion of the Escrow Account will not be interest-bearing. The sub-escrow account portion of the Escrow Account will be interest-bearing. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Purchase Agreement, or (ii) Purchaser is entitled to a return of all Deposits. All interest will be credited to Sponsor only in the event there is a Consummation of the Plan (as such term is defined in the Attorney General's regulations) and Purchaser defaults. The interest rate to be earned will be the prevailing rate for these accounts. As of the Filing Date of the Plan, the interest rate for the Escrow Bank is approximately 0.25%. The interest rate is subject to change by the Escrow Bank. Sponsor makes no assurance as to interest rates paid by the Escrow Bank and shall have no liability to Purchaser for changes to the interest rate. Interest will begin to accrue within: (x) 3 business days, if the Deposit is cash or cash equivalent, or (y) 5 business days, if the Deposit is other than cash or cash equivalent, of the transfer of the Deposit from the checking account portion of the Escrow Account into the sub-escrow account portion of the Escrow Account, as determined by whether and when the Deposit clears.

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

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

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

Deposit was timely deposited and requisite notice was timely mailed to Purchaser in conformity with the Attorney General's regulations.

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

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

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

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

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

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

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

Escrow Agent shall release the Deposits if so directed:

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

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

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

If the Deposits are not released pursuant to this paragraph and Escrow Agent receives a request by Sponsor or Purchaser to release the Deposits, Escrow Agent shall give both parties prior written notice of not fewer than 30 days before releasing the Deposits. If Escrow Agent has not received notice of

objection to the release of the Deposits at the expiration of the 30 day period, the Deposits shall be released and Escrow Agent shall provide further written notice to both parties informing them of the release of the Deposits. If Escrow Agent receives a written notice from either party objecting to the release of the Deposits within the 30 day period set forth in the notice, Escrow Agent shall continue to hold the Deposits until otherwise directed pursuant to subsections (i) through (iii) of this paragraph. However, Escrow Agent shall also have the right at any time to deposit the Deposits with the clerk of a court in the county in which the Unit is located and shall give written notice to both parties of such deposit.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ASSIGNMENT OF PURCHASE AGREEMENTS

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

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

EFFECTIVE DATE

The offering by Sponsor of the Units under the Plan is contingent upon the Plan being declared effective. The First Closing shall not occur until the Plan has been declared effective. The Plan may be declared effective, at Sponsor's option by (i) an amendment to the Plan or (ii) notice to each Purchaser stating that the Plan is declared effective and submission of an amendment to the Department of Law within 5 days confirming that the Plan was declared effective on a specified date. The Plan may be declared effective, at Sponsor's option, at any time when bona fide purchasers, including investors, have executed Purchase Agreements with respect to not less than 15% of the Units offered for sale (i.e., 3 Units based on 14 Units offered for sale). The Plan must be declared effective at such time as Purchase Agreements have been executed and are in effect with respect to 80% of the Units offered for sale (i.e., 12 Units based on 14 Units offered for sale).

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

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

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

TERMS OF SALE

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

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

(a) the Plan has been declared effective in accordance with its terms.

(b) a TCO or PCO for the Residential Unit is in effect. The issuance of a TCO or PCO for the Residential Unit is the only construction-related prerequisite that must occur before Sponsor may require the closing of title.

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

(d) the release of the Residential Unit and its appurtenant Common Interest from the lien of all mortgages, if any, or (at the option of Sponsor) if Purchaser is obtaining financing on such Residential Unit, the assignment to the Purchaser's mortgagee of any existing mortgage(s) encumbering such Residential Unit and its appurtenant Common Interest.

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

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

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

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

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

(a) a bargain and sale deed with covenant against grantor's acts, substantially in the form set forth in Part II of the Plan, in proper form for recording and containing the provisions set forth in subdivision

5 of § 13 of the Lien Law upon delivery to Sponsor of the Balance of the Purchase Price and such other checks and documents required pursuant to the Plan and the Purchase Agreement.

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

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

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

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

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

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

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

In the event of the existence of any lien, encumbrance or title defect other than Permitted Encumbrances, which Sponsor fails or refuses to correct, the sole remedy of Purchaser under the Plan, provided Purchaser is not then in default, will be to either (i) take title subject to the title defect or (ii) terminate the Purchase Agreement, within 15 days after receipt of notice or an amendment disclosing such lien, encumbrance or title defect. A Purchaser electing to proceed with the purchase of the Unit will not be entitled to any credit against, or abatement of, the Purchase Price set forth in the Purchase Agreement and will have no claim or right of action against Sponsor for damages or otherwise by reason thereof. Sponsor has no obligation to institute any action or proceeding or to expend any sum of money in excess of ½ of 1% of the Purchase Price of the affected Unit to make title insurable or to eliminate any encumbrances or title defects. If Purchaser elects to terminate the Purchase Agreement, Sponsor shall cause all Deposits together with any interest earned thereon, except for any Special Work Funds to the extent that such Special Work Funds have been expended and/or committed, to be returned to Purchaser, within 30 days after receipt of Purchaser's termination notice. Upon making such refund, Sponsor and Purchaser shall be relieved of all further obligations and liabilities under the Purchase Agreement and the Plan.

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

The existence of mortgages, liens and encumbrances other than Permitted Encumbrances shall not be objections to title, provided bonds or properly executed instruments in form for recording necessary to satisfy

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

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

Any personal property located within the Unit (if any) on the date the Purchase Agreement is executed or located within the Common Elements on the date the Declaration is filed, that is owned by Sponsor, is included in the conveyance unless specifically excluded in the Purchase Agreement or the Plan.

CLOSING COSTS AND ADJUSTMENTS

Closing Costs

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

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

(b) A form of Unit Owner's Specimen Title Policy, if title insurance is ordered from the Title Company, is set forth in Part II of the Plan. If Purchaser elects to obtain fee title insurance, Purchaser will pay the premium therefor, which will vary depending upon the amount requested. Purchasers should contact a title company for fee rate schedules based on the amount of title insurance. Purchasers are free to use a title company of their choice without any penalty. Prestige Title Agency, Inc. having an office at 55 West 39th Street, New York, New York 10018 (telephone: (212) 651-1200 ("Title Company"), has (i) reviewed the Plan and the Condominium Documents and has issued a letter to Sponsor that it is committed to insure that a valid Condominium will be created pursuant to the Condominium Act, and (ii) issued the Specimen Title Policy set forth in Part II of the Plan.

(c) Title Company has advised Sponsor that, if Purchaser elects to simultaneously obtain both fee title insurance and mortgage title insurance, simultaneous mortgage rates for issuance with a fee policy may be available at discounted rates, subject to certain terms and conditions. Purchaser should contact a title company for more information relating to simultaneous mortgage premiums and rates

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

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

(1) $3,750 for the preparation of closing documents, calculation of adjustments, attendance at Closing at the offices of Starr Associates LLP, or such other place as Sponsor may designate and supervision of execution of closing documents;

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

Additionally, the following fees may be imposed to the extent applicable depending on the nature of the individual transaction:

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

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

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

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

(8) Once a Purchase Agreement is fully executed between Sponsor and Purchaser, any subsequent changes or additional provisions thereto must be mutually agreed to by both Sponsor and Purchaser, in their respective sole discretion, and memorialized by way of a rider, addendum, amendment, or other form of written agreement drafted by Starr Associates LLP (as applicable, "Contract Amendment"). To the extent that, subsequent to the full execution of the Purchase Agreement, Purchaser requests and Sponsor (in its sole discretion) approves any changes to the Purchase Agreement as a courtesy to Purchaser that arise from any clerical error, oversight, or changed circumstances solely on the part of Purchaser (including without limitation spelling corrections to Purchaser's name), that are required by Purchaser's lender as a condition to extending financing, and/or that are solely for Purchaser's benefit, such Contract Amendment is subject to an additional fee payable by Purchaser to Starr Associates LLP in the amount of $1,500 (per Contract Amendment).

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

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

State Transfer Tax:

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

The New York City Department of Finance has taken the position that where a purchaser of property assumes the obligation for the payment of the RPT Tax, the State Transfer Tax, and other fees that are generally obligations borne by a seller (which in this case includes Sponsor Closing Fees) ("Other Fees"), those amounts will be treated as additional consideration that is added to the Purchase Price (the resulting sum, the "RPT Consideration") when calculating the RPT Tax payable by Purchaser at the Closing. However, only the RPT Tax and Other Fees are added to the Purchase Price as additional consideration (the

resulting sum "the STT Consideration") when calculating the State Transfer Tax payable by Purchaser at Closing.

Additionally, Purchaser shall be responsible for the payment of any of the following taxes imposed under the New York Tax Law to the extent applicable: (i) where consideration is $1,000,000 but less than $2,000,000, the "additional tax," commonly known as the "mansion tax" ("Mansion Tax") or (ii) where consideration is $2,000,000 or higher, the "supplemental tax" ("Additional Mansion Tax"), in each respect by multiplying the consideration by applicable tax rate shown on the chart below:

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

As the Mansion Tax is a statutory obligation of Purchaser, the payment by Purchaser of the Mansion Tax is not treated as additional consideration for the transaction. However, the New York City Department of Finance has taken the position that the amount of Mansion Tax due at Closing (if any) is calculated based on the STT Consideration, as opposed to the Purchase Price or RPT Consideration, and therefore Purchasers should be aware that in some instances it is possible that the aforementioned "bulking up" of the consideration can ultimately cause a Purchase Price of less than $1,000,000 to exceed $1,000,000 in STT Consideration.

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

	Purchase Price $500,000 or less	***Purchase Price greater than $500,000 and less than $2,000,000***
Tentative RPT Tax:		
Purchase Price	$400,000	$1,500,000
Applicable Tax Rate	x 1%	x 1.425%
Subtotal: Tentative RPT Tax	**$ 4,000**	**$ 21,375**
Tentative State Transfer Tax:		
Purchase Price	$400,000	$1,500,000
Rounded up to the nearest $500	$400,000	$1,500,000
Applicable Tax Rate	x 0.4%	x 0.4%
Subtotal: Tentative State Tax	**$ 1,600**	**$ 6,000**

Actual RPT Tax:		
Purchase Price	$400,000	$1,500,000
Tentative taxes (RPT + State Transfer)	+ 5,600	+ 27,375
Sponsor Closing Fees	+ 3,000	+ 3,000
RPT Consideration	**$408,600**	**$1,530,375**
Applicable Tax Rate	x 1%	x 1.425%
Total: RPT Tax	**$ 4,086**	**$ 21,808**
Actual State Transfer Tax:		
Purchase Price	$400,000	$1,500,000
Tentative RPT Tax	+ 4,000	+ 21,375
Sponsor Closing Fees	+ 3,000	+ 3,000
STT Consideration	**$407,000**	**$1,524,375**
Rounded up to the nearest $500	$407,000	$1,524,500
Applicable Tax Rate	x 0.4%	x 0.4%
Total: State Transfer Tax	**$ 1,628**	**$ 6,098**
Mansion Tax:		
Purchase Price	$400,000	$1,500,000
Tentative RPT Tax	+ 4,000	+ 21,375
Sponsor Closing Fees	+ 3,000	+ 3,000
STT Consideration	**$407,000**	**$1,524,375**
Applicable Tax Rate	*N/A*	1%
Total: Mansion Tax	*N/A*	**$ 15,243.75**

The disclosures in this subsection regarding calculation of the State Transfer Tax, RPT Tax, and Mansion Tax are subject to change based on guidance documentation that may be issued in the future by the Department of Law, New York City Department of Finance, New York State Department of Taxation and Finance or other applicable authority that may dictate a different interpretation of how to calculate the State Transfer Tax, RPT Tax, and Mansion Tax in light of changes made to New York State Tax Law Section 1404(a) effective as of July 1, 2021. For more information regarding calculations of transfer taxes, Purchasers are advised to consult with their title company or with counsel.

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

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

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

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

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

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

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

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

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

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

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

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

Mortgage Recording Tax Credit ("MRT")

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

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

Example of Estimated Closing Costs for a Typical Residential Unit

A numerical example of estimated closing costs and expenses for a single Residential Unit with a Purchase Price of $12,500,000 and a projected mortgage of $10,000,000 are set forth below by way of illustration only. All tax rates, title insurance premiums and recording rates are subject to change:

ITEM	DESCRIPTION	AMOUNT
Fee Insurance Premium for $12,500,000 of owner's insurance	Fee insurance premium.	$40,951.00
Mortgage Insurance Premium for $10,000,000 of lender's insurance	Mortgage insurance premium.	$8,408.00
RPT Tax	1.425% of bulked-up consideration of $12,763,203.44.	$181,875.65
State Transfer Tax	0.65% of bulked-up (rounded up) consideration of $12,681,928.44.	$82,433.00
Mansion Tax	% of bulked-up consideration of $12,681,875.	$412,162.68
Mortgage Recording Tax	The tax rate is 2.175%. The borrower pays 1.925% - $30. This does not include the lender's ¼ point of mortgage tax in the amount of $25,000.00.	$192,470.00
Departmental and Bankruptcy Searches	Title searches.	$600.00
Estimated Recording Fees	One deed, one mortgage and one condo power of attorney.	$700.00
Estimated Lender's Title Endorsements	4 endorsements at $50 each.	$200.00
Sponsor Closing Fees	Basic closing fee ($3,750) + ACRIS document preparation fee ($250) + mortgage financing fee ($750).	$4,750
Working Capital Fund	2 months' Common Charges	See Schedule A
Total Estimated Closing Costs	*Excluding Working Capital Fund.*	$924,550.33

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

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

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

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

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 under the Plan in connection with the purchase of the Unit.

Closing Adjustments

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

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

(iii) Real Estate Taxes. In the event the Units have not been separately assessed for real estate tax purposes by the New York City Department of Finance ("Finance Department") prior to the First Closing. Sponsor shall deliver at the First Closing to Escrow Agent, either cash, a letter of credit or a surety bond ("Tax Security") in the amount of the real estate taxes for the next ensuing tax period ("Future Taxes"). Escrow Agent shall hold the Tax Security in escrow for the benefit of the Condominium. At each Closing prior to the date the Units are separately assessed and billed, Purchasers will be obligated to pay to Sponsor an amount equal to the Unit's pro-rata share of the Future Taxes (computed by multiplying the Common Interest of the Unit by the amount of the Future Taxes) ("Unit Tax Payment"). The Future Taxes shall be

paid to the Finance Department when due by Sponsor, or by Escrow Agent using the Tax Security, either at Sponsor's direction, or upon Sponsor's failure to make such payment. If Sponsor pays the Future Taxes directly, the Tax Security shall be released to Sponsor upon delivery to Escrow Agent of proof of payment from the Finance Department of the Future Taxes. If at the time the Future Taxes are paid, the amount of the Future Taxes has been reduced by the Finance Department as a result of the implementation of real estate tax benefits, Escrow Agent shall make appropriate refunds to Sponsor and Sponsor shall in turn make such appropriate refunds to Purchasers on account of Unit Tax Payments.

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

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

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

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

Other Costs

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

Financial Crimes Enforcement Network Disclosure

For the purpose of preventing evasion of the Bank Secrecy Act, the director of the Financial Crimes Enforcement Network of the U.S. Department of Treasury ("FinCen") issued a Geographic Targeting Order

("Order") to collect information about certain transactions, which applies to any corporation, partnership, limited liability company, or other similar business entity using currency or a cashier's check, a certified check, a traveler's check, a personal check, a business check, a money order in any form, a funds transfer, or virtual currency, whether wholly or in part, without a bank loan or other similar form of external financing, to purchase "residential real property" in any borough of New York City for a total price in excess of certain threshold amounts. At the time of the Filing Date of the Plan, such reporting threshold is $300,000, which may be subject to change in the future. For the purposes of FinCEN, "residential real property" is defined as "real property (including individual units of condominiums and cooperatives) designed principally for the occupancy of from one to four families." Purchasers are advised that FinCEN has revised and extended the Order from time to time, which currently remains in effect until October 15, 2024, but may be subject to further extension. In the event that a Purchaser enters into a transaction that falls within the current scope of the Order, the Purchaser shall be required to deliver to the title company at Closing all documents and information necessary in order for the title company to comply with the requirements set forth in the Order. Any failure by a Purchaser to deliver such documents and information shall be deemed an Event of Default under the Purchase Agreement. For further details, Purchasers are advised to consult with a title company.

RIGHTS AND OBLIGATIONS OF SPONSOR

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

(a) Sponsor has not yet procured financing for its construction work at the Building and as of the Filing Date of this Plan, Sponsor does not anticipate that Sponsor will require construction financing in order to complete its construction work at the Building. However, in the event Sponsor obtains construction financing in connection therewith, Sponsor will amend the Plan to disclose any requirements imposed by the Construction Lender with respect to the sale of the Residential Units.

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

(c) Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by Force Majeure, Sponsor's construction work at the Building will be sufficiently completed to permit the First Closing to take place on or about October 1, 2024. Sponsor has the right to change the projected date of the First Closing from time to time by an amendment to the Plan. If the First Closing does not occur within 12 months after the projected date set forth in Schedule B in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor will offer those affected Purchasers only a right to rescind their Purchase Agreements for 15 days from the Presentation Date of the amendment disclosing Sponsor's failure to close within such time frame. Any Purchasers electing rescission will have their Deposits returned together with any interest earned thereon, except for any Special Work Funds to the extent that such Special Work Funds have been expended and/or committed. Even if the First Closing occurs within 12 months after the date set forth in Schedule B for the First Year of Condominium Operation in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor is not obligated under the regulations promulgated by the Attorney General to schedule any subsequent closing within any specified time frame. Residential Units will be completed at different times over a period that may begin prior to and/or extend significantly beyond the projected date of the First Closing, and Residential Units on higher floors generally close later than Residential Units on lower floors. Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to any credit, offset or reduction in the Purchase Price or otherwise be relieved from any obligations under the Purchase Agreement, if the First Closing or any Closing occurs earlier or later than the projected date, or the time to complete or to close title to any Residential Unit is delayed or postponed by Sponsor. Nothing contained in this section will be construed so as to render Sponsor liable for money damages, nor shall Purchaser have against Sponsor any liability, suit, claim, cause of action, or demand under any legal theory. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS WHEN DETERMINING WHETHER TO PURCHASE A RESIDENTIAL UNIT.

In the event the actual or projected date of the First Closing is to be delayed by 6 months or more, Sponsor will amend the Plan to include a revised budget with updated common charge projections. If the total common charge projections in the amended budget exceed those in the latest budget set forth in the Plan by 25% or more, Sponsor will, in the amendment disclosing such updated budget, offer all Purchasers the right, for 15 days, to rescind their Purchase Agreements and receive a refund of their Deposits, together with any interest earned thereon (provided, however, that after the Plan has been declared effective and the amendment disclosing the same has been accepted by the Department of Law, a Purchaser who is in default

under the Purchase Agreement beyond the expiration of any applicable grace period will not have the right to rescind).

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

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

(e) Notwithstanding anything to the contrary, Sponsor reserves the right, in its sole and absolute discretion, without prior notice to Purchasers or amendment to the Plan to (i) modify from time to time the Condominium Documents and the Plans and Specifications (including changes in layouts and designs) as may be necessary in Sponsor's sole discretion to conform to Law or to expedite the sale of the Units, or due to structural, architectural or mechanical considerations, or otherwise in accordance with the section of the Plan entitled "Changes in Prices and Units," and/or (ii) substitute materials, appliances, equipment and fixtures that are of Equal or Better Quality in place of those described in the Plan and the Plans and Specifications. Notwithstanding the foregoing, no such modification, including any change in the Common Interest or in the amount or quality of Common Elements directly affecting or servicing a Residential Unit, will be made which: (x) materially and adversely affects a Unit Owner or Purchaser; (y) increases any obligation of a Unit Owner or Purchaser to any adverse and material degree; and/or (z) with respect to such Unsold Residential Unit for which a Purchase Agreement is then in effect, increases or decreases the square footage (excluding interior partitions) or Common Interest by more than 5%, or materially changes the unit size, layout or percentage of Common Interest of such Unsold Residential Unit, unless the Purchaser consents to such changes. A decrease in a Unit's area of 5% or less will not affect a Purchaser's obligations under the Purchase Agreement unless such decrease is determined to be material. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. The foregoing reservations of Sponsor's right to make changes is subject to the governing regulations of the Department of Law which provide for an affected Purchaser's consent for any material changes in Unit size, layout, or percentage of common interest provided that such affected Purchaser is not in default of its obligations under the Purchase Agreement and all Purchasers' consents for any material change in the size or material adverse change in the quality of the Common Elements. Provided Purchaser's consent is not required, a Purchaser will not be excused from purchasing the Residential Unit and will not have any claim for damages or losses against Sponsor as a result of any such change and such change will not affect a Purchaser's obligations under the Purchase Agreement or the Plan, it being understood that nothing contained in this section will be construed so as to render Sponsor liable for money damages, nor shall Purchaser have against Sponsor any liability, suit, claim, cause of action, or demand under any legal theory. If Purchaser's consent is required as a result of a change due to field conditions and construction variances and tolerances, or as a result of changes in Law (including without limitation applicable building codes and regulations) and Purchaser refuses to consent, then in such event, Sponsor's sole obligation shall be to terminate the Purchase Agreement and refund to Purchaser all Deposits made under the Purchase Agreement and any interest earned thereon, except for any Special Work Funds to the extent that such Special Work Funds have been expended and/or committed. Any material and adverse modification will be reflected in an amendment to the Plan.

(f) At the First Closing, Sponsor will deliver, assign, or otherwise grant to the Condominium Board, on behalf of all Unit Owners, the right to proceed under any assignable warranties and other assignable undertakings received by Sponsor from contractors, suppliers, or others in connection with the

renovation and equipping of the Building, including the assignable warranties and assignable undertakings received by Sponsor which relate to appliances, equipment, or fixtures located in the Units and the Common Elements, except that assignable warranties and assignable undertakings received by Sponsor which relate to appliances, equipment or fixtures located in any Unit shall be assigned to the Purchaser on the Closing Date. Sponsor does not make any representation as to which, if any, of the warranties and other assignable undertakings will continue to remain in force upon the Closing of any particular Unit. Sponsor shall have no liability or responsibility in the event a warrantor is unable, unwilling or for any reason, fails to perform under its warranty.

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

Furthermore, because Sponsor and the By-Laws of the Condominium may permit Unit Owners to undertake renovations prior to the procurement of a PCO, such renovations may cause additional delays in the issuance of a PCO. Nevertheless, Sponsor and its principals are obligated to procure the PCO. However, Sponsor or the Condominium Board may refuse to permit a Residential Unit Owner to perform alterations until such time as a PCO has been obtained.

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

The only construction prerequisite to Closing is the issuance of a TCO for the Unit or a PCO for the Building. As such, each Purchaser shall be required to close title to their particular Residential Unit once a TCO is issued irrespective of outstanding items of work, provided Sponsor has satisfied the closing conditions set forth in the section of the Plan entitled "Terms of Sale" and subject to the section of the Plan entitled "Rights and Obligations of Sponsor."

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

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

(j) The Building will contain certain major mechanical equipment, including, but not limited to, elevator machine rooms, fans, pumps, emergency generator, domestic water tanks and packaged units (collectively, "Equipment") which may cause noise and vibration throughout the Building. While Sponsor will endeavor to reduce excessive noise and vibration emanating from the Equipment, it may be impossible to eliminate such noise and vibration entirely. As a result, Residential Units and amenity areas in close proximity may be affected.

(k) The Condominium Board, Sponsor, and their respective Permitted Users have the right to operate the emergency generator as necessary, as well as to activate the emergency generator for testing on a periodic basis, normally once per month. During such testing periods, which may occur at any time, occupants of Residential Units may experience excessive noise and vibration.

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

Sponsor does not make any representation (express or implied) that any noise, odors, fumes or vibrations, if any, emanating from mechanical equipment belonging to the Condominium or the Hotel Unit will not disturb occupants of the Residential Units, and Sponsor shall have no liability whatsoever for any such disturbance to any Unit Owner or occupant.

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

(n) Each Residential Unit and the fixtures and personal property contained therein, are being sold and delivered as described in the Plan, at the time of transfer of title to such Unit unless Sponsor and the Purchaser otherwise agree in writing. With respect to Residential Units, upon receipt of the Initial Closing Notice (or at such time as may be applicable in the event that Sponsor and Purchaser have agreed to modify or waive the Initial Closing Notice requirement), Purchaser shall arrange an appointment with a representative of Sponsor to inspect the Residential Unit within 7 days prior to the Closing Date and shall execute at such time an Inspection Statement acknowledging the Purchaser's acceptance of the Residential Unit in good condition and in accordance with the terms of the Plan. If Purchaser believes that remaining items of work must be completed in the Unit, then Sponsor or its designated representative and Purchaser will at the time of the inspection agree upon and set forth in the Inspection Statement a list of the incomplete work to be completed by Sponsor following the Closing without provision for escrow. Sponsor's obligation under the Inspection Statement shall survive delivery of the deed to the Purchaser. The failure of Sponsor to complete the work under the Inspection Statement prior to Closing shall not be grounds for Purchaser to delay the Closing or to refuse to pay the full Balance of the Purchase Price at Closing. Purchaser shall be obligated to provide Sponsor and its contractors, subcontractors agents and employees, unfettered access to the Unit and any Residential Limited Common Elements appurtenant thereto after Closing in order to complete the work on the Inspection Statement, failing which Sponsor shall be relieved of its obligations to complete the work set forth on the Inspection Statement. Notwithstanding anything set forth in this paragraph, at such time as a TCO for the Unit is issued, Purchaser shall be obligated to close title to the Unit and pay the Balance of the Purchase Price at Closing.

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

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

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

(i) with respect to any latent defect (that is, a defect that is not discoverable by a reasonable and customary inspection) in the construction of a Unit, within 1 year of the

earlier to occur of (a) the Closing of Title to the Unit or (b) the commencement date of any agreement by which a Purchaser is permitted to occupy the Unit prior to Closing;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

e. variations in wood floor stains and finishes;

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

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

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

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

Sponsor's obligations, regardless of any limitations in any warranty or in the Plan, cannot go below the duty to perform its construction work at the Building in accordance with all applicable Laws and the Plans

and Specifications, and any conflict between any such disclaimers and Sponsor's obligation to perform its construction work at the Building in accordance with all applicable Laws and the Plans and Specifications shall be resolved in favor of the latter.

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

THE ITEMS AND CONDITIONS DESCRIBED ABOVE IN (IV) ARE NOT DEFECTS AND MAY BE FOUND IN ANY SUBSTANTIALLY RENOVATED BUILDING. PURCHASERS WHO PURCHASE A UNIT IN THE BUILDING OR IN ANY OTHER SUBSTANTIALLY RENOVATED BUILDING MAY EXPERIENCE SOME OR ALL OF THESE CONDITIONS IN THEIR UNITS OR THE COMMON ELEMENTS. SPONSOR HAS NO OBLIGATION TO CORRECT OR REPAIR ANY IMMATERIAL CONDITIONS (INCLUDING WITHOUT LIMITATION THOSE SET FORTH ABOVE) AND SHALL NOT BE LIABLE TO ANY PURCHASER OR CONDOMINIUM BOARD THEREFOR. IF PURCHASER OR CONDOMINIUM BOARD DESIRES TO CORRECT OR REPAIR ANY SUCH ITEMS OR CONDITIONS, TO THE EXTENT THEY CAN BE CORRECTED OR REPAIRED, THE PURCHASER OR CONDOMINIUM BOARD MUST PROCEED AT ITS SOLE COST AND EXPENSE AND/OR UTILIZE ANY WARRANTIES OR UNDERTAKINGS ASSIGNED TO IT BY SPONSOR.

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

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

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

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

(u) Sponsor will pay or cause to be paid all contractors, subcontractors and materialpersons and all others involved in the renovation and equipping of the Building in accordance with the New York Lien Law, for work performed and fixtures, material and equipment supplied or installed during Sponsor's construction thereof.

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

(w) Sponsor shall be obligated to defend any suits or proceedings arising out of Sponsor's acts or omissions relating to Sponsor's obligations and shall be obligated to indemnify the Condominium Board and Unit Owners against any such action or proceeding.

(x) At or subsequent to the First Closing, Sponsor will deliver to the Condominium Board copies of the following documents, as applicable, and as otherwise in Sponsor's possession: (i) mechanical, electrical and plumbing drawings for the Building; (ii) operating and maintenance manuals for mechanical equipment; (iii) electronic system manuals; (iv) major equipment start-up sheets and control system as-built; and (v) original test and balance report for HVAC system.

(y) In accordance with §339-p of the Condominium Act, a registered architect or licensed professional engineer shall certify within reasonable tolerances that the Tax Lot Drawings are an accurate copy of portions of the Plans and Specifications of the Building as filed with and approved by the municipal or other governmental authority having jurisdiction over the issuance of permits for Sponsor's construction work at the Building and, in addition, such architect or professional engineer shall make periodic inspections at various stages of construction to determine that the construction work is being performed in accordance with the Plans and Specifications.

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

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

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

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

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

(ee) The risk of loss to any Residential Unit by fire or other casualty until the Closing for such Residential Unit is assumed by Sponsor (unless and until Purchaser takes possession of the Residential Unit, at which time such risk, to the extent not covered by existing insurance, shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Residential Unit. In the event of damage or destruction of a Residential Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, provided Sponsor elects (which election shall be in its sole discretion within sixty (60) days of the damage to the Unit) to repair or restore the Residential Unit, the Purchase Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price of the Residential Unit. In such event, Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Residential Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Residential Unit by fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, if Sponsor notifies Purchaser that it does not elect to repair or restore the Residential Unit (which election shall be made in its sole discretion within sixty (60) days of the damage to the Unit), or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws"), the Purchase Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return all Deposits, together with any interest earned thereon, except for any Special Work Funds to the extent that such Special Work Funds have been expended and/or committed, to Purchaser, whereupon Sponsor and Purchaser shall be released and discharged from all obligations and liability under the Purchase Agreement and the Plan; provided, however, if Purchaser is then in default under the Purchase Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

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

(gg) Sponsor intends, in good faith, to sell rather than rent Residential Units. However, under the Plan, Sponsor has reserved the unconditional right to rent rather than sell (i) the Hotel Unit prior to

consummation of the Plan and (ii) all Units after the consummation of the Plan; provided that Sponsor will not rent any Units or any portions of any Units to any residential tenants prior to consummation of the Plan, it being acknowledged that the Hotel Unit Owner shall have the right to operate the Hotel within the Hotel Unit and utilize the Hotel guest rooms for transient use prior to such time. Because Sponsor is not limiting the conditions under which it will rent rather than sell Units, Sponsor is not committed to sell more Units than the 15% necessary to declare the Plan effective and, therefore, owner-occupants may never gain effective control and management of the Condominium.

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

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

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

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

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

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

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

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

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

Use of Unsold Residential Units

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

Sales Center/Model Unit/Marketing Materials

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

Sponsor reserves the right to utilize the furniture, furnishings and equipment through-out various parts of the Building which were used in the Sales Center. All such furniture, furnishings and equipment, however, will be re-conditioned, if needed.

Sponsor's Easement Rights

Sponsor and its Permitted Users shall have an exclusive easement for so long as Sponsor owns an Unsold Unit to erect, use, lease, maintain, repair, replace and operate (a) antennae, satellite dishes and other communications equipment, and (b) any pipes, risers, ducts, flues and equipment necessary or desirable to provide heat, air-conditioning, exhaust, or ventilation as required or, as permitted by Law, on any part of the roof and/or façade of the Building and elsewhere on the Common Elements (excluding any Residential Limited Common Elements) and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith. Sponsor and its Permitted Users shall have an easement in, over, under, through and upon the General Common Elements and Residential

Common Elements (including but not limited to, residential lobbies, hallways and corridors), to use the same, without being subject to any fee or charge, for all purposes and activities in connection with the sale or renting of Unsold Residential Units, including, without limitation, the right to erect, maintain, replace and/or repair any sign and/or lighting permitted by Law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit or the operation of any business of a tenant or occupant of any Unit. Sponsor shall be entitled to permit any one or more of such easements to be utilized by the Hotel Unit Owner and/or Permitted Users. Sponsor reserves the right to install additional fireplace flues and mechanical equipment on the roof of the Building. Sponsor is currently the lessor under that certain Building and Rooftop Lease Agreement (the "Verizon Lease") between Sponsor as successor to the original lessor thereunder, 20 East 76th Street Co., LLC and New York SMSA Limited Partnership ("Verizon"), d/b/a Verizon Wireless, with its principal offices at One Verizon Way, Mail Stop 4AW100, Basking Ridge, New Jersey 07920, as lessee. Pursuant to the Verizon Lease, Verizon has leased space in the Building located at the Cellar, Penthouse Roof and Upper Roof, upon which Upper Roof Verizon maintains an antennae (the "Verizon Space"). The Verizon Space is part of the Hotel Unit, and, it is intended that, upon formation of the Condominium, the Hotel Unit Owner will become the lessor under the Verizon Lease. As such, upon formation of the Condominium, all of the rights and obligations of lessor under the Verizon Lease shall accrue solely to the Hotel Unit Owner and not the Condominium or any other Unit Owner, and no party other than the Hotel Unit Owner shall have any rights or obligations thereunder except that the Condominium Documents grant to the Hotel Unit Owner an easement across the Property in order to enable the Hotel Unit Owner to fulfill its obligations under the Verizon Lease.

Condominium Name

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

The Hotel Unit Owner and/or the Hotel Operator may, from time to time, either own or obtain licenses to rights in certain trademarks, trade names, copyrights and/or other intellectual property (collectively, the "Hotel Intellectual Property"). Except as expressly provided herein, in no event shall any Residential Unit Owner (other than Sponsor, the Hotel Unit Owner or the Hotel Operator, or any of their affiliates, designees or licensees, to the extent the same may be a Residential Unit Owner) or the Condominium Board, without the express consent of the Hotel Unit Owner or the Hotel Operator (which consent may be conditioned upon execution of a license agreement and/or payment of licensing fees), as applicable, use any of the Hotel Intellectual Property in connection with any advertisements, promotion, rental or sale of any Units (or portion thereof or interest therein) or (to the extent permitted by the Condominium Documents and applicable law) any business being operated therein or therefrom or in any other commercial manner. Without limiting any other right or remedy available at law or in equity, the foregoing may be enforced by an action for specific performance and/or injunctive relief. Under no circumstances shall the Hotel Intellectual Property be deemed part of property of the Condominium or an appurtenance of any Residential Unit or the property of any Person subject to the foregoing. The Hotel Intellectual Property shall at all times remain the sole and exclusive property of the Hotel Unit Owner and/or the Hotel Operator, as applicable, and/or their licensees.

CONTROL BY SPONSOR/HOTEL UNIT OWNER

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

At the First Annual Meeting, the incumbent Initial Condominium Board will resign and a new Board consisting of seven (7) members, will be installed as follows: (i) four (4) members to be designated by the Hotel Unit Owner (the "Hotel Members") (which may be Sponsor); and (ii) three (3) members to be elected by the Residential Unit Owners (the "Residential Members"), provided that Sponsor and/or its designees shall have the right to designate the Residential Members as and to the extent set forth herein.

At and after the First Annual Meeting and for so long as Sponsor and/or its designee owns at least one (1) Residential Unit: (i) Sponsor and/or its designee shall designate two (2) of the three (3) Residential Members who are related to or affiliated with Sponsor or such designee; and (ii) Sponsor, such designee and all other Residential Unit Owners shall have the right to elect the remaining one (1) Residential Member, who shall not be related to or affiliated with Sponsor or such designee, in the manner set forth in the Condominium By-Laws. Purchasers are advised that since Sponsor has the unconditional right to rent, rather than sell Residential Units after consummation of the Plan, Sponsor or its designee may continue to retain a majority of the Residential Units in number and Common Interest, and therefore may have the power, acting alone, to elect the remaining Residential Member otherwise to be elected by the Residential Unit Owners pursuant to clause (ii) of the immediately preceding sentence, provided that such Residential Member shall not be related to or affiliated with Sponsor or its designee. After such time as Sponsor and/or its designee no longer owns any Residential Units, all three (3) of the Residential Members shall be elected by the Residential Unit Owners in the manner set forth in the Condominium By-Laws. The Hotel Unit Owner shall at all times have the right to designate all four (4) of the Hotel Members on the Condominium Board.

Whether or not Sponsor controls or holds seats on the Condominium Board through its ownership of one or more Units, the Condominium Board cannot take any action whatsoever which would interfere to any degree with Sponsor's rights under the Plan or Sponsor's ability to meet its obligations under the Plan, including without limitation Sponsor's obligation to procure a PCO for the Building.

As a result of the foregoing, the Hotel Unit Owner (and for so long as Sponsor owns the Hotel Unit, Sponsor) will control the Condominium Board. Therefore, the Hotel Unit Owner (and for so long as Sponsor owns the Hotel Unit, Sponsor) will have control of the maintenance and operation of, and the services to be provided by, the Condominium, and will determine the Common Charges to be paid by all Unit Owners. Notwithstanding the foregoing, the vote of the Hotel Members shall not be required (and the Hotel Members shall not be entitled to vote) with respect to matters which do not affect the Hotel Unit or the Hotel Unit Owner (it being understood that any matter that affects compliance with the Hotel Standard or the hiring of employees or a manager (whether or not such employees or manager are intended to serve only the Residential Units or Residential Common Elements) or the termination of any staffing arrangement with the Hotel Unit Owner shall be deemed to affect the Hotel Unit and the Hotel Unit Owner, and the Hotel Members shall be entitled to vote on such matters), and the votes of a majority of the Residential Members at a Board meeting at which a quorum is present, shall constitute the decision of the Board.

At meetings of the Residential Unit Owners, Sponsor will have the right to vote all of the Common Interest attributable to the Unsold Residential Units as it sees fit. When voting for Residential Members of the Condominium Board, each Residential Unit Owner (including Sponsor for so long as Sponsor shall own any Unsold Residential Units) shall be entitled to cast 1 vote for each 0.0001% of Common Interest attributable to the Residential Unit per Residential Member to be elected.

For so long as Sponsor continues to own at least 25% in number of all Residential Units, but in no event later than 5 years after the First Closing, the Condominium Board may not take any of the following actions without Sponsor's prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Unit; or (b) assess any Common Charges or Special Assessments for the creation of, addition to, or replacement of all or part of a working capital, reserve, contingency or surplus fund; or (c) increase or decrease the number, or change the kind of employees from those described in the First Year's Budget; or (d) enter into any service or maintenance contracts for work or otherwise contract for work or otherwise provide services in excess of those described in the First Year's Budget, except as is required to reflect normal annual increases in operating services incurred in the ordinary course of business; or (e) borrow money on behalf of the Condominium; or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that (x) Sponsor may not diminish or eliminate services, facilities or any line items described in the First Year's Budget; and (y) Sponsor's written consent is not necessary to perform any function or take any action described in items (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary to enable the Condominium Board to (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer or (iv) to ensure the health and safety of the occupants of the Building.

Notwithstanding anything to the contrary, any provisions giving Sponsor control of the enforcement of Sponsor's obligations are not lawful. In addition, if any of the Members of the Condominium Board have not been designated by Sponsor, any Members of the Condominium Board that have been designated by Sponsor shall not be permitted to vote with respect to whether to bring a legal action against Sponsor.

CONDOMINIUM BOARD

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

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

Commencing with the First Annual Meeting, the Condominium Board shall consist of seven (7) individuals, three (3) of whom shall be elected by the Residential Unit Owners (including Sponsor with respect to Unsold Residential Units) and/or designated by Sponsor in accordance with the terms of the By-Laws (collectively, the "Residential Members"), and four (4) of whom shall be designated by the Hotel Unit Owner ("Hotel Member"). Except for Members designated by Sponsor and/or the Hotel Unit Owner, all Members of the Condominium Board shall be either: (i) individual Residential Unit Owners or adult Family Members of an individual Residential Unit Owner; or (ii) individual Permitted Mortgagees; or (iii) officers, directors, shareholders, partners, principals, employees, or beneficiaries of corporations, partnerships, fiduciaries, or any other entities that are Residential Unit Owners or Permitted Mortgagees. The number or composition of Condominium Board Members may not be changed except in accordance with the procedures described in the By-Laws.

A Residential Member of the Condominium Board may be removed with or without cause by an affirmative vote of a majority of Residential Unit Owners who are present at a meeting containing a quorum of Residential Unit Owners, provided, however, that any Residential Member designated by Sponsor may only be removed and replaced by Sponsor, and further provided, however, that the Hotel Members of the Condominium Board may only be removed by the Hotel Unit Owner, who alone shall have the right to designate replacements.

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

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

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

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

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

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

RIGHTS AND OBLIGATIONS OF UNIT OWNERS

Sales and Leases of Units

Each Residential Unit Owner may either lease (on a short-term (i.e., for a term of thirty (30) days to less than six (6) months) or long-term (i.e., for a term of six (6) months or longer) basis) or sell their Residential Unit only in accordance with the terms of the Condominium Documents. The Condominium Documents require that any Residential Unit Owner ("Offering Unit Owner") selling or leasing their Unit for a term of six (6) months or longer first gives the Condominium Board, on behalf of all Residential Unit Owners, and the Hotel Unit Owner (or its designee) notice of intention to sell or lease together with any and all application forms and documentation required by the Condominium Board and the Hotel Unit Owner, and an opportunity to purchase or lease such Residential Unit at the same price or rental and on the same terms as were offered in good faith by a prospective Purchaser or lessee, as more specifically provided in the By-Laws. If neither the Condominium Board nor the Hotel Unit Owner (or its designee) elects to purchase or lease the Residential Unit within 30 days after receipt of notice, the Offering Unit Owner will have an additional 60 days to enter into a written agreement with the prospective Purchaser or lessee, as the case may be, embodying the terms set forth in such notice. In the event such written agreement is not executed by the Offering Unit Owner within such 60 day period or such sale or rental is not consummated within an additional 60 days following the expiration of such 60 day period, the Offering Unit Owner will be required to again first offer the same to the Condominium Board and the Hotel Unit Owner (or its designee), provided that the Condominium Board and the Hotel Unit Owner (or its designee) shall be entitled to waive, or to permit an extension of, either or both of such 60 day periods. The Condominium Board may not exercise its option to purchase or lease any Residential Unit without prior approval of a majority in interest of all Residential Unit Owners. The By-Laws permit the Condominium Board to (i) borrow money on behalf of the Condominium for the benefit of Residential Unit Owners, (ii) increase Common Charges assessed against all Residential Unit Owners and (iii) impose Special Assessments against all Residential Unit Owners, in the event the Condominium Board elects to exercise its right of first refusal. Purchaser should refer to Article 7 of the By-Laws for details concerning the Condominium Board's election to exercise its right of first refusal. The right of the Hotel Unit Owner (or its designee) to exercise its option to purchase or lease a Residential Unit, shall, in all events, take priority over the right of the Board to purchase or lease such Unit. Any such deed given by an Offering Unit Owner shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Condominium Documents, as the same may be amended from time to time. Any such lease shall be consistent with the By-Laws and shall provide that it may not be materially modified, amended, or extended without the prior consent in writing of the Condominium Board, that the tenant shall not assign the lease or sublet the Residential Unit or any part thereof without the prior consent in writing of the Condominium Board, and that the Condominium Board, if permitted by Law, shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of such lease. The form of any such lease shall be a printed, reasonably applicable form of residential lease which is generally accepted in New York City such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, except for such changes therein as provided in the By-Laws.

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

A Residential Unit Owner may lease, sell or convey the Residential Unit to a Family Member, may convey the Residential Unit by gift, may devise the Residential Unit by will, or have it pass by intestacy, without complying with the foregoing restrictions; provided, however, that each succeeding Residential Unit Owner shall be bound by, and the Residential Unit shall be subject to, the preceding restrictions. In addition,

any Residential Unit Owner may lease, sell or convey the Residential Unit to a related or controlled individual or entity, as more particularly set forth in the By-Laws.

A Residential Unit Owner may only sell or lease the entire Residential Unit. In addition, each conveyance of a Residential Unit by a Residential Unit Owner shall include, as part of the property to be conveyed, the Unit Owner's undivided interest in (a) the Common Elements, (b) the Residential Common Elements (with respect to Residential Units); (c) any Unit or Units acquired by the Condominium Board on behalf of all Unit Owners, or any proceeds of the sale or rental thereof and (d) any other assets of the Condominium. No part of the Residential Unit Owner's interest in the Common Elements may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit or as part of a sale, transfer or other disposition of the specific interest in the Common Elements by all affected Residential Unit Owners.

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

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

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

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

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

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

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

Purchasers are advised that, as of the Filing Date, Purchasers shall be permitted to rent their Units on a long-term (i.e., for a term of six (6) months or longer) or short-term (i.e., for a term of thirty (30) days to less than six (6) months) basis in accordance with the terms hereof. In accordance with applicable Law, no Residential Unit Owner shall be permitted to rent their Unit for a term of less than thirty (30) days. As more particularly set forth in the Condominium Documents, a Residential Unit Owner other than Sponsor may make its Residential Unit available for rental on a short-term basis (i.e., for a term of thirty (30) days to less than six (6) months) and advertise such availability only through: (i) a direct rental made by such Residential Unit Owner; (ii) a licensed rental agent who appears on the Hotel Unit Owner's list (which list may be kept by the Hotel Operator on the Hotel Unit Owner's behalf) of qualified agents that possess the objective minimum quality standards as reasonably set forth by the Hotel Unit Owner (or the Hotel Operator on the Hotel Unit Owner's behalf) from time to time (the "Rental Agent Standards"); or (iii) a rental agent selected by the Residential Unit Owner and approved by the Hotel Unit Owner (or Hotel Operator on the Hotel Unit Owner's behalf), in its sole discretion, and subject to certain conditions as determined by the Hotel Unit Owner in its sole discretion, which otherwise satisfies the Rental Agent Standards. Any rental agent qualifying under clauses (ii) and (iii) of the immediately preceding sentence shall be referred to herein as a "Qualified Broker". The Rental Agent Standards shall initially require that the agent: (v) agree to enter into a confidentiality and license agreement with respect to the use of the applicable Hotel Intellectual Property, if applicable; (w) be licensed and bonded in accordance with applicable law; (x) conduct their business commensurate with the Hotel Standard; (y) be sufficiently familiar with the Condominium and the Condominium Documents, including the Residential Rules and Regulations annexed thereto to inform potential renters; and (z) satisfy such additional standards established by the Hotel Unit Owner (or the Hotel Operator on its behalf) from time to time. Upon request, the Hotel Unit Owner (or the Hotel Operator on its behalf) shall make available to the Residential Unit Owners, the list of Qualified Brokers and/or Rental Agent Standards in effect at a given time. Notwithstanding anything contained herein to the contrary, the Hotel Unit Owner and the Hotel Operator or either of their designees shall each at all times be deemed to be a Qualified Broker. Each Qualified Broker other than the Hotel Unit Owner or the Hotel Operator or either of their designees will be required to provide evidence of insurance held by the Qualified Broker upon request by the Condominium Board (or the Hotel Unit Owner or Hotel Operator). Any Residential Unit Owner directly renting its Residential Unit on a short-term basis (i.e., for any term of thirty (30) days to less than six (6) months) shall at all times comply with all applicable laws in connection with the rental of its Residential Unit and shall not utilize any third-party rental agent or brokerage services or otherwise in connection with the short-term rental of its Residential Unit. Sponsor reserves the right, after the consummation of the Plan, to rent one or more of the Residential Units for any amount of time (whether long-term, short-term or otherwise); and the foregoing provisions of this paragraph shall not apply to Sponsor with respect to any Unsold Residential Units. Short-term rentals of Residential Units may be subject to sales, hotel occupancy or other taxes and fees imposed by the state and/or local governmental authorities, occupancy limitations and other applicable laws and regulations. Residential Unit Owners are responsible for ensuring the collection and remittance of such fees and taxes to the appropriate governmental authorities and should consult with

their own legal counsel or accounting professionals to understand the types and amounts of such taxes and/or fees. Additionally, Residential Unit Owners should consult with their own counsel to determine whether and to what extent other applicable laws would govern their ability to rent their Units on a short-term basis. The Condominium Board, the Managing Agent, the Hotel Unit Owner and the Hotel Operator (if any) each reserve the right to require any Qualified Broker or Residential Unit Owner seeking to rent their Unit on a short-term basis and/or any short-term renter of such Residential Unit to execute any other documentation reasonably required by the Condominium Board, the Managing Agent, the Hotel Unit Owner and/or the Hotel Operator in connection therewith.

No Residential Unit Owner shall take any action to circumvent the prohibitions set forth in this subsection, including but not limited to, by disguising a short-term rental as a long-term rental (i.e., of six (6) months or more) or disguising a long-term rental as a short-term rental or otherwise.

Use of Units and Common Elements

A Residential Unit shall be used for residential purposes only, including permitted "home occupation" as defined in the Zoning Resolution (except as described below), and not more than one family may occupy a Residential Unit at one time. A Residential Unit may not be used for any "dormitory," "bed and breakfast" or other transient hotel-type use, provided that short-term rentals (i.e., rentals for thirty (30) days to less than six (6) months) and long-term rentals (i.e., rentals of six (6) months or more) shall be permitted in accordance with the further terms hereof. Any lease of a Residential Unit may be subject to additional conditions and restrictions as may be determined by the Condominium Board, including, without limitation, acceptable background and credit checks, income limits and tenant reference letters. The Condominium Board reserves the right to impose lease processing and administrative fees in connection with the rental of any Residential Unit. In no event shall any Residential Unit be used as part of or in furtherance of an Occupancy Plan or a program, plan, entity, agreement or other arrangement providing for short-term, fractional or shared use and/or ownership of such Unit, or as part of a travel club, "home share" platform such as AirBnB or Onefinestay, vacation rental platform such as VRBO, swap or exchange company or any enterprise having similar attributes; provided, however, if as, and when and only for so long as the Hotel Unit is being used by the Unit Owner thereof in connection with an Occupancy Plan (and for avoidance of doubt the use of the Hotel Unit as a transient hotel in the ordinary course shall not be considered "use…in connection with an Occupancy Plan"), the Residential Units may be so used on the same basis with the consent of the Condominium Board, in its sole discretion, and provided the same is in compliance with applicable law. An "Occupancy Plan" means a program, plan, agreement or other arrangement for the use, occupancy, marketing, advertising, or promotion of one or more Units under short-term, timeshare, fractional or shared ownership interval exchange, vacation club, destination club, vacation membership, private membership, private residence club and points club products, programs and services (whether the program is based on direct exchange of occupancy rights, cash payments, reward programs or other point or accrual systems) or other membership plans, arrangements or forms of products, programs and services through which a participant in a plan or arrangement acquires a direct or indirect ownership interest, use or other rights in the Unit(s) in question with attendant rights of periodic use and occupancy or acquires contract rights to such periodic use and occupancy of such Unit(s) or a portfolio of accommodations including such Unit(s). The provisions of this paragraph shall not apply to Sponsor with respect to any Unsold Residential Units.

Although the Hotel Unit may be used for any lawful purpose, it is initially anticipated that the Hotel Unit will be operated as a hotel which may include, but shall not be limited to, hotel guest rooms and ancillary spaces, retail, bar/restaurant, lounge and club areas, a fitness center, conference rooms, ballrooms, event spaces and spa facilities (the "Hotel"). As of the initial date of filing of this Plan (the "Filing Date") with the New York State Department of Law (the "Department of Law"), it is anticipated that Sponsor will retain ownership of the Hotel Unit, however, Sponsor reserves the right to convey the Hotel Unit or any portion thereof to an affiliate or an unrelated third party either pursuant to a "no-action" or "no-jurisdiction" or other letter ruling issued by the Department of Law, an amendment to this Plan (as and to the extent the same is accepted by the Department of Law), or a separate offering plan

filed with the Department of Law. No representation or warranty is made with respect to: (i) the identity of the owners, users or tenants of the Hotel Unit at any time or that the same will be agreeable to the owners of Residential Units (the "Residential Unit Owners") or any other parties or (ii) the uses to which all or any portion of the Hotel Unit may be put at any time. Neither the board of managers of the Condominium (the "Condominium Board") nor the Residential Unit Owners will have any interest in the rents, profits or revenues generated from the business, rental, or other use of any space in the Hotel. The uses of the Hotel Unit may generate noise, traffic, odors, vibrations or other disturbances typical in the operation of a full-service hotel, and which will be outside the control of the Condominium Board and the Residential Unit Owners.

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

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

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

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

Mortgage of Residential Units by Residential Unit Owners

Each Residential Unit Owner may mortgage the Residential Unit, provided that the conditions with respect thereto set forth in the By-Laws are first complied with. As more fully set forth in the By-Laws, these conditions include the requirements that (a) the mortgage be substantially in the form of the New York State Land Title Association form of mortgage, except for such changes or additions as may be required to permit a lender to make the loan, (b) the Condominium Board is notified in writing of the making of such mortgage and receives a conformed copy of the note and mortgage and (c) the owner making such mortgage first

satisfies all unpaid liens against the Residential Unit, other than Permitted Mortgages. Sponsor shall have the right to mortgage any Unsold Residential Unit and the Hotel Unit without any restriction or limitation.

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

Common Charges: Determination and Assessment

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

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

Sponsor shall have the right, in its sole discretion, to cause the Condominium Board to waive Unit Owner obligations to pay Common Charges from and after the First Closing for a period of time, as determined by Sponsor, prior to full occupancy of the Building, provided all actual costs of the Condominium (inclusive of any insurance premiums and reserves) are paid by Sponsor. If Sponsor so elects, Sponsor shall disclose such waiver of Common Charges and the expected period of time of such waiver of Common Charges ("Waiver Period") in the post-closing amendment to the Plan. In the event Sponsor elects to extend the Waiver Period, Sponsor will amend the Plan to disclose the extended Waiver Period. Sponsor shall additionally notify Unit Owners of the expiration of the Waiver Period at least thirty (30) days prior to such expiration. To the extent that Common Charges are waived in accordance herewith, then for the year(s) in which Common Charges are waived the Condominium Board shall obtain certified financial statements for the Waiver Period. Upon commencement of collection of Common Charges from all Unit Owners, there will not be a Special Assessment for any expense set forth in the approved budget for which Common Charges were not collected during the Waiver Period. The Condominium Board shall remain obligated to update the budget in accordance with the terms of the Plan. Purchasers should note that, if Sponsor elects to waive Unit Owners' obligation to pay Common Charges, Unit Owners will remain responsible during such Waiver Period for individual Unit expenses, including without limitation real estate taxes, utility charges (if applicable) and Per-Use Fees.

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

Sponsor, in its capacity as the initial owner of the Hotel Unit, has arranged with the Hotel Operator to provide Residential Unit Owners with certain privileges and access to services and facilities of the Hotel. Such services will be categorized as either "Basic Hotel Services" or "A La Carte Services" and are collectively referred to herein as "Hotel Services". The Basic Hotel Services will include: (i) a doorman, bellperson and/or receptionist; (ii) twenty-four (24) hour concierge and valet services including

package delivery and holding, and (iii) the right to access and use certain facilities and amenities of the Hotel, including, the Hotel lobby, fitness center and the fitness center adjacent terrace. Basic Hotel Services will be provided to Residential Unit Owners at no additional expense other than Common Charges, as the cost therefor will be payable by the Residential Unit Owners to the Condominium as a Common Expense. A La Carte Services may (at the discretion of the Hotel Unit Owner and the Hotel Operator from time to time) include: (a) privileges and access to areas which are within the Hotel Unit (or services which are offered on the premises of the Hotel Unit), in all events, subject to availability, such as: entrance to bars and special events, restaurant reservations at Hotel restaurants, Hotel room reservations, signing privileges and direct billing services at Hotel vendor outlets and other public facilities, access to personal fitness trainers/classes and massage and spa services, access to Hotel meeting rooms, access to Hotel rentable space for private functions and access to Hotel lounges, and (b) privileges and services offered in or from a Residential Unit Owner's Unit such as: room service, catering services, event planning, personal shopping, messenger services, pet walking, sitting and/or grooming services, pick-up and delivery of laundry and dry cleaning services, newspaper delivery and housekeeping services. A La Carte Services will be made available to Residential Unit Owners on an "a la carte" basis, and Residential Unit Owners will be individually and separately charged for the A La Carte Services on a per-use basis at the prevailing rates then charged therefor (the "Per-Use Fees"). The Hotel Unit Owner and/or Hotel Operator reserve the right to condition the provision of A La Carte Services to any Residential Unit Owner on execution by the Residential Unit Owner of an agreement setting forth the conditions upon which the A La Carte Services will be made available to such Residential Unit Owner, including the obligation of the Residential Unit Owner to pay the Per-Use Fees therefor. Purchasers are advised that Hotel Services will be made available to Residential Unit Owners as well as guests of the Hotel and others, at the discretion of the Hotel Unit Owner and/or the Hotel Operator, which may impact the level of Hotel Services available to Residential Unit Owners at times. Sponsor makes no representation or warranty that all or any of the Hotel Services will continue to be offered to Residential Unit Owners for any period of time or with respect to the nature or quality of the Hotel Services or the costs associated therewith. In the event that Sponsor sells the Hotel Unit to a third-party or enters into an agreement with a different Hotel Operator or if there is a labor dispute which affects the Hotel or the Condominium or otherwise, the provision of Hotel Services to the Residential Unit Owners may be modified or the cost thereof may increase. Notwithstanding the foregoing, the Condominium Documents provide that, for so long as the Condominium remains current on payment of the Hotel Reimbursable Expenses (as hereinafter defined), the Hotel Unit Owner shall be required to make the Basic Hotel Services available to the Residential Unit Owners (subject to the Hotel Unit Owner's right to deny Hotel Services to a Residential Unit Owner who is not current in payment of any Per-Use Fees applicable to such Residential Unit Owner).

Purchasers are advised that certain components of the Building, including, but not limited to, the Building's main entrance, entrance vestibule, lobby (the "Hotel Lobby"), certain service corridors and the fitness center together with its adjacent terrace, which serve both the Hotel Unit and the Residential Units, shall be part of the Hotel Unit (or, in the case of the fitness center's adjacent terrace, a Hotel Common Element) and, therefore shall be owned (as applicable) and controlled by the Hotel Unit Owner and may be managed by the Hotel Operator on the Hotel Unit Owner's behalf. Those components of the Building which serve or benefit both the Hotel Unit Owner and the Residential Unit Owners but are included in the Hotel Unit (or are Hotel Common Elements) are referred to herein as the "Hotel Shared Components" and are more specifically identified in the Condominium Declaration set forth in Part II of this Plan. The Residential Unit Owners will have exclusive use of a portion of the Hotel Lobby which will serve as a mail room and private elevator lobby for the Residential Unit Owners (the "Residential Lobby"), but the same is only accessible through the Hotel Lobby. As more particularly set forth in Section 11.12 of the Declaration set forth in Part II of the Plan, each Residential Unit Owner shall be granted an easement across portions of the Hotel Unit to utilize the Hotel Shared Components (the "Hotel Easement Areas") and the Hotel Services, as and to the extent such Hotel Services are being made available to the Residential Unit Owners by the Hotel Unit Owner, at a given time. The Hotel Easement Areas shall

include: (a) the Building's main entrance, vestibule and Hotel Lobby as well as the corridors and areas leading from the Hotel Lobby to the Residential Lobby and the service elevator, all at the 1st floor of the Building; and (b) the fitness center and any corridors leading to and from the Building's elevators or stairs to the fitness center, located at the 2nd Floor of the Building. Additionally, the Residential Unit Owners will be granted the same access to public portions of the Hotel Unit which are granted to hotel guests of the Hotel. The Hotel Shared Easement Areas are part of the Hotel Shared Components. Purchasers are advised that since the Hotel Shared Components will be part of the Hotel Unit, decisions with respect to the staffing, maintenance and operation thereof will be made by the Hotel Unit Owner or the Hotel Operator on the Hotel Unit Owner's behalf and not by the Condominium Board, and therefore, neither the Condominium Board nor the Residential Unit Owners will have any right to participate in or control decisions with respect to the same. Further, the Hotel Operator may have the right to substantially control the decoration, appearance and management of the Hotel, and the hiring, retention and dismissal of building staff, as well as the design and appearance of staff uniforms and other aspects of operation of the Hotel within the Building. Pursuant to the Condominium Documents, the Hotel Unit Owner shall have the right to modify the Hotel Shared Easement Areas and the Hotel Shared Components from time to time without the consent of the Condominium Board or any Residential Unit Owner, neither of whom shall have the right to restrict the Hotel Unit Owner in this regard, provided that no modification to the Hotel Shared Easement Areas or the Hotel Shared Components which are part of the Hotel Unit shall materially and adversely affect any Residential Unit Owner's ability to access the Residential Lobby, its Unit or the fitness center, and provided further that the same complies with all Legal Requirements. Purchasers are advised that, the Hotel Unit Owner's right to modify the Hotel Shared Easement Areas and the Hotel Shared Components from time to time without the consent of the Condominium Board or any Residential Unit Owner may result in withdrawal of any amenities which may be available for use by any Residential Unit Owners at a given time, provided that, at all times, the Basic Hotel Services shall be made available to the Residential Unit Owners (subject to the Hotel Unit Owner's right to deny Hotel Services to a Residential Unit Owner who is not current in payment of any Per-Use Fees applicable to such Residential Unit Owner).

Hotel staff will operate and maintain the Common Elements and the Hotel Shared Components and will provide Basic Hotel Services to the Residential Unit Owners, and therefore, the Condominium will not employ any staff of its own. As such, the line item "Personnel & Hotel Services" set forth in Schedule B – Budget for First Year of Condominium Operation is representative of the Condominium's allocated share of such shared staff, and such amount shall be payable by the Residential Unit Owners as reimbursement to the Hotel Unit Owner of the cost thereof. Additionally, as more particularly set forth in the Condominium Documents, the Hotel Unit Owner may enter into certain service contracts from time to time in order to provide the Basic Hotel Services and, at the request of the Condominium, the Hotel Unit Owner may contract on behalf of the Condominium from time to time to provide certain maintenance and repairs to the Common Elements of the Condominium. In such event, the Condominium shall reimburse the Hotel Unit Owner for an allocated share of the cost thereof, which amount shall be payable by the Residential Unit Owners as part of their Common Charges (such amount, together with the aforementioned shared staffing costs shall be referred to herein as "Hotel Reimbursable Expenses"). Since the Residential Unit Owners will be obligated to pay an allocated share of the cost to operate and maintain certain portions of the Hotel as aforesaid, which costs may include items not routinely associated with the operation of a typical residential condominium, Residential Unit Owners may pay common charges which are greater than those which might otherwise be found in a typical residential condominium. The Hotel Reimbursable Expenses are not inclusive of Per-Use Fees, which shall be separately payable by the Residential Unit Owner incurring said Per-Use Fees directly to the Hotel Unit Owner, the Hotel Operator or the applicable provider of such goods or services at the then prevailing fees for such goods and services. Per-Use Fees shall be promptly paid by the Residential Unit Owners as and when due, failing which, with respect to any Per-Use Fees payable to the Hotel Unit Owner or the Hotel Operator, if any, the Hotel Unit Owner shall have the right to cause the Condominium Board to place a lien on the applicable Residential Unit Owner's Unit and to deny such Unit Owner continued access to the Hotel

Services, as and to the extent more particularly set forth in the Condominium Documents. In accordance with the terms of the Condominium Documents, the Residential Unit Owners, as a group, whether acting through their representatives on the Condominium Board or otherwise, would not be permitted to retain their own manager or employees or terminate any staffing arrangement with the Hotel Unit Owner without first obtaining the consent of the Condominium Board, which consent may be granted or withheld in the Condominium Board's sole discretion.

Common Charges: Collection and Lien for Non-Payment

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

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

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

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

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

Repairs to, and Maintenance of, Units and Common Elements

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

Any Residential Unit Owner having access to a Terrace shall keep such Terrace free of snow, ice and accumulation of water. In order to promote a consistent appearance of the Building from the outside, no Residential Unit Owner shall be permitted to enclose, erect a greenhouse and/or alter a Terrace appurtenant to a Residential Unit in such a way that will alter the conformity of the Building, without the prior approval of the Condominium Board. Additionally, the type, size and quantity of plantings and other installations to be placed on Terraces shall be subject to the prior approval of the Condominium Board and shall be in compliance with Law.

The interior and exterior glass surfaces of all windows located in Residential Units shall not be colored or painted. The glass surfaces of all windows located in any Residential Unit are to be washed and cleaned by the Residential Unit Owner at such Residential Unit Owner's sole cost and expense provided that the Condominium Board reserves the right to adopt rules and regulations with respect thereto, and to elect to hire a professional window washer employed by the Hotel Unit Owner or otherwise to clean the exterior surfaces of such windows on the Residential Unit Owners' behalf, in which case, the cost and expense thereof shall be borne by all Residential Unit Owners as a Residential Common Expense. The replacement of any glass window located in a Residential Unit because of breakage or otherwise shall be made by the Residential Unit Owner thereof at the sole cost and expense of such Residential Unit Owner, including, without limitation, the expense of an exterior hoist if the replacement window does not fit into the service elevator (unless such breakage is caused by the Condominium Board or any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Condominium Board or such other Unit Owner, as the case may be). Prior to the replacement of any glass window, the Residential Unit Owner

must obtain the prior approval of the Condominium Board with respect to the type of replacement windows to be installed.

With respect to windows located in the Hotel Unit, the Hotel Unit Owner shall be responsible, at its sole cost and expense, for washing, cleaning, repairing, and replacing of the interior and exterior glass surfaces of all windows located in the Hotel Unit (unless the breakage is caused by the Condominium Board or any other Unit Owner, in which event the replacement of glass windows will be at the sole cost and expense of the Condominium Board or such other Unit Owner, as the case may be).

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

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

The Hotel Management Agreement provides that the Hotel and the Common Elements will be maintained to an aesthetic and operational standard consistent with the Hotel Standard (as hereinafter defined). As such, the Condominium Documents provide that the Common Elements must all times be maintained in accordance with the Hotel Standard. The "Hotel Standard" means any standard for operation, management and maintenance which is required to be maintained by the Hotel Operator, the Hotel Unit Owner and/or the Condominium under the terms of the Hotel Management Agreement entered into between the Hotel Operator and the Hotel Unit Owner from time to time, which may include standards of quality, service, character, appearance and image, required by the Hotel Operator from time to time. Pursuant to the Hotel Management Agreement in place as of the Filing Date, the Hotel Standard means substantially the same quality, operating, service and standards (including guidelines developed for use with the Hotel as modified, amended or supplemented from time to time, without limitation standards and specifications related to health, fire and life safety, security, guest services and assistance, quality assurance as well as design and construction standards) as determined by the Hotel Operator and notified to Hotel Unit Owner from time to time to apply in respect of the hotels operated by the Hotel Operator as part of the group of hotels operated or licensed, as applicable, under the brand name "Corinthia" and owned and/or operated and/or franchised from time to time by the Hotel Operator and/or its affiliates (provided such standards are then applied in a generally consistent manner in all or substantially all such group of hotels) (subject to all limitations with respect thereto set forth in the Hotel Management Agreement). No representation or warranty is made with respect to the existence or identity of the Hotel Operator from time to time or the continued operation of the Hotel under any particular trade name or flag. Purchasers are advised that any different or future agreement with a Hotel Operator may require that the Property (including the Hotel and the Common Elements) be operated, managed and maintained at a minimum according to a Hotel Standard which may be different than the existing Hotel Standard, and the Hotel Unit Owner shall have the right to require the Condominium to abide by such standards. As a result of the Hotel Standard in effect from time to time, Residential Unit Owners may incur certain expenses associated with the operation and maintenance of the Condominium (through Common Charges or otherwise) that they might not otherwise incur in a typical residential condominium.

Purchasers should note that wood products have certain inherent risks. Risks associated with all wood products (including, without limitation, wood flooring, furniture, cabinetry, and molding) include, but are not limited to, the following: cracks between the floor boards, squeaks, cupping, knots, mineral streaks, warping, splitting, denting, and/or delamination. The foregoing items may affect light-colored wood more

noticeably. Additionally, wood products are subject to variations (i) in color (including possibly white, red, black, or even green shades), (ii) in the pattern and/or texture of wood grain, and (iii) in the appearance of finishes (including wood staining, gloss, and/or matte finishes). These variations may occur between (a) pieces of wood taken from the same tree, (b) wood products located in the same area of the Residential Unit, and/or (c) pieces of wood in a Residential Unit and samples shown by the Selling Agent. Wood products can also be affected by exposure to light and may darken, lighten, fade, and otherwise change with use and age. Protective felt pads and protective sheeting (such as plywood or masonite) should always be used on wood flooring when placing furniture or appliances to avoid denting. As recommended by the National Wood Flooring Association, Unit Owners are advised to be very cautious about washing wood products with a wet mop or otherwise with water, since contact with standing water can cause cupping, swelling, and subsequent gapping. For more information about the effect of water on wood flooring, Purchasers should make reference to the National Wood Flooring Association, available at http://www.nwfa.org/. All wood products should be maintained in accordance with the manufacturer's recommendations. All references in the Plan to wood products shall be deemed references to engineered wood products unless otherwise specified.

Certain surfaces in the Residential Units may consist of natural stone. Purchasers should be aware that natural stone can be porous and calciferous, with the potential to absorb and/or chemically react to certain substances. As a result, Purchasers are advised that contact with certain liquids or other substances may result in discoloration or etching. Sponsor makes no representations or guarantees that a sealer will be applied to any Natural Stone Surfaces, with the understanding that the Natural Stone Surfaces may be conveyed by Sponsor to Purchaser at the Closing with an applied sealer or alternatively in the original finish of the product, which may be honed, polished, or otherwise as applicable. To the extent that any Natural Stone Surfaces are delivered with a sealer (making no representations or guarantees with respect thereto), then (i) all decisions with respect to selecting the professionals and the products shall be made by Sponsor in its sole discretion and (ii) Purchasers are advised that the application of a sealer to the stone does not in any way guarantee that future discoloration or etching will not occur. In any event, it will be each Unit Owner's obligation to maintain any and all Natural Stone Surfaces in the Unit, including without limitation to engage a professional to polish, seal, reapply the sealer at regular intervals, and/or otherwise adopt a necessary maintenance program for the Natural Stone Surfaces, as may be applicable. Purchasers should consult a professional regarding the proper care and maintenance necessary to preserve the quality and appearance of the Natural Stone Surfaces.

Unit PH1 will contain a gas burning fireplace and one alcohol ventless fireplace, which fireplaces with all associated parts and equipment (including without limitation, as applicable, the flue) (the "Fireplaces"), shall be considered a part of such Residential Unit. Notwithstanding the foregoing, all continued maintenance and repairs associated with the Fireplaces shall be performed by such Residential Unit Owner at its sole cost and expense, who shall be required to deliver to the Condominium Board a copy of the service and maintenance agreement for the Fireplaces. Notwithstanding the foregoing, the Condominium Board reserves the right to require that the service and maintenance agreements for the Fireplaces be chosen and regulated by the Condominium Board in its reasonable discretion, and, in such event, the cost of such service and maintenance agreement shall be paid by the Condominium Board and assessed against the Unit Owner of Unit PH1 as a special assessment. Such Residential Unit Owner shall be responsible for maintaining insurance with respect to the Fireplaces at its sole cost and expense.

Alterations, Additions and Improvements of Units and Common Elements

No Residential Unit Owner may make any structural alteration, addition, improvement or repair in or to the Residential Unit or its appurtenant Residential Limited Common Elements, if any, without the prior approval of the Condominium Board but, as more fully set forth in the By-Laws, this provision does not apply to an Unsold Residential Unit. Except as otherwise permitted in the By-Laws, no Residential Unit Owner may make any alteration, addition, improvement or repair in or to the Common Elements without the prior approval of the Condominium Board.

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

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

Prior to, and as a condition of, the granting of its consent to the making of a structural alteration, addition, improvement or repair in or to a Residential Unit, or its appurtenant Residential Limited Common Elements each Residential Unit Owner is required by the By-Laws to (i) obtain the approval of the Condominium Board, (ii) obtain the approval of the Condominium Board of the Unit Owner's contractors and suppliers, (iii) obtain such insurance as the Condominium Board may require, (iv) agree to indemnify Sponsor, the Condominium Board, Managing Agent, Hotel Operator and the other Unit Owners against any liability arising from such alterations, additions, improvements or repairs, (v) agree to pay and reimburse the Condominium Board for all architectural, engineering, legal and other fees incurred in connection with such alterations, additions, improvements or repairs, (vi) execute and enter into an alteration agreement, in form and substance prepared by the Condominium Board, setting forth the terms and conditions under which such alterations, additions, improvements or repairs, may be made, including without limitation, the days and hours during which any work may be performed, and (vii) agree to pay a fee to the Managing Agent for processing such alteration applications. In connection with such alterations, additions, improvements and/or repairs, each Residential Unit Owner shall employ only such laborers and other workers as shall not conflict with any other workers employed in the Building or otherwise cause disharmony with any Building service union as determined by the Condominium Board in its sole and absolute discretion. Residential Unit Owners shall not be permitted to engage any Building staff or any contractors or sub-contractors engaged by either the Condominium Board or Sponsor unless expressly agreed to in writing by the Condominium Board or Sponsor unless expressly agreed to in writing by the Condominium Board or Sponsor. Under no circumstances shall a Residential Unit Owner be allowed to commence any work until all of the conditions set forth above have been complied with. Any failure to meet these conditions shall be a default by Residential Unit Owner under the Condominium Documents.

Any contractor performing work shall not employ any personnel or means that may cause labor disturbances or stoppage in the work of Building employees or other contractors or subcontractors employed in the Building.

No application or other document shall be filed with any governmental authority for a permit covering an addition, alteration, improvement or repair to be made in a Unit, unless approved and executed, if necessary, by the Condominium Board. The Condominium Board will not unreasonably refuse to approve and execute, if necessary, any application or other document required to be filed in connection with approved structural alterations, additions, improvements or repairs, provided that the Condominium Board and the Residential Unit Owners shall not be subject to any expense or liability by reason of such approval and execution or, by reason of such addition, alteration or improvement, including, without limitation, liability to any contractor, subcontractor, materialperson, architect or engineer, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this paragraph shall not apply to an Unsold Residential Unit, or the Hotel Unit provided any alteration to such Unsold Residential Unit or Hotel Unit shall be in accordance with, and only as permitted by, the Condominium Act and Law.

Insurance

The Condominium Board is required to obtain and maintain the forms of insurance described in the section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws." The Condominium Board is not required to obtain or maintain any insurance with respect to the Units, any Residential Limited Common Elements or Hotel Common Elements appurtenant thereto, and any Unit Owner Property or any liability with respect to occurrences in or about any Unit and any Residential Limited Common Elements or Hotel Common Elements appurtenant thereto.

Each Unit Owner is required, at such Unit Owner's sole cost and expense, to obtain and maintain in full force and effect (a) casualty insurance with respect to the Unit, any Residential Limited Common Elements or Hotel Common Elements appurtenant thereto, and any Unit Owner Property and (b) liability insurance with respect to occurrences in or about the Unit or any Residential Limited Common Elements or Hotel Common Elements appurtenant thereto. All certificates of insurance shall name the Condominium Board, the Condominium and Sponsor as additional insureds and shall be delivered to the Condominium at the Closing of Title to the Unit. All such policies shall contain waivers of subrogation, if commercially reasonable, and the liability of the carriers issuing insurance obtained by the Condominium Board shall not be affected or diminished by reason of such additional insurance carried by any Unit Owner.

Rights of Access

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

Lot Line Windows

Lot line windows exist in Units 11A, 11B, 11C, 12A, 12B, 12C, 14A, 14B, 14C, 15A, 15B, 15C, PH1 and PH2. Purchasers should refer to the Floor Plans set forth in Part II of the Plan for the specific locations of the lot line windows in such Units. Lot line windows are windows located on an exterior wall abutting a property line, where the adjacent property is owned by others. While such windows provide views, light and air to spaces in the Residential Unit, they cannot be utilized to meet light and ventilation required by the Building Code of the City of New York. Residential Units having lot line windows have other windows which satisfy requirements for the lawful use of such Units for habitation. Lot line windows are considered amenities that potentially can be lost. Should an abutting property owner redevelop such property with one or more buildings of different configurations, it is customary in the industry for such abutting property owner to pay all costs and expenses associated with closing up any lot line windows, to the extent required. If for any reason the abutting property owner does not agree to

perform such work and/or pay for the costs thereof, the responsibility to close the affected lot line windows and seal them in a manner and with such materials as are acceptable to the Buildings Department and the Condominium (including all costs and expenses associated therewith, currently estimated to be approximately $5,000 per window) shall remain solely with the affected Residential Unit Owner, including Sponsor with respect to Unsold Residential Units). This projected cost may increase in the future. Neither Sponsor, Sponsor's architect, the Condominium Board nor any other Person who took part in this offering will have any liability or obligation if the closing-up of any or all lot line windows is required, including without limitation any obligation to pay any costs or expenses associated therewith or to induce or cause any abutting property owner to pay such the costs or expenses.

Smoking Policy

The Residential Rules and Regulations and the form of Purchase Agreement set forth in Part II of the Plan provide the following smoking policy for the Property ("Smoking Policy") in accordance with §17-506.1 of the Administrative Code of the City of New York:

(i) Smoking is prohibited as follows: Smoking is prohibited in the Common Elements (other than Terraces) of the Building, including without limitation, the lobby, stairwells, service entrance, below-grade spaces, roofs, amenity areas, and any common outdoor space as well as the sidewalk perimeter area of 6 feet from the Building. Ashes, matches and other smoking debris shall be disposed of in closed trash containers and not left on the grounds or sidewalk adjacent to the Building. This rule applies to residents and any other persons on the Property, including guests and service persons. Smoking is permitted in the Residential Units only when all doors are closed and on a Residential Unit's Terrace; but in any event only to the extent the same does not trigger complaint of smoke or smoke odors infiltrating or permeating into other Units or Common Elements.

(ii) Definition of "Smoking": "Smoke" or "Smoking" is defined as carrying, burning, inhaling, exhaling, or otherwise handling any lighted or smoldering object or device or nicotine vaporizing device, including, but not limited to, cigarettes, electronic cigarettes, cigars, pipes, vapes or any other lighted object, device, matter or substance.

(iii) Tenant Smoking: In accordance with the Condominium Documents, any lease or renewal lease entered into by a Residential Unit Owner, as landlord shall include a copy of the Smoking Policy and shall provide that the Smoking Policy is a material term of the lease and that failure to comply will permit landlord or the Condominium Board to take action against the tenant, including, without limitation, the right to evict the tenant for breach thereof.

(iv) Complaint Procedure: Complaints about smoking or smoke or smoke odors infiltrating or permeating into a Unit or Common Element should be made promptly to the Managing Agent. Complaints should be made in writing and should be as specific as possible, including the date, approximate time, location, and source of the smoke or smoke odors. The Condominium Board may enter any Residential Unit to investigate any such complaints.

(v) Compliance: Residential Unit Owners are required to advise all of their co-occupants, tenants, guests, visitors, contractors, and other invitees of the Smoking Policy and shall be responsible for any violations of the smoking policy caused by such parties, which violations may subject a Unit Owner to fines. Purchasers are advised that the By-Laws empower the Condominium Board to amend the Residential Rules and Regulations, including without limitation to modify or replace the Smoking Policy, and Sponsor makes no representations or guarantees as to whether the Condominium Board will choose to do so at any time.

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

Compliance with Condominium Documents

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

Examination of Books and Records

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

Self-Help

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

General

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

Purchasers should refer to the section of the Plan entitled "Hotel Unit" for a summary of additional rights and obligations of the Hotel Unit Owner.

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

Condominium Board

Until the First Annual Meeting (which will be held on (i) a date that is approximately 30 days after the second anniversary of the First Closing or (ii) such earlier date on which the initial Condominium Board has scheduled the First Annual Meeting, in its sole discretion), the Condominium Board shall consist of three (3) persons designated by Sponsor (the "Initial Condominium Board"). At the First Annual Meeting, the incumbent Initial Condominium Board will resign and a new Board consisting of seven (7) members, will be installed as follows: (i) four (4) members to be designated by the Hotel Unit Owner (the "Hotel Members") (which may be Sponsor); and (ii) three (3) members to be elected by the Residential Unit Owners (the "Residential Members"), provided that Sponsor and/or its designee shall have the right to designate the Residential Members as and to the extent set forth herein. (See the subsection below entitled "Meetings and Votes of Unit Owners" and the section of the Plan entitled "Control by Sponsor/Hotel Unit Owner" for details.) Thereafter, at each annual meeting, Members of the Condominium Board shall be elected and/or designated and shall serve until the next annual meeting thereof and until a successor has been elected and/or designated.

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

Powers and Duties of and Determinations by the Condominium Board

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

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

Notwithstanding anything to the contrary contained herein, so long as Sponsor continues to own at least 25% in number of all Residential Units, but in no event later than 5 years after the First Closing, the Condominium Board may not, without Sponsor's prior written consent: (a) make any addition, alteration, or improvement to the Common Elements or to any Unit; (b) assess any Common Charges or Special Assessment for the creation of, addition to, or replacement of, all or part of a working capital, reserve, contingency, or surplus fund; (c) increase or decrease the number, or change the kind of employees from that described in the First Year's Budget; (d) enter into any service or maintenance contract for work or otherwise contract for work or services in excess of those set forth in the First Year's Budget, except as is required to reflect normal annual increases in operating services; (e) borrow money on behalf of the Condominium; or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that (x) Sponsor may not diminish or eliminate services or facilities or any line items described in the First Year's Budget; and (y) Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such action is necessary, and no alternatives are available, to enable the Condominium Board to: (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer; or (iv) to ensure the health and safety of the occupants of the Building.

Meetings and Votes of Unit Owners

Annual meetings of Unit Owners shall be held approximately 30 days of each anniversary of the First Annual Meeting. At such meetings, the Residential Unit Owners shall elect the three (3) Residential Members to the Condominium Board, subject to any rights of Sponsor to designate Residential Members to the Condominium Board, and there shall also be transacted such other business as may properly come before such meetings. Four (4) Hotel Members of the Condominium Board shall be designated by the Hotel Unit Owner. In addition, the President may call a special meeting whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such meeting signed by Unit Owners having in aggregate not less than 51% of the total Common Interest. The Secretary of the Condominium Board shall mail or email a notice of each annual or special meeting to all Unit Owners of record. The notice, which will be given at least 10 days prior to any such meeting, shall state the purpose of the meeting as well as the time and place where it is to be held. Except as otherwise provided in the By-Laws or Declaration, at all meetings of Residential Unit Owners, the presence in person (which may be virtual at the discretion of the Condominium) or by proxy of Residential Unit Owners owning more than 40% of the total Residential Common Interest shall constitute a quorum and a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Residential Unit Owners.

At all meetings, each Unit Owner (or their proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Units) shall be entitled to cast one vote for each .0001% of Common Interest attributable to the Unit.

Officers

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

Repair or Reconstruction after Fire or Other Casualty

In the event that the Building is damaged or destroyed by fire or other casualty, the Condominium Board will, except as set forth below, arrange for the prompt repair and restoration thereof (excluding each Unit and Unit Owner Property).

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

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

Common Interest, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of the Unit Owner's share of such funds such amounts as may be necessary to discharge all unpaid liens on the Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens. Any action to terminate the legal status of the Condominium after substantial destruction or a Taking shall require the written consent (which consent shall not be unreasonably withheld, conditioned, or delayed) of the Permitted Mortgagees representing at least fifty-one (51%) percent of the Common Interest of all Units which are subject to Permitted Mortgages or by a majority of the Mortgage Representatives, if any.

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

Insurance

The Condominium Board is required to obtain and maintain, in accordance with the provisions of the By-Laws, to the extent commercially reasonable and to the extent determined by the Condominium Board to be appropriate, the following insurance: (a) a commercial package policy including fire and special causes of loss, on at minimum a replacement cost valuation or replacement cost coverage and agreed valuation, insuring the Building (excluding the Units, any Residential Limited Common Elements appurtenant thereto, and any Unit Owner Property), together with all Building service machinery contained therein and covering the interests of the Condominium, the Condominium Board and all Unit Owners and Permitted Mortgagees, as their interests may appear; (b) rent insurance; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) water damage legal liability insurance; (f) fidelity bonds covering the Condominium Board and all officers, directors and employees of the Condominium; (g) directors and officers liability insurance; and (h) such other insurance as the Condominium Board may determine.

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

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

All policies of physical damage insurance shall contain, to the extent obtainable, waivers of (a) subrogation; (b) a cross-liability endorsement; and (c) pro-rata reduction of liability if Unit Owners obtain additional coverage and shall provide that such policies may not be cancelled or substantially modified without at least 10 days' prior written notice to the Condominium Board and to all of the insureds, including Permitted Mortgagees who have requested the same from the Condominium Board in writing. Evidence of insurance or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees, who have requested the same from the Condominium Board in writing. Renewals shall be obtained at least 10 days' prior to the expiration of the then current policies.

The Condominium Board shall also be required to obtain and maintain, to the extent commercially reasonable, commercial general liability insurance covering claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as the Condominium Board may from time to

time determine, covering (1) the Condominium Board, Managing Agent or agents thereof, each Condominium Board Member and each officer and employee of the Condominium, and (2) each Unit Owner, except that such policy will not cover liability of a Unit Owner arising from occurrences within such Unit Owner's Unit or any Residential Limited Common Elements appurtenant thereto. The Condominium Board shall review such limits not less than once each year. Until the first Condominium Board meeting following the First Annual Meeting, such liability insurance shall be in at least the sum set forth in the First Year's Budget with respect to bodily injury and property damage, combined single limit. The insurance discussed above shall also include cross-liability claims of one insured against another.

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

Liability of the Condominium Board and Unit Owners

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

Reports to Unit Owners

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

Amendments to Condominium Documents

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

No amendment, modification, addition or deletion of the terms of the Declaration, By-Laws or Residential Rules and Regulations, other than those required by Law, shall be effective (a) against Sponsor or any Unsold Unit unless Sponsor has given its written consent thereto, or (b) against the holder of any mortgage, pledge or other lien or security interest covering any Unsold Unit unless such holder has given its

prior written consent thereto, or (c) against any Hotel Unit Owner and/or any Hotel Unit without the prior written consent of the Hotel Unit Owner.

Termination of Condominium

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain as provided in the By-Laws) until such time as the Property shall be withdrawn from the provisions of the Condominium Act as a result of the vote to do so of the Hotel Unit Owner and at least 80% in number and in Residential Common Interest of all Residential Unit Owners. Such vote shall not be effective, however, without the written consent (which consent shall not be unreasonably withheld, conditioned, or delayed) of the Permitted Mortgagees representing at least fifty-one (51%) percent of the Common Interest of all Units which are subject to Permitted Mortgages or by a majority of the Mortgage Representatives, if any.

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

Residential Units Acquired by Condominium Board

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

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

Procedure to Review Real Estate Tax Assessments

The Condominium Board, on behalf of and as agent for all Residential Unit Owners, will be authorized to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Residential Units. All Residential Unit Owners will share the costs in connection therewith and the benefits derived therefrom based on their respective Residential Common Interest. In the event any Residential Unit Owner individually seeks to have the assessed valuation of the Residential 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 Residential Unit Owner in pursuing, such reduction, provided that such Residential Unit Owner indemnifies the Condominium Board from all claims, costs and expenses (including, without limitation, attorneys' fees, costs and disbursements) resulting from such proceedings.

Mechanics' Liens

Under the provisions of the Condominium Act, no lien of any nature may arise or be created against the Common Elements except with the unanimous consent of all Unit Owners affected thereby. Liens may

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

Easements

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

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

The cellar contains one (1) city vault(s) ("Vault Space") which will be used as part of the Building waste room and designated as a General Common Element(s). The City of New York has the right to repossess the Vault Space, in which event the Condominium will no longer have the right to utilize the Vault Space. In such event, the Condominium Board, at its option, may elect to move the waste room to a different location in the Building. Sponsor does not make any representation that such substitute location will be available.

Façade Inspection Safety Program

The Façade Inspection Safety Program (formerly Local Law 11.98), which has been incorporated into the Administrative Code as section 28.302.1 ("FISP") shall apply to the Building. A copy of the last issued FISP report is set forth as an Exhibit in Part II of this Plan. Sponsor will address any conditions noted as unsafe in such existing FISP report as part of the renovation work being performed by Sponsor at the Building. In accordance with FISP, the Condominium Board is responsible for scheduling any future inspections of the physical condition of the exterior walls and any Terrace/balcony railings and guards (including fire escapes) of the Building and submitting a technical report thereof with the Buildings Department every five (5) years. The cost and expense thereof, including the cost of any repairs or maintenance to the façade or other parts of the Building as a result of any such future inspections, shall be

borne by the Condominium and shall be charged to all Unit Owners as a Common Expense (subject to any rights by the Condominium Board to draw from the Working Capital Fund, in its sole discretion).

The Declaration and the By-Laws

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

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

The following discussion of certain income tax consequences of the ownership of Residential Units by Purchasers who use such Residential Units as a personal residence was based, in part, upon the opinion letter prepared by Income Tax Counsel, a copy of which is set forth in Part II of the Plan.

OLSHAN FROME WOLOSKY LLP IS INCOME TAX COUNSEL TO SPONSOR AND NOT TO THE UNIT OWNERS. EACH UNIT OWNER, EACH POTENTIAL UNIT OWNER, AND THE CONDOMINIUM SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR

Income Tax Deductions to Residential Unit Owners

Each Residential Unit Owner will own such Unit Owner's Residential Unit and its appurtenant interest in the Common Elements in fee simple and each Residential Unit will be a separate tax lot for purposes of New York City real estate taxes and assessments. Since each Residential Unit Owner will own such Unit Owner's Residential Unit in fee simple, the owner may mortgage such Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness.

Subject to certain exceptions and limitations that are more particularly discussed in the Income Tax Counsel's opinion letter, it is the opinion of Income Tax Counsel that a Residential Unit Owner who uses his or her Residential Unit exclusively as a personal residence and itemizes his or her deductions will, under current U.S. federal, New York State and New York City income tax Law, be entitled to a deduction for mortgage interest and state and local real property taxes in the year paid in the case of cash basis taxpayers or accrued in the case of other taxpayers. Purchasers should note that interest paid on a mortgage secured by a personal residence generally is deductible only with respect to indebtedness that is incurred in acquiring or substantially improving a principal or secondary personal residence and, for taxable years beginning after December 31, 2017 and before January 1, 2026, only up to an aggregate indebtedness of $750,000 (or $375,000 in the case of a married individual filing a separate return).[1] Interest on mortgage indebtedness that does not satisfy these requirements, such as home equity indebtedness, or is in excess of these limitations, is not deductible. In addition, special limitations also apply to the deductibility of points and other prepaid interest, if any, on their mortgage loans and to the overall allowance of itemized deductions. Purchasers should further note that, for a taxable year beginning after December 31, 2017 and before January 1, 2026, the aggregate deduction for state and local real property taxes, state and local personal property taxes, state and local, and foreign, income, war profits, excess profits taxes, and general sales taxes (if elected) for any tax year is limited to $10,000 ($5,000 in the case of a married individual filing a separate return).

With respect to a Residential Unit Owner who is subject to the alternative minimum tax, no deduction is allowed for real property taxes paid by such Residential Unit Owner and a deduction for mortgage interest is allowed to the same extent described above.

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[1] Without further Congressional action, the $750,000 and $375,000 threshold limitations will expire pursuant to a sunset provision contained in the 2017 Tax Cuts and Jobs Act. Accordingly, the $750,000 and $375,000 threshold limitations will be increased to $1,000,000 and $500,000 respectively for taxable years commencing January 1, 2026. The deduction for interest payable on certain home equity indebtedness was repealed pursuant to the 2017 Tax Cuts and Jobs Act. However, as a result of a similar sunset provision contained in the 2017 Tax Cuts and Jobs Act, for taxable years commencing on or after January 1, 2026 (assuming no further Congressional action), an individual may again deduct interest on an additional $100,000 of home equity indebtedness in excess of the threshold limitations mentioned above (or $50,000 of home equity indebtedness in excess of the threshold limitations in the case of a married individual filing a separate return).

Subject to certain limitations for high income taxpayers, the amount of mortgage interest and real property taxes described above, that are deductible for U.S. federal income tax purposes should also be allowable as deductions for New York state and New York city income tax purposes to a resident individuals all as more particularly discussed in the Income Tax Counsel's opinion letter.

Tax Status of the Condominium

If the Condominium meets the requirements for qualification as a "homeowners association" under §528 of the Internal Revenue Code, which requirements are discussed in the Income Tax Counsel's opinion letter, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Residential Unit Owners. If such an election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources, such as income from assessments from the Hotel Unit Owner(s) and interest earned on any reserve funds (less expenses directly connected with the production of such income).

Sponsor anticipates that the Condominium will not qualify as a homeowners association. If the Condominium does not qualify as a homeowners association, or if it does but chooses not to make the election noted above, the present state of the law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. As discussed in the Income Tax Counsel's opinion letter, the tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of such income (including the nonmembership, and possibly membership, income described above less expenses related to such income) is subject to Federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax. Alternatively, it is possible that some or all of such income might be reportable directly by the Unit Owners or otherwise treated. The tax treatment of the Condominium may be affected by certain United States Treasury Department regulations relating to entity classification. Schedule B, First Years Budget for Condominium Operation, does not contemplate any substantial income which might be taxable and accordingly does not budget any amounts for taxes for nonmembership or membership.

The qualification of an organization as a homeowners association is determined annually at the close of each taxable year, and it is possible that if the Condominium does not qualify in one year it may nevertheless qualify in one or more future years.

No warranties are given that the Internal Revenue Service, the New York State Department of Taxation and Finance or the Finance Administration of the City of New York will allow the aforementioned deductions for mortgage interest and real estate taxes. There is also no assurance that the tax laws or the regulations or rulings issued thereunder, or any judicial interpretation thereof, upon which Income Tax Counsel bases its opinion, will not change. In no event will Sponsor, its principals, Income Tax Counsel, Selling Agent, Managing Agent, or any other Person connected with this offering be liable if at any time it is held that the Residential Unit Owners, or any of them, are not entitled to such income tax deductions. In addition, none of the aforesaid give any warranties with respect to the tax consequences of this Plan or the tax consequences of ownership of any Units offered under the Plan, and no one has been authorized to give any warranties.

Purchasers are advised to refer to the Income Tax Counsel's opinion letter set forth in Part II of the Plan for more information about income tax deductions and other information relating to income taxes. This section deals only with the specific tax matters discussed herein, which do not necessarily comprise all tax matters that may be significant to purchasers of Units. No representation is made with respect to any federal, New York State, or New York City tax consequences other than as expressly discussed herein or as to the tax status or tax consequences of the Plan under the laws of any foreign jurisdiction, and accordingly Purchasers are recommended to consult with their own tax advisor with respect thereto.

REAL ESTATE TAXES

The following discussion of projected real estate taxes for the First Year of Condominium Operation was based, in part, upon the opinion letter prepared by Real Estate Tax Counsel, a copy of which is set forth in Part II of the Plan.

It is estimated that the aggregate real estate taxes payable with respect to all Units for the First Year of Condominium Operation will be approximately $1,092,417, assuming (a) an estimated taxable assessed valuation for the Property of $8,433,900 for the last nine (9) months of the 2024/2025 tax year reflecting the assessment for a partially renovated property, and an estimated taxable assessed valuation for the Property of $9,650,040 for the first three (3) months of the 2025/2026 tax year reflecting the assessment for a completed property, and (b) an estimated tax rate of 12.502% for the residential component for the 2024/2025 and 2025/2026 tax years. This tax projection does not take into account any real estate tax abatements that may be applicable to the Property at any given time.

Purchasers are advised that the value of the Building will increase once the Building is assessed as being fully renovated, which means that the real estate taxes may be significantly higher than those projected in the Plan for the First Year of Condominium Operation. Purchasers should note that once the Building is assessed as being fully renovated, it is estimated that the real estate taxes will total approximately $1,206,448, assuming no change in the above listed tax rate assessments.

In arriving at the assessed valuation for each Unit in the Condominium, the Building is first assessed as an entity. This overall assessment is then apportioned among the respective Units, each of which will be assigned a tax lot designation once the Declaration has been recorded and the Tax Lot Drawings are filed with the Register's Office. For purposes of Schedule A, the projected real estate taxes for the Building were apportioned among the Units based on Common Interest percentages. It is possible that the apportionment will be based in part upon the proportion the offering price as set forth on Schedule A for each Unit bears to the gross sellout price for all Units offered for sale in the Condominium and in part upon extrinsic indicia of value, including location, square footage, amenities, income producing potential and existing leases on particular Units. There is no assurance that the City of New York tax assessor will allocate taxes among Units based upon Common Interest percentages. At such time as the Units have been separately assessed for real estate tax purposes, each Unit will be taxed as a separate tax lot for real estate tax purposes and a Unit Owner will not be responsible for the payment of, nor will the Unit be subjected to, any lien arising from the non-payment of real estate taxes assessed against any other Unit.

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

The Unit Power of Attorney which each Purchaser shall be required to sign at Closing, the form of which shall be substantially as set forth in Part II of the Plan, authorizes the Condominium Board to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to the Residential Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate in accordance with section 2.4(A)(xxiii) of the By-Laws.

As of the Filing Date of the Plan, there are tax certiorari proceedings pending for the reduction of real estate taxes with respect to the Property for the 2023/2024 tax year. Any such proceedings are at Sponsor's sole cost and expense, for Sponsor's benefit.

WORKING CAPITAL FUND AND APPORTIONMENTS

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

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

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

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

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

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

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

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

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

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

(9) janitorial service fees, if any.

(10) management fees.

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

(12) other customary closing adjustments.

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

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

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

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

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

RESERVE FUND

Sponsor has not established a reserve fund for capital replacements or repairs. Upon completion of renovation, the Building will be predominately newly renovated and consequently Sponsor does not anticipate the imminent need for capital repairs, replacements or improvements. However, no representation is given that such needs will not arise in the future. Therefore, Unit Owners will be obligated to pay their share of the cost of repairs, replacements and/or improvements to the Common Elements as the need for such arises, unless there are sufficient Working Capital Funds or other funds available. The Condominium Board, in its discretion, and subject to certain restrictions contained in the By-Laws, may decide in the future to create a reserve fund by Special Assessment or by increases in Common Charges.

MANAGEMENT AGREEMENT

At the First Closing, Sponsor will assign, and the Condominium Board will assume, the Management Agreement for the Condominium between Sponsor and Halstead Management Company, LLC ("Managing Agent"), having an office at 770 Lexington Avenue, New York, New York 10065 ("Management Agreement"). Sponsor may, in the alternative, have the Condominium Board enter into the Management Agreement directly with Managing Agent.

The Management Agreement will provide for an initial term of two (2) years, commencing on the date of the First Closing ("Commencement Date"). Thereafter, the Management Agreement will continue on a month-to-month basis, but may be cancelled by either party without cause, upon not less than 30 day's prior written notice.

Managing Agent will receive an annual fee, payable in equal monthly installments during the initial term of the Management Agreement as follows: $60,000 per annum. The management fee is comparable to the rate for similar services in comparable buildings. In addition, for services rendered to Residential Unit Owners (other than Sponsor), in connection with processing applications to (i) sell, lease or otherwise transfer Residential Units and obtaining necessary waivers of the right of first refusal by the Condominium Board, (ii) mortgage or refinance of an existing mortgage on a Residential Unit and (iii) alter or renovate a Residential Unit, Managing Agent shall receive a fee from the Residential Unit Owner in such amounts as shall be determined, time to time, by the Condominium Board.

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

a. billing and collecting Common Charges.

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

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

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

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

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

g. maintaining payroll records and filing withholding tax statements for employees.

h. maintaining accurate sets of books for the Condominium Board.

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

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

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

l. processing applications of Unit Owners for permission to alter the Residential Units.

m. processing applications for waivers of the right of first refusal.

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

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

Certain services performed by the Managing Agent may be subject to separate fees payable by the Unit Owner benefiting therefrom, such as processing applications of Unit Owners for waivers of the "right of first refusal" (in connection with sales, assignments, or leases of Units) and processing alteration agreements.

The Management Agreement shall additionally include (among other things) the following provisions:

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

(b) the Condominium Board shall reimburse Managing Agent for reasonable disbursements or expenses incurred in the performance of Managing Agent's duties under the Management Agreement.

(c) the Management Agreement may not be assigned by Managing Agent without the prior approval of the Condominium Board.

Sponsor reserves the right at any time prior to the First Closing or while it controls the Condominium Board through its ownership of one or more Units or otherwise, to designate any other reputable managing agent to perform all of the duties and services to be performed by Managing Agent under the Plan and if Sponsor does so, Sponsor will cause such other managing agent to accept employment on terms substantially similar to the terms specified above.

There are presently no contracts or leases binding on the Condominium.

IDENTITY OF PARTIES

Sponsor

Surrey Propco, LLC is a limited liability company organized under the laws of the State of Delaware, with an office at 2500 Enterprise Drive, Allen Park, MI 48101 ("Sponsor").

The principals of Sponsor (as such term is defined in the Department of Law's regulations) are Richard Stone and Eileen Sawyer, having an office address c/o Sponsor at 2500 Enterprise Drive, Allen Park, MI 48101. The principals are employees of Sponsor, an affiliate of Reuben Brothers, a leader in private equity and real estate investment and development. Among many others, its investments include hotels and restaurants, as well as sports and media assets. The company's real estate holdings have a global presence and are broadly diversified, encompassing residential, office, hotel, retail and infrastructure properties. Reuben Brothers' philanthropic arm, the Reuben Foundation, was formed in 2002 and makes essential contributions to the advancement of healthcare and education worldwide, while also tackling homelessness.

Neither Sponsor nor its principals own 10% or more of any unsold shares or Units in any cooperative, condominium or homeowners association in New York State other than the Condominium.

Prior Offerings

Sponsor and principals of Sponsor have not taken part in any public offerings which were initially offered during the past 5 years.

There have been no prior felony convictions of Sponsor, any principals of Sponsor, or any individual who owns or controls a 10% or more equity interest in Sponsor, and no prior convictions, bankruptcies, injunctions and judgments that may be material to the Plan or an offering of securities generally that occurred within 15 years prior to the submission of the Plan against Sponsor, any principal of Sponsor, or any individual who owns or controls a 10% or more equity interest in Sponsor.

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

Counsel for Sponsor

Sponsor has retained the following attorneys in connection with the preparation of the Plan and other services:

- Sponsor has retained the law firm of Starr Associates LLP, having an office at 220 East 42nd Street, Suite 3302, New York, New York 10017 ("Attorneys for Sponsor"), to represent it in connection with the Plan and to serve as Escrow Agent. Starr Associates LLP's dual role as Escrow Agent and Sponsor's attorney in no way affects the legal and contractual obligations of Escrow Agent pursuant to the Escrow Agreement, the Purchase Agreement or applicable Law with respect to the maintenance or release of Deposits. Julia Wachter, Esq., Esq. participated in and supervised the preparation of the Plan. Starr Associates LLP will serve as Escrow Agent and will represent Sponsor in connection with matters relating to the sale and closing of Residential Units.

- Sponsor has retained the law firm of Olshan Frome Wolosky LLP, having an office at 1325 Sixth Avenue, New York, New York 10017, to prepare the Income Tax Opinion for the Condominium and Unit Owners.

- Sponsor has retained the law firm of Marcus & Pollack LLP, having an office at 633 Third Avenue, 9th Floor, New York, NY ("Real Estate Tax Counsel"), to provide the Real Estate Tax Opinion set forth in Part II of the Plan.

Selling Agent

The selling agent for the Condominium will be Douglas Elliman, having an address at 575 Madison Avenue, 3rd Floor, New York, NY 10022 ("Selling Agent"). Selling Agent is a licensed real estate broker whose principals have been engaged in the sale of real estate for more than 100 years.

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

Managing Agent

The managing agent for the Condominium will be Halstead Management Company, LLC ("Managing Agent"), having an office at 770 Lexington Avenue, New York, New York 10065 ("Management Agreement"). Managing Agent is a licensed real estate brokerage and management firm, which has been engaged in the management of residential real estate for many years. It currently provides property management services for many residential cooperatives and condominiums, including, but not limited to, Flatiron House Condominium, One Essex Crossing Condominium, Citizen Condominium, 110 Central Park South, Citizen 360 Condominium, Olympia Dumbo Condominium, and 207 West 79th Street Condominium.

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

Architect of Record

BKSK, having an office at 230 West 38th Street, 16th Floor, New York, NY 10018 is the architect of record for the Building ("Architect"). Architect prepared the Floor Plans of Units set forth in Part II of the Plan and the Tax Lot Drawings which will be filed with the Department of Finance of the City of New York required in order to create the Condominium. Architect has also examined the physical condition of the Building and has rendered its report thereof together with a certification, both of which are set forth in Part II of the Plan.

Budget Expert

Sponsor has engaged Penmark Property Advisors, LLC, having an address at 1225 Franklin Avenue, Suite 325, Garden City, New York 11530, as Sponsor's budget expert ("Budget Expert"). Budget Expert estimated all amounts of income and expenses in the First Year's Budget in consultation with Sponsor. Budget Expert has rendered a certification as to the adequacy of the First Year's Budget, which may be found in Part II of the Plan.

Related Parties

Sponsor and its principals have no affiliation with Attorneys for Sponsor, Selling Agent, Managing Agent, Income Tax Counsel, Real Estate Tax Counsel, the Architect, Budget Expert, or any person or firm who will provide services to the Condominium subsequent to the First Closing.

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

General

Neither Sponsor nor its principals have entered into contracts or agreements, written or oral, or accepted any Deposits or advances of funds for the purchase of Units as of the Filing Date of the Plan.

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

REPORTS TO UNIT OWNERS

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

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

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

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

DOCUMENTS ON FILE

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

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

GENERAL

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

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

Since the Building will be substantially renovated, there are neither commercial nor residential tenants occupying the Building as of the Filing Date of the Plan.

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

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

In accordance with the provisions of the Laws of the State of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person in the sale of Units offered by the Plan or in the leasing of any such Residential Units because of such person's race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law.

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

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

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

EXCESS DEVELOPMENT RIGHTS

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

SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor adopts the "Description of Property and Improvements" set forth in Part II of the Plan and represents that it has no knowledge of any material defects or need for major repairs to the Building except as set forth in the Description of Property and Improvements or as contemplated to be made as described therein.

Under applicable Federal and local law, lead-based paint can no longer be used in the construction of a building. Under Federal Law, Sponsor must provide Purchasers with all available records and material pertaining to lead-based paint and/or lead-based hazards in the Building. Sponsor will comply with applicable Law concerning the use of lead-based paint and/or lead-based paint hazards. Set forth as an Exhibit in Part II of the Plan is a copy of the booklet issued by the United States Environmental Protection Agency, EPA 747-K-95-001, which details certain information regarding lead-based paint. Since the existing building was heavily gutted, Sponsor believes in good faith that the risk of any lead-based hazards is likely very minimal – nevertheless, Sponsor does not make any representation as to the existence or non-existence of lead-based paint within the walls or any other lead-based hazards. Purchasers are advised that, in the event they remove sheetrock at any time in the future, they may be responsible for removing and abating lead-based paint in accordance with applicable Law at their sole cost and expense.

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, a copy of which is included as an Exhibit in Part II of this Plan. 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 of the Plan entitled "Sponsor's Statement of Building Condition" and the Purchase Agreement set forth in Part II of the Plan for details.)

Based upon limited asbestos inspection reports (the "Asbestos Reports") commissioned by Sponsor and set forth in Part II of this Plan, asbestos-containing material ("ACM") was found to be present in the Building's pipe insulation. However, the ACP-5 Certificate set forth in Part II of the Plan certifies that the portion of the Building included in the scope of Sponsor's renovation work at the Property does not contain ACM and that ACM will not be disturbed during Sponsor's renovation work. Purchasers are advised that the Asbestos Reports were commissioned by Sponsor for the limited purpose of inspecting the portions of the Building that could or would be impacted by Sponsor's planned renovation work at the Property and do not represent a complete survey of the Property. Sponsor makes no representation as to the existence or non-existence of ACM in any other locations in the Building, including, but not limited to, in any Residential Units, and Purchasers are advised that such other locations in the Building, including, but not limit to, the Residential Units, may contain ACM. Exposure to ACM increases an individual's risk of developing certain serious health issues, including, but not limited to, lung cancer, mesothelioma and asbestosis. to the extent a Unit Owner or the Condominium Board seeks to perform alterations in its Unit or the Common Elements, respectively, such party may be required to conduct additional assessment to determine whether ACM would be disturbed during the performance of such work, and if it is determined that ACM is present in the affected areas and would be disturbed in connection with such work, the same would require remediation at the sole cost and expense of the Unit Owner or the Condominium Board, as the case may be. Sponsor's obligations under the Plan do not include an obligation to perform additional asbestos testing, including in the Residential Units (other than the testing already disclosed in the Asbestos Reports) or to perform any remedial work in connection with any ACM found to be present other than in connection with Sponsor's renovation work at the Building. As more fully described in this Plan, Sponsor anticipates that the renovation work at the Building will be sufficiently complete to allow for the First Closing to occur on or about October 1, 2024. A new certificate of occupancy will be

issued for the Building when the renovation is complete. Sponsor will obtain a TCO permitting occupancy of specific Residential Units prior to the closing of title to such Units.

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PART II

CONDOMINIUM OFFERING PLAN

THE SURREY CONDOMINIUM
20 EAST 76TH STREET
NEW YORK, NY 10021

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DESCRIPTION OF PROPERTY AND IMPROVEMENTS

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20 East 76th Street
New York, New York

May 22nd, 2024

BKSK

BKSK ARCHITECTS
230 West 38th Street
New York, NY 10018
bksk.com

The report that follows is intended to outline generally the nature of the work, materials and equipment to indicate the contemplated character of the Building. Where materials, appliances, equipment, fixtures, and/or other construction or design details are specified in this Report, Sponsor reserves the right to substitute in each instance items of substantially equal or better quality as recognized by industry standards for performance, efficiency, longevity, and/or classifications, as applicable.

(a). Location and Use of Property

(1) Address
The building is located at 20 East 76th Street in the borough of Manhattan, City of New York.

(2) Block + Lot
The Building is situated on Block No. 1390, Lot No. 57 (the "Property"). Upon conversion of the property to a condominium regime, each unit will have an individual tax lot designation.

(3) Zoning
NYC Zoning map 8c locates this parcel in C5-1, R8B, and MP zoning districts.

(4) Permissible Use
The proposed uses are Use Group 5 Transient Hotel from Lower Cellar through 10th Floor, and Residential Use for floors 11-Roof. Uses permitted as-of-right within the C5-1 district include Retail and Commercial 5 + 6 + 9 + 10 + 11. Uses permitted as-of-right within the R8B district include use groups 1 + 2 (single – and multiple-family residences), and use groups 3 + 4 (community facilities). Upon completion of the renovation work outlined herein, the Property and the proposed use will comply with all applicable zoning and use requirements.

(b) Status of Construction

(1) Year Built. The building was completed in 1926. Sponsor intends to renovate the existing building as more particularly described in this Report. Renovation work began in November, 2022 and Sponsor anticipates that construction will be substantially complete to permit closings of the Residential Units being offered under offering plan (the "Plan") to begin in or around October 2024. Such date is an anticipated date and is subject to delays by weather, strikes, lockout, acts of God, shortages of or inability to obtain materials, equipment labor, government restrictions or preemption, damage by fire or the elements or any other unanticipated delay.

(2) Class of Construction
The building is classified as Construction Group I-Noncombustible, Class 1-B and will be fully sprinklered throughout after improvements are complete. Applicable Codes
The building complies with 1968 New York City Building Code, ("NYCBC") including Local Law 58-1987 ("LL58"), 2014 Building Code for the Residences for ADA and Life Safety Issues, the Fair Housing Act, the Americans with Disabilities Act ("ADA") 2010 Edition, ADA Accessibility Guidelines ("ADAAG"), HUD Fair Housing Act Design Manual, NYC 2020 Energy Code and 2009 ANSI A117.1 and the Rules of the City of New York as they apply to the renovation of existing buildings occupied prior to 1991.

The project is not a Quality Housing Project.

The required fire rating for each building element is as follows:

Structural Frame Supporting one floor:	3hrs
Structural Frame Supporting more than one floor:	3hrs
Load-Bearing Exterior Walls:	4hrs
Non Load-Bearing Exterior Walls:	2hrs

Floors:	3hrs
Roof:	2hrs
Load Bearing Interior Walls:	4hrs
Unit Separation Walls:	2hrs
Stair and Elevator Enclosures:	2hrs
Mechanical Room Walls:	2hrs

(3) Certificate of Occupancy
The current Certificate of Occupancy for this building (110452563F) was issued on August 6th, 2010. The Certificate of Occupancy will be updated to reflect Sponsor's renovations, and Sponsor shall not close on any Residential Unit prior to receiving a temporary or permanent certificate of occupancy covering such Residential Unit.

(4) Alteration Permit Numbers and Description of Work Done
This project is a renovation to an existing building and will be filed with the New York City Department Of Buildings ("DOB") under multiple applications including an ALT1, multiple ALT2's, and Public Assembly applications and will not be self-certified.

Upon completion of construction and conversion of the Property to condominium ownership, the building will comprise a hotel unit (the "Hotel Unit"), 14 individual residential units (the "Residential Units", which together with the Hotel Unit are referred to herein as the "Units") and common elements.

Sponsor's renovation work at the Building will include the reconfiguration of the Lower Cellar and Cellar, including the infill of two air wells as part of the new Cellar and 1st Floor space, and the addition of a new convenience stair from the Cellar to 2nd Floor and the relocation of an egress stair from 2nd to 1st Floor. The 1st Floor will be reconfigured to accommodate an updated design for the Hotel Unit common spaces and certain residential common elements. The 2nd Floor will be reconfigured into Hotel Unit common spaces. The configuration of dwelling units on the floors above will be changed, with approximately 100 hotel rooms on floors 3-10 and 14 residential units across floors 11-Roof. A new HVAC system will be installed to heat and cool all units and other building systems will be modified as required.

As of the date hereof, below is a list of closed permits, open permits, and permits still required for the project filed with the NYC Department of Buildings:

Permit #	Type / Scope of Work	Status
M08010233-I1	Alt-CO application	Disapproved with Objections
M08010233-I1	General Construction (GC)	Disapproved with Objections
M00625869-I1	Architectural (GC) demolition	Approved 11/9/22
M00689794-I1, M00625869-S4	Architectural (GC) interior renovation	Approved 9/26/22. Permit issued 10/26/22
M00700974 I1	Architectural (GC) windows	Approved 8/3/22
M00803327-I1	Architectural (GC) interior renovation (CEL, 1-2)	Pending
M00625869-S1	Mechanical (MS) demolition	Approved 12/14/21

M08022860-S3	Mechanical (MS) construction, SC-10th	Approved 11/18/21
M08022860-S4	Mechanical (MS) construction, 11-17th	Pending
M00625869-S2	Plumbing (PL) demolition, 7th	Approved 12/2/21, Permitted.
M00763692-I1	Plumbing (PL) demolition, SC, CEL, 1-16th	Approved 7/25/22, Permitted.
M08022860-S1	Plumbing (PL) construction, SC-10th (hotel)	Approved 11/18/21
M08022860-S2	Plumbing (PL) construction, 11-17th (residential)	Pending
M00625869-S3	Sprinkler/Standpipe (SPSD) demo	Approved 12/2/21
M08022860-I1	Sprinkler/Standpipe (SPSD) construction, SC, CEL, 1-10	Approved 11/19/21
M00748298-I1	Temporary Standpipe	Approved 7/10/22. Permitted
M00711783-I1	Structural (ST)	Approved 11/22/21
TBD	Construction Fence (FN)	Pending
TBD	Tenant Protection Plan (GC)	Pending
TBD	Boiler (BE)	Pending
2022-TMFALM-009657-PLAN	Fire Alarm	Filed 10/20/22
2022-TMENGR-005540-PLAN	LNO (Modification and Installation of Sprinkler System in conjunction with full building renovations)	LNO obtained 6/21/22
2022-TMENGR-009929-PLAN	LNO (work on 5 or more contiguous floors per BB 2020-012)	LNO obtained 11/4/22

(c) Site

(1) Size:
Based upon information contained in a survey by Fehringer Surveying,, P.C. dated May 24th. 2022, the lot dimensions are 98'-1 1/2" x 102'-2" yielding an approximate lot area of 10,024 square feet.

(2) Number of Buildings and Use:
The site contains one existing building, which upon completion of construction, will be used for residential, hotel and additional legally permitted mixed use purposes. .

(3) Streets owned and maintained by the project:

(i) Paving
76th Street and the associated sidewalk are outside the north lot line, and are not owned by this project. All sidewalks and curbs adjacent to the property to be replaced as per BPP filing. The existing 76th Street pavement is paved with asphalt concrete in good condition and is to remain.

(ii) Curbing
All sidewalks and curbs adjacent to the property to be replaced as per BPP filing.

(iii) Drainage & Catch Basins
76th Street is presently pitched to drain through existing catch basins into the New York City storm water drainage system. The cast iron catch basins are not located in front of the property on 76th Street. The drains are in acceptable condition as of this report.

(iv) Street lighting
The present New York City street lighting is provided by pole-mounted fixtures, which appear to be in good condition. There are no light poles within the sidewalks adjacent to the Building.

(v) Sidewalk Vaults

Existing sidewalk vault to remain. The structural condition of the sidewalk vault is in acceptable condition. There are no visible improper conditions or danger of the sidewalk vault structure failing or of any hazardous condition as of the date of this report. No structural bracing or shoring work is required or planned. See Plot Plan for dimensions and location of existing vault. There is no street level access to this vault, which is to be part of the Waste Room. Sidewalk vault to be maintained by condominium in accordance with DOT and AHJ maintenance requirements.

(vi) Conformance with code
The above items are owned by the New York City Department of Transportation ("DOT") and are in conformity with the requirements of the local fire district and DOT and other applicable codes.

(4) Drives, Sidewalks and Ramps:

(i) Paving
All sidewalks and curbs adjacent to the property to be replaced as per BPP filing.

The sidewalks will be maintained by the Unit Owner(s) or the Condominium as more particularly set forth in the condominium declaration and by-laws, all in conformity with local fire district and other applicable codes.

(ii) Curbing
See #3 above.

(iii) Drainage
See #3 above.

(iv) Street lighting
See #3 above.

(v) Conformance with code
See #3 above.

(d) Utilities:

(1) Electricity:

Consolidated Edison Company of New York ("Con Edison"), a regulated company, currently provides the electric utility services for the entire Building. The electric service for each Unit will be distributed throughout the Building to various loads and will be directly metered or sub metered. Each Unit owner will be responsible for paying the cost of electricity consumed in its Unit either directly to the utility company or to the condominium to pay to the utility on its behalf. Each Unit Owner's share of electricity consumed in the Common Elements will be collectively metered through one or more direct or submeters and each Unit Owner shall pay their allocated share of such consumption as part of their common charges as more particularly described in the budget for the projected first year of condominium operation set forth in the Plan (the "First Year Budget").

(2) Gas:

Gas service to the Building is supplied by Con Edison and enters the Building on the north side of the Lower Cellar level from 76th Street. There will be one (1) meter for the boiler (which serves all Units), and one (1) meter for gas in the Residential Units . The cost of gas use measured thereby shall be a common expense of the Unit owners as more particularly set forth in the First Year's Budget. The Hotel Unit will have a separate meter for cooking gas utilized in its Unit and shall pay the cost therefor either directly to the utility or to the condominium to pay the utility on the Hotel Unit owner's behalf.

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(3) Domestic Water and Sewer Service:

Water to the building is provided by The City of New York to the north side of the Cellar through an existing domestic water main. Water service to the Building will be collectively metered and will be billed to each Unit owner as a common expense as more particularly set forth in the First Year's Budget. The Hotel Unit will have a separate water meter and shall pay the cost therefore either directly to the utility or to the condominium to pay to the utility on the Hotel Unit owner's behalf.

(4) Telephone:
"Local" telephone service will be available for all Units & provided by Spectrum, Verizon Fios and/or another service provider. Every Unit owner will be required to pay their individual telephone charges and initial charges for activating individual outlets in the Unit. In each Unit a telephone outlet will be provided in locations as indicated on the plans.

(5) Cable / Television:
Cable / Television services will be available for all Units, provided by Spectrum or Verizon FIOS (or alternate cable TV company). All charges for cable television service (including installation and subscription charges) will be paid by each Unit Owner who subscribes directly to the cable TV company. In each Unit, a Cable TV outlet will be provided.

(6) Internet Service:
High speed internet service will be available for all Units provided by Spectrum or Verizon FIOS. It is the responsibility of the Unit Owner to obtain such service from an internet service provider servicing the Condominium, and the cost of such service shall be paid by the respective Unit Owner.

(e) Sub-soil Conditions

(1) The existing to remain visible masonry foundation walls appear to be in good condition, and there is no visible evidence of uneven settling or movement of foundation elements.

(2) There have been no test borings taken to determine subsurface conditions, as no work is planned that would affect building foundations or foundation walls.

(3) No new foundation or sub-slab drainage systems will be installed. FIRM Map 3604970089F and Preliminary FIRM Map 3604970089G locate the site in Zone X, outside the 0.2% annual chance floodplain.

(4) The project is not located in a 2013 NYC hurricane evacuation zone.

(f) Landscaping & Enclosures

(1) Grass cover:
None.

(2) Plantings:
No plantings are currently planned for the Roof.

(3) Trees:
There are two existing street trees and pits on each side of the building entrance (4 total). The three easternmost tree pits will all be enlarged, and the westernmost treepit will remain. The first and third tree as measured from the eastern property line will be replaced in their existing locations, the other two trees will remain. Tree pits are protected by painted steel ornamental guards.

(4) Fencing:
The existing iron fence on the south west corner of the property will remain. The fence is in good condition, no repairs are required.

(5) Gates:
None on the property.

(6) Garden Walls:
None on the property.

(7) Retaining Walls: None on the property.

(8) Display pools and fountains: None on the property.

(g) Building Size

(1) Total height
The height of the Building will be unchanged, at a height of approximately 149'-2 from the average curb height to the top of pavers on the main roof.

(2) Crawl spaces
There are no crawl spaces.

(3) Cellars and subcellars
The existing cellar is at two levels: the Lower Cellar and Cellar

(4) Number of floors
There are fifteen stories at or above grade plus a Roof, Penthouse Roof and Upper Roof level.

Note: All references to floor numbers in the document refer to the "Marketing Floor" designations. All floors above the 12th Floor have a "Marketing Floor" designation that is different from the "Construction Floor" designation by one, because the "Marketing Floor" designation skips the 13th Floor. See Floor Naming Table Below:

FLOOR NAMING TABLE:

Marketing Floor #	**Construction Floor #**
Lower Cellar	Lower Cellar
Cellar	Cellar
1st Floor	1st Floor
2nd Floor	2nd Floor
3rd Floor	3rd Floor
4th Floor	4th Floor
5th Floor	5th Floor
6th Floor	6th Floor
7th Floor	7th Floor

8th Floor	8th Floor
9th Floor	9th Floor
10th Floor	10th Floor
11th Floor	11th Floor
12th Floor	12th Floor
14th Floor	13th Floor
15th Floor	14th Floor
Penthouse	15th Floor
Roof	Penthouse Floor
Penthouse Roof	Penthouse Roof
Upper Roof	Upper Roof

(5) Equipment Rooms:
Equipment rooms are located at the Lower Cellar and Cellar levels, consisting of service elevator equipment room, boiler room, domestic hot water heater room, gas meter room, fuel oil room, engineering workshop, electrical room, fire alarm room, emergency distribution room, pump room, building MDF, waste room, elevator control room, pump room and waste room.

(6) Parapets:
All roofs and terraces will have a parapet or railing, which will be a minimum of 3'-6" in height above the roof. The existing parapets are masonry with cast stone or terra cotta coping.

(h) Structural System:
The structural design of the building and planned structural alterations are in accordance with the NYCBC, including regulations for wind and seismic loads.

The structural condition of the existing foundation is in acceptable condition. There are no visible improper conditions or danger of the building structure failing or of any hazardous condition as of the date of this report. No structural bracing or shoring work at the foundation is required or planned.

Sound insulation between floors will be provided by 1/8" rubberized matt system installed beneath engineered wood, tile floors and carpeted flooring on Floors 11 through Roof, this is rated to provide an STC rating of 60 and an IIC rating of 55 or greater where dropped gypsum wallboard ceilings exist below and an STC rating of 55 and an IIC rating of 50 or greater where there is no dropped gypsum wallboard ceiling below. Design input from an acoustic engineering firm, Morgan Acoustics, has been incorporated into the construction documents to achieve a design for proper sound insulation in the Building and all Code required regulations are designed to be met or exceeded.

The Building's existing foundation, major column footings, and its masonry foundation walls will remain. None of the below-grade structure of the Building is visible, and its construction is unknown. Likewise, the existence of any underpinning, subgrade drainage, or foundation waterproofing is unknown. As noted above there is no sign of settlement or other structural distress in the visible portions of the foundation walls and piers. If there is no waterproofing or subgrade drainage system, there is a potential for water intrusion, however there isno sign of chronic water intrusion as of this report

The original Building structure is steel, fireproofed with concrete, plaster, and gypsum or terra cotta tile block. The majority of the Building's existing structural steel will remain. New structural steel and existing structural steel where existing fireproofing is removed will be fireproofed with new sprayed-on fireproofing.

Requirements for seismic separation are not applicable to this existing Building.

The existing structural floor construction, supported by the above-described steel frame, is a cast-in-place concrete slab with draped wire reinforcing. Within the units and common spaces variable thicknesses of cinder fill above the structural floor slab will be removed and replaced with sleepers draft stopped as required by building code.

(1) Building Exterior:

(i) Exterior Walls:
Probes of the existing to remain exterior walls indicate that they are composed of a mixture of brick and terra cotta block, with a brick, limestone, and terra cotta veneer, all in generally good condition. The Building exterior consists of a primary (north) facade facing 76th Street, and secondary facades on the east, south and west lot lines. The primary facade is faced principally with tan brick with limestone belt courses over a rusticated limestone base. Façade brick and pointing is in good condition. A limestone cornice sits above limestone consoles at the top of the primary street facade. Window openings are formed with steel lintels and limestone or cast stone sills. The renovation of the building will include repairs to the existing façade in select locations .

The secondary facades are faced with tan brick over the same brick and terra cotta backup. Window openings are formed with steel lintels and cast stone sills. A few areas have been repaired with brick that is not a perfect match with the original but which appears to be sound. Most of the window openings on these facades will be retained, with selected openings enlarged and others infilled with new brick to match existing to accommodate changes to unit plans.

The renovation of the Building will include repairs to the existing façade in select locations.

As this Building is over six stories high it is subject to the New York City Façade Inspection Safety Program, formerly known as Local Law 11/1998, which requires façade inspections under the direction of a licensed architect or engineer every five years. While the Sponsor will address any conditions noted as unsafe in the most recent FISP Report dated 02/20/2024, any conditions noted as SWARMP as a result of future inspections will be addressed by the Condominium as a common expense. Work is in progress, expected to be complete by 10/30/2024. The next inspection starting cycle is Sub-Cycle 10B for years 2026-2028, with a minimum of one inspection during this time.

The existing masonry exterior walls will be insulated on the interior with mineral wool insulation, achieving an R-value of approximately R13.

There will be a new slab on grade at the two existing air wells. The east airwell will be enclosed with a new roof at the 2nd Floor, and the west airwell will be enclosed with a new bulkhead at the 2nd Floor. In these areas, new exterior walls will be insulated on their exterior faces to improve the thermal performance of the building and the comfort of its users.

(ii) Windows:
All windows will be replaced except for the two existing South lot line windows on the 2nd Floor, which will be retained. Existing windows to remain are aluminum double-hung windows with insulating glass. New windows will be double-glazed Simulated Double Hung Offset Casement thermally broken aluminum windows. Windows will be furnished without screens. Sills on the north façade are glazed terra cotta or limestone in good condition, no repairs are required. Sills on all other facades are cast stone. Existing cast

stone sills were inspected and any requiring replacement at the time of this report have been replaced with new cast stone sills to match existing.

Existing steel lintels were inspected and any requiring replacement at the time of this report have been replaced with new steel lintels to match existing. New concealed steel lintels to match existing to be installed at all new or modified masonry openings. Existing lintels have been left in-place, and scraped, primed and painted. At new window openings, new loose lintels (under 4 feet wide) have been provided at the head.

A 10-year manufacturer's warranty is required on all window frames, finishes, and glazing, and a one-year warranty on workmanship and installation. Insulating glass units will be clear, with a Low-E coating on the second surface. The maximum fixed window glazing U-factor will be 0.35, and the maximum operable glazing U-factor will be 0.35. Windows will be Skyline Simulated Double Hung Offset Casement or equal, with a Duranar exterior coating as noted in LPC letter.

Windows will be installed with a 4" limiter on all operable windows per code.

Lot line windows are windows located on an exterior wall abutting a property line where the adjacent property is owned by others. While such windows provide views, light and air to spaces in the Unit, they cannot be utilized to meet light and ventilation required by NYCBC. Units having lot line windows have other windows which satisfy requirements for the lawful use of such Units for habitation. Lot line windows are considered amenities that potentially can be lost. Should an abutting property owner redevelop such property with one or more buildings of different configurations, it may be necessary to close the affected lot line windows and seal them in a manner and with such materials as are acceptable to DOB and the condominium.

Lot Line windows occur in all Residential Units as noted with an asterisk in AG plans:

11th Floor: 11A (East façade), 11B (South façade), 11C (West façade)
12th Floor: 12A (East façade), 12B (South façade), 12C (West façade)
14th Floor: 14A (East & South façades), 14B (South façade), 14C (West façade)
15th Floor: 15A (East & South façades), 15B (South façade), 15C (West façade)
Penthouse: PH1 Lower Level (East & West Facades), PH2 (South façade)

(iii) Landmark status:
The building is located within the Upper East Side Historic District and the Special Madison Avenue Preservation Area, and is therefore subject to review by the New York City Landmarks Preservation Commission ("LPC"). As a contributing member of the Upper East Side Historic District, it has been certified as eligible for listing in the National Register of Historic Places, and is therefore exempt from energy code requirements. The LPC has approved the renovation described herein. Any future proposed change to the building will require LPC approval.

(2) Parapets and Coping:

Existing parapets will remain, except where they will be removed to accommodate new mechanical equipment. They are brick construction, capped with flat limestone, terra cotta, or

cast stone copings. The parapet walls generally appear to be in good condition, some restoration work will take place as part of this project. Where parapet heights are less than 42 inches above adjacent walking surfaces, a painted metal guard will be secured to the interior face or top of the parapet walls to bring the height to that level. Bulkhead roof edges will be terminated with cast stone copings to match the existing copings. New or modified parapets and guardrails will be designed to meet code requirements for structural loading.

(3). Chimneys and Caps:

(i) The existing boiler will be replaced and hot water heaters for the Building will be replaced and relocated within the Lower Cellar Level. The boilers will be vented to the Roof through a new boiler flue. The new boiler flue is 16" nominal diameter, 316L stainless steel double wall with 26 gauge inner wall and 24 gauge outer jacket.The flue is Heatfab Saf-T Vent model 316 or similar, with a 1 year parts and labor warranty.

(ii) There will be no incinerators in the Building. Unit PH1 Lower Level will be furnished with one direct vent gas fireplace in the Great Room and one alcohol gel ventless fireplace in the Primary Bedroom. They may not be used to burn any other fuel type.

(iii) There are two existing commercial kitchen exhaust risers to remain in the west-facing wall of the west rear yard.

(4) Balconies and Terraces:

(i) There are no balconies on this building. Two terraces will be provided at the 14th Floor level, one each for Units 14A and 14C. One terrace will be provided at the Penthouse for Unit PH1 lower level, and two terraces will be provided at the Roof level for Unit PH1 upper level. These terraces are allocated as accessory residential and will be listed as such on the Certificate of Occupancy. One common roof terrace will be provided on the south side of the Roof level.

A terrace will be provided at the 2nd Floor level SW. This terrace will be exclusive to the Hotel Unit, subject to any easements granted to the Residential Unit Owners under the Plan and will be accessible through the Hotel Unit fitness center.

(ii) Railings & Copings:

All terraces are provided with either an existing to remain painted steel guardrail system in acceptable condition, or a new painted steel frame guardrail system to match existing.No guardrail or balustrade will employ a clear space greater than 4" to ensure child safety. There are no intermittent horizontal members conducive to being used as a ladder by children in any of the guardrail types on the project. All metal used outdoors will be corrosion resistant. As noted above painted metal guard rails will be secured to the interior face or top of the parapets as required to provide the required 42-inch guard rail height. The unit PH1 Upper Floor south terrace is separated from the Roof common terrace to its south by new 6'-0" high fences.

The existing cast stone and limestone parapet copings will be retained. Existing copings were inspected and repaired as required. Existing to remain copings are in acceptable condition, no further repairs are required at the time of this report. New copings will be cast stone or limestone to match existing. New metal guardrails will either be fastened to the back of existing to remain masonry parapet walls or directly to the existing to remain concrete deck and certified to meet code requirements for resisting lateral forces by the

structural engineer. All anchors and fasteners shall be non-corrosive. Parapets and guardrails will be designed to meet code requirements for structural loading.

(iii) Doors to Terraces:

New thermally broken aluminum double-glazed metal French doors or single swing doors will provide access to these roof terraces. Maximum door U-factor will be 0.77. Doors will be Skyline Thermally Broken Aluminum Swing doors or equal with lever handles.

(iv) Deck Finish:

Terraces will be surfaced with new precast concrete pavers (Hanover Glacier White) to accommodate daily foot traffic. Roof pavers shall be new and provided by the roof manufacturer and are covered by the warranty.

(v) Soffits:

Not Applicable

(5) Exterior Entrances:

(i) Exterior Doors and Frames:

The main entrance and lobby to the Hotel Unit will be accessible to the Residential Unit owners to gain access to their Units from 76th Street, and two (2) additional entrances to the Hotel Unit are also accessible from 76th Street. The Hotel main entrance leading to the Hotel Unit vestibule is existing to remain and all other entrances are newly created from modified existing masonry window openings. All exterior doors will be furnished with gaskets at head, jamb and sill. Door frames will be sealed to the surrounding masonry, and the joint between them and the exterior cladding caulked. All doors will be new bronze frame and glass swing doors manufactured by Fenestra with new hinges, seals, bronze door pulls, and finish to satisfy Landmarks requirements. In compliance with applicable code, the doors are not thermally broken. Unless otherwise noted, exterior doors do not have locks.

A fourth entrance will be an egress stair exit door on the eastern portion of the north façade on 76th Street to the west of the service entrance will be a bronze swing door manufactured by Fenestra with a maglock

All exterior entrances will be free of tripping hazards and ponding and will be fully ADA compliant. All metal used outdoors will be corrosion resistant.

(ii) Vestibule doors and frames: A pair of new bronze frame and glass entry lobby / vestibule swing doors manufactured by Fenestra will separate the main Hotel Unit entrance from the rest of the Building interior. The inner vestibule doors will be metal and glass. These doors will have bronze pull hardware.

(iii) Exterior stairs None.

(iv) Railings and Canopies: The existing fabric-covered canopies will be replaced in their existing locations. There are no existing railings. The existing metal and glass entry marquee will be repaired and modified to satisfy Landmarks requirements.

(v) Mail Boxes: New front-loading horizontal letterbox assembly 4C-Series," Model 3700 4C Versatile, as manufactured by Auth-Florence Manufacturing Co. will be furnished for all Residential Units on the north wall of the new residential elevator lobby on the 1st

Floor. Mailboxes shall be installed at specific height and comply with applicable ANSI standards.

(vi) Exterior lighting will be provided at the exterior entrances and existing marquee in compliance with the New York State Multiple Dwelling Law.

(vii) Drainage: Paved surfaces at new exterior doors are set at a maximum of 1/2" below the door threshold to reduce the tripping hazard, and in compliance with ADA regulations. Overhangs above these doors and the pitch of paved surfaces away from the doors are intended to ensure adequate protection against water intrusion.

(6) Service Entrance:

(i) Doors and frames:
There will be a service entrance on the eastern portion of the north façade on 76th Street which will include a new hollow metal door and frame. The service entrance will serve the Hotel Unit and Building staff only.

(ii) Gates:
None.

(iii) Exterior stairs:
None.

(iv) Railings:
None.

(7) Roof and Roof Structures

(i) There will be newly installed roofs at portions of the 2nd Floor rear yards and a portion of the northwest roof at the Roof level. There are existing roofs at the southwest and the southeast corners of the Building, 14th Floor, Penthouse level, Roof level, Penthouse Roof level and Upper Roof level. Roof Construction: At existing roofs, the existing low pitch roof membrane and fill above structural slab will be removed, and a new protected roof system will be installed to accommodate all terraces. At the 2nd Floor Gym Terrace Roof, the existing roof and roof drain will remain. Mechanical equipment will be installed on the 2nd Floor mechanical terrace and Roof level and Penthouse Roof level on steel dunnage and a conventional roofing system with walking mats and metal catwalk system.

All new roofs are bulkead roofs. Per exception (2) of section in 1511.2 "Areas occupied by rooftop structures, mechanical equipment, towers, parapets, guardrails, solar thermal systems, and appurtenances) the new bulkheads would be considered rooftop structures and would not need to comply with green roof/PV requirements."

(a) The specified roof system for the main Roof is a Class A modified bitumen membrane or similar within a protected roof assembly protected by rigid polystyrene insulation ballasted by precast or stone pavers on pedestals. Secondary bulkhead roofs and select mechanical areas, protected by a either a parapet or a railing, are not rated for public access and will receive a Class A conventionally exposed SBS-modified bituminous roof system or similar, and no paver system.

(b) Main Roof level assembly is as follows:

- Bison pavers on pedestals will be professionally installed so as not to impede drainage nor void the roof manufacturer's warranty.
- Rigid polystyrene insulation
- SBS-modified roof membrane or similar as above, flashed to roof drains at existing locations.
- Tapered insulation or lightweight concrete fill to provide positive drainage.
- Existing Concrete roof slab

Approximate R-value: 25 or better

(c) 14th floor and Penthouse terrace roof assemblies are as follows:

- Bison pavers on pedestals will be professionally installed so as not to impede drainage nor void the roof manufacturer's warranty.
- Rigid polystyrene insulation
- SBS-modified roof membrane or similar as above, flashed to roof drains at existing locations.
- Tapered insulation or lightweight concrete fill to provide positive drainage.
- Vacuum rigid insulation 60PSI minimum. R-30 minimum or greater as required
- Existing Concrete roof slab or metal deck as noted on structural drawings

Approximate R-value: 25 or better

(d) Expected useful life of roof: 20 years, with a manufacturer's 20-year NDL (no dollar limit) manufacturer's warranty for materials and labor.

(e) Bond or Guarantee: no additional roofing guarantee is provided.

(f) At the new roofs to be installed by Sponsor at the 2nd floor rear yards, the flashing is comprised of a system with base flashing, edge flashing, penetration flashing, counter flashing, and all other flashings required for a complete watertight system. All flashing shall be sloped to the exterior 1/8" per foot minimum and 1/4" per foot where space allows. All flashing is to terminate 8" vertically minimum.

Flashing Material: Stainless steel (30 ga at concealed flashings, 28 ga at exposed flashings) or reinforced fabric base and stainless steel counter flashings.

(ii) Drains:
2nd Floor, Roof, and Penthouse Roof level drains are existing to remain cast iron drains in their existing locations in good condition. Two new drains are to be added at the common roof terrace at the Roof level. The 14th floor terrace roofs will drain to new roof drains tied back to the existing risers. New roof drains are cast iron with an emergency overflow per NYC BC. Aluminum scupper and downspout (or equal) from new Roof bulkhead down to Roof drains into new roof drains as noted above. Storm water will be delivered into the combined sewer system that services the sanitary and roof drainage needs of the Building. Street drainage outside the site is collected in existing city catch basins which discharge into the New York City sewer and storm system mains. Existing storm water leaders below the main roof are all inside the Building, and will be retained. Repairs in the event of a leak or otherwise will be addressed in accordance with the provisions of the condominium's by-laws.

(iii) Skylights:
The two glass and painted metal skylights are existing to remain. Skylights are in good condition and repairs will be made as needed to prevent water ingress.

(iv) Bulkheads:

(a) Stair Bulkheads: Existing stair bulkheads will remain. Existing bulkhead walls are brick face brick on masonry backup composed of terra-cotta block and brick. Bulkhead roof and roof slab will be removed and replaced as described in (h)(7)(i) above. New stair bulkhead at 2nd Floor West airwell to accommodate convenience stair from Cellar to 2nd Floor.

(b) The existing passenger elevator bulkhead will be extended vertically by 4'-8" with new brick to match the existing. The existing freight elevator bulkhead will remain. The existing metal and glass mechanical enclosure at the Roof level will be removed and replaced with a smaller mechanical enclosure with new brick parapet walls with CMU backup and cast stone copings to match existing, as well as new painted metal mechanical screens.

(c) The existing mechanical bulkhead on the common Roof Terrace will be rebuilt within the same footprint as the existing bulkhead.

(a) A new bulkhead containing two water closets and a catering pantry will be constructed on the common Roof Terrace.

(e) Any exterior ductwork will be galvanized steel.

(v) Metal Work at Roof Level

(a) Exterior Stairs: none

(b) Vertical ladders:
Access to rooftop bulkheads will be with new and existing metal ladders.

(c) Railings: new painted metal guards fastened to the top surface of the parapets at the Roof level will be installed where existing parapets are less than 3'-6" above the roof walking surface.

(d) Hatches to Roof: There is no roof hatch

(e) New concrete pads and steel dunnage will be provided for mechanical equipment as required. Roof level mechanical equipment will be provided with integral vibration isolators to reduce structure-borne noise within the Building where applicable. Steel dunnage for mechanical equipment will be galvanized or finished with corrosion-resistant coatings consisting of a prime coat and two finish coats.

(f) All exterior metals and fastenings will be corrosion resistant or protected by a corrosion resistant coating.

(g) New mechanical enclosure for equipment servicing the Hotel Unit and Residential Units will be built on the 2nd Floor, Roof level and Penthouse Roof level and at Eastern party wall to screen neighbor's mechanical equipment.

(vi) Roof Top Facilities:

The 2nd Floor Mechanical Terrace is a General Common Element. The 2nd Floor Gym Terrace is a Hotel Common Element. The Terraces on the 14th Floor, PH Floor, and Roof are Limited Common Elements, affiliated with their respective abutting condo units, except that the large southern terrace on the Roof is a General Common Element. All mechanical roofs and bulkhead roofs are General Common Elements.

There are no rooftop antennae, lightning protection equipment, or satellite dishes on the Roof, Penthouse Roof, or Upper Roof. There is a cell phone tower on the Upper Roof. See sections (k), (m), and (n) for Roof Level HVAC equipment.

Fire Department access will be provided at the street wall of the building in compliance with NYC Fire Code FC504.4.

(8) Fire escapes:
Not applicable - none present.

(9) Yards and Courts:
There are two rear yards one on each of the east and west sides at the southern end of the building on the 2nd Floor, describe din section (h)(7)(i) above.

(10) Interior Stairs:

(i) Egress Stairs:

All existing to remain interior stairs are in good condition.

Two existing stairs on either side of the entry lobby provide fire egress from the upper floors of the Building. Stair A extends from the first floor to the Penthouse and will be rerouted between the 2nd and 1st Floors. Stair B extends from the Cellar to the Roof. Stair C extends from the Cellar up to the egress door on the 1st Floor at 76th Street and is existing to remain. The service entry will be locked at all times from the exterior side and open at all times from the stair side. Stair D extends from the Lower Cellar to the Cellar, and is existing to remain.

Stair A will provide egress from the upper floors, with the exception of the Roof level, with a relocated stair between the 2nd and 1st Floors. .

Stair B will provide egress from the Roof and Upper floors through the 1st floor lobby, and its lower flight to the cellar will provide a second means of egress from the cellar to the lobby. These upper and lower portions of Stair B will be separated by a fire-rated partition and door as required.

The egress stair landings, treads, and risers will be painted. The existing stair enclosure is 2-hour rated, composed of terra cotta block with painted plaster finish. New portions of the egress stair enclosures will be painted 2-hour rated drywall on light gauge framing. Existing stair guards are painted. New handrails and guards will be misc. metal.

(ii) Residential Stairs:
The duplex unit on the Penthouse floor and Roof (PH1) will be furnished with steel stairs clad in wood, with Corian handrails or similar connecting the apartment spaces on the PH floor with the apartment spaces on the Roof.

(11) (i) Residential Unit Entry and Interior Doors and Frames:

Residential Units entry doors will have new 1 ½ hr. fire rated wood veneer doors and painted hollow metal frames and will meet all 1968 Building Code requirements. Door hardware will be new and manufactured by Valli & Valli. The doors will be self-closing and self-latching.

Residential Unit interior doors shall be new painted solid core wood faced doors with wood frames. Hardware will be new lever style metal handles. Door hardware will be manufactured by Valli & Valli.

(ii) Corridor doors and frames:

Same as unit entry doors above

(iv) All other Building doors and frames:

All other new and existing to remain Building doors and frames are fully code compliant and meet the size, rating and closing requirements of the 1968 NYC Building Code. Where these are existing to remain they are painted hollow metal doors and frames in acceptable condition. The Sponsor will have all hollow metal doors and frames in publicly accessible areas painted.

(12) Elevators

(i) Number of passenger + service elevators:There will be three elevators slated for modernization / upgrade: one (1) service elevator and two (2) passenger elevators.

(ii) Manufacturer, age, capacity:
The existing service elevator will be fully modernized. It has a capacity of 2000lbs and a maximum occupancy of 8 passengers. It serves all floors from Cellar through Roof levels.

The existing passenger elevators will both be fully modernized running under a group operation. Each passenger elevator will have a capacity of 2500lbs, a maximum occupancy of 12 passengers per elevator, and each elevator will serve all floors from Cellar through Roof levels. A new rear opening will be provided on PE-1 at the 1st floor.

(iii) Type of operation:
All (3) elevators will have automatic selective collective operations and will include Emergency Service Operation Phase 1 and Phase 2

(iv) Controls: Push button.

(v) Floors served: Cellar through Roof

(vi) Type: The traction machines for PE-1 and PE-2 will be new AC gearless located overhead. The traction machine for the service elevator will be new basement geared traction type. Manufacturer to be GAL or approved equal.

(vii) Doors: All existing elevator entrances will be refurbished.

(viii) Machine Rm location: Lower Cellar

(ix) Drives: Solid State VVVF-AC drives

(13) Passenger Elevator Cabs

All 3 elevator cabs are new custom cabs by iCAB

(i) Floor Material: Stone

(ii) Wall finish: Wallcovering, Mirror, Painted Panel

(iii) Ceiling finish: Painted Panels

(iv) Cab lighting: recessed light fixture

(v) Alarm, safety system
A control panel with FDNY Key switches will be incorporated as required. Elevators will have emergency communication capability utilizing an autodial telephone. The controllers will be state of the art microprocessor type. Elevator recall and operation under emergency and alarm conditions will comply with NYC Building Code requirements. A video camera connected to the Building security system will be provided within the cab.

(i). Auxiliary Facilities

(1) Laundry

There is no common laundry room in the Building for the Residential Units. Each Residential Unit will be furnished with a utility room or closet containing a clothes washer and ventless electric condensing dryer. See Unit Information.

(2) Refuse Disposal

(i) Accessed at each floor from the common corridor through a refuse closet complying with accessibility requirements. Trash is collected by staff on a regular basis and brought to Cellar waste room via service elevator.

(ii) Compactor: Wilkinson or equal provided at Cellar waste room

(iii) Approvals: none required

(iv) Storage Location: A waste room will be located in the Cellar.

(v) Pick-up Schedule: by NYC Dept of Sanitation. For updates or changes to the schedule please visit the New York City Department of Sanitation website.

(3) Fitness

(i) A fitness facility of approximately 845 square feet, with dimensions of approximately 29 feet long by 29 feet wide, and an occupancy of 9 persons, which is part of the Hotel Unit, will be located on the 2nd Floor and will be accessible by Residential Unit owners as and to the extent set forth in the Plan. The Gym will have a rubber mat gym flooring, painted wood paneled walls with integrated mirrors, and a painted sheetrock ceiling. Recessed downlights and wall sconces are provided to illuminate the space. Smoke/CO detectors ,sprinklers, and ventilation are provided as required by code.

Gym equipment is anticipated to initially consist of a strength zone by BLK BOX complete with functional fitness equipment and the signature Corinthia Training Pods with a suite of dumbbells, kettlebells, slam balls, cable stack, TRX, and a weights bench. These are also Technogym treadmills and ellipticals, and Peloton exercise bikes.

(ii) Painted metal planters are provided on the Hotel Common Gym Terrace.

(4) Concierge Closets

(i) Provided at the entry to each Residential Unit. Access will be limited to staff through a lockable 1.5 hour fire rated door and frame on the corridor side only.

(5) Mail

(i) Mailboxes are located on the 1st Floor in the residential lobby and will serve only the Residential Units.

(6) Bicycle storage

(i) Bicycle storage will be provided in accordance with ZR 36-70, which requires 1 enclosed bicycle parking space for every 2 Residential Units. The 7 required bicycle parking spaces are located in the Cellar distributed between four different bicycle storage rooms. These storage rooms range from 14 square feet to 17 square feet, for a total of approximately 63 square feet of bicycle storage. Each bicycle storage room has a 2hour rated metal door. These are locked with access available to Condo residents. Walls are CMU, with Secure OFFSET VR2 vertical parking racks mounted to them.

(7) Storage

(i) No storage provided to condo owners outside of apartments.

(j)

Plumbing, Drainage and Sprinkler Fire Protection:

(1) Water Supply:

(i) There is (1) existing 4-inch domestic water service for the Building. The existing main shut-off valve in the cellar water service room will be retained. Domestic water supply to the Building from the street water main will be metered by 1 meter. After the water meter assembly and DEP code required back flow preventer device, water is pumped by a duplex house tank fill pump to the roof tanks. The supply pipe from the roof tanks feeds down to an existing duplex constant pressure booster pump to all plumbing fixtures and equipment in the Building from the Lower Level to the Roof. The booster pump system is a lead/lag duplex water booster pump.

(ii). New water piping and equipment:

- Domestic cold and hot water shall be distributed by means of type "L" copper piping.
- Hot water is provided to the Residential Units with a duplex packaged indirect domestic water heater, provided with hot water from the building boiler plant. The hot water heater also serves the hotel guestrooms and amenity areas. Circulation pumps are provided to recirculate the hot water return back to the heaters. A separate duplex packaged indirect domestic water heater serves the Restaurant. Warranty is 1 year parts and labor.
  - Hotel/Condo Heater: Sondex Packaged Heater: 2,500 MBH, 6,000 GPH, (2) 2,000 gallon storage tanks, or equal. Since the heaters are heat exchangers there is no applicable energy efficiency rating.
  - Restaurant Heater: Sondex Packaged Heater, 500 MBH, 200 PGH, (2) 200 gallon storage tanks, or equal. Since the heaters are heat exchangers there is no applicable energy efficiency rating.
- Domestic hot and cold water piping shall be insulated with mineral-fiber, preformed pipe insulation.

(2) Fire Protection System:

(i) The existing sprinkler/standpipe system has been modified to provide new branch piping and sprinkler heads for the Residential Units. The sprinkler and standpipe systems are in compliance with the NYCBC.

(ii) Sprinkler Head: Automatic wet sprinklers will be supplied from a combined FSP/Sprinkler riser for the entire Building. All outdoor/non-heated spaces (e.g.., unheated roof bulkheads) will be serviced by dry pipe valve assembly systems that are fed from the main building system. All piping will be Schedule 40 steel piping with grooved or threaded joints. The Building is completely fully sprinklered, utilizing sidewall, recessed, upright and pendant type and dry type sprinkler heads.

(iii) 2 ½' fire hose valve assembly w/ cap installed in the stair at each floor and a roof manifold. Hose cabinets will be provided at the ground floor and at 10 floor intervals

(iv) The existing Fire Department connection: located as per DOB requirements at the 1st floor façade will be retained.

(v) Fire Pump: Pentair Aurora Model 3-383-7B, or equal. Jockey Pump: EBARA Model EVMSU1, or equal. Warranty is 1 year parts and labor.

(3) Water Storage Tank:
There is one existing wood Fire Water Tank on painted steel framing above the Penthouse Roof which will remain in use. The tank and its supports are in good condition. A new combined Domestic/Fire Reserve Tank is provided at the roof level, as manufacturer/installed by Rosenwach Tank Co., or equal.

(i) Tank material: wood

(ii) Access: via ladder from upper roof

(iv) Capacity: Fire: 12,000 gallons, Domestic: 4,000 gallon

(4) Water Pressure and How Maintained:

(i) Water pressure is maintained by pumps as described above.

(ii) Booster Pump: Willow Duplex Water Booster Model MVI 225-2/2, or equal. Warranty is 1 year parts and labor.

(5) Building Sanitary Sewage system

(i) Sewage Piping: All sewage piping shall be cast iron. One (1) 8" sanitary/storm main will be connected to a combined sewer main.

(ii) Sewage Pumps: Existing ejector pumps and sump pumps collect sanitary drainage from areas too low to drain by gravity to the outgoing sewer.

(iii) Building will have multiple stacks and vent system with all areas above grade flowing by gravity to adjacent sewers in street.

(iv) Sewer will be discharge into New York City sewer system.

(v) Sewage ejector pumps and sump pumps are existing to remain and are operational; no warranty is provided. The age of the pumps is unknown but is expected to be approximately 15 years.

(6) Permits Required:

(i) Refer to Section U.

(7) Storm Drainage System

(i) Storm drainage will be collected via roof and terrace drains and discharged to the combined sewer and into the street main. Piping size, drain size, and drain quantity will be adequate for area being drained. Storm drain and sanitary system shall be combined into one 8-inch diameter combined sewer before exiting the Building via gravity.

(ii) Storm drainage system shall be installed as designed and as required per NYCBC.

(iii) All areas above grade will flow by gravity. There are no pumps associated with the storm drainage system.

(iv) All leaders will be cast iron with No-hub fittings.

(v) The existing Storm Drainage System is partially reused for the scope of this project.

(k) Heating Systems: :

(1) The heating system is designed to maintain an indoor temperature of 68° F indoors when outside temperature is 15° F.

(i) Heating to each Residential Unit shall be provided via a variable refrigerant flow (VRF) heat pump system capable of providing heating or cooling. Each unit will be provided with one or more indoor fan coil units, as required to satisfy space loads. Indoor fan coil units shall be connected to an outdoor, air-cooled condensing unit.

(ii) Heating to each Residential Unit shall be supplied through overhead ductwork from a horizontal, ceiling mounted, concealed, indoor fan coil unit. All supply ducts shall be insulated.

(iii) VRF Heat Pump system shall be manufactured by Daikin or similar with a Coefficient of Performance of 3.0-4.5. Condensing units are equipped with inverter driven, high efficiency scroll compressors. Unit capacity varies by area served. Outdoor units are model REYQ or RXTQ or similar. Indoor units are model FXMQ or FXZQ or FXFQ or FXDQ or similar. Unit warranty is 1 year parts and labor.

(iv) Radiant electric heat mats shall be installed in Primary bathrooms, to provide additional comfort heating.

(v) Heating for Residential Units shall be supplemented by electric heating beneath windows in some locations.

(vi) Nonresidential areas are served by the same new Daikin VRF units or similar. VRF Heat Pump system shall be manufactured by Daikin or similar with a Coefficient of Performance of 3.0-4.5. Condensing units are equipped with inverter driven, high efficiency scroll compressors. Unit capacity varies by area served. Outdoor units are model REYQ or RXTQ or similar. Indoor units are model FXMQ or FXZQ or FXFQ or FXDQ or similar. Unit warranty is 1 year parts and labor.

(2) Domestic hot water will be provided as described in paragraph (J) (1) (ii) above.

(3) Number of Boilers: There are two (2) gas-fired condensing boilers which provide hot water for indirect hot water heating of domestic hot water and heating of some ventilation air. Boilers shall be Raypak by Rheem.

(4) New Hot Water piping is Type L copper for sizes less than 3" and schedule 40 steel for sizes 3" and above.

(5) Ductwork, Hot and Cold Water, Refrigerant Piping insulation has an R-value as specified on mechanical and plumbing drawings and in compliance with NYC Energy Conservation Code.

(6) Valves are rated for the temperatures and pressures of the system they serve.

(7) Types of Controls: Heating and cooling energy supplied to each zone shall be controlled by a thermostat located in the zone served. Thermostats used for both heating and cooling shall provide a dead-band of at least 5 degrees Fahrenheit. Radiant electric mats shall be controlled by thermostats located in the space/zone which they serve.

(l) Gas Supply:
Gas shall be distributed throughout the building to serve all gas-consuming equipment. Gas is used for residential cooking and one vented gas fireplace in the Great Room of PH1.

(1) Type: Natural gas from Utility Company.

(2) Meters: 3 meters total: Boilers, Residential ranges and grills, and Commercial kitchen.

(3) Piping: Black Steel

(m) Air Conditioning: :

(1) The air conditioning systems are designed to maintain an indoor temperature of 75°F DB inside when 89°F DB/ 76°F WB outside.

(i) Air conditioning to each Residential Unit shall be provided via a variable refrigerant flow (VRF) heat pump system capable of providing heating or cooling. Each unit will be provided with one or more indoor fan coil units, as required to satisfy space loads.

(ii) Indoor fan coil units shall be connected to an outdoor, air-cooled condensing unit. Refrigerant pipes will be constructed of copper and insulated. Piping will consist of a 2-

pipe system. All piping shall be properly insulated. All exterior metals, including fasteners, will be corrosion resistant

(iii) Air conditioning for the residential corridors shall be provided via the energy recovery unit, which provides 100% outside air for ventilation. A vertical duct riser extends vertically in a 2-hr rated shaft through the building to supply enclosed corridors with conditioned air and ventilation.

(iv) VRF Heat Pump system shall be manufactured by Daikin or similar with an EER of 10-12. Condensing units are equipped with inverter driven, high efficiency scroll compressors. Energy usage and billing among tenants shall be based on each tenant's usage as measured through the system integrated controls and refrigerant management and allocation controller. Unit capacity varies by area served. Outdoor units are model REYQ or RXTQ or similar. Indoor units are model FXMQ or FXZQ or FXFQ or FXDQ or similar. Unit warranty is 1 year parts and labor.

(2) Building common areas are provided with cooling and heating from VRF units. Ventilation air will be ducted to each unit. Nonresidential areas are served by the same new Daikin VRF units or similar. VRF Heat Pump system shall be manufactured by Daikin or similar with an EER of 10-12. Condensing units are equipped with inverter driven, high efficiency scroll compressors. Unit capacity varies by area served. Outdoor units are model REYQ or RXTQ or similar. Indoor units are model FXMQ or FXZQ or FXFQ or FXDQ or similar. Unit warranty is 1 year parts and labor.

(3) Common stairs and corridors will not be cooled.

(n) Ventilation: :

(1) An energy recovery unit shall be used to provide outdoor air for ventilation to the Residential Units. Outside air is provided via vertical risers.

(2) Toilet Exhaust System

(i) All residential bathrooms and powder rooms shall be mechanically ventilated. Ventilation system operates continuously.

(ii) Each toilet exhaust riser shall be connected to either the energy recovery unit or to the roof toilet exhaust fan.

(iii) Each exhaust connection shall be provided with a self-balancing, constant airflow regulator (CAR) damper.

(3) Residential kitchen hoods are provided with ducted exhaust. Hoods are connected to vertical risers that extend up through the building to the energy recovery unit on the roof.

(4) All units are also ventilated via operable windows.

(5) All common spaces & corridors are ventilated in accordance with current mechanical code. All corridors will be ventilated by energy recovery system. Stairs are not ventilated.

(6) HVAC system is designed to emit noise to a maximum level of NC 45 in the residential units.

(7) Windowless areas are provided with mechanical ventilation as required by code. The code requirement varies based on the room type but is in the range of 20-25 CFM.

(o) Electrical System: :

(1) Electrical System: Electrical service will be provided to the main electric room in the Cellar level. Service from Con Edison shall be sized as per Building's electrical loads in accordance with the New York City Electrical Code. Service to the Building will be 3,500 A, 120/208 volt, 3-phase, 4 wire and distributed to individual Residential Units, Hotel loads and base Building electrical systems via power and lighting panels. Dedicated service and electrical equipment are sized based on their respective loads. All wiring will be copper.

(2) Main electrical room containing individual Units, Hotel, and common electrical equipment is in the Cellar level of the Building. Local distribution equipment for Units is situated in their respective spaces. Power for Units is distributed from meter banks and disconnect switches in main electrical room.
(i) Hotel is served by utility metered 4,000 amp, 120/208V, three phase switchboard which has two 2000-amp fuses to service hotel guestroom distribution and common building services. Restaurant/kitchen is served by utility metered 800 amp, 120/208V, three phase distribution panel with 800 amp fuse to service restaurant/kitchen.

(3) Service to r Residential Units from meter banks includes dedicated feeders that run to each Residential Unit and terminate at the apartment panel boards. Unit feeders are sized as required by load and voltage drop. Each Unit feeder is protected by individual overcurrent protective device at the meter bank location.

(4) Unit Electrical Service: Residential panel boards will be rated to comply with the New York City Electrical Code, and take into account all equipment provided in Units such as washing machines, clothes dryers, dishwashers, microwaves, air conditioning equipment, etc.

(5) Arc Fault Circuit Interrupters (AFCI) shall be provided as per the latest applicable New York City Electrical Code requirements.
(i) Each apartment has between 40 and 50 circuits.

(6) Common Areas:
Power and Lighting panels will be provided to distribute electricity to the loads in all common areas and to be circuited from the dedicated electrical house meter. Individual branch circuit protection will be sized and rated based on the connected loads and requirements of the code, which shall include lighting, receptacles, air conditioning and heating etc.

(7) Fire Detection Alarm Systems:

(Smoke detection and sprinkler fire alarm system is provided as required in accordance with NYC code including water flow and tamper switches as required for the sprinkler-fire alarm system, with smoke detection and elevator recall.

(8) Adequacy: Residential:

(i) Service: Capacity provided for each Unit will be in accordance with Code requirements in various sizes from 100 to 175 Ampere @120/208V, 1 phase, 3 wires.

(ii) Lighting and Fixtures: Shall be in accordance with architectural reflected ceiling plan and lighting fixture schedule. Emergency lighting provisions shall be provided in public corridors, elevator lobbies, stairwells and in other locations as required by code. Lighting provisions shall meet code minimums.

(iii) Convenience Outlets: Receptacles will be provided in all rooms to meet the New York City Electrical Code. Ground fault receptacles will be provided in all bathrooms and above kitchen counters. Utility receptacles for cleaning purposes and the like will be provided in public corridors and other common areas.

(iv) Appliance Outlets: Appliance receptacles will be provided in kitchens. Dedicated appliance receptacles will be provided for laundry equipment and individual loads such as cooking range and clothes washers & dryers.

(9) Emergency generator: Emergency power distribution is provided from an existing fuel oil generator to life safety, legally required, and optional standby loads. The generator shall comply with all applicable NYC codes. (i) Existing 300 KW diesel emergency generator with outdoor enclosure (model Baldor IDLC300-3D) to provide emergency power for the following services, lighting in paths of egress, fire alarm system, limited-service fire pump, elevators, water tank fill, domestic cold water distribution, and communication/security systems. The generator is located on a level 2 roof setback. The generator is existing to remain and is operational; no warranty is provided.

(p) Intercommunication and / or door signal systems, security closed circuit TV:

(1) The Building will not be equipped with a Satellite Dish Antenna System.

(2) A phone will be provided in each apartment connected to the receptionist in the First Floor Lobby, who will be present 24 hours a day, 7 days a week. The phone will be GHP610 Grandstream Compact Hotel VoIP phone or approved equal.

(3) Security closed circuit TV: security cameras (Avigilon H5a will be provided at the exterior of the Building, and security cameras by Avigilon will be provided at the Building lobby and elevator select corridors, and stairs. Security cameras have a 5 year warranty

(q) Public area lighting: Lighting fixtures are provided in the Building lobby, common corridors, and utility rooms with power density that conforms to the energy code. Light fixtures shall be as below or similar:

(1) Entry Lobby:
(i) General lighting: Recessed LED downlight
LED undercabinet striplight

(2) Elevator Halls:
(i) General lighting: LED cove striplight

(3) Cellar Corridor:
(i) General lighting: Recessed LED downlight

(4) Cellar Utility Spaces:
(i) General lighting: 36" LED strip light

(5) Egress Stair:
(i) Floors 2-10: Existing fluorescent strip lights to remain
(ii) Cellar – 1st Fl Bi-Level LED with motion detector

(r) Garage and Parking Area:
No parking for vehicles will be provided.

(s) Swimming Pool / Hot Tubs: None.

(t) Tennis Courts, playgrounds, and recreation facilities: None. This is not a quality housing project.

(i) Furnishings and Equipment at Roof Common Terrace:

Custom wood and upholstered sofas, painted metal planters, outdoor tables and chairs, stone counter with stainless steel outdoor-rated cabinetry, sink, and under counter refrigerator.

(u) Permits and Certificates: The following Permits and Approvals will be obtained as required:

(1) New York City Department of Buildings:
   (i) Demolition means and methods
   (ii) Temporary sidewalk protection
   (iii) General Construction, Structural, HVAC and Plumbing Permits.
   (iv) HVAC Equipment Use Permit
   (v) Sprinkler and Fire Hose Standpipe
   (vi) Fire Alarm
   (vii) Elevator Certification and Inspections
   (viii) Certificate of completion from the Bureau of Electrical Control.
   (ix) Certificate of Occupancy

(2) NYC Metropolitan Transit Authority: Letter of No Impact will not be required

(3) NYC Fire Department

(4) NYC DEP: Site Connection – not required

(5) NYC DOT: Builders Paving Plan

(6) Required Recurring Inspections

   (i) The next FISP report (formerly known as Local Law 11/1998), requiring that all exterior walls except for exterior walls that are less than 12 inches from the exterior wall of an adjacent building be inspected every five years is Sub-Cycle 10B for years 2026-2028, with a minimum of one inspection during this time.

   (ii) Boiler inspection (Annual)

   (ii) Elevator inspection

   -Elevator Safety (Annual)

   -Elevator Load Test (Every 5 Years)

   (iii) NFPA 25 sprinkler inspection (Every 5 Years)

   (iv) NFPA 72 fire alarm inspection - All Equipment (Annual)

   -Ensure there are no changes that affect equipment performance. Inspect for building modifications, occupancy changes, changes in environmental conditions, device location, physical obstructions, device orientation, physical damage, and degree of cleanliness. (Per NYC Fire Alarm Code)

   -See NFPA 72 for specific inspection and testing requirements.

   (v) NFPA 80 fire doors required inspection (Annual)

   (vi) ARCS (Per FDNY FC511)

   -Certification (Annual)

   -Recertification (Every 5 Years)

   (vii) Boiler Safety (Annual)

   (viii) Gas Pipe (Every 4 years)

   (ix) Backflow preventer inspection – RPZ (Annual per NYC DOH)

   (x) Cooling Tower (Per NYC D.O.H.)

   -Annual certification stating the cooling tower has been inspected, tested, cleaned and disinfected in compliance with NYC cooling tower regulations

(v) Violations

(1) Any open violations must be removed by the Sponsor prior to issuance of a permanent Certificate of Occupancy.

(2) Current open violations:

i) 082122EARCX00103	08/21/2022	FAILURE TO SUBMIT AN EER
ii) 080222BENCH00118	08/02/2022	FAILURE TO FILE BENCHMARKING REPORT
iii) 110222BENCH00073	11/02/2022	FAILURE TO FILE BENCHMARKING REPORT
iv) 120122EGRADE2200371	12/01/2022	FAILURE TO DISPLAY ENERGY EFFICIENCY
v) 020223BENCH00061	02/02/2023	FAILURE TO FILE BENCHMARKING REPORT
vi) 042223EARCX00845	04/22/2023	FAILURE TO SUBMIT AN EER
viii) 050223BENCH00252	05/02/2023	FAILURE TO FILE BENCHMARKING REPORT

(w) Unit Information

There will be fourteen (14) Residential Units in the building starting on the 11th Floor and ending on the Roof level. The Unit designations for each of the Residential Units including the number and type of rooms are as set forth on Schedule A in the Plan.

Room by Room finishes:

Living/Dining Room:

Floors:	Engineered wood flooring
Walls:	Painted gypsum wallboard
Ceilings:	Painted gypsum wallboard or skim-coated concrete

Kitchen:

Floors:	Engineered wood flooring with stone border
Walls:	Painted gypsum wallboard and wood paneling
Ceilings:	Painted gypsum wallboard
Countertops:	Stone
Backsplash:	Stone
Cabinets:	Wood cabinets with certain glass cabinet fronts

Bedrooms:

Floors:	Engineered wood flooring
Walls:	Painted gypsum wallboard
Ceilings:	Painted gypsum wallboard or skim-coated concrete

Foyers:

Floors:	Engineered wood flooring with stone border
Walls:	Stained wood paneling
Ceilings:	Painted gypsum wallboard

Powder Rooms:

Floors:	Engineered wood flooring
Walls:	Painted gypsum wallboard
Vanity:	Stone
Ceilings:	Painted gypsum wallboard

Primary Bathrooms:

Floors:	Stone
Walls:	Painted gypsum wallboard
Ceilings:	Painted gypsum wallboard
Vanity:	Stone

Vanity Cabinet:	Wood
Tub Deck/Apron:	Stone
Shower Walls:	Stone
Shower Floor:	Stone

Secondary Bathrooms:

Floors:	Stone
Walls:	Painted gypsum wallboard
Ceilings:	Painted gypsum wallboard
Vanity Top:	Stone
Vanity Cabinet:	Wood
Shower/Bathtub Walls:	Stone
Shower Floor:	Stone

Utility Rooms:

Floors:	Tile
Walls:	Painted gypsum wallboard
Ceilings:	Painted gypsum wallboard

Wood Floors: White Oak, engineered Galekovic GAL 3L+co prefinished hardwood flooring with19/32" thick X 5-1/2" wide X 2'-8' random lengths X 4mm wear layer with a minimum 3-year warranty

Typical wood floor construction will be composed of the existing concrete floor slab topped by wood sleepers, an acoustic mat and a glued-down finish floor of 5/8" hardwood or engineered wood flooring, yielding an STC of not less than 60 when tested in accordance with ASTM E90. Sponsor reserves the right to substitute species in Residential Units.
Walls and Ceilings: Paint primer shall be Benjamin Moore with two finish coats

Kitchen Countertops: Stone

Kitchen Cabinets: painted and stained custom millwork

Concierge Closets: Each unit will be provided with a small closet accessed via a locked, fire-rated door at the corridor side and a locked door at the unit side.

(1) Each Unit is measured horizontally from the exterior face of the exterior walls (columns, mechanical pipes, shafts, chases, and conduits are not deducted from measurement of each Unit) to the centerline of the partitions separating one Unit from another Unit, or separating one Unit from corridors, stairs, elevators and common mechanical shafts or any Common Elements (as herein after defined) not within a Unit or to the exterior side of the opposite exterior walls. Each unit will consist of the area measured vertically from the top of the structural slab to the underside (of any fire protection) of the structural members above.

(xi) Bathroom fixtures: (All fixtures to be equal or better than those listed below)

Primary Bath:

Toilet:	ME by Stark Wall Hung Toilet with Geberit Omega Concealed Tank
Vanity	Custom wood cabinet, stone countertop

Sink:	Duravit D-code Undermount Sink
Sink Faucet	Kallista Per Se P24700
Bathtub:	THG Paris – Gallatee Built-In Bathtub B10-B560
Tub Filler:	Kallista Per Se Deck Mounted Bath Faucet & Hand Shower P24704
Shower Enclosure:	Frameless custom glass
Shower Head:	Kallista Per Se P21501
Hand Held Shower:	Kallista Per Se P24761
Steam:	Mr. Steam MS IOM with flangeless linear slot steam outlet cut in stone

Secondary Bath:

Toilet:	ME by Stark Wall Hung Toilet with Geberit Omega Concealed Tank
Vanity	Custom wood and metal, stone countertop
Sink:	Duravit D-code Undermount Sink
Sink Faucet:	Kallista Per Se P24700
Tub:	Americh MIR 6630 or Americh Kent 6030 LH ADA Bathtub (as required)
Tub Filler:	Kallista Per Se P24704 (as required)
Shower Enclosure:	Frameless custom glass
Shower Head:	Kallista Contemporary multi-functional wall-mounted showerhead
Hand Held Shower:	Kallista Per Se P21501

Powder Room:

Toilet:	ME by Stark Wall Hung Toilet with Geberit Omega Concealed Tank
Vanity	Stone countertop & vanity
Sink:	Duravit D-code Undermount Sink
Sink Faucet	Kallista Per Se P24700

Kitchen:

Faucet:	Grohe Concetto Pull-Out Faucet
Sink:	Blanco Precision R0 Med. Double Sink

Utility Rooms:

Faucet:	Grohe Concetto Pull-Out Faucet
Sink:	Blanco Precision R0 Large Single Sink

UNIT TYPE	U1	U2	U3	U4	U5	U6	U7	U8
UTILITY ROOM	X	X	X	X			X	X

TYPE	11th	12th	14th	15th	PH	TOTAL
U-1	11A	12A				2
U-2	11B	12B				2
U-3	11C	12C				2
U-4			14A	15A		2
U-5			14B	15B		2
U-6			14C	15C		2
U-7					PH2	1
U-8					PH1	1
TOTALS						14

xii) Kitchen Appliances and Fixtures:

KITCHEN TYPE:	K1	K2	K3	K4	K5	K6	K7	K8
36" GAS COOKTOP Miele KM 2355 G	X	X	X	X	X	X	X	X
CONCEALED VENTING RANGE HOOD Zepher AK9234BS Monsoon 200-600 CFM BLOWER	X	X	X	X	X	X	X	X
30" CONVECTION WALL OVEN Miele H7680BP	X	X	X	X	X	X	X	X
30" SPEED WALL OVEN Miele H7670BM	X	X	X	X	X	X	X	X
36" REFRIGERATOR / BOTTOM FREEZER Miele KF2912VI Panel-Ready	X	X	X	X	X	X	X	X
24" UNDER COUNTER WINE REFRIGERATOR Subzero DEU2450W/ADA 24" Panel-Ready		X	X		X	X	X	X
18" WINE REFRIGERATOR COLUMN Subzero DEC1850W Panel-Ready	X			X				X
24" DISHWASHER Miele G7591SCVI ADA Panel-Ready	X	X	X	X	X	X	X	X
WASHER Whirlpool WFW560CHW	X	X	X	X	X	X	X	X
ELECTRIC VENTLESS DRYER Whirlpool WHD560CHW	X	X	X	X	X	X	X	X

GARBAGE DISPOSAL Insinkerator Evolution Evolution Compact Garbage Disposal 3/4HP	X	X	X	X	X	X	X	X

KITCHEN TYPE SCHEDULE

TYPE	11th	12th	14th	15th	PH	TOTAL
K-1	11A	12A				2
K-2	11B	12B				2
K-3	11C	12C				2
K-4			14A	15A		2
K-5			14B	15B		2
K-6			14C	15C		2
K-7					PH2	1
K-8					PH1	1
TOTALS						14

(xiii) Outdoor Rooftop General Common Terrace Counter Appliances and Fixtures

Countertop	-Stone
Cabinetry	-Stainless Steel
Sink	-BLANCO #443039 QUATRUS R0 BAR SINK 17"X 17"
Faucet	-BLANCO #442512 EMPRESSA -SINGLE LEVER BAR SINK FAUCET
Refrigerator	-#RUADA24LSA0 24" ADA PANEL READY UNDER-COUNTER REFRIGERATOR RATED FOR OUTDOOR USE

(x) Information about Public Spaces

(1) Finishes of Public Spaces:

Space	Floor	Wall	Base	Ceiling
Lobby	ST	WDP	ST	PT
Egress Stairs	PT	PT	PT	PT
Residential Elevator Lobbies	ST/CPT	WC	ST	PT
Cellar Public Corridors	CT	WC	AL	PT
Mechanical Spaces	PT	none	none	none

No existing finishes to remain, all public spaces to receive new finishes. Existing to remain concrete egress stairs are in good condition and are to be repaired as needed.

(2) Abbreviations for Finishes

AL	Aluminum
CPT	Carpet
CT	Ceramic Tile
PT	Paint

ST	Stone Tile
WC	Wall Covering
WDP	Wood, painted

(y) Safety and Warning Devices:

(1) Per NYCBC, combination smoke and carbon monoxide detectors will be located in all Residential Units near the sleeping rooms. All sprinkler loops are monitored by tamper and water flow switches. Smoke detectors will be located in the trash room and in the mechanical and electrical rooms.

(2) Fire alarm system is by Firecom with most devices being Edwards. The system is provided with a Fire Alarm Control Panel and a Central Station communicator as required by code. The system is provided with a 1 year warranty on parts and labor.

(z) Additional Information: See attached drawings for site plans and unit plans

(aa) Additional Testing: none required

(ab) Further development:
This development will be constructed to the limit permitted by NYC zoning regulations. No additional development is planned.

(ac) Asbestos:
Any asbestos-containing materials disturbed by project work have been abated in compliance with DEP regulations. No asbestos containing material will be used in the renovation of the Building. Other than as set forth in the Plan, Sponsor does not make any representation as to the existence or non-existence of asbestos in areas of the Building which were not disrupted by Sponsor's renovation work. Purchasers are advised that, in the event they or the condominium seek to perform work in the Building, they or the condominium will be responsible for performing appropriate testing and, if applicable, abating asbestos in the Building.

(ad) Lead Paint:
Sponsor does not make any representation as to the existence or non-existence of lead-based paint within the walls. Purchasers are advised that, in the event they or the condominium removes sheetrock at any time in the future, they or the condominium may be responsible for removing and abating lead-based paint in accordance with applicable law at their sole cost and expense.

(ae) Tenant Protection Plan:
To be filed with NYC Department of Buildings, if and to the extent required under applicable law.

Todd Poisson, BKSK Architects

- End of Report –

ASBESTOS CERTIFICATE AND ASBESTOS REPORTS

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NYC Environmental Protection

NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION

Asbestos Control Program
59-17 Junction Boulevard, 8th Floor, Flushing, NY 11373

ASBESTOS ASSESSMENT REPORT

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1. NYC DOB Job # (if applicable) _____ **Control Number: 1907462**

2. Premise No. 20 Street Name East 76th Street Borough Manhattan Zip 10021

3. AKA _____ Type of Facility _____ BIN 1041706 Block 01390 Lot 0057

4. Building Owner GRAMERCY PARK HOUSE, LLC Address 611 BROADWAY #311

5. City NEW YORK State NY Zip 10012 Contact Person TREVOR STAHELSKI

6. Tel. # (310) 962-3892 Fax # _____ Email _____

7. Work Type General Construction

Description of the Entire Scope of Work
Application filed for removals of interior partitions and finishes. no excavation. no alterations to exterior building envelope. no change to use, egress or occupancy

8. I, TARAS LIUTSKO , have conducted an asbestos investigation on
Name of Certified Asbestos Investigator

10/28/2021 8:30AM-3:30PM, 10/29/2021 8:30AM-3:30PM in accordance
Date(s)

with Sections 1-16 and 1-28 of the NYC DEP Asbestos Control Program Rules and declare that at said facility address, the

[X] a. the premises or the portion(s) of the premises, included in the scope of renovations was/were determined that there was no asbestos-containing materials (ACM) present

[ ] b. premise (or portions thereof) affected by the work contains 10 square feet or less or 25 linear feet or less of ACM. Specify locations in section 9: Note: This material must be abated as a minor project in accordance with relevant provisions of the DEP Asbestos Rules.

[X] c. asbestos is present and will not be disturbed during construction activity. Specify the quantity and area where asbestos is present. Specify amount: 0 sq. ft 5380 linear ft.

[ ] d. entire building is free of asbestos containing material (ACM).

9. RESULTS OF ASBESTOS BUILDING SURVEY:

Floor	Section of Floor(s) Surveyed	Material Assumed to Contain ACM and/or Sampled	Number of Samples Analyzed	Asbestos Present	Assumed ACM	Square Feet	Linear Feet	Abated	Scope of Work Applied
Building Floors-001 to 016	Entire	Mirror Glue	3	No	No				

I hereby declare the information provided herein is true and complete

TARAS LIUTSKO — *DEP Certified Asbestos Investigator's Signature*
11/10/2021 — *Date*
120817 — *Certificate Number*
12/15/2023 — *Expiration Date*

Tel. # (212) 858-9449 Fax # _____

Email tliutsko@env-pro.com

CITY OF NEW YORK
TARAS LIUTSKO
CERTIFIED ASBESTOS INVESTIGATOR
120817

SEAL OF THE NYC DEP CERTIFIED ASBESTOS INVESTIGATOR

The investigator shall assume that some or all of the areas investigated contain ACM, and for each area that is not assumed to contain ACM, collect and submit for analysis bulk samples in accordance with §§ 1-36, 1-37, and 1-44 of the DEP Asbestos Rules and EPA publications 560/5-85-024 and 560/5-85-030a and 40 CFR 763.86.

Is it a Build-It-Back project? [ ] Yes, App ID # _____ [X] No

25950188

NYC Environmental Protection

NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION
Asbestos Control Program
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Building Floors-001 to 016	Entire	Old Plaster (Brown Coat)	6	No	No				
Building Floors-001 to 016	Entire	Old Plaster (White Coat)	6	No	No				
Building Floors-001 to 016	Entire	New Plaster (Brown Coat)	6	No	No				
Building Floors-001 to 016	Entire	New Plaster (White Coat)	6	No	No				
Building Floors-001 to 016	Entire	Soft Plaster	7	No	No				
Building Floors-001 to 016	Entire	Spray-On Fireproofing	8	No	No				
Building Floors-001 to 016	Entire	Gypsum Board	1	No	No				
Building Floors-001 to 016	Entire	Gypsum Board Joint Compound	1	No	No				
Building Floors-001 to 016	Entire	Pyrobar	3	No	No				
Building Floors-001 to 016	Entire	Mortar	2	No	No				
Building Floors-001 to 016	Entire	Ceramic Tile Setting Bed	2	No	No				
Building Floors-001 to 016	Entire	Ceramic Tile Grout	2	No	No				
Building Floors-001 to 016	Entire	Floor Fill Material	3	No	No				

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SEAL OF THE NYC DEP CERTIFIED ASBESTOS INVESTIGATOR
CITY OF NEW YORK
TARAS LIUTSKO
120817
CERTIFIED ASBESTOS INVESTIGATOR

Is it a Build-It-Back project? ☐ Yes, App ID # _____ ☒ No

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Building Floors-001 to 016	Entire	Floor Leveling	3	No	No				
Building Floors-001 to 016	Entire	Door Insulation	3	No	No				
Building Floors-001 to 016	Entire	Baseboard Molding Glue	2	No	No				
Building Floors-001 to 016	Entire	Baseboard Molding	2	No	No				
Building Floors-001 to 016	Entire	Bathroom Caulking	3	No	No				
Building Floors-001 to 016	Entire	Duct Caulking	2	No	No				
Building Floors-001 to 016	Entire	Interior Window Frame Caulking	3	No	No				
Building Floors-001 to 016	Entire	Red Firestop Sealant	3	No	No				
Building Floors-001 to 016	Entire	Ceiling Tile	2	No	No				
Building Floors-001 to 016	Entire	Gypsum Board Ceiling Tile	1	No	No				
Building Floors-001 to 016	Entire	Wall Tar	2	No	No				
Building Floors-001 to 016	Entire	Carpet Glue	3	No	No				
Building Floors-001 to 016	Entire	Caulking Around Mirror	2	No	No				

I hereby declare the information provided herein is true and complete

TARAS LIUTSKO	11/10/2021	120817	12/15/2023
DEP Certified Asbestos Investigator's Signature	*Date*	*Certificate Number*	*Expiration Date*

CITY OF NEW YORK
TARAS LIUTSKO
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120817

Tel. # (212) 858-9449 Fax # _____

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Is it a Build-It-Back project? ☐ Yes, App ID # _____ ☒ No

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Building Floors-001 to 016	Entire	Mastic to White 12x12 Floor Tile	2	No	No				
Building Floors-001 to 016	Entire	White 12x12 Floor Tile	2	No	No				
Building Floors-001 to 016	Entire	Glue to Dark Grey 12x12 Floor Tile	2	No	No				
Building Floors-001 to 016	Entire	Dark Grey 12x12 Floor Tile	2	No	No				
Building Floors-001 to 016	Entire	Linoleum	2	No	No				
Building Floors-001 to 016	Entire	Glue to Black Rubber Like Floor Tile	2	No	No				
Building Floors-001 to 016	Entire	Black Rubber Like Floor Tile	2	No	No				
Building Floors-001 to 016	Entire	Wall Decoration Glue	2	No	No				
Building Floors-001 to 016	Entire	Red Compound under Ceramic Tile	2	No	No				
Building Floors-001 to 016	Entire	Glue to Black 12x12 Floor Tile	2	No	No				
Building Floors-001 to 016	Entire	Black 12x12 Floor Tile	2	No	No				
Building Floors-001 to 016	Entire	Kitchen Wall Panel Glue	1	No	No				
Building Floors-001 to 016	Entire	Kitchen Wall Panel	1	No	No				

I hereby declare the information provided herein is true and complete

TARAS LIUTSKO	11/10/2021	120817	12/15/2023
DEP Certified Asbestos Investigator's Signature	*Date*	*Certificate Number*	*Expiration Date*

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Building Floors-001 to 016	Entire	Kitchen Caulking	1	No	No				
Building Floors-001 to 016	Entire	Duct Insulation	3	No	No				
Building Floors-001 to 016	Entire	Pipe Insulation & Wrap (Within Pipe Chases)	3	Yes	No		2160	No	C
Building Floors-001 to 016	Entire	Radiator Pipe Insulation & Wrap	3	Yes	No		3220	No	C
Cellar	As per plans	Old Plaster (Brown Coat)	1	No	No				
Cellar	As per plans	Old Plaster (White Coat)	1	No	No				
Cellar	As per plans	Spray-On Fireproofing	1	No	No				
Cellar	As per plans	Gypsum Board	1	No	No				
Cellar	As per plans	Gypsum Board Joint Compound	1	No	No				
Cellar	As per plans	Mortar	1	No	No				
Cellar	As per plans	Ceramic Tile Setting Bed	1	No	No				
Cellar	As per plans	Ceramic Tile Grout	1	No	No				
Cellar	As per plans	Baseboard Molding Glue	1	No	No				
Cellar	As per plans	Baseboard Molding	1	No	No				
Cellar	As per plans	Duct Caulking	1	No	No				
Cellar	As per plans	Ceiling Tile	1	No	No				
Cellar	As per plans	Gypsum Board Ceiling Tile	2	No	No				
Cellar	As per plans	Mastic to White 12x12 Floor Tile	1	No	No				
Cellar	As per plans	White 12x12 Floor Tile	1	No	No				
Cellar	As per plans	Glue to Dark Grey 12x12 Floor Tile	1	No	No				
Cellar	As per plans	Dark Grey 12x12 Floor Tile	1	No	No				

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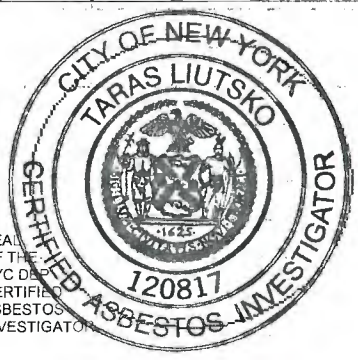

Is it a Build-It-Back project? ☐ Yes, App ID # _____ ☒ No

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Cellar	Kitchen	Kitchen Wall Panel Glue	1	No	No				
Cellar	Kitchen	Kitchen Wall Panel	1	No	No				
Cellar	Kitchen	Kitchen Caulking	1	No	No				
Cellar	Kitchen	Black 12x12 Floor Tile	2	No	No				
Cellar	Kitchen	Glue to Linoleum	2	No	No				
Cellar	Kitchen	Linoleum	2	No	No				
Cellar	Lunch Room	Tar Paper under Beige 12x12 Floor Tile	2	No	No				
Cellar	Lunch Room	Glue to 12x12 Floor Tile	2	No	No				
Cellar	Lunch Room	Beige 12x12 Floor Tile (Bottom Layer)	2	No	No				
Cellar	Lunch Room	Green 12x12 Floor Tile (Middle Layer)	2	No	No				
Cellar	Lunch Room	Multicolor 12x12 Floor Tile (Top Layer)	2	No	No				
Cellar	Locker Rooms	Glue to Beige 12x12 Floor Tile	2	No	No				
Cellar	Locker Rooms	Beige 12x12 Floor Tile	2	No	No				
Cellar	Locker Rooms	Grey 12x12 Floor Tile	2	No	No				
Cellar	Hallway	Glue to Beige 12x12 Floor Tile	2	No	No				
Cellar	Hallway	Beige 12x12 Floor Tile	2	No	No				
Penthouse	Entire (17th Floor)	New Plaster (Brown Coat)	1	No	No				
Penthouse	Entire (17th Floor)	New Plaster (White Coat)	1	No	No				
Penthouse	Entire (17th Floor)	Gypsum Board	1	No	No				
Penthouse	Entire (17th Floor)	Gypsum Board Joint Compound	1	No	No				
Penthouse	Entire (17th Floor)	Wall Tar	1	No	No				
Penthouse	Entire (17th Floor)	Caulking Around Mirror	1	No	No				
Penthouse	Entire (17th Floor)	Parquet Glue	2	No	No				

I hereby declare the information provided herein is true and complete

TARAS LIUTSKO	11/10/2021	120817	12/15/2023
DEP Certified Asbestos Investigator's Signature	*Date*	*Certificate Number*	*Expiration Date*

Tel. # (212) 858-9449 Fax # _____

Email tliutsko@env-pro.com

CITY OF NEW YORK
TARAS LIUTSKO
1625
120817
CERTIFIED ASBESTOS INVESTIGATOR

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Is it a Build-It-Back project? ☐ Yes, App ID # _____ ☒ No

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10. ANALYTICAL LABORATORY:

NAME	ELAP # (NYS DOH CERTIFICATION)	DATE(S) SAMPLES ANALYZED
Metro Analytical Laboratories	12003	10/29/2021
Metro Analytical Laboratories	12003	11/3/2021

11. NYS DOL Asbestos Handling license # 63177 Company Name Enviro-Pro Unltd Corp.

12.Comment

1) ACM Materials will not be impacted by proposed scope of work.
2) If any materials that are not listed in the above table will be discovered during construction activities - all work shall cease and undersigned should be contacted to investigate newly discovered materials.

I hereby declare the information provided herein is true and complete

TARAS LIUTSKO	11/10/2021	120817	12/15/2023
DEP Certified Asbestos Investigator's Signature	*Date*	*Certificate Number*	*Expiration Date*

Tel. # (212) 858-9449 Fax # _____

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SEAL OF THE NYC DEP CERTIFIED ASBESTOS INVESTIGATOR

CITY OF NEW YORK
TARAS LIUTSKO
1625
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Is it a Build-It-Back project? ☐ Yes, App ID # _____ ☒ No

25950188

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Enviro-Pro
ENVIRONMENTAL & ENGINEERING CONSULTING

Enviro-Pro UnLTD Corp.
264 West 40th Street
6th Floor, Suite 602
New York, NY 10018

1 (212) 858-9449 (Office)
1 (347) 824-2024 (Fax)
www.env-pro.com
info@env-pro.com

LIMITED ASBESTOS INSPECTION REPORT

Site Location:

Surrey Hotel – Window/Door Replacement
20 East 76th Street
New York, NY 10021

Prepared for:

Surrey PropCo LLC
611 Broadway, Suite 311
New York, NY 10012

Prepared by:

Enviro-Pro UnLTD Corp.
264 W 40th Street, Suite 602
New York, NY 10018

Enviro-Pro Project # 22-07.390

Report Date: July 19, 2022

SUMMARY OF WORK

Enviro-Pro UnLTD Corp. (ENV-PRO) was retained by the Surrey PropCo LLC located 611 Broadway, Suite 311, New York, NY 10012 to perform a limited inspection for Asbestos Containing Materials (ACM) at the 20 East 76th Street, New York, NY 10021.

Enviro-Pro UnLTD Corp. (ENV-PRO) New York State Department of Labor (NYS DOL) Certified Asbestos Inspector(s)/Investigator(s) performed an asbestos inspection and collected bulk material samples from suspect ACM throughout interior and exterior areas (South, East & West Elevations) of a building located at 20 East 76th Street, New York, NY 10021. The inspection was conducted on July 15, 2022. The scope of work for entire project was identified by client as "Exterior Window/Door Replacement".

All samples were logged and transported under chain-of-custody protocol to Metro Analytical Laboratories; ELAP approved laboratory located in New York, New York. Material identification was performed using Polarized Light Microscopy with Dispersion Staining (PLM/DS) in accordance with the Environmental Protection Agency (EPA) "Interim Method of the determination of Asbestos in Bulk Insulation Samples" (EPA 600 M4 82 020). The PLM method has limitations when Non-Friable Organically Bound (NOB) Materials are analyzed. NOB materials that are found to be negative or contain trace asbestos by PLM methods are analyzed by Transmission Electron Microscopy (TEM) methods in accordance with New York State Department of Health Environmental Laboratory Approval Program (NYSDOH ELAP) requirements.

Please refer to **Table I** for a full summary of inspection results and **Table II** summary of impacted ACM/Assumed ACM quantity.

LIMITATIONS AND CONDITIONS

Enviro-Pro UnLTD Corp. (ENV-PRO) has performed the tasks set forth above in a thorough and professional manner consistent with industry standards. ENV-PRO cannot guarantee and does not warrant that this limited assessment has revealed all adverse environmental conditions affecting the site. Nor can ENV-PRO warrant that the assessment requested will satisfy the dictates of, or provide a legal defense in connection with, environmental laws or regulations. The observations and findings were representative of the conditions from the site on the date of inspection. Often materials are located in confined or inaccessible locations with little or no visible manifestation of their presence. These materials may be found in various areas under existing flooring materials, above ceilings, behind walls, materials within fixtures, electrical wire casing, or buried pipes and wires. Due to the potential for hidden materials to be present, it may not be possible to determine if all suspect building materials have been identified, located, and subsequently tested. Destructive measures to access these and other potentially hidden materials were not employed by ENV-PRO as part of this project. However, ENV-PRO does warrant that its investigations and methodology reflect our best efforts based upon prevailing standard of care in the environmental industry.

The information contained in this report was prepared based upon specific parameters and regulations in force at the time of this report. The information herein is only for the specific use of the client and ENV-PRO. ENV-PRO accepts no responsibility for the use, interpretation, or reliance by other parties on the information contained herein, unless written authorization has been obtained from ENV-PRO.

CONCLUSION AND RECOMMENDATION:

- Asbestos Containing Material (ACM) has to be removed by NYS DOL licensed asbestos contractor. Removal has to follow and comply with: NYS DOL ICR 56 and NYC DEP Chapter one title 15. Disposal has to be as per NYS DEC.

Thank you for your attention and consideration in this matter. Please feel free to contact the undersigned should you have any questions or require any additional information.

07/19/2022

Taras Liutsko — Date

Project Manager

NYS DOL Licensed Inspector # 04-10549, Exp.: 12/2022.

NYC DEP Licensed Investigator # 120817, Exp.: 12/15/2023.

264 West 40th Street, Suite 602, New York, NY 10018.

Office: 1 (212) 858-9449; Fax: 1 (347) 713-3680; Email: info@env-pro.com.

TABLE I - SUMMARY OF INSPECTION RESULTS TABLE

Building Material	Location	Results	ACM Quantity	Notes
Plasters	Interior – Throughout	Non-ACM	N/A	
Interior Mortar		Non-ACM	N/A	
Interior Window/Door Frame Caulking		Non-ACM	N/A	
Exterior Mortar	Exterior Façade – Throughout	Non-ACM	N/A	
Window / Door Frame Caulking (Bottom Layer)	Exterior Façade – East Elevation	**ACM**	**114 SF**	**ACM material was observed on wood frame, under the metal cover/frame.**
Window / Door Frame Caulking (Top Layer)		Non-ACM	N/A	Material was observer on metal cover/frame.
Window / Door Frame Caulking (Bottom Layer)	Exterior Façade – South Elevation	**ACM**	**148 SF**	**ACM material was observed on wood frame, under the metal cover/frame.**
Window / Door Frame Caulking (Top Layer)		Non-ACM	N/A	Material was observer on metal cover/frame.
Window / Door Frame Caulking (Bottom Layer)	Exterior Façade – West Elevation	**ACM**	**115 SF**	**ACM material was observed on wood frame, under the metal cover/frame.**
Window / Door Frame Caulking (Top Layer)		Non-ACM	N/A	Material was observer on metal cover/frame.

LEGEND:

ACM = Asbestos-Containing Material
Non-ACM = Non-Asbestos-Containing Material
N/A = Not Applicable
SF = Square Feet
LF = Linear Feet

Notes:

1) Non suspect materials such as brick, stone, CMU, ceramic tiles, structural concrete or materials that were composed completely of wood, metal, plastic, fiberglass, cork, silicone or rubber, were not sampled.
2) Any material not listed or addressed in the above table must be assumed Asbestos Containing Material. The contractor shall notify the owner and environmental consultant immediately if any materials that are not listed are encountered during construction/demolition activities. All work shall stop until materials are inspected by licensed environmental consultant.

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TABLE II - SUMMARY OF IMPACTED ACM/ASSUMED ACM QUANTITY

Building Material	Location	Results	Quantity	Notes
Window / Door Frame Caulking (Bottom Layer)	Exterior Façade – East Elevation	ACM	114 SF	ACM material was observed on wood frame, under the metal cover/frame.
Window / Door Frame Caulking (Bottom Layer)	Exterior Façade – South Elevation	ACM	148 SF	
Window / Door Frame Caulking (Bottom Layer)	Exterior Façade – West Elevation	ACM	115 SF	
		Total ACM	377 SF	

LEGEND:
ACM = Asbestos-Containing Material
SF = Square Feet
LF = Linear Feet

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Note:
1. **All quantities to be impacted have to be verified by the contractor prior to the bid on the project.**

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APPENDIX A

Laboratory Analytical Results

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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:	**Enviro-Pro UnLTD Corp**	Contract:	**Surrey PropCo LLC - Surrey Hotel**	**Metro Lab ID #:**	**B22070461**
Address:	2721 Kings Highway Suite 6L	Client Job #:	**22-07.390**		
	Brooklyn NY 11229	Location:	**20 East 76th Street**		
	P: (718) 801-2231 F:		**Façade**	Sample Received:	07/15/2022
			New York NY 10021	PLM Analysis Date:	07/15/2022
Contact:	**Yevge Golubchik**	Sampled By:	M.C., T.T., Y.G.	TEM Analysis Date:	07/15/2022
	M: (718) 801-2231	Sampled Date:	07/15/2022	Reported By:	Nicole Piech
	E: ygolubchik@env-pro.com	Turnaround Time:	48 hrs	Report Date:	07/17/2022

Summary of Analysis

LAB ID #	Client Sample #	Sample Description	Test	Fibrous Material	Non-Fibrous Material	Asbestos	Total Asbestos
1	01	Grey Homogenous Granular 15TH FLOOR - INTERIOR, BY WINDOW - PLASTER (BROWN COAT)	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4	4% Cellulose	96% Non-Fibrous	None Detected	
2	02	Grey Homogenous Granular 12TH FLOOR - INTERIOR, BY WINDOW - PLASTER (BROWN COAT)	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4	2% Cellulose	98% Non-Fibrous	None Detected	
3	03	Grey Homogenous Granular 10TH FLOOR - INTERIOR, BY WINDOW - PLASTER (BROWN COAT)	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4	4% Cellulose	96% Non-Fibrous	None Detected	
4	04	Grey Homogenous Granular 8TH FLOOR - INTERIOR, BY WINDOW - PLASTER (BROWN COAT)	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4	3% Cellulose	97% Non-Fibrous	None Detected	
5	05	Grey Homogenous Granular 6TH FLOOR - INTERIOR, BY WINDOW - PLASTER (BROWN COAT)	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4	3% Cellulose	97% Non-Fibrous	None Detected	
6	06	Grey Homogenous Granular 4TH FLOOR - INTERIOR, BY WINDOW - PLASTER (BROWN COAT)	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4	4% Cellulose	96% Non-Fibrous	None Detected	
7	07	Grey Homogenous Granular 2ND FLOOR - INTERIOR, BY WINDOW - PLASTER (BROWN COAT)	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4	4% Cellulose	96% Non-Fibrous	None Detected	
8	08	White Homogenous Granular 15TH FLOOR - INTERIOR, BY WINDOW - PLASTER (WHITE COAT)	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4	2% Cellulose	98% Non-Fibrous	None Detected	
9	09	White Homogenous Granular 12TH FLOOR - INTERIOR, BY WINDOW - PLASTER (WHITE COAT)	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4	3% Cellulose	97% Non-Fibrous	None Detected	
10	10	White Homogenous Granular 10TH FLOOR - INTERIOR, BY WINDOW - PLASTER (WHITE COAT)	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4	2% Cellulose	98% Non-Fibrous	None Detected	

Comments

Equipment: PLM SCOPE Nikon Optiphot-2
TEM SCOPE #2 - Hitachi H-7000

Zlatan Dimitrijevic
Laboratory Director

Jose Perez / Reda Abdelmalak
PLM Analyst

Hany Rezkalla
TEM Analyst

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:	**Enviro-Pro UnLTD Corp**		Contract:	**Surrey PropCo LLC - Surrey Hotel**		**Metro Lab ID #:**	**B22070461**
Address:	2721 Kings Highway Suite 6L		Client Job #:	**22-07.390**			
	Brooklyn NY 11229		Location:	**20 East 76th Street**			
	P: (718) 801-2231 F:			**Façade**		Sample Received:	07/15/2022
				New York **NY** **10021**		PLM Analysis Date:	07/15/2022
Contact:	**Yevge Golubchik**		Sampled By:	M.C., T.T., Y.G.		TEM Analysis Date:	07/15/2022
	M: (718) 801-2231		Sampled Date:	07/15/2022		Reported By:	Nicole Piech
	E: ygolubchik@env-pro.com		Turnaround Time:	48 hrs		Report Date:	07/17/2022

Summary of Analysis

LAB ID #	Client Sample #	Sample Description	Test	Fibrous Material	Non-Fibrous Material	Asbestos	Total Asbestos
11	11	White Homogenous Granular 8TH FLOOR - INTERIOR, BY WINDOW - PLASTER (WHITE COAT)	NY ELAP 198.1	2% Cellulose	98% Non-Fibrous	None Detected	
			NY ELAP 198.6				
			NY ELAP 198.4				
12	12	White Homogenous Granular 6TH FLOOR - INTERIOR, BY WINDOW - PLASTER (WHITE COAT)	NY ELAP 198.1	3% Cellulose	97% Non-Fibrous	None Detected	
			NY ELAP 198.6				
			NY ELAP 198.4				
13	13	White Homogenous Granular 4TH FLOOR - INTERIOR, BY WINDOW - PLASTER (WHITE COAT)	NY ELAP 198.1	2% Cellulose	98% Non-Fibrous	None Detected	
			NY ELAP 198.6				
			NY ELAP 198.4				
14	14	White Homogenous Granular 2ND FLOOR - INTERIOR, BY WINDOW - PLASTER (WHITE COAT)	NY ELAP 198.1	3% Cellulose	97% Non-Fibrous	None Detected	
			NY ELAP 198.6				
			NY ELAP 198.4				
15	15	Grey Homogenous Granular 11TH FLOOR - INTERIOR, BY WINDOW - INTERIOR MORTAR	NY ELAP 198.1		100% Non-Fibrous	None Detected	
			NY ELAP 198.6				
			NY ELAP 198.4				
16	16	Grey Homogenous Granular 7TH FLOOR - INTERIOR, BY WINDOW - INTERIOR MORTAR	NY ELAP 198.1		100% Non-Fibrous	None Detected	
			NY ELAP 198.6				
			NY ELAP 198.4				
17	17	Grey Homogenous Granular 3RD FLOOR - INTERIOR, BY WINDOW - INTERIOR MORTAR	NY ELAP 198.1		100% Non-Fibrous	None Detected	
			NY ELAP 198.6				
			NY ELAP 198.4				
18	18	Grey Homogenous Granular EXTERIOR FAÇADE - EAST ELEVATION - EXTERIOR MORTAR	NY ELAP 198.1		100% Non-Fibrous	None Detected	
			NY ELAP 198.6				
			NY ELAP 198.4				
19	19	Grey Homogenous Granular EXTERIOR FAÇADE - SOUTH ELEVATION - EXTERIOR MORTAR	NY ELAP 198.1		100% Non-Fibrous	None Detected	
			NY ELAP 198.6				
			NY ELAP 198.4				
20	20	Grey Homogenous Granular EXTERIOR FAÇADE - WEST ELEVATION - EXTERIOR MORTAR	NY ELAP 198.1		100% Non-Fibrous	None Detected	
			NY ELAP 198.6				
			NY ELAP 198.4				

Comments

Equipment: PLM SCOPE Nikon Optiphot-2
TEM SCOPE #2 - Hitachi H-7000

Zlatan Dimitrijevic
Laboratory Director

Jose Perez / Reda Abdelmalak
PLM Analyst

Hany Rezkalla
TEM Analyst

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:	**Enviro-Pro UnLTD Corp**		Contract:	**Surrey PropCo LLC - Surrey Hotel**		**Metro Lab ID #:**	**B22070461**
Address:	2721 Kings Highway Suite 6L		Client Job #:	**22-07.390**			
	Brooklyn NY 11229		Location:	**20 East 76th Street**			
	P: (718) 801-2231 F:			**Façade**		Sample Received:	07/15/2022
				New York **NY** **10021**		PLM Analysis Date:	07/15/2022
Contact:	**Yevge Golubchik**		Sampled By:	M.C., T.T., Y.G.		TEM Analysis Date:	07/15/2022
	M: (718) 801-2231		Sampled Date:	07/15/2022		Reported By:	Nicole Piech
	E: ygolubchik@env-pro.com		Turnaround Time:	48 hrs		Report Date:	07/17/2022

Summary of Analysis

LAB ID #	Client Sample #	Sample Description	Test	Fibrous Material	Non-Fibrous Material	Asbestos		Total Asbestos
21	21	Beige Homogenous NOB 10TH FLOOR - EAST ELEVATION - INTERIOR WINDOW / DOOR FRAME CLKNG	NY ELAP 198.1					
			NY ELAP 198.6			Inconclusive	None Detected	
			NY ELAP 198.4				None Detected	
22	22	Beige Homogenous NOB 7TH FLOOR - SOUTH ELEVATION - INTERIOR WINDOW / DOOR FRAME CLKNG	NY ELAP 198.1					
			NY ELAP 198.6			Inconclusive	None Detected	
			NY ELAP 198.4				None Detected	
23	23	Beige Homogenous NOB 4TH FLOOR - WEST ELEVATION - INTERIOR WINDOW / DOOR FRAME CLKNG	NY ELAP 198.1					
			NY ELAP 198.6			Inconclusive	None Detected	
			NY ELAP 198.4				None Detected	
24	24	Multi Homogenous NOB EXTERIOR FAÇADE - EAST ELEVATION - WINDOW / DOOR FRAME CLKNG (BOTTOM LYR)	NY ELAP 198.1					
			NY ELAP 198.6				3.3% Chrysotile	3.3%
			NY ELAP 198.4				Not Analyzed	
25	25	Multi Homogenous NOB EXTERIOR FAÇADE - SOUTH ELEVATION - WINDOW / DOOR FRAME CLKNG (BOTTOM LYR)	NY ELAP 198.1					
			NY ELAP 198.6			Positive Stop	Not Analyzed	
			NY ELAP 198.4				Not Analyzed	
26	26	Multi Homogenous NOB EXTERIOR FAÇADE - WEST ELEVATION - WINDOW / DOOR FRAME CLKNG (BOTTOM LYR)	NY ELAP 198.1					
			NY ELAP 198.6			Positive Stop	Not Analyzed	
			NY ELAP 198.4				Not Analyzed	
27	27	Black Homogenous NOB EXTERIOR FAÇADE - EAST ELEVATION - WINDOW / DOOR FRAME CLKNG (TOP LYR)	NY ELAP 198.1					
			NY ELAP 198.6			Inconclusive	None Detected	
			NY ELAP 198.4				None Detected	
28	28	Black Homogenous NOB EXTERIOR FAÇADE - SOUTH ELEVATION - WINDOW / DOOR FRAME CLKNG (TOP LYR)	NY ELAP 198.1					
			NY ELAP 198.6			Inconclusive	None Detected	
			NY ELAP 198.4				None Detected	
29	29	Black Homogenous NOB EXTERIOR FAÇADE - WEST ELEVATION - WINDOW / DOOR FRAME CLKNG (TOP LYR)	NY ELAP 198.1					
			NY ELAP 198.6			Inconclusive	None Detected	
			NY ELAP 198.4				None Detected	

Comments

Equipment: PLM SCOPE Nikon Optiphot-2
TEM SCOPE #2 - Hitachi H-7000

Zlatan Dimitrijevic
Laboratory Director

Jose Perez / Reda Abdelmalak
PLM Analyst

Hany G Rezkalla
TEM Analyst

NYS ELAP ID # 12003

NVLAP Lab Code 500081-0

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Report Notes

General Notes and Disclaimers

- The samples analyzed in this report were not collected by this laboratory - they were received from the client, or an agent of the client, in good condition, unless otherwise noted.
- All results are calculated based on client-provided samples and / or measurements and fall within the acceptable Quality Control limits, unless otherwise noted.
- 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.
- Quality Control data (including 95% confidence limits, laboratory / analysis accuracy and precision) is available upon request.

Notes Regarding Asbestos Testing

- Air Sample Analysis by Phase Contrast Microscopy (PCM) adheres to Method NIOSH-7400. Results < 7 fibers / mm^2 are statistically insignificant.
- Percentages are calculated using the EPA equivalent Stratified Point-Count Method.
- 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.
- All inhomogeneous layers of the bulk samples were analyzed separately.
- 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 (<).
- 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.
- Bulk Sample Analysis by Transmission Electron Microscopy (TEM) NOB adheres to NYS ELAP Method 198.4.
- Air Sample Analysis by Transmission Electron Microscopy (TEM) adheres to Method EPA CFR Part 763 Final Rule (AHERA).
- Air Sample Analysis by Transmission Electron Microscopy (TEM) Worksheets are available upon request.

B220704461

Enviro-Pro
ENVIRONMENTAL & ENGINEERING CONSULTING

Enviro-Pro UnLTD Corp.
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SAMPLING CHAIN-OF-CUSTODY FORM

PAGE (_1_OF_2_)

Date Collected:	Time:	Project Name:	Client:
07/15/2022	*09:00 – 11:00*	*Surrey Hotel – Façade*	*Surrey PropCo LLC*
Collected By: *M. Cooper, T. Tchunashvili, Y. Golubchik*	**Project Address:** *20 East 76th St, New York, NY, 10021*		**Env-Pro Project #:** *22-07.390*

Analysis Requested: X PLM (198.1); X PLM (198.6); X TEM (198.4);

Laboratory: ☐ AmeriSci; ELAP No. 11480; ☐ ALAC; ELAP No. 11605; X Metro; ELAP No. 12003

Turn-Around-Time: ☐ Rush, ☐ 6 Hr., ☐ 24 Hr., ☐ 36 Hr., X 48 Hr., ☐ 72 Hr.

LAB NOTES: STOP AT 1st POSITIVE IN A HOMOGENEOUS GROUP;

Sample ID			Sample Location	Sample Description
HA Group	HA #	Sample #		
01	01	01	15th Floor – Interior, by Window	Plaster (Brown Coat)
		02	12th Floor – Interior, by Window	Plaster (Brown Coat)
		03	10th Floor – Interior, by Window	Plaster (Brown Coat)
		04	8th Floor – Interior, by Window	Plaster (Brown Coat)
		05	6th Floor – Interior, by Window	Plaster (Brown Coat)
		06	4th Floor – Interior, by Window	Plaster (Brown Coat)
		07	2nd Floor – Interior, by Window	Plaster (Brown Coat)
	02	08	15th Floor – Interior, by Window	Plaster (White Coat)
		09	12th Floor – Interior, by Window	Plaster (White Coat)
		10	10th Floor – Interior, by Window	Plaster (White Coat)
		11	8th Floor – Interior, by Window	Plaster (White Coat)
		12	6th Floor – Interior, by Window	Plaster (White Coat)
		13	4th Floor – Interior, by Window	Plaster (White Coat)
		14	2nd Floor – Interior, by Window	Plaster (White Coat)
02	03	15	11th Floor – Interior, by Window	Interior Mortar
		16	7th Floor – Interior, by Window	Interior Mortar
		17	3rd Floor – Interior, by Window	Interior Mortar
03	04	18	Exterior Façade – East Elevation	Exterior Mortar
		19	Exterior Façade – South Elevation	Exterior Mortar
		20	Exterior Façade – West Elevation	Exterior Mortar

Results To: Enviro-Pro Via E-Mail: envprolabresults@gmail.com Other _____

Site			Laboratory					
Relinquished By	Date	Time	Received By	Date	Time	Analyzed By	Date	Time
Name (Print): T. Tchunashvili	07/15/22		Name (Print): K. John			Name (Print):		
Signature:			Signature:	7/15/22	1234P	Signature:		

B2207046l

Enviro-Pro
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info@env-pro.com

SAMPLING CHAIN-OF-CUSTODY FORM

PAGE (_2_OF_2_)

Date Collected:	Time:	Project Name:	Client:
07/15/2022	*09:00 – 11:00*	*Surrey Hotel - Facade*	*Surrey PropCo LLC*
Collected By: *M. Cooper, T. Tchunashvili, Y. Golubchik*	**Project Address:** *20 East 76th St, New York, NY, 10021*		**Env-Pro Project #:** *22-07.390*

Analysis Requested: X PLM (198.1); X PLM (198.6); X TEM (198.4);

Laboratory: ☐ AmeriSci; ELAP No. 11480 ☐ ALAC; ELAP No. 11605 X Metro; ELAP No. 12003

Turn-Around-Time: ☐ Rush, ☐ 6 Hr., ☐ 24 Hr., ☐ 36 Hr., X 48 Hr., ☐ 72 Hr.

LAB NOTES: STOP AT 1st POSITIVE IN A HOMOGENEOUS GROUP:

Sample ID			Sample Location	Sample Description
HA Group	HA #	Sample #		
04	05	21	10th Floor – East Elevation	Interior Window/Door Frame Caulking
		22	7th Floor – South Elevation	Interior Window/Door Frame Caulking
		23	4th Floor – West Elevation	Interior Window/Door Frame Caulking
05	06	24	Exterior Façade – East Elevation	Window/Door Frame Caulking (Bottom Layer)
		25	Exterior Façade – South Elevation	Window/Door Frame Caulking (Bottom Layer)
		26	Exterior Façade – West Elevation	Window/Door Frame Caulking (Bottom Layer)
06	07	27	Exterior Façade – East Elevation	Window/Door Frame Caulking (Top Layer)
		28	Exterior Façade – South Elevation	Window/Door Frame Caulking (Top Layer)
		29	Exterior Façade – West Elevation	Window/Door Frame Caulking (Top Layer)

Results To: Enviro-Pro Via E-Mail: envprolabresults@gmail.com Other _____

Site			Laboratory					
Relinquished By	Date	Time	Received By	Date	Time	Analyzed By	Date	Time
Name (Print)			Name (Print)			Name (Print)		
T. Tchunashvili	07/15/22		R. John					
Signature			Signature	7/15/22	1234	Signature		
			R. John					

APPENDIX B

ACM Location Drawings

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Typical Locations of Non-ACM Exterior Window/Door Frame Caulking (Top Layer) on Metal Cover/Frame.

Typical Locations of ACM Exterior Window/Door Frame Caulking (Bottom Layer) on Wooden Frame.

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APPENDIX C

Licenses and Certifications

264 West 40th Street, Suite 602, New York, NY 10018.
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New York State – Department of Labor
Division of Safety and Health
License and Certificate Unit
State Campus, Building 12
Albany, NY 12240

ASBESTOS HANDLING LICENSE

Enviro-Pro Unltd Corp.
Suite 602
262 West 38th Street

New York, NY 10018

FILE NUMBER: 12-63177
LICENSE NUMBER: 63177
LICENSE CLASS: RESTRICTED
DATE OF ISSUE: 07/05/2022
EXPIRATION DATE: 07/31/2023

Duly Authorized Representative – Yeugeuiy Golubchik:

This license has been issued in accordance with applicable provisions of Article 30 of the Labor Law of New York State and of the New York State Codes, Rules and Regulations (12 NYCRR Part 56). It is subject to suspension or revocation for a (1) serious violation of state, federal or local laws with regard to the conduct of an asbestos project, or (2) demonstrated lack of responsibility in the conduct of any job involving asbestos or asbestos material.

This license is valid only for the contractor named above and this license or a photocopy must be prominently displayed at the asbestos project worksite. This license verifies that all persons employed by the licensee on an asbestos project in New York State have been issued an Asbestos Certificate, appropriate for the type of work they perform, by the New York State Department of Labor.

Amy Phillips, Director
For the Commissioner of Labor

SH 432 (8/12)

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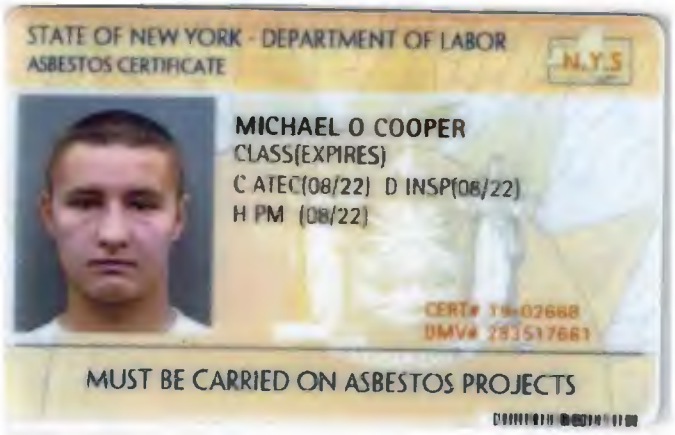
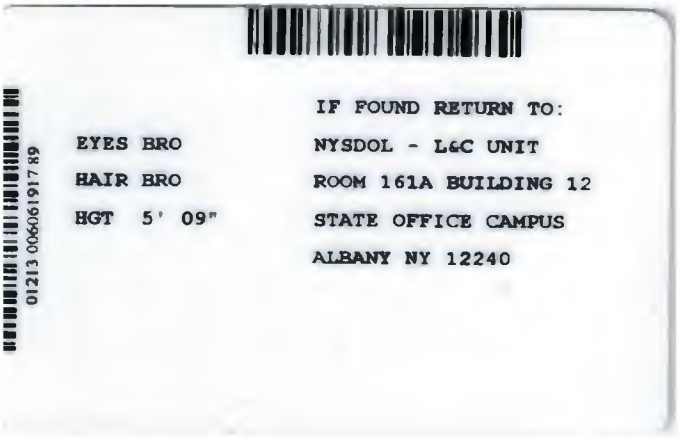
info@env-pro.com





TECHNICAL FAÇADE REPORT

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PERMITS
PAYMENTS
APPOINTMENTS
DOB
NOW
NYC
Buildings

Accepted

Technical Report(TR6)

Compliance Filing # TR6-904963-9B-I1

2. Location

House Number	20	Street Name	EAST 76 STREET
Borough	Manhattan	Block	1390
BIN	1041706	Lot	57
Zip Code	10021	C.B No.	108
Control Number	904963		

3. Filing Information

Filing Type	Initial	Report Cycle	9
Report Sub Cycle	9B	Last Cycle Filing Date	03/24/2017
Filing Date	02/21/2023	Accepted Date	03/15/2023

4. Inspection Report Status Information

Current Cycle: Last QEWI Inspection Date	02/13/2023	Current Cycle Filing Status	UNSAFE
UNSAFE Completion Date	2024-03-30	Prior Filing Cycle	8
Prior Filing Sub Cycle	8B	Prior Filing Status	SAFE

5. Building Description

Landmark Building	Yes	Landmark District	Yes
Number of stories	16	Number of Balconies	0
Wall(s) Subject to Inspection	Partial S/N	Partial Description	North Facade

Exterior Wall Type	Exterior Wall Material
MASONRY LOAD-BEARING WALL	CAST STONE MASONRY NATURAL STONE TERRA COTTA

6. Applicant Information

E-Mail	DOB_SDG@SURFACEDG.COM	License Type	Registered Architect
NYS License Number	025375	Last Name	TAPINEKIS
First Name	TINA	MI	
Mobile Phone	9177507573	Business Name	SURFACE DESIGN ARCHITECTS, PLLC

Business Address	40 WORTH STREET	City	NEW YORK
State	NY	Zip Code	10013
Business Telephone	2127575659	Business Fax	

Accepted

6a. Applicant's Statement

I hereby state that the Owner/ Owner's Representative has authorized me to submit this report. Furthermore, I hereby state that all statements are correct and complete to the best of my knowledge. A copy of this report has been given to the owner.

§28-211.1 False statements in certificates, forms, written statements, applications, reports, or certificates of correction. It shall be unlawful for any person to knowingly or negligently make or allow to be made a material false statement in any certificate, professional certification, form, signed statement, application, report or certification of the correction of a violation that is either submitted directly to the department or that is generated with the intent that the department rely on its assertions.

☑ I have personally reviewed all information in this submission. I understand and agree that by personally clicking on the box at left I am electronically signing this submission and expressing my agreement with the Statement terms herein. I understand that this electronic signature shall have the same validity and effect as a signature affixed by hand, and I further agree that, by uploading an electronic image of my signature and professional seal as part of this submission, I am applying such signature and seal to this signed statement as if I had personally signed and sealed this statement by hand.

Name TINA TAPINEKIS Date : 2023-02-21

7. Owner Information

E-Mail	TREVORSTAHELSKI@GMAIL.COM	Owner Type	Private
Last Name	STAHELSKI	First Name	TREVOR
MI		Mobile Phone	3109623892
Telephone	3109623892	Business Name	Surrey PropCo LLC
Business Address	611 BROADWAY #311	City	NEW YORK
State	NY	Zip Code	10012
Business Phone	3109623892	Business Fax	

8. Owner Representative

E-Mail	Relationship to Owner
First Name	Last Name
Phone	

Accepted

9. Owner's Statement

(A)I hereby state that I am the owner/owner's representative of the premises referenced in the report associated with this filing. Furthermore, I have received and read a copy of the request associated with this filing and I am aware of the required repairs and/or maintenance, if any and the recommended time frame for same.

(B) I certify that all items noted as SWARMP conditions in the previous cycle's report have been corrected/repaired unless I have indicated above that the current inspection report status is UNSAFE as per administrative code article 302, if applicable.

§28-211.1 False statements in certificates, forms, written statements, applications, reports, or certificates of correction. It shall be unlawful for any person to knowingly or negligently make or allow to be made a material false statement in any certificate, professional certification, form, signed statement, application, report or certification of the correction of a violation that is either submitted directly to the department or that is generated with the intent that the department rely on its assertions.

☑ I have personally reviewed all information in this submission. I understand and agree that by personally clicking on the box at left I am electronically signing this submission and expressing my agreement with the Statement terms herein. I understand that this electronic signature shall have the same validity and effect as a signature affixed by hand.

Name	TREVOR STAHELSKI	Date :	02/21/2023

QEWI Information

QEWI First Name	TINA	QEWI Last Name	TAPINEKIS
QEWI Address	40 WORTH STREET	Block	1390
Lot	57	Cycle	9

BIN	1041706

1. Executive Summary

General Description

The Surrey, 20 East 76th Street, is a 15-story plus penthouse steel framed building with exterior load bearing masonry walls comprised of terra cotta and face brick, with aluminum double hung windows. The base of the building is limestone and there is terra cotta ornamentation on the façade with terra cotta and precast coping units. Its general massing is a T-shaped extrusion with courtyards at the southeast and southwest corners and setbacks/ terraces on the 13th, 15th and penthouse floor levels.The building occupancy group classification is R1-Residential and is under construction classification 1. The main building entrance is located at the north elevation at the ground floor. The approximate lot size is 98' x 102'. The block and lot numbers are 1390 and 57 respectively. The building is located within a Landmark Historic District and has a Landmark designated status. The current Certificate of Occupancy is 110452563F. The building is approximately 97 years old.

Scope of Inspection

Visual inspection of all facades utilizing high-powered binoculars. Close-up inspection from terraces, setbacks, and roofs. The examination did not include exploratory demolition or material removal (probes) from the exterior. The building does not fall under the requirement for cavity wall probes as a bonded mass masonry wall.

Summary of Findings

As per our inspection, the building is classified as UNSAFE. The building is undergoing a major renovation and the General Contractor reported that there are no leaks and the building is watertight.

Conclusions and Recommendations

The sole purpose of this report is to provide a critical examination and written report of the building exterior as defined by Rules RCNY 103-04, Chapter 100, Subchapter C, Maintenance of Buildings.SDG has inspected the exterior walls and appurtenances in the manner noted. SDG makes no representation in this report or elsewhere regarding latent conditions or conditions which could not be observed in the manner described on the inspection dates. Specifically, and without limitation SDG makes no representation and assumes no liability for conditions that may become visible or develop after the date(s) of SDG's inspection, including but not limited to items modified such as window glass, air conditioning units, planters and television satellites/antennae.SDG is not responsible for the original or existing building construction including any non-conforming code parapet wall height.SDG is not responsible for, nor should this report be misconstrued to be a specification for means and methods to repair conditions reported herein or for the protection of persons or property of the inspected premises, adjoining or nearby premises.No opinion is rendered with respect to the fitness of the premises for use, nor whether to purchase or not to purchase the property.

A. Building Information

Address	20 EAST 76 STREET	AKA Address	
Block	1390	Lot	57
BIN	1041706	Landmark Building	Yes
Landmark District	Yes	Cross Streets	

B. Owner Information

Owner Type	Private	Owner	TREVOR STAHELSKI

C. Building Description

Height	+/- 150'	Stories	16
Lot & Building Dimensions	98.08' x 102.17'	Cert of Occupancy	110452563F
Building Use	Residential and Commercial	Approx. Year Built	1926

Exterior wall type	Exterior wall material

MASONRY LOAD-BEARING WALL	CAST STONE MASONRY NATURAL STONE TERRA COTTA

D. A detailed description of any settlements, repairs, or revisions to exterior enclosures since the previous report

The building is undergoing a complete renovation. Work at the façade has been filed with the Landmarks Preservation Commission. A sidewalk shed has been installed under permit #M00730387-I1. A permit for suspended scaffolding has been issued under permit #M00810033-I1Scope of work drawings for work are currently being prepared for submission to the DOB.

E. Procedures Used in Making the Critical Examination

Visual inspection of all facades utilizing high-powered binoculars. Close-up inspection from terraces, setbacks, and roofs. The examination did not include exploratory demolition or material removal (probes) from the exterior. The Building does not fall under the requirement for cavity wall probes as a bonded mass masonry wall.Close up inspections from hanging scaffolds or an aerial lift were not conducted: the building is UNSAFE and a sidewalk shed is in place per Permit #M00730387-I1-SH.

F. Rigger Information

QEWI First Name	TINA	QEWI Last Name	TAPINEKIS
Number of person(s) who conducted inspection and his/her relation to QEWI 1			
Person 1	Eugene Villani	Relationship to QEWI	Employee
Person 2		Relationship to QEWI	
Person 3		Relationship to QEWI	
Person 4		Relationship to QEWI	
Person 5		Relationship to QEWI	

Rigger/Operator Info

First Name	Middle Initial
Last Name	Business Name
Business Address	City
State	Zip Code
Business Telephone	Business Fax
Mobile Phone	Email
Rigger License#	

Location(s) of close-up inspection & Plot Details

Visual inspection of all facades utilizing high-powered binoculars. Close-up inspection from terraces, setbacks, and roofs. The examination did not include exploratory demolition or material removal (probes) from the exterior. The building does not fall under the requirement for cavity wall probes as a bonded mass masonry wall.

Dates of inspection(s)	Comments
2023-02-13	
2022-12-28	QEWI Inspection
2022-04-05	
2022-03-29	
2021-11-02	

G. Description, location(s) and Classification of Conditions Observed

Refer to Detail Photos. FL: Floor WL: Window Line PAR: ParapetUNSAFE repair by date: 3/15/2024Photos: 1, 2, and 3Classification: UNSAFECondition: Spalled, cracked, displaced, and loose face brick. Displaced precast coping unit and cracked mortar joints.Locations:•North Elevation: FL 15, WL 8 •East Elevation: FL 15, WL 8 •South Elevation: FL 2, Southwest corner•North Elevation: FL 2, Northwest lightwell •North Elevation: FL 2, East roof•East Elevation: Bulkhead, WL 10, 11Recommended Repair: Parapet and masonry reconstruction.Photos: 4, 5, and 6Classification: UNSAFECondition: Cracked face brick.Locations:•North Elevation: FL 12, WL 8 ; FL 8, WL 8•East Elevation: FL PH, WL 9, 10 ; FL 2, WLRecommended Repair: Face brick replacement.Photos: 13,14Classification: UNSAFECondition: Cracked and displaced brick masonry.Locations:•East Elevation: FL ROOF, ChimneyRecommended Repair: Chimney reconstruction, cut and point mortar joints.Photos: 7Classification: SWARMPCondition: Cracked face brick.Locations:•East Elevation: Roof Bulkheads.•West Elevation: Bulkhead, Southwest corner.Recommended Repair: Face brick replacement.Photos: 8Classification: SWARMPCondition: Cracked copings.Locations:•West Elevation: FL Roof, WL 19•East Elevation: Bulkhead, Coping•West Elevation: PH Terrace copingRecommended Repair: Pin & Patch, apply coating.Photos: 9Classification: SWARMPCondition: Cracked terra cotta.Locations:North Elevation:FL 15, WL 5Recommended Repair: Terra cotta pin and patch.Photos: 10Classification: UNSAFECondition: Cracked granite.Locations:•North Elevation: FL 1, WL 6Recommended Repair: Granite pin and patch.Photos: 11Classification: SWARMPCondition: Cracked limestone.Locations:•North Elevation: FL 1, WL 6Recommended Repair: Pin and patch cracked stone.Classification: SWARMPCondition: Spalled terra cotta.Locations:•East Elevation: Bulkhead, coping and ornamental units•East Elevation: Penthouse roof, coping•South Elevation: Penthouse roof, coping•North Elevation: Bulkhead, WL 6•South Elevation: Bulkhead, copingRecommended Repair: Apply coating to spalled areas.Photo #15Classification: UNSAFECondition: Cracked terra cotta.Locations: West Elevation: Penthouse roof, chimneyRecommended Repair: Pin and patch terra cotta, apply reinforced coatingPhoto #16Classification: SWARMPCondition: Plywood installed at glazing area of window.Locations: •East Elevation, FL 8, WL 10•South Elevation, FL 15, WL 8Recommended Repair: Remove plywood and replace glazing.Photo #18, 20Classification: UNSAFECondition: Railing height and/or rail spacing does not comply with code requirements.Locations: •Penthouse Terrace•Penthouse Roof•13th Floor TerracesRecommended Repair: Replace railing or add additional picketsClassification: UNSAFE Condition: Parapet height does not comply with code requirements.Locations: •Second floor roof, west court.Recommended Repair: Install code compliant railing.Cavity Wall Statement: Exterior details are not of cavity wall construction as per definition RCNY §103-04. Façade is bonded masonry mass wall.

Ga. Appurtenances

Building Elements:Marquee Awnings: Main entry – North Façade – SAFEFlag poles: North façade - SAFERailings: Side or top mounted aluminum and steel vertical picket railing - SAFE at penthouse terrace and 15th floor terrace, UNSAFE at 13th floor terraces; see below Section G.b, refer to conditions chartParapets: Masonry - UNSAFE; see below Section G.b, refer to conditions chartSteel Dunnage: Penthouse Roof and tank room, SAFE Ship Ladder and Protective Cage: Penthouse Roof to bulkhead roof and elevator bulkheads - SAFEAntennae/ Satellite Dishes: Bulkhead and Penthouse Roof - SAFELintels: steel lintels - SAFESills: Terra cotta, precast window sills with metal covers - SAFEWindows: double hung aluminum windows - SAFEChimney: Masonry; refer to conditions chart - UNSAFEGutter, collection box and leader pipe: Bulkhead - SAFEConduit: Bulkheads, East Façade - SAFELighting: Main Entry, PH Terrace, Penthouse roof - SAFEPTAC Through Wall units: North Façade - SAFESkylights: Penthouse Roof – SAFEDuctwork: West elevation – SAFEWater Tank: SAFE

Gb. Balcony, guardrail, handrail and parapet statement

All parapet walls and railings were inspected at main roofs and accessible setbacks. There are multiple non-accessible setback roofs at the street facade and rear courtyard areas of the building. Refer to plot plan for locations.Main Roof (Penthouse Terrace): The parapet is composed of a 3-wythe bonded brick masonry with precast and terra cotta copings. Top mounted steel and aluminum railings with vertical pickets are installed at the parapet. The overall assembly above roof level measures between 51" and 67", however, the spacing height of the pickets to coping units does not conform to code requirements . Based on our review the guardrail assembly is noted as UNSAFE.North Terraces (13th and 15th floors): The parapet is composed of a 3-wythe bonded brick masonry with precast copings. A side mounted aluminum railing with vertical pickets is installed at the inboard face of the parapet. The overall assembly above roof level measures 40½" and 41½". Based on our review the guardrail assembly is not code compliant regarding height for public use. Guardrail assembly is noted as UNSAFE.Penthouse roof: The parapet is composed of a 3-wythe bonded brick masonry with precast copings. A side mounted steel railing is installed at the inboard face of the parapet, however the overall assembly above roof level measures 39". Based on our review the guardrail assembly is not code compliant regarding height and use for maintenance personnel. Guardrail assembly is noted as UNSAFE.Second Floor Roof (southwest court): The parapet is composed of a 3-wythe bonded brick masonry with precast copings. The overall height does not conform to code requirements. The parapet is noted as UNSAFE.Bulkhead Roof: The parapet is composed of a 3-wythe bonded brick masonry with precast copings. The overall height conforms to code requirements. The parapet is noted as SAFE.Second Floor Roof (southwest court): The parapet is composed of a 3-wythe bonded brick masonry with precast copings. The overall height does not conform to code requirements. The parapet is noted as UNSAFE.

H. Causes of Conditions Observed

UNSAFE conditions appear to be due to weathering, inclement weather, and freeze/thaw cycles endured throughout the winter which have contributed to the deterioration and erosion of the building elements. In addition, there are non-code compliant parapets and guardrails.

I. Status Report of Exterior Maintenance

The General Contractor reported that the building is watertight. Maintenance is required at locations noted above. All visible roofs and roof drains appear to be free and clear of debris. If air-conditioning units are installed, SDG recommends that the Building adopt a maintenance program and perform routine inspections to ensure ongoing stability of the units. SDG cannot assume responsibility for the security of any air conditioner unit installed after the date of inspection or any date hereafter.SDG also recommends that the Building adopt a maintenance program and perform routine maintenance inspection of all ferrous metal installed on the building (vent stacks, HVAC equipment, etc.).

Ja. Comparison Chart of Conditions Reported for current and previous cycle

Prior Filing Cycle	8	Current Filing Cycle	9
Prior Filing Status	SAFE	Current Filing Status	UNSAFE
Are any of the conditions noted above SWARMP conditions reported as requiring repair from the previous cycle?			No

The previous Cycle 8B Initial Local Law 11/98 Report was filed as SAFE by Gary Mancini of Thornton Tomasetti on 12/14/2017. Surface Design Architect's, PLLC ("SDG") will not be responsible for the design or construction of the building envelope nor for any repairs performed on the facades which were not designed nor monitored by SDG.

Jb. Work permit numbers, status & sign off dates

None. No façade repairs have been conducted since the Cycle 8B report was filed.

Jc. ECB Violation numbers and the status of the repairs of the conditions cited in the ECB violations

No open ECB violations relating to FISP.

K. Recommendations for Repairs or Maintenance

Refer to Section G. Description, location(s) and Classification of Conditions Observed for recommendations for repairs and maintenance.

UNSAFE Completion Date 2024-03-30

L. Required Work Permits

Alt. Type 2

M. Current Report Classification

UNSAFE

Images/Attachments:

Photograph #1
North Elevation

Overview of north facade.

Photo dated: 02/13/2023

Photograph #2
North Elevation

Overview of north facade, ground floor entry.

Photo dated: 02/13/2023

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Photograph #3
East Elevation

Overview of east facade.

Photo dated: 02/13/2023

Photograph #4
South Elevation

Overview of south facade.

Photo dated: 02/13/2023

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Photograph #5
West Elevation

Overview of west facade.

Photo dated:
02/13/2023

Photograph #6
North Elevation

View of sidewalk shed.

Photo dated:
02/13/2023

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Photograph #7
South Elevation

Overview of western courtyard.

Photo dated: 11/02/2021

Photograph #8
South Elevation

Overview of eastern courtyard.

Photo dated: 03/29/2022

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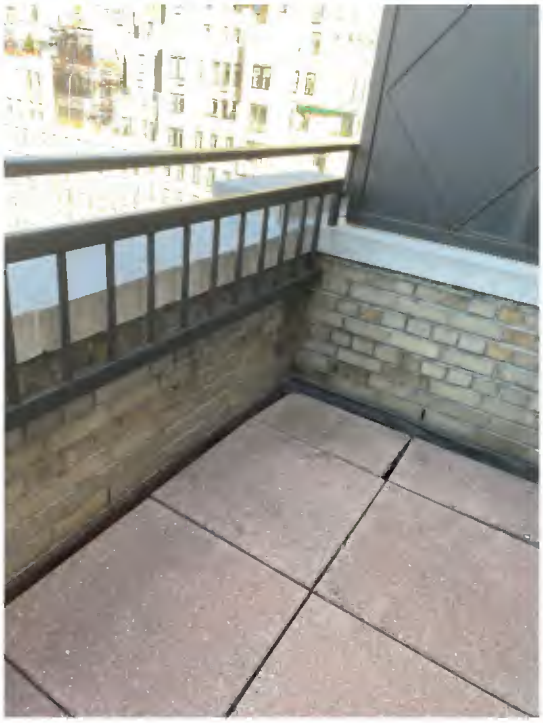
Photograph #9
Penthouse Roof

Overview of main roof looking northwest.

Photo dated:
03/29/2022



Photograph #10
North Terrace, FL 13

View of parapet and railing looking northeast.

Photo dated:
03/29/2022

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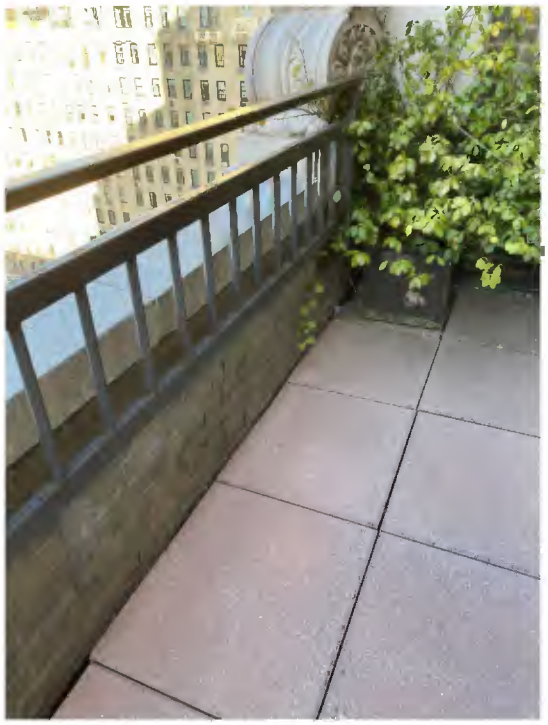
Photograph #11
Penthouse Roof

Overview of main roof looking south.

Photo dated:
03/29/2022



Photograph #12
North Terrace, FL 13

View of parapet and railing looking northeast.

Photo dated:
03/29/2022

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Photograph #13
Penthouse Terrace

Overview of north penthouse terrace, looking west.

Photo dated: 02/13/2023

Photograph #14
Penthouse Terrace

Overview of east penthouse terrace looking south.

Photo dated: 02/13/2023

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Photograph #15
Penthouse Terrace

Overview of south penthouse terrace looking west.

Photo dated: 02/13/2023

Photograph #16
Penthouse Terrace

Overview of north penthouse terrace looking southeast.

Photo dated: 02/13/2023

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Photograph #17
Penthouse Terrace

Overview of south penthouse terrace looking northeast.

View of electric conduit enclosed in raceway.

Photo dated: 02/13/2023

Photograph #18
Penthouse Roof

Overview of penthouse roof looking southwest.

Photo dated: 03/29/2022

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Photograph #19
Bulkhead Roof

Overview of parapet looking north.
Photo dated: 03/29/2022

Photograph #20
Bulkhead Roof

Overview of parapet looking northeast.

Photo dated: 03/29/2022

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Photograph #21
Penthouse Roof

Overview of penthouse roof looking north.

Photo dated: 03/29/2022

Photograph #22
Second Floor Roof

Overview of southwest courtyard roof.

Photo dated: 03/29/2022

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Photograph #23
Second Floor Roof

Overview of southeast courtyard roof.

Photo dated:
03/29/2022

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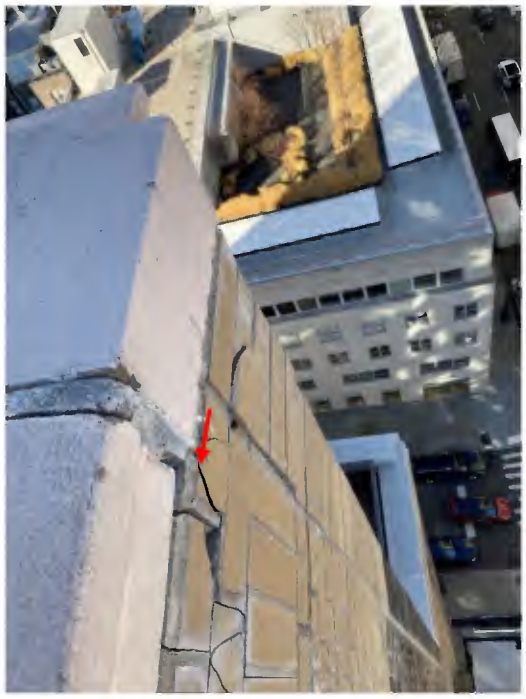
Images/Attachments:

Photograph #1
North Elevation, FL 15, WL 8

UNSAFE

Spalled, cracked, displaced and loose face brick. Displaced precast coping unit and cracked mortar joints at the north parapet.

Photo dated: 04/06/2022



Photograph #2
North Elevation, FL 15, WL 8

UNSAFE

Spalled, cracked, displaced and loose face brick. Displaced precast coping unit and cracked mortar joints.

Photo dated: 04/06/2022

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Photograph #3
North Elevation, FL 15, WL 8

UNSAFE

Cracked, displaced and loose face brick and mortar joints at the north parapet.

Photo dated: 04/06/2022

Photograph #4
North Elevation, FL 12, WL 8

UNSAFE

Cracked face brick.

Photo dated: 04/06/2022

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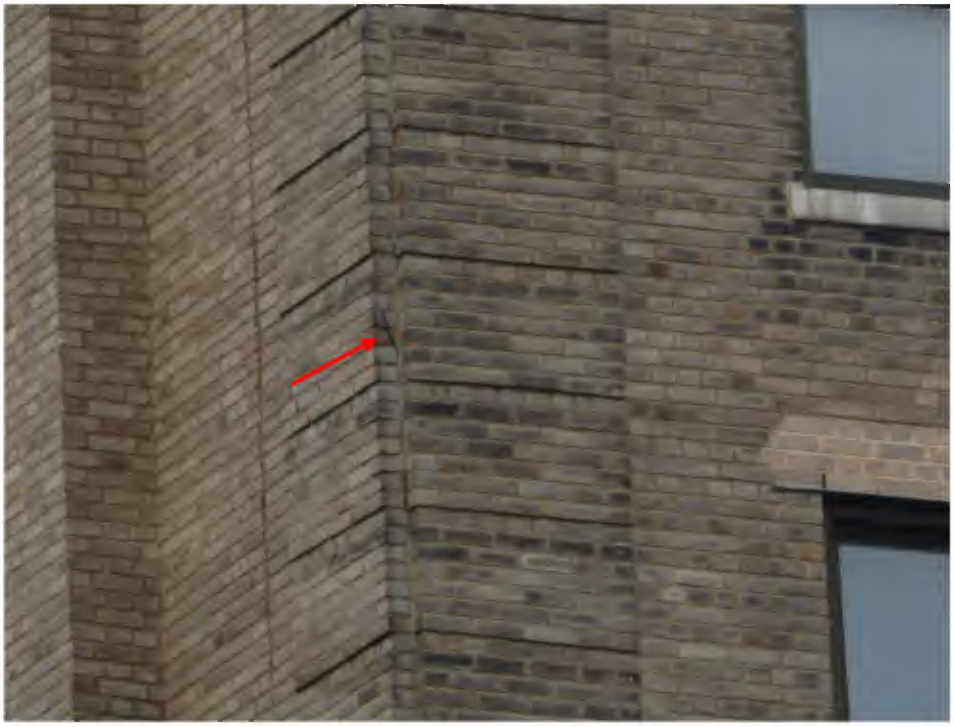

Photograph #5
North Elevation, FL 8, WL 8

UNSAFE

Cracked face brick.

Photo dated: 04/06/2022

Photograph #6
East Elevation, Main Roof, WL 9

UNSAFE

Cracked face brick.

Photo dated: 03/29/2022

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Photograph #7
East Elevation, Main Roof

SWARMP

Cracked face brick.

Photo dated:
03/29/2022

Photograph #8
South Elevation, FL Main Roof, WL 19

SWARMP

Cracked copings.

Photo dated:
03/29/2022

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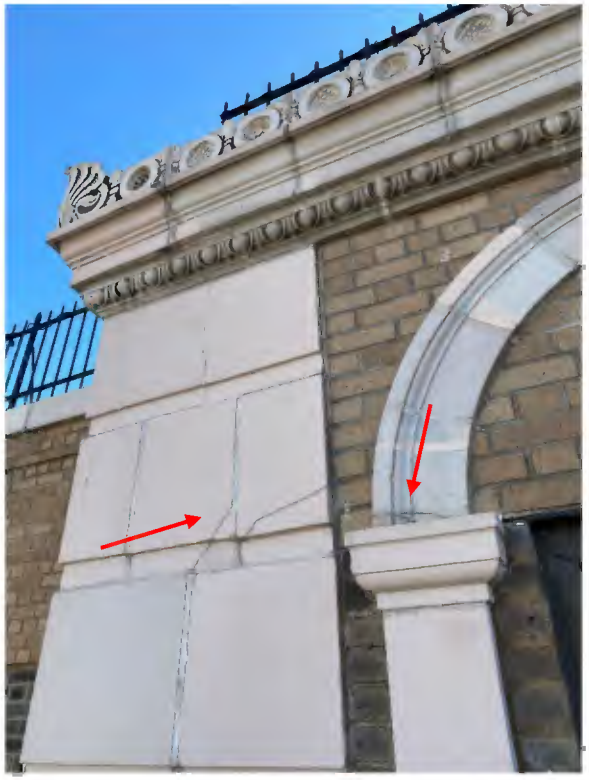

Photograph #9
North Elevation, FL 15, WL 6

SWARMP

Cracked terra cotta.

Photo dated: 03/29/2022

Photograph #10
North Elevation, FL 1, WL 6

UNSAFE

Cracked granite.

Photo dated: 03/29/2022

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Photograph #11
North Elevation, FL 1, WL 8

SWARMP

Cracked limestone. Note: This photo was taken prior to the installation of the sidewalk shed.

Photo dated: 03/29/2022

Photograph #12
North Elevation, FL 15, WL 4

SAFE

Overview of cornice and limestone ornament.

Photo dated: 03/29/2022

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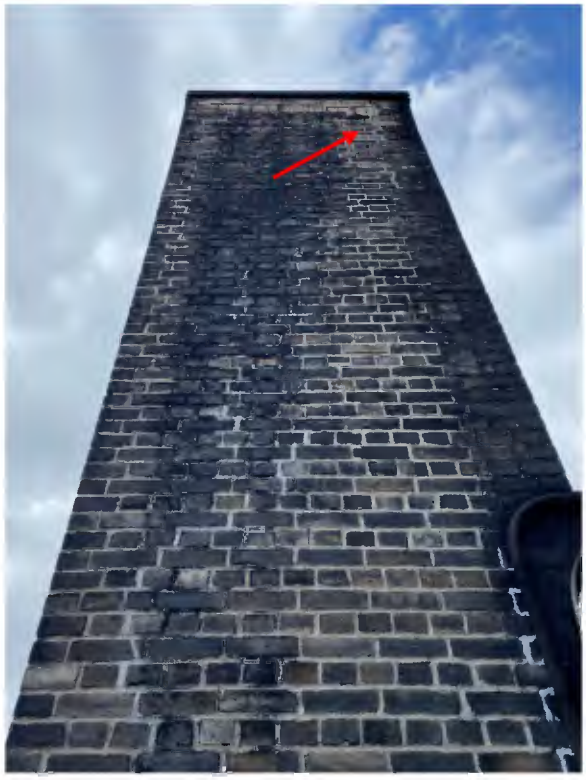

Photograph #13
East Elevation, Main Roof

UNSAFE

Overview of chimney. Cracked and displaced face brick, open mortar joints.

Photo dated: 03/29/2022

Photograph #14
East Elevation, Main Roof

UNSAFE

Close up view of chimney, cracked and displaced face brick.

Photo dated: 04/06/2022

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Photograph #15
West Elevation, Penthouse Terrace, Coping

UNSAFE

View of chimney, cracked terra cotta.

Photo dated: 03/29/2022

Photograph #16
East Elevation, FL 8, WL 10

SWARMP

Plywood at glazing area of window.

Photo dated: 02/13/2023

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Photograph #17
Penthouse terrace

Overview of penthouse terrace parapet and railings. Height of railing 65".
Photo dated: 02/13/2023

Photograph #18
Penthouse Terrace

UNSAFE

Railing picket spacing to top of coping units does not conform to Code requirements.

Photo dated: 02/13/2023

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Photograph #19
Penthouse Terrace

Overview of penthouse terrace parapet and railings. Height of railing approximately 64". Photo dated: 02/13/2023

Photograph #20
Penthouse Roof

UNSAFE

Railing height does not conform to Code requirements.

Photo dated: 02/13/2023

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Photograph #21
13th Floor Terrace

UNSAFE

Railing height does not conform to Code requirements.

Photo dated:
02/13/2023

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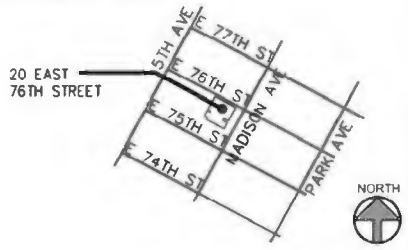
LOCATION MAP:



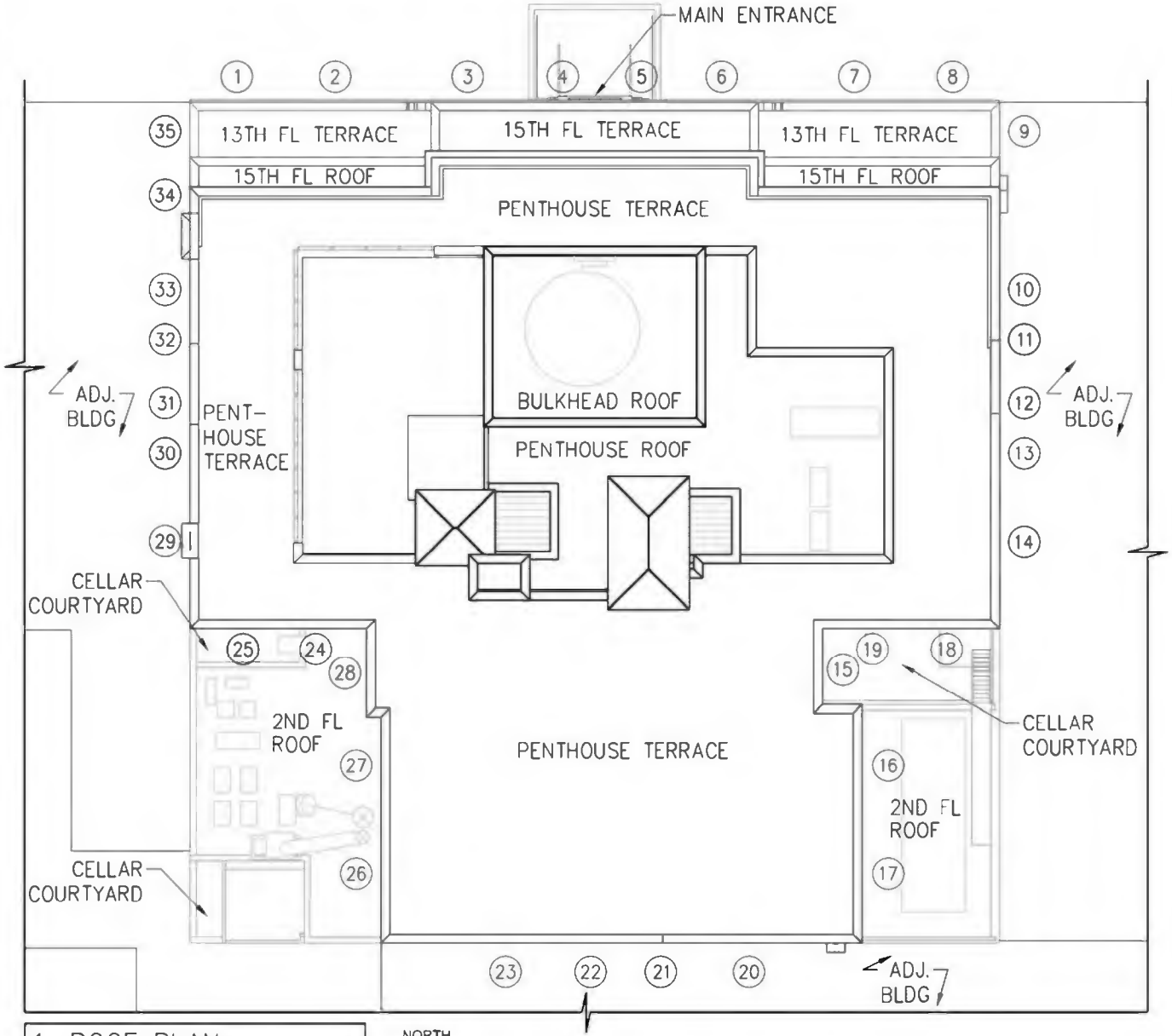
LEGEND:

(X) WINDOW LINE LOCATION NUMBERS

INSPECTION DATES:

INSPECTIONS CONDUCTED ON:
11/02/2021
03/29/2022
04/05/2022
12/28/2022
02/13/2023

EAST 76TH STREET



1. ROOF PLAN
N.T.S

NORTH

SURFACEDESIGN

40 WORTH STREET
SUITE 814
NEW YORK, NY 10013
TEL: 212.757.5659

PROJECT NAME:
20 EAST 76TH STREET
NEW YORK, NY 10021

PLOT PLAN

DRAWINGS ISSUED: FEBRUARY 2023

DATE	REVISION

ORIG. PROJECT NO-22/LL11

SCALE: AS NOTED

PROJECT NO.: 01331-22

DRAWING NO.:

SK-1

Images/Attachments:

Photograph #1
View of north façade.

Photo dated:
02/06/2024

Photograph #2
View of east façade.

Photo dated:
02/13/2024

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Photograph #3
View of south façade.

Photo dated:
02/13/2024

Photograph #4
View of west façade.

Photo dated:
02/13/2024

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Photograph #5
View of the sidewalk shed at the north façade.

Photo dated: 02/13/2024

Photograph #6
View of the building entry at the north façade.

Photo dated: 02/13/2024

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Photograph #7
View of suspended scaffold rigs set up on the building at the northeast corner.

Photo dated:
02/06/2024

Photograph #8
View of previously replaced window and terrace door, at the north facade.

Photo dated:
01/24/2024

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Photograph #9
View of previously replaced window and terrace door, at the north facade.

Photo dated:
01/26/2024

Photograph #10
In progress view of reconstruction of chimney, at the bulkhead roof level.

Photo dated:
02/01/2024

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Photograph #11
View of completed cut and repointed mortar joints and replaced face brick, at the west elevation.

Photo dated:
02/01/2024

Photograph #12
View of reconstruction of parapet wall, at the north elevation.

Photo dated:
01/29/2024

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Photograph #13
View of reconstruction of parapet wall, at the north elevation.

Photo dated: 01/29/2024

Photograph #14
View of completed window openings with replacement windows and infilled with brick, at the east elevation.

Photo dated: 01/29/2024

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Photograph #15
In progress view of replacement of lintel, at the north elevation

Photo dated:
01/02/2024

Photograph #16
In progress view of replaced precast sill, at the west facade.

Photo dated:
01/02/2024

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NYC™ Buildings

Work Permit Department Of Buildings

Permit Number: M00730387-I1-SH

Permit Classification: TEMPORARY CONSTRUCTION EQUIPMENT

Address: MANHATTAN 20 EAST 76 STREET

Work on Floor(s): OPEN SPACE

Total number of dwelling units at location: 185

Number of dwelling units occupied during construction:

Issued: 05/13/2023

Expires: 05/13/2024

Issued To: IBRAIM REDZA

Business: SKYLINE SCAFFOLDING GROUP

License No: GC-601568

Description: INSTALLATION OF HEAVY DUTY SIDEWALK SHED DURING BLDG ALTERATION, FILED SEP. SIDEWALK SHED SHALL COMPLY WITH CH #33 OF THE NYC BC. NO CHANGE IN USE, OCCUPANCY OR EGRESS UNDER THIS APPLICATION.

For detailed information regarding this permit, please log on to DOB NOW at www.nyc.gov/buildings.
Call 311 with any questions or complaints.

Borough Commissioner:

Commissioner of Buildings:

Tampering with or knowingly making a false entry in or falsely altering this permit is a crime that is punishable by a fine, imprisonment or both.

294

NYC™ Buildings

Work Permit Department Of Buildings

Permit Number: M00700974-I1-GC

Permit Classification: **ALTERATION**

Address: **MANHATTAN 20 EAST 76 STREET**

Work on Floor(s): **FLOOR NUMBER(S) 3 THROUGH 15, PENTHOUSE 16 THROUGH 16**

Total number of dwelling units at location: **185**

Number of dwelling units occupied during construction: **0**

Description: **APPLICATION FILED FOR WINDOW AND DOOR REPLACEMENT AS SHOWN ON PLANS**

Issued: **06/15/2023**

Expires: **04/01/2024**

Issued To: **MICHAEL MARINO**

Business: **MJM ASSOCIATES CONSTR LLC**

License No: **GC-600725**

SSM: **IGOR KHVORENKOV**

For detailed information regarding this permit, please log on to DOB NOW at www.nyc.gov/buildings.
Call 311 with any questions or complaints.

Borough Commissioner:

Commissioner of Buildings: James S. Oddo

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FLOOR PLANS

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PLOT PLAN	UNIT 11A
NORTH ELEVATION	UNIT 11B
EAST ELEVATION	UNIT 11C
SOUTH ELEVATION	UNIT 12A
WEST ELEVATION	UNIT 12B
LOWER CELLAR	UNIT 12C
CELLAR	UNIT 14A
1ST FLOOR	UNIT 14B
2ND FLOOR	UNIT 14C
3RD FLOOR	UNIT 15A
4TH FLOOR	UNIT 15B
5TH FLOOR	UNIT 15C
6TH FLOOR	PH2
7TH FLOOR	PH1 LOWER LEVEL
8TH FLOOR	PH1 UPPER LEVEL
9TH FLOOR	
10TH FLOOR	
11TH FLOOR	
12TH FLOOR	
14TH FLOOR	
15TH FLOOR	
PENTHOUSE	
ROOF	
PENTHOUSE ROOF	
UPPER ROOF	

THIS FLOOR PLAN IS BASED ON CONSTRUCTION DRAWINGS AND IS SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATION FROM FLOOR TO FLOOR. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM SPONSOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN. MINOR INACCURACIES IN LAYOUT AND ROOM DIMENSIONS AS SHOWN ON THIS FLOOR PLAN WILL NOT EXCUSE PURCHASER FROM COMPLETING THE PURCHASE OF A UNIT WITHOUT ABATEMENT IN PRICE OR RECOURSE AGAINST SPONSOR.

INDEX

BKSK ARCHITECTS LLP

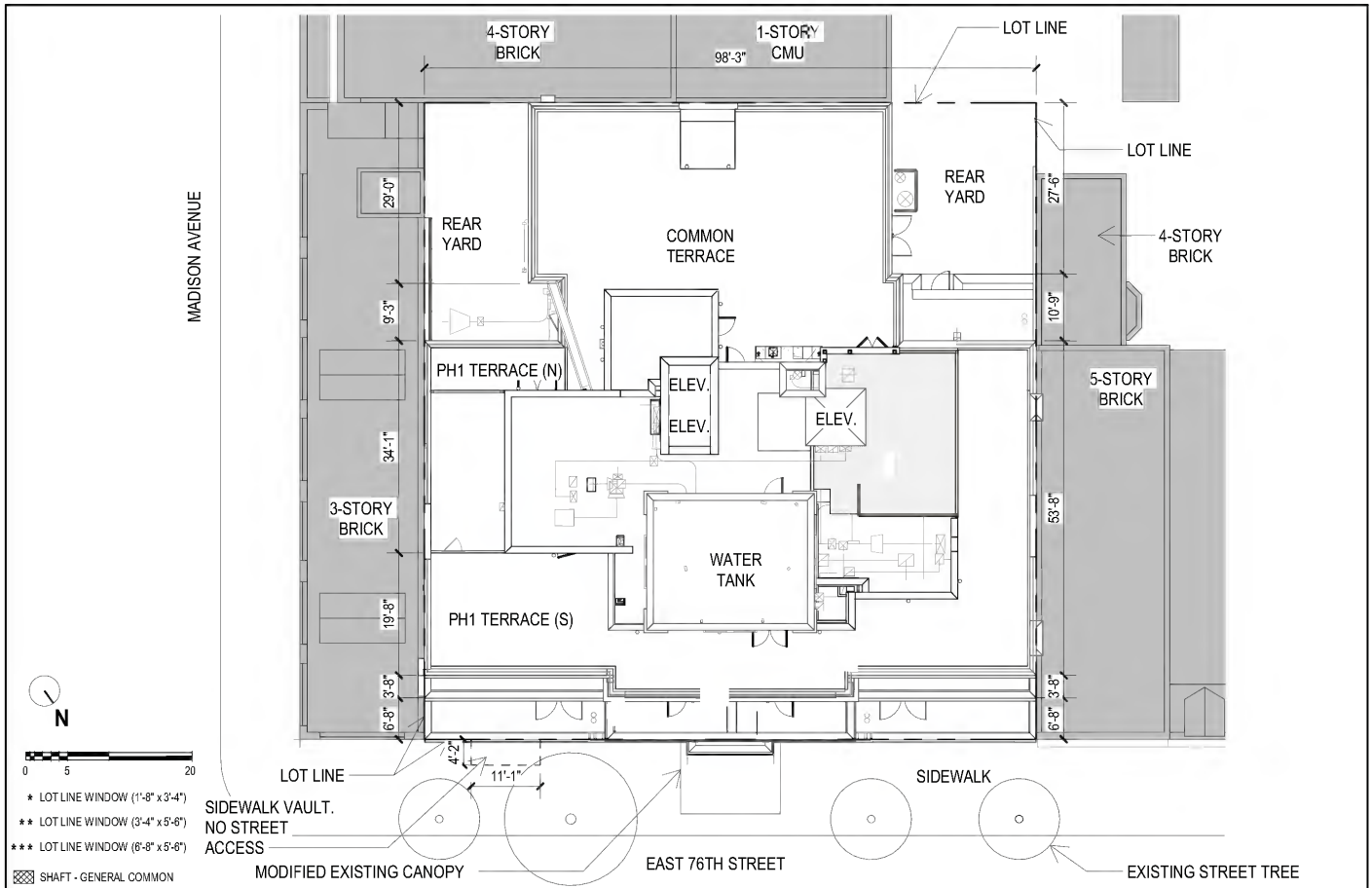
20 EAST 76TH ST

20 E 76th Street, New York, NY 10021

Sponsor:

Surrey Propco, LLC

03/19/2024



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PLOT PLAN

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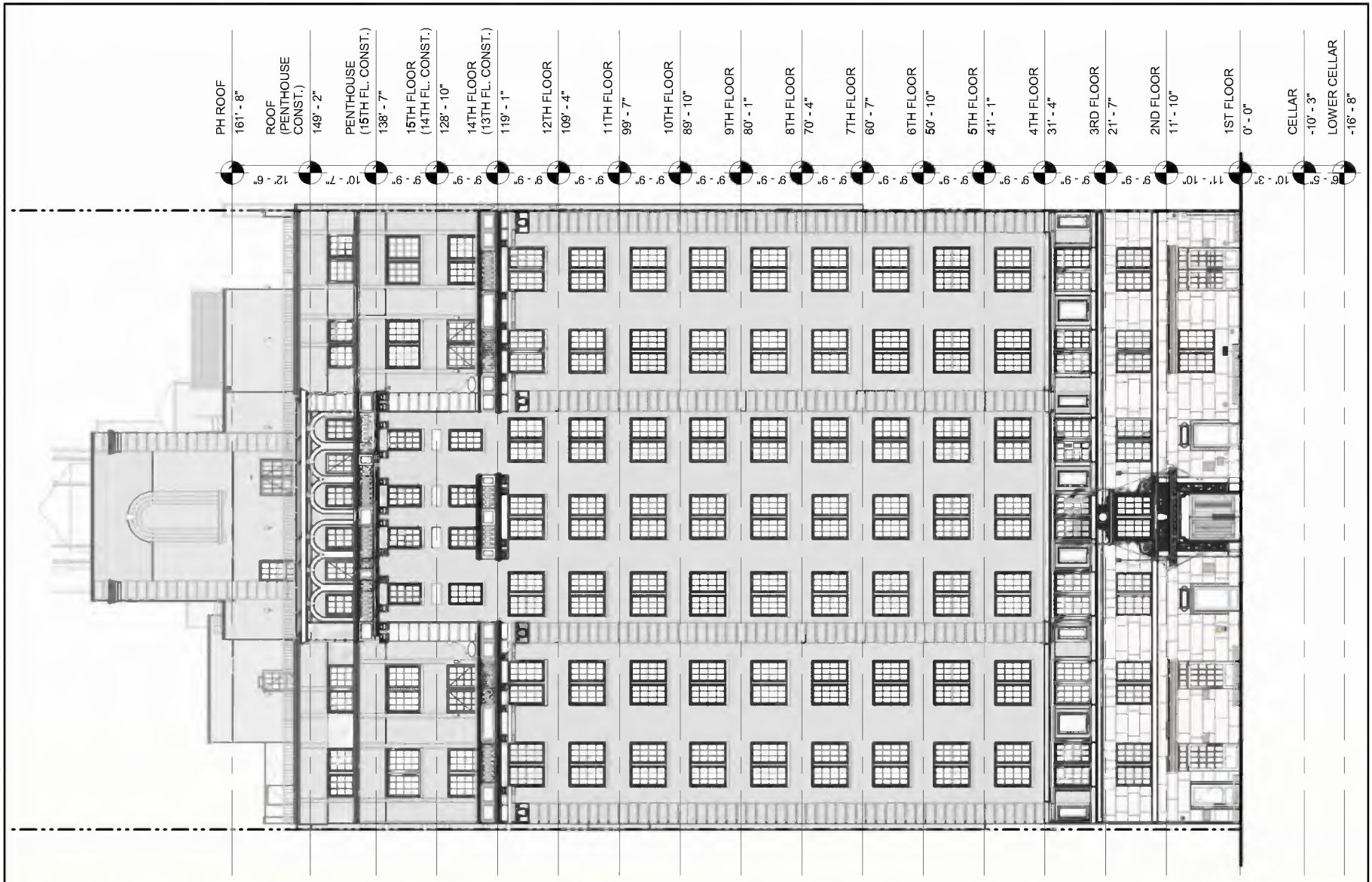

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NORTH ELEVATION

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Sponsor:

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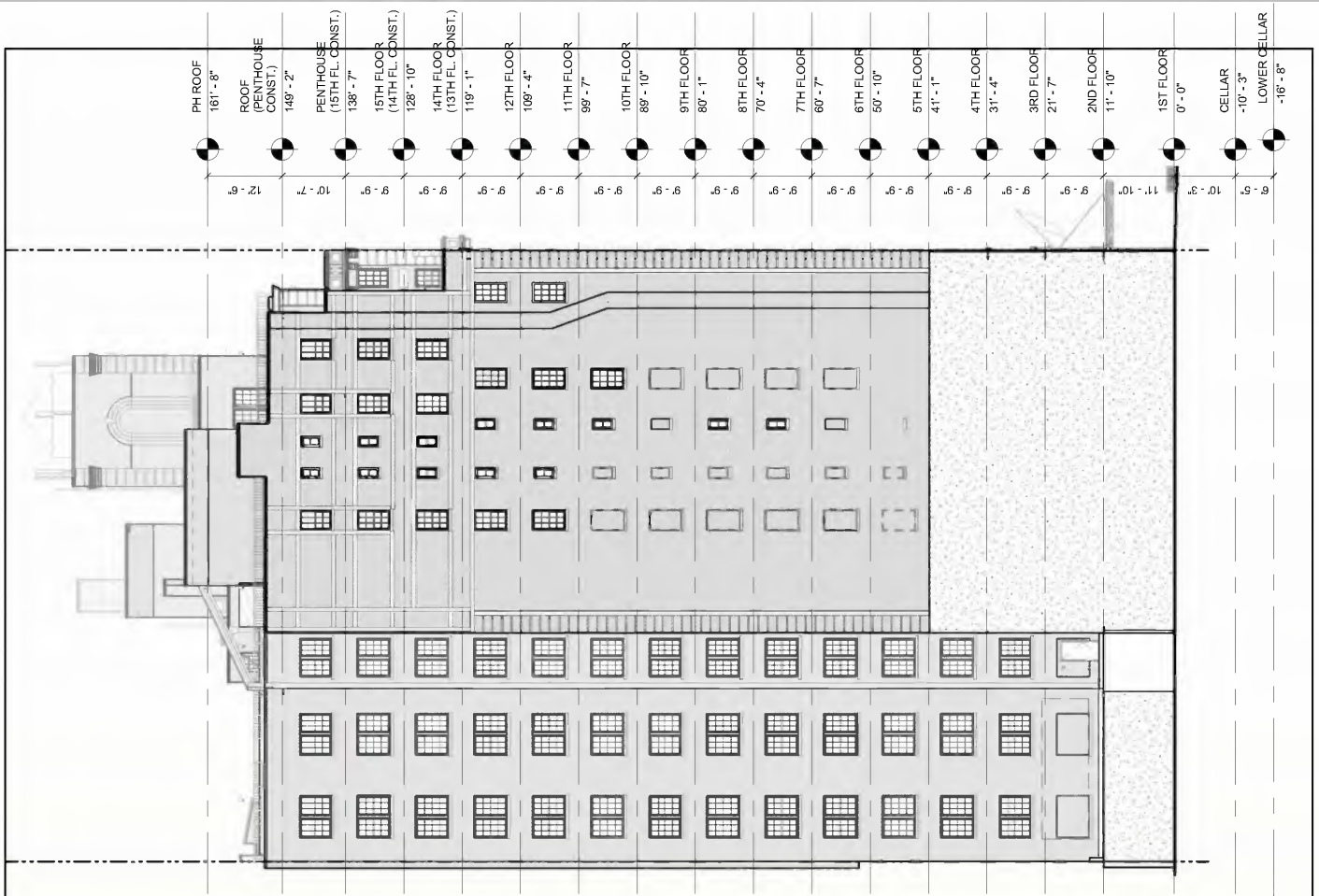

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EAST ELEVATION

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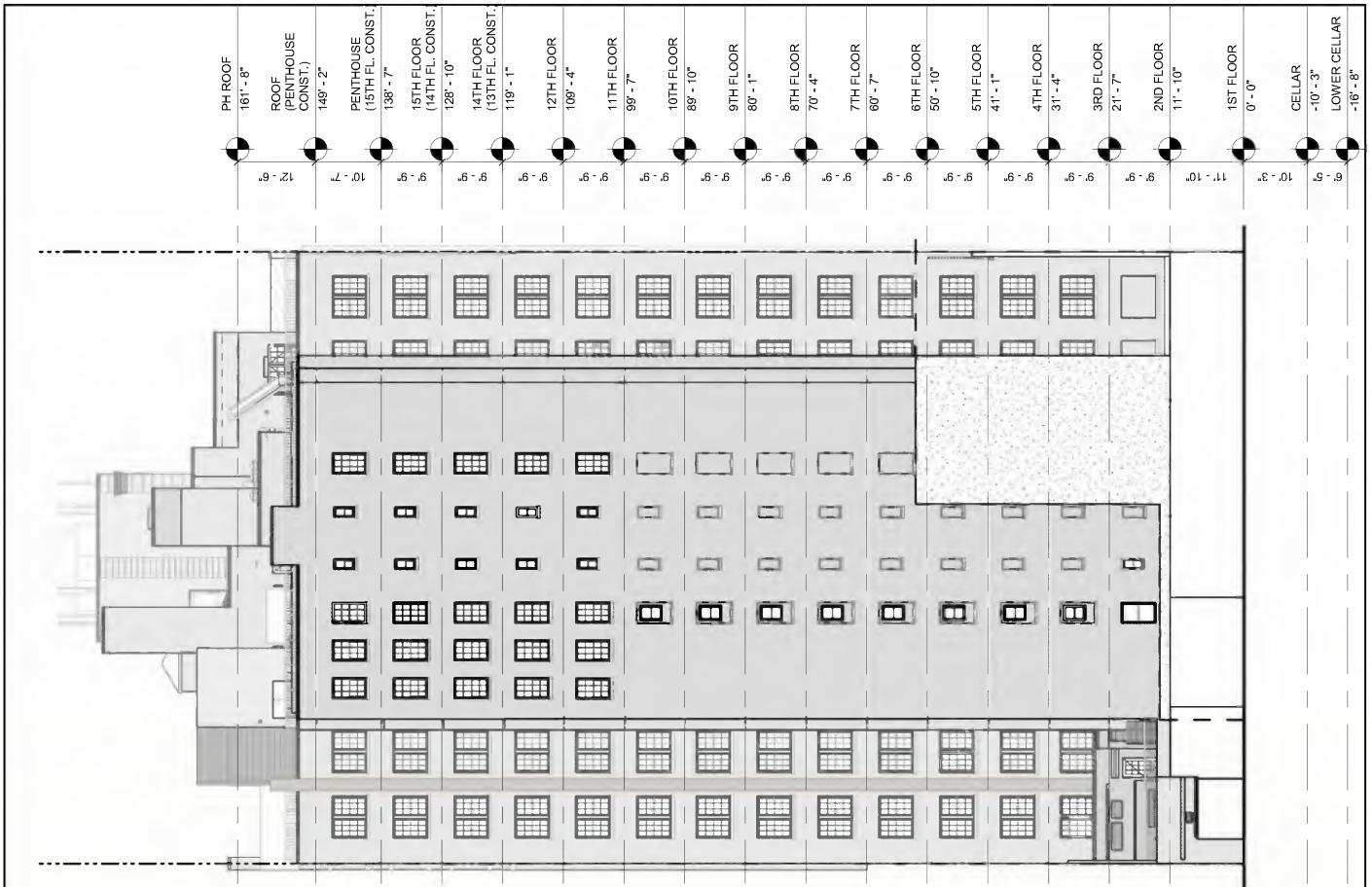

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SOUTH ELEVATION

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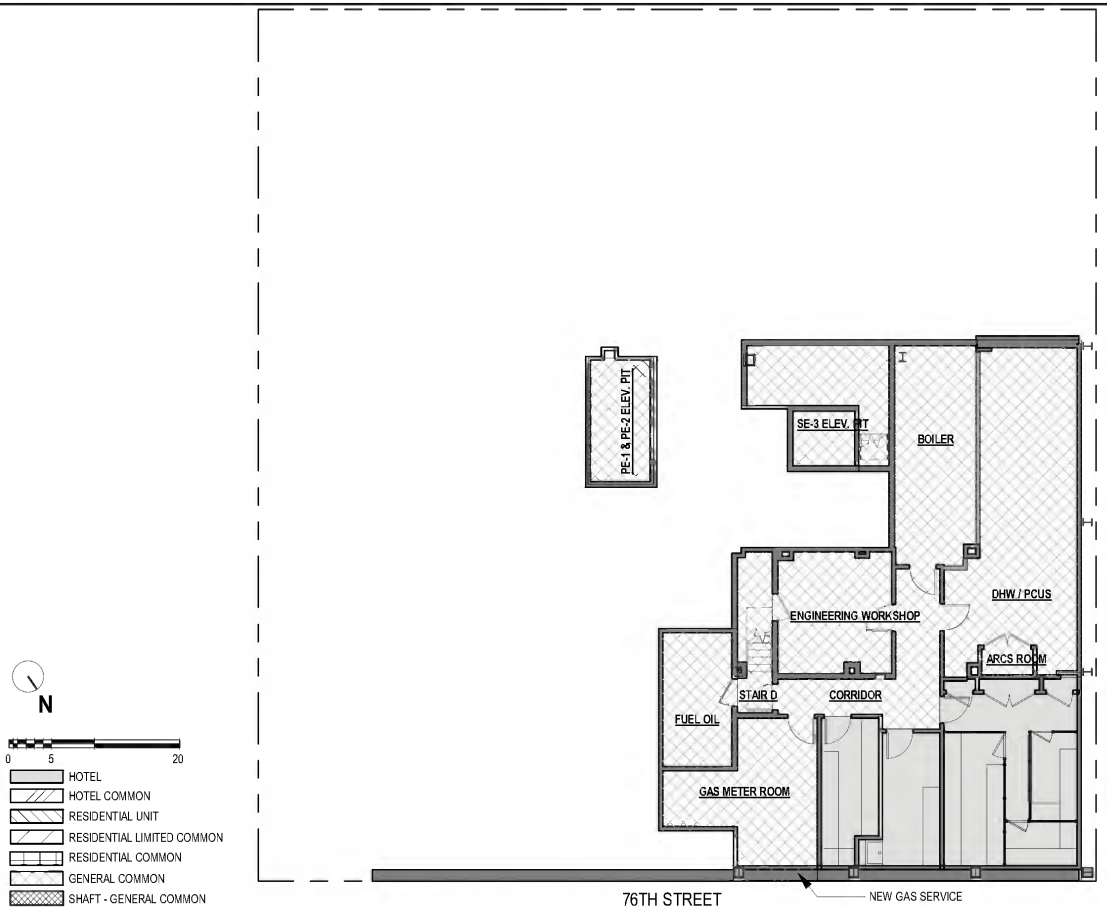

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LOWER CELLAR

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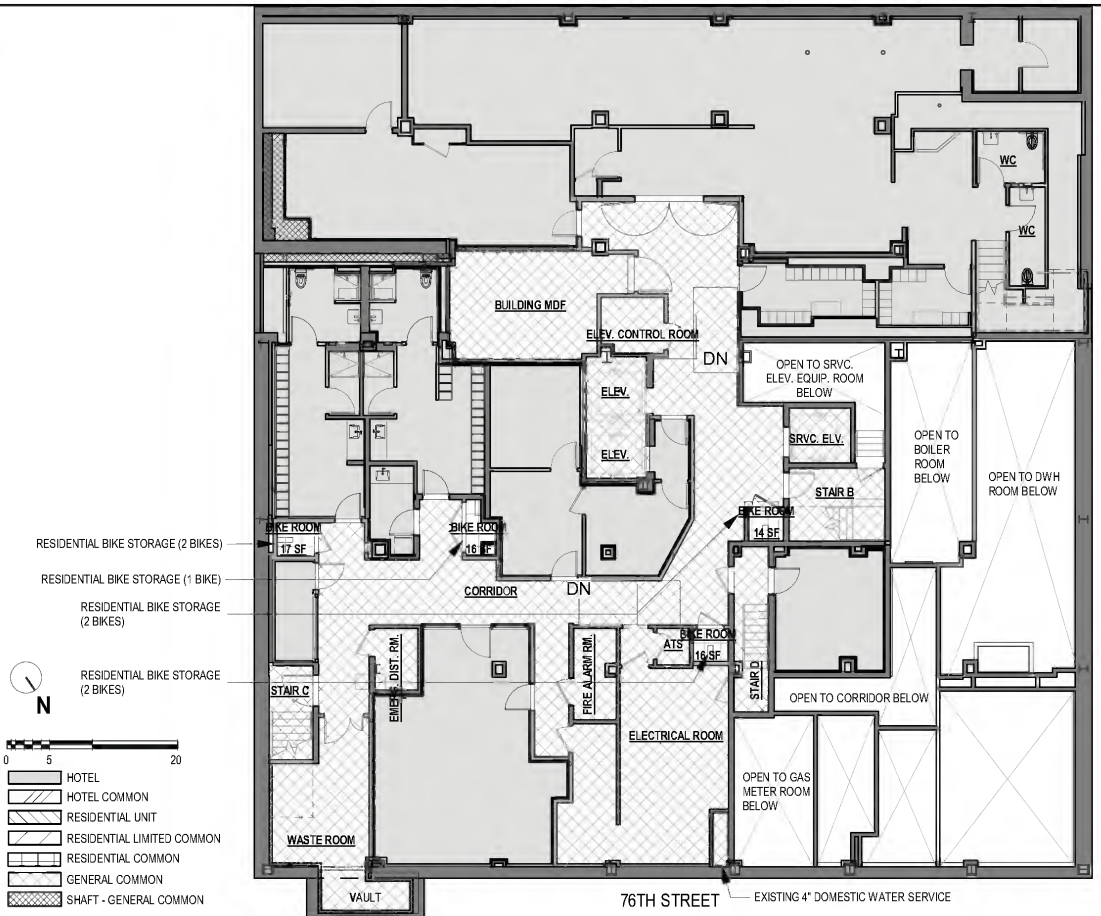

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CELLAR

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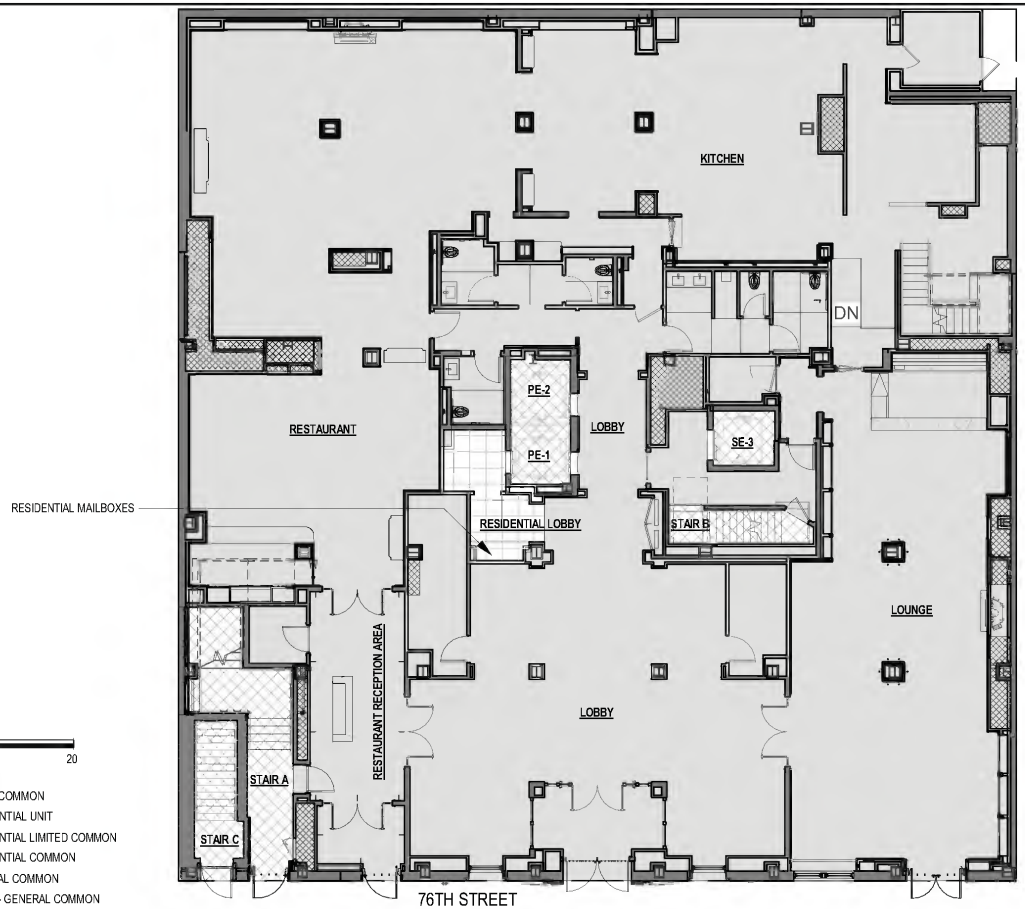

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1ST FLOOR

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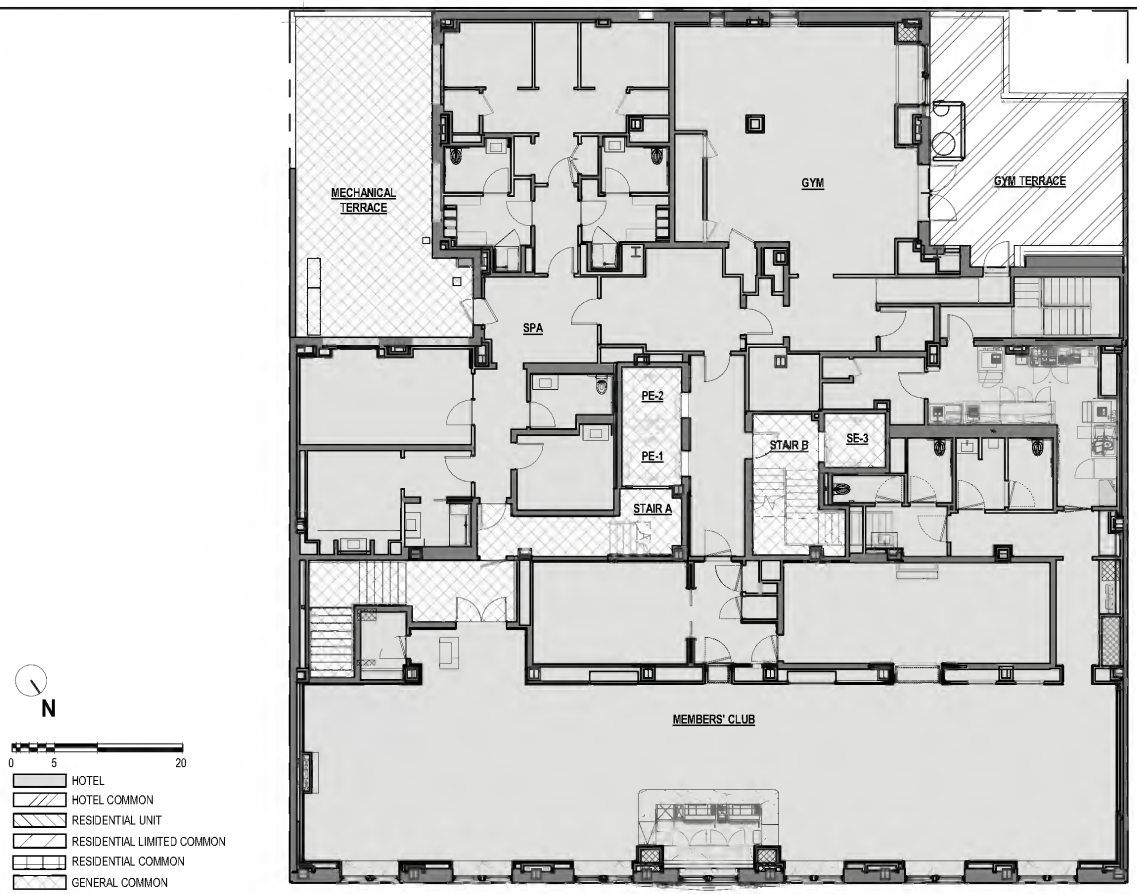

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2ND FLOOR

BKSK ARCHITECTS LLP

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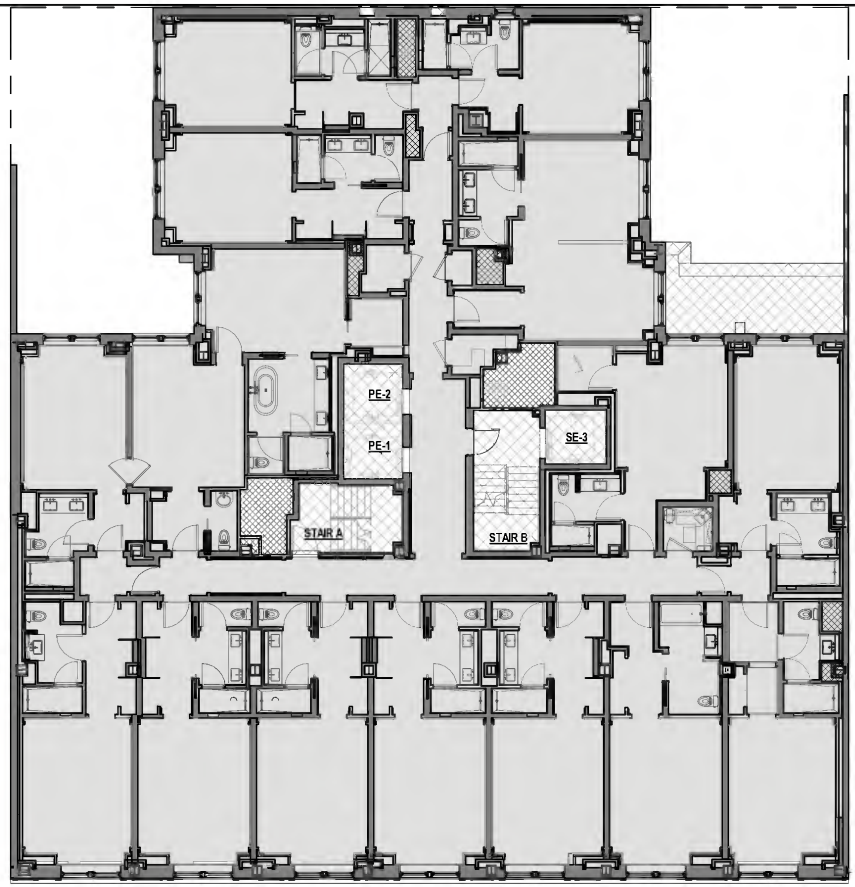

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HOTEL
HOTEL COMMON
RESIDENTIAL UNIT
RESIDENTIAL LIMITED COMMON
RESIDENTIAL COMMON
GENERAL COMMON
SHAFT - GENERAL COMMON

76TH STREET

THIS FLOOR PLAN IS BASED ON CONSTRUCTION DRAWINGS AND IS SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATION FROM FLOOR TO FLOOR. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM SPONSOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN. MINOR INACCURACIES IN LAYOUT AND ROOM DIMENSIONS AS SHOWN ON THIS FLOOR PLAN WILL NOT EXCUSE PURCHASER FROM COMPLETING THE PURCHASE OF A UNIT WITHOUT ABATEMENT IN PRICE OR RECOURSE AGAINST SPONSOR.

3RD FLOOR

BKSK

BKSK ARCHITECTS LLP

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4TH FLOOR

BKSK ARCHITECTS LLP

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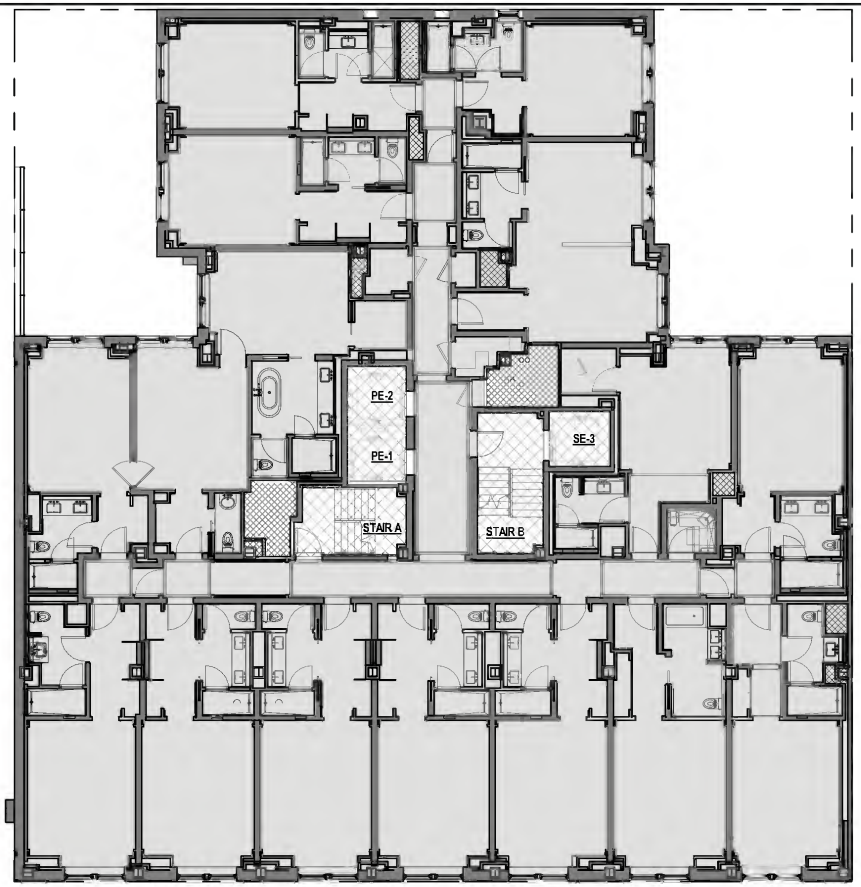

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- HOTEL
- HOTEL COMMON
- RESIDENTIAL UNIT
- RESIDENTIAL LIMITED COMMON
- RESIDENTIAL COMMON
- GENERAL COMMON
- SHAFT - GENERAL COMMON

76TH STREET

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5TH FLOOR

BKSK ARCHITECTS LLP	**20 EAST 76TH ST**	Sponsor:	
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6TH FLOOR

BKSK ARCHITECTS LLP

20 EAST 76TH ST	Sponsor:	
20 E 76th Street, New York, NY 10021	Surrey Propco, LLC	03/19/2024

THIS FLOOR PLAN IS BASED ON CONSTRUCTION DRAWINGS AND IS SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATION FROM FLOOR TO FLOOR. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM SPONSOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN. MINOR INACCURACIES IN LAYOUT AND ROOM DIMENSIONS AS SHOWN ON THIS FLOOR PLAN WILL NOT EXCUSE PURCHASER FROM COMPLETING THE PURCHASE OF A UNIT WITHOUT ABATEMENT IN PRICE OR RECOURSE AGAINST SPONSOR.

7TH FLOOR

BKSK ARCHITECTS LLP

20 EAST 76TH ST	Sponsor:	
20 E 76th Street, New York, NY 10021	Surrey Propco, LLC	03/19/2024

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8TH FLOOR

BKSK ARCHITECTS LLP	**20 EAST 76TH ST**	Sponsor:	
	20 E 76th Street, New York, NY 10021	Surrey Propco, LLC	03/19/2024

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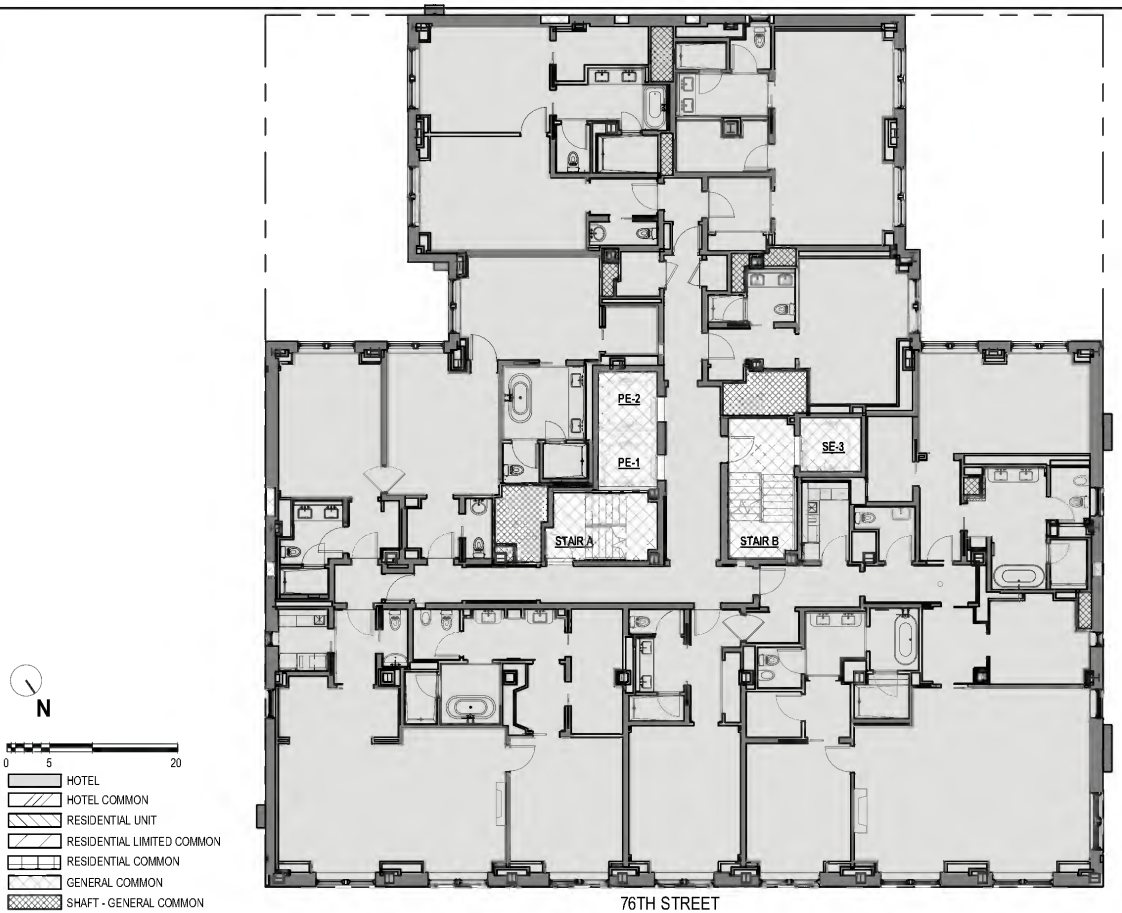
9TH FLOOR

BKSK ARCHITECTS LLP

20 EAST 76TH ST	Sponsor:	
20 E 76th Street, New York, NY 10021	Surrey Propco, LLC	03/19/2024



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10TH FLOOR

BKSK ARCHITECTS LLP

20 EAST 76TH ST	Sponsor:	
20 E 76th Street, New York, NY 10021	Surrey Propco, LLC	03/19/2024

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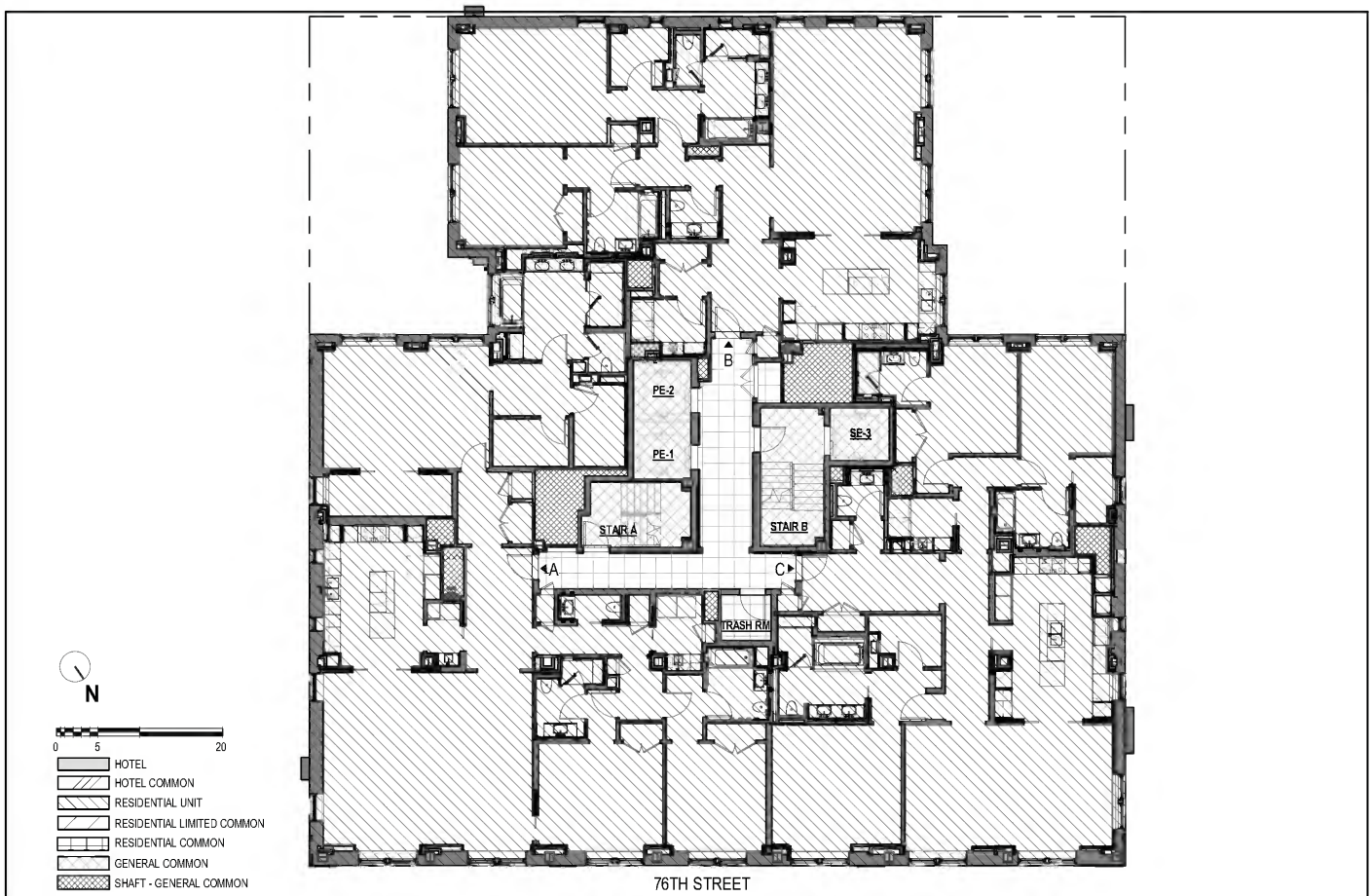
11TH FLOOR

BKSK ARCHITECTS LLP

20 EAST 76TH ST	Sponsor:	
20 E 76th Street, New York, NY 10021	Surrey Propco, LLC	03/19/2024



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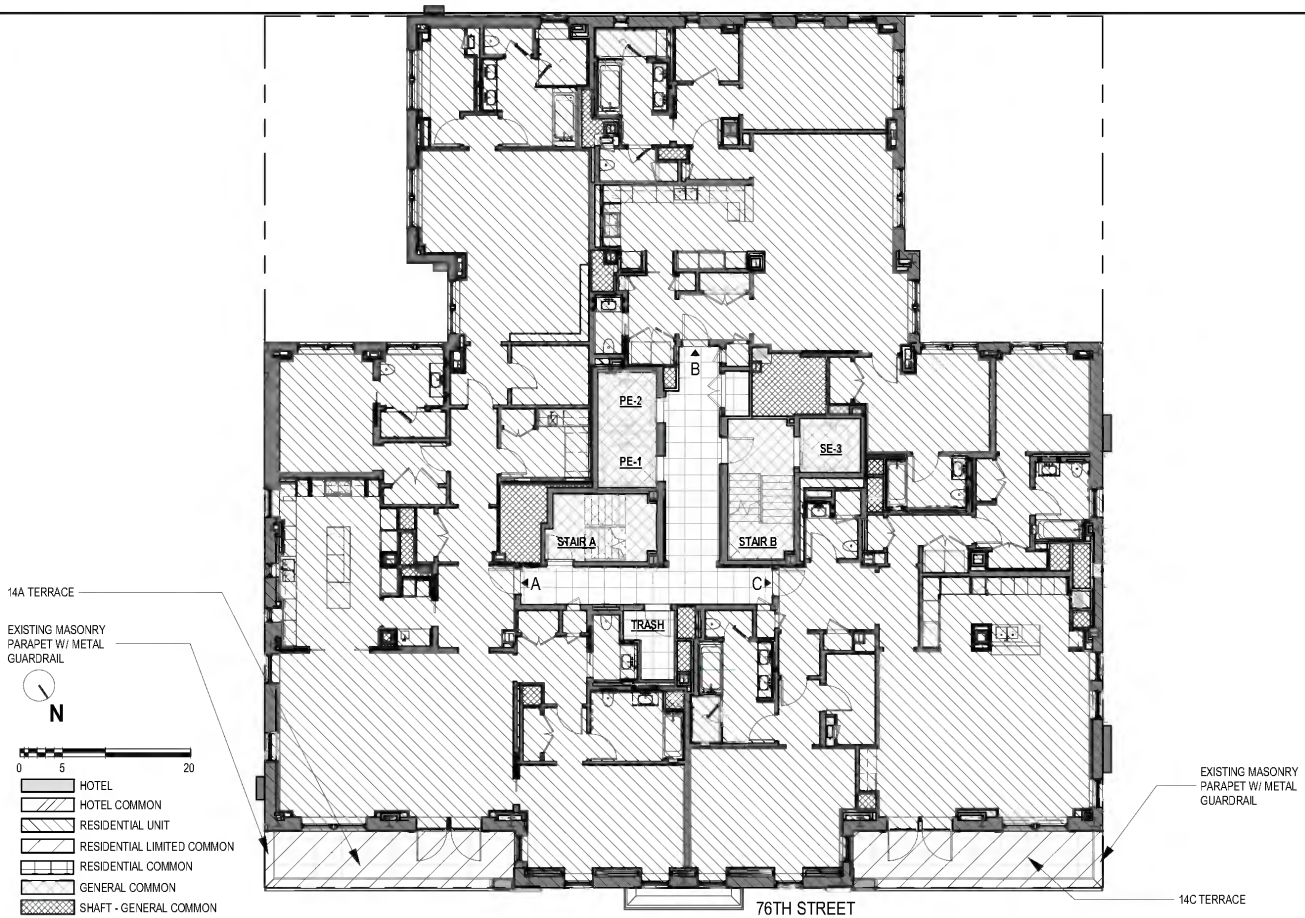
12TH FLOOR

BKSK ARCHITECTS LLP	**20 EAST 76TH ST**	Sponsor:	
	20 E 76th Street, New York, NY 10021	Surrey Propco, LLC	03/19/2024



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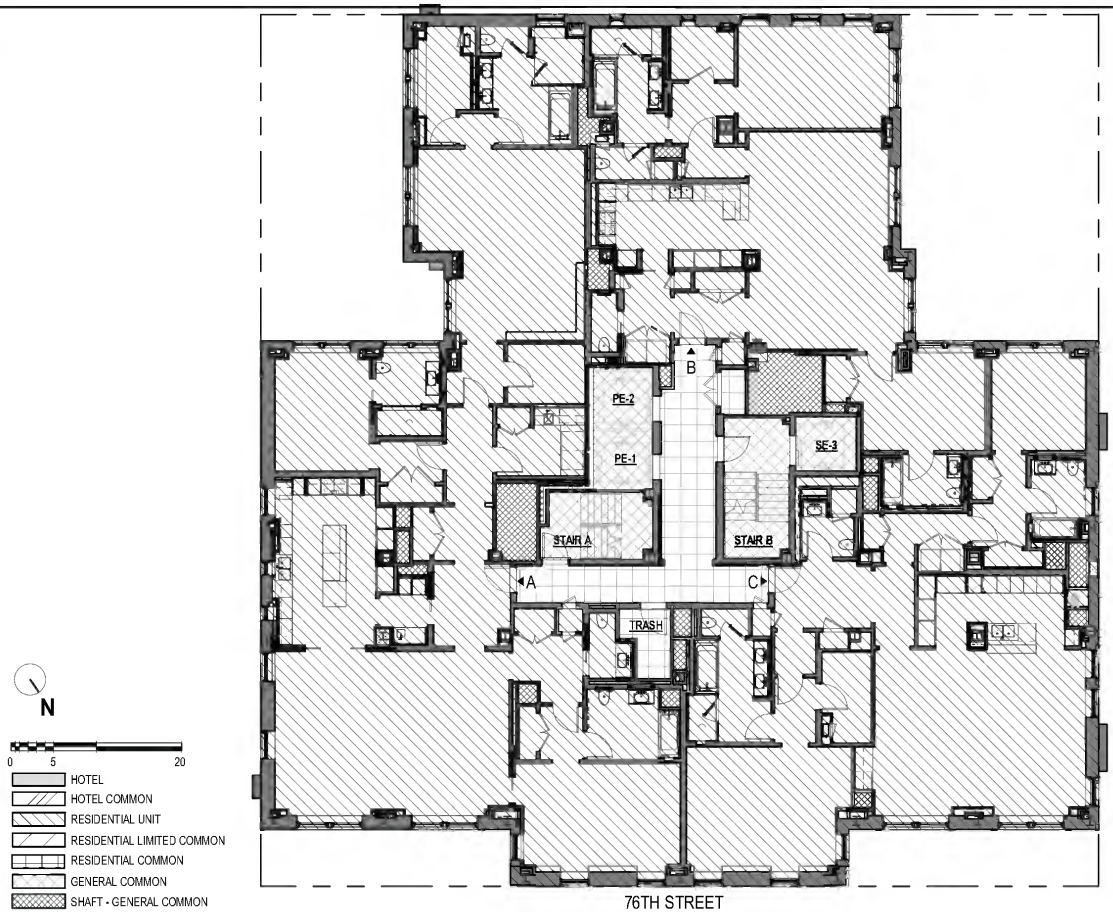
14TH FLOOR

BKSK ARCHITECTS LLP

20 EAST 76TH ST	Sponsor:	
20 E 76th Street, New York, NY 10021	Surrey Propco, LLC	03/19/2024



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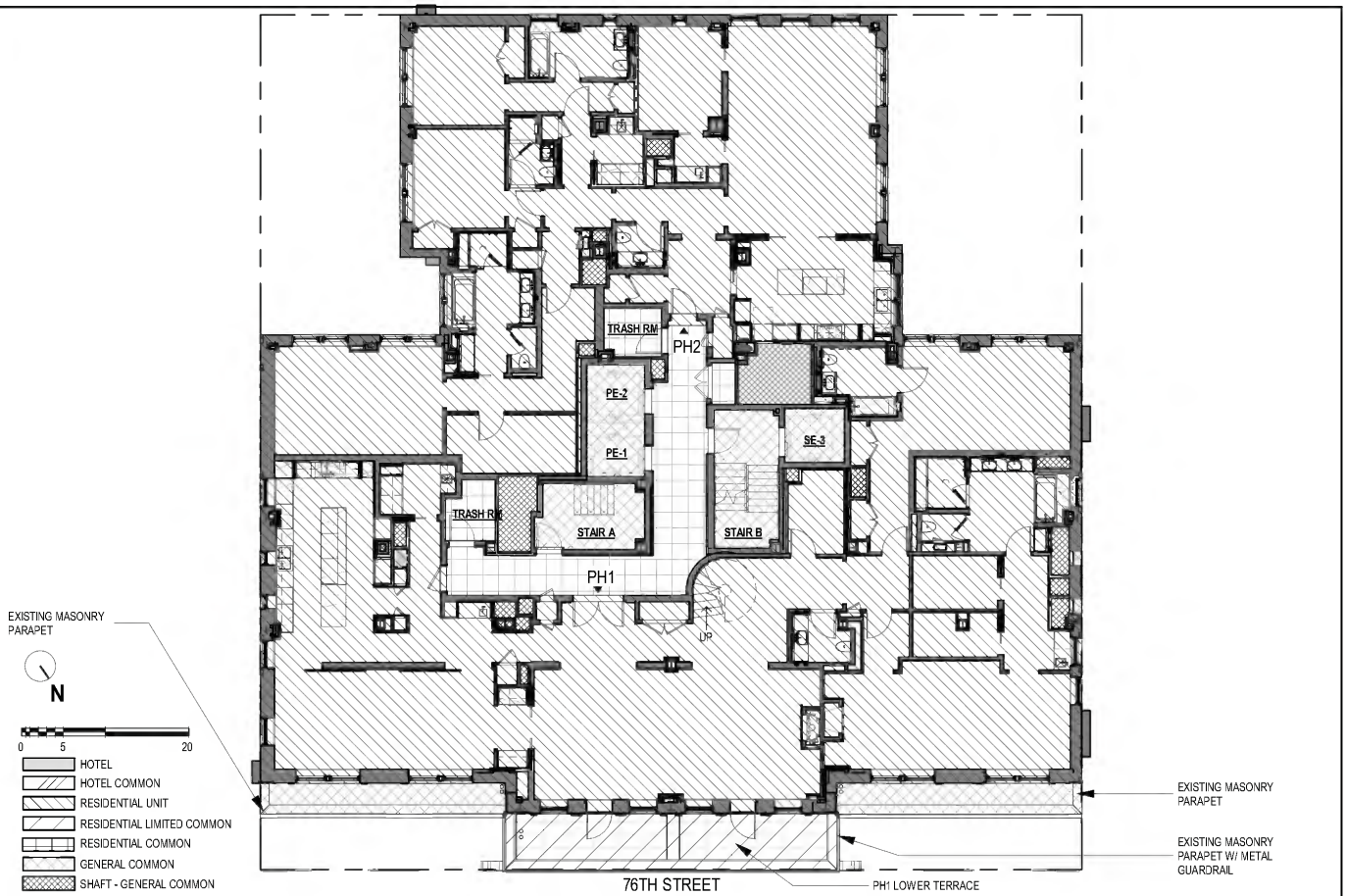
15TH FLOOR

BKSK ARCHITECTS LLP

20 EAST 76TH ST	Sponsor:	
20 E 76th Street, New York, NY 10021	Surrey Propco, LLC	03/19/2024



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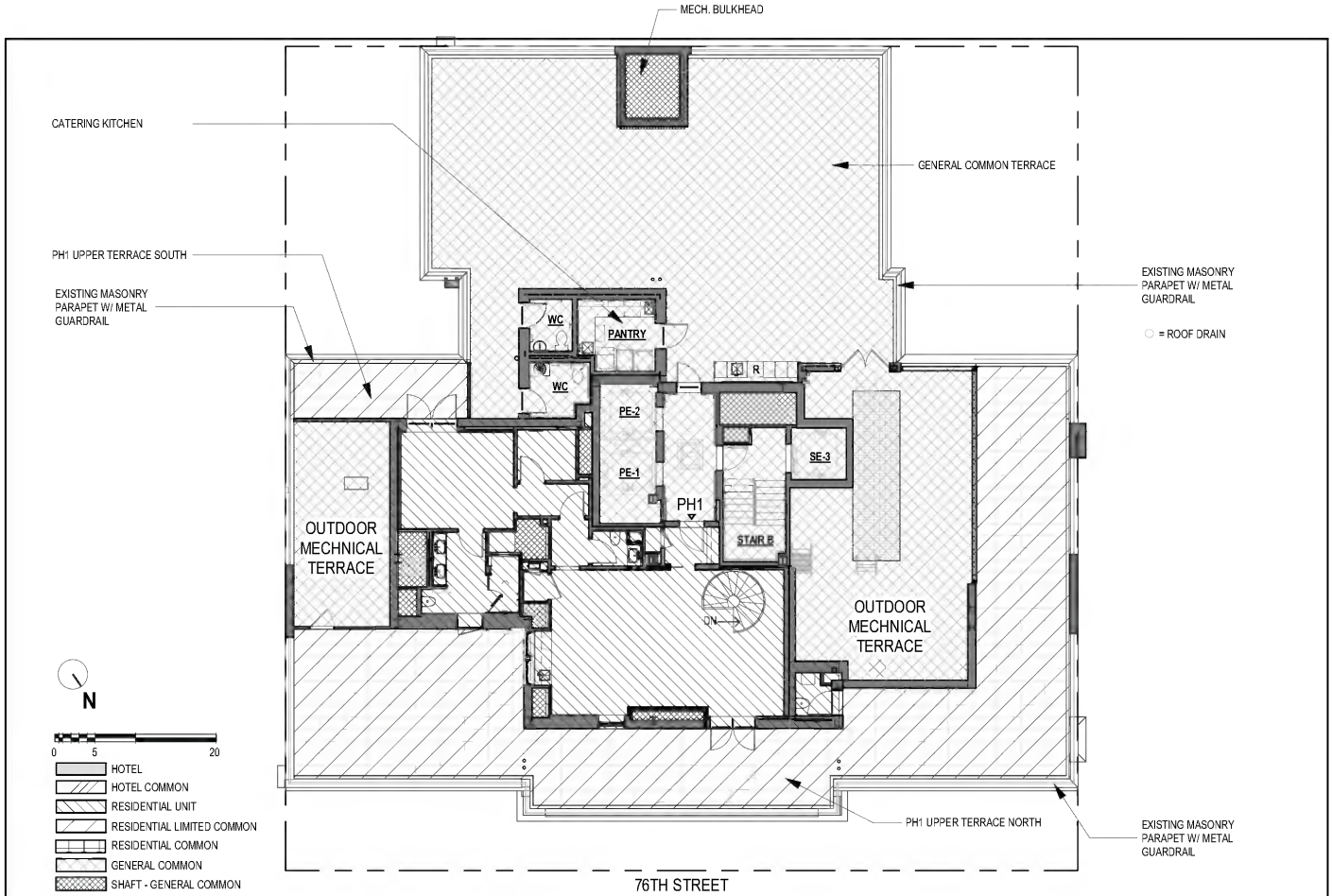
PENTHOUSE

BKSK ARCHITECTS LLP	**20 EAST 76TH ST**	Sponsor:	
	20 E 76th Street, New York, NY 10021	Surrey Propco, LLC	03/19/2024



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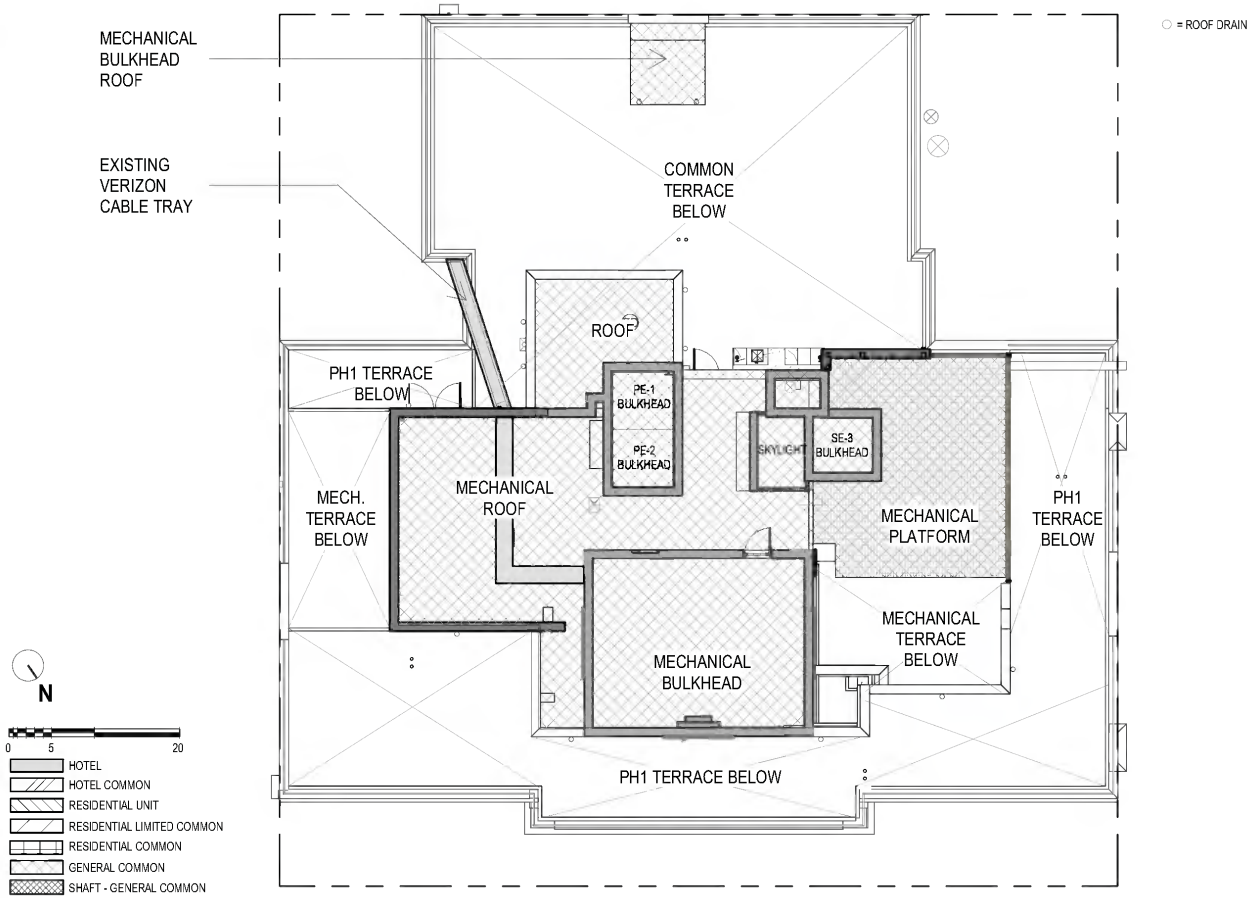
ROOF

BKSK ARCHITECTS LLP

20 EAST 76TH ST	Sponsor:	
20 E 76th Street, New York, NY 10021	Surrey Propco, LLC	03/19/2024



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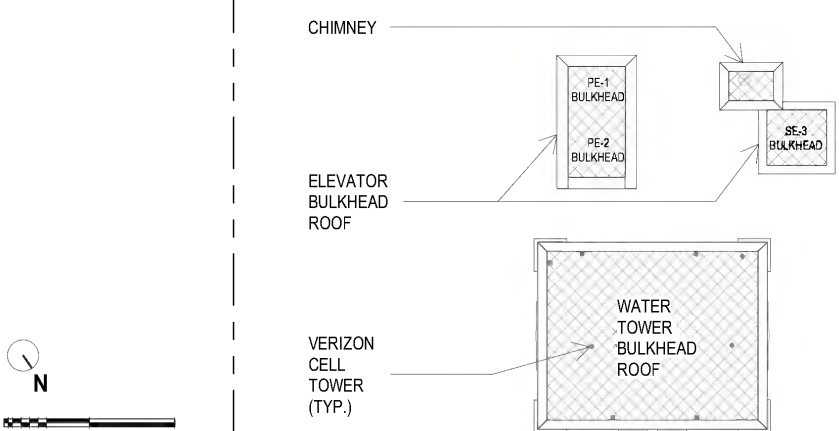
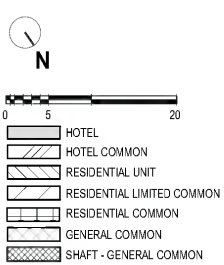
PENTHOUSE ROOF

BKSK ARCHITECTS LLP

20 EAST 76TH ST	Sponsor:	
20 E 76th Street, New York, NY 10021	Surrey Propco, LLC	03/19/2024





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UPPER ROOF

BKSK ARCHITECTS LLP

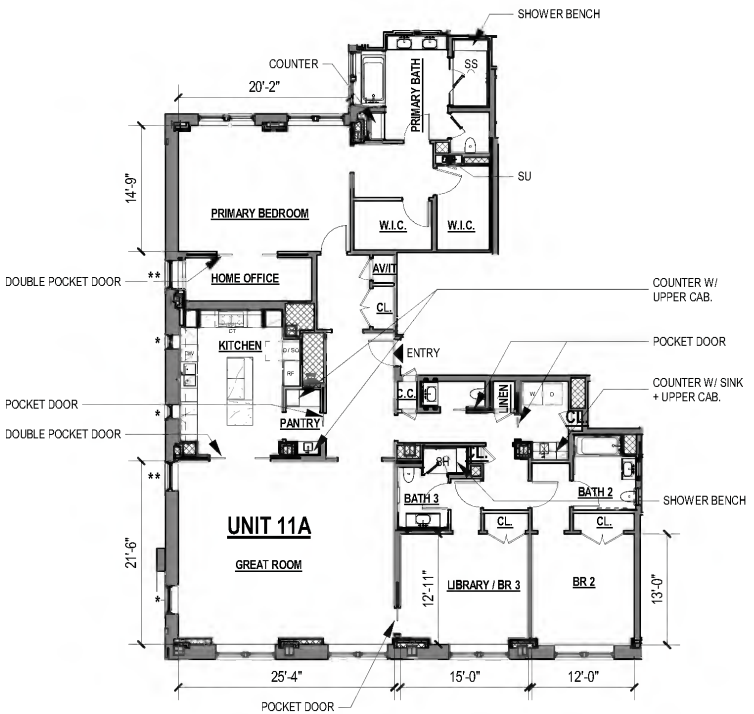
20 EAST 76TH ST	Sponsor:	
20 E 76th Street, New York, NY 10021	Surrey Propco, LLC	03/19/2024

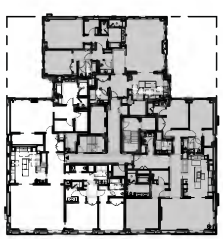
UNIT 11A	2980 SF (APPROX.)

3 BEDROOM, 3.5 BATH

KEY

AF	ALCOHOL GEL FIREPLACE
C.C.	CONCIERGE CLOSET
CT	COOKTOP
D	DRYER
DW	DISHWASHER
F	FREEZER
GF	GAS FIREPLACE
O	OVEN
R	REFRIGERATOR
RF	REFRIGERATOR-FREEZER
RT	RANGE
SO	SPEED OVEN
SH	SHOWER
SS	STEAM SHOWER
SU	STEAM UNIT
W	WASHER
WF	WINE REFRIGERATOR





N

0 5 20

* LOT LINE WINDOW (1'-8" x 3'-4")

** LOT LINE WINDOW (3'-4" x 5'-6")

*** LOT LINE WINDOW (6'-8" x 5'-6")

SHAFT - GENERAL COMMON

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UNIT 11A

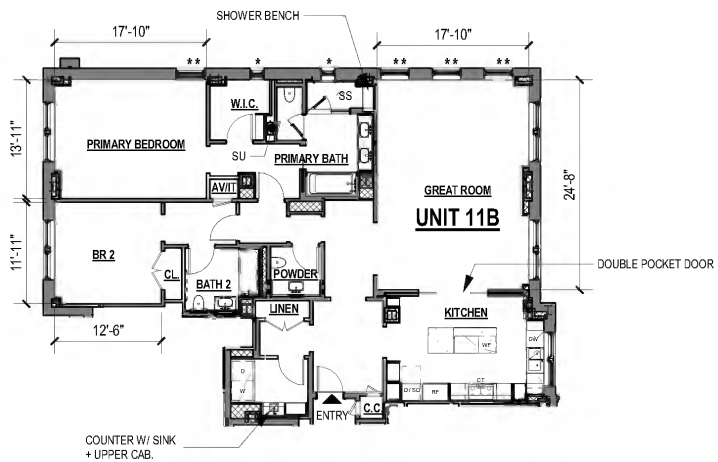
BKSK ARCHITECTS LLP	**20 EAST 76TH ST**	Sponsor:	
	20 E 76th Street, New York, NY 10021	Surrey Propco, LLC	03/19/2024

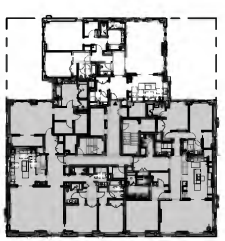
UNIT 11B	2101 SF (APPROX.)

2 BEDROOM, 2.5 BATH

KEY

AF	ALCOHOL GEL FIREPLACE
C.C.	CONCIERGE CLOSET
CT	COOKTOP
D	DRYER
DW	DISHWASHER
F	FREEZER
GF	GAS FIREPLACE
O	OVEN
R	REFRIGERATOR
RF	REFRIGERATOR-FREEZER
RT	RANGE
SO	SPEED OVEN
SH	SHOWER
SS	STEAM SHOWER
SU	STEAM UNIT
W	WASHER
WF	WINE REFRIGERATOR





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0 5 20

* LOT LINE WINDOW (1'-8" x 3'-4")

** LOT LINE WINDOW (3'-4" x 5'-6")

*** LOT LINE WINDOW (6'-8" x 5'-6")

SHAFT - GENERAL COMMON

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UNIT 11B

BKSK ARCHITECTS LLP

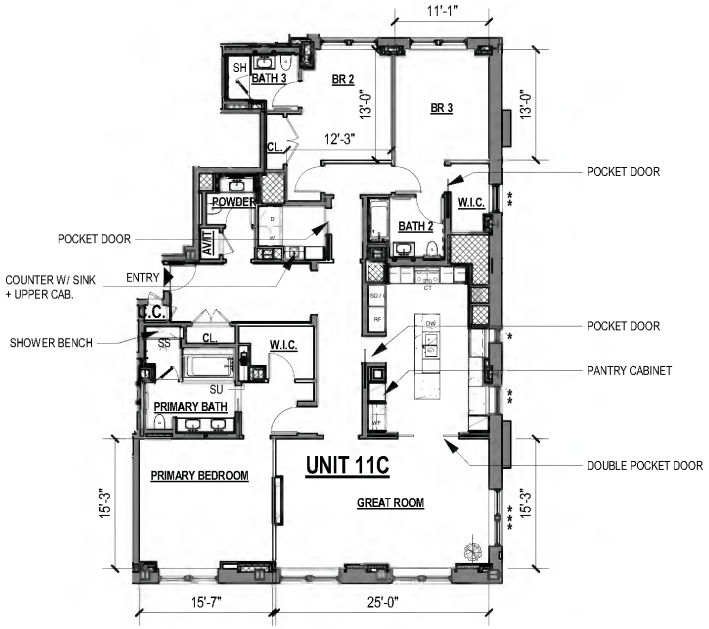
20 EAST 76TH ST	Sponsor:	
20 E 76th Street, New York, NY 10021	Surrey Propco, LLC	03/19/2024

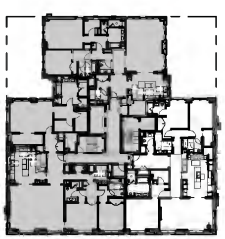
UNIT 11C	2436 SF (APPROX.)

3 BEDROOM, 3.5 BATH

KEY

AF	ALCOHOL GEL FIREPLACE
C.C.	CONCIERGE CLOSET
CT	COOKTOP
D	DRYER
DW	DISHWASHER
F	FREEZER
GF	GAS FIREPLACE
O	OVEN
R	REFRIGERATOR
RF	REFRIGERATOR-FREEZER
RT	RANGE
SO	SPEED OVEN
SH	SHOWER
SS	STEAM SHOWER
SU	STEAM UNIT
W	WASHER
WF	WINE REFRIGERATOR





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0 5 20

* LOT LINE WINDOW (1'-8" x 3'-4")

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SHAFT - GENERAL COMMON

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UNIT 11C

BKSK ARCHITECTS LLP

20 EAST 76TH ST	Sponsor:	
20 E 76th Street, New York, NY 10021	Surrey Propco, LLC	03/19/2024

UNIT 12A	2980 SF (APPROX.)

3 BEDROOM, 3.5 BATH

KEY

AF	ALCOHOL GEL FIREPLACE
C.C.	CONCIERGE CLOSET
CT	COOKTOP
D	DRYER
DW	DISHWASHER
F	FREEZER
GF	GAS FIREPLACE
O	OVEN
R	REFRIGERATOR
RF	REFRIGERATOR-FREEZER
RT	RANGE
SO	SPEED OVEN
SH	SHOWER
SS	STEAM SHOWER
SU	STEAM UNIT
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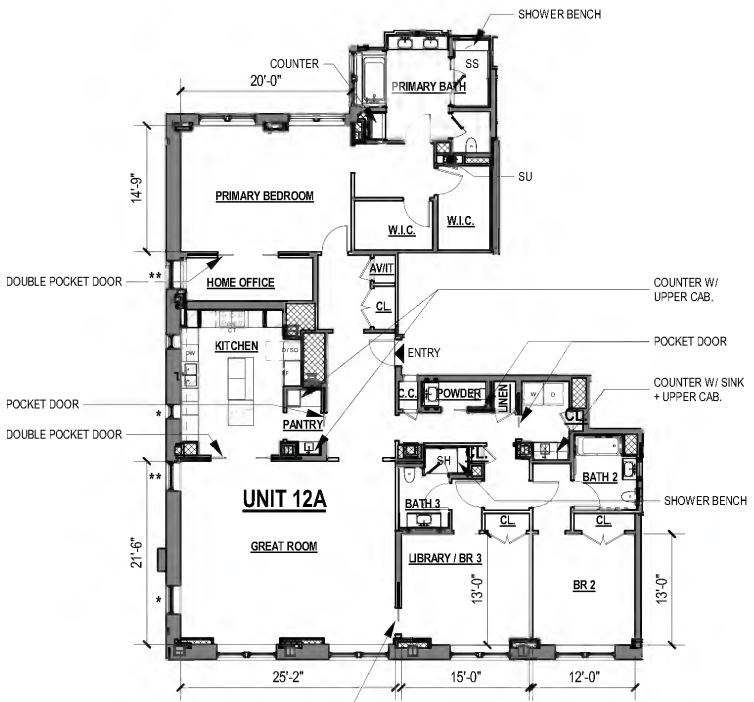

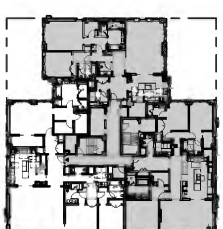

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0 5 20

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** LOT LINE WINDOW (3'-4" x 5'-6")

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SHAFT - GENERAL COMMON

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UNIT 12A

BKSK ARCHITECTS LLP

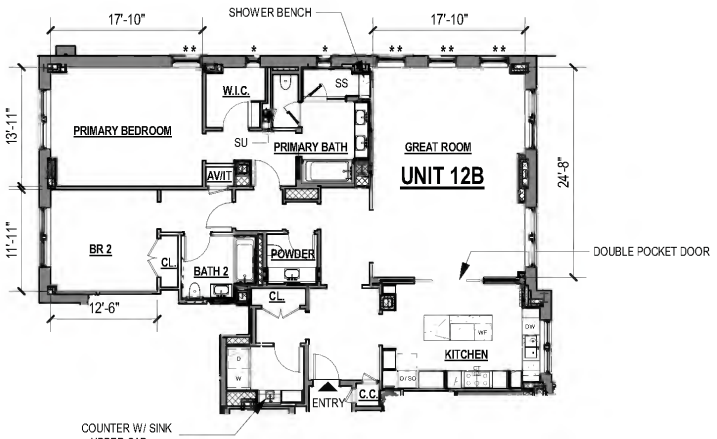
20 EAST 76TH ST	Sponsor:	
20 E 76th Street, New York, NY 10021	Surrey Propco, LLC	03/19/2024

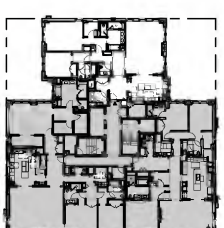
UNIT 12B	2101 SF (APPROX.)

2 BEDROOM, 2.5 BATH

KEY

AF	ALCOHOL GEL FIREPLACE
C.C.	CONCIERGE CLOSET
CT	COOKTOP
D	DRYER
DW	DISHWASHER
F	FREEZER
GF	GAS FIREPLACE
O	OVEN
R	REFRIGERATOR
RF	REFRIGERATOR-FREEZER
RT	RANGE
SO	SPEED OVEN
SH	SHOWER
SS	STEAM SHOWER
SU	STEAM UNIT
W	WASHER
WF	WINE REFRIGERATOR





N

0 5 20

* LOT LINE WINDOW (1'-8" x 3'-4")

** LOT LINE WINDOW (3'-4" x 5'-6")

*** LOT LINE WINDOW (6'-8" x 5'-6")

SHAFT - GENERAL COMMON

THIS FLOOR PLAN IS BASED ON CONSTRUCTION DRAWINGS AND IS SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATION FROM FLOOR TO FLOOR. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM SPONSOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN. MINOR INACCURACIES IN LAYOUT AND ROOM DIMENSIONS AS SHOWN ON THIS FLOOR PLAN WILL NOT EXCUSE PURCHASER FROM COMPLETING THE PURCHASE OF A UNIT WITHOUT ABATEMENT IN PRICE OR RECOURSE AGAINST SPONSOR.

UNIT 12B

BKSK ARCHITECTS LLP

20 EAST 76TH ST

20 E 76th Street, New York, NY 10021

Sponsor:

Surrey Propco, LLC

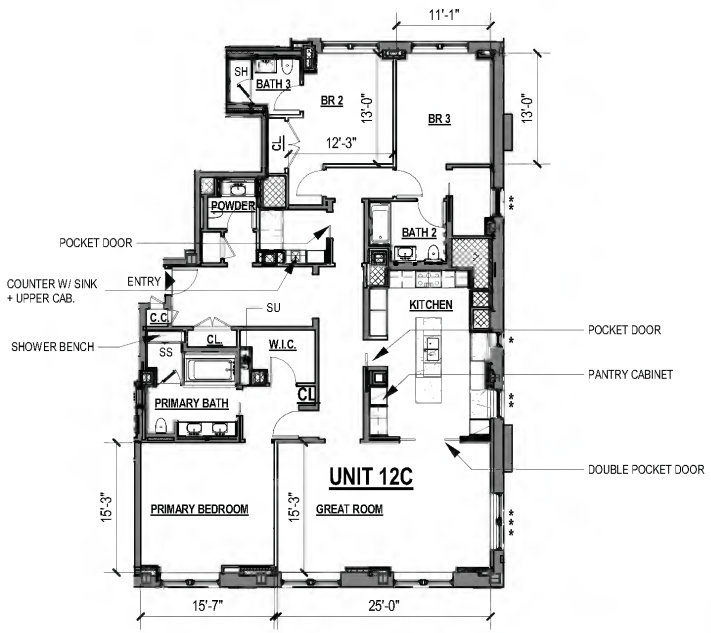
03/19/2024

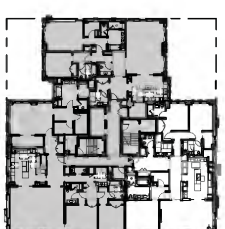
UNIT 12C	2436 SF (APPROX.)

3 BEDROOM, 3.5 BATH

KEY

AF	ALCOHOL GEL FIREPLACE
C.C.	CONCIERGE CLOSET
CT	COOKTOP
D	DRYER
DW	DISHWASHER
F	FREEZER
GF	GAS FIREPLACE
O	OVEN
R	REFRIGERATOR
RF	REFRIGERATOR-FREEZER
RT	RANGE
SO	SPEED OVEN
SH	SHOWER
SS	STEAM SHOWER
SU	STEAM UNIT
W	WASHER
WF	WINE REFRIGERATOR





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* LOT LINE WINDOW (1'-8" x 3'-4")

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*** LOT LINE WINDOW (6'-8" x 5'-6")

SHAFT - GENERAL COMMON

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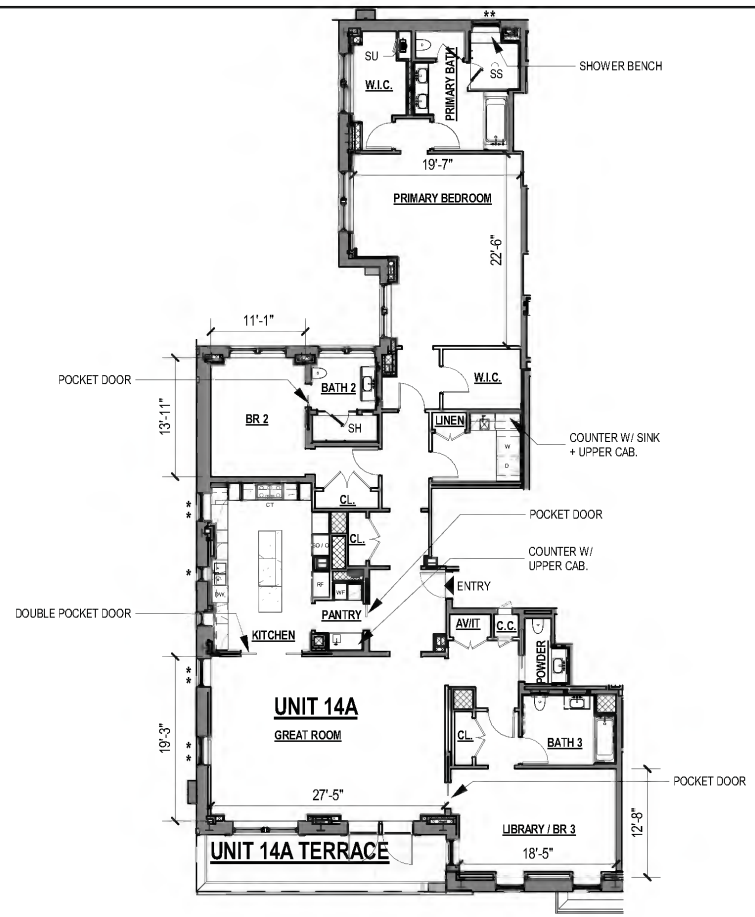
UNIT 12C

BKSK ARCHITECTS LLP

20 EAST 76TH ST	Sponsor:	
20 E 76th Street, New York, NY 10021	Surrey Propco, LLC	03/19/2024

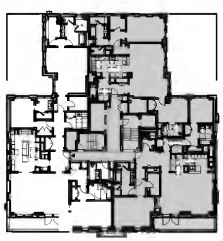


UNIT 14A	3200 SF (APPROX.)
UNIT 14A TERRACE	195 SF (APPROX.)

3 BEDROOM, 3.5 BATH

KEY

AF	ALCOHOL GEL FIREPLACE
C.C.	CONCIERGE CLOSET
CT	COOKTOP
D	DRYER
DW	DISHWASHER
F	FREEZER
GF	GAS FIREPLACE
O	OVEN
R	REFRIGERATOR
RF	REFRIGERATOR-FREEZER
RT	RANGE
SO	SPEED OVEN
SH	SHOWER
SS	STEAM SHOWER
SU	STEAM UNIT
W	WASHER
WF	WINE REFRIGERATOR



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UNIT 14A

BKSK ARCHITECTS LLP

20 EAST 76TH ST	Sponsor:	
20 E 76th Street, New York, NY 10021	Surrey Propco, LLC	03/19/2024

UNIT 14B	1797 SF (APPROX.)

2 BEDROOM, 2.5 BATH

KEY

AF	ALCOHOL GEL FIREPLACE
C.C.	CONCIERGE CLOSET
CT	COOKTOP
D	DRYER
DW	DISHWASHER
F	FREEZER
GF	GAS FIREPLACE
O	OVEN
R	REFRIGERATOR
RF	REFRIGERATOR-FREEZER
RT	RANGE
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SU	STEAM UNIT
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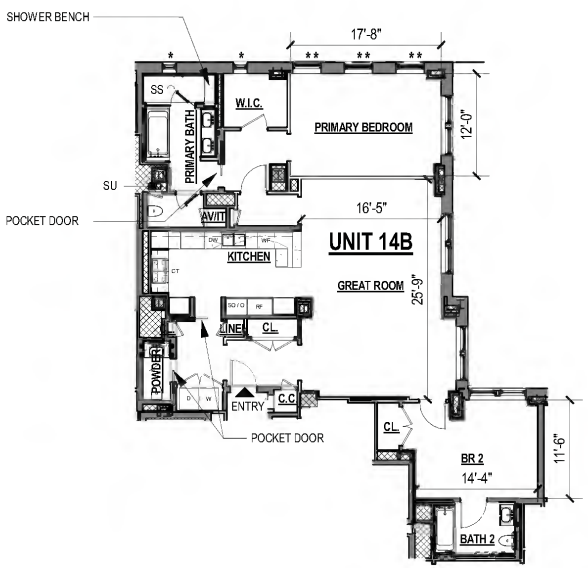

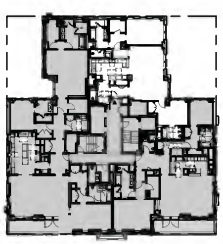

* LOT LINE WINDOW (1'-8" x 3'-4")

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UNIT 14B

BKSK ARCHITECTS LLP

20 EAST 76TH ST	Sponsor:	
20 E 76th Street, New York, NY 10021	Surrey Propco, LLC	03/19/2024

UNIT 14C	2127 SF (APPROX.)
UNIT 14C TERRACE	195 SF (APPROX.)

2 BEDROOM, 2.5 BATH

KEY

AF	ALCOHOL GEL FIREPLACE
C.C.	CONCIERGE CLOSET
CT	COOKTOP
D	DRYER
DW	DISHWASHER
F	FREEZER
GF	GAS FIREPLACE
O	OVEN
R	REFRIGERATOR
RF	REFRIGERATOR-FREEZER
RT	RANGE
SO	SPEED OVEN
SH	SHOWER
SS	STEAM SHOWER
SU	STEAM UNIT
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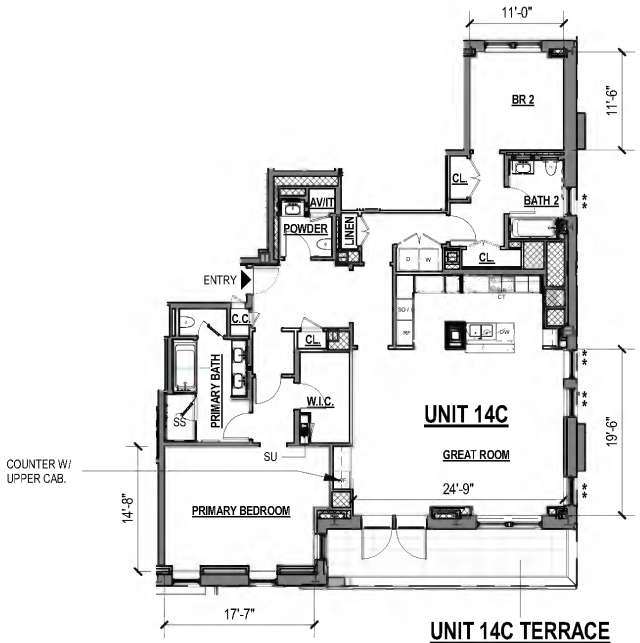
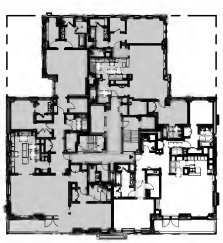
WF	WINE REFRIGERATOR





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* LOT LINE WINDOW (1'-8" x 3'-4")

** LOT LINE WINDOW (3'-4" x 5'-6")

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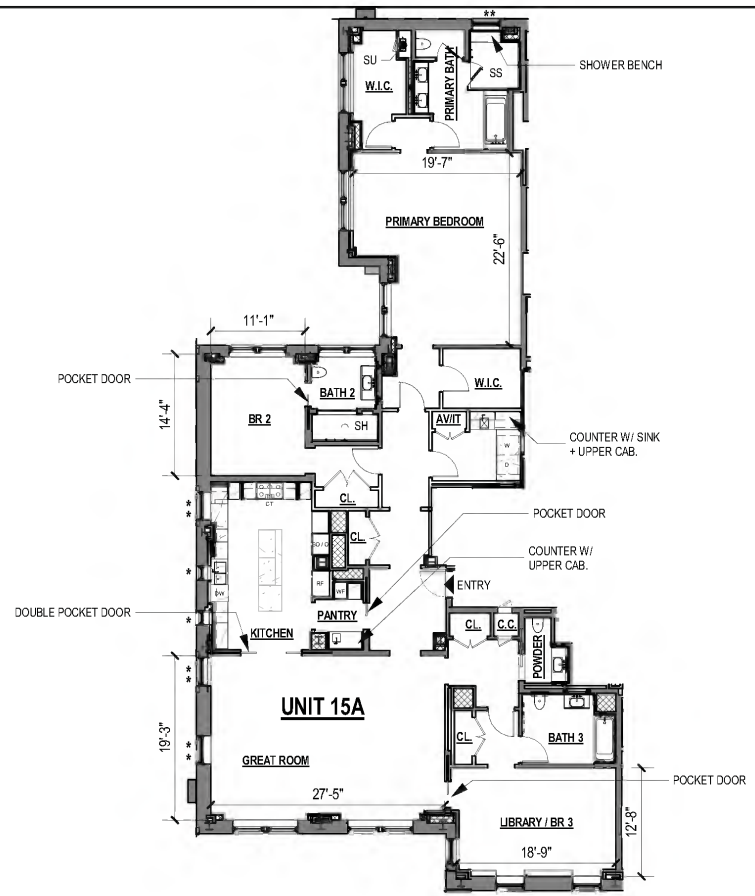
UNIT 14C

BKSK ARCHITECTS LLP

20 EAST 76TH ST	Sponsor:	
20 E 76th Street, New York, NY 10021	Surrey Propco, LLC	03/19/2024

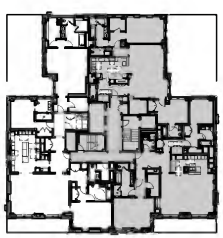


UNIT 15A	3200 SF (APPROX.)

3 BEDROOM, 3.5 BATH

KEY

AF	ALCOHOL GEL FIREPLACE
C.C.	CONCIERGE CLOSET
CT	COOKTOP
D	DRYER
DW	DISHWASHER
F	FREEZER
GF	GAS FIREPLACE
O	OVEN
R	REFRIGERATOR
RF	REFRIGERATOR-FREEZER
RT	RANGE
SO	SPEED OVEN
SH	SHOWER
SS	STEAM SHOWER
SU	STEAM UNIT
W	WASHER
WF	WINE REFRIGERATOR



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* LOT LINE WINDOW (1'-8" x 3'-4")

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UNIT 15A

BKSK ARCHITECTS LLP	**20 EAST 76TH ST**	Sponsor:	
	20 E 76th Street, New York, NY 10021	Surrey Propco, LLC	03/19/2024

UNIT 15B	1797 SF (APPROX.)

2 BEDROOM, 2.5 BATH

KEY

AF	ALCOHOL GEL FIREPLACE
C.C.	CONCIERGE CLOSET
CT	COOKTOP
D	DRYER
DW	DISHWASHER
F	FREEZER
GF	GAS FIREPLACE
O	OVEN
R	REFRIGERATOR
RF	REFRIGERATOR-FREEZER
RT	RANGE
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SU	STEAM UNIT
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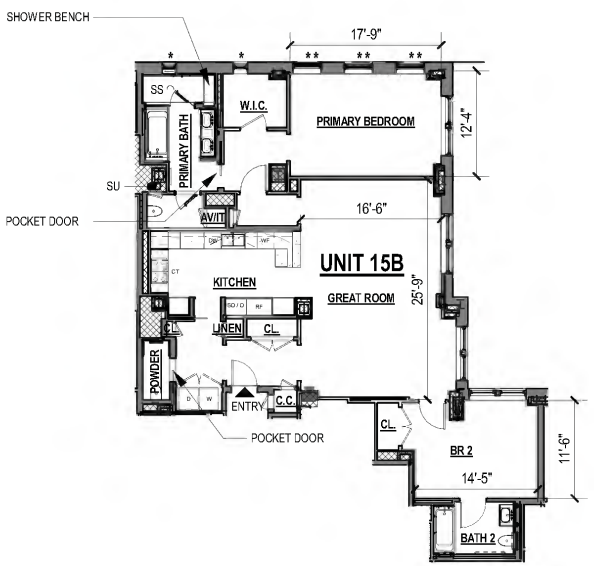
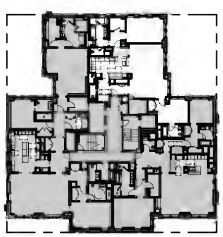
WF	WINE REFRIGERATOR





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* LOT LINE WINDOW (1'-8" x 3'-4")

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UNIT 15B

BKSK ARCHITECTS LLP

20 EAST 76TH ST	Sponsor:	
20 E 76th Street, New York, NY 10021	Surrey Propco, LLC	03/19/2024

UNIT 15C	2127 SF (APPROX.)

2 BEDROOM, 2.5 BATH

KEY

AF	ALCOHOL GEL FIREPLACE
C.C.	CONCIERGE CLOSET
CT	COOKTOP
D	DRYER
DW	DISHWASHER
F	FREEZER
GF	GAS FIREPLACE
O	OVEN
R	REFRIGERATOR
RF	REFRIGERATOR-FREEZER
RT	RANGE
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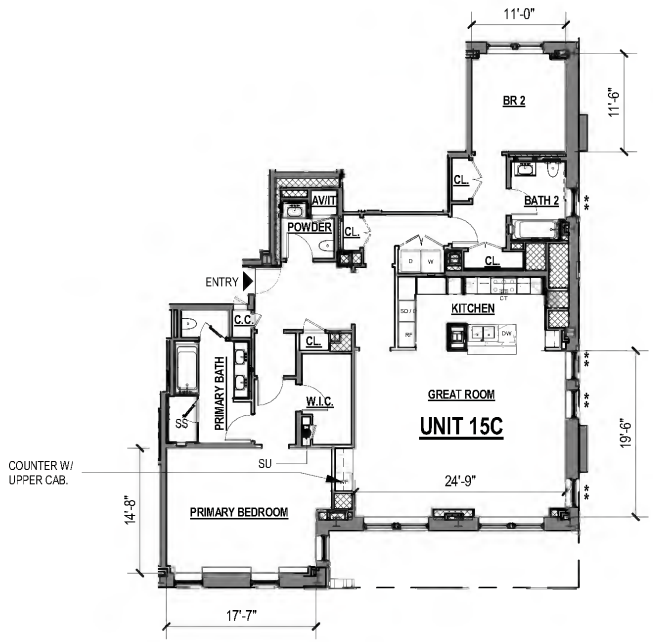

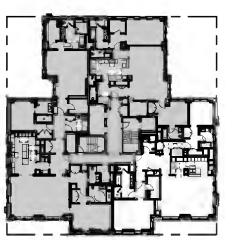

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* LOT LINE WINDOW (1'-8" x 3'-4")

** LOT LINE WINDOW (3'-4" x 5'-6")

*** LOT LINE WINDOW (6'-8" x 5'-6")

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UNIT 15C

BKSK ARCHITECTS LLP

20 EAST 76TH ST	Sponsor:	
20 E 76th Street, New York, NY 10021	Surrey Propco, LLC	03/19/2024

UNIT PH2	2858 SF (APPROX.)

3 BEDROOM, 3.5 BATH

KEY

AF	ALCOHOL GEL FIREPLACE
C.C.	CONCIERGE CLOSET
CT	COOKTOP
D	DRYER
DW	DISHWASHER
F	FREEZER
GF	GAS FIREPLACE
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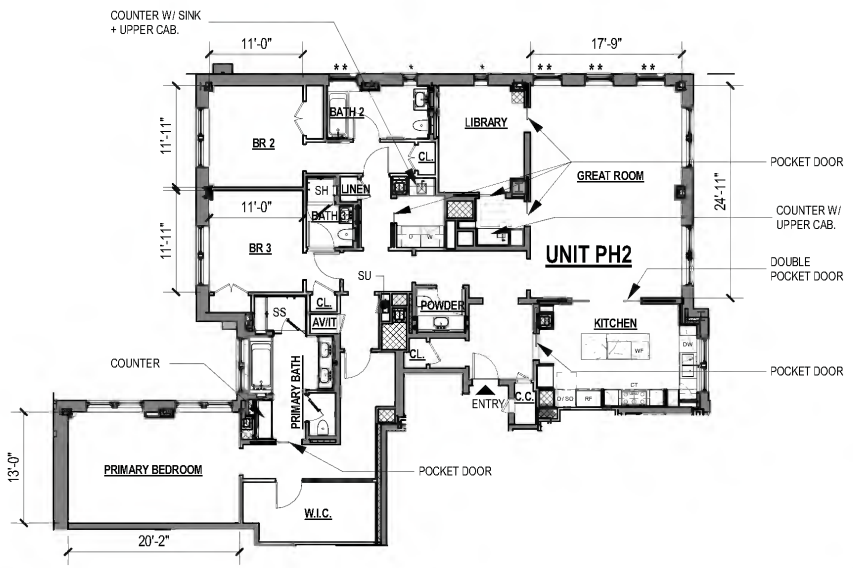

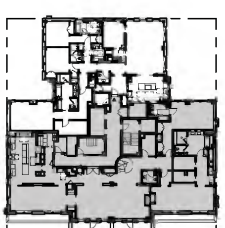

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* LOT LINE WINDOW (1'-8" x 3'-4")

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PH2

BKSK ARCHITECTS LLP

20 EAST 76TH ST	Sponsor:	
20 E 76th Street, New York, NY 10021	Surrey Propco, LLC	03/19/2024

UNIT PH1 (LL)	3817 SF (APPROX.)
UNIT PH1 (UL)	1378 SF (APPROX.)
3 BEDROOM, 3 BATH, 3 POWDER	5195 SF (APPROX.)

PH1 LOWER LEVEL TERRACE	267 SF (APPROX.)
PH1 UPPER LEVEL TERRACE N	1891 SF (APPROX.)
PH1 UPPER LEVEL TERRACE S	188 SF (APPROX.)
	2346 SF (APPROX.)

KEY

AF	ALCOHOL GEL FIREPLACE
C.C.	CONCIERGE CLOSET
CT	COOKTOP
D	DRYER
DW	DISHWASHER
F	FREEZER
GF	GAS FIREPLACE
O	OVEN
R	REFRIGERATOR
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SH	SHOWER
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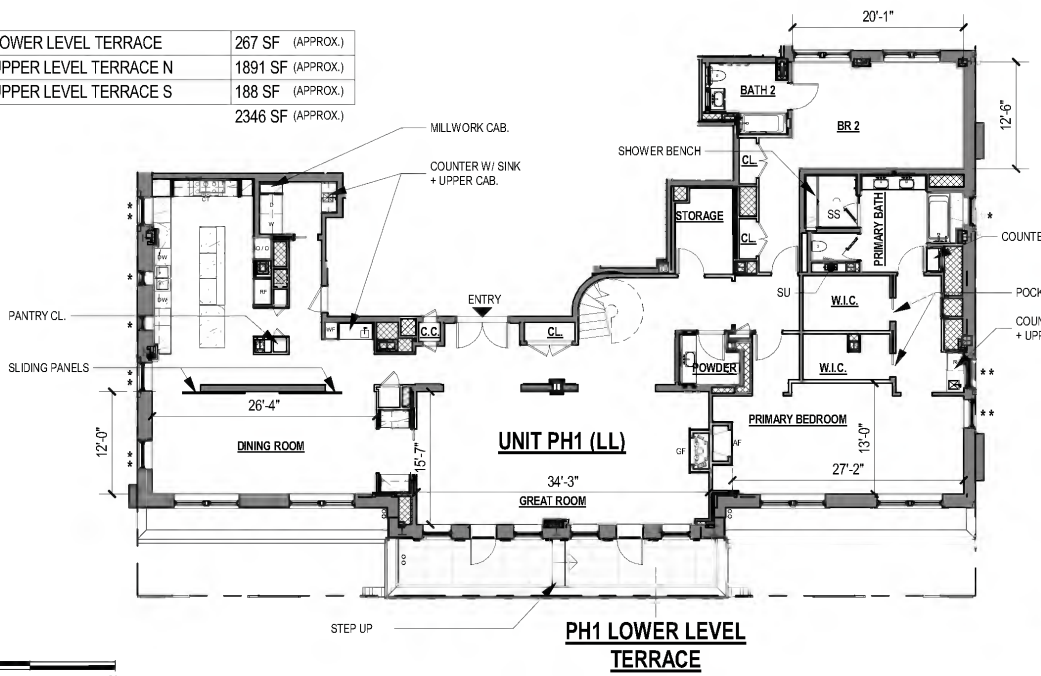
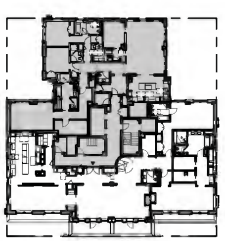
WF	WINE REFRIGERATOR





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0 5 20

* LOT LINE WINDOW (1'-8" x 3'-4")

** LOT LINE WINDOW (3'-4" x 5'-6")

*** LOT LINE WINDOW (6'-8" x 5'-6")

SHAFT - GENERAL COMMON

THIS FLOOR PLAN IS BASED ON CONSTRUCTION DRAWINGS AND IS SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATION FROM FLOOR TO FLOOR. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM SPONSOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN. MINOR INACCURACIES IN LAYOUT AND ROOM DIMENSIONS AS SHOWN ON THIS FLOOR PLAN WILL NOT EXCUSE PURCHASER FROM COMPLETING THE PURCHASE OF A UNIT WITHOUT ABATEMENT IN PRICE OR RECOURSE AGAINST SPONSOR.

PH1 LOWER LEVEL

BKSK ARCHITECTS LLP

20 EAST 76TH ST

20 E 76th Street, New York, NY 10021

Sponsor:

Surrey Propco, LLC

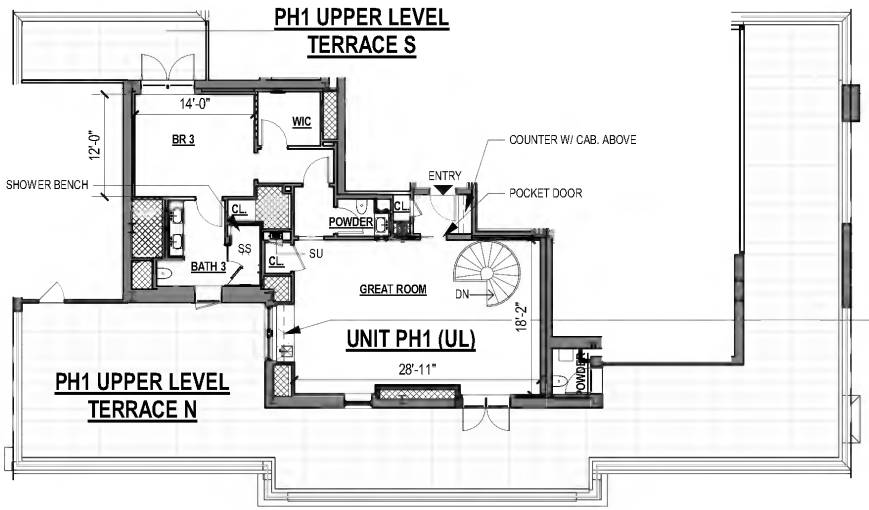
03/19/2024

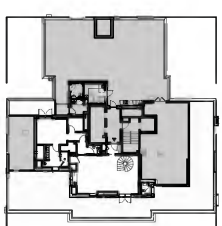
UNIT PH1 (LL)	3817 SF (APPROX.)
UNIT PH1 (UL)	1378 SF (APPROX.)
3 BEDROOM, 3 BATH, 3 POWDER	5195 SF (APPROX.)

PH1 LOWER LEVEL TERRACE	267 SF (APPROX.)
PH1 UPPER LEVEL TERRACE N	1891 SF (APPROX.)
PH1 UPPER LEVEL TERRACE S	188 SF (APPROX.)
	2346 SF (APPROX.)

KEY

AF	ALCOHOL GEL FIREPLACE
C.C.	CONCIERGE CLOSET
CT	COOKTOP
D	DRYER
DW	DISHWASHER
F	FREEZER
GF	GAS FIREPLACE
O	OVEN
R	REFRIGERATOR
RF	REFRIGERATOR-FREEZER
RT	RANGE
SO	SPEED OVEN
SH	SHOWER
SS	STEAM SHOWER
SU	STEAM UNIT
W	WASHER
WF	WINE REFRIGERATOR





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* LOT LINE WINDOW (1'-8" x 3'-4")

** LOT LINE WINDOW (3'-4" x 5'-6")

*** LOT LINE WINDOW (6'-8" x 5'-6")

SHAFT - GENERAL COMMON

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PH1 UPPER LEVEL

BKSK ARCHITECTS LLP

20 EAST 76TH ST

20 E 76th Street, New York, NY 10021

Sponsor:

Surrey Propco, LLC

03/19/2024

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PURCHASE AGREEMENT

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PURCHASE AGREEMENT

SURREY PROPCO, LLC

Sponsor

With

Purchaser

Residential Unit Number _____

THE SURREY CONDOMINIUM
20 EAST 76TH STREET
NEW YORK, NY 10021

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PURCHASE AGREEMENT

RESIDENTIAL UNIT NUMBER _____

THE SURREY CONDOMINIUM
20 EAST 76TH STREET
NEW YORK, NY 10021

AGREEMENT, made as of _____, between Sponsor and Purchaser (defined below).

W I T N E S S E T H :

1. THE PLAN

Purchaser acknowledges having received and read a copy of the Offering Plan for The Surrey Condominium and all amendments thereto, if any, filed prior to the date hereof with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan") at least 3 business days prior to Purchaser's signing this Agreement. If Purchaser has not received the Plan and all amendments thereto at least 3 business days prior to Purchaser's signing this Agreement, Purchaser shall have the right to rescind this Agreement, by sending written notice of such rescission to Sponsor by certified or registered mail, return receipt requested, or by personal delivery, in either case within 7 days from the date Purchaser delivers an executed Purchase Agreement together with the Initial Deposit to Sponsor. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding except where such provisions were requested by Purchaser and agreed to by Sponsor. Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the Declaration, By-Laws and Residential Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof, as well as all amendments to the Plan duly filed by Sponsor.

2. DEFINITIONS

Terms used herein which are also used in the Plan shall have the same meanings as they do in the Plan, unless the context requires otherwise.

2.1 "Sponsor" means Surrey Propco, LLC, having an address at 2500 Enterprise Drive, Allen Park, MI 48101 . Sponsor's taxpayer identification number is [_____].

2.2. "Purchaser" means _____ having an address at _____, _____, _____.

2.3 "Attorneys for Sponsor" means Starr Associates LLP, having an address at 220 East 42nd Street, Suite 3302, New York, New York 10017; Attention: Samantha Sheeber, Esq., Esq. Telephone number: (212) 620-2682. Fax number: (212) 898-0389. E-mail address: ssheeber@starr-lawfirm.com.

2.4 "Attorney for Purchaser" means _____, having an address at _____, _____, _____. Attention: _____, Esq. Telephone number: (_____) _____. Fax number: (_____) _____. E-mail address: _____.

2.5 "Selling Agent" means Douglas Elliman, having an address at 575 Madison Avenue, 3rd Floor, New York, NY 10022.

2.6 "Co-Broker" means _____.

2.7 "Escrow Agent" means Attorneys for Sponsor.

2.8 "Title Company" means Prestige Title Agency, Inc., having an address at 55 West 39th Street, New York, New York 10018. Telephone number: (212) 651-1200.

3. THE UNIT

Upon and subject to the terms and conditions set forth herein, Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the unit designated as Unit _____ in the Declaration ("Unit"), together with its undivided _____% interest in the Common Elements appurtenant to such Unit.

4. PURCHASE PRICE

4.1 The Purchase Price of the Residential Unit ("Purchase Price") is $_____.

The Purchase Price is payable as follows:

(a) $_____ ("Initial Deposit"), due upon Purchaser's signing and delivering this Agreement;

(b) $_____ ("Additional Deposit"), due upon the earlier to occur of (i) six (6) months after the execution date of this Agreement or (ii) 15 days after the Presentation Date of an amendment declaring the Plan effective; and

(c) $_____ ("Balance of the Purchase Price"), due upon the delivery of the deed to the Unit.

The term "Deposit," as used herein, refers to both the Initial Deposit and, if the same has been paid at the time in question, the Additional Deposit.

4.2 Purchaser must deliver the payment of a Deposit or the Balance of the Purchase Price by wire transfer unless Sponsor offers, in Sponsor's sole discretion, to accept an official bank check. Any and all wire transfer fees charged by the initiating and/or receiving bank(s) shall be payable by Purchaser. All instruments (a) in payment of a Deposit shall be wired directly to the escrow account maintained by Escrow Agent pursuant to the Plan (or, if Sponsor offers to accept payment in the form of an official bank check, made payable directly to the order of "Starr Associates LLP, as Escrow Agent") and (b) in payment of the Balance of the Purchase Price shall be wired to one or more accounts as directed by Sponsor. In the event Sponsor offers to accept payment in the form of an official bank check: (i) checks must be drawn or issued by a bank or trust company which is a member of the New York Clearinghouse Association, with the understanding that checks drawn on out-of-state or foreign banks will not be accepted; (ii) in the event of any return of any check for insufficient funds or for any other reason, Purchaser shall be solely responsible for any and all penalties or other fees imposed by the escrow bank or any other bank in connection therewith; (iii) a return of any check delivered in payment of the Initial Deposit, for insufficient funds or for any other reason, shall constitute a non-curable default under this Agreement, rendering this Agreement void *ab initio* and of no further force or effect, in which event Purchaser and Sponsor shall each be released and discharged of all further liability and obligations under this Agreement and the Unit may be sold to another as though this Agreement had never been made; and (iv) a return of any check delivered in payment of the Additional Deposit, for insufficient funds or for any other reason, shall constitute a default under this Agreement, entitling Sponsor at its option to exercise the remedies set forth in section 13 hereof. All instruments accepted by Sponsor are subject to collection. In the event that Sponsor offers, in its sole discretion, to accept electronic payments, such electronic payments must be sent via the Federal Reserve Wire Network and in no event shall ACH transfers be permitted.

5. DEPOSITS TO BE HELD IN TRUST

All Deposits made pursuant to this Agreement are subject to the requirements of §§352-e(2) (b) and 352-h of the New York General Business Law and the Attorney General's regulations promulgated pursuant thereto. All monies received from Purchaser towards a Deposit shall be delivered to Escrow Agent and shall be held in accordance with the section of the Plan entitled "Escrow and Trust Fund Requirements" a copy of which is annexed hereto as Schedule E and made a part hereof. By signing this Agreement, Purchaser will not object and will be deemed to have agreed, without the need for a further written agreement, to the release of all Deposits to Sponsor in the event Sponsor and Purchaser close title under this Agreement. In the event Sponsor cannot convey title to the Unit to Purchaser by reason other than Purchaser's default, all Deposits shall be returned to Purchaser, within 30 business days of Sponsor's notification to Purchaser that it cannot convey title.

6. CLOSING DATE AND PLACE

6.1 The Closing of Title shall be held at the offices of Starr Associates LLP, 220 East 42nd Street, Suite 3302, New York, New York 10017 (or such other place in the City and State of New York as Sponsor may designate to Purchaser) and on such date and hour as Sponsor may designate to Purchaser on not less than 30 days' prior notice ("Initial Closing Notice"). After the Initial Closing Notice, Sponsor may, from time to time, adjourn and reschedule the date and hour for Closing at any time on notice to Purchaser, which new Closing notice shall fix a new date, hour and place for the Closing. The rescheduled Closing shall not be earlier than: (a) the date set forth in the Initial Closing Notice or, (b) 5 days from the date of Sponsor's Closing adjournment notice. These notice provisions may be modified or waived by an agreement signed by Sponsor and Purchaser. If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Attorneys for Sponsor at Closing an extra fee as set forth in the Plan.

6.2 The term "Closing Date" "Closing" "Closing of Title" or words of similar import, whenever used herein, shall mean the conveyance of title to the Unit from Sponsor to Purchaser.

6.3 The Closing of Title shall only occur with or after compliance with the prerequisites to Closing and the section of the Plan entitled "Terms of Sale."

7. CLOSING DOCUMENTS

7.1 At the Closing of Title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenant against grantor's acts conveying fee simple title to the Unit to Purchaser, subject only to the liens, encumbrances, and title conditions set forth on Schedule A annexed hereto and made a part hereof. The deed shall be prepared by Sponsor substantially in the form set forth in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Purchaser shall pay all New York State and New York City real property transfer taxes, and Sponsor and Purchaser shall duly complete and execute before a notary public the New York City and New York State Transfer Tax Return Forms and any other forms then required by Law, all of which shall be prepared by Sponsor.

7.2 At the Closing of Title, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board prepared by Sponsor substantially in the form set forth in Part II of the Plan.

7.3 At the Closing of Title, Sponsor shall deliver to Purchaser a certification stating that Sponsor is not a foreign person in compliance with IRS §1445 as amended, or any successor provision or regulation promulgated thereunder.

7.4 At the Closing of Title, Sponsor and Purchaser shall execute and acknowledge in form for recording such other documents that are reasonably necessary or customary in connection with the

conveyance of a condominium unit, including, but not limited to, title affidavits, transfer tax forms, reporting information in respect of real estate transactions, smoke detector affidavit and window guard notices.

7.5 The executed deed, transfer tax forms and power of attorney shall be delivered at the Closing to the representative of the Title Company insuring Purchaser's title (or, if no such representative is present, then to Attorneys for Sponsor) for recording in the Office of the City Register, which recording shall be at Purchaser's expense. After being recorded the deed shall be returned to Purchaser and the power of attorney shall be returned to the Condominium Board.

7.6 Purchaser's payment of the Balance of the Purchase Price and acceptance of a deed to the Unit shall constitute Purchaser's recognition that Sponsor has satisfactorily performed those obligations stated in the Plan and this Agreement to be performed by Sponsor prior to Closing. However, nothing herein contained shall excuse Sponsor from performing those obligations (if any) expressly stated herein or in the Plan to be performed subsequent to the Closing, and nothing herein shall be in derogation of the rights of purchasers under Article 23-A of the General Business Law, the Plan, and Part 20 of the Regulations issued by the Department of Law.

8. STATUS OF TITLE

8.1 At the Closing of Title, Sponsor shall convey to Purchaser and Purchaser shall accept such fee simple title to the Unit as the Title Company will approve and insure without additional premium to Purchaser, provided that the only liens and encumbrances affecting title shall be those set forth in Schedule A annexed hereto and made a part hereof and those expressly agreed to by Purchaser. Any lien and encumbrance or condition which is not set forth in Schedule A annexed hereto shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to Closing to the Title Company, together with the attendant recording or filing fee, if any, or (b) the Title Company (or such other title insurance company Purchaser may utilize), is or would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien. Sponsor shall not be obligated to cause Purchaser's title company to omit any exceptions if the Title Company is willing to insure, without additional premium, Purchaser's title with such exception.

8.2 Sponsor shall be entitled to adjourn the Closing to remove or correct any defect in title which is not set forth in Schedule A. However, if such defect existed at least 10 days prior to the Closing and Purchaser, or Purchaser's attorney, failed to send Attorneys for Sponsor written notice of such defect in title at least 10 days prior to the Closing of Title, then, for purposes of section 13 below, Purchaser shall be deemed at fault for not having sent timely notice, and the Closing adjournment to allow Sponsor to correct or remove such title defect shall be considered as being at the request of Purchaser.

8.3 If, subsequent to the Closing of Title, Purchaser claims that Sponsor did not convey fee simple title to the Unit in accordance with the Plan, Purchaser must first seek recovery against Purchaser's title insurance company before proceeding against Sponsor. Sponsor and Purchaser agree that Sponsor's liability will be limited to any loss or damage not covered by Purchaser's title insurance company. If Purchaser did not obtain title insurance at the Closing, for purposes of this subsection, the amount and coverage which Purchaser could have obtained from Purchaser's title insurance company shall be deducted from the loss or damage collectable against Sponsor. Nothing contained in this subsection shall be construed to waive any of Purchaser's rights or abrogate any of Sponsor's obligations under the Plan or Article 23-A of the General Business Law. This provision shall survive Closing.

9. CLOSING ADJUSTMENTS

9.1 The following adjustments shall be made as of midnight of the day preceding the Closing Date with respect to the Unit:

(a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), on the basis of the period for which assessed;

(b) Common Charges (if Common Charges have been assessed by the Condominium Board) and assessments for the month in which title closes; and

(c) if Purchaser is allowed to occupy the Unit prior to Closing, accrued rent and any other charges pursuant to a use and occupancy agreement, if any, covering the Unit.

9.2 If the Unit has been separately assessed for real estate taxes but the Closing of Title occurs before the tax rate is fixed, adjustment of real estate taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for real estate tax assessments due after the Closing, if any, shall be paid by Purchaser and shall not be considered a defect in title. If the Unit has not been separately assessed for real estate taxes as of the Closing Date for the then current tax period, the adjustment under subsection 9.1(a) hereof shall be based upon the assessment for the Property and the percentage interest in the Common Elements appurtenant to the Unit. In addition, Purchaser shall pay the Unit's proportionate share of real estate taxes for the next ensuing tax period and Sponsor or the Condominium will pay such real estate taxes directly to the City of New York. Sponsor shall not be obligated to reimburse Purchaser after the Closing on account of any difference between the amount of real estate taxes for the then current tax period paid by Purchaser at Closing calculated according to the above formula and the amount of real estate taxes subsequently billed by the City of New York to such Purchaser (as Unit Owner) unless Sponsor obtains a refund or credit as provided in subsection 9.3 below.

9.3 Purchaser agrees that, if Sponsor obtains a refund for real estate taxes paid (or a credit for such real estate taxes to be paid) on Purchaser's Unit, Purchaser and Sponsor will apportion the refund (as well as the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party hereto owned the Unit in question. The provisions of this subsection shall survive the Closing of Title.

9.4 Provided Sponsor is ready, willing and able to close title in accordance with this Agreement, if Purchaser fails for any reason to close title to the Unit on the originally scheduled Closing Date subject to Sponsor's rights under subsection 13.2 of this Agreement, (a) the Closing apportionments described in subsection 9.1 of this Agreement will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing of Title occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's increased carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under this Agreement and the Plan, an amount equal to 0.03% of the Purchase Price for each day starting from (and including) the originally scheduled Closing Date to (and including) the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to the Unit on the rescheduled Closing Date. In the event that Purchaser fails to timely pay the Additional Deposit, the outstanding unpaid balance of the Additional Deposit shall bear interest payable by Purchaser at the "Default Rate" (as hereafter defined) computed from (and including) the date on which the Additional Deposit is due until (and including) the date on which the Additional Deposit is paid, which shall be due and payable at the Closing of Title to the Unit. The "Default Rate" shall be a rate of interest equal to the lesser of twelve percent (12%) per annum or the highest rate permitted by Law.

9.5 Adjustments and apportionments shall be calculated on the basis of the actual number of days in the period for which payments were made or are due, as the case may be. The "Customs in Respect of Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned except as otherwise provided herein in the Plan.

9.6 Any errors or omissions calculating apportionments at Closing shall be corrected and, any payment shall be made to the proper party promptly after discovery. This provision shall survive the Closing of Title.

10. MORTGAGE TAX CREDIT

10.1 In the event a mortgage recording tax credit becomes available pursuant to §339-ee(2) of the New York Condominium Act, it is specifically understood that such credit shall enure to the benefit of Sponsor. Accordingly, at Closing, a Purchaser who elects mortgage financing will be responsible to pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. At the Closing of Title, Sponsor will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed.

10.2 In the event that (i) Sponsor is ineligible for a mortgage recording tax credit, (ii) Purchaser obtains mortgage financing and (iii) Sponsor has an outstanding mortgage at the time of Closing, then, as more particularly described in the section of the Plan entitled "Closing Costs and Adjustments," Purchaser shall (x) advise its lender of this provision and make a good faith effort to cooperate with Sponsor and Sponsor's lender to facilitate a partial assignment of Sponsor's mortgage to Purchaser's lender, and (y) cause its title company (if such title company is different from the Title Company named in the Plan) to cooperate with Sponsor's Title Company in effectuating and keeping record of the partial mortgage assignments.

11. CLOSING COSTS

11.1 In addition to those costs and adjustments described in sections 9 and 10 herein, Purchaser shall be required to pay the other closing costs which are Purchaser's responsibility as more particularly described in the section of the Plan entitled "Closing Costs and Adjustments." All closing costs shall be paid by Purchaser by wire transfer, unless Sponsor offers, in Sponsor's sole discretion to accept an official bank check or unendorsed personal check – in any event subject to all terms and conditions relating to wires and bank checks set forth in subsection 4.2 of this Agreement. Any and all wire transfer fees charged by the initiating and/or receiving bank(s) shall be payable by Purchaser.

11.2 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 under this Agreement or any fully executed riders in connection with the purchase of the Unit (including without limitation any non-payment of tax that may be identified by the Department of Finance in an audit). Purchaser's obligations to pay the taxes described in this Section 11 and to indemnify Sponsor as herein provided shall survive the Closing of Title to the Unit.

12. AGREEMENT NOT A LIEN OR ENCUMBRANCE

No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any monies deposited hereunder, except as hereinafter set forth. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage heretofore or hereafter made, including, but not limited to, any construction or Building loan mortgage, and any advances heretofore or hereafter made thereon and any payments or expenses made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof, without the execution of any further legal documents by Purchaser. This subordination shall apply in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of Purchaser's other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage(s) is subordinated to the Declaration.

13. DEFAULT BY PURCHASER

13.1 The following shall constitute "Events of Default" hereunder:

(i) Purchaser's failure to close title to the Unit on the scheduled Closing Date; or

(ii) Purchaser's failure to pay when due, or the dishonor of any check delivered by Purchaser to Sponsor in payment of any Additional Deposit, the Balance of the Purchase Price, or any closing adjustment, closing cost or fee, including, without limitation, attorneys' fees required to be paid by Purchaser as set forth in the Plan or in this Agreement; or

(iii) Purchaser's failure to pay, perform or observe any of Purchaser's other obligations under this Agreement or the Plan; or

(iv) if Purchaser is permitted to become the tenant or occupant of the Unit, Purchaser's failure to pay rent or to otherwise comply with some other lease or occupancy obligation; or

(v) Purchaser's filing a voluntary petition in bankruptcy; or

(vi) if a non-bankruptcy trustee or receiver is appointed over Purchaser or Purchaser's property, or an involuntary petition in bankruptcy is filed against Purchaser; or

(vii) if a judgment or tax lien is or has been filed against Purchaser and Purchaser does not pay or bond the judgment or lien as and when demanded by Sponsor; or

(viii) Purchaser's assignment or transfer of this Agreement without the prior written consent of Sponsor; or

(ix) Purchaser's listing the Unit for sale or rental with any broker, placing or authorizing any listing of the Unit for sale in any broker's listing system or any other listing service or advertising, or otherwise offering, promoting or publicizing the availability of the Unit for sale or rental without Sponsor's prior written consent, which consent may be withheld, conditioned, or delayed in Sponsor's sole and absolute discretion; or

(x) an Event of Default by Purchaser beyond any applicable grace period under a purchase agreement between Purchaser and Sponsor for another Unit at the Property.

13.2 **TIME IS OF THE ESSENCE** with respect to Purchaser's performance of any of its obligations under this Agreement. Upon the occurrence of an Event of Default, Sponsor, in its sole discretion, may elect by notice to Purchaser to either: (i) cancel this Agreement or (ii) seek specific performance. If Sponsor elects to cancel, Purchaser shall have 30 days from the giving of the notice of cancellation to cure the Event of Default. If the Event of Default is not cured within such 30 days, TIME BEING OF THE ESSENCE, then this Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall have the right to retain, as and for liquidated damages (a) any and all Deposits together with any interest earned thereon and (b) Special Work Funds, to the extent expended and/or committed.

Upon the cancellation of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made, without any obligation to account to Purchaser for any of the proceeds of such sale, except that, to the extent Purchaser shall have made only the Initial Deposit and not the Additional Deposit, in addition to retaining the Initial Deposit and any Special Work Funds (to the extent they have been expended and/or committed by Sponsor), Sponsor shall be entitled to commence an action against Purchaser to recover the Additional Deposit. In the event special work has been commenced and there is an Event of Default, Sponsor shall be entitled to commence an action against Purchaser to recover the cost of

restoration of the Unit to its condition prior to the performance or installation of any special work, but only to the extent actually incurred by Sponsor.

If Sponsor elects to seek specific performance, then Purchaser shall have 30 days from the giving of notice of Sponsor's election to close title to the Unit in accordance with this Agreement, without prejudice to Sponsor's right to recover from Purchaser all damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled under this Agreement (including, but not limited to, attorneys' fees, disbursements and costs of collection).

14. AGREEMENT SUBJECT TO PLAN BEING EFFECTIVE

The performance by Sponsor of its obligations under this Agreement is contingent upon the Plan having been declared effective in accordance with the terms and provisions of the Plan. The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in the Plan. If the Plan is abandoned or if, after being declared effective, the Plan is not consummated for any reason and Purchaser is not in default under this Agreement beyond any applicable grace period, this Agreement shall be deemed cancelled and all Deposits, together with any interest earned thereon, shall be returned to Purchaser within 30 days from the filing date of the amendment abandoning the Plan. Upon such return, neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan.

15. SPONSOR'S INABILITY TO CONVEY THE UNIT

If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan by reason of a defect in title, substantial damage or destruction of the Building by fire or other casualty, or the taking of any material portion of the Property by condemnation or eminent domain, Sponsor shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability. If Sponsor is not so obligated under the Plan and notifies Purchaser of its election or inability to cure such title defect, and if Purchaser is not in default hereunder, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such title defect (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within 30 days after receipt of notice of termination from Purchaser, return to Purchaser all Deposits and all other sums deposited by Purchaser hereunder, together with interest earned thereon, if any. Upon making such payment, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan. The foregoing remedy must be exercised by notice of Purchaser in writing to Sponsor within 15 days after the giving of Sponsor's notice of election not to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the remedy described in clause (a) above (i.e. to acquire title subject to such inability).

16. FIXTURES, APPLIANCES AND PERSONAL PROPERTY

Only those fixtures, appliances and items of personal property which are described in the Plan as being included in the Unit are included in this sale. No portion of the Purchase Price shall be attributable to such items.

17. RENOVATION

17.1 The renovation of the Building and the Unit, including the materials, equipment and fixtures to be installed therein, shall be substantially in accordance with the Plan and the Plans and Specifications (subject to field conditions and construction variances and tolerances) and the right of Sponsor to amend the Plan and the Plans and Specification in order to substitute materials, equipment or fixtures of comparable or

better quality as recognized by industry standards for performance, efficiency, longevity, and/or classifications, as applicable, provided that the approval of any governmental authorities having jurisdiction is first obtained (if required). The issuance of a PCO for the Building shall be deemed presumptive evidence that the Building and the Unit have been fully completed in accordance with the Plan and the Plans and Specifications. However, nothing herein contained shall excuse Sponsor from its obligation to correct any defects in construction in accordance with the conditions set forth in the section of the Plan entitled "Rights and Obligations of Sponsor."

17.2 The renovation of the Building and the Unit and the correction of any defects in the construction thereof to the extent required under the Plan are the sole responsibility of Sponsor. Purchaser acknowledges and agrees that Sponsor will not be liable for, and will have no obligation to correct, certain immaterial variations from the Plan and Plans and Specifications as indicated in the section of the Plan entitled "Rights and Obligations of Sponsor" and will only be responsible to correct any construction defects to the extent, and on the terms and conditions, set forth in such section.

17.3 The closing of title shall occur only after, or concurrently with, compliance with the prerequisites set forth under "Terms of Sale" in Part I of the Plan. As a result, if all such prerequisites are met, Purchaser shall be obligated to close and complete payment of the full Purchase Price (without provision for escrow), notwithstanding any construction items noted on the Inspection Statement (as herein defined) remaining for Sponsor to complete and/or correct in accordance with its obligation under the Plan, and notwithstanding the incomplete construction and/or decoration of any other portions of the Building or the Unit.

17.4 The actual date for the First Closing is not guaranteed or warranted, and may be earlier or later depending on the progress of construction and compliance with the other prerequisites recited in the section of the Plan entitled "Terms of Sale." Purchaser acknowledges that construction may be delayed by late delivery of material or equipment, labor difficulties, unavailability of Building trades, casualty, inclement weather and other events beyond Sponsor's reasonable control. Purchaser further acknowledges that the Units in the Building will be completed at varying times over a period that could extend well beyond the First Closing. The order in which these Units will be completed is in the discretion of Sponsor. Purchaser acknowledges that except as otherwise provided in the Plan, Purchaser shall not be excused from paying the full Purchase Price, without credit or set-off, and shall have no claim against Sponsor for damages or losses, in the event that the First Closing occurs substantially later than the projected date or the time to complete or to close title to the Unit is delayed or is postponed by Sponsor.

18. INSPECTION OF THE UNIT

18.1 Upon receipt of the Initial Closing Notice (as such term is defined in section 6 above), Purchaser shall arrange an appointment with a representative of Sponsor to inspect the interior of the Unit within the 7 days prior to the Closing Date fixed by the Initial Closing Notice. Purchaser is expressly prohibited from conducting any testing to the Unit during the inspection for any reason, including without limitation making holes in the walls or ceiling and/or removing sheet rock, tiles, wood flooring, windows, or window panes to test for mold, asbestos, lead paint, mildew, spores, fungi, or other toxins or for any other purpose. Only Purchaser or Purchaser's duly authorized agent shall be entitled to attend such inspection, who shall complete, date and sign the Inspection Statement (in the form set forth as Schedule B to this Agreement) and deliver same to Sponsor's representative at the conclusion of the inspection, and in no event shall the inspection exceed two (2) hours in duration. Failure of Purchaser either to arrange such appointment or to inspect the interior of the Unit within 7 days prior to the Closing Date fixed by the Initial Closing Notice or to so sign and deliver the completed Inspection Statement shall not excuse Purchaser from appearing at the Closing, paying the Balance of the Purchase Price when due and shall constitute Purchaser's full acceptance of the Unit as is. However, nothing herein shall relieve Sponsor of its obligations as set forth in the section of the Plan entitled "Rights and Obligations of Sponsor."

18.2 Any work set forth on the Inspection Statement shall be completed by Sponsor as agreed in writing and shall not be grounds for delaying the Closing. Purchaser will be obligated to provide Sponsor and its contractors, subcontractors agents and employees, unfettered access to the Unit and any Residential Limited Common Elements appurtenant thereto after Closing in order to complete the work on the Inspection Statement, failing which Sponsor shall be relieved of its obligations to complete the work set forth on the Inspection Statement. Sponsor has no obligation under the Plan to deposit any monies in escrow at Closing as a result of any work set forth on the Inspection Statement.

19. DAMAGE TO THE UNIT

If between the date of this Agreement and the Closing of Title the Unit is damaged by fire or other casualty, the following shall apply:

19.1 The risk of loss to the Unit by fire or other casualty until the earlier of Closing of Title or possession of the Unit by Purchaser is assumed by Sponsor; provided that Sponsor shall have no obligation or liability to repair or restore the Unit. If Sponsor elects to repair or restore the Unit (which election shall be made within sixty (60) days of the damage to the Unit), this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and, if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the Closing of Title.

19.2 In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit (which election shall be made within sixty (60) days of the damage to the Unit), or, if the Declaration has been recorded prior thereto, the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, this Agreement shall be deemed cancelled and of no further force and effect and Sponsor shall return to Purchaser all Deposits delivered pursuant to this Agreement, together with interest earned thereon, if any, and neither party hereto shall have any further rights, obligations or liability to or against the other hereunder or under the Plan, except that if Purchaser is then in default hereunder (beyond any applicable grace period), Sponsor shall retain all Deposits and other such sums deposited by Purchaser hereunder, together with any interest earned thereon, as and for liquidated damages.

20. NO REPRESENTATIONS

20.1 Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, promotional material, express or implied warranties, data statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent, Attorneys for Sponsor, or any other person, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms or amenities contained in the Unit or Building or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes assessed against on the Unit, the ability to rent the Unit and/or the rental income that the Unit can expect to generate, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, the right to any income tax credit with respect to the purchase of the Unit, the impact, if any, of adjacent development near the Building or the Unit or Purchaser's use and enjoyment of the Building or Unit, or on any other data or with respect to any matter which might influence Purchaser's decision to execute this Agreement or purchase the Unit, except as in this Agreement or in the Plan specifically represented. Purchaser specifically disclaims reliance upon any misrepresentations of fact that were alleged to have been made as an inducement to Purchaser to enter into this Agreement.

20.2 In making its determination to proceed with this transaction and purchase the Unit, Purchaser has relied solely on Purchaser's own judgment, advisors, legal counsel and investigation in deciding to enter into this Agreement. No person has been authorized to make any representations on behalf of Sponsor except as in this Agreement or in the Plan specifically set forth, and Purchaser acknowledges that no such representations have been made. No oral representations or statements shall be considered a part of this Agreement. Sponsor does not make any representation as to the work, timing of any work or completion of post-Closing items listed on Inspection Statements, materials, appliances, equipment or fixtures in the Unit, the Common Elements, or any other part of the Property, including the amenities. Sponsor makes no representation that the presence of any furniture, furnishings, finishes, equipment or decorations, wall coverings, window treatments, carpeting and the like ("FFE") in any portion of the Building, including the amenities or Units, or set forth in any marketing materials and/or advertisements, and/or websites used in connection with the sales and marketing of Units that any such FFE will be located within any portion of the Building, including the amenities or Units, other than as set forth herein or in the Plan. Except as otherwise set forth in the Plan, Purchaser agrees (a) to purchase the Unit, without offset or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans is accurate or correct, and (b) that Purchaser shall not be relieved of any Purchaser's obligations hereunder by reason of any immaterial inaccuracy or error. The provisions of this section shall survive the Closing of Title.

21. PROHIBITION AGAINST ADVERTISING

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

22. BROKER

22.1 Purchaser represents to Sponsor that Purchaser has not dealt with any broker in connection with this transaction other than the Selling Agent and the Co-Broker, if any, named in this Agreement, whose commissions shall be paid by Sponsor. Purchaser shall pay the commission of any broker with whom Purchaser may have dealt, other than the Selling Agent and the Co-Broker. Purchaser agrees that, should any claim be made against Sponsor for commissions by any broker, other than the Selling Agent or the Co-Broker, in connection with this transaction, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, whether arising as a result of litigation between the Purchaser and Sponsor or between a third party and Sponsor, including legal fees, costs and disbursements. The provisions of this section shall survive the Closing of Title.

22.2 Any commission due to Co-Broker in connection with this transaction shall only be due and payable at the Closing of Title to the Unit.

23. AGREEMENT MAY NOT BE ASSIGNED

Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor, in its sole discretion. Any purported assignment by Purchaser in violation of this Agreement will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement, then Purchaser shall have such right, provided that Purchaser complies with any and all assignment conditions imposed by Sponsor. Any purported assignment by

Purchaser in violation of this Agreement shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement, and shall be voidable at the option of Sponsor.

24. BINDING EFFECT

The submission of this Agreement to Purchaser does not create a binding obligation on the part of Sponsor. This Agreement shall not be binding on Sponsor until a fully executed counterpart hereof has been delivered to Purchaser or Attorney for Purchaser and the Initial Deposit has been received by Escrow Agent. If this Agreement is not accepted within 30 days from the delivery to Sponsor of this Agreement executed by Purchaser together with the Initial Deposit by the delivery to Purchaser of a fully executed counterpart, this Agreement shall be deemed rejected and cancelled and all Deposits shall be returned to Purchaser within 30 days thereafter. Upon such refund being made, neither party shall have any further rights, obligations liability to or against the other hereunder or under the Plan. Prior to Sponsor's countersigning and returning this Agreement to Purchaser, and at any time thereafter, Purchaser agrees upon request to provide Sponsor with written information about Purchaser's employment, financial and rental/ownership history. Such information obtained prior to countersignature may be used to determine Purchaser's qualification to purchase and own the Unit, but does not constitute a reservation or binding obligation on either the applicant or Sponsor. Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law.

25. NOTICES

25.1 Any notice, election, demand, request, letter, consent or other communication under this Agreement ("Notice") shall be in writing and either delivered in person, delivered via electronic transmission (e-mail), sent postage prepaid by registered or certified mail return receipt requested, or delivered by Federal Express or other reputable overnight courier with receipt confirmed: (a) if to Purchaser, then to Attorney for Purchaser at the address for Attorney for Purchaser given at the beginning of this Agreement, with a courtesy copy by regular mail delivered to Purchaser at the address for Purchaser given at the beginning of this Agreement and (b) if to Sponsor, to Attorneys for Sponsor at the address given for Attorneys for Sponsor at the beginning of this Agreement, with a courtesy copy by regular mail delivered to Sponsor at the address for Sponsor given at the beginning of this Agreement. Either party may hereafter designate to the other in writing a change in the address to which a Notice is to be sent. Except as otherwise expressly provided herein, a Notice shall be deemed "given" (i) if by personal delivery, on the date when personally delivered, (ii) if by electronic transmission (e-mail), on the day the electronic transmission was initiated, (iii) if by overnight courier, when delivered to the overnight courier, or (iv) in the case of mailing, three (3) days after the date mailed in a prepaid sealed wrapper at a United States Post Office. Notwithstanding the fact that the Plan is incorporated in this Agreement by reference, this section shall pertain solely to Notices required solely under this Agreement to the exclusion of any notices required under the Plan, and in no event shall be construed to undermine, supplement, or supplant the notice requirements set forth in the regulations promulgated by the Department of Law to the extent the latter may be applicable.

25.2 Sponsor and Purchaser hereby designate and empower their respective attorneys, as their agents, to give and receive Notice under this Agreement. In connection therewith, (x) any Notice given by either of the parties to the other party's attorney shall be deemed Notice to the party itself (with the same force and effect as if received by the party itself), and (y) any Notice received by either of the parties from the other party's attorneys shall be deemed to be Notice from such party itself (with the same force and effect as if given by the party itself). Notwithstanding anything set forth in this Agreement to the contrary, provided that Notice is given to Attorney for Purchaser or Attorneys for Sponsor (as applicable) in compliance with one of the methods set forth in the previous paragraph, the giving of Notice shall be deemed complete and sufficient for the purpose of any Notice requirement under this Agreement.

26. JOINT PURCHASERS

The term "Purchaser" shall be read as "Purchasers" if more than one person are Purchasers, in which case their obligations shall be joint and several.

27. FORCE MAJEURE

In the event that any obligation or undertaking required by Sponsor under this Agreement (including without limitation any fully executed rider hereto) is prevented, delayed or hindered by Force Majeure, Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the duration of the Force Majeure event and such tolling shall not entitle Purchaser to any credit, offset, or reduction in Purchase Price or to be relieved of any other obligation under this Agreement. In the event of any inconsistency between this section and any other provision set forth in this Agreement (including without limitation in any full-executed rider hereto, notwithstanding anything set forth in such rider to the contrary), this section shall prevail and govern. This section shall survive the Closing.

28. FURTHER ASSURANCES

Either party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

29. AGREEMENT NOT CONTINGENT UPON FINANCING

The terms and provisions of this Agreement and Purchaser's obligations hereunder are not contingent upon Purchaser securing financing of the Purchase Price (or any portion thereof), and Purchaser understands and agrees that Purchaser's failure to obtain such financing will not relieve Purchaser of Purchaser's obligations hereunder. Purchaser further understands and agrees that if Purchaser chooses to finance the purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, the imposition by the lender of any additional fees or charges, nor any change in Purchaser's financial status or condition shall release or relieve Purchaser of Purchaser's obligations pursuant to this Agreement and Sponsor shall have no liability as a result of any scheduling or adjournment of the Closing beyond the expiration of the loan commitment.

30. COSTS OF ENFORCING AND DEFENDING AGREEMENT

Purchaser shall be obligated to reimburse Sponsor, provided Sponsor is deemed the prevailing party, for any and all legal fees, court costs, disbursements and related expenses, incurred by Sponsor in defending Sponsor's rights under this Agreement or, in the event Purchaser defaults under this Agreement, beyond any applicable grace period, in canceling this Agreement or otherwise enforcing Purchaser's obligations hereunder, whether or not litigation or an adversarial proceeding is brought that arises from or relates to this Agreement and whether the litigation or adversarial proceeding arises between Purchaser and Sponsor or between a third party and Sponsor or Purchaser.

31. SEVERABILITY

If any provision of this Agreement or the Plan is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Agreement or the Plan and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Agreement

or the Plan, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by law.

32. STRICT COMPLIANCE

Any failure by either party to insist upon the strict performance by the other of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and each party, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the other party of any and all of the provisions of this Agreement to be performed by such party.

33. WAIVER OF JURY

Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, or connected with, or relating to, this Agreement or the relationship created hereby or in the Plan. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived.

34. ENTIRE AGREEMENT

This Agreement, together with the Plan, supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them with respect to the subject matter hereof.

35. CERTAIN REFERENCES

A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The terms "herein," "hereof" or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used, unless the context otherwise requires. Unless otherwise stated, all references herein to articles, sections, paragraphs, subsections or other provisions are references to articles, sections, paragraphs, subsections or other provisions of this Agreement.

36. CAPTIONS

The captions in this Agreement are for convenience of reference only and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof.

37. SUCCESSORS AND ASSIGNS

The provisions of this Agreement shall bind and enure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and enure to the benefit of Sponsor and its successors and assigns.

38. CONFIDENTIALITY

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

terms and conditions of this Agreement confidential shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement.

39. NO ORAL CHANGES

This Agreement cannot be changed or terminated orally. Any changes or additional provisions must be set forth in a rider attached hereto or in a separate written agreement signed by the parties hereto or by an amendment to the Plan.

40. PERFORMANCE

Where this Agreement by its terms requires the payment of money or the performance of a condition on a Saturday, Sunday or public holiday, such payment may be made or condition performed on the next business day succeeding such Saturday, Sunday or such public holiday, with the same force and effect as if made or performed in accordance with the terms of this Agreement.

41. COUNTERPARTS

This Agreement and any Riders thereto may be executed in any number of original, email, pdf or facsimile counterparts. Each such counterpart shall for all purposes be deemed an original. All such counterparts shall together constitute but one and the same instrument.

42. GOVERNING LAW/JURISDICTION AND VENUE/AGENT FOR SERVICES OF PROCESS

42.1 This Agreement was negotiated in the State of New York and the Unit to be conveyed pursuant hereto is located in the State of New York, which State the parties agree has a substantial relationship to the parties and to the underlying transaction embodied hereby, and in all respects, including matters of construction, validity and performance, this Agreement and the obligations arising hereunder shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts made and performed in such State and any applicable law of the United States of America. Purchaser hereby unconditionally and irrevocably waives any claim to assert that the law of any other jurisdiction governs this Agreement and this Agreement shall be governed by and construed in accordance with the laws of the State of New York.

42.2 Any legal suit, action or proceeding against Sponsor or Purchaser arising out of or relating to this Agreement shall be instituted in any federal or state court in New York County, New York and Purchaser waives any objection which it may now or hereafter have to the laying of venue of any such suit, action or proceeding, and Purchaser hereby irrevocably submits to the jurisdiction of any such court in any suit, action or proceeding. Purchaser does hereby designate and appoint Attorney for Purchaser as its authorized agent to accept and acknowledge on its behalf service of any and all process which may be served in any such suit, action or proceeding in any federal or state court in New York, New York, and agrees that service of process upon said agent at said address and written notice of said service of Purchaser mailed or delivered to Purchaser in the manner provided herein shall be deemed in every respect effective service of process upon Purchaser (unless local law requires another method of service), in any such suit, action or proceeding in the State of New York. Purchaser (i) shall give prompt notice to Sponsor of any changed address of its authorized agent hereunder, (ii) may at any time and from time to time designate a substitute authorized agent with an office in New York, New York (which office shall be designated as the address for service of process), and (iii) shall promptly designate such a substitute if its authorized agent ceases to have an office in New York, New York or is dissolved without leaving a successor.

43. WAIVER OF DIPLOMATIC OR SOVEREIGN IMMUNITY

43.1 The provisions of this section shall survive the Closing of Title or the termination of this Agreement for the purpose of any suit, action, or proceeding arising directly or indirectly, out of or relating to this Agreement or the Condominium Documents.

43.2 If Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to diplomatic or sovereign immunity, Purchaser expressly and voluntarily waives such immunity and consents to any suit, action or proceeding arising out of or relating to this Agreement or the Condominium Documents being brought in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement or the Condominium Documents, and hereby designates and authorizes a lawful agent to receive process for and on behalf of Purchaser in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement or the Condominium Documents.

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

44. PURCHASER'S REPRESENTATIONS

44.1 Purchaser is not now, nor shall at any time prior to or at the Closing of Title, be a Person with whom a United States citizen, entity organized under the laws of the United States or its territories or entity having its principal place of business within the United States or any of its territories (collectively, a "U.S. Person"), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") or otherwise. Neither Purchaser nor any Person who owns an interest in Purchaser, is now nor shall be at any time prior to or at the Closing of Title, be a Person with whom a U.S. Person, including a "financial institution" as defined in 31 U.S.C. 5312 (a)(z), as periodically amended, (i) is prohibited from transacting business; or (ii) with whom U.S. Persons may only, subject to the imposition of significant fines and/or penalties, transact business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by OFAC or otherwise.

44.2 Purchaser has taken, and until the Closing of Title shall continue to take, such measures as are required by applicable Law to assure that the funds used to pay to Sponsor the Purchase Price are derived: (i) from transactions that do not violate United States law, and to the extent such funds originate outside the United States, do not violate the laws of the jurisdiction in which they originated; and (ii) from permissible sources under United States law and to the extent such funds originate outside the United States, under the laws of the jurisdiction in which they originated. Purchaser is, and at Closing will be, in compliance with any and all applicable provisions of the USA PATRIOT Act of 2001, Pub. L. No. 107-56, the Bank Secrecy Act of 1970, as amended, 31 U.S.C. § 5311 et. seq., the Trading with the Enemy Act, 50 U.S.C. App. § 1 et. seq., the International Emergency Economic Powers Act, 50 U.S.C. § 1701 et. seq.; and the International Emergency Economic Powers Acts, 50 U.S.C. § 1701 et. seq., and the sanctions and regulations promulgated pursuant thereto by OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. §§ 1956 and 1957, as amended from time to time.

44.3 The provisions of this section shall survive the Closing of Title to the Unit or the earlier termination of this Agreement.

45. RESALE FEE

45.1 In the event that Purchaser enters into an agreement ("Resale Agreement") to sell the Unit prior to the first anniversary of the First Closing ("Resale"), Purchaser shall be obligated to pay to Sponsor a portion of the proceeds of the Resale ("Resale Fee"). Purchaser will be required to provide Sponsor with notice of the Resale Agreement within ten (10) days after entering into the Resale Agreement. The Resale Fee paid to Sponsor at the closing of the Resale shall be equal to 50% of the "Gross Profit," i.e. the difference between (A) the "Net Profit," i.e. the sales price of the Unit set forth in the Resale Agreement less the following expenses actually paid by Purchaser (to the extent applicable): (i) brokerage commissions not exceeding 6% in the aggregate; (ii) transfer taxes imposed by Law, if paid for by Purchaser, and (iii) actual legal fees not exceeding $5,000, and (B) the Purchase Price under this Agreement.

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

45.3 The provisions of this section shall survive the Closing of Title.

46. FINANCIAL CRIMES ENFORCEMENT NETWORK

In the event that this transaction falls within the scope of the Geographic Targeting Order ("Order") issued by the Financial Crimes Enforcement Network of the U.S. Department of Treasury (as may be amended from time to time), Purchaser shall deliver to the Title Company at Closing all documents and information requested by the Title Company in order to comply with the requirements set forth in the Order. Any failure by a Purchaser to perform its obligations under this paragraph shall constitute an Event of Default under this Agreement.

47. CERTIFICATION OF SPONSOR AND PRINCIPALS

Consistent with a recent First Department decision, the principals of Sponsor expressly disclaim the existence of any private right of action for contract claims by individual unit owners (or a board on their behalf) in connection with or arising solely from their execution of the Certification of Sponsor and Principals, absent liability under another statute or under an alter-ego or other veil-piercing theory. See Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC, et al. 106 A.D. 3d 542 (1st Dept. 2013).

48. SMOKING POLICY

48.1 Purchaser acknowledges and accepts the current smoking policy for the Property, a copy of which is annexed hereto as Schedule "C" in accordance with §17-506.1 of the Administrative Code of the City of New York.

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

49. LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS DISCLOSURE

49.1 The Environmental Protection Agency and the Department of Housing and Urban Development promulgated Federal regulations under 24 CFR Part 35 and 40 CFR Part 749 ("Federal Regulations") regarding the disclosure of lead-based paint and/or lead-based paint hazards to prospective purchasers of Units. In accordance with the provisions of the Federal Regulations, annexed to this Agreement as Schedule D is a "Lead Warning Statement" and "Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards" to be signed by Sponsor and Purchaser. Under applicable Federal and local law, lead-based paint can no longer be used in the construction of a building. Under Federal Law, Sponsor must provide Purchasers with all available records and material pertaining to lead-based paint and/or lead-based hazards in the Building. Sponsor will comply with applicable Law concerning the use of lead-based paint and/or lead-based paint hazards. Since the existing building was heavily gutted, Sponsor believes in good faith that the risk of any lead-based hazards is likely very minimal – nevertheless, Sponsor does not make any representation as to the existence or non-existence of lead-based paint within the walls or any other lead-based hazards.

49.2 In the event Purchaser exercises Purchaser's right to conduct a risk assessment or inspection ("Inspection") for the presence of lead-based paint and/or lead-based paint hazards, such Inspection shall be performed within 10 calendar days following the date of this Agreement on the following terms and conditions:

49.2.1 Purchaser and Purchaser's consultant ("Consultant") will be given reasonable access to the Unit and the public areas of the Building.

49.2.2 The Inspection shall be held at a mutually convenient time and date on a business day between 9 a.m. and 5 p.m.

49.2.3 The Inspection shall be performed in a reasonable manner so as not to disturb or interfere with the use, operation, security or occupancy of the Residential Unit or the Building.

49.2.4 Purchaser shall be liable for any damages to the Residential Unit or the Building, injuries, and all claims and lawsuits caused by Purchaser or the Consultant during the Inspection.

49.2.5 Purchaser or the Consultant will not probe, penetrate or disturb any painted or covered surface during the Inspection without Sponsor's approval.

50. WEEKENDS AND BANK HOLIDAYS

With respect to any deadline specified in this Agreement or any fully executed riders (including without limitation time-is-of-the essence deadlines): should any such deadline fall on a weekend or bank holiday, the deadline shall be deemed extended to the next business day.

51. PURCHASE BY AN ENTITY [IF APPLICABLE]

51.1 Purchaser represents that as of the date hereof, the individual[s] that control Purchaser [is][are] _____ [and_____] ([each, a]"Purchasing Individual"). Purchaser acknowledges that at Closing, Purchaser shall deliver to Attorneys for Sponsor all required organizational documents, as determined by Sponsor in its sole discretion, in order to confirm that as of the date of Closing, Purchaser is still under the Control of [a] Purchasing Individual. Purchaser's failure to comply with the provisions of this subsection shall be deemed an event of default under this Agreement, entitling Sponsor to exercise the remedies set forth in section 13 of this Agreement.

51.2 The term "Control" shall mean, with respect to any person or entity, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such

person or entity, through ownership of 100% voting securities or 100% of partnership or other ownership or membership interests, by contract or otherwise, or as a result of being the sole beneficiary of a trust.

[SIGNATURES ON FOLLOWING PAGE]

[SIGNATURE PAGE TO PURCHASE AGREEMENT]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

SURREY PROPCO, LLC

By: _____
Name: Richard Stone
Title: Vice President

SCHEDULE A

PERMITTED ENCUMBRANCES

1. Building restrictions and zoning and other regulations, resolutions and ordinances and any amendments thereto now or hereafter adopted.

2. Any state of facts which an accurate survey or personal inspection of the Property would show, provided such state of facts would not render title uninsurable without additional premium to Purchaser and would not prevent the use of the Unit for dwelling purposes.

3. The terms, burdens, covenants, restrictions, conditions, easements and Residential Rules and Regulations, all as set forth in the Declaration, the By-Laws (and the Residential Rules and Regulations made thereunder), the Power of Attorney from the Purchaser to the Condominium Board, and the Tax Lot Drawings as all of the same may be amended from time to time.

4. Consents by Sponsor or any former owner of the Land for the erection of any structure or structures on, under or above any street or streets on which the Property may abut.

5. Any easement or right of use in favor of any utility company for construction, use, maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Property.

6. Revocability of licenses for vault space, if any, under the sidewalks and streets.

7. Any easement or right of use required by Sponsor or its designee to obtain a temporary, permanent or amended Certificate of Occupancy for the Building or any part of same.

8. Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings and similar projections, if any, on, over, or under the Property or the streets or sidewalks abutting the Property, and the rights of governmental authorities to require the removal of any such projections and variations.

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

10. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, or vault charge, provided the same are adjusted at the Closing of Title.

11. The lien of any unpaid assessment payable in installments (other than assessments levied by the Condominium Board), except that Sponsor shall pay all such assessments due prior to the Closing Date (with the then current installment to be apportioned as of the Closing Date) and the Purchaser shall pay all assessments due from and after the Closing Date.

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

13. Any encumbrance as to which the Title Company (or such other New York State Land Title Association member title insurance company which insures the Purchaser's title to the Unit) would be willing, in a fee policy issued by it to the Purchaser, to insure the Purchaser that such

encumbrance (a) will not be collected out of the Unit if it is a lien or (b) will not be enforced against the Unit if it is not a lien.

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

15. Any lease covering the Unit(s) made from Sponsor to the Purchaser.

16. Any violation against the Property (other than the Unit) which is the obligation of the Condominium Board, or another Unit Owner to correct.

17. Standard printed exceptions contained in the form of fee title insurance policy then issued by the Title Company.

18. Any TCO or PCO for the Building, so long as the same permits, or does not prohibit, use of the Unit for its stated purposes.

19. Any encumbrance, covenant, easement, agreement, or restriction against the Property set forth in the form of Unit Owner's Specimen Title Policy prepared by the Title Company set forth in Part II of the Plan, as the same may be updated from time to time prior to the Closing.

20. Party Wall Agreement recorded 05/03/1886 in Liber 1966 cp 46.

21. The Property is located in an area designated as a landmark historic district (Upper East Side Historic District) by a notice recorded in the New York County Register/County Clerk's office on 07/02/1982 in Reel 629 page 739. Said improvements are subject to the restrictions as to use provided for in the Administrative Code of the City of New York, Title 25, Chapter 3.

22. Real Estate Utility Company (REUC) Easement as shown on the New York City Tax Map and Tax Search herein and delineated thereon as #A2614 (Verizon Wireless).

SCHEDULE B

INSPECTION STATEMENT

Date: _____

Surrey Propco, LLC
2500 Enterprise Drive
Allen Park, MI 48101

Re: Residential Unit No: _____ ("Unit")
The Surrey Condominium
20 East 76th Street
New York, NY 10021 ("Condominium")

Ladies and Gentlemen:

1. On the date hereof, the undersigned ("Purchaser") or Purchaser's agent ("Purchaser's Rep") inspected the Unit which Purchaser is acquiring from Sponsor and have found the Unit to be in good condition, except as otherwise noted on the attached schedule as Exhibit "A."

2. Purchaser acknowledges that to prevent pilferage, certain items such as medicine cabinet doors, shower heads, toilet seats, towel bars, kitchen cabinets, vanity knobs and mechanical chimes will be installed just prior to the date Purchaser moves into the Building. Purchaser agrees to sign-off each item requiring adjustment, or repairs, if any, as they are completed.

3. In the event Purchaser performs work in the Unit of any kind affecting any of the areas or items listed above after the Closing, Sponsor will be relieved of any and all obligations related to the items listed on Exhibit A.

4. Purchaser hereby agrees to provide Sponsor and its contractors, subcontractors, agents and employees, unfettered access to the Unit and any Residential Limited Common Elements appurtenant thereto after Closing in order to complete the work set forth on the Inspection Statement, failing which Sponsor shall be relived of its obligations to complete the items listed on Exhibit A.

PURCHASER(S):

_____
(signature)

_____
(signature)

OR

PURCHASER'S REP:

_____
(signature)

_____
Sponsor's Representative

EXHIBIT A

PUNCHLIST ITEMS:

SCHEDULE C

SMOKING POLICY
The Surrey Condominium

The Residential Rules and Regulations and the form of Purchase Agreement set forth in Part II of the Plan provide the following smoking policy for the Property ("Smoking Policy") in accordance with §17-506.1 of the Administrative Code of the City of New York:

(i) Smoking is prohibited as follows: Smoking is prohibited in the Common Elements (other than Terraces) of the Building, including without limitation, the lobby, stairwells, service entrance, below-grade spaces, roofs, amenity areas, and any common outdoor space as well as the sidewalk perimeter area of 6 feet from the Building. Ashes, matches and other smoking debris shall be disposed of in closed trash containers and not left on the grounds or sidewalk adjacent to the Building. This rule applies to residents and any other persons on the Property, including guests and service persons. Smoking is permitted in the Residential Units only when all doors are closed and on a Residential Unit's Terrace; but in any event only to the extent the same does not trigger complaint of smoke or smoke odors infiltrating or permeating into other Units or Common Elements.

(ii) Definition of "Smoking": "Smoke" or "Smoking" is defined as carrying, burning, inhaling, exhaling, or otherwise handling any lighted or smoldering object or device or nicotine vaporizing device, including, but not limited to, cigarettes, electronic cigarettes, cigars, pipes, vapes or any other lighted object, device, matter or substance.

(iii) Tenant Smoking: In accordance with the Condominium Documents, any lease or renewal lease entered into by a Residential Unit Owner, as landlord shall include a copy of the Smoking Policy and shall provide that the Smoking Policy is a material term of the lease and that failure to comply will permit landlord or the Condominium Board to take action against the tenant, including, without limitation, the right to evict the tenant for breach thereof.

(iv) Complaint Procedure: Complaints about smoking or smoke or smoke odors infiltrating or permeating into a Unit or Common Element should be made promptly to the Managing Agent. Complaints should be made in writing and should be as specific as possible, including the date, approximate time, location, and source of the smoke or smoke odors. The Condominium Board may enter any Residential Unit to investigate any such complaints.

(v) Compliance: Residential Unit Owners are required to advise all of their co-occupants, tenants, guests, visitors, contractors, and other invitees of the Smoking Policy and shall be responsible for any violations of the smoking policy caused by such parties, which violations may subject a Unit Owner to fines. Purchasers are advised that the By-Laws empower the Condominium Board to amend the Residential Rules and Regulations, including without limitation to modify or replace the Smoking Policy, and Sponsor makes no representations or guarantees as to whether the Condominium Board will choose to do so at any time.

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SCHEDULE D

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 buyer with 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 hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

SPONSOR'S DISCLOSURE

(a) Presence of lead-based paint and/or lead-based paint hazards. (check (i) or (ii) below):

(i) ___ Known lead-based paint and/or lead-based paint hazards are present in the housing as described in the "Asbestos and Lead Paint Report" set forth in the Offering Plan.

(ii) __x_ Sponsor has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to Sponsor (check (i) or (ii) below):

(i) ___ Sponsor has provided Purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing, which are set forth in the Offering Plan.

(ii) _x__ Sponsor has no records or reports pertaining to lead-based paint and/or lead-based paint hazards in the housing.

PURCHASER'S ACKNOWLEDGMENT (initial)

(c) _____ Purchaser has received copies of all information listed above.

(d) _____ Purchaser has received the pamphlet 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.

SELLING AGENT'S ACKNOWLEDGMENT (initial)

(f) X Selling Agent has informed Sponsor of Sponsor's obligation under 42 U.S.C. 4852d and is aware of Selling Agent's independent responsibility to ensure compliance.

CERTIFICATE OF ACCURACY

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

SURREY PROPCO, LLC

By: _____
Name: Richard Stone
Title: Vice President

SCHEDULE E

RIDER TO PURCHASE AGREEMENT RE: ESCROW PROVISIONS

This Rider is made as of _____, between Sponsor, Purchaser and Escrow Agent.

Re: Residential Unit No: _____ ("Unit")
The Surrey Condominium
20 East 76th Street
New York, NY 10021 ("Condominium")

1. ESCROW AND TRUST FUND REQUIREMENTS

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

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

Any provision of any contract or agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of Escrow Agent holding trust funds is absolutely void. The provisions of the Attorney General's regulations concerning escrow/trust funds shall prevail over any conflicting or inconsistent provision in the Plan or in the escrow agreement or Purchase Agreement. Purchasers shall not be obligated to pay any legal or other expense of Sponsor in connection with the establishment, maintenance or defense of obligations arising from the handling or disposition of trust funds. However, notwithstanding anything to the contrary set forth herein or anywhere else in the Plan, in the Event of Default by Purchaser, as that term is defined in the Purchase Agreement, Purchaser shall be bound by the provisions of the Section of the Purchase Agreement entitled "Costs of Enforcing and Defending Agreement."

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

Escrow Agent has established an escrow account entitled "Starr Associates LLP, Escrow Account" ("Escrow Account") at Webster Bank located at 420 Lexington Avenue, New York, New York 10170 ("Escrow Bank"). Escrow Bank is authorized to do business in the State of New York.

All instruments (a) in payment of a Deposit shall be wired directly to the escrow account maintained by Escrow Agent pursuant to the Plan (or, if Sponsor offers to accept payment in the form of an official bank check, made payable directly to the order of "Starr Associates LLP, as Escrow Agent") and (b) in payment of the Balance of the Purchase Price shall be wired to one or more accounts as

directed by Sponsor. In the event Sponsor offers to accept payment in the form of an official bank check: (i) checks must be drawn or issued by a bank or trust company which is a member of the New York Clearinghouse Association, with the understanding that checks drawn on out-of-state or foreign banks will not be accepted; (ii) in the event of any return of any check for insufficient funds or for any other reason, Purchaser shall be solely responsible for any and all penalties or other fees imposed by the escrow bank or any other bank in connection therewith; [and] (iii) a return of any check delivered in payment of the Initial Deposit, for insufficient funds or for any other reason, shall constitute a non-curable default under the Purchase Agreement, rendering the Purchase Agreement void ab initio and of no further force or effect, in which event Purchaser and Sponsor shall each be released and discharged of all further liability and obligations under the Purchase Agreement and the Unit may be sold to another as though the Purchase Agreement had never been made; and (iv) a return of any check delivered in payment of the Additional Deposit, for insufficient funds or for any other reason, shall constitute a default under the Purchase Agreement, entitling Sponsor at its option to exercise the remedies provided therefor under the Purchase Agreement. All instruments accepted by Sponsor are subject to collection. In the event that Sponsor offers, in its sole discretion, to accept electronic payments, such electronic payments must be sent via the Federal Reserve Wire Network and in no event shall ACH transfers be permitted.

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

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

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

The sub-escrow account number and the initial interest rate, if any, will be disclosed to each Purchaser, as appropriate, in a letter from Escrow Agent to each Purchaser sent within 10 business days after the delivery of the Initial Deposit. If Purchaser does not receive notice that the Initial Deposit has been placed in the Escrow Account within 15 business days after delivery of the Initial Deposit, Purchaser may cancel the purchase and rescind the Purchase Agreement so long as the right to rescind is exercised within 90 days after delivery of the Initial Deposit by notice delivered to Sponsor and to Escrow Agent. Complaints

concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, 21st Floor, New York, New York 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Initial Deposit was timely deposited and requisite notice was timely mailed to Purchaser in conformity with the Attorney General's regulations. However, Escrow Agent will not be required to send the aforementioned letter to any Purchaser in connection with any subsequent Deposits delivered by Purchaser after the Initial Deposit, including, without limitation, any Additional Deposit or any funds in connection with any changes in the interest rate.

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

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

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

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

If a Purchaser delivers a Deposit without an executed Purchase Agreement, Sponsor shall have the right to reject the Deposit and return it to Purchaser: (i) within 5 business days after delivery, if the Deposit has not been deposited into escrow, and (ii) within 10 business days, if the Deposit has been deposited into escrow and the Purchase Agreement has not yet been delivered by Purchaser. If the Purchase Agreement is not fully executed and delivered to Purchaser within 30 days from the delivery to Sponsor of the partially-signed Agreement by Purchaser to Sponsor together with the Initial Deposit, the partially-signed Purchase Agreement shall be deemed rejected and cancelled and all Deposits shall be returned to Purchaser within 30 days thereafter. Upon such refund being made, neither party shall have any further rights, obligations liability to or against the other under the Purchase Agreement or under the Plan.

The checking account portion of the Escrow Account will not be interest-bearing. The sub-escrow account portion of the Escrow Account will be interest-bearing. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Purchase Agreement, or (ii) Purchaser is entitled to a return of all Deposits. All interest will be credited to Sponsor only in the event there is a Consummation of the Plan (as such term is defined in the Attorney General's regulations) and Purchaser defaults. The interest rate to be earned will be the prevailing rate for these accounts. As of the Filing Date of the Plan, the interest rate for the Escrow Bank is approximately 0.25%. The interest rate is subject to change by the Escrow Bank. Sponsor makes no representation of, and shall have no liability to Purchaser for changes to, the interest rate. Interest will begin to accrue within: (x) 3 business days, if the Deposit is cash or cash equivalent, or (y) 5 business days, if the Deposit is other than cash or cash equivalent, of the transfer of the Deposit from the checking

account portion of the Escrow Account into the sub-escrow account portion of the Escrow Account, as determined by whether and when the Deposit clears.

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

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

Escrow Agent shall release the Deposits if so directed:

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

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

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

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

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

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

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

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

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

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

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

provisions set forth herein and the escrow agreement set forth in the Plan. Escrow Agent shall be a signatory to the Purchase Agreement solely with respect to Escrow Agent's obligations as set forth herein and the escrow agreement set forth in the Plan

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

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

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

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

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

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

2. DEFINITIONS

All capitalized terms used in this Rider not defined herein shall have the same meanings ascribed to them in the Purchase Agreement to which this Rider is annexed or in the Plan.

3. CONFLICTS

In the event of any inconsistency between the provisions of this Rider and those contained in the Purchase Agreement to which this Rider is annexed, the provisions of this Rider shall govern and be binding.

4. FORCE MAJEURE

Notwithstanding anything set forth in this Rider to the contrary, the provisions of this Rider are subject in their entirety to the section of the Purchase Agreement entitled "Force Majeure," which shall apply with respect to any obligations or undertakings required by Sponsor pursuant to this Rider.

5. FULL FORCE AND EFFECT

Except as set forth in this Rider, all of the terms and conditions of the Purchase Agreement remain unchanged and in full force and effect.

6. COUNTERPARTS

This Rider may be executed in any number of original, e-mail, pdf or facsimile counterparts. Each such counterpart shall for all purposes be deemed an original. All such counterparts shall together constitute but one and the same Rider.

[SIGNATURES ON FOLLOWING PAGE]

[SIGNATURE PAGE TO ESCROW RIDER]

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

SURREY PROPCO, LLC

By: _____
Name: Richard Stone
Title: Vice President

ESCROW AGENT:

Executed solely in connection with the provisions set forth in this Escrow Rider.

STARR ASSOCIATES LLP

By: _____
Name:
Title:

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UNIT DEED

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UNIT DEED

THIS INDENTURE, made the ____ day of _____, ____, between Surrey Propco, LLC, having an office at 2500 Enterprise Drive, Allen Park, MI 48101 ("Grantor") and _____ having an address at _____ ("Grantee").

W I T N E S S E T H :

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit ("Unit") known as Residential Unit No. ____ in the building ("Building") known as The Surrey Condominium ("Condominium") and by the street number 20 East 76th Street, Borough of Manhattan, County of New York, City and State of New York, said Unit being designated and described by the above Unit number in a certain declaration dated [_____], made by Grantor pursuant to Article 9-B of the Real Property Law of the State of New York ("Condominium Act") establishing a plan for condominium ownership of the Building and the land ("Land") upon which the Building is situate (which Land is more particularly described in Exhibit A annexed hereto and by this reference made a part hereof), which declaration was recorded in the Office of the Register of The City of New York of the County of New York ("Register's Office") on [_____], as CRFN# [_____] ("Declaration"). The Unit is also designated as Tax Lot [___] in Block 1390 of the Borough of Manhattan on the Tax Map of the Division of Land Records of The City of New York and on the Tax Lot Drawings of the Building, certified by BKSK Architects LLP on [_____], and filed with the Department of Finance of The City of New York on [_____], as Condominium Plan No. [_____] and also filed in the Register's Office on [_____], as Condominium Map No. [_____]

TOGETHER with an undivided _____% interest in the Common Elements (as such term is defined in the Declaration);

TOGETHER with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

TOGETHER with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws of the Condominium ("By Laws"), as the same may be amended from time to time, all of which constitute covenants running with the Land and shall bind any person having at any time any interest or estate in the Unit, as though recited and stipulated at length herein.

SUBJECT also to such other liens, agreements, covenants, easements, restrictions, consents and other matters of record as pertain to the Unit, to the Land and/or to the Building (which Land and Building are collectively referred to as the "Property").

TO HAVE AND TO HOLD the same unto the Grantee and the heirs or successors and assigns of the Grantee forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision which is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Declaration shall control.

Except as otherwise specifically permitted by the Condominium Board or provided in the Declaration or the By-Laws, the Unit is intended for residential use only.

Grantor represents that the Grantor is the same party as the Grantee of the Property under deed dated December 3, 2020 and recorded in the Register's Office on December 8, 2020 as CRFN 2020000347881.

Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatever, except as set forth in the Declaration and the By-Laws (and any Residential Rules and Regulations adopted under the By-Laws).

Grantor, in compliance with §13 of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purposes.

Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Residential Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

This conveyance is made in the regular course of business actually conducted by the Grantor.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

All capitalized terms used herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or the By-Laws of the Condominium.

* * * * *

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this Indenture as of the day and year first above written.

GRANTOR:

SURREY PROPCO, LLC:

_____

GRANTEE:

_____
(signature)

_____
(signature)

(ACKNOWLEDGEMENTS)

STATE OF NEW YORK)
) ss.:
COUNTY OF New York)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

STATE OF NEW YORK)
) ss.:
COUNTY OF New York)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

STATE OF NEW YORK)
) ss.:
COUNTY OF New York)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

EXHIBIT A

TO RESIDENTIAL UNIT DEED

DESCRIPTION OF THE LAND

The Surrey Condominium
20 East 76th Street
New York, NY 10021
Block: 1390

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York, bounded and described as follows:

[See the Schedule A – Description of the Land in the Specimen Title Report set forth in Part II of the Plan.]

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USE AND OCCUPANCY AGREEMENT

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USE AND OCCUPANCY AGREEMENT

This use and occupancy agreement ("Use and Occupancy Agreement") for Unit _____ ("Unit") at The Surrey Condominium, located at 20 East 76th Street, New York, NY 10021 ("Premises") is made as of _____, 20___ between Surrey Propco, LLC ("Sponsor") and _____ ("Purchaser") (together, the "Parties").

BACKGROUND

A. Sponsor is the sponsor of an offering pursuant to an offering plan ("Plan") to convert the Premises to condominium ownership.

B. The Parties executed a Purchase Agreement for the Unit dated _____, 20___ as may be amended from time to time ("Purchase Agreement").

C. The Parties executed a Rider to the Purchase Agreement ("Rider") pursuant to which Purchaser was granted the right to enter into a Use and Occupancy Agreement and thereby use and occupy the Unit pre-closing.

NOW THEREFORE, it is agreed by the Parties as follows:

1. All capitalized terms used in this Use and Occupancy Agreement shall have the same meanings ascribed to them in the Plan, Purchase Agreement and Rider, as amended.

2. The term ("Term") of the Use and Occupancy Agreement shall commence on _____, 20___ ("Occupancy Date") and shall end on the date occurring on the earlier of: (a) the Closing of Title to the Unit pursuant to the terms of the Purchase Agreement, and (b)_____, 20___, unless the date is extended in accordance with the terms of this Use and Occupancy Agreement or (c) the date that either Sponsor or Purchaser cancels the Purchase Agreement in accordance with the terms thereof.

3. Purchaser shall pay to Sponsor without deduction or offset, use and occupancy payments (each a "Payment") in the amount of $_____ per month to be paid on the first day of each month of the Term. If this Use and Occupancy Agreement terminates as a result of the Closing of Title to the Unit, any Payment received by Sponsor for the month in which the Closing of Title takes place shall be adjusted between Sponsor and Purchaser at Closing.

4. Purchaser warrants that the Unit has been inspected and examined and Purchaser shall accept title to the Unit at Closing in the same "as is" condition as existed on the Occupancy Date, except for items set forth on the Inspection Statement executed by Purchaser prior to the Occupancy Date, if any.

5. During the Term, Purchaser shall keep the Unit clean and in good condition and no person other than Purchaser and Purchaser's family may occupy the Unit (subject in all events to the Declaration of Condominium, the By-Laws and the Rules and Regulations of the Condominium) and the Unit may not be sublet, and/or occupied by any other person without the express prior written consent of Sponsor. Purchaser shall not harbor any pets in the Unit without Sponsor's prior written consent. Purchaser shall not perform any alterations, modifications, renovations and/or repairs to or in the Unit without Sponsor's prior written consent. Purchaser acknowledges that while the Unit may be legally occupied, certain services and facilities in the Building may be subject to shut-off or otherwise unavailable as a result of ongoing construction. Purchaser agrees that the interruption or failure of any such services or facilities shall not be an objection or defense by Purchaser to any of the conditions or obligations set forth in this Use and Occupancy

Agreement or under the Purchase Agreement, nor shall Purchaser be entitled to any reduction in the Payments required in paragraph 3 hereunder or in the Purchase Price.

6. It is specifically understood and agreed that Sponsor and the Condominium Board shall be free from any and all liability for any damage or injury to persons or property or arising from any cause or happening whatsoever in, on, or to the Unit from and after the Occupancy Date, except if caused by the willful, affirmative acts on the part of Sponsor, the Condominium Board or their respective agent(s). Commencing on the Occupancy Date and throughout the Term, Purchaser shall obtain and maintain (a) personal general liability insurance against any and all claims for bodily injury death or property damage (including, but not limited to, loss due to water damage) occurring in, upon or from the Unit thereto or any part thereof, with limits not less than $_____ for bodily injury or death arising out of any one occurrence and $_____ for damage to property plus at least $_____ umbrella liability coverage and (b) tenant's "all-risk" property insurance in respect of property damage occurring in upon, or from the Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations, improvements and betterments and personal property). Such insurance shall name Sponsor and the Condominium Board as additional insured parties and may not be cancelled without prior written notification to Sponsor. Purchaser shall indemnify, defend and hold Sponsor and the Condominium Board harmless from and against any and all costs, expenses, liabilities and/or obligations (including, without limitation, reasonable attorneys' fees and disbursements) arising from any cause or happening whatsoever in, on, or to the Unit from and after the Occupancy Date, except if caused by the willful, affirmative acts on the part of Sponsor, the Condominium Board or their respective agent(s).

7. It is specifically understood and agreed that nothing contained herein shall serve to waive or modify the rights of Sponsor or Purchaser under the Purchase Agreement in the event the parties fail to close title in accordance with the terms of the Purchase Agreement.

8. The parties acknowledge that this Use and Occupancy Agreement is not a lease and that a landlord/tenant relationship is not established by virtue of this Use and Occupancy Agreement or Purchaser's occupancy of the Unit, which is provided solely as an accommodation to Purchaser.

9. In the event Purchaser files a voluntary petition in bankruptcy, or has an involuntary petition in bankruptcy filed against it subsequent to the execution of this Use and Occupancy Agreement, Purchaser acknowledges, warrants and represents, to the maximum extent permitted by law, that, as of the date of this Use and Occupancy Agreement: (i) Purchaser is presently occupying the Unit with no rights of possession, whether legal or equitable, in the Unit, except as otherwise provided in this Use and Occupancy Agreement; (ii) the automatic stay, pursuant to 11 U.S.C. §362(a), does not bar or prevent Sponsor from recovering possession of the Unit, and (iv) a trustee-in-bankruptcy may not assume or reject Purchaser's right to occupy the Unit, pursuant to 11 U.S.C. §365.

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

11. Purchaser acknowledges that it would be difficult, if not impossible, to actually assess the damage that would be suffered by Sponsor as a result of Purchaser's failure to faithfully perform its

obligation to vacate and surrender the Unit on or before the Vacate Date. Therefore, it is expressly agreed that if Purchaser fails to vacate and surrender exclusive possession of the Unit on or before the Vacate Date and/or seek an extension of time to remain in the Unit beyond the Vacate Date and/or fails to deliver the keys to the Unit on or before the Vacate Date, Purchaser, in addition to having liability for the damages available hereunder or available to Sponsor at law or equity, shall be liable to Sponsor for liquidated damages in a sum equal to $_____ ("Liquidated Damage Payments," each a "Liquidated Damages Payment") for each day between the Vacate Date and the date on which Purchaser vacates and surrenders exclusive possession of the Unit or Sponsor obtains vacant, legal and physical possession of the Unit. The obligation to make Liquidated Damage Payments begins on the first day following the Vacate Date. The Parties agree that the requirement that Purchaser make Liquidated Damage Payments and that Sponsor recover the attorneys' fees and costs in enforcing the terms of this Use and Occupancy Agreement is fair and reasonable under the circumstances and does not constitute a penalty. This paragraph shall not constitute a modification or waiver of Purchaser's obligation to vacate the Unit on or before the Vacate Date in accordance with the terms of the Use and Occupancy Agreement.

12. At Sponsor's option, Liquidated Damage Payments may be deducted from the Security Deposit (defined below). The Liquidated Damage Payments shall be in addition to the Payment required to be paid by Purchaser in paragraph 3 and is in addition to all other charges Purchaser is required to pay pursuant to this Use and Occupancy Agreement and all of Sponsor's remedies under the Purchase Agreement.

13. Purchaser agrees: (i) that Sponsor, without notice, may commence a summary holdover proceeding for the purpose of enforcing this Use and Occupancy Agreement; (ii) that Purchaser will consent in the holdover proceeding to the personal and subject matter jurisdiction of the court and waive any and all substantive and procedural defenses to the proceeding; and (iii) that Sponsor may file a Stipulation of Settlement ("Stipulation") (a copy of which is annexed hereto) by which Purchaser, among other things, consents to a final judgment of possession and the execution of a warrant of eviction without further notice. Simultaneously with the execution of this Use and Occupancy Agreement, Purchaser shall execute and deliver to Sponsor the Stipulation, the terms of which are incorporated herein.

14. Purchaser shall be liable for any and all actual and incidental costs incurred by Sponsor in recovering possession of the Unit, including, but not limited to, storage and/or disposal fees for Purchaser's belongings, personal property and attorneys' fees and court costs. At Sponsor's option, all actual and incidental costs may be deducted from the Security Deposit, and Purchaser shall be liable for the balance of the costs that exceed the Security Deposit.

15. As security for the performance of Purchaser's obligations hereunder, including, without limitation, making all Payments, Liquidated Damage Payments, attorneys' fees, and reimbursing Sponsor for any and all expenses attendant to performing repairs to the Unit necessitated by Purchaser's occupancy and other incidental costs and expenses, Sponsor hereby acknowledges receipt of $_____ ("Security Deposit"). The Security Deposit shall be returned to Purchaser (less deductions as set forth in this paragraph) either upon Closing or, if the Purchase Agreement has been terminated, within 15 days after the Unit is surrendered to Sponsor as required by this Use and Occupancy Agreement.

16. Any default by Purchaser under this Use and Occupancy Agreement that continues beyond the applicable grace period shall constitute an Event of Default by Purchaser under the Purchase Agreement entitling Sponsor to exercise any and all remedies provided for in the Purchase Agreement, provided however, that any default by Purchaser under the Purchase Agreement that continues beyond the applicable grace period shall constitute a default by Purchaser under this

Use and Occupancy Agreement entitling Sponsor, in its sole option, to terminate this Use and Occupancy Agreement in accordance with its terms and with Law. Sponsor shall make written demand to Purchaser for payment of any monies due under the Use and Occupancy Agreement at least 30 days before forfeiture of a Purchaser's Deposit under a Purchase Agreement may be declared.

17. Simultaneously with the execution of this Use and Occupancy Agreement, Purchaser shall execute and deliver to Sponsor the stipulation of settlement in the form annexed hereto ("Stipulation"), the terms of which are incorporated herein.

18. Purchaser expressly acknowledges Purchaser's obligation to and shall comply with the Condominium Declaration, By-Laws and Rules and Regulations.

19. If any Payment due under this Use and Occupancy Agreement is received after the 10th of the month, Purchaser shall pay to Sponsor a late fee in the sum of $_____. If any check delivered by Purchaser to Sponsor is returned for insufficient funds or is uncollectible for any reason, Purchaser shall pay to Sponsor a returned check fee in the amount of $_____. In addition, Sponsor has the right to treat a check from Purchaser that has been returned for insufficient funds as a default under the Purchase Agreement, for which Sponsor may exercise all remedies available under the Purchase Agreement and Law.

20. The Residential Rules and Regulations and the form of Purchase Agreement set forth in Part II of the Plan provide the smoking policy for the Property ("Smoking Policy") in accordance with §17-506.1 of the Administrative Code of the City of New York. Violations of the Smoking Policy may be addressed by the Condominium Board in accordance with the By-Laws, including without limitation the imposition of fines or penalties against the Unit Owner. Purchasers are advised that the By-Laws empower the Condominium Board to amend the Residential Rules and Regulations, including without limitation to modify or replace the Smoking Policy, and Sponsor makes no representations or guarantees as to whether the Condominium Board will choose to do so at any time.

21. This Use and Occupancy Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New York.

22. In the event of any inconsistency between the provisions of this Use and Occupancy Agreement and those contained in the Plan, the provisions of this Use and Occupancy Agreement shall govern and be binding.

23. Any notices or documents required to be given pursuant to this Use and Occupancy Agreement must be delivered if to Sponsor to 2500 Enterprise Drive, Allen Park, MI 48101 , with a copy to Starr Associates LLP, 220 East 42nd Street, Suite 3302, New York, New York 10017, Attention: Andrea L. Roschelle, Esq.; and if to Purchaser to Attorney for Purchaser. All deliveries must be made by nationally-recognized overnight courier for next business day delivery and shall be deemed given upon deposit with the courier service.

24. This Use and Occupancy Agreement shall be subordinate to any loan entered into heretofore between Sponsor and any lender to finance the construction of the Building.

25. This Use and Occupancy Agreement may only be modified by an agreement in writing signed by the parties hereto. No oral understanding or agreement shall be effective to modify, change or alter the terms or conditions of this Use and Occupancy Agreement.

26. Neither party nor their respective attorney shall be deemed to be the sole drafter hereof, and the parties hereto waive the benefit of any rule of construction relating to the interpretation of a document against the drafter.

27. This Use and Occupancy Agreement may be executed in any number of original, pdf or facsimile counterparts. Each such counterpart shall for all purposes be deemed an original. All such counterparts shall together constitute but one and the same Use and Occupancy Agreement.

[SIGNATURES ON FOLLOWING PAGE]

[SIGNATURE PAGE TO USE AND OCCUPANCY AGREEMENT]

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

SURREY PROPCO, LLC

_____

CIVIL COURT OF THE CITY OF NEW YORK
COUNTY OF NEW YORK

Surrey Propco, LLC

Petitioner-Owner,

- against -

Premises: The Surrey Condominium
20 East 76th Street
New York, NY 10021

Respondent-Occupant.

Index No.
L&T -

STIPULATION OF SETTLEMENT
HOLDOVER

WHEREAS, Petitioner and Respondent entered into a certain Purchase Agreement ("Purchase Agreement"), dated as of _____, 20___, pursuant to which Petitioner agreed to convey and Respondent agreed to purchase Unit ____ located in a building known as The Surrey Condominium, 20 East 76th Street, New York, NY 10021 ("Premises"); and

WHEREAS, Respondent has been occupying the Premises pursuant to a use and occupancy agreement ("Use and Occupancy Agreement"); and

WHEREAS the term Respondent was permitted to occupy the Premises under the Use and Occupancy Agreement ("Term") has expired, but Respondent continues to use, occupy and possess the Premises past the Term without the permission of Petitioner; and

WHEREAS, Respondent has agreed to vacate the Premises;

NOW, THEREFORE, in for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and of the mutual covenants contained herein, the parties hereto wish to settle all claims and resolve all disputes and differences among them and do hereby stipulate and agree as follows:

1. Respondent acknowledges having received and was duly served with the Notice of Petition and Petition Holdover by which Petitioner seeks a final judgment of possession for the Premises and a warrant of eviction ("Warrant") removing Respondent from the Premises.

2. Respondent accepts service, waives traverse and all objections to personal and subject matter jurisdiction, if any. Respondent admits as true each and every allegation set forth in the petition, waives trial by jury, and waives all defenses, affirmative defenses and counterclaims of any kind or nature and the service of any notice before the Warrant may be executed.

3. Respondent expressly: (i) waives any and all objections of any kind or nature to the service, substance or sufficiency of notices, if any, served prior to the commencement of this proceeding, (ii) acknowledges that the term granted to Respondent under the Use and Occupancy Agreement has expired; (iii) acknowledges that it has no further right, title or interest in or to the Premises and that (iv) Respondent remains in possession of the Premises past the Term without permission as a "holdover" occupant.

4. Respondent consents to the entry of a final judgment of possession for the Premises and to the immediate issuance and execution of the Warrant and agrees to be evicted from the Premises. Any personal property remaining in the Premises after eviction shall be deemed abandoned.

5. The terms of the Use and Occupancy Agreement shall govern the obligations of the parties, except as modified by the terms of this Stipulation and Order.

6. Respondent hereby waives, abandons, relinquishes and surrenders any rights it may have to (i) an extension of time to cure any breach of condition set forth in this Stipulation and Order (ii) any stay, order or injunction preventing the execution of the Warrant (iii) judicial intervention of any kind or nature to extend, modify or toll the time periods set forth herein or collaterally attack the enforceability of any of the terms or provisions hereunder (iv) appeal from any order of the Court resulting from this Stipulation and Order.

7. If Petitioner shall employ counsel to enforce any of Respondent's obligations under this Stipulation and Order or to defend any litigation commenced by Respondent in connection with this Stipulation and Order, including, without limitation, an application seeking (i) an extension of time to cure any breach of condition as set forth in this Stipulation and Order (ii) any stay, order or injunction preventing the execution of the Warrant, (iii) judicial intervention of any kind or nature to extend, modify, toll the time periods set forth herein or collaterally attack the enforceability of any of the terms or provisions hereunder; or (iv) to appeal from any order of the Court resulting from this Stipulation and Order, notwithstanding the prohibition in this Stipulation and Order of Respondent seeking such relief, and if Petitioner shall be compelled to enforce Petitioner's rights hereunder, Respondent shall pay all of the Petitioner's costs and expenses in connection therewith, including, without limitation, attorneys' fees and disbursements.

8. Respondent warrants and represents that, in executing this Stipulation and Order, Respondent has relied on legal advice from an attorney of Respondent's choosing, is entering into this Stipulation and Order voluntarily and without duress and that the terms of this Stipulation and Order have been read and its consequences (including risks, complications, and costs) have been fully explained to Respondent by its attorney. Respondent further represents that it has not relied on any promise or representation made outside this Stipulation and Order.

9. The parties hereto expressly agree that the Court shall retain jurisdiction over the enforcement of the provisions of this Stipulation and Order.

10. The parties hereto shall cooperate fully so as to facilitate the compliance with all of the obligations set forth in this Stipulation and Order. All documents required to be executed by Respondent shall be delivered to the Petitioner so requesting within three (3) business days, delivery to be made by hand or overnight courier.

11. In the event of a conflict between the terms of the Use and Occupancy Agreement and those of this Stipulation and Order, the terms of this Stipulation and Order shall prevail.

12. This Stipulation and Order constitutes the entire agreement between Petitioner and Respondent with respect to the subject matter hereof and no oral representations exist between the parties with respect thereto. This Stipulation and Order shall constitute an Order of the Court, subjecting a party who violates its provisions to all rights and remedies available for the violation of a Court order.

13. This Stipulation and Order is the product of substantial negotiations between the parties and, as such, no negative inferences shall be drawn against either party as the drafter hereof.

14. This Stipulation and Order shall be filed with the Court and shall become an Order of the Court upon signature of any judge sitting in the civil court without further notice to either party.

Dated: New York
_____, 20___

By: _____

STARR ASSOCIATES LLP
Attorneys for Petitioner
220 East 42nd Street, Suite 3302
New York, New York 10017
(212) 620-2681

By: _____
RESPONDENT

By: _____
RESPONDENT

SO ORDERED:

_____
JUSTICE OF THE CIVIL COURT

DECLARATION OF CONDOMINIUM

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DECLARATION

Establishing a Plan for Condominium Ownership of the Premises Known as

THE SURREY CONDOMINIUM

and having a street address of

20 EAST 76TH STREET
NEW YORK, NY 10021

Pursuant to Article 9-B of the Real Property Law of the State of New York

Name:	**The Surrey Condominium**
Sponsor:	**Surrey Propco, LLC** **2500 Enterprise Drive** **Allen Park, MI 48101**
Date of Declaration:	**_____, _____**

Prepared by:

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The land affected by the within instrument lies in Block 1390 F/K/A Lot 57, N/K/A Lots _____ - _____ on the Tax Map of the Borough of Manhattan, County of New York, City and State of New York

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Exhibits

A – DESCRIPTION OF THE LAND

B – DESCRIPTION OF THE UNITS

C – DEFINITIONS

D – BY-LAWS OF THE CONDOMINIUM

E – UNIT POWER OF ATTORNEY

DECLARATION
OF
THE SURREY CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

Surrey Propco, LLC, a limited liability company organized under the laws of the State of Delaware, having an office at 2500 Enterprise Drive, Allen Park, MI 48101 ("Sponsor"), does hereby declare as follows:

ARTICLE 1
DEFINITIONS

All capitalized terms used in this Declaration that are not otherwise defined in the Articles hereof shall have the meanings set forth in Exhibit C annexed hereto, unless the context in which they are used shall otherwise require. All capitalized terms used in this Declaration that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the said capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

ARTICLE 2
SUBMISSION OF THE PROPERTY

2.1 Sponsor hereby submits the Property to the provisions of the Condominium Act and pursuant thereto, does hereby establish a regime for the condominium ownership of the Property as more particularly set forth herein and in the By-Laws.

2.2 Excluded from the Property are any Excess Development Rights, if any, which shall be retained by Sponsor, who shall have the exclusive right to utilize, sell or otherwise transfer any Excess Development Rights. Excess Development Rights shall inure solely to the benefit of Sponsor or other Development Rights Owner.

ARTICLE 3
NAME OF THE CONDOMINIUM

The Condominium shall be known as The Surrey Condominium.

ARTICLE 4
THE LAND

Included in the Property is the Land which is more particularly described in Exhibit A annexed hereto.

ARTICLE 5

THE PROPERTY AND THE BUILDING

5.1 Included in the Property are: fourteen (14) Residential Units and one (1) Hotel Unit contained in a structure comprising fifteen (15) above-grade stories, two (2) below-grade levels, and three (3) roof levels as reflected on the Tax Lot Drawings of the Building certified by _____. For purposes of marketing, the floors of the Building are designated Lower Cellar, Cellar, Floors 1 through 12, floor 14 through 15, Penthouse, Roof, Penthouse Roof, Upper Roof. Floors 13 is excluded for marketing purposes. However, floor numbering in the plans and specifications filed with the Buildings Department will be consistent with construction floor designations.

5.1.1 The Residential Units will be located on Floors 11 through Roof.

5.1.2 The Hotel Unit will be located on Floors Lower Cellar through 10.

5.2 The Building is classified as being of fireproof construction. The Building structure is steel, fireproofed with concrete, plaster and gypsum or terra cotta tile block with structural floors of cast in place concrete slab with draped wire reinforcing. Exterior walls of the Building are brick and terra cotta block with a brick, limestone and terra cotta veneer. The main roof is a Class A modified bitumen membrane or similar within a protected roof assembly protected by rigid polystyrene insulation ballasted by precast or stone pavers on pedestals.

ARTICLE 6

THE UNITS

6.1 Exhibit B annexed hereto sets forth the following data with respect to each Unit necessary for the proper identification thereof: Unit designation; tax lot number; approximate location in the Building; approximate square footage; the portions of the Common Elements to which such Unit has immediate access; and the Common Interest appurtenant to such Unit. The precise location of each Unit is shown on the Tax Lot Drawings.

6.2 Each Unit is measured horizontally from the exterior face of the exterior walls (columns, mechanical pipes, shafts, chases, and conduits are not deducted from measurement of each Unit) to the centerline of the partitions separating one Unit from another Unit, or separating one Unit from corridors, stairs, elevators and common mechanical shafts or any Common Elements not within a Unit or to the exterior side of the opposite exterior walls. Each Unit will consist of the area measured vertically from the top of the structural slab to the underside (of any fire protection) of the structural members above. Any and all measurements are approximations within reasonable tolerances.

6.3 Each Unit includes, and each Unit Owner shall be responsible for, the front entrance door and any other entrance doors to the Unit including Terrace doors (including, without limitation, all locks, peepholes, doorknobs and hardware), non-load-bearing interior walls and partitions, floors and floor coverings and ceilings affixed, attached or appurtenant to the Unit, smoke/carbon monoxide detectors, skylights, window panes, fireplaces, fireboxes, dampers, mantels and flues, mechanical systems located in the Unit, heating and cooling systems (including HVAC filters and parts), plumbing, gas and heating fixtures and equipment, including but not limited to, refrigerators, dishwashers, washers and dryers, heating, ventilating and air conditioning units (including the internal fans), heating equipment, ranges and other appliances, sinks, bathtubs, waterclosets, balconies, and all other Facilities as may be affixed, attached or appurtenant to the Unit and serving the Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached,

water spigots located on Terraces, and any special pipes or equipment which a Unit Owner may install within the walls, ceilings, or floors, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors, unless such installations were made by the Unit Owner after the Unit Owner acquired title to the Unit, in which event Unit Owner shall be responsible for such installations. Each Unit shall also include all lighting and electrical fixtures and appliances within the Unit, including those located on Terraces and any special equipment, fixtures or Facilities affixed, attached or appurtenant to the Unit, to the extent located within a Residential Unit from the electrical panel (including electrical branch wiring but excluding electrical service riders) and serving or benefiting only that Unit.

6.4 The Hotel Unit also includes, in addition to the items listed in section 6.3 above, to the extent located in such Hotel Unit, and the Hotel Unit Owner shall be responsible for, any elevator, escalator, staircase, freight or service entrance, driveway and ramp and all related Facilities servicing the Hotel Unit exclusively and the Hotel Unit shall include outdoor signage for the Hotel Unit, and any canopy hanging over any entrance to the Hotel Unit, the Verizon Space (as hereinafter defined), the exterior side of all windows in or opening from the Hotel Unit and any loading areas exclusively servicing the Hotel Unit. The Hotel Unit includes the Building's main entrance, vestibule and lobby at the first floor as well as the fitness center at floor 2 and certain service corridors, all of which serve both the Hotel Unit Owner and the Residential Unit Owners (which areas, together with the Fitness Center Terrace (as hereinafter defined) are referred to herein as the "Hotel Shared Components").

6.5 Any Common Elements located within a Unit shall not be considered a part of such Unit.

6.6 Notwithstanding anything contained in this Article to the contrary, each Residential Unit Owner will have the right, subject to the provisions of the By-Laws, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Residential Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the consistent exterior appearance, the structural integrity, sound integrity and mechanical and electrical systems of such Unit or of the Building or violate Law and provided that the same shall be in compliance with the Hotel Standard (as hereinafter defined). The Hotel Unit Owner shall have the right to make alterations to its Unit in accordance with the provisions of this Declaration and the By-Laws.

6.7 As of the date of the filing of this Declaration with the Register's Office, fee simple absolute title shall automatically vest in Sponsor in all Units individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

ARTICLE 7

THE COMMON ELEMENTS

7.1 The Common Elements consist of the entire Property, including the Land and all parts of the Building and improvements thereon other than the Units. The Common Elements are comprised of the General Common Elements, the Residential Common Elements, the Hotel Common Elements and the Residential Limited Common Elements. The Common Elements do not include any Excess Development Rights, if any, which shall be initially retained by Sponsor.

7.2 The General Common Elements consist of the Land and those rooms, areas, corridors and other portions of the Building (other than the Units), as well as those Facilities therein, either currently or hereafter existing for the common use of the Units or of the Unit Owners or necessary for, or convenient to, the existence, maintenance, management, operation, or safety of the Property. Without intending to limit the generality of the foregoing in any respect, the General Common Elements include:

(i) the Land (including the landscaping appurtenant thereto) and any improvements thereon, together with all easements, rights and privileges appurtenant thereto, except for the Excess Development Rights.

(ii) all foundations, columns, beams, joists, supports, piles, footings, pillars, girders, load-bearing walls, exterior walls, interior walls, partitions, floor slabs and ceilings, window casements and frames, roofs (including the mechanical terrace at floor 2, the stair bulkhead roof at floor 3, the mechanical terraces at the main roof level, the mechanical bulkhead roofs, mechanical roofs, mechanical platform and other bulkhead roofs and roof areas at the Penthouse Roof level, the water tower bulkhead roofs and elevator bulkhead roofs at the Upper Roof level) and ceilings in, on, or under the Building, separating a Unit from another Unit or a Common Element, the chimney at the Upper Roof level, the skylight at the Penthouse Roof level, the mechanical bulkhead at the Roof, and all shafts throughout the Building, all to the extent that the same are not expressly included as part of a Unit or another category of Common Element hereunder.

(iii) all central and appurtenant installations and Facilities for services such as power, light, telephone, gas, sewer, plumbing, drainage, hot and cold water distribution, heat, garbage disposal, master and cable television and other mechanical and electrical systems, which service both the Residential Units and the Hotel Unit, to the extent that the same are not expressly included as a part of a Unit or another category of Common Element hereunder.

(iv) the boiler room, DHW/PCUS room, ARCS room, engineering/workshop room, fuel oil room, gas meter room, and service elevator equipment room located at the Lower Cellar of the Building, and any equipment contained therein, all to the extent the same serve both the Residential Units and the Hotel Unit, and any adjacent corridors and stairways leading thereto as and to the extent so indicated as General Common Elements on the Tax Lot Drawings;

(v) the building MDF room, elevator control room, electrical room, fire alarm room, waste room and emergency distribution room located at the Cellar of the Building, and any equipment contained therein, all to the extent the same serve both the Residential Units and the Hotel Unit, and any adjacent corridors and stairways leading thereto as and to the extent so indicated as General Common Element on the Tax Lot Drawings;

(vi) Stairs A, B, C and D and any associated stair bulkheads, and the two passenger elevators (PE-1 and PE-2) and the service elevator (SE-3) and each of such elevator's respective elevator lobbies (except for that portion of the PE-1 elevator lobby which is part of the Residential Lobby (as hereinafter defined) and the corridors at floors 11, 12, 14, 15, and Penthouse, which are Residential Common Elements), shafts, pits, bulkheads, bulkhead roofs, machine rooms and equipment associated therewith, which serve and benefit both the Residential Units and the Hotel Unit;

(vii) the amenity terrace located at the Roof and the adjacent pantry and water closets (the "Common Terrace") as well as the corridors at the Roof level leading thereto, all as more particularly shown on the Tax Lot Drawings, subject in all events to the Condominium Board's right to grant priority access to the Hotel Unit Owner and/or its representatives (including, but not limited to, the Hotel Operator and/or commercial tenants or occupants of the Hotel Unit) for use of the Common Terrace and to permit the Hotel Unit Owner and/or its representatives (including, but not limited to, the Hotel Operator and/or commercial occupants or tenants of the Hotel Unit) from time to time to reserve the Common Terrace for private events, and therefore, temporarily restrict use of the Common Terrace by Residential Unit Owners.

(viii) all other parts of the Property, and all apparatus and installations now existing or hereafter constructed in the Building or on the Property, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property.

7.3 The Residential Common Elements consist of those portions of the Building, as well as those Facilities therein, either currently or hereafter existing for the exclusive common use of the Residential Units or of the Residential Unit Owners only. Without intending to limit the generality of the foregoing in any respect, the Residential Common Elements include:

(i) the residential lobby area at the first floor of the Building as more particularly shown on the Tax Lot Drawings (the "Residential Lobby");

(ii) the corridors and adjacent storage and trash rooms located on Floors 11, 12, 14, 15 and Penthouse of the Building, which exclusively serve the Residential Units as more particularly shown on the Tax Lot Drawings;

(iii) the bicycle storage rooms located at the Cellar level of the Building;

(iv) all central and appurtenant installations and Facilities for services such as power, light, telephone, gas, sewer, plumbing, hot and cold water distribution, heat, garbage disposal, master and cable television and other mechanical and electrical systems which serve the Residential Unit Owners and which are not expressly made part of another category of Common Element or Unit hereunder.

(v) all interior portions of the Building and all apparatus and installations now existing or hereafter constructed in the Building or on the Property, either existing for the common use of the Residential Units or the Residential Unit Owners or necessary for, or convenient to the existence, maintenance or safety of the Residential Units, to the extent that the same are not expressly included as part of another category of Common Element or a Unit hereunder.

7.4 The Hotel Common Elements consist of the terrace adjacent to and accessible from the fitness center located at the 2nd floor of the Building (the "Fitness Center Terrace"), as more particularly shown on the Tax Lot Drawings.

7.5 The Residential Limited Common Elements consist of all portions of the Land and Building (other than the Units) that are for the use of one or more specified Residential Units to the exclusion of all other Units. Without intending to limit the generality of the foregoing in any respect, the Residential Limited Common Elements include: the Terraces adjoining certain Residential Units more particularly set forth on Exhibit "B" to this Declaration entitled "Description of Units."

7.6 The Common Elements shall remain undivided, and no Unit Owner or any other Person shall bring, or shall have the right to bring, any action for partition or division thereof, except as is expressly permitted pursuant to the terms of Article 15 hereof and section 5.5 of the By-Laws.

ARTICLE 8

DETERMINATION OF COMMON INTEREST AND RESIDENTIAL COMMON INTEREST

8.1 The undivided percentage interest of each Unit in the Common Elements is based upon floor space, subject to the location of such space and the additional factors of relative value to other space in

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

8.2 The percentage interest of all Residential Units in the Residential Common Elements is apportioned in the same proportion that the Residential Units at the date of this Declaration bear to the then aggregate Common Interest of all of the Residential Units in the Condominium.

ARTICLE 9

USE OF UNITS

Reference should be made to section 5.7 of the By-Laws for terms, covenants, conditions, descriptions and other information relating to the use of the Units, which are, by this reference, incorporated herein and made a part of this Article 9 of this Declaration as if set forth at length in the text hereof.

ARTICLE 10

EASEMENTS FOR THE ENJOYMENT OF THE COMMON ELEMENTS

10.1 Subject to the terms of this Declaration, the By-Laws and the Residential Rules and Regulations, if applicable, Sponsor, the Unit Owners, the Managing Agent, the Condominium Board and all Permitted Users of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the General Common Elements, and the General Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no Person shall use or enjoy the General Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other Persons to do so. Additionally, any easement granted to the Residential Unit Owners herein with respect to use and enjoyment of the Common Terrace, which is a General Common Element hereunder shall be subject in all events to the Condominium Board's right to grant priority access to the Hotel Unit Owner and/or its representatives (including, but not limited to, the Hotel Operator and/or commercial tenants or occupants of the Hotel Unit) for use of the Common Terrace and to permit the Hotel Unit Owner and/or its representatives (including, but not limited to, the Hotel Operator and/or commercial tenants or occupants of the Hotel Unit) from time to time to reserve the Common Terrace for private events, and therefore, temporarily restrict use of the Common Terrace by Residential Unit Owners.

10.2 Subject to the terms of the By-Laws and the Residential Rules and Regulations, if applicable, Sponsor, the Residential Unit Owners, Selling Agent, the Managing Agent, the Condominium Board and all Permitted Users of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the Residential Common Elements, and the Residential Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no person shall use or enjoy the Residential Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other persons to do so.

10.3 The Hotel Unit Owner and its Permitted Users shall have an easement in, over, under, through or upon the Common Elements or elsewhere on the Property (i) to provide the Hotel Services; (ii) for the purpose of accessing the Hotel Unit or any portion of the Building servicing the Hotel Unit, (iii) for the purpose of exiting the Building in the event of an emergency, and (iv) to install, operate, maintain, repair, alter, rebuild, restore and replace any pipes, wires, ducts, vents, cables, conduits or other lines, equipment or Facilities forming a part of or servicing the Hotel Unit. In addition to the foregoing, the Hotel Unit Owner and its Permitted Users shall have the right and an easement, as applicable, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any, subject only

to Sponsor's prior written consent in each instance for so long as Sponsor continues to own an Unsold Unit, to (i) alter, modify, and/or restore the exterior façade and/or the windows of the Hotel Unit, including, without limitation, any storefronts, (ii) create additional means of egress and ingress to the Hotel Unit, (iii) erect, maintain, repair and replace one or more signs and lighting, of such size and content as the Hotel Unit Owner shall determine on the facade or in the windows of the Hotel Unit, including, without limitation, any storefronts of the Hotel Unit, for the purposes of advertising (a) the sale or rental of all or any portion of the Hotel Unit or (b) the operation of any business for which the Hotel Unit is used, and (iv) use the sidewalk adjacent to the Hotel Unit for any purposes permitted by Law, including, without limitation, food and beverage services and the placement of outdoor seating, tables, lighting and signage on such sidewalk, provided that the entrances to the Building are not impeded by such use. In the event the Hotel Unit Owner utilizes a sidewalk adjacent to the Building, the maintenance, replacement and repair of the sidewalk during the period of use, together with all costs and expenses associated therewith, shall be the responsibility of the Hotel Unit Owner, subject to the provisions hereof, in all events.

10.4 Each Residential Unit Owner whose Residential Unit has one or more appurtenant Residential Limited Common Elements shall have an exclusive easement for the use thereof. The Residential Units having the same are indicated on Exhibit B. The Hotel Unit Owner shall have an exclusive easement for use of the Hotel Common Elements.

10.5 Sponsor and its Permitted Users shall have an easement in, over, under, through and upon the Common Elements (including but not limited to, residential lobbies, hallways and corridors), to use the same, without being subject to any fee or charge, for all purposes and activities in connection with the sale or renting of Unsold Residential Units, including, without limitation, the right to erect, maintain, replace and/or repair any sign and/or lighting permitted by Law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit or the operation of any business of a tenant or occupant of any Unit.

10.6 Without limiting the generality of all other easements and rights granted herein, Sponsor, the Managing Agent, and the Condominium Board and each of their respective Permitted Users, shall have an easement in, through and upon the Terraces appurtenant to any Residential Units for the purpose of accessing, utilizing, maintaining and replacing any building equipment located thereon and/or for the purpose of exterior maintenance and repairs.

ARTICLE 11

OTHER EASEMENTS

11.1 Subject to the terms of the By-Laws and to the Residential Rules and Regulations, if applicable, each Unit Owner shall have an easement in common with all other Unit Owners to use, maintain, repair, alter and replace all Common Elements located in any of the other Units or elsewhere on the Property which serve such Unit Owner's Unit, including an easement to connect to existing utilities, including without limitation, utilities for gas, electricity, steam and ventilation. Each Unit (including any Common Elements located therein) shall be subject to an easement in favor of all Unit Owners to use, maintain, repair, alter and replace all Common Elements located in such Unit or elsewhere on the Property which serve other Units. All easements and rights of access described in this section shall be exercised by the Condominium Board on behalf of all Unit Owners. The Condominium Board shall have an easement and a right of access to each Unit and to the Common Elements contained therein and appurtenant thereto (including Residential Limited Common Elements) to inspect the same, to remove violations therefrom and to install, operate, maintain, repair, alter, rebuild, restore and replace any of the Common Elements located in, over, under, through, adjacent to, or upon the same, and each Unit and the Common Elements shall be subject to such easement and right of access. Such easements and rights of access shall be exercised by the Condominium Board and/or Sponsor, and each of their Permitted Users, as the case may be, to the extent practicable, in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entry

shall be permitted on reasonable prior notice based on the nature of the repair or replacement but in no event on less than two days' notice, except that no notice will be necessary in the case of an "emergency" (i.e. a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building). Plans and specifications with respect to any such proposed work shall be submitted by the Unit Owner who has requested that the Condominium Board exercise any such easement or right of access, to the Unit Owner whose Unit is to be accessed and all work is to be prosecuted diligently to completion. Notwithstanding any other provision of this Declaration, the By-Laws or the Residential Rules and Regulations, if applicable, any alterations carried out in connection with the easements granted hereinabove shall be such that neither the configuration nor the usable area of the affected Unit shall be materially adversely affected.

11.2 Sponsor for so long as it shall own any Unsold Residential Unit, the Hotel Unit Owner with respect to the Hotel Unit and the Condominium Board, on behalf of all Unit Owners, shall have the right to grant such additional electric, gas, steam, cable television, telephone, water, storm drainage, sewer and other utility easements in, or to relocate any existing utility easements to, any portion of the Property as Sponsor, the Hotel Unit Owner or the Condominium Board, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof, or for the general health or welfare of the Unit Owners and their Permitted Users, provided that the granting of such additional utility easements or the relocation of existing utilities will not prevent or unreasonably interfere with the normal conduct of business carried on within the Hotel Unit or with the use of the Residential Units for their permitted purposes, and shall not result in the imposition of any mechanic's lien against any of the Units. Any utility company and its employees and agents shall have the right of access to each Unit or the Common Elements in furtherance of such easement, provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the normal conduct of business or with the use of the Units for their permitted purposes. Notwithstanding any other provision of this Declaration, the By-Laws or the Residential Rules and Regulations, any alterations carried out in connection with the easements granted hereinabove shall be such that neither the configuration nor the usable area of the affected Unit shall be materially adversely affected. In addition, Sponsor reserves the right to install additional fireplace flues and mechanical equipment on the roof of the Building. The Units shall each be subject to such easement. Sponsor shall be entitled to permit any one or more of such easements to be utilized by the Hotel Unit Owner and/or Permitted Users and may designate the Hotel Unit Owner as the holder of such easement(s).

11.3 Sponsor and its Permitted Users for so long as Sponsor shall own any Unsold Residential Unit, shall have an easement for ingress and egress through all of the Common Elements in order to make alterations, additions, or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon the Unsold Residential Units and the Common Elements.

11.4 Each Unit and the Common Elements shall have easements of subjacent support and necessity, and the same shall be subject to such easements in favor of all of the other Units and the Common Elements.

11.5 Sponsor and its Permitted Users shall have an exclusive easement for so long as Sponsor owns an Unsold Unit to erect, use, lease, maintain, repair, replace and operate (a) antennae, satellite dishes and other communications equipment, and (b) any pipes, risers, ducts, flues and equipment necessary or desirable to provide heat, air-conditioning, exhaust, or ventilation as required or, as permitted by Law, on any part of the roof and/or façade of the Building and elsewhere on the Common Elements (excluding any Residential Limited Common Elements) and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith. The exercise of the easement and these rights do not require the consent of the Condominium Board or the Unit Owners and shall be without charge to Sponsor. Any obligations of Sponsor under any lease, license or other right of use granted by Sponsor with respect to the roof and/or the façade of the Building shall be the obligation of Sponsor and

not of the Condominium, and any rights of Sponsor, including, without limitation, the right to receive rent or other consideration for such lease, license or other right of use, shall be the right of Sponsor, and not of the Condominium or any other Unit Owner. In connection with such easement and related rights, Sponsor and its Permitted Users shall each have, to the extent necessary or advisable for such erection, use, lease, maintenance, repair, replacement and operation, an easement in common with all Unit Owners for ingress, egress and the use of any Common Elements. The Units shall each be subject to such easement. Sponsor shall be entitled to permit any one or more of such easements to be utilized by the Hotel Unit Owner and/or Permitted Users and may designate the Hotel Unit Owner as the holder of such easement(s). As of the date of recording of this Declaration, Sponsor is lessor under that certain Building and Rooftop Lease Agreement (the "Verizon Lease") between Sponsor as successor to the original lessor thereunder, 20 East 76th Street Co., LLC and New York SMSA Limited Partnership ("Verizon"), d/b/a Verizon Wireless, with its principal offices at One Verizon Way, Mail Stop 4AW100, Basking Ridge, New Jersey 07920, as lessee. Pursuant to the Verizon Lease, Verizon has leased space in the Building located at the Cellar, Penthouse Roof and Upper Roof, upon which Upper Roof Verizon maintains an antennae (the "Verizon Space"). The Verizon Space is part of the Hotel Unit, and, from and after the date hereof, the Hotel Unit Owner will be the lessor under the Verizon Lease. As such, as of the date hereof, all of the rights and obligations of lessor under the Verizon Lease shall accrue solely to the Hotel Unit Owner and not the Condominium or any other Unit Owner and no party other than the Hotel Unit Owner shall have any rights or obligations thereunder except that the Hotel Unit Owner is hereby granted an easement across the Property in order to enable the Hotel Unit Owner to fulfill its obligations under the Verizon Lease.

11.6 Sponsor and any Development Rights Owner shall have an easement for ingress and egress through all of the Common Elements for any purpose in connection with Sponsor's or the Development Rights Owner's utilization, sale or transfer of any Excess Development Rights, including, without limitation, (i) effecting a zoning lot merger or division; or (ii) creating a Combined Zoning Lot or any enlargement or subdivision thereof; or (iii) effecting a sale or transfer of Excess Development Rights in any manner permitted by Law.

11.7 Subject to the terms of the By-Laws, the Hotel Unit Owner shall have an easement to install, operate, maintain, repair, alter, rebuild, restore and replace any pipes, wires, ducts, vents, cables, conduits or other lines, equipment or facilities forming a part of or relating to the Hotel Unit in, over, under, through or upon the Common Elements or elsewhere on the Property; provided that access to the Common Elements or other portions of the Property in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the use of the Common Elements and such other portions of the Property for their permitted purposes.

11.8 The Condominium and Building shall be designated and known as the The Surrey Condominium. Sponsor shall own and control all rights and interest, appurtenant to the name of the Condominium and/or the Building and any intellectual property relating thereto, including without limitation, any logos, marks, websites, trademarks, copyrights or names relating to or referring to the name of the Condominium or the Building, unless otherwise prohibited by Law. Only Sponsor shall have the right to change or assign the name of the Condominium. In addition, Sponsor shall have the right to utilize other names for the Building or portions thereof for marketing and promotional purposes without the consent of the Condominium Board or the Unit Owners. Sponsor shall have an exclusive easement for so long as the Condominium shall remain in existence to erect, maintain, repair and replace, from time to time, a plaque, etching, and/or other similar signage ("Plaque"), without charge, on the exterior portion of the Building setting forth the name and address of Sponsor, or such other information as Sponsor desires in its sole discretion. Only Sponsor shall have the right to remove the Plaque, unless mandated by Law. The provisions of this Section 11.8 shall in all events be subject to Article 29 hereof.

11.9 If (a) any portion of the Common Elements encroaches upon any Unit or upon any other portion of the Common Elements, (b) any Unit encroaches upon any other Unit or upon any portion of the

Common Elements or (c) any such encroachment shall hereafter occur as a result of (i) the settling or shifting of the Building, (ii) any alteration, repair or restoration of the Common Elements made by or with the consent (when required by the By-Laws) of the Condominium Board, or made by Sponsor in accordance with this Declaration or the By-Laws or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand.

11.10 In addition to the specific easements set forth in this Article 11 and in Article 10 hereof, the Property and every portion thereof shall be subject to all easements made with the City of New York or with any utility companies or other Persons in effect prior to the recording of this Declaration.

11.11 Sponsor and its Permitted Users (regardless of whether Sponsor owns an Unsold Residential Unit) shall have an easement in, over, under, through, and upon the General Common Elements and Residential Common Elements to the extent necessary (as determined by Sponsor in its sole discretion) in order for Sponsor to meet its obligations under the Plan, including without limitation all things related to Sponsor's obligation to procure a PCO for the Building.

11.12 The Residential Unit Owners shall have an easement across portions of the Hotel Unit, but only as and to the extent necessary to enable the Residential Unit Owners to utilize the Hotel Shared Components and the Hotel Services as and to the extent such Hotel Services are being made available to the Residential Unit Owners by the Hotel Unit Owner at a given time, including, but not limited to, an easement across those portions of the Hotel Unit by means of the shortest distance from each Residential Unit Owner's Unit to the Hotel Shared Components and from the Hotel Shared Components back to each Residential Unit Owner's Unit. The Hotel Easement Areas shall include: (a) the Building's main entrance, vestibule and Hotel Lobby as well as the corridors and areas leading from the Hotel Lobby to the Residential Lobby and the service elevator, all at the 1st floor of the Building; and (b) the fitness center and any corridors leading to and from the Building's elevators or stairs to the fitness center, located at the 2nd Floor of the Building. Additionally, the Residential Unit Owners shall at all times have a right of access to any public portions of the Hotel Unit to which the Hotel guests have access upon such terms and conditions as are applicable to Hotel guests.

ARTICLE 12

ALTERATIONS, ADDITIONS, IMPROVEMENTS AND CHANGES TO UNSOLD RESIDENTIAL UNITS AND HOTEL UNIT

Reference should be made to section 5.2 of the By-Laws for terms, covenants, conditions, descriptions and other information relating to alterations, additions, improvements, and changes to Unsold Residential Units and the Hotel Unit, which are, by this reference, incorporated herein and made a part of this Article 12 of this Declaration as if set forth at length in the text hereof.

ARTICLE 13

ACQUISITION OF UNIT BY THE CONDOMINIUM BOARD

If (a) any Residential Unit Owner surrenders the Residential Unit, together with its Appurtenant Interests to the Condominium Board pursuant to the terms of the By-Laws or § 339-x of the Condominium Act, or (b) the Condominium Board, pursuant to the By-Laws or otherwise, either acquires or leases a Unit, together with its Appurtenant Interests, purchases, a Unit, together with its Appurtenant Interests, at a

foreclosure or other similar sale, then, in any such event, title to any such Unit and such Appurtenant Interests shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interest. Any lease or sublease of any Unit leased or subleased by the Condominium Board or its designee shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interest.

ARTICLE 14

POWER OF ATTORNEY TO SPONSOR AND THE CONDOMINIUM BOARD

14.1 Each Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Unit Owner's attorney in-fact, coupled with an interest and with power of substitution, Sponsor, to:

(a) amend the Condominium Documents pursuant to the terms thereof, and to effectuate the rights of Sponsor and the Hotel Unit Owner under the Condominium Documents; and

(b) effectuate Sponsor's or the Development Rights Owner's utilization, sale or transfer of all or any portion of the Excess Development Rights, as set forth in this Declaration.

14.2 Each Residential Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Residential Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Unit Owner's attorney in-fact, coupled with an interest and with power of substitution, the Persons who shall from time to time constitute the Condominium Board, jointly, to:

(a) employ counsel for purposes of protesting the New York City real property tax assessments with the Tax Commission and commencing, pursuing, appealing, settling and/or terminating administration and tax certiorari proceedings on behalf of the Residential Unit Owners for the reduction of the assessed valuation of their Residential Units, such Residential Unit Owners agreeing not to protest said assessments and bring such tax certiorari proceedings at their own initiative and on their own behalf;

(b) acquire, lease or license any Residential Unit, together with its Appurtenant Interests whose owner desires to sell, convey, transfer, assign, lease, sublease or surrender the same or acquire any Residential Unit, together with its Appurtenant Interests that becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners;

(c) acquire, mortgage, lease, sublease, license, convey or otherwise deal with (but not to vote the Common Interest, appurtenant to) any Residential Unit so acquired or to sublease any Residential Unit so leased; and

(d) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Property or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Property which the Condominium Board deems necessary or appropriate or (3) any protest and tax certiorari proceeding documentation affecting Residential Units.

14.3 In confirmation of the foregoing power of attorney, at the time of acquiring title to a Unit and as a condition thereof, each Unit Owner shall duly execute, acknowledge and deliver to the representative of the title insurance company (or, if no such representative is present, to the Condominium Board) for

recording in the Register's Office (at such Unit Owner's sole cost and expense), the Unit Owner's Power of Attorney, in the form set forth as Exhibit E to this Declaration. In the event of any failure by any Unit Owner to deliver the Power of Attorney in accordance with the terms of this subsection 14.3, the provisions of subsections 14.1 and 14.2 hereof shall nevertheless remain in full force and effect. Nothing in this Article 14 shall be construed to mean that the provisions of subsections 14.1 and 14.2 hereof are in any way contingent or dependent upon the delivery of the Power of Attorney in accordance with the terms of this subsection 14.3.

ARTICLE 15

TERMINATION OF CONDOMINIUM

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws) until such time as the Property is withdrawn from the provisions of the Condominium Act as authorized by a vote of the Hotel Unit Owner and 80% in number and in Residential Common Interest of all Residential Unit Owners. No such vote shall be effective, however, without the written consent (which consent shall not be unreasonably withheld, conditioned, or delayed) of the Permitted Mortgagees representing at least fifty-one (51%) percent of the Common Interest of all Units which are subject to Permitted Mortgages or by a majority of the Mortgage Representatives, if any. In the event the withdrawal is authorized as aforesaid, but only in such event, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interest; provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of such Unit Owner's share of such net proceeds all liens on the Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

ARTICLE 16

COVENANT OF FURTHER ASSURANCES

16.1 Any Person who is subject to the terms of this Declaration, whether such Person is a Unit Owner, a Member or officer of the Condominium Board or a Permitted User of either or otherwise, shall, upon prior reasonable written request at the expense of any such other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

16.2 If any Unit Owner, the Condominium Board or any other Person who is subject to the terms of this Declaration fails or refuses, within 10 days (or 60 days, with respect to a Permitted Mortgagee) after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which the Condominium Board, Unit Owner or other Person is required to execute, acknowledge and deliver or to take pursuant to this Declaration, or (ii) to deliver a written notice to the Person requesting such execution, acknowledgement or delivery, and to the Condominium Board stating the reasons why such Unit Owner, Condominium Board or other Person refuses to execute, acknowledge or deliver such instrument or take such action, then the Condominium Board or other Person is hereby authorized as attorney-in-fact for such Unit Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, Condominium Board or other Person and such document or action shall be binding on such Unit Owner, Condominium Board or other Person.

16.3 If any Unit Owner, the Condominium Board or other Person that is subject to the terms of this Declaration fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days

(or 60 days, with respect to a Permitted Mortgagee) after request therefor, to execute, acknowledge or deliver any instrument which such Unit Owner, Condominium Board or other Person is required to execute, acknowledge or deliver pursuant to this Declaration at the request of Sponsor or the Hotel Unit Owner or any Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, as the case may be, then Sponsor, the Hotel Unit Owner, or the Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, as the case may be, is hereby authorized, as attorney-in-fact for the Unit Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, in the name of the Unit Owner, Condominium Board or other Person, and such instrument shall be binding on the Unit Owner, Condominium Board or other Person. The Condominium Board shall not unreasonably withhold or delay its consent or approval with respect to any matter contained in this Declaration which requires the consent or approval of the Condominium Board.

ARTICLE 17

COVENANTS RUNNING WITH THE LAND

17.1 All provisions of this Declaration, the By-Laws and the Residential Rules and Regulations which are annexed hereto and made a part hereof, including, without limitation, the provisions of this Article, shall to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and owner's heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in or for the benefit of the general public. All present and future owners, tenants, subtenants, licensees, and other occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Residential Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Residential Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or use and occupancy agreement thereof.

17.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

17.3 Subject to section 17.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 18

EXCESS DEVELOPMENT RIGHTS

18.1 Any Excess Development Rights shall be retained by Sponsor, who shall have the exclusive right to utilize, sell or otherwise transfer any Excess Development Rights. Excess Development Rights shall inure solely to the benefit of Sponsor or other Development Rights Owner. Neither the Condominium Board nor any Unit Owner (other than Sponsor or a Development Rights Owner) shall have any right or interest in any Excess Development Rights.

18.2 In connection with its utilization of Excess Development Rights, Sponsor or Development Rights Owner, among other rights, may cause the Property to be divided into two or more parcels which collectively are referred to as the "Combined Zoning Lot."

18.3 Each Unit Owner by accepting a deed or otherwise succeeding to title to a Unit, and the Condominium Board, shall be deemed to have consented to and agreed that, if Sponsor or a Development Rights Owner seeks to enlarge the Combined Zoning Lot by adding other parcels of real property ("Additional Parcels") so as to create an enlarged Combined Zoning Lot, or seeks to utilize or transfer Excess Development Rights for the purposes and in accordance with the provisions of the Zoning Resolution or other applicable Law, the Condominium Board and the Unit Owner have (i) waived the right to execute any declaration of zoning lot restrictions, zoning lot development agreement, easement for light and air or other document or instrument and the right to appear in opposition before any community board or governmental or quasi-governmental authority to oppose in any manner the utilization, sale or transfer of Excess Development Rights or the establishment of the Combined Zoning Lot or any enlargement, division or proposed use thereof; and (ii) consented as a party in interest, to any declaration or other agreement utilizing the Excess Development Rights in any manner, including by effecting a transfer of Excess Development Rights or a merger or division of any of the parcels comprising the Combined Zoning Lot with any other tax lots in order to form a single zoning lot for the purpose of transferring all or any portion of the Excess Development Rights from Sponsor or a Development Rights Owner.

18.4 Notwithstanding the provisions of the immediately preceding paragraph, each Unit Owner by accepting a deed or otherwise succeeding to title to a Unit, and the Condominium Board, shall be deemed to have granted to Sponsor and any Development Rights Owner an irrevocable power of attorney coupled with an interest, to execute, acknowledge and deliver any such declaration of zoning lot restrictions, zoning lot development agreement, easement for light and air, or other document or instrument necessary or expedient to carry out the exercise of any rights, reserved, retained or granted to Sponsor or Development Rights Owner. Alternatively, upon demand of Sponsor or a Development Rights Owner, each Unit Owner and the Condominium Board shall execute any declaration of zoning lot restrictions, zoning lot development agreement, easement for light and air, or other document or instrument requested by Sponsor or Development Rights Owner in order that (i) Sponsor or Development Rights Owner may effectively utilize, sell or otherwise transfer Excess Development Rights to any Person designated by Sponsor or Development Rights Owner, and (ii) such Person may effectively utilize such Excess Development Rights.

18.5 Notwithstanding the foregoing, neither Sponsor nor any Development Rights Owner may utilize Excess Development Rights to increase the size, height, bulk or density of any portion of the Property.

18.6 All rights and obligations of Sponsor set forth in this Declaration with respect to the Excess Development Rights shall apply equally to any Development Rights Owner.

ARTICLE 19

AMENDMENTS TO THIS DECLARATION AND THE TAX LOT DRAWINGS

19.1 All the provisions of this subsection 19.1 are subject to the provisions contained in this Declaration with respect to amendments, modifications, additions or deletions affecting Sponsor or any Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, the Hotel Unit Owner, or any Permitted Mortgagee. Any provision of this Declaration and/or the Tax Lot Drawings affecting the (i) General Common Elements or all Unit Owners may be added to, amended, modified or deleted by the affirmative vote of at least 66-2/3% in number and in Common Interest of all Unit Owners and (ii) Residential Common Elements or all Residential Unit Owners may be added to, amended, modified or deleted by affirmative vote of at least 66-2/3% in number and Residential Common Interest of all Residential Unit Owners, either taken at a duly constituted meeting thereof or given in writing without a meeting in accordance with the provisions of the By-Laws. Any such amendment, modification, addition or deletion shall be effectuated in an instrument executed and recorded in the Register's Office by or on behalf of the Condominium Board as attorney-in-fact of all the Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest. No such amendment, modification, addition or deletion shall be effective unless and until such instrument is duly recorded in the Register's Office.

19.2 (1) Sponsor shall have the right, at its sole cost and expense and without the vote or consent of any Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute and record (or, at Sponsor's sole option, to require the Condominium Board or any other Unit Owners to execute and record) in the Register's Office and elsewhere, if required by Law, by or on behalf of the Condominium Board as attorney-in-fact of all the Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest, one or more amendments to this Declaration (including without limitation to Exhibit B hereto), the Tax Lot Drawings, and any other such documents, plans and maps as Sponsor deems appropriate to effectuate the same:

(i) to reflect any changes in Unsold Residential Units and/or the reapportionment of the Common Interest of the affected Unsold Residential Units resulting therefrom made by Sponsor in accordance with the terms of Article 12 hereof; or

(ii) required by (x) an Institutional Lender designated by Sponsor to make a loan secured by a mortgage on any Unsold Residential Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Sponsor to insure title to any Unsold Residential Unit; or

(iii) to correct any inconsistencies or scrivener's errors; or

(iv) to relinquish any rights granted to Sponsor hereunder.

Provided, however, that any amendment made pursuant to the terms of provisions (i) or (ii) of this section shall not (1) change the Common Interest of any Unit other than a Unit owned by Sponsor, or (2) require a material, physical modification of any Unit other than a Unit owned by Sponsor, or (3) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender unless the owner of such affected Unit (in the event described in (1) or (2) of this section)

or the holder of such mortgage (in the event described in (3) of this section) shall consent thereto by joining in the execution of such amendment.

(2) Sponsor or any Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, shall have the right, at its sole cost and expense and without the vote or consent of any Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute and record (or, at Sponsor's or the Development Rights Owner's sole option, to require the Condominium Board or any other Unit Owners to execute and record) in the Register's Office and elsewhere, if required by Law, by or on behalf of the Condominium Board as attorney-in-fact of all the Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest, one or more amendments to these By-Laws and/or the Residential Rules and Regulations as Sponsor or the Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, deems appropriate to effectuate the same, with respect to Excess Development Rights, to effectuate Sponsor's or any Development Rights Owner's utilization, sale or transfer of any Excess Development Rights in any manner permitted by Law, provided that no such amendment shall enable Sponsor or Development Rights Owner to utilize Excess Development Rights to increase the size, height, bulk, configuration and/or density of the Property.

19.3 The Hotel Unit Owner shall have the right, at its sole cost and expense and without the vote or consent of any other Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute and record in the Register's Office or elsewhere, if required by Law, by or on behalf of the Condominium Board as attorney-in-fact of all the Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest, one or more amendments to this Declaration (including without limitation to Exhibit B hereto), together with such documents, plans and maps as the Hotel Unit Owner deems appropriate to effectuate the same:

(i) to reflect any changes in the Hotel Unit, the Hotel Common Elements and/or the reapportionment of the Common Interest of the Hotel Unit resulting therefrom made by Hotel Unit Owner in accordance with the terms of Article 12 hereof; or

(ii) required by (x) an Institutional Lender designated by the Hotel Unit Owner to make a loan secured by a mortgage on the Hotel Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by the Hotel Unit Owner to insure title to any Hotel Unit, as such requirements relate solely to the Hotel Unit; or

(iii) to correct any inconsistencies or scrivener's errors; or

(iv) to reflect any changes that do not materially and adversely affect the Residential Units and/or the Residential Unit Owners; provided, however, that any such amendment shall not (1) change the Common Interest or Residential Common Interest of any other Unit, or (2) require a physical modification of any other Unit, or (3) adversely affect the priority or validity of the lien of any mortgage held by an Institutional Lender unless the owner of such affected Unit (in the event described in provision (1) or (2) of this paragraph) or the holder of such mortgage (in the event described in provision (3) of this paragraph) shall consent thereto by joining in the execution of such amendment. Notwithstanding the provisions of this subsection (iv), no amendment or proposed amendment to this Declaration which pertains solely to the Hotel Unit or the Hotel Common Elements (including, but not limited to, any change in layout, use, or design of the Hotel Unit or Hotel Common Elements or the amenities or facilities provided therein or the Hotel Services (provided that the Hotel Unit Owner shall be required to make Basic Hotel Services available to Residential Unit Owners (subject to the provisions of the By-Laws with respect thereto more particularly set forth in Article 6 thereof)) shall be deemed to have any material and adverse effect on the Residential Units or the Residential Unit Owners notwithstanding the fact that such change may

impact a Residential Unit Owner's use and enjoyment of all or any portion of the Hotel Unit, the Hotel Common Elements or the Hotel Services.

19.4 Any amendment to this Declaration and/or Tax Lot Drawings (as applicable) may be executed; (i) if on behalf of Sponsor or any Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, pursuant to the terms of section 19.2 hereof, by Sponsor or the Development Rights Owner, (ii) if on behalf of the Hotel Unit Owner pursuant to the terms of section 19.3 hereof, by the Hotel Unit Owner, or (iii) if on behalf of the Unit Owners or by the Condominium Board, by any officer of the Condominium. If the amendment requires the approval of a specific percentage of Unit Owners pursuant to the terms of this Declaration or the By-Laws, then there shall be attached to such amendment an original executed Secretary's Certificate, certifying that the requisite number and percentage of Unit Owners approved the amendment at a duly constituted meeting or (when permitted pursuant to the terms of this Declaration or the By-Laws) in writing without a meeting, in which Certificate shall be described the number and percentage of Unit Owners so consenting and (if voted upon at a meeting) the date and time of the meeting.

19.5 Notwithstanding anything contained in the Condominium Documents to the contrary, if any Residential Unit Owner, with the prior approval of the Condominium Board changes the size and/or number of Residential Units owned by such Residential Unit Owner by either (w) subdividing a Residential Unit(s) into two or more separate Residential Units, (x) combining a Residential Unit into one or more Residential Units, (y) altering the boundary walls between any adjacent Residential Units owned by such Residential Unit Owner, or (z) otherwise, including incorporating Residential Common Elements (such as a portion of a hallway used exclusively by the owner of such Residential Unit) which exclusively benefit a Residential Unit into such Residential Unit, then the Condominium Board on behalf of such Residential Unit Owner and at the Residential Unit Owner's sole cost and expense, shall have the right to execute, and record in the City Register's Office and elsewhere, if required by Law, any amendment to this Declaration, the Tax Lot Drawings, and other documents which are necessary or appropriate to reflect the changes made by the Residential Unit Owner, all without the approval of the other Unit Owners, provided, however, that any such amendment shall not (1) change the Common Interest or Residential Common Interest of any other Unit, or (2) require a physical modification of any other Unit, or (3) adversely affect the priority or validity of the lien of any mortgage held by an Institutional Lender, unless the owner of such affected Unit (in the event described in (1) or (2)) or the holder of such mortgage (in the event described in (3)) shall consent thereto by joining in the execution of such amendment.

19.6 Notwithstanding anything contained in the Condominium Documents to the contrary, but subject to any limitation imposed by the Condominium Act, no amendment to the Condominium Documents shall be effective in any respect against Sponsor or the Hotel Unit Owner or any Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, if the same would (i) unreasonably interfere with the sale, lease, or other disposition of any Unit owned by Sponsor, the Hotel Unit Owner, or the Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, as the case may be, (ii) abridge, modify, suspend, eliminate, or otherwise affect any right, power, easement, privilege, or benefit granted to Sponsor, the Hotel Unit Owner, or the Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, as the case may be, unless such amendment is consented to in writing by Sponsor, the Hotel Unit Owner, or the Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, as the case may be, (iii) adversely affect the use of any Unit owned by Sponsor or the Hotel Unit Owner and/or the rights of Sponsor or the Hotel Unit Owner (including any amendment which has any impact on the Hotel Standard in effect at a given time or which concerns the hiring of employees or a manager to serve the Residential Units or terminating any staffing arrangement with the Hotel Unit Owner, which amendments cannot be made without the Hotel Unit Owner's prior written consent), as the case may be, or (iv) impose any charge or fee against Sponsor, the Hotel Unit Owner, or the Development Rights Owner solely with respect

to utilization, sale or transfer of Excess Development Rights, unless Sponsor, the Hotel Unit Owner, or the Development Rights Owner shall consent to such amendment in writing.

19.7 The provisions of this Article may not be modified, amended, added to or deleted, in whole or in part, without the consent of Sponsor or the Hotel Unit Owner if the same relate to Sponsor or the Hotel Unit Owner.

19.8 No amendment to the Condominium Documents which would materially and adversely affect the holder of any Permitted Mortgage shall be effective without the prior written consent of 51% of the Permitted Mortgagees or a majority of the Mortgage Representatives, if any. If the Permitted Mortgagees or Mortgage Representatives fail to respond within sixty (60) days after written receipt of the proposed amendment, delivered by either certified or registered mail, "return receipt" requested, the implied approval of such Permitted Mortgagees or Mortgage Representative shall be assumed.

19.9 Notwithstanding the provisions of section 19.1 hereof, the Common Interest appurtenant to any Unit, as set forth in the Declaration, shall not be altered without the consent of the Unit Owner thereof, except as otherwise provided in subsection (F) of section 5.5 of the By-Laws.

19.10 Subject to the rights of Sponsor set forth herein, the foregoing section 19.1 of this Declaration may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, if any, as set forth above) 80% in number and in Common Interest of all Unit Owners affected thereby, approve such amendment, modification, addition or deletion in writing.

ARTICLE 20

CONSENTS BY SPONSOR

When the consent, approval, satisfaction, or permission of Sponsor is required under this Declaration or the By-Laws, such consent, approval, satisfaction, or permission shall not be required when (i) Sponsor no longer owns any Units; (ii) Sponsor has completed all of its obligations under the terms of the Offering Plan and (iii) a PCO has been issued for the Property.

ARTICLE 21

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York shall serve the Condominium c/o The Board of Managers of the The Surrey Condominium located at 20 East 76th Street, New York, NY 10021.

ARTICLE 22

INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the table of definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Unit Power of Attorney annexed hereto as Exhibit E; (vi) the Tax Lot Drawings; and (vii) the Offering Plan are, by this reference, each incorporated herein and made a part of this Declaration as if set forth at length in the text hereof.

ARTICLE 23

WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 24

SEVERABILITY

Subject to the provisions of section 17.2 and 17.3 of Article 17 hereof, if any provision of the Condominium Documents is invalid or unenforceable as against any Person or under certain circumstances, the remainder of the Condominium Documents and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of the Condominium Documents shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by Law.

ARTICLE 25

SUCCESSORS AND ASSIGNS

25.1 The rights and/or obligations of Sponsor and the Hotel Unit Owner as set forth in this Declaration and the By-Laws shall inure to the benefit of and be binding upon any successor or assignee or designee of Sponsor and the Hotel Unit Owner. Sponsor and the Hotel Unit Owner shall have the right, at any time, in their sole discretion, to assign or otherwise transfer their interest therein, whether by merger, consolidation, lease, assignment, or otherwise.

25.2 All rights of Sponsor as set forth in this Declaration and the By-Laws shall inure to the benefit of the principals of Sponsor.

ARTICLE 26

CAPTIONS

The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

ARTICLE 27

CERTAIN REFERENCES

27.1 A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural and vice versa, unless the context otherwise requires.

27.2 The terms "herein," "hereof" or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used, unless the context otherwise requires.

27.3 Unless otherwise stated, all references herein to Articles, sections or other provisions are references to Articles, sections or other provisions of this Declaration.

ARTICLE 28

GENERAL

Except as required by Law, neither Sponsor nor any of its principals shall be subject to any of the restrictions, limitations, policies, impositions of fees, and/or prohibitions with regard to the Common Elements, the Units set forth in this Declaration or the By-Laws annexed hereto, as same may be amended from time to time.

ARTICLE 29

HOTEL INTELLECTUAL PROPERTY AND THE HOTEL STANDARD

29.1 The Hotel Unit Owner and/or the Hotel Operator may, from time to time, either own or obtain licenses to rights in certain trademarks, trade names, copyrights and/or other intellectual property (collectively, the "Hotel Intellectual Property"). Except as expressly provided herein, in no event shall any Residential Unit Owner (other than Sponsor, the Hotel Unit Owner or the Hotel Operator, or any of their affiliates, designees or licensees, to the extent the same may be a Residential Unit Owner) or the Condominium Board, without the express consent of the Hotel Unit Owner or the Hotel Operator (which consent may be conditioned upon execution of a license agreement and/or payment of licensing fees), as applicable, use any of the Hotel Intellectual Property in connection with any advertisements, promotion, rental or sale of any Units (or portion thereof or interest therein) or (to the extent permitted by the Condominium Documents and applicable law) any business being operated therein or therefrom or in any other commercial manner. Without limiting any other right or remedy available at law or in equity, the foregoing may be enforced by an action for specific performance and/or injunctive relief. Under no circumstances shall the Hotel Intellectual Property be deemed part of property of the Condominium or an appurtenance of any Residential Unit or the property of any Person subject to the foregoing. The Hotel Intellectual Property shall at all times remain the sole and exclusive property of the Hotel Unit Owner and/or the Hotel Operator, as applicable, and/or their licensees.

29.2 The Common Elements shall at all times be maintained to an aesthetic and operational standard consistent with the standard for operation, management and maintenance which is required to be maintained by the Hotel Operator, the Hotel Unit Owner and/or the Condominium under the terms of the Hotel Management Agreement entered into between the Hotel Operator and the Hotel Unit Owner from time to time, which may include standards of quality, service, character, appearance and image required by the Hotel Operator from time to time (the "Hotel Standard"). Pursuant to the Hotel Management Agreement in place as of the date hereof, the Hotel Standard means substantially the same quality, operating, service and standards (including guidelines developed for use with the Hotel as modified, amended or supplemented from time to time, without limitation standards and specifications related to health, fire and life safety, security, guest services and assistance, quality assurance as well as design and construction standards) as determined by the Hotel Operator and notified to Hotel Unit Owner from time to time to apply in respect of the hotels operated by the Hotel Operator as part of the group of hotels operated or licensed, as applicable, under the brand name "Corinthia" and owned and/or operated and/or franchised from time to time by the Hotel Operator and/or its affiliates (provided such standards are then applied in a generally consistent manner in all or substantially all such group of hotels) (subject to all limitations with respect thereto set forth in the Hotel Management Agreement). The Hotel Unit Owner shall have the right to enforce the obligations of the Unit Owners and the Condominium Board to maintain the Common Elements in accordance with the Hotel Standard as more particularly set forth in the By-Laws.

IN WITNESS WHEREOF, Sponsor has caused this Declaration to be executed as of the ___ day of _____, _____.

* * * * *

SPONSOR:

SURREY PROPCO, LLC

_____

(ACKNOWLEDGEMENT)

STATE OF NEW YORK)
) ss.:
COUNTY OF New York)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

EXHIBIT A

TO THE DECLARATION

DESCRIPTION OF THE LAND

The Surrey Condominium
20 East 76th Street
New York, NY 10021
Block: 1390

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York, bounded and described as follows:

[See the Schedule A – Description of the Land in the Specimen Title Report set forth in Part II of the Plan.]

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CONDOMINIUM NO. _____

EXHIBIT B TO THE DECLARATION
DESCRIPTION OF THE UNITS

The Surrey Condominium
20 East 76th Street
New York, NY 10021

Tax Block: 1390
Tax Lots: _____ to _____

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EXHIBIT C

DEFINITIONS

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

"A La Carte Services" shall have the meaning ascribed to such term in Special Risk 1 hereof.

"Additional Deposit" shall mean a deposit in an amount equal to 10% of the Purchase Price required to be delivered by Purchaser before the earlier to occur of (i) 6 months after the date on which a Purchase Agreement is executed by Sponsor and Purchaser, or (ii) 15 days after the Presentation Date of an amendment declaring the Plan effective.

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

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

"Basic Hotel Services" shall have the meaning ascribed to such term in Special Risk 1 hereof.

"Building" shall mean the building located at 20 East 76th Street, New York, NY 10021.

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

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

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

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

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

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

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

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

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

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

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

"Condominium Board" shall mean the board of managers of the Condominium which will manage the affairs of the Condominium. The Condominium Board is also sometimes referred to herein as the "Board".

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

"General Common Expenses" shall mean all Common Expenses allocated to both the Residential Unit Owners and the Hotel Unit Owner.

"Hotel" shall mean the hotel operation within the Hotel Unit, which may include, but shall not be limited to, hotel guest rooms and ancillary spaces, retail, bar/restaurant, lounge and club areas, a fitness center, conference rooms, ballrooms, event spaces and spa facilities.

"Hotel Common Elements" shall mean those portions of the Common Elements existing for the exclusive use of the Hotel Unit Owner, as more particularly described in the Declaration and the Tax Lot Drawings.

"Hotel Intellectual Property" shall mean any licenses to rights in certain trademarks, trade names, copyrights and/or other intellectual property which the Hotel Unit Owner and/or the Hotel Operator from time to time, either owns or obtains licenses for rights to.

"Hotel Management Agreement" shall mean any management agreement entered into between the Hotel Unit Owner and any Hotel Operator from time to time with respect to operations of the Hotel.

"Hotel Member" shall mean any members of the Condominium Board designated by the Hotel Unit Owner in accordance with the terms of the By-Laws.

"Hotel Operator" shall mean the operator, if any, of the Hotel which may be retained by the Hotel Unit Owner from time to time. Sponsor has entered into a Hotel Management Agreement with CHL Surrey, Inc., an affiliate of Corinthia Hotels Limited, to initially serve as the Hotel Operator.

"Hotel Services" shall have the meaning ascribed to such term in Special Risk 1 of this Plan.

"Hotel Standard" shall mean any standard for operation, management and maintenance which is required to be maintained by the Hotel Operator, the Hotel Unit Owner and/or the Condominium under the terms of the Hotel Management Agreement entered into between the Hotel Operator and the Hotel Unit Owner from time to time, which may include standards of quality, service, character, appearance and image, required by the Hotel Operator from time to time. Pursuant to the Hotel Management Agreement in place as of the Filing Date, the Hotel Standard means substantially the same quality, operating, service and standards (including guidelines developed for use with the Hotel as modified, amended or supplemented from time to time, without limitation standards and specifications related to health, fire and life safety, security, guest services and assistance, quality assurance as well as design and construction standards) as determined by the Hotel Operator and notified to Hotel Unit Owner from time to time to apply in respect

of the hotels operated by the Hotel Operator as part of the group of hotels operated or licensed, as applicable, under the brand name "Corinthia" and owned and/or operated and/or franchised from time to time by the Hotel Operator and/or its affiliates (provided such standards are then applied in a generally consistent manner in all or substantially all such group of hotels) (subject to all limitations with respect thereto set forth in the Hotel Management Agreement).

"Hotel Unit" shall mean the Unit designated as such in the Declaration together with its Common Interest.

"Hotel Unit Owner" shall mean the Unit Owner of the Hotel Unit at the time in question.

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

"Initial Deposit" shall mean a deposit in an amount equal to 10% of the Purchase Price required to be delivered by Purchaser at the time Purchaser signs and delivers the Purchase Agreement.

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

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

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

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

"Land" shall mean the land located in the Borough of Manhattan on the Tax Map of the Division of Land Records of The City of New York as Block 1390, Lot 57 and more particularly described in Exhibit A to the Declaration.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

"Residential Common Elements" shall mean those portions of the Common Elements either existing for the common use of the Residential Units or the Residential Unit Owners or necessary for, or convenient to, the existence, maintenance or safety of the Residential Units, as more particularly described in the Declaration and the Tax Lot Drawings.

"Residential Common Expenses" shall mean those Common Expenses to be incurred solely by the Residential Unit Owners.

"Residential Common Interest" shall mean the proportionate undivided interest, expressed as a numerical percentage, of each Residential Unit Owner in the Residential Common Elements. The total of all Residential Common Interest percentages appurtenant to all Residential Units equals 100%. The Residential Common Interest is the basis for determining a Residential Unit Owner's liability for such Unit Owner's share of the Residential Common Expenses.

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

"Residential Member" shall mean any member of the Condominium Board elected by the Residential Unit Owners or designated by Sponsor in accordance with the terms of the By-Laws.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

"Title Company" shall mean Prestige Title Agency, Inc., having an office at 55 West 39th Street, New York, New York 10018 (telephone: (212) 651-1200, or any successor Title Company at the time in question.

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

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

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

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

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

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

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

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BY-LAWS OF THE CONDOMINIUM

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EXHIBIT D

TO THE DECLARATION

==========

BY-LAWS

OF

THE SURREY CONDOMINIUM

Prepared by:

STARR ASSOCIATES LLP
ATTORNEYS AT LAW
220 EAST 42 STREET
NEW YORK, NEW YORK 10017
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BY-LAWS

ARTICLE 1
GENERAL

Section 1.1 *Purpose.* The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the Condominium. The Condominium covers the Property, which consists of: (i) the Land, which is more particularly described in Exhibit A to the Declaration; (ii) the Building, which includes, without limitation, the Units, the Common Elements and all easements, rights and appurtenances belonging thereto; and (iii) all other property, real, personal, or mixed, intended for use in connection therewith. The Property has been submitted to the provisions of the Condominium Act by the recording of the Declaration in the Register's Office, of which Declaration these By-Laws form a part. The purpose of the Condominium is to carry on the acquisition, construction, management, maintenance and care of the Common Elements and to perform related functions with respect to the other portions of the Property.

Section 1.2 *Definitions.* All capitalized terms used in these By-Laws that are not otherwise defined in any of the Articles hereof shall have the meanings set forth in Exhibit C to the Declaration, unless the context in which the same are used shall otherwise require. Each of the aforedescribed capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

Section 1.3 *Applicability of By-Laws.* These By-Laws are applicable to the Property and to the use and occupancy thereof.

Section 1.4 *Application of By-Laws.* All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units, and employees and guests of Unit Owners, as well as all other Persons who may use the Property, are and shall be subject to the Declaration, these By-Laws and the Residential Rules and Regulations, as each of the same may be amended from time to time. The acceptance of a deed or other instrument of conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of the Declaration, these By-Laws and the Residential Rules and Regulations, as each of the same may be amended from time to time, are accepted and ratified and will be complied with.

Section 1.5 *Principal Office of the Condominium.* The principal office of the Condominium shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

ARTICLE 2
CONDOMINIUM BOARD

Section 2.1 *General.* As more particularly set forth in sections 2.4, 2.5 and 2.6 hereof, the affairs of the Condominium shall be governed by the Condominium Board. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Condominium Board shall act as, and shall be, the Agent of the Unit Owners, subject to, and in accordance with, the terms of the Declaration and these By-Laws.

Section 2.2 *Status of the Condominium Board.* Unless and until the Condominium Board shall incorporate in accordance with the terms of section 2.4 hereof, the Condominium Board shall have, to the extent permitted by Law, the status conferred upon unincorporated associations under, or pursuant to, the terms of the General Association Law of the State of New York. If the Condominium Board shall incorporate in accordance with the terms of section 2.4 hereof, the Condominium Board shall have, to the

extent permitted by Law, the status conferred upon it under, or pursuant to, the terms of the applicable statutes of the State of New York. In either event, however, the Condominium Board shall also have the status conferred upon it under, or pursuant to, the terms of the Condominium Act.

Section 2.3 *Principal Office of the Condominium Board.* The principal office of the Condominium Board shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

Section 2.4 *Powers and Duties of the Condominium Board*

(A) The Condominium Board shall have all of the powers and duties necessary for, or incidental to, the administration of the affairs of the Condominium, provided, however, that the Condominium Board shall not have such powers and duties that by Law, or pursuant to the terms of the Declaration and these By-Laws, may not be delegated to the Condominium Board by the Unit Owners. Without intention to limit the generality of the foregoing in any respect, the Condominium Board shall have the following specific powers and duties:

(i) to operate, maintain, repair, restore, add to, improve, alter and replace the Common Elements in accordance with the Hotel Standard, including, without limitation, as the Condominium Board shall deem necessary or proper in connection therewith, (a) the purchase and leasing of supplies, equipment and material and (b) the employment, compensation and dismissal of personnel, to the extent any are employed by the Condominium.

(ii) to acquire, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of the Unit Owners, all rights, titles and interests in real and personal property deemed necessary or proper by the Condominium Board for use in connection with the ownership and operation of the Property as a condominium.

(iii) to maintain complete and accurate books and records with respect to the finances and the operation of the Condominium, including without limitation: (a) detailed accounts, in chronological order, of receipts and expenditures affecting the Property; (b) detailed books of account of the Condominium Board; (c) other financial records, as well as other books of account of the Condominium, as may be required to be kept pursuant to the terms of these By-Laws; and (d) minutes and other records of all meetings held pursuant to the terms of these By-Laws.

(iv) to adopt a budget for the Condominium for each fiscal year thereof, setting forth, without limitation: (a) a detailed accounting of the anticipated Common Expenses for the ensuing fiscal year and (b) a detailed projection of all sources and amounts of income necessary to discharge the same.

(v) to approve the amount and the means and methods of payment of, and collection of, the Common Charges and Special Assessments from the Unit Owners; provided, however, that in no event shall Common Charges or Special Assessments or other funds received by the Condominium Board in connection with the General Common Elements be utilized to defray any Residential Common Expenses and in no event shall Common Charges or Special Assessments or other funds received by the Condominium Board in connection with the Residential Common Elements be utilized to defray any General Common Expenses.

(vi) to borrow money on behalf of the Condominium in accordance with §339-jj of the Real Property Law when required in connection with the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Common Elements, provided, however, that (a) no lien to secure repayment of any sum borrowed may be created on any Unit or its Appurtenant Interests without the consent of the owner of such Unit; and (b) the documentation

executed in connection with any such borrowing shall provide that, if any sum borrowed by the Condominium Board pursuant to this subsection (vi) shall not be repaid by the Condominium Board, any Unit Owner who pays to the creditor thereunder such proportion of the then outstanding indebtedness represented or secured thereby as such Unit Owner's Common Interest or Residential Common Interest, as applicable, bears to the aggregate Common Interest of all Unit Owners or Residential Common Interest of all Residential Unit Owners, as applicable, shall be entitled to obtain from the creditor a release of any judgment or other lien that the said creditor shall have filed, or shall have the right to file against such Unit Owner's Unit.

(vii) to open and maintain bank accounts on behalf of the Condominium and to designate the signatories required therefor which shall at no time be less than two and that each check drawn on such account shall need at least two signatures.

(viii) to use the Common Charges and Special Assessments collected from Unit Owners, as well as all other funds held by the Condominium Board or received in connection with the operation of the Property, for the administration of the Condominium, including, without limitation: (a) the payment of Common Expenses and (b) the making of restorations, additions, alterations and improvements to the Common Elements.

(ix) to obtain insurance for the Property pursuant to the terms of section 5.4 hereof.

(x) to adjust and settle claims under insurance policies obtained pursuant to the terms of section 5.4 hereof, and to execute and deliver releases upon such adjustment and settlement on behalf of: (a) all Unit Owners (except as otherwise provided herein); (b) all holders of mortgages and other liens on Units; and (c) all holders of any other interest in the Property.

(xi) to make, or to contract with others for the making of, repairs, maintenance, additions and improvements to, and alterations, restorations and replacements of, the Property after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings, all in accordance with the terms of these By-Laws.

(xii) to obtain and keep in force fidelity bonds, in amounts deemed appropriate by the Condominium Board, but in no event less than $100,000, for: (a) all Members of the Condominium Board; (b) all officers and employees of the Condominium; and (c) the Managing Agent, and the premiums on all such fidelity bonds shall constitute a part of the Common Expenses.

(xiii) to accept the surrender of any Residential Unit pursuant to the terms of subsection (C) of section 6.2 hereof, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Residential Unit Owners.

(xiv) to purchase, lease, or otherwise acquire Residential Units offered for sale, lease (for six months or longer) or assignment by their owners, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Residential Unit Owners but only with the consent of a Majority of Residential Unit Owners, and subject in all events to the rights of the Hotel Unit Owner hereunder to purchase, lease or otherwise acquire such Residential Units.

(xv) to purchase Units at foreclosure or other judicial sales, in the name of the Condominium Board or its designee, corporate or otherwise and on behalf of all Unit Owners but only with the consent of a Majority of Unit Owners.

(xvi) to sell, lease, license, mortgage and otherwise deal with Residential Units acquired by, and to sublease Residential Units leased by, the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, provided, however, that the Condominium

Board or its designees shall in no event be entitled to vote the interest appurtenant to any such Residential Unit.

(xvii) to adopt and amend the Residential Rules and Regulations and to levy and authorize collection of fines against Unit Owners for violations of the Residential Rules and Regulations and these By-Laws (any such fines and fees shall be deemed to constitute Common Charges payable by Unit Owners of the Unit against which they are levied).

(xviii) to enforce by legal means the terms, covenants and conditions contained in the Condominium Documents and to bring or defend against any proceedings that may be instituted on behalf of, or against, the Unit Owners.

(xix) to incorporate, to the extent and in the manner provided in the Condominium Act, provided, however, that: (a) the certificate of incorporation and the By-Laws of any such resulting corporation shall conform as closely as practicable to the terms of the Declaration and these By-Laws and (b) the terms of the Declaration and these By-Laws shall prevail in the event of any inconsistency or conflict between the terms thereof and the terms of such certificate of incorporation and the By-Laws.

(xx) to organize corporations and other legal entities to act as the designees of the Condominium Board in acquiring title to, or leasing of, Units and in acquiring rights, titles and interests in real and personal property for use in connection with the ownership and operation of the Property as a condominium.

(xxi) to execute, acknowledge and deliver: (a) any and all declarations (including a declaration of single zoning lot) or other instrument affecting the Property that the Condominium Board deems necessary or appropriate to comply with any law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Building, and (b) any consent, covenant, restriction, easement, or declaration affecting the Property that the Condominium Board deems necessary or appropriate, and (c) any and all declarations, consents, waivers or other instruments requested by Sponsor or a Development Rights Owner, with respect to Sponsor's or a Development Rights Owner's utilization, sale or transfer of Excess Development Rights.

(xxii) to prepare, execute, acknowledge and record on behalf of all Unit Owners, as their attorney in fact, coupled with an interest, a restatement of the Declaration or these By-Laws, whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modification, additions and deletions theretofore made to the same.

(xxiii) to prepare, execute, acknowledge and institute on behalf of all Residential Unit Owners, as their attorney-in-fact, coupled with an interest, protests of real property tax assessments and tax certiorari proceedings with respect to all Units and to assess any costs incurred thereby as a Common Expense allocated based on Common Interest.

(xxiv) to commence summary eviction proceedings in the name of or on behalf of the Condominium Board and/or a Unit Owner or Unit Owners, as the case may be, against an authorized guest and/or a tenant of a Unit Owner if such authorized guest and/or tenant does not conform to the Residential Rules and Regulations of the Condominium, annexed hereto as Schedule A, as said Residential Rules and Regulations may at any time and from time to time, be modified, amended or added to in accordance with the terms of these By-Laws. All costs in connection with the removal of the authorized guest and/or tenant, including attorneys' fees, costs and disbursements, shall be borne by the Unit Owner.

(xxv) to establish policies and procedures and impose fees in connection with the sale, lease or alteration of a Residential Unit, provided the same shall not be applicable to any Unsold Residential Unit.

(xxvi) to establish policies and procedures with respect to the services and facilities of the Condominium and the Common Elements, including, without limitation, the right to impose usage fees and restrictions on hours of access and/or use.

(xxvii) to carry out any other duties imposed upon the Condominium Board pursuant to the Declaration and these By-Laws.

(xxviii) to adjust the First Year's Budget to reduce the Common Charges if some or all of the services or facilities are not available at the First Closing.

(B) The Condominium Board shall be responsible for carrying out the duties imposed upon it under the Condominium Documents regardless of whether a Unit is vacant or occupied by the owner thereof or by a permitted lessee or other permitted occupant.

Section 2.5 *Certain Limitations on the Powers of the Condominium Board.*

(A) Notwithstanding anything to the contrary contained in these By-Laws, so long as Sponsor shall continue to own at least 25% in number of all Residential Units, but in no event later than 5 years after the First Closing, the Condominium Board may not, without Sponsor's prior written consent:

(i) make any addition, alteration, or improvement to the Common Elements or to any Unit, unless the same shall be required by Law;

(ii) assess any Common Charges or Special Assessments for the creation or replacement of, or the addition to, all or any part of a working capital, reserve, contingency, or surplus fund;

(iii) increase or decrease the number of, or change the kind of employees from those described in the First Years Budget;

(iv) enter into any service or maintenance contracts for work or otherwise contract for work or otherwise provide services in excess of those described in the First Year's Budget set forth in the Plan, except as is required to reflect normal annual increases in operating services incurred in the ordinary course of business;

(v) borrow money on behalf of the Condominium; or

(vi) exercise a right of first refusal to lease or purchase a Unit.

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

(B) Notwithstanding anything to the contrary contained in these By-Laws, all determinations of the Condominium Board which affect only the:

(i) Residential Units and do not materially and adversely affect the Hotel Unit or the Hotel Unit Owner shall be made by the Member(s) of the Condominium Board

elected or designated by the Residential Unit Owners (the "Residential Determinations"), it being understood that any matter that affects compliance with the Hotel Standard shall be deemed to materially and adversely affect the Hotel Unit Owner; provided that neither the members of the Condominium Board elected by the Residential Unit Owners nor the Residential Unit Owners shall be permitted to retain their own manager or employees or terminate any staffing arrangement with the Hotel Unit Owner without first obtaining the consent of the Condominium Board, which consent may be granted or withheld in the Condominium Board's sole discretion and which consent shall not be deemed a Residential Determination hereunder; and

(ii) Hotel Unit and do not materially and adversely affect the Residential Units or the Residential Unit Owners shall be made by the Member(s) of the Condominium Board designated by the Hotel Unit Owner (the "Hotel Determinations"). Notwithstanding the provisions of this subsection (ii), no decision which pertains solely to the Hotel Unit (including but not limited to, any change in the layout, use, or design of the Hotel Unit or the amenities or facilities provided therein or the Hotel Services, provided that, for so long as the Condominium remains current on payment of Hotel Reimbursable Expenses to the Hotel Unit Owner, the Hotel Unit Owner shall be required to make the Basic Hotel Services available to Residential Unit Owners who are current in payment of any Per-Use Fees applicable to such Residential Unit Owner) shall be deemed to have any material and adverse effect on the Residential Units or the Residential Unit Owners notwithstanding the fact that such change may impact a Residential Unit Owner's use and enjoyment of all or any portion of the Hotel Unit or the Hotel Services.

Any dispute as to whether or not a determination materially and adversely affects any Units shall be settled by arbitration in accordance with the provisions of these By-Laws. No dispute with respect to whether a determination materially and adversely affects a Unit shall be deemed to exist unless the objecting party specifies the grounds for its objection in writing to the Condominium Board within 10 business days of receipt by it of notice of such determination.

(C) Except as otherwise provided in these By-Laws or in the Declaration, the Hotel Unit Owner shall be entitled to make determinations with respect to the following matters: (i) operation, care, upkeep, maintenance, repair and replacement of its Hotel Unit, (ii) employment and dismissal of personnel necessary for the maintenance and operation of its Hotel Unit, (iii) leasing or granting consent with respect to the sublease of all or any portion of its Hotel Unit, or the use thereof by persons or for purposes otherwise permitted and the granting of other consents as in these By-Laws provided; (iii) selling leasing, mortgaging and otherwise dealing with all or any portion of the Hotel Unit, (iv) making repairs, restorations, additions and improvements to, or alterations of, the Hotel Unit damaged by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings or otherwise; (v) adjusting and settling insurance claims (and executing and delivering releases in connection therewith) if the loss involves only its Hotel Unit; (vi) borrowing money when required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations or additions to or alterations of, its Hotel Unit or otherwise in connection with any permitted action or activity of the Hotel Unit Owner; provided, however; that (a) 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 (b) Unit Owners other than the Hotel Unit Owner will not be liable for repayment of any portion of any such loan, unless they otherwise agree in writing; (vii) execution, acknowledgement and delivery of (a) any declaration or other instrument affecting the Hotel Unit which the Unit Owner thereof deems necessary or appropriate to comply with any Law or governmental authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Hotel Unit, or (b) any consent, covenant, restriction, easement or declaration affecting the Hotel Unit which the Unit Owner thereof deems necessary or appropriate; and (viii) execution,

acknowledgement and delivery of any documents or other instruments necessary to commence, pursue, compromise or settle certiorari proceedings to obtain a reduced real estate tax assessment solely with respect to its Hotel Unit.

Section 2.6 *Exercise and Delegation of Powers and Duties.*

(A) Any act within the power of the Condominium Board to perform, and deemed necessary or desirable to be performed by the Condominium Board, shall be performed by the Condominium Board or shall be performed on its behalf and at its direction by the agents, employees, or designees of the Condominium Board.

(B) The Condominium Board may appoint an Executive Committee by duly adopted resolution, which Executive Committee shall have, and may exercise, all of the powers of the Condominium Board, subject to both the exceptions and limitations as the Condominium Board may from time to time deem appropriate, during the intervals between the meetings of the Condominium Board. In addition, the Condominium Board may from time to time appoint, by duly adopted resolutions, such other committees as the Condominium Board may deem appropriate to perform such duties and services as the Condominium Board shall direct, each of which committees shall have, and may exercise, all of the powers delegated to it in its enabling resolution, subject, however, to the exceptions and limitations contained in subsection (D) of this section 2.6. The Executive Committee and each other committee shall consist of 3 Members of the Condominium Board.

(C) The Condominium Board may employ a Managing Agent to serve at a compensation approved by the Condominium Board and to perform such duties and services as the Condominium Board shall direct. Subject to the exceptions and limitations contained in subsection (D) of this section 2.6, the Condominium Board may delegate to the Managing Agent any of the powers granted to the Condominium Board in these By-Laws.

(D) Notwithstanding anything to the contrary contained in this section 2.6, the Executive Committee and the Managing Agent shall neither have nor be entitled to exercise, and the Condominium Board shall not delegate to either of them or to any other committee, the powers or duties described in provisions (ii), (iv), (v), (vi), (xiii), (xiv), (xv), (xvi) and (xvii) of subsection (A) of section 2.4 hereof. In addition, neither the Managing Agent nor any of the committees described in subsection (B) of this section 2.6 shall have, or be entitled to exercise, any of the powers of the Condominium Board, except to the extent permitted by Law.

Section 2.7 *Number, Election and Qualification of Members.* Until the First Annual Meeting held pursuant to the terms of section 4.1 hereof, the Condominium Board shall consist of 3 individuals, all of whom are to be designated from time to time by Sponsor (the "Initial Condominium Board"). At the First Annual Meeting, the incumbent Initial Condominium Board will resign and a new Board consisting of seven (7) members, will be installed as follows: (i) four (4) members to be designated by the Hotel Unit Owner (the "Hotel Members") (which may be Sponsor); and (ii) three (3) members to be elected by the Residential Unit Owners (including Sponsor) in accordance with the terms of these By-Laws (the "Residential Members"), provided that Sponsor and/or its designee shall have the right to designate the Residential Members as and to the extent set forth herein. The number of Members of the Condominium Board may not be increased or decreased without the consent of Sponsor for so long as Sponsor continues to own at least 1 Unsold Residential Unit. Except for Members designated by Sponsor and/or the Hotel Unit Owner pursuant to the terms of this section 2.7 or of section 2.10 or 4.9 hereof, all Members of the Condominium Board shall be either: (i) individual Residential Unit Owners or adult Family Members of an individual Residential Unit Owner; or (ii) individual Permitted Mortgagees; or (iii) officers, directors, shareholders, partners, principals, employees, or beneficiaries of corporations, partnerships, fiduciaries, or any other entities that are Residential Unit Owners or Permitted Mortgagees. The Condominium Board

cannot take any action whatsoever which would interfere to any degree with Sponsor's rights under the Plan or Sponsor's ability to meet its obligations under the Plan including without limitation Sponsor's obligation to procure a PCO for the Property. In addition, no individual may be elected to serve on the Condominium Board (nor may continue to serve on the Condominium Board) if (i) such individual has been convicted of a felony, or (ii) the Condominium Board has perfected a lien against the Residential Unit owned or occupied by such individual and the amount necessary to release such lien has not been paid at the time of such election, or so long as such lien remains unpaid. In no event may more than one individual of a designated Residential Unit serve on the Condominium Board or as an officer of the Condominium Board at the same time during the term of office.

Section 2.8 *Term of Office of Members.* The term of office of the Members of the Initial Condominium Board designated prior to the First Annual Meeting shall expire when the seven (7) individuals to be elected and/or designated at such meeting are so elected and qualified or designated, as the case may be. The term of office of each of the seven (7) individuals elected and qualified or designated, as the case may be, at the First Annual Meeting pursuant to the terms of section 4.9 hereof, shall be fixed at 3 years. Notwithstanding anything to the contrary contained in this section 2.8, however, each Member of the Condominium Board shall serve until a successor shall be elected and qualified or designated, as the case may be.

Section 2.9 *Removal and Resignation of Members.*

(A) Any Member of the Condominium Board who was elected thereto either by the Residential Unit Owners, pursuant to the terms of section 4.9 hereof, or by the Condominium Board, pursuant to the terms of section 2.10 hereof, may be removed from office, with or without cause, by a vote of a Majority of Residential Unit Owners. Any Member of the Condominium Board who was designated as such by Sponsor pursuant to the terms of section 2.7, 2.10, or 4.9 hereof, may be removed, with or without cause, only by Sponsor, subject to subsection (C) hereof. If any Member of the Condominium Board who was designated by Sponsor is removed, the successor shall also be designated by Sponsor. Any Member of the Condominium Board who was designated by the Hotel Unit Owner may be removed, with or without cause, only by the Hotel Unit Owner, subject to subsection (C) hereof. If any Member of the Condominium Board who was designated by the Hotel Unit Owner, is removed, the successor shall also be designated by the Hotel Unit Owner. Any Residential Member of the Condominium Board whose proposed removal is to be acted upon at a meeting of the Residential Unit Owners shall be given prior written notice thereof and an opportunity to be present and heard thereat.

(B) Any Member of the Condominium Board may resign such Member's membership at any time by giving written notice thereof to the Condominium Board. In addition, any Member of the Condominium Board who shall cease to be qualified for membership pursuant to the terms of section 2.7 hereof shall be deemed to have resigned such Member's membership effective as of the date upon which such qualification shall cease.

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

Section 2.10 *Vacancies.*

(A) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of a Member who was elected thereto by the Residential Unit Owners shall be filled by an individual who is qualified to be a Member pursuant to the terms of section 2.7 hereof and who is elected by a vote of the majority of the Members of the Condominium Board elected or designated by the Residential Unit

Owners then in office. A special meeting of the Condominium Board shall be held for the purpose of filling any such vacancy promptly after the occurrence thereof, and the election held thereat shall be effective to fill such vacancy even if the number of Members present at such meeting shall not constitute a quorum.

(B) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of a Member who was designated as such or elected by Sponsor shall be filled by an individual designated by Sponsor. Any vacancy on the Condominium Board that is caused by the removal, resignation or death of a Member who was designated by the Hotel Unit Owner shall be filled by an individual designated by the Hotel Unit Owner.

(C) Each Member of the Condominium Board who is elected thereto or designated as such to fill a vacancy pursuant to the terms of subsection (A) or (B), respectively, of this section 2.10 shall serve as a Member of the Condominium Board for the remainder of the term of the Member replaced and until a successor shall be selected and qualified at the appropriate annual meeting of the Residential Unit Owners pursuant to the terms of section 4.9 hereof.

Section 2.11 *Organizational Meeting of the Condominium Board.* The first meeting of the Condominium Board following each annual meeting of the Residential Unit Owners shall be held within 10 days of such annual meeting, at such time and place as shall be both fixed informally by a majority of the Members of the Condominium Board and designated by the Secretary in a written notice given to all Members thereof by personal delivery or mail not later than five business days prior to such date. At such meeting, the officers of the Condominium Board shall be elected.

Section 2.12 *Regular Meetings of the Condominium Board.* Regular meetings of the Condominium Board may be held at such time and place as shall be determined from time to time by a majority of the Members thereof, provided that at least four (4) such meetings shall be held during each fiscal year. Written notice of all regular meetings of the Condominium Board shall be given by the Secretary to each Member thereof by personal delivery, mail, overnight courier, fax or e-mail, at least 5 business days prior to the day named for such meeting.

Section 2.13 *Special Meetings of the Condominium Board.* The President may call a special meeting of the Condominium Board whenever the President deems the same to be necessary or desirable. In addition, the President shall call such a meeting upon the written request of 3 or more Members of the Condominium Board. Written notice of all special meetings shall be given by the Secretary to each Member thereof by personal delivery, mail, overnight courier, facsimile, or e-mail at least 3 business days prior to the day named for such meeting, which notice shall state the time, place and purpose of the meeting.

Section 2.14 *Waiver of Notice of Meetings.* Any Member of the Condominium Board may, at any time, waive notice of any meeting thereof in writing, and such waiver shall be deemed equivalent to the giving of notice. Attendance by a Member of the Condominium Board at any meeting thereof shall constitute a waiver by the Member of notice of the time and place thereof. If all of the Members of the Condominium Board are present at any meeting thereof, no notice of such meeting shall be required and any business may be transacted at such meeting.

Section 2.15 *Quorum of the Condominium Board.* A quorum of the Condominium Board is required to be present at a Condominium Board meeting in order to make any determination or to transact any business. To constitute a quorum of the Condominium Board, attendance of a majority of all of the Members of the Condominium Board will be required, provided that with respect to meetings which pertain only to Residential Determinations, attendance of a majority of the Residential Members only shall be required and with respect to meetings which pertain only to Hotel Determinations, attendance of a majority of the Hotel Members only shall be required.

In connection therewith, one or more Members of the Condominium Board may participate in any meeting thereof by means of a conference telephone or similar communications equipment permitting all individuals participating in the meeting to hear each other at the same time, and such participation shall constitute presence at such a meeting for all purposes. If, at any meeting of the Condominium Board, there shall be less than a quorum present, a majority of the Members of the Condominium Board in attendance may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business that might have been transacted at the meeting originally called but for the lack of a quorum may be transacted without further notice.

Section 2.16 *Conduct of Meetings.* The President shall preside at all meetings of the Condominium Board, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Condominium Board and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure from time to time acceptable to a majority of the Condominium Board, shall govern the conduct of the meetings of the Condominium Board unless the same shall be in conflict with the terms of the Declaration, these By-Laws, or the Condominium Act.

Section 2.17 *Decisions by the Condominium Board.* Except as otherwise provided in the Declaration or these By-Laws, the vote of a majority of the Members (which must, in all events include the vote of at least one Hotel Member) attending a duly constituted meeting of the Condominium Board at which a quorum is present shall decide all matters on behalf of the Condominium Board, provided that the vote of a majority of those Residential Members attending a duly constituted meeting of the Residential Members at which a quorum is present shall decide all matters on behalf of the Condominium Board which are Residential Determinations and the vote of a majority of those Hotel Members attending a duly constituted meeting of the Hotel Members at which a quorum is present shall decide all matters on behalf of the Condominium Board which are Hotel Determinations.

Alternatively, any decision that is required or permitted to be made by the Condominium Board may be made without a meeting thereof if all of the Members (or Hotel Members or Residential Members, in the case of Hotel Determinations or Residential Determinations, respectively) shall individually or collectively consent in writing to such decision, and all such written consents shall be duly filed by the Secretary of the Condominium in the minutes of the Condominium Board.

Section 2.18 *Compensation of Members.* No Member of the Condominium Board shall receive any compensation from the Condominium for acting as such.

Section 2.19 *Common or Interested Members of the Condominium Board.* Each Member of the Condominium Board shall perform duties, and shall exercise powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by Law, no contract or other transaction between the Condominium Board and either (i) any of its Members or (ii) any corporation, partnership, fiduciary, firm, association, or other entity in which any of the Members of the Condominium Board are officers, directors, employees, partners, fiduciaries, beneficiaries, or principals, or are otherwise interested, pecuniarily or otherwise, shall be deemed either void or voidable because either (a) any such Member of the Condominium Board was present at the meeting or meetings of the Condominium Board during which such contract or transaction was discussed, authorized, approved, or ratified, or (b) the vote of any such Member was counted for such purpose, provided, however, that either: (x) the fact thereof is disclosed to, or known by, the Condominium Board or a majority of the Members thereof and noted in the minutes thereof, and the Condominium Board shall authorize, approve, or ratify such contract or transaction in good faith by a vote of a majority of the Condominium Board; or (y) the fact thereof is disclosed to, or known by, a Majority of Unit Owners, and a Majority of Unit Owners shall authorize, approve, or ratify such contract or transaction. For avoidance of doubt, the Condominium Board may contract or effect any transaction with any member of the Condominium Board, any Unit Owner, Sponsor, Sponsor's designee or an affiliate of any of the foregoing

parties without incurring any liability for self-dealing, provided that the conditions of the immediately preceding sentence are satisfied.

Section 2.20 *Indemnification.*

2.20-1 Indemnification of Board Members and Officers.

2.20-1.1 To the extent permitted by Law, the Members of the Condominium Board shall have no personal liability with respect to any contract, act or omission of the Condominium Board or of any Managing Agent or manager in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as set forth in section 4.13 hereof. Every contract made by the Condominium Board or by the Managing Agent shall state that it is made by the Condominium Board or the Managing Agent, only as agent for all Unit Owners and that the Members of the Condominium Board or the Managing Agent shall have no personal liability thereon (except in their capacities as Unit Owners). Any such contract may also provide that it covers the assets, if any, of the Condominium Board. To the extent permitted by Law, the Members of the Condominium Board shall have no liability to Unit Owners except that a Member of the Condominium Board shall be liable for such Member's own bad faith or willful misconduct. All Unit Owners shall jointly and severally, to the extent of their respective interests in their Units and their appurtenant Common Interest, indemnify each Member of the Condominium Board against any liability or claim except those arising out of such Member's own bad faith or willful misconduct, as determined on a case-by-case basis. The Condominium Board may contract or effect any other transaction with any Member of the Condominium Board, any Unit Owner, Sponsor or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct.

2.20-1.2 Neither the Condominium Board nor any Member thereof shall be liable for either:

(i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, the Condominium Board or to be paid for as a Common Expense except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of the Condominium Board or any Member thereof; or

(ii) any injury, loss or damage to any individual or property, occurring in or upon either a Unit or the Common Elements and either: (a) caused by the elements, by any Unit Owner, or by any other Person; (b) resulting from electricity, water, snow, or ice that may leak or flow from a Unit or any portion of the Common Elements; or (c) arising out of theft or otherwise.

ARTICLE 3

OFFICERS

Section 3.1 *General.* The principal officers of the Condominium shall be the President, the Vice President, the Secretary and the Treasurer. The Condominium Board may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its discretion may be necessary or desirable. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed, upon the direction of the Condominium Board, by any two officers of the Condominium or by such lesser number of officers or by such other Person or Persons as may be designated from time to time by the Condominium Board.

Section 3.2 *President.* The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Unit Owners and of the Condominium Board. The President shall have all of the general powers and duties that are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York (hereinafter referred to as the

"BCL"), including, but not limited to, the power to appoint the members of all committees created by the Condominium Board from amongst the Unit Owners from time to time as the President may decide, in the President's discretion, are appropriate to assist in the conduct of the affairs of the Condominium.

Section 3.3 *Vice President.* The Vice President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act. If both the President and the Vice President are unable to act, the Condominium Board shall appoint some other Member of the Condominium Board to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall be imposed upon the Vice President from time to time by the Condominium Board or by the President.

Section 3.4 *Secretary.* The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Condominium Board shall direct and, in general, shall perform all of the duties that are incident to the office of secretary of a stock corporation organized under the BCL.

Section 3.5 *Treasurer.* The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof, showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Condominium Board or in the name of the Managing Agent in such depositories as may from time to time be designated by the Condominium Board and, in general, shall perform all of the duties incident to the office of treasurer of a stock corporation organized under the BCL.

Section 3.6 *Election, Term of Office and Qualification of Officers.* Each of the officers of the Condominium shall be elected annually by a majority vote of all Members of the Condominium Board taken at the organizational meeting of each new Condominium Board, and shall serve at the pleasure of the Condominium Board. The President, Vice President, and the Treasurer shall be elected from amongst the Members of the Condominium Board. Such officers need not be Unit Owners and need not have any interest in the Condominium if they are designated by Sponsor. Such officers must be Unit Owners if they are elected by the other Unit Owners. The other officers of the Condominium Board need not be Unit Owners and need not have any interest in the Condominium.

Section 3.7 *Removal and Resignation of Officers.* Any officer of the Condominium Board may be removed from office, with or without cause, by an affirmative vote of a majority of the Members of the Condominium Board. In addition, any officer may resign at any time by giving written notice to the Condominium Board. Finally, if the President, Vice President, or the Treasurer of the Condominium shall cease to be or shall be suspended as a Member of the Condominium Board during their term of office, such officer shall be deemed to have resigned office effective upon the date upon which the membership shall cease.

Section 3.8 *Vacancies.* Any vacancy in an office shall be filled by a majority vote of the Condominium Board at any regular meeting of the Condominium Board or at a special meeting thereof called for such purpose.

Section 3.9 *Compensation of Officers.* No officer of the Condominium shall receive any compensation from the Condominium for acting as such.

Section 3.10 *Indemnification of Officers.* Each officer shall be indemnified as set forth in section 2.20.

ARTICLE 4

UNIT OWNERS

Section 4.1 *Annual Meetings of the Unit Owners.* The First Annual Meeting will be held on (i) a date that is approximately 30 days after the second anniversary of the First Closing or (ii) such earlier date on which the initial Condominium Board has scheduled the First Annual Meeting, in its sole discretion. At such meeting, the Initial Condominium Board shall be removed and a seven (7) Member Condominium Board shall be elected and/or designated, as provided both in this Article 4 and in Article 2 hereof. Thereafter, annual meetings of the Unit Owners shall be held on or about the anniversary date of the First Annual Meeting. At each such subsequent meeting, the Unit Owners (including Sponsor) shall designate or elect, as the case may be, successors to the Members of the Condominium Board whose term of office expires on the day of such meeting and shall transact such other business as may properly come before such meeting.

Section 4.2 *Special Meetings of the Unit Owners.* The President shall call a special meeting of the Unit Owners whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such a meeting signed by Unit Owners having, in the aggregate, not less than 40% of the Common Interest of all Residential Unit Owners (excluding the Common Interest appurtenant to the Hotel Unit). Each such resolution or petition shall set forth, in reasonable detail, the purposes for calling such a meeting, and no business shall be transacted at such special meeting except business reasonably related to such stated purposes.

Section 4.3 *Place of Meetings.* Meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place in the Borough in which the Property is located as may be designated by the Condominium Board.

Section 4.4 *Notice of Meetings.*

(A) The Secretary of the Condominium shall give notice of each annual or special meeting of the Unit Owners to all Unit Owners then of record entitled to vote at such meeting, which notice shall set forth the purpose, time and place of such meeting. Such notice may be given to any Unit Owner by personal delivery, mail, or telegram addressed to the Unit Owner's address at the Property or by email to the email address provided by such Unit Owner, not less than 10 nor more than 40 days prior to the day fixed for the meeting. Any Unit Owner may designate an address for the giving of notice other than such Unit Owner's address at the Property by giving written notice thereof to the Secretary of the Condominium not less than 10 days prior to the giving of notice of the applicable meeting.

(B) If the business to be conducted at any meeting of the Unit Owners shall include the consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be mailed to all Unit Owners at least 30 days prior to the day fixed for such meeting and shall be accompanied by a copy of the text of such proposed amendment.

Section 4.5 *Quorum of the Unit Owners.* Except as otherwise provided in these By-Laws, the presence, in person or by proxy, of the Hotel Unit Owner and Unit Owners owning Units to which 40% or more of the aggregate Common Interest appertain (excluding the Common Interest appurtenant to the Hotel Unit) shall constitute a quorum at all meetings of the Unit Owners. If, at any meeting of the Unit Owners, there shall be less than a quorum present, a majority of the Unit Owners present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting, in which event, the presence in person (which may be virtual at the discretion of the Condominium) or by proxy of the Hotel Unit Owner and the Unit Owners owning Units to which 25% of the aggregate Common Interest appertain (excluding the Common Interest appurtenant to the Hotel Unit) shall constitute a quorum.

Section 4.6 *Conduct of Meetings.* The President shall preside at all meetings of the Unit Owners, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Unit Owners and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure acceptable to a majority of the Unit Owners present at any meeting, in person or by proxy, shall govern the conduct of the meetings of the Unit Owners, unless the same shall be in conflict with the terms of the Declaration, these By-Laws, or the Condominium Act. All votes of the Unit Owners shall be tallied by the persons appointed by the presiding officer of the meeting.

Section 4.7 *Order of Business.* The order of business at all meetings of the Unit Owners shall be as follows:

(A) Roll call;

(B) Proof of notice of meeting;

(C) Reading of the minutes of the preceding meeting (unless waived);

(D) Reports of officers of the Condominium;

(E) Reports of Members of the Condominium Board;

(F) Reports of committees;

(G) Election of inspectors of election (when so required);

(H) Election of Members of the Condominium Board (when so required);

(I) Unfinished business; and

(J) New business.

The order of business at meetings of Unit Owners can be adjusted in the sole discretion of the Condominium Board.

Section 4.8 *Voting.*

(A) Subject to the terms of section 4.9 hereof, each Unit Owner (including Sponsor for so long as Sponsor shall own any Unsold Residential Unit) shall be entitled to cast 1 vote at all meetings of the Unit Owners for each .0001% of Common Interest attributable to such Unit Owner's Unit(s).

(B) Notwithstanding the terms contained in subsection (A) hereof, no Residential Unit Owner may vote at any meeting of the Unit Owners if the Condominium Board has perfected a lien against such Unit Owner's Unit and the amount necessary to release such lien has not been paid at the time of such meeting. In addition, neither the Condominium Board nor any designee thereof shall be entitled to vote the Common Interest appurtenant to any Unit owned by the Condominium Board or such designee. The Common Interest of all Units whose owners are precluded from voting pursuant to the terms of this subsection (B) will be excluded when computing the aggregate Common Interest of all Unit Owners for voting purposes.

(C) A fiduciary shall be the voting Member with respect to a Unit owned in a fiduciary capacity. In addition, if 2 or more Persons own a Unit, they shall designate 1 Person amongst them to vote the Common Interest appurtenant to their Unit in a writing given to the Secretary of the Condominium, and

the vote of such designee shall be binding upon all of such Persons. Failing such a designation, all of such Persons shall mutually vote such Common Interest under 1 ballot without division, and the concurrence of all such Persons shall be conclusively presumed if any one of them purports to vote such Common Interest without protest being contemporaneously made to the individual presiding over the meeting at which such vote is taken. If protest is made, the Common Interest appurtenant to such Unit shall be counted solely for the purpose of determining whether a quorum is present for such voting.

(D) The owner of any Unit may designate any Person to act as a proxy on such Unit Owner's behalf. The designation of any such proxy shall be made in a written notice both signed and dated by the designator and delivered to the Secretary of the Condominium at or before the appointed time for the meeting(s) during which the same is to be effective. Any such designation shall be revocable at any time upon written notice given to the Secretary of the Condominium; however, no revocation of such designation shall be effective with respect to any votes cast by such proxy prior to the receipt of such revocation notice by the Secretary of the Condominium or, if such revocation is made at a meeting of the Unit Owners during which the Secretary of the Condominium is not in attendance, by the individual acting as the secretary of such meeting, except with respect to the designation of a Permitted Mortgagee to act as the proxy of its mortgagor(s), no designation to act as a proxy shall be effective for a period in excess of 6 months after the date thereof.

Section 4.9 *Election of Residential Members to the Condominium Board.*

(A) When voting for Residential Members of the Condominium Board, each Residential Unit Owner (including Sponsor for so long as Sponsor shall own any Unsold Residential Units) shall be entitled to cast 1 vote for each .0001% of Common Interest attributable to the Residential Unit per the Residential Member to be elected. However, nothing contained herein shall be deemed to permit any Residential Unit Owner to cumulate the votes attributable to the ownership of a Residential Unit in favor of any 1 or more Residential Members to be elected. In addition, the terms of subsections (B), (C) and (D) of section 4.8 hereof shall apply to all elections of Residential Members of the Condominium Board.

(B) All elections of Residential Members of the Condominium Board shall be by written ballot, and each ballot cast shall state: (i) the name of the voting Residential Unit Owner and, if such ballot is cast by proxy, the name of the proxy; (ii) the designation number(s) of the Residential Unit(s) owned by the voting Residential Unit Owner; (iii) the percentage(s) of the Common Interest appurtenant to such Residential Unit(s); and (iv) the names of the candidates for whom such ballot is cast (the number of which names shall not exceed the number of Residential Members to be elected). Any ballot that is not cast in conformity with this subsection (B) shall not be counted. All election ballots shall be retained in the records of the Condominium, appropriately segregated by election for a period of 2 years.

(C) Subject to the terms of subsection (D) of this section 4.9, all elections of Residential Members of the Condominium Board shall be determined by plurality vote of Residential Unit Owners present, in person or by proxy, at a duly convened meeting.

(D) At meetings of the Unit Owners, Sponsor will have the right to vote all of the Common Interest attributable to the Unsold Residential Units as it sees fit. However, for so long as Sponsor continues to own at least one (1) Unsold Residential Unit, Sponsor shall have the right to designate two (2) of the three (3) Residential Members to the Condominium Board, and Sponsor, and all other Residential Unit Owners shall have the right to vote for the remaining one (1) Residential Member of the Condominium Board. There is no restriction on the right of Sponsor to vote for Residential Members of the Condominium Board who are not related to or affiliated with Sponsor.

Section 4.10 *Designation of Hotel Members to the Condominium Board.* The Hotel Unit Owner (including Sponsor for so long as Sponsor shall own the Hotel Unit) shall be entitled to designate four (4) Hotel Members to the Condominium Board.

Section 4.11 *Action Without a Meeting.* Any action required or permitted to be taken by the Unit Owners at a duly constituted meeting may be taken without such a meeting if the number of Unit Owners sufficient (both in absolute number and aggregate Common Interest whenever applicable) to approve such an action at a duly constituted meeting of the Unit Owners pursuant to the Declaration or to these By-Laws consent in writing to the adoption of a resolution approving such action. All written consents given by Unit Owners pursuant to this section 4.11 shall be retained in the records of the Condominium together with a true copy of the resolutions to which they relate.

Section 4.12 *Title to Residential Units.* Title to any Residential Unit may be taken by any Person or by any two or more Persons as joint tenants, tenants in common, or tenants by the entirety, as may be appropriate. The sale of a Residential Unit to a corporation, partnership, limited partnership, trust or any other entity (including any entity or person entitled to diplomatic or sovereign immunity) may require the delivery to the Condominium Board or its managing agent at Closing (i) any and all documents as are reasonably requested by the Condominium Board, including without limitation, a personal guaranty, a subjection to jurisdiction, occupancy agreement and escrow agreement; and (ii) an amount equal to the current Common Charges for such Residential Unit for a period of 2 years, to be held in escrow by the Condominium Board, as security for the faithful observance by such Residential Unit Owner of the terms, provisions and conditions contained in these By-Laws.

Section 4.13 *Contractual Liability of Unit Owners.* Every contract made by the Condominium Board, by any officer of the Condominium, or by any superintendent or Managing Agent of the Building shall state (if obtainable and in addition to the limitation of liability of the Members of the Condominium Board and the officers of the Condominium pursuant to the terms of sections 2.20 and 3.10 hereof, respectively) that the liability of any Unit Owner with respect thereto shall be limited to: (i) such proportionate share of the total liability thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interest of all Unit Owners in the case of a contract relating to the General Common Elements, (ii) such proportionate share of the total liability thereunder as the Residential Common Interest of such Residential Unit Owner in a case relating to the Residential Common Elements, and (iii) such Unit Owner's interest in the Unit and its Appurtenant Interests, unless otherwise provided by Law.

ARTICLE 5

OPERATION OF THE PROPERTY

Section 5.1 *Maintenance and Repairs.*

(A) Except as otherwise provided in the Declaration or in these By-Laws, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary:

(i) in or to any Unit (and, in the case of the Hotel Unit, the Hotel Common Elements) and all portions thereof, including, but not limited to, the interior walls, partitions, ceilings and floors in the Unit (and, in the case of the Hotel Unit, the Hotel Common Elements), kitchen and bathroom fixtures and appliances, mechanical systems located in the Unit (and, in the case of the Hotel Unit, the Hotel Common Elements) (including HVAC filters and parts), window panes, fireplace, firebox, dampers, mantel and flue, all entrance doors and Terrace doors and their frames and saddles, exposed plumbing, gas and heating fixtures and equipment, heating and cooling systems, air conditioning units, lighting and electrical fixtures and any Common Elements incorporated therein pursuant to subsection (B) of section 5.8 hereof, but excluding any other Common Elements contained therein, shall be performed by such Unit Owner (and, in the case of the Hotel Common Elements, the Hotel Unit Owner) at its sole cost and expense;

(ii) in or to the General Common Elements (other than any General Common Elements incorporated into one or more Units pursuant to the terms of subsection (B) of section 5.8 hereof) shall be performed by the Condominium Board and the cost and expense thereof shall be charged to all Unit Owners as a General Common Expense;

(iii) in or to the Residential Common Elements, shall be performed by the Condominium Board and the cost and expense thereof shall be charged to all Residential Unit Owners as a Residential Common Expense; and

(iv) in or to the Residential Limited Common Elements shall be performed (a) by the Condominium Board as a Residential Common Expense, if involving structural or extraordinary maintenance, repairs, or replacements (including, but not limited to, the repair of any leaks that are not caused by the acts or omissions of the Residential Unit Owner having direct and exclusive access thereto), or (b) by the Residential Unit Owner having direct and exclusive access thereto at such Residential Unit Owner's sole cost and expense, if involving painting, decorating and non-structural ordinary maintenance, repairs or replacements (including without limitation, the removal of snow, ice and accumulation of water on any Terrace).

Promptly upon obtaining knowledge thereof, each Unit Owner shall report to the Condominium Board or to the Managing Agent any defect or need for repairs for which the Condominium Board is responsible pursuant to the terms hereof. All painting, decorating, maintenance, repairs and replacements performed hereunder or otherwise, whether by or at the behest of a Unit Owner or the Condominium Board, shall be performed in such a manner as shall not unreasonably disturb or interfere with any Unit Owners or the tenants and occupants of any Units.

(B) Notwithstanding anything to the contrary provided in subsection (A) of this section 5.1, if any painting, decorating, maintenance, repairs, or replacements to the Property or any part thereof, whether structural or non-structural, ordinary or extraordinary, are necessitated by the negligence, misuse, or abuse of (i) any Unit Owner, the entire cost and expense thereof shall be borne by such Unit Owner, or (ii) the Condominium Board, the entire cost and expense thereof shall be borne by the Condominium as a General Common Expense attributable to all Unit Owners if relating to the General Common Elements, and as a Residential Common Expense attributable to all Residential Unit Owners if relating to the Residential Common Elements and/or the Residential Limited Common Elements except, in all events, to the extent that such cost and expense is covered by the proceeds of any insurance maintained pursuant to the terms of these By-Laws. Similarly, each Unit Owner shall be responsible for any and all damage to any Unit or to the Common Elements resulting from such Unit Owner's failure to maintain, repair, or replace the Unit or any portion thereof as required herein.

(C) Each Unit and all portions of the Common Elements shall be kept in first-class condition, order and repair (and free of snow, ice and accumulation of water with respect to any roof, Terrace, or other part of the Property exposed to the elements) and, in the case of the Common Elements, in all events in accordance with the Hotel Standard then in effect from time to time, by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Condominium Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work, including, without limitation, painting, repairs and replacements that is necessary in connection therewith. The Condominium Board shall be responsible for the maintenance and repair of all sidewalks surrounding the Building (including, cleaning and snow and ice removal) as if the sidewalks were General Common Elements. Notwithstanding the foregoing, in the event the Hotel Unit Owner utilizes a sidewalk adjacent to the Building, the maintenance, replacement, and repair of the sidewalk during the period of use, together with all costs and expenses associated therewith, shall be the responsibility of the Hotel Unit Owner.

The interior and exterior glass surfaces of all windows located in Residential Units shall not be colored or painted. The glass surfaces of all windows located in any Residential Unit are to be washed and cleaned by the Residential Unit Owner at such Residential Unit Owner's sole cost and expense provided that the Condominium Board reserves the right to adopt rules and regulations with respect thereto, and to elect to hire a professional window washer employed by the Hotel Unit Owner or otherwise to clean the exterior surfaces of such windows on the Residential Unit Owners' behalf, in which case, the cost and expense thereof shall be borne by all Residential Unit Owners as a Residential Common Expense. The replacement of any glass window located in a Residential Unit because of breakage or otherwise shall be made by the Residential Unit Owner thereof at the sole cost and expense of such Residential Unit Owner, including, without limitation, the expense of an exterior hoist if the replacement window does not fit into the service elevator (unless such breakage is caused by the Condominium Board or any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Condominium Board or such other Unit Owner, as the case may be). Prior to the replacement of any glass window, the Residential Unit Owner must obtain the prior approval of the Condominium Board with respect to the type of replacement windows to be installed. With respect to windows located in the Hotel Unit, the Hotel Unit Owner shall be responsible, at its sole cost and expense, for washing, cleaning, repairing, and replacing of the interior and exterior glass surfaces of all windows located in the Hotel Unit (unless the breakage is caused by the Condominium Board or any other Unit Owner, in which event the replacement of glass windows will be at the sole cost and expense of the Condominium Board or such other Unit Owner, as the case may be).

The public areas of the Building as well as the private areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, as determined by the Condominium Board in its sole discretion, and in all events, with respect to the Common Elements, in conformity with the Hotel Standard then in effect from time to time, by (i) the Condominium Board, with respect to such parts of the Property required to be maintained by it, and (ii) each Unit Owner, with respect to the interior surfaces of windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to such Unit Owner's Unit. To promote a consistent appearance of the Building from the outside, (x) no Residential Unit Owner shall be permitted to enclose, erect a greenhouse and/or alter a Terrace appurtenant to a Unit, in such a way that will alter the conformity of the Building, without the prior approval of the Condominium Board; and (y) all window treatments in a Residential Unit must contain white backing on the side facing the outside of the Building so that when the shades are down or curtains drawn, the effect from the outdoors is a visually harmonious appearance. Additionally, the type, size, weight and quantity of plantings and other installations to be placed on Terraces shall be subject to the prior approval of the Condominium Board and shall be in compliance with Law.

Any Residential Unit Owner of a Residential Unit which includes a fireplace shall perform all maintenance and repairs thereto at its sole cost and expense, provided that such Residential Unit Owner shall be required to deliver to the Condominium Board a copy of the service and maintenance agreement for such fireplace. Notwithstanding the foregoing, the Condominium Board reserves the right to require that the service and maintenance agreements for any fireplace be chosen and regulated by the Condominium Board in its reasonable discretion, and, in such event, the cost of such service and maintenance agreement shall be paid by the Condominium Board and assessed against the Unit Owner of the Residential Unit containing the fireplace as a special assessment. Any Residential Unit Owner of a Residential Unit containing a fireplace shall be responsible for maintaining insurance with respect to its fireplace at its sole cost and expense.

(D) In the event that any Unit Owner, after receipt of written notice from the Condominium Board, fails or neglects in any way to perform any of its obligations with respect to the painting, decorating, maintenance, repair or replacement of its Unit as provided in this section 5.1 (or of any Common Elements for which such Unit Owner is responsible under the Declaration or these By-Laws), the Condominium Board may perform or cause to be performed such painting, decorating, maintenance, repair or

replacement unless such Unit Owner, within 5 days after receiving notice of such default by the Condominium Board, cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred in connection with the making of any such painting, decorating, maintenance, repair or replacement in such Unit Owner's Unit or to any such Common Element for which such Unit Owner is responsible, together with interest thereon at the rate of 2% per month (but in no event in excess of the maximum rate permitted by Law), shall be immediately payable by such Unit Owner to the Condominium Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner. The Hotel Unit Owner (or the Hotel Operator on the Hotel Unit Owner's behalf) shall have the right, in its sole and absolute discretion, acting as and through the Board, to take such actions as are permitted to be taken by the Board under this subparagraph (D), in which event, any amounts (including interest as provided in the immediately preceding sentence) owed by a defaulting Unit Owner to the Hotel Unit Owner (or the Hotel Operator) acting as and through the Condominium Board shall be immediately payable to the Hotel Unit Owner (or the Hotel Operator) and shall be deemed Common Charges hereunder for purposes of enforcement of the obligation of the applicable Unit Owner to make such payment to the Hotel Unit Owner (or Hotel Operator).

Section 5.2 *Alterations, Additions, Improvements, or Repairs in and to Units.*

(A) The provisions of this subsection (A) are subject in their entirety to the provisions of subsection (B) of this section 5.2 set forth below. No Residential Unit Owner may make any structural alteration, addition, improvement or repair, in or to the Residential Unit or its appurtenant Residential Limited Common Elements without the prior approval of the Condominium Board. Prior to, and as a condition of, the granting of any such approval, the Condominium Board may, at its sole option, require the Residential Unit Owner to: (i) procure and agree to maintain during the course of such work such insurance as the Condominium Board may reasonably prescribe; and (ii) execute an alteration agreement, in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions under which such alteration, addition, improvement or repair, may be made, including, without limitation, the indemnity referred to in subsection (D) hereof and the days and hours during which any such work may be done. The Condominium Board shall have the right to approve Residential Unit Owner's contractors and materialpeople. In connection with such alterations, additions, improvements and/or repairs, each Residential Unit Owner shall employ only such laborers and other workers as shall not conflict with any other worker employed in the Building or otherwise cause disharmony with any Building service union. Residential Unit Owners shall not be permitted to engage any Building staff or any contractors or sub-contractors engaged by either the Condominium Board or Sponsor in connection with a Residential Unit Owner's alterations, additions, improvements or repairs to such Residential Unit. The Condominium may impose charges upon the Residential Unit Owner to reimburse the Condominium for architectural, engineering, legal and other fees incurred in reviewing the Residential Unit Owner's request for approval and in monitoring the work performed until completion and a fee payable to the Managing Agent for processing the alteration application.

(B) Except to the extent prohibited by Law, Sponsor shall have the right, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any:

(i) to make alterations, additions, improvements, or repairs in or to the interior portions of Unsold Residential Units and their appurtenant Residential Limited Common Elements, whether structural or non-structural, ordinary or extraordinary, including, without limitation, any alterations with respect to the type, number, or layout of rooms in each Unsold Residential Unit;

(ii) to amend the Certificate of Occupancy of the Building with respect to the use or number of the Unsold Residential Units;

(iii) without amendment to the Plan, to (i) subdivide and/or combine any Unsold Residential Unit and/or (ii) change any Unsold Residential Units in size by relocating a boundary wall between Unsold Residential Units and/or or (iii) otherwise change the size and/or number of Unsold Residential Units, including incorporating Residential Common Elements (such as a portion of a hallway used exclusively by the occupant(s) of such Unsold Residential Unit) which exclusively benefit an Unsold Residential Unit into such Unsold Residential Unit without changing the percentage of Common Interest of such Unit. In the event of a subdivision, combination, and/or change in size of any Unsold Residential Unit, Sponsor shall additionally have the right to reapportion among the affected Unsold Residential Units their respective Common Interest. Any additional Units created as a result of the subdivision of the Hotel Unit will retain the same rights, privileges and benefits afforded the original Hotel Unit Owner, as set forth in the Condominium Documents, unless the Condominium Documents are modified to otherwise provide. Additionally, the Hotel Unit Owner shall have the right as part of its subdivision of the Hotel Unit to create additional Units and offer the same for sale as Residential Units or fractional/timeshare interests or otherwise. Sponsor shall not offer additional Residential Units for sale without an amendment to the Plan offering such Residential Units for sale (as and to the extent the same is accepted by the Department of Law) or pursuant to a separate offering plan filed with the Department of Law.

provided, however, that, with respect to any such alteration, addition, improvement, or change in, to, of, or upon any Unsold Residential Unit:

(a) no physical modifications shall be made to any other Unit and the Common Interest and Residential Common Interest (other than Unsold Residential Units), as the case may be, or interior dimensions of any other Units (other than Unsold Residential Units) shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto.

(b) Sponsor shall comply with Law and the terms of the Declaration and these By-Laws.

(c) Sponsor shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom.

(d) such alteration, addition, improvement, repair or change shall not jeopardize the soundness, mechanical systems or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property.

Notwithstanding the foregoing, however, the aggregate amounts of both the Common Interest of all the Units and the Residential Common Interest of all Residential Units shall always remain at 100%, and no reapportionment of the Common Interest or Residential Common Interest appurtenant to any Unit, as the case may be, shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest and, if applicable, Residential Common Interest of the affected Unit has been based upon the factors set forth in Article 8 of the Declaration. The certification referred to in the preceding sentence shall be delivered by Sponsor or any other Person reasonably acceptable to the Condominium Board. By written permission of the Condominium Board, which permission shall not be unreasonably withheld, conditioned, or delayed, any other Residential Unit Owner may be given with respect to such Residential Unit the same rights and be subject to the same limitations and conditions as are set forth in this Article with respect to Unsold Residential Units. Notwithstanding the other provisions of this Article, no reapportionment of the Common Interest appurtenant to any Residential Unit shall be made unless

there is first delivered to the Condominium Board a written certification stating that the new Common Interest of the affected Residential Unit has been based upon the factors set forth in Article 8 of the Declaration. The certification referred to in the preceding sentence shall be delivered by the Residential Unit Owner or any other Person reasonably acceptable to the Condominium Board. The provisions of this Article may not be added to, amended, modified, or deleted without the prior written consent of Sponsor.

(C) Except to the extent prohibited by Law, the Hotel Unit Owner and its Permitted Users shall have the right, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any:

(i) to make alterations, additions, improvements, or repairs in or to the interior or exterior portions of the Hotel Unit and the Hotel Common Elements, whether structural or non-structural, ordinary or extraordinary, including, without limitation, any alterations with respect to the type, number, or layout of rooms in the Hotel;

(ii) to amend the Certificate of Occupancy for or equivalent instrument to occupy the Property with respect to the use or number of the Hotel Unit;

(iii) without amendment to the Plan, to (i) subdivide and/or combine the Hotel Unit(s) or any part thereof and/or (ii) change the Hotel Unit in size by relocating boundary walls in or around the Hotel Unit. In the event of a subdivision of the Hotel Unit(s), the Hotel Unit Owner shall additionally have the right to reapportion among the Hotel Units resulting therefrom their respective Common Interest. Any additional Units created as a result of a subdivision of the Hotel Unit will retain the same rights, privileges and benefits afforded the original Hotel Unit Owner and will be subject to the same obligations imposed on the original Hotel Unit Owner, as set forth in the Condominium Documents unless the Condominium Documents are modified to otherwise provide. Additionally, the Hotel Unit Owner shall have the right, as part of its subdivision of the Hotel Unit to create additional Units and offer the same for sale as Residential Units or fractional/timeshare interests or otherwise. Sponsor shall not offer additional Residential Units for sale without an amendment to the Plan offering such additional Residential Units for sale (as and to the extent the same is accepted by the New York State Department of Law) or pursuant to a separate offering plan filed with the New York State Department of Law. Sponsor will not offer any fractional/timeshare interests for sale without filing a separate offering plan with respect thereto.

(iv) subject only to Sponsor's prior written consent in each instance for so long as Sponsor continues to own an Unsold Unit, to (i) alter, modify, and/or restore the exterior façade appurtenant to and/or the windows of the Hotel Unit, including, without limitation, any storefronts, and (ii) create additional means of egress and ingress to the Hotel Unit in the Building;

provided, however, that, with respect to any such alteration, addition, improvement, or change in, to, of, or upon the Unit:

(a) no physical modification shall be made to any other Unit, and the Common Interest and Residential Common Interest, as the case may be, or interior dimensions of any other Unit shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto;

(b) the Hotel Unit Owner shall comply with Law and the terms of the Declaration and these By-Laws;

(c) the Hotel Unit Owner shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom; and

(d) such alteration, addition, improvement, repair or change shall not jeopardize the soundness, mechanical systems or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property.

Notwithstanding the foregoing, however, the aggregate amounts of the Common Interest of all the Units and the Residential Common Interest of all Residential Units shall always remain at 100%, and no reapportionment of the Common Interest appurtenant to the Hotel Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest has been based upon the factors set forth in Article 8 of the Declaration. The certification referred to in the preceding sentence shall be delivered, at the Hotel Unit Owner's election, by the Hotel Unit Owner, Selling Agent, the Managing Agent, or any other Person reasonably acceptable to the Condominium Board. The provisions of this section 5.2(C) may not be added to, amended, modified, or deleted without the prior written consent of the Hotel Unit Owner.

(D) Notwithstanding the foregoing, all Unit Owners (including without limitation Sponsor and the Hotel Unit Owner), prior to the making of any alteration, addition, improvement or repair in or to their respective Unit and its appurtenant Residential Limited Common Elements or Hotel Common Elements, if any, must (i) procure and maintain such insurance as the Condominium Board may reasonably require, (ii) indemnify the Condominium Board, the Managing Agent, the Hotel Unit Owner (in the case of any alteration, addition, improvement or repair being made by a Residential Unit Owner) and the Hotel Operator (if any), against any liability arising from the work and (iii) comply with Law. All alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with Law. The Condominium Board shall execute applications to any governmental agencies having jurisdiction thereof, for any and all permits required in connection with the making of alterations, additions, improvements, or repairs in or to a Unit provided that, with respect to all such work of a structural nature to a Residential Unit or its appurtenant Residential Limited Common Elements (but other than that of the nature described in subsection (B) of this section 5.2), the same was approved by the Condominium Board pursuant to the terms of subsection (A) of this section 5.2.

(E) Neither the Condominium Board nor any Unit Owner (other than the Unit Owner making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to the Unit and appurtenant Residential Limited Common Elements or Hotel Common Elements) shall incur any liability, cost, or expense either (i) in connection with the preparation, execution, or submission of the applications referred to in subsection (C) hereof; (ii) to any contractor, subcontractor, materialperson, architect, or engineer on account of any alterations, improvements, additions, or repairs made or caused to be made by any Unit Owner; or (iii) to any Person asserting any claim for personal injury or property damage arising therefrom. Any Unit Owner making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to the Unit and appurtenant Residential Limited Common Elements or Hotel Common Elements, if any, shall agree (in a writing executed and delivered to the Condominium Board, if the Condominium Board shall so request), and shall be deemed to agree (in the absence of such writing), to indemnify and hold the Condominium Board, the Members of the Condominium Board, the officers of the Condominium, the Managing Agent and all other Unit Owners harmless from and against any such liability, cost and expense.

(F) In addition to the requirements set forth above in this section 5.2, until a PCO is obtained for the Building, no Residential Unit Owner shall make any alterations in or to the Residential Unit

or its appurtenant Common Elements without first notifying Sponsor in writing and complying with Sponsor's requirements with respect to the alterations. Such requirements may include, but need not be limited to, the requirements that:

(i) such work not include any change that would result in a delay in obtaining a TCO or PCO for the Building, or any amendment to, or extension of, the TCO or PCO if theretofore issued;

(ii) the Residential Unit Owner post a bond or other similar security that is reasonably acceptable to Sponsor in any amount sufficient (in Sponsor's reasonable judgment) to insure the diligent completion of the work and the filing of any required notices or certificates with all governmental authorities having jurisdiction with respect to such work and the completion of the work;

(iii) such work not be commenced until the Residential Unit Owner causes all required plans, specifications, notices and/or certifications to be filed with all governmental authorities having jurisdiction, procures all required permits and licenses with respect to the same, and delivers copies of all such plans, specifications, notices, certifications, permits and licenses to Sponsor;

(iv) such work be diligently prosecuted to completion in compliance with all plans, specifications, notices and/or certifications and in conformity with all permits and licenses;

(v) Sponsor and its representatives shall be given reasonable opportunity, from time to time, to inspect such work as it progresses;

(vi) promptly after the completion of such work, all necessary inspections and approvals of the work shall be obtained, all necessary notices and/or certifications shall be filed with the appropriate governmental authorities and Sponsor shall be given a copy of all such inspections, approvals, notices and certifications;

(vii) the Residential Unit Owner shall indemnify and hold Sponsor harmless from any cost, expense, claim, or liability arising, directly or indirectly, from such work, including, without limitation, any cost, expense, claim, or liability incurred or suffered by Sponsor due to any violation of Law or due to any delay in obtaining a TCO or PCO for the Building (or any amendment to, or extension of, the TCO or PCO if theretofore issued) as a result of such work or the failure to make all appropriate governmental filings in connection with same; and

(viii) all contractors shall be duly licensed to the extent required by applicable Law and, if required under any contract with any union whose members are performing services at the Building (including, without limitation, services directly or indirectly at the behest, for the benefit, or for the account of Sponsor, any other Unit Owner, or the Condominium Board), such work shall be performed solely by union members.

If any Residential Unit Owner commences any such alterations in violation of the foregoing terms and conditions, or fails to comply with the reasonable requirements of Sponsor in connection with the alterations, Sponsor shall be entitled to cause such work to be halted, including, without limitation, to cause the Managing Agent to deny access to the Building to the Residential Unit Owner's workers and suppliers, until the Residential Unit Owner complies with the same. During the period until the Residential Unit Owner is permitted hereunder to resume its work, Sponsor shall have the right to (a) perform any and all work in and to the Residential Unit as shall be necessary, in Sponsor's sole judgment, in order to avoid or mitigate any delay in obtaining a TCO or PCO for the Building (or any amendment to, or extension of, the

TCO or PCO), whether or not such work shall be in compliance with the plans and specifications for the work theretofore performed by, or on behalf of, such Residential Unit Owner, (b) close out or otherwise assume complete control over any open applications and/or permits associated with the work, including without limitation to substitute the person who opened the application or permit with an architect chosen by Sponsor, and/or (c) otherwise take any other actions necessary in Sponsor's sole discretion (to the extent permitted by Law) in order to avoid or mitigate any delay in obtaining a TCO or PCO for the Building (or any amendment to, or extension of, the TCO or PCO). Any costs or expenses incurred by Sponsor associated with the foregoing provisions (a), (b), and/or (c) shall be borne by such Residential Unit Owner and shall be paid to Sponsor within 15 days of Sponsor's written demand therefor.

Section 5.3 *Alterations, Additions, or Improvements to the Common Elements.* Except as otherwise provided in the Declaration or in these By-Laws, all necessary or desirable alterations, additions, or improvements in or to any of the Common Elements shall be made by the Condominium Board, and the cost and expense thereof shall constitute a General Common Expense attributable to all Unit Owners, if relating to the General Common Elements, or a Residential Common Expense attributable to all Residential Unit Owners, if relating to the Residential Common Elements and/or Residential Limited Common Elements. Notwithstanding the foregoing, however, whenever the cost and expense of such alterations, additions, or improvements would, in the judgment of the Condominium Board, exceed $500,000 with respect to the General Common Elements or the Residential Common Elements and/or the Residential Limited Common Elements, at any one time, in any fiscal year, such proposed alterations, additions or improvements shall not be made unless first approved by the Unit Owners if relating to the General Common Elements, or the Residential Unit Owners, if relating to the Residential Common Elements and/or the Residential Limited Common Elements (including Sponsor if Sponsor then owns any Unsold Residential Unit) owning 66 2/3% of the aggregate Common Interest or Residential Common Interest, as applicable, at a duly constituted meeting of the Unit Owners or the Residential Unit Owners, as applicable, and by the Mortgage Representatives, if any. Except as otherwise provided in the Declaration and in these By-Laws, all such alterations, additions, or improvements costing $500,000 or less, in any fiscal year may be made as aforesaid without the approval of either the Unit Owners or any Mortgage Representatives. Notwithstanding the foregoing, no additions, alterations, or improvements shall be made to any of the Common Elements, regardless of the cost thereof, unless the prior written consent of Sponsor is first obtained, provided, however, that Sponsor's written consent is not necessary if such additions, alterations, or improvements to the Common Elements is required to (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer. In no event will the limitations imposed in the preceding sentence continue beyond the earlier to occur of (i) 5 years from the First Closing or (ii) until such time as Sponsor no longer owns 25% in number of all Residential Units.

Section 5.4 *Insurance.*

(A) To the extent commercially reasonable, the Condominium Board shall obtain, and shall maintain in full force and effect, a commercial package policy including fire and special causes of loss, on at minimum a replacement cost valuation or replacement cost coverage and agreed valuation, insuring the entire Building (excluding Units, the Residential Limited Common Elements, the Hotel Common Elements and any Unit Owner Property) together with all building service machinery contained therein, and covering the interests of the Condominium, the Condominium Board, all of the Unit Owners and all Permitted Mortgagees, as their interest may appear. Each of the said policies shall contain:

(i) waivers of (a) subrogation, (b) a cross-liability endorsement and (c) pro-rata reduction of liability if Unit Owners obtain additional coverage;

(ii) a provision that any settlement of claim will be made by the Condominium Board and that all proceeds thereof shall be paid to either the Condominium Board or the Insurance Trustee, as provided in section 5.5 hereof;

(iii) a New York standard mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the proceeds thereof shall be paid to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Condominium Board and the Insurance Trustee set forth in subsection (ii) above and in section 5.5 hereof; and

(iv) a provision that such policy may not be either canceled or substantially modified except upon at least 10 days' prior written notice to the Condominium Board and all insureds who may have requested such notice, including Permitted Mortgagees.

Evidence of insurance or certificates of insurance of all such policies and of all renewals thereof, together with proof of payment of premiums, shall be on file at the office of Managing Agent. Copies thereof shall be delivered to any Unit Owner or Permitted Mortgagee on written request thereof.

(B) The Condominium Board shall also obtain and maintain, to the extent commercially reasonable:

(i) commercial general liability insurance written by companies with an A.M. Best Company rating of at least A-VII, covering all claims for personal injury or property damage arising out of any occurrence on the Property and listing as named insureds (a) the Condominium Board and each Member thereof, (b) Managing Agent or manager (if any), (c) each officer and employee of the Condominium and (d) each Unit Owner (except, however, that such insurance shall not cover any liability of a Unit Owner arising from occurrences within such Unit Owner's own Unit or any Residential Limited Common Elements or Hotel Common Elements appurtenant thereto), with such coverage to be primary and not on an excess or contributory basis with any other policy which may be available to the Condominium Board or Managing Agent;

(ii) rent insurance (which may be included in such other policies as are required under clause (A) above);

(iii) worker's compensation and New York State disability benefits insurance (to the extent the Condominium Board has any employees);

(iv) boiler and machinery insurance (which may be included in such other policies as are required under clause (A) above);

(v) water damage legal liability insurance (which may be included in such other policies as are required under clause (A) above);

(vi) officers' and directors' liability insurance;

(vii) fidelity bonds (crime);

(viii) commercial umbrella insurance in the minimum amount of $10,000,000;

(ix) real property insurance (which may be included in such other policies as are required under clause (A) above); and

(x) such other insurance as the Condominium Board shall from time to time determine.

(C) All policies of insurance to be maintained by the Condominium Board shall contain such limits as the Condominium Board shall from time to time determine, provided, however, that:

(i) with respect to insurance policies maintained by the Condominium Board pursuant to subsection (A) hereof, the coverage shall be in an amount equal to not less than 80% of the full replacement cost of the Building, exclusive of footings and foundations, without deduction for depreciation, as approved by an insurance carrier, authorized to do business in New York, a qualified insurance broker, or another qualified source;

(ii) with respect to insurance policies maintained by the Condominium Board pursuant to provision (i) of subsection (B) hereof, such policies shall contain aggregate limits of not less than $1,000,000 per occurrence and $2,000,000 in the aggregate, and commercial umbrella insurance in the minimum amount of $10,000,000; and

(iii) with respect to insurance policies maintained by the Condominium Board pursuant to provision (ii) of subsection (B) hereof, the coverage shall be in an amount equal to the aggregate of all of the Unit Owners' Common Charges for one year.

Any insurance policies maintained by the Condominium Board may also provide for such deductible amounts as the Condominium Board shall determine. The Condominium Board shall review the limits of each insurance policy, as well as the amount of any deductible sum thereunder, at least once each year.

(D) The cost of all insurance maintained by the Condominium Board pursuant to this section 5.4, together with the fees and disbursements of any Insurance Trustee appointed by the Condominium Board pursuant to the terms of these By-Laws, shall be borne by the Unit Owners as a General Common Expense or by the Residential Unit Owners as a Residential Common Expense, depending on the item to which the coverage relates.

(E) For so long as Sponsor owns at least 1 Unsold Residential Unit, unless Sponsor's prior written consent is obtained, the Condominium Board must maintain, at a minimum, the types and coverage amounts of insurance set forth in the First Year's Budget.

(F) The Condominium Board is not required to obtain or maintain any insurance with respect to the Units, the Residential Limited Common Elements, the Hotel Common Elements and any Unit Owner Property. Each Unit Owner shall, at such Unit Owner's sole cost and expense, obtain and maintain in full force and effect such insurance, the types and amounts of which shall be determined by the Condominium Board in its sole discretion, insuring the Unit, Hotel Common Elements (in the case of the Hotel Unit Owner), the Residential Limited Common Elements (in the case of a Residential Unit Owner) and any Unit Owner Property as well as liability insurance with respect to occurrences in or about the Unit or any Residential Limited Common Elements or Hotel Common Elements appurtenant thereto. All such policies shall contain waivers of subrogation, if commercially reasonable and provide that the liability of the carriers issuing the insurance obtained by the Condominium Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner. All such certificates of insurance shall name the Condominium Board, the Condominium and Sponsor as additional insureds. For so long as Sponsor owns at least 1 Unsold Residential Unit, any change or elimination of such requirement may only be made upon Sponsor's prior written consent. Evidence of such insurance must be provided by the purchaser at the closing of title of each Unit and thereafter, whenever requested by the Condominium Board or Managing Agent.

Section 5.5 *Casualty or Condemnation.*

(A) In the event that either (i) the Building is damaged or destroyed by fire or other casualty ("Casualty Loss") or (ii) the Common Elements or the Units, or any part thereof is taken in condemnation or by eminent domain ("Taking"), the net insurance proceeds payable under the insurance policies maintained by the Condominium Board pursuant to the terms of section 5.4 hereof by reason of such Casualty Loss or the net condemnation awards receivable by reason of such Taking, as the case may be, shall

be payable either to the Condominium Board, if the same shall be $1,000,000 or less in the aggregate, or to the Insurance Trustee, if the same shall exceed $1,000,000 in the aggregate. In either instance, subject to the provision of subsection (D) of this section 5.5, all such monies actually received ("Trust Funds") shall be first solely and exclusively used to make repairs or replacement to any damaged or destroyed shared facilities, and the remainder shall be held in trust for the benefit of all Unit Owners (with respect to the portion thereof allocated to a Casualty Loss to the Building or any part thereof or a Taking of the Common Elements or the Units) and their Permitted Mortgagees and shall be disbursed pursuant to the terms of this section 5.5. Notwithstanding anything to the contrary contained either in this subsection (A) or elsewhere in this section 5.5, however, in the event that any Unit, any portion thereof, or any Residential Limited Common Element or Hotel Common Element appurtenant thereto are taken in a Taking (regardless of whether or not all or a part of the Common Elements are contemporaneously taken), no such Unit Owner shall be deemed to have waived whatever rights that he may have to pursue a separate claim against the condemning authority by reason thereof.

(B) Subject to the terms of subsection (D) hereof, the Condominium Board shall arrange for the prompt repair or restoration ("Work") of: (i) in the event of a Casualty Loss, the portion(s) of the Building (excluding the Units, the Residential Limited Common Elements, the Hotel Common Elements and Unit Owner Property) affected by such Casualty Loss, or (ii) in the event of a Taking, the portion(s) of the Common Elements (other than any Hotel Common Elements or Residential Limited Common Elements) affected by such Taking. Damage or destruction to a Unit and any Common Elements exclusively appurtenant thereto shall be promptly repaired or restored by the Unit Owner of the affected Unit as and to the extent the same are the responsibility of the Unit Owner hereunder. If, pursuant to the immediately preceding sentence, Work is to be performed in or to Units, Common Elements that service or enclose Units and other Common Elements, or any combination of the foregoing, the Work shall be performed to the extent practicable, first in or to the Units, next in or to the Common Elements that service or enclose Units and then in or to the balance of the Common Elements. If a Unit Owner fails to repair or restore the Unit or any Common Elements exclusively appurtenant thereto which are the responsibility of the Unit Owner hereunder, the Condominium Board may cause the Unit to be repaired or restored and all costs in connection therewith shall be charged to the defaulting Unit Owner as a Special Assessment.

(C) In the event that Work shall be performed pursuant to the terms of subsections (B) and (D) of this section 5.5, the Condominium Board or the Insurance Trustee, as the case may be, shall disburse the Trust Funds to the contractors engaged in the Work in appropriate progress payments. If the Trust Funds shall be less than sufficient to discharge the cost and expense of performing the Work, the Condominium Board shall levy a Special Assessment against all Unit Owners for the amount of such deficiency in proportion to their respective Common Interest, for Work to the General Common Elements and against all Residential Unit Owners for the amount of the such deficiency in proportion to their respective Residential Common Interest, for Work to the Residential Common Elements and Residential Limited Common Elements and all proceeds of such Special Assessment shall become part of the Trust Funds. If, conversely, the Trust Funds shall prove to be more than sufficient to discharge the cost and expense of performing the Work, such excess shall be paid to all Unit Owners in proportion to their respective Common Interest, with respect to Work to the General Common Elements, and to all Residential Unit Owners in proportion to their respective Residential Common Interest, for Work to the Residential Common Elements and Residential Limited Common Elements (to the extent the responsibility of the Condominium Board hereunder), except that no payment shall be made to a Unit Owner until there has first been paid, out of such Unit Owner's share of such excess, such amounts as may be necessary to reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens. Notwithstanding the foregoing, however, in the event that the Unit Owners are assessed pursuant to the terms of the second sentence of this subsection (C) for any projected deficiency in the amount of the Trust Funds available to the Condominium Board and, after the payment of all costs and expenses incurred in connection with the Work, any portion of the Trust Funds remaining unspent, such excess Trust Funds shall, to the extent

of such Special Assessment, be deemed to be, and shall constitute, an unspent Special Assessment and shall be paid to the Unit Owners so assessed in proportion to their respective Common Interest, with respect to Work to the General Common Elements, and/or paid to the Residential Unit Owners so assessed in proportion to their respective Residential Common Interest, with respect to Work to the Residential Common Elements or Residential Limited Common Elements (to the extent the responsibility of the Condominium Board hereunder), free of any claim of any lienor (including without limitation, any Permitted Mortgagee). Until such time that the lien of a Sponsor Loan has been released, the "Insurance Trustee" for the purposes of this subsection 5.5(C) shall be deemed to be such Sponsor Lender.

(D) If either 75% or more of the Building is destroyed or substantially damaged by fire or other casualty or 75% or more of the Common Elements are taken in a Taking, the Work shall not be performed unless 75% or more of all Unit Owners (including Sponsor if Sponsor shall then own any Units), in aggregate Common Interest, shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the Work shall be performed pursuant to the terms of subsections (B) and (C) hereof. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the Work shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the resulting sale, together with any Trust Funds, shall be paid to all Unit Owners in proportion to their respective Common Interest, to the extent allocated to destroyed or damaged portions of the General Common Elements or shall be paid to all Residential Unit Owners in proportion to their respective Residential Common Interest to the extent allocated to destroyed or damaged portions of the Residential Limited Common Elements except that no payment shall be made to a Unit Owner until there first has been paid, out of such Unit Owner's share of such funds, such amounts as may be necessary to pay off any Permitted Mortgage and other unpaid liens on the Unit Owner's Unit in the order of priority of such liens. Notwithstanding anything to the contrary set forth herein, any action to terminate the legal status of the Condominium after substantial destruction or a Taking shall require the written consent (which consent shall not be unreasonably withheld, conditioned or delayed) of the Permitted Mortgagees representing at least fifty-one (51%) percent of the Common Interest of all Units which are subject to Permitted Mortgages or by a majority of the Mortgage Representatives, if any. The Condominium Board shall not be required to take any action to obtain the consent of the Permitted Mortgagees or Mortgage Representatives as set forth in this section 5.5(D) other than the requirements set forth in section 8.7 of these By-Laws. The provisions of this section 5.5(D) may not be amended, modified or deleted without the prior written consent of Sponsor for so long as Sponsor continues to own at least 1 Unsold Residential Unit.

(E) In the event that the damage resulting from a Casualty Loss shall (i) render one or more Units wholly or partially unusable for the purposes permitted in the Declaration or (ii) destroy the means of access to one or more Units, the installments of Common Charges otherwise payable by the Unit Owner of any Unit so affected thereby shall not be abated.

(F) If (i) a portion of any Unit shall be taken in condemnation or by eminent domain and (ii) the Condominium shall not be terminated by reason of a simultaneous Taking pursuant to the terms of subsection (D) hereof, the Common Interest appurtenant to such Unit shall be adjusted in the proportion that the total floor area of such Unit and its appurtenant Residential Limited Common Elements or Hotel Common Elements, if any, after such Taking bears to the total floor area of such Unit and its appurtenant Residential Limited Common Elements or Hotel Common Elements, if any, prior to such Taking. The Condominium Board shall promptly prepare and record an amendment to the Declaration reflecting the new Common Interest and new Residential Common Interest, where applicable, appurtenant to such Unit, which amendment shall be executed by the owner of such Unit together with the holders of record of any liens thereon (or, in lieu of execution by such Unit Owner and lienors, the same may execute a consent to such amendment in recordable form). Following the Taking of a portion of a Unit and the recording of the aforementioned amendment to the Declaration, the votes appurtenant to such Unit shall be based upon the new Common Interest and new Residential Common Interest, where applicable, of such Unit and, in the

event of a Taking of an entire Unit, the right to vote appurtenant to such Unit shall wholly terminate. In either event, the Common Interest of the other remaining Units shall be adjusted accordingly and reflected in an amendment to the Declaration duly executed and acknowledged by the Condominium Board and the owners of all of the other or remaining Units together with the holders of the Permitted Mortgages.

(G) As used in this section 5.5, the terms:

(i) "Prompt repair or restoration" shall mean that the Work is to be commenced not more than either: (a) sixty (60) days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds sufficient to discharge the estimated cost and expense of the Work, or (b) 90 days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds insufficient to discharge the estimated cost and expense of the Work, or (c) in the event that the Trust Funds are payable to the Condominium Board pursuant to the terms of subsection (A) of this section 5.5, sixty (60) days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds, whether or not the same are sufficient to discharge the cost and expense of the Work; and

(ii) "Promptly resolve" shall mean that a resolution shall be duly made not more than sixty (60) days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds and that the same are or are not sufficient to discharge the estimated cost and expense of the Work, as the case may be.

(H) Any dispute that may arise under this section 5.5 between Unit Owners or between any Unit Owner(s) and the Condominium Board shall be resolved by arbitration pursuant to the terms of Article 10 hereof.

Section 5.6 *Use of the Property.*

(A) Nothing shall be done or kept in any Unit or in any of the Common Elements that would increase the rate of insurance for the Property, except upon the prior approval of the Condominium Board. In the event that the rate of insurance for the Property is increased as a direct result of a particular or unique use being made of the Hotel Unit, and not as a result of the typical uses for which the Hotel Unit may be occupied or for which commercial spaces in similar Buildings are normally occupied, the Hotel Unit Owner shall be obligated to pay the amount of such increase in the rate of insurance. No Unit Owner shall permit anything to be done or kept in a Unit or in the Common Elements that will result in the cancellation of insurance on the Property or the contents thereof, or that would be in violation of any Law. No waste shall be committed in the Common Elements.

(B) Nothing shall be done in any Unit or in, on, or to the Common Elements that will impair the structural integrity of the Property, except as is otherwise provided in the Declaration or in these By-Laws. In no event shall interior partitions contributing to the support of any Unit or the Common Elements be altered or removed.

(C) The Condominium Board, the Managing Agent, Sponsor, the Hotel Unit Owner, the Hotel Operator (if any) and their respective Permitted Users shall not be liable for any loss or damage caused by power outages, temperature fluctuations or other such causes in or around the Property. Any loss or damage in any Unit as a result thereof will be at the sole cost of the Unit Owner.

Section 5.7 *Use of the Units.*

(A) In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of Units shall be restricted to, and shall be in accordance with, the terms contained in the balance of this section 5.7.

(B) The Residential Units shall be used for residential purposes only, including permitted "home occupation" as defined in the Zoning Resolution (except as described below), and not more than one family may occupy a Residential Unit at one time. A Residential Unit may not be used for any "dormitory," "bed and breakfast" or other transient hotel-type use, provided that short-term rentals (i.e., rentals for thirty (30) days to less than six (6) months) and long-term rentals (i.e., rentals of six (6) months or more) shall be permitted in accordance with the further terms hereof.

(C) A Residential Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary, or any other entity (including, but not limited to, any federal or state agency, any foreign government and any embassy, consulate or other official representative thereof) may only be occupied (unless the Condominium Board otherwise consents in writing) by such individual, or by an individual officer, director, stockholder, or employee of such corporation, or by an individual partner or employee of such partnership, or a member of such limited liability company, or by such individual fiduciary (including directors, officers, stockholders, or employees of corporate fiduciaries and partners or employees of partnership fiduciaries), or by an individual beneficiary of said fiduciary, or by an individual principal or employee of such other entity, respectively, or by Family Members and guests of any of the foregoing (and nothing herein contained shall be deemed to prohibit the exclusive occupancy of any such Residential Unit by such Family Members). Notwithstanding the foregoing, Sponsor (with respect to the Unsold Residential Units) or the Condominium (with respect to sold Residential Units) may, in their sole discretion, permit Persons other than those set forth above to occupy a Residential Unit. In no event, however, shall a portion of a Residential Unit (as opposed to the entire Residential Unit) be sold, conveyed, leased, or subleased. The Hotel Unit may be used for any purpose permitted by Law. The uses of the Hotel Unit may generate noise, traffic, odors, vibrations, or other disturbances which are typical in the operation of a full-service hotel, and which will be outside the control of the Condominium Board and the Residential Unit Owners. Residential Unit Owners will not have any interest in the rents, profits or revenues generated from the business, rental, or other use of any space in the Hotel Unit.

(D) Notwithstanding anything to the contrary contained in this section 5.7, the Condominium Board may, in its sole discretion and without the consent of the Unit Owners, grant permission for the use of any Residential Unit as a professional office or for any purpose, provided that the nature and manner of such use complies with Law and does not violate the then existing certificate of occupancy for the Building. Any such consent shall be in writing and shall be personal to such Residential Unit Owner. Any lessee of, or successor in title to, such Residential Unit Owner shall be required to obtain the prior approval of the Condominium Board before using such Residential Unit for any purpose other than that set forth in subsection (B) hereof.

(E) Notwithstanding anything to the contrary contained in this section 5.7, Sponsor may, in its sole discretion and without the consent of the Condominium Board or the Unit Owners, (1) use or grant permission for the use of any Unsold Residential Unit as a professional office or for any other purpose, provided the nature and manner of such use complies with Law and does not violate the then existing certificate of occupancy for the Buildings or any other applicable governmental regulations, (2) use any Unsold Residential Units as model Units and offices for the selling, leasing, management, operation and promotion of the Unsold Residential Units or for any other purpose, subject only to compliance with Law, and (3) lease any Unsold Residential Unit to third parties for either long term or short term stays, in compliance with Law. Additionally, notwithstanding anything contained herein to the contrary, Sponsor or its designee shall have the right, from time to time, to submit any Unsold Residential Unit (or any Units created from the subdivision of any other Unit) to an Occupancy Plan (as hereinafter defined) program, and among other things, to designate such units as a new class of Unit (e.g., fractional/timeshare ownership) and to amend the Condominium Documents and/or to create and record a fractional/timeshare ownership declaration with respect to such new classification of Units (including, among other things, by-laws and other related documents to address issues affecting only the administration and management of such Units and a plan of fraction/timeshare ownership with respect thereto).

(F) Except as provided for in paragraph (D) immediately above, in no event shall any Residential Unit be used as part of or in furtherance of an Occupancy Plan or a program, plan, entity, agreement or other arrangement providing for short-term, fractional or shared use and/or ownership of such Unit, or as part of a travel club, "home share" platform such as AirBnB or Onefinestay, vacation rental platform such as VRBO, swap or exchange company or any enterprise having similar attributes; provided, however, if, as and when, and only for so long as the Hotel Unit is being used by the Unit Owner thereof in connection with an Occupancy Plan (and, for the avoidance of doubt, the use of the Hotel Unit as a transient hotel in the ordinary course shall not be considered "use…in furtherance of [an] Occupancy Plan"), the Residential Units may be so used on the same basis with the consent of the Condominium Board, in its sole discretion. An "Occupancy Plan" means a program, plan, agreement or other arrangement for the use, occupancy, marketing, advertising, or promotion of one or more Units under short-term, timeshare, fractional or shared ownership, interval exchange, vacation club, destination club, vacation membership, private membership, private residence club and points club products, programs and services (whether the program is based on direct exchange of occupancy rights, cash payments, reward programs or other point or accrual systems) or other membership plans, arrangements or forms of products, programs and services through which a participant in a plan or arrangement acquires a direct or indirect ownership interest, use or other rights in the Unit(s) in question with attendant rights of periodic use and occupancy or acquires contract rights to such periodic use and occupancy of such Unit(s) or a portfolio of accommodations including such Unit(s). The provisions of this paragraph shall not apply to Sponsor with respect to any Unsold Residential Units.

Section 5.8 *Use of the Common Elements.*

(A) Subject to the terms of subsections (B) and (C) of this section 5.8, the Common Elements (including, without limitation, the electrical, heating, gas, plumbing and other mechanical systems and equipment of the Building and the Facilities) may be used only for the furnishing of the services and facilities, and for the other uses, for which they are reasonably suited and capable. In addition, no furniture, packages, or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators, or any other part of the Common Elements without the prior approval of the Condominium Board. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them. Accordingly, all Unit Owners shall require their tradesperson to utilize exclusively the elevator and entrance designated by the Condominium Board for transporting packages, merchandise, or other objects.

(B) The owner or owners of any 2 or more Residential Units, which Residential Units are the only Units serviced or benefited by any Residential Common Element adjacent or appurtenant to such Residential Units (for example, that portion at the end of any residential hallway that is directly adjacent to any such Residential Units located on opposite sides of such hallway) shall, with the consent of the Condominium Board (which consent shall not be unreasonably withheld, conditioned, or delayed), have the right to use such Residential Common Elements exclusively, as if it were a part of such Residential Units (including the right, in the above example of a portion of a hallway, to enclose such portion), and no amendment to the Declaration or reallocation of Common Interest shall be made by reason thereof. In such event, however, such owner or owners shall, at such owner's or their sole cost and expense, both (i) operate, maintain and repair such Residential Common Element for so long as such owner or owners exercise such exclusive right of use and (ii) restore such Residential Common Element to its original condition, reasonable wear and tear excepted, after such owner or owners cease to exercise such exclusive right of use.

(C) The terms of subsection (A) of this section 5.8 shall not apply to Sponsor for so long as there are any Unsold Residential Units. Sponsor shall have the right, without charge or limitation, to: (i) erect and maintain signs, of any size or content determined by Sponsor on or about any portion of the Common Elements chosen by Sponsor including the area adjacent to the main entrance of the Building; (ii) have its employees, contractors, subcontractors and sales agents present on the Property; and (iii) do all things necessary or appropriate, including the use of the Common Elements (such as lobbies, corridors and the like),

to sell, lease, manage, or operate Unsold Residential Units, to complete any work or repairs to the Building expressly undertaken by Sponsor and to comply with Sponsor's obligations under the Plan and the Condominium Documents. In no event, however, shall Sponsor be entitled to use any Common Elements in such a manner as will unreasonably interfere with the use of any Unit for its permitted purposes.

(D) Sponsor, for so long as Sponsor continues to own any Unsold Unit, and the Condominium Board shall have the right to lease, sublease, license, sell or otherwise convey to a Unit Owner any portion of the Common Elements which either Sponsor or the Condominium Board determines is no longer needed for the furnishing of the services and facilities (including reasonable access) for which such Common Elements were reasonably intended. Any revenue received for the sale, leasing, subleasing, licensing or other conveyance of such Common Elements shall be retained solely by Sponsor or the Condominium Board, as applicable.

Section 5.9 *Intentionally Omitted.*

Section 5.10 *Rights of Access.*

(A) Each Unit Owner shall grant to the Condominium Board, to the Managing Agent or manager (if any), or to any other Person authorized by any of the foregoing a right of access (including the right of forced entry if required in the discretion of the party seeking such entry) to the Unit and its appurtenant Residential Limited Common Elements and Hotel Common Elements, if any, for the purposes of:

(i) making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property;

(ii) curing defaults hereunder or under the Declaration or violations of the Residential Rules and Regulations committed by such Unit Owner or correcting any conditions originating in the Unit or its appurtenant Residential Limited Common Elements and Hotel Common Elements and threatening another Unit or all or a portion of the Common Elements;

(iii) performing maintenance, installations, alterations, repairs, or replacements to the structural elements, mechanical or electrical services, or other portions of the Common Elements located within the Unit, or elsewhere in the Building;

(iv) reading, maintaining, or replacing utility meters relating to the Common Elements, to the Unit, or to any other Unit; or

(v) correcting any condition that violates the provisions of any Permitted Mortgage encumbering another Unit.

Except in cases of emergency (that is, a condition requiring repairs or replacement immediately necessary for the preservation or safety of the Property or for the safety of the occupants of the Property or other individuals, or required to avoid the suspension of any necessary service at the Property), the foregoing rights of access shall be exercised only upon not less than 1 day's advance notice and only in such a manner as will not unreasonably interfere with the normal conduct of business of the Hotel Unit Owner or other occupants of the Hotel Unit or Hotel Common Elements or with the use of the Residential Units and their appurtenant Residential Limited Common Elements for their permitted purposes. In cases of emergency, however, such rights of access may be exercised immediately, without advance notice and whether or not the Unit Owner is present. The Hotel Unit Owner shall have the right to access and such

easement rights of the Condominium Board provided in this subsection (A) in the event of a breach or suspected breach by the Condominium Board of compliance with the Hotel Standard in effect at a given time.

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

Section 5.11 *Modification of the Residential Rules and Regulations.* The Condominium Board shall have the right to amend, modify, add to, or delete any of the Residential Rules and Regulations from time to time. Notwithstanding the provisions of Section 2.5(B) of these By-Laws, determinations with respect to the Residential Rules and Regulations and any amendments, modifications, additions or deletions thereto shall be made by a majority vote of the Condominium Board. Copies of the text of any amendments, modifications, additions, or deletions to the Residential Rules and Regulations shall be furnished to all Unit Owners not less than 30 days prior to the effective date thereof. Notwithstanding the foregoing, the Condominium Board shall not have the right to amend, modify, add to, or delete any of the Residential Rules and Regulations if the same would adversely affect Sponsor, the Hotel Unit Owner, and/or any user of the Hotel Unit, without the prior written consent of Sponsor or the Hotel Unit Owner, as applicable.

Section 5.12 *Real Estate Taxes.* Unless and until real estate taxes are billed directly to Unit Owners by the City Collector, the Condominium Board shall promptly pay such taxes as a Common Expense. In the event of a proposed sale of any Unit, the Condominium Board (for so long as the Condominium Board is still paying such real estate taxes) shall, upon the written request of the selling Unit Owner, execute and deliver to the purchaser of such Unit, or to such purchaser's title company, a letter agreeing to promptly pay all such real estate taxes affecting such Owner's Unit to the date of the Closing of Title to such Unit.

Section 5.13 *Gas.* Unless and until gas is billed directly to Unit Owners by the supply company, in accordance with and subject to the provisions of the Plan, the cost and expense of gas (for cooking) serving or benefiting any Unit and/or Common Element shall be: (i) considered part of the expense of maintaining such Unit and/or Common Element, (ii) determined by the Condominium Board, (iii) paid by the Condominium Board, and (iv) charged to: (a) the Unit Owners as a General Common Expense for such portion attributable to the General Common Elements, (b) a Hotel Unit Owner for such portion attributable to such Hotel Unit and/or the Hotel Common Elements, and (c) the Residential Unit Owners as a Residential Common Expense for such portion attributable to the Residential Units and/or the Residential Common Elements and/or the Residential Limited Common Elements. In the event there is a particular or unique use being made of a Unit and/or Common Element, the Condominium Board shall cause a new survey to be made the cost of which shall be borne by the Unit Owners as a General Common Expense.

Section 5.14 *Water Charges and Sewer Rents.* Unless and until water is separately metered in a Unit and water charges and sewer rents are billed directly to a Unit Owner by the City Collector, in accordance with and subject to the provisions of the Plan, the cost and expense of water serving or benefiting

a Unit and/or Common Element shall be: (i) considered part of the expense of maintaining such Unit and/or Common Element, (ii) determined by the Condominium Board, (iii) paid by the Condominium Board, and (iv) charged to: (a) the Residential Unit Owners as a Residential Common Expense for such portion attributable to the Residential Units and/or Residential Common Elements and/or Residential Limited Common Elements, and (b) the Unit Owners as a General Common Expense for such portion attributable to the General Common Elements. In addition, the cost of submetering shall be a Residential Common Expense if pertaining to Residential Units and a General Common Expense if pertaining to all Units.

Section 5.15 *Electricity.*

(A) Electricity for each Residential Unit and the Hotel Unit (including tenants occupying portions of the Hotel Unit) shall be either individually direct metered or submetered for each Unit (or portion thereof).

(B) If individually direct metered, each Unit Owner shall be required to pay the billing utility directly for electricity consumed in such Unit Owner's Unit (or portion thereof) and in the Residential Limited Common Elements or Hotel Common Elements to which such Unit has exclusive access.

(C) If the Residential Units or the Hotel Unit are submetered, each Unit Owner shall be required to pay bills for electricity consumed in such Unit Owner's Unit either to the Condominium Board or to the utility company or to the servicing company engaged by the Condominium Board to perform such services all at the direction of the Condominium Board. The Common Expenses shall include fees for administering and servicing the submeters. In the event that a Unit Owner fails to pay for its submetered electricity, the Condominium Board shall be responsible to pay such expense on the Unit Owner's behalf and such electricity charges shall be deemed Common Charges allocable to the defaulting Unit Owner and the Condominium Board shall have a lien for non-payment of the expense as provided in Article 6.5 of these By-Laws.

(D) Electricity for the Common Elements may be supplied through one or more separate meters therefor and the cost thereof will be paid by the Condominium Board and will be borne by the Unit Owners as Common Charges.

(E) In addition, the cost of submetering shall be a Residential Common Expense if pertaining to Residential Units and a General Common Expense if pertaining to all Units.

(F) Any disputes with respect to submetering rates and billing must be submitted to Arbitration pursuant to Article 10 of these By-Laws.

Section 5.16 *Record and Audits.*

(A) The Treasurer of the Condominium, or the Managing Agent under the supervision of such Treasurer, shall keep full, detailed and accurate records and books of account with respect to the financial affairs of the Condominium, which records and books of account shall include, without limitation, (i) a listing of all receipts of and expenditures by the Condominium Board and the Managing Agent and (ii) a separate listing for each Unit, setting forth, among other things, the amount of each assessment of Common Charges and Special Assessments levied against such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid, as well as all Permitted Mortgagees having an interest in such Unit.

(B) Within 4 months after the end of each fiscal year of the Condominium, the Condominium Board shall submit to each Unit Owner, and, if so requested, to any Permitted Mortgagee, an annual report of the receipts and expenditures of the Condominium prepared and certified by an independent certified public accountant. The cost of preparing and distributing each such report shall be borne by the

Condominium Board as a General Common Expense and allocated in the manner set forth in the First Year's Budget. The fiscal year of the Condominium shall be a calendar year.

ARTICLE 6

COMMON CHARGES

Section 6.1 *Determination of Common Expenses and Fixing of Common Charges.*

(A) From time to time, but not less frequently than once a year, the Condominium Board shall: (i) prepare and adopt a budget for the Condominium, subject, in all respects, to the strictures set forth in section 2.5 hereof; (ii) determine the aggregate amount of Common Charges necessary to be charged to the Unit Owners in order to meet the Common Expenses; and (iii) allocate and assess such Common Charges amongst the Unit Owners in accordance with allocations set forth in the First Year's Budget. The Condominium Board shall advise all Unit Owners promptly thereafter in writing of the amount of Common Charges payable by each of them, not later than 10 days prior to the date upon which the first installment of newly-determined Common Charges is due, shall furnish copies of the budget (in a reasonably itemized form) upon which such Common Charges are based to all Unit Owners and to their respective Permitted Mortgagees whenever requested in writing by such Permitted Mortgagees. The Condominium Board may, subject to subsection (E) of this section 6.1, at its sole discretion, from time to time increase or decrease the amount of Common Charges allocated to the Units and payable by the Unit Owners and may modify its prior determination of the Common Expenses for any fiscal year so as to increase or decrease the amount of Common Charges payable for such fiscal year or portion thereof; however, no such revised determination of Common Expenses shall have a retroactive effect on the amount of Common Charges payable by Unit Owners for any period prior to the date of such new determination. All Unit Owners will be given a copy of the proposed annual budget of the Condominium at least 10 days prior to the date set for adoption thereof by the Condominium Board.

(B) The failure or delay of the Condominium Board to prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges. In such event, the Common Charges that were computed on the basis of the Common Expenses last determined for any fiscal year or portion thereof shall continue thereafter to be the Common Charges payable by the Unit Owners until a new determination of the Common Expenses shall be made.

(C) In addition to the foregoing duty to determine the amount of and assess Common Charges, the Condominium Board shall have the right, subject, in all respects, to the strictures contained in section 2.5 hereof, to levy Special Assessments to meet the Common Expenses. All Special Assessments relative to the General Common Elements shall be levied against all Unit Owners in proportion to their respective Common Interest and all Special Assessments relative to the Residential Common Elements and/or the Residential Limited Common Elements shall be levied against all Residential Unit Owners in proportion to their Residential Common Interest. Special Assessments may be payable either in one lump sum or in installments, as the Condominium Board shall determine, provided, however, that the Condominium Board shall give each Unit Owner not less than 15 days' written notice prior to the date upon which such Special Assessment, or the first installment thereof, shall be due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof. The Condominium Board shall have all rights and remedies for the collection of Special Assessments as are provided herein for the collection of Common Charges (including, without limitation, the provisions of section 6.5 hereof).

(D) The excess of all rents, profits and revenues derived from the rental or use of any space forming a part of, or included in, any General Common Element or Residential Common Element

remaining after deduction of all expenses incurred in connection with generating the same shall constitute income of the Unit Owners or the Residential Unit Owners, as applicable, and shall be collected on behalf of the Unit Owners or Residential Unit Owners, as applicable, by the Condominium Board and applied against the General Common Expenses attributable to the General Common Elements, or the Residential Common Expenses attributable to the Residential Common Elements or the Residential Limited Common Elements, as applicable, for the fiscal year in which collected. In the event that such net rents, profits and revenues, together with the Common Charges and any Special Assessments collected from the Unit Owners, for any year of operation shall exceed the Common Expenses for such year, then such excess shall be applied for the next succeeding year(s) of operation by the Condominium Board against the General Common Expenses attributable to the General Common Elements, or the Residential Common Expenses attributable to the Residential Common Elements or the Residential Limited Common Elements, as applicable. No Unit Owner shall be entitled to a distribution of any portion of such excess unless the Condominium Board shall determine to distribute all or part of such excess to all Unit Owners pro-rata in proportion to their respective General Common Interest, or to all Residential Unit Owners pro-rata in proportion to their respective Residential Common Interest, as applicable. Any such distributions must be made by adjusting the Common Charges collected from Unit Owners.

(E) Certain Common Expenses have been allocated amongst the Residential Units (in the aggregate) and the Hotel Unit on a special basis rather than Common Interest, including to reflect actual benefit from and/or use of a particular item of Common Expense or exclusive control of particular Common Elements. The First Year's Budget sets forth the percentage for each line item, if any, to be paid for by the Residential Units and the Hotel Unit, which percentages are deemed presumptive evidence of reasonableness. The Condominium Board may not modify these allocations without the consent of the Hotel Unit Owner. Any new line items which may be added to the budget by the Condominium Board in the future shall be paid for on the same basis; and where the First Year's Budget does not provide for a method of allocation for a particular Common Expense item, such allocation shall be fairly and reasonable allocated as between the Hotel Unit Owner, on the one hand, and the Residential Unit Owners, on the other hand, taking into account the actual benefit from and/or use of a particular item of Common Expense or exclusive control of particular Common Elements, and then allocated amongst the Residential Unit Owners based upon Residential Common Interest; provided that all Residential Common Expenses shall be allocated amongst the Residential Unit Owners based upon Residential Common Interest.

(F) Sponsor, in its capacity as the initial owner of the Hotel Unit, has arranged with the Hotel Operator to provide Residential Unit Owners with certain privileges and access to services and facilities of the Hotel. Such services will be categorized as either "Basic Hotel Services" or "A La Carte Services" and are collectively referred to herein as "Hotel Services". The Basic Hotel Services will include: (i) a doorman, bellperson and/or receptionist; (ii) twenty-four (24) hour concierge and valet services including package delivery and holding, and (iii) the right to access and use certain facilities and amenities of the Hotel, including the Hotel lobby, fitness center and the Fitness Center Terrace. Basic Hotel Services will be provided to Residential Unit Owners at no additional expense other than Common Charges, as the cost therefor will be payable by the Residential Unit Owners to the Condominium as a Common Expense. A La Carte Services may (at the discretion of the Hotel Unit Owner and the Hotel Operator from time to time) include: (a) privileges and access to areas which are within the Hotel Unit (or services which are offered on the premises of the Hotel Unit), in all events, subject to availability, such as: entrance to bars and special events, restaurant reservations at Hotel restaurants, Hotel room reservations, signing privileges and direct billing services at Hotel vendor outlets and other public facilities, access to personal fitness trainers/classes and massage and spa services, access to Hotel meeting rooms, access to Hotel rentable space for private functions and access to Hotel lounges, and (b) privileges and services offered in or from a Residential Unit Owner's Unit such as: room service, catering services, event planning, personal shopping, messenger services, pet walking, sitting and/or grooming services,

pick-up and delivery of laundry and dry cleaning services, newspaper delivery and housekeeping services. A La Carte Services will be made available to Residential Unit Owners on an "a la carte" basis, and Residential Unit Owners will be individually and separately charged for the A La Carte Services on a per-use basis at the prevailing rates then charged therefor (the "Per-Use Fees"). The Hotel Unit Owner and/or Hotel Operator reserve the right to condition the provision of A La Carte Services to any Residential Unit Owner on execution by the Residential Unit Owner of an agreement setting forth the conditions upon which the A La Carte Services will be made available to such Residential Unit Owner, including the obligation of the Residential Unit Owner to pay the Per-Use Fees therefor. Hotel Services will be made available to Residential Unit Owners as well as guests of the Hotel and others, at the discretion of the Hotel Unit Owner and/or the Hotel Operator, which may impact the level of Hotel Services available to Residential Unit Owners at times. No representation or warranty is made that all or any of the Hotel Services will continue to be offered to Residential Unit Owners for any period of time or with respect to the nature or quality of the Hotel Services or the costs associated therewith. The provision of Hotel Services to the Residential Unit Owners may be modified or the cost thereof may increase; provided that, for so long as the Condominium remains current on payment of the Hotel Reimbursable Expenses (as hereinafter defined) to the Hotel Unit Owner, the Hotel Unit Owner shall be required to make the Basic Hotel Services available to the Residential Unit Owners (subject to the Hotel Unit Owner's right to deny Hotel Services to a Residential Unit Owner who is not current in payment of any Per-Use Fees applicable to such Residential Unit Owner).

(G) Hotel staff will operate and maintain the Common Elements and the Hotel Shared Components and will provide Basic Hotel Services to the Residential Unit Owners, and therefore, the Condominium will not employ any staff of its own. As such, the line item "Personnel & Hotel Services" set forth in the First Year's Budget is representative of the Condominium's allocated share of such shared staff, and such amount shall be payable by the Residential Unit Owners as reimbursement to the Hotel Unit Owner of the cost thereof Additionally, as more particularly set forth in the Condominium Documents, the Hotel Unit Owner may enter into certain service contracts from time to time in order to provide the Basic Hotel Services and, at the request of the Condominium, the Hotel Unit Owner may contract on behalf of the Condominium from time to time to provide certain maintenance and repairs to the Common Elements of the Condominium. In such event, the Condominium shall reimburse the Hotel Unit Owner for an allocated share of the cost thereof, which amount shall be payable by the Residential Unit Owners as part of their Common Charges (such amount, together with the aforementioned shared staffing costs shall be referred to herein as "Hotel Reimbursable Expenses"). Any Hotel Reimbursable Expenses shall be allocated in the manner set forth in the First Year's Budget, or if no allocation is provided in the First Year's Budget, then the same shall be fairly and reasonably allocated by the Hotel Unit Owner, and the Residential Unit Owners' share thereof shall be provided to the Condominium Board to be included in each budget for Condominium Operation and paid by the Residential Unit Owners as a Residential Common Expense or otherwise assessed against the Residential Unit Owners based upon Residential Common Interest. The amounts allocated to the Condominium for Hotel Reimbursable Expenses as set forth in the First Year's Budget shall be deemed to be fairly and reasonably allocated by the Hotel Unit Owner. The Hotel Reimbursable Expenses are not inclusive of Per-Use Fees, which Per-Use Fees shall be separately payable by the Residential Unit Owner incurring said Per-Use Fees directly to the Hotel Unit Owner, the Hotel Operator or the applicable provider of such goods or services at the then prevailing fees for such goods and services. Per-Use Fees shall be promptly paid by the Residential Unit Owners as and when due, failing which, (a) the Hotel Unit Owner shall have the right to cause the Condominium Board to enforce, on the Hotel Unit Owner's behalf and for the Hotel Unit Owner's benefit, all remedies available to the Condominium Board for failure to pay Common Charges against the applicable Residential Unit Owner as if the Per-Use Fees were Common Charges hereunder, including placing a lien on the Residential Unit, and (b) the Hotel Unit Owner shall have the right to deny Hotel Services to such Residential Unit Owner. Notwithstanding the foregoing, Residential Unit Owners, as a

group, whether acting through the Residential Members or otherwise, shall not be permitted to retain their own manager or employees or terminate any staffing arrangement with the Hotel Unit Owner without the Condominium Board's consent, which may be withheld in its sole discretion and which determination shall not be considered a Residential Determination hereunder.

Section 6.2 *Payment of Common Charges*

(A) All Unit Owners (including Sponsor with respect to Unsold Residential Units for so long as the same are owned thereby) shall be obligated to pay Common Charges and Special Assessments assessed by the Condominium Board pursuant to the terms of section 6.1 hereof at such time or times (but not less than annually) as the Condominium Board shall determine. Unless otherwise determined by the Condominium Board, Common Charges shall be payable in installments on the first day of every month in advance. To the extent permitted by Law, the Condominium Board shall have a lien on each Unit, on behalf of all Unit Owners, for unpaid Common Charges and Special Assessments assessed against such Unit. Such lien, however, shall be subordinate, to the extent required by Law, to any liens for real estate taxes assessed against such Unit and any sums unpaid on a Permitted Mortgage recorded against the Unit.

(B) Notwithstanding anything to the contrary contained in subsection (A) above, Sponsor shall have the right, in its sole discretion, to cause the Condominium Board, to waive Unit Owners' obligations to pay Common Charges from and after the First Closing for a period to be determined by Sponsor prior to full occupancy of the Building, provided during such period, the actual costs of the Condominium (inclusive of insurance premiums and reserves) are paid by Sponsor. Upon commencement of the collection of Common Charges from all Unit Owners, no assessment will be imposed for any item set forth in the approved budget for the Condominium. The Condominium Board shall remain obligated to update the budget in accordance with Law. If Sponsor elects to cause the Condominium Board to waive Unit Owners' obligation to pay Common Charges, Unit Owners will remain responsible during such Waiver Period for individual Unit expenses, including without limitation real estate taxes and utility charges (if applicable) and Per-Use Fees.

(C) No Unit Owner shall be liable for the payment of any part of the Common Charges and any Special Assessments assessed against the Unit subsequent to a sale, transfer, or other conveyance by Unit Owner of such Unit, together with its Appurtenant Interests, made in compliance with the terms of Article 7 hereof. A purchaser or other successor-in-title to the owner of a Unit shall be liable for the payment of all Common Charges and any Special Assessments accrued and unpaid against such Unit prior to such purchaser's acquisition thereof, except that, to the extent permitted by Law, a Permitted Mortgagee acquiring title to a mortgaged Unit or a purchaser at a mortgage foreclosure sale held with respect to a Permitted Mortgage shall not be liable, and such mortgaged Unit shall not be subject to a lien, for the payment of any Common Charges and Special Assessments assessed subsequent to the recording of such Permitted Mortgage and prior to the acquisition of title to such Unit by the Permitted Mortgagee or by such purchaser. However, in the event of a foreclosure of a Permitted Mortgage (whether by sale, deed in lieu of foreclosure, or otherwise), the defaulting Unit Owner shall remain fully liable for the payment of all unpaid Common Charges and Special Assessments that accrued prior to such foreclosure or sale. Any excess proceeds from such foreclosure or sale shall be paid directly to the Condominium Board in payment of all unpaid Common Charges and Special Assessments. In the case of a Residential Unit, any remaining unpaid Common Charges and Special Assessments that are not collected from such foreclosure sale or from the defaulting Residential Unit Owner shall be deemed a Residential Common Expense, collectible from all those who are Residential Unit Owners at the time the same is levied. In the case of the Hotel Unit, any remaining unpaid Common Charges and Special Assessments that are not collected from such foreclosure or sale or from the defaulting Hotel Unit Owner shall be deemed a Common Expense, collectible from all those who are Unit Owners at the time that the same is levied.

(D) Subject to the terms and conditions contained in these By-Laws, any Unit Owner may convey the Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, without being compensated therefor, and, in such event, be exempt from the payment of Common Charges and Special Assessments thereafter accruing, provided, however, that: (i) all Common Charges and any Special Assessments then due and payable with respect to such Residential Unit have been paid; (ii) such Residential Unit is free and clear of all liens and encumbrances other than a Permitted Mortgage and the statutory lien for unpaid Common Charges and Special Assessments; and (iii) no violation of any provision of the Condominium Documents then exists with respect to such Residential Unit. However, in no event shall Sponsor be permitted to convey any Unsold Residential Unit to the Condominium Board and thereby exempt itself from Common Charges and any Special Assessments attributable to such Residential Unit thereafter accruing unless the aggregate Residential Common Interest then appertaining to the Unsold Residential Units constitute 15% or less of the total Residential Common Interest then appertaining to all Residential Units, at least five years shall have elapsed from the date of the First Closing and, at the time of conveyance, Sponsor shall pay to the Condominium Board an amount equal to the product of the then current monthly Common Charges for the Unsold Residential Unit(s) being conveyed multiplied by 24.

(E) No Unit Owner shall be exempted from liability for the payment of Common Charges or Special Assessments by waiving the use or enjoyment of any or all of the Common Elements or by abandoning the Unit (except with respect to a conveyance of the same to the Condominium Board, without compensation, pursuant to the terms of subsection (C) hereof). Except as expressly provided to the contrary in subsection (E) of section 5.5 hereof, no Unit Owner shall be entitled to a diminution or abatement in the Common Charges or Special Assessments payable thereby for any inconvenience or discomfort arising from: (i) the failure or interruption of any utility or other services; (ii) the making of repairs or improvements to the Common Elements or any Unit (including, without limitation, such Unit) pursuant to the terms of section 5.1, 5.2, or 5.3 hereof; or (iii) any action taken by the Condominium Board or the officers of the Condominium to comply with Law.

Section 6.3 *Statement of Common Charges.* The Condominium Board shall promptly provide a written statement of unpaid Common Charges due from any Unit Owner upon its receipt of a written request therefor from such Unit Owner.

Section 6.4 *Common Charge Deposit for Foreign Owners.* Any Unit Owner that is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e. diplomatic or sovereign immunity) shall deposit with the Condominium Board an amount equal to two (2) times the then current annual Common Charges for such Unit, subject to increase from time to time as such Common Charges increase, together with the full amount of any Special Assessment levied against, or allocable to, such Unit, as security for the faithful observance by such Unit owner of the terms, provisions and conditions of these By-Laws. In the event that such Unit Owner defaults in respect of the terms, provisions and conditions of these By-Laws, the Condominium Board may use, apply or retain the whole or any part of the security so deposited, to the extent required for the payment of any Common Charges or any other sum to which such Unit Owner is in default. If the Condominium Board applies or retains any part of said security, the Unit Owner in question, within ten (10) days after notice from the Condominium Board, shall deposit with the Condominium Board the amount so applied or retained so that such Condominium Board has the full amount of said security on hand at all times.

Section 6.5 *Default in Payment of Common Charges.*

(A) The Condominium Board shall take prompt action to collect any Common Charges due to the Condominium Board that remain unpaid for more than 10 days after the due date for the payment thereof, including, but not limited to the imposition of late charges, notice fees and the institution of such

actions for the recovery of interest and expenses as provided in this Article 6. All costs and expenses incurred by the Condominium Board (including attorneys' fees, costs and disbursements) as a result of its attempt to collect unpaid Common Charges and/or Special Assessments shall be borne by the Unit Owner and shall constitute Common Charges payable by such Unit Owner. In connection therewith, the Condominium Board shall have the right and obligation to cause liens for all sums due and owing to the Condominium Board to be filed in the Register's Office pursuant to the terms of § 339-z of the Condominium Act, to cause such liens to be foreclosed in the manner provided in § 339-aa of the Condominium Act and/or to institute all other proceedings deemed necessary or desirable by the Condominium Board to recover all such unpaid Common Charges, together with all additional sums of money collectible by the Condominium Board by reason of such nonpayment pursuant to the terms of subsection (B) hereof. A suit to recover a money judgment for unpaid Common Charges, however, shall be maintainable without foreclosing or waiving the lien securing such charges.

(B) In the event that any Unit Owner shall fail to make prompt payment of Common Charges, such Unit Owner shall be obligated to pay: (i) interest thereon at the rate of 1.5% per month of such unpaid amounts (less any late "charges" theretofore collected), to be computed from the due date thereof until paid in full, together with all costs and expenses paid or incurred by the Condominium Board, the Managing Agent, or the manager (if any) in connection with collecting such unpaid Common Charges with interest as aforesaid and/or in foreclosing the aforementioned lien, including, without limitation, attorneys' fees and disbursements and court costs; (ii) a late charge of $150 per month for Common Charges which remain unpaid for more than 10 days after the date when due, plus all expenses of collection, including, but not limited to, attorneys' fees, costs and disbursements, in such amount as may be determined by the Condominium Board from time to time, to be computed from the due date thereof until paid in full. In addition, if the Condominium Board shall bring an action to foreclose the aforementioned lien, the defaulting Unit Owner will be required to pay a reasonable rental for the use of the Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. All such late charges, interest, costs and expenses and rentals shall be added to and shall constitute Common Charges payable by such Unit Owner.

(C) In any action brought by the Condominium Board to foreclose a lien on a Unit because of unpaid Common Charges, the Condominium Board shall have, on behalf of all Unit Owners, the power to purchase such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey, or otherwise deal with such Unit (but not to vote the votes appurtenant to the same). In the event that the net proceeds received on such foreclosure (after deduction of all legal fees and disbursements, advertising costs, brokerage commissions, court costs and other costs and expenses paid or incurred in connection therewith) shall be insufficient to satisfy the defaulting Unit Owner's obligations to the Condominium, such Unit Owner shall remain liable for the deficit. Any surplus on such foreclosure shall be paid to the defaulting Unit Owner after first paying all liens on such Unit Owner's Unit in the order of priority of such liens.

(D) If the Unit Owner shall at any time lease the Unit and shall default in the payment of any Common Charges or additional Common Charges, the Condominium Board may, at its option, so long as such default shall continue, demand and receive from the tenant the rent due or becoming due from such tenant to the Unit Owner, and apply the amount to pay sums due and to become due from the Unit Owner to the Condominium. Any payment by a tenant to the Condominium shall constitute a discharge of the obligation of such tenant to the Unit Owner, to the extent of the amount so paid. The acceptance of rent from any tenant shall not be deemed a consent to or approval of any leasing by the Unit Owner, or a release or discharge of any of the obligations of the Unit Owner hereunder. In the event the tenant fails to pay the rent to the Condominium after demand by the Condominium Board, the Condominium Board shall have the right to commence summary eviction proceedings in the name of or on behalf of the Unit Owner, against the tenant. All costs and expenses incurred by the Condominium Board (including attorneys' fees, costs and disbursements) in connection therewith, shall be borne by the Unit Owner and shall constitute Common Charges payable by such Unit Owner.

ARTICLE 7

SELLING AND LEASING OF UNITS

Section 7.1 *General.* Subject to the terms of section 7.5 hereof, each Residential Unit Owner may (i) sell the Residential Unit and (ii) lease the Residential Unit on a short-term (i.e., for a term of thirty (30) days to less than six months) or long-term basis (i.e., for a term of six (6) months or longer), provided however, no Residential Unit Owner may sell or lease the Residential Unit except in compliance with the applicable provisions of this Article 7 and the policies and procedures established by the Condominium Board. Any purported sale or rental consummated in default in the applicable terms hereof shall be voidable at the sole election of the Condominium Board, and, if the Condominium Board shall so elect, the selling or renting Residential Unit Owner shall be deemed to have authorized and empowered the Condominium Board to institute legal proceedings to eject the purported purchaser (in the event of an unauthorized sale) or to evict the purported tenant (in the event of an unauthorized lease) in the name of such Residential Unit Owner. Such Residential Unit Owner shall reimburse the Condominium Board for all costs and expenses paid or incurred in connection with such proceedings, including, without limitation, attorneys' fees and disbursements and court costs.

Section 7.2 *Right of First Refusal.*

(A) Subject to the terms of sections 7.5 and 7.9 hereof, any contract to sell a Residential Unit together with its Appurtenant Interests and any long-term lease (i.e., for a term of six (6) months or longer) of a Residential Unit ("Sale Agreement" or "Lease Agreement") shall contain the following language: "THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE HEREBY MADE EXPRESSLY SUBJECT TO THE RIGHTS IF ANY, OF THE CONDOMINIUM BOARD OF THE CONDOMINIUM AND THE HOTEL UNIT OWNER WITH RESPECT TO THE TRANSACTION EMBODIED HEREIN PURSUANT TO THE TERMS OF SECTIONS 7.2 AND 7.3 OF THE BY-LAWS OF THE CONDOMINIUM, AS THE SAME MAY HAVE BEEN AMENDED." Promptly after any such bona fide Sale Agreement or Lease Agreement shall be fully executed, the Residential Unit Owner executing the same ("Offeree Unit Owner") shall send written notice thereof to the Condominium Board and the Hotel Unit Owner by certified or registered mail, return receipt requested, which notice shall be accompanied by a fully executed, original counterpart of the Sale Agreement or Lease Agreement, as the case may be, containing all of the terms offered in good faith by the prospective purchaser or tenant ("Outside Offeror").

(B) The sending of the notice referred to in subsection (A) of this section 7.2 shall constitute an offer by the Offeree Unit Owner to sell the Residential Unit, together with its Appurtenant Interests, or to lease the Residential Unit, as the case may be, to the Condominium Board on behalf of all Residential Unit Owners or to the Hotel Unit Owner (or its designee), subject, however, to any variance therefrom provided in section 7.3 hereof. The giving of such notice shall further constitute a representation by the Offeree Unit Owner to the Condominium Board, on behalf of all Unit Owners, and the Hotel Unit Owner (or its designee) that such Offeree Unit Owner believes the Sale Agreement or Lease Agreement to be bona fide in all respects. Thereafter, upon the written demand of the Condominium Board or the Hotel Unit Owner (or its designee), the Offeree Unit Owner shall submit to the Condominium Board or the Hotel Unit Owner (or its designee), as the case may be, in writing, such further information with respect to the Outside Offeror and the Sale Agreement or Lease Agreement as the Condominium Board or the Hotel Unit Owner (or its designee), as the case may be, may reasonably request.

(C) The Condominium Board or the Hotel Unit Owner (or its designee) may elect, by sending written notice thereof to the Offeree Unit Owner by certified or registered mail not later than 30 days (in the event of a proposed sale) and 30 days (in the event of a proposed lease) after receipt of the notice referred to in subsection (A) hereof together with such further information as may have been requested

pursuant to the terms of subsection (B) hereof, to purchase such Residential Unit together with its Appurtenant Interests or to lease such Residential Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise) on behalf of all Residential Unit Owners upon the same terms and conditions as were contained in the Sale Agreement or Lease Agreement and stated in the response(s) by the Offeree Unit Owner to any requests for additional information pursuant to the terms of subsection (B) hereof. Notwithstanding anything to the contrary contained herein, however, the Condominium Board shall not exercise any option set forth in this section 7.2 to purchase or lease any Residential Unit without the prior approval of a Majority of all Unit Owners. The right of the Hotel Unit Owner (or its designee) to exercise its option to purchase or lease a Residential Unit shall, in all events, take priority over the right of the Condominium Board to purchase or lease such Unit.

(D) The Condominium Board may not discriminate against any person on the basis of race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law in connection with its exercise of its right of first refusal with respect to the sale or rental of a Unit. Any lease of a Residential Unit may be subject to additional restrictions and conditions as may be determined by the Condominium Board, including, without limitation, acceptable background and credit checks, income limits and tenant reference letters.

Section 7.3 *Acceptance of Offer*

(A) In the event that the Condominium Board or the Hotel Unit Owner (or its designee) shall elect, within the time and in the manner provided in section 7.2 hereof, to purchase a Residential Unit together with its Appurtenant Interests, to lease such Residential Unit, or to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed, in either event in accordance with the terms of the Sale Agreement or Lease Agreement, at the office of the attorneys for the Condominium Board or the Hotel Unit Owner (or its designee) within 45 days after the day upon which the Condominium Board or the Hotel Unit Owner (or its designee), as the case may be, shall give notice of its election to accept such offer.

(B) If such Residential Unit and its Appurtenant Interests are to be purchased by the Condominium Board on behalf of all Residential Unit Owners, such purchase may be made from the funds deposited in the capital and/or expense accounts of the Condominium. If the funds in such accounts are insufficient to effectuate such purchase, the Condominium Board may levy a Special Assessment against each Residential Unit Owner (other than the Offeree Unit Owner) in accordance with the terms of subsection (C) of section 6.1 hereof and/or the Condominium Board may, in its discretion, finance the acquisition of such Residential Unit; provided, however, that no such financing may be secured by an encumbrance on or a hypothecation of any portion of the Property other than the Residential Unit to be purchased together with its Appurtenant Interests. In addition, if the Outside Offeror was to assume or to take title to the Residential Unit subject to the Offeree Unit Owner's existing mortgage or mortgages pursuant to the Sale Agreement, the Condominium Board may purchase the Residential Unit and assume or take title thereto subject to such mortgage or mortgages as the case may be. At the Closing of Title, the Offeree Unit Owner shall convey the Residential Unit, together with its Appurtenant Interests, to the Condominium Board, on behalf of all Residential Unit Owners, or to the Hotel Unit Owner (or its designee) by deed in the form required by Section 339-o of the Condominium Act with all tax and/or documentary stamps affixed at the expense of the Offeree Unit Owner, who shall also pay all other transfer taxes arising out of such sale notwithstanding any terms of the Sale Agreement to the contrary. Real estate taxes, mortgage interest (if applicable) and Common Charges shall be apportioned between the Offeree Unit Owner and the Condominium Board or the Hotel Unit Owner (or its designee), as the case may be, as of the Closing date, notwithstanding any terms of the Sale Agreement to the contrary. Thereafter, such Residential Unit shall be held, so long as the same is owned by the Condominium Board, on behalf of all Residential Unit Owners, as tenants-in-common, and all such Unit Owners shall be deemed to have waived all rights of partition with respect to such Residential Unit and the entire Property, as herein provided.

(C) In the event that such Residential Unit is to be leased by the Condominium Board or its designee on behalf of all Residential Unit Owners or the Hotel Unit Owner (or its designee), the Offeree Unit Owner shall execute and deliver to the Condominium Board or the Hotel Unit Owner (or its designee), as the case may be, a lease covering such Residential Unit by and between the Offeree Unit Owner, as landlord, and the Condominium Board or the Hotel Unit Owner (or its designee), as tenant. Such lease shall be in the then current form of apartment lease used by the Condominium Board and shall contain all of the terms and conditions of the Lease Agreement not in conflict with such form of lease, including, without limitation, the rental and term provided for therein. Notwithstanding anything to the contrary set forth hereinabove or in the Lease Agreement, however, such lease shall expressly provide that the Condominium Board or the Hotel Unit Owner (or its designee) may enter into a sublease of the premises demised thereunder without consent of the landlord.

Section 7.4 *Failure to Accept Offer.*

(A) In the event that the Condominium Board and the Hotel Unit Owner (or its designee) shall fail to accept an offer made pursuant to the terms of section 7.2 hereof within the respective times set forth in subsection (C) thereof, the Offeree Unit Owner shall be free to consummate the transaction embodied in the Sale Agreement or Lease Agreement within sixty (60) days after (i) notice of refusal is sent to the Offeree Unit Owner by the Condominium Board and the Hotel Unit Owner (or its designee) or (ii) the expiration of the period within which the Condominium Board and the Hotel Unit Owner (or its designee) might have accepted such offer, as the case may be. If the Offeree Unit Owner shall fail to consummate the transaction embodied in the Sale Agreement or Lease Agreement within such 60 day period, then, should the Offeree Unit Owner thereafter elect to sell such Residential Unit together with its Appurtenant Interests or to lease such Unit for a period of six months or longer, the Offeree Unit Owner shall be required again to comply with all of the terms and provisions of section 7.2, 7.3 and 7.4 hereof, but not more often than once in any 12 month period, except the Condominium Board and the Hotel Unit Owner (or its designee) shall each have the right to waive this for good cause shown, in each of their sole discretions.

(B) Any deed of a Residential Unit and its Appurtenant Interests to an Outside Offeror shall expressly provide that the acceptance thereof by the grantee shall constitute an assumption of all of the terms of the Condominium Documents, and, in the absence of such express language, the same shall be conclusively deemed to have been included herein.

(C) Each lease of a Residential Unit to an Outside Offeror shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., subject to such modifications as may be approved in writing by the Condominium Board or such other form approved in writing by the Condominium Board. Notwithstanding the foregoing, however, each such lease shall be consistent with the Condominium Documents and shall expressly provide that:

(i) such lease may not be amended, modified, or extended without the prior approval of the Condominium Board in each instance;

(ii) the tenant thereunder shall not assign the tenant's interest in such lease or sublet the premises demised thereunder or any part thereof without the prior approval of the Condominium Board in each instance; and

(iii) the Condominium Board shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder in the event of (a) a default by the tenant in the performance of its obligations under such lease or (b) a foreclosure of the lien granted by §339-z of the Condominium Act.

Section 7.5 *Termination of, and Exceptions to, the Right of First Refusal.*

(A) A certificate executed and acknowledged by the Secretary of the Condominium or the Managing Agent and the Hotel Unit Owner, stating that the provisions of section 7.2 hereof have been met by a Residential Unit Owner or that the right of first refusal provided for therein has been duly released or waived by the Condominium Board and the Hotel Unit Owner and that, as a result thereof, the rights of the Condominium Board and the Hotel Unit Owner thereunder have terminated, shall be conclusive upon the Condominium Board and the Hotel Unit Owner and all Unit Owners in favor of all persons who rely upon such certificate in good faith. After the due issuance of such a certificate, the Residential Unit to which the same shall relate, together with its Appurtenant Interests, may be sold, conveyed, or leased (for a period of six months or longer) free and clear of the terms and conditions contained in section 7.2 hereof. The Condominium Board and the Hotel Unit Owner shall furnish or cause the Managing Agent to furnish without charge, such certificate upon written request to any Residential Unit Owner in respect to whom the provisions of sections 7.2 hereof have, in fact, been terminated. In no event, however, shall the right of first refusal described in section 7.2 hereof be deemed released or waived by the Condominium Board or the Hotel Unit Owner (as opposed to satisfied pursuant to the express terms of sections 7.2, 7.3 and 7.4 hereof) in the absence of the certificate that has been duly executed, acknowledged and issued by the Secretary of the Condominium or the Managing Agent and the Hotel Unit Owner as aforesaid.

(B) The terms and conditions contained in section 7.2, 7.3 and 7.4 hereof shall not apply with respect to any sale, lease (for six months or longer) or conveyance of a Residential Unit, together with its Appurtenant Interests, by:

(i) the Residential Unit Owner thereof to any adult Family Members, to any combination of the same, or to a trust for the benefit of any of them (in which case the Condominium Board and the Hotel Unit Owner shall each have the right to review the trust documents and provide for such terms and restrictions on such transfer as the Condominium Board and/or the Hotel Unit Owner, as the case may be, deems advisable), provided, however, that if the succeeding Residential Unit Owner is an infant or a person judicially declared incompetent of managing such person's affairs, then such Residential Unit shall be held by the personal representative of such infant or incompetent, or in the case of a Residential Unit Owner that is not an individual, to any entity or individual that owns more than 50% of the legal and beneficial interests of such Residential Unit Owner or to any entity with respect to which such Residential Unit Owner (individual or otherwise) owns more than 50% of the legal and beneficial interest thereof:

(ii) Sponsor;

(iii) the Condominium Board;

(iv) any proper officer conducting the sale of a Residential Unit in connection with the foreclosure of a mortgage or other lien covering such Residential Unit or delivering a deed in lieu of such foreclosure; or

(v) any Permitted Mortgagee or its nominee, who has acquired title to any Residential Unit at any foreclosure sale of its Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction;

(vi) the Hotel Owner;

(C) provided, however, that each succeeding Residential Unit Owner shall be bound by, and the Residential Unit shall be subject to, all of the terms and conditions of this Article 7.

(D) The terms and conditions contained in section 7.2, 7.3, 7.4 and 7.7 hereof shall not apply with respect to any sale, lease or conveyance of the Hotel Unit, together with its Appurtenant Interests.

Section 7.6 *No Severance of Ownership.* No Unit Owner shall execute any deed or other instrument conveying title to the Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any deed or other instrument purporting to affect one or more such interests shall be taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, conveyed, or otherwise disposed of, except as part of a sale, conveyance, or other disposition of the Unit to which such interests are appurtenant or as part of a sale, conveyance, or other disposition of such part of the Appurtenant Interests of all Units. Nothing contained in this section 7.6, however, shall prohibit the lease of any Unit without the simultaneous lease of its Appurtenant Interests.

Section 7.7 *Payment of Common Charges and Fees.* No Unit Owner shall be permitted to convey or lease the Unit unless the Unit Owner shall have (i) paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, other than that of Permitted Mortgages, levied against such Unit and (ii) paid in full all fees charged by the Condominium Board and/or the Managing Agent in connection with the sale or rental of Residential Units, including, without limitation, any working capital fund contribution imposed by the Condominium Board and (iii) paid in full to Sponsor the Resale Fee pursuant to the Purchase Agreement. However, where the payment of such unpaid Common Charges and/or Special Assessments is made by the grantee or provided for out of the proceeds of the sale of a Unit, a sale may take place notwithstanding the foregoing. Notwithstanding the foregoing, the imposition of any fees by the Condominium Board and/or the Managing Agent in connection with the sale or rental of Residential Units shall not apply to the sale lease, sublease, license or conveyance of a Residential Unit by the reasons set forth in subsections 7.5(B) (ii), (iii), (iv), (v) and (vi) of this Article 7.

Section 7.8 *Short-Term Rentals.* In accordance with applicable Law, no Residential Unit Owner shall be permitted to rent their Unit for a term of less than thirty (30) days. A Residential Unit Owner other than Sponsor may make its Residential Unit available for rental on a short-term basis (i.e., for a term of thirty (30) days to less than six (6) months) and advertise such availability only through: (i) a direct rental made by such Residential Unit Owner; (ii) a licensed rental agent who appears on the Hotel Unit Owner's list (which list may be kept by the Hotel Operator on the Hotel Unit Owner's behalf) of qualified agents that possess the objective minimum quality standards as reasonably set forth by the Hotel Unit Owner (or the Hotel Operator on the Hotel Unit Owner's behalf) from time to time (the "Rental Agent Standards"); or (iii) a rental agent selected by the Residential Unit Owner and approved by the Hotel Unit Owner (or Hotel Operator on the Hotel Unit Owner's behalf), in its sole discretion, and subject to certain conditions as determined by the Hotel Unit Owner in its sole discretion, which otherwise satisfies the Rental Agent Standards. Any rental agent qualifying under clauses (ii) and (iii) of the immediately preceding sentence shall be referred to herein as a "Qualified Broker". The Rental Agent Standards shall initially require that the agent: (v) agree to enter into a confidentiality and license agreement with respect to the use of the applicable Hotel Intellectual Property, if applicable; (w) be licensed and bonded in accordance with applicable law; (x) conduct their business commensurate with the Hotel Standard; (y) be sufficiently familiar with the Condominium and the Condominium Documents, including the Residential Rules and Regulations annexed thereto to inform potential renters; and (z) satisfy such additional standards established by the Hotel Unit Owner (or the Hotel Operator on its behalf) from time to time. Upon request, the Hotel Unit Owner (or the Hotel Operator on its behalf) shall make available to the Residential Unit Owners, the list of Qualified Brokers and/or Rental Agent Standards in effect at a given time. Notwithstanding anything contained herein to the contrary, the Hotel Unit Owner and the Hotel Operator or either of their designees shall each at all times be deemed to be a Qualified Broker. Each Qualified Broker other than the Hotel Unit Owner or the Hotel Operator or either of their

designees will be required to provide evidence of insurance held by the Qualified Broker upon request by the Condominium Board (or the Hotel Unit Owner or Hotel Operator). Any Residential Unit Owner directly renting its Residential Unit on a short-term basis (i.e., for any term of thirty (30) days to less than six (6) months) shall at all times comply with all applicable laws in connection with the rental of its Residential Unit and shall not utilize any third-party rental agent or brokerage services or otherwise in connection with the short-term rental of its Residential Unit. The foregoing provisions of this paragraph shall not apply to Sponsor with respect to any Unsold Residential Units. Short-term rentals of Residential Units may be subject to sales, hotel occupancy or other taxes and fees imposed by the state and/or local governmental authorities, occupancy limitations and other applicable laws and regulations. Residential Unit Owners are responsible for ensuring the collection and remittance of such fees and taxes to the appropriate governmental authorities and should consult with their own legal counsel or accounting professionals to understand the types and amounts of such taxes and/or fees. The Condominium Board, the Managing Agent, the Hotel Unit Owner and the Hotel Operator (if any) each reserve the right to require any Qualified Broker or Residential Unit Owner seeking to rent their Unit on a short-term basis and/or any short-term renter of such Residential Unit to execute any other documentation reasonably required by the Condominium Board, the Managing Agent, the Hotel Unit Owner and/or the Hotel Operator in connection therewith.

Section 7.9 *Gifts and Devises, Etc.*. Any Unit Owner shall be free to convey or transfer the Unit, together with its Appurtenant Interests, by gift, or to devise the same by will or to have the same pass by intestacy, without restriction, provided, however, that each succeeding Unit Owner shall be bound by, and the Unit shall be subject to, the provisions of this Article 7.

Section 7.10 *Commencement of Time.* The period of time set forth in section 7.2 for which the Condominium Board and the Hotel Unit Owner have to waive their right of first refusal shall not commence until such time as the Condominium Board or its managing agent and the Hotel Unit Owner have received a completed sales or lease package, including all fees set forth therein, as the case may be, from a Residential Unit Owner. If the information provided by the Unit Owner or prospective purchaser or tenant, as the case may be, is incomplete, the Condominium Board and the Hotel Unit Owner shall each have the right to request additional information and the 30 day period will commence on receipt by the Condominium Board and the Hotel Unit Owner of the additional information.

Section 7.11 *Costs and Expenses.* All costs and expenses incurred by the Condominium Board and the Hotel Unit Owner, including, without limitation, attorneys' fees, costs and disbursements paid or incurred by the Condominium Board or by its Managing Agent and the Hotel Unit Owner in connection with any action taken by the Condominium Board or the Hotel Unit Owner with regard a violation of this Article 7, shall be borne by the defaulting Unit Owner as an additional Common Charge.

Section 7.12 *Sale or Lease of Hotel Unit.*

(A) The Hotel Unit Owner may sell, lease or convey its Unit without the consent of the Condominium Board, the Managing Agent, the other Unit Owners or any other Person.

(B) Any proper officer conducting the sale of the Hotel 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 any 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 thereof in a bona fide transaction shall have the same rights as the Hotel Unit Owner to sell or lease such Unit as provided in subsection (A) above.

(C) Upon the written request of a Hotel Unit Owner, the Condominium Board shall deliver to the Hotel Unit Owner or any designee, a statement ("Estoppel Certificate") indicating that Hotel Unit Owner is current in its payment of all amounts due under the Declaration and the By-Laws, that no

written notice of default has been sent to such requesting party and to the knowledge of the Condominium Board, no such default exists. Any such statement may be relied upon by any mortgagee or purchaser of the Hotel Unit. In addition, upon the written request of a Hotel Unit Owner accompanied by such documentation as is reasonably sufficient to allow the Condominium Board to proceed as hereinafter described, the Condominium Board will enter into a non-disturbance and attornment agreement ("Non-Disturbance Agreement") in a form reasonably satisfactory to such requesting Unit Owner with any tenant ("Tenant") of the Hotel Unit Owner which provides that: (i) the Tenant shall be entitled to continued undisturbed possession of such Unit or portion thereof leased by such Tenant, (ii) the Tenant's rights and privileges under the lease for such Unit or portion thereof ("Lease") shall not be diminished or interfered with by the Condominium Board for any reason whatsoever during the term of the Lease or any extensions or renewals thereof, and (iii) except as provided in the last paragraph of this subsection (C), the Condominium Board will not join the Tenant as a party defendant in any action or proceeding to foreclose upon the Unit or to enforce any rights or remedies of the Condominium Board under the Declaration and the By-Laws which would cut-off, destroy, terminate or extinguish the Lease, provided that (a) the Tenant is not in default (beyond any applicable grace periods) in the payment of rent or additional rent or in the performance or observance of any of the other terms, covenants, provisions or conditions of the Lease, (b) the Tenant is not in default of any of the provisions of the Declaration and the By-Laws, both at the time of the request and at the time of execution of the Non-Disturbance Agreement, (c) the Lease is in full force and effect, (d) the Tenant attorns to the Condominium Board and pays to the Condominium Board, all rentals and other monies due and to become due to the Hotel Unit Owner, under the terms of the Lease but only to the extent of a percentage of the unpaid Common Charges due from the Hotel Unit Owner, equal to the percentage of the total square footage of the Hotel Unit leased by such Tenant, it being understood that without affecting the Tenant's rights and protection afforded by the Non-Disturbance Agreement, the Tenant shall not be required to pay any rentals or other monies otherwise due or to become due to the Hotel Unit Owner to the Condominium Board if such payment is prohibited by the terms of any non-disturbance agreement granted to such Tenant by the mortgagee of any the Hotel Unit holding a first mortgage on the Hotel Unit. The Non-Disturbance Agreement shall be executed by the Tenant and the Condominium Board and prepared by the Condominium Board at the expense of the Unit Owner requesting the Non-Disturbance Agreement, which expense shall be limited to reasonable actual out-of-pocket expenses incurred by the Condominium Board, including attorneys' fees, costs and disbursements.

Notwithstanding the foregoing, if it would be procedurally disadvantageous for the Condominium Board not to name or join the Tenant in a foreclosure proceeding with respect to the Hotel Unit, the Condominium Board may name or join the Tenant without in any way diminishing or otherwise affecting the rights and privileges granted to, or inuring to the benefit of, the Tenant under this Article.

ARTICLE 8

MORTGAGING OF UNITS

Section 8.1 *General.* Each Unit Owner shall have the right to mortgage the Unit, subject only to the terms and conditions contained in section 8.2 hereof. Any Unit Owner who mortgages the Unit, or the holder of such mortgage, shall supply the Condominium Board with the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Condominium Board. Any Unit Owner who satisfies a mortgage covering the Unit shall so notify the Condominium Board and shall file a conformed copy of the satisfaction of mortgage with the Condominium Board. The Secretary of the Condominium shall maintain such information in a book entitled "Mortgages of Units." The terms and conditions contained in this section 8.1, however, shall not apply to Sponsor or the Hotel Unit Owner.

Section 8.2 *Restrictions on Mortgaging*

(A) No Unit Owner shall be permitted to mortgage, pledge, or hypothecate the Unit unless and until such Unit Owner shall have paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, except the liens of Permitted Mortgages levied against such Unit.

(B) No Unit Owner shall execute any mortgage or other document mortgaging, pledging, or hypothecating title to the Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein.

(C) Any mortgage covering a Residential Unit shall be substantially in the form used by any Institutional Lender.

(D) Any mortgage covering a Unit shall be held by an Institutional Lender, Sponsor, or by a Unit Owner providing purchase money financing in connection with the sale of the Unit.

Section 8.3 *Intentionally Omitted.*

Section 8.4 *Performance by Permitted Mortgagees.* Any sum of money to be paid or any act to be performed by a Unit Owner pursuant to the terms of the Condominium Documents may be paid or performed by such Unit Owner's Permitted Mortgagee, and the Condominium Board shall accept such Permitted Mortgagee's payment or performance with the same force and effect as if the same were paid or performed by such Unit Owner.

Section 8.5 *Examination of Books.* Each Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 8.6 *Consent of Mortgagees; Designation of Mortgage Representatives.*

(A) Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Condominium Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against a Unit Owner's mortgage. In the event that any such consent or approval shall be expressly required pursuant to the terms of the Declaration or these By-Laws, the decision of a majority of the Mortgage Representatives, if any are designated pursuant to the terms of subsection (B) of this section 8.6, shall be deemed binding upon the holders of all mortgages encumbering Units.

(B) The holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages may, if they so elect, designate not more than 3 Mortgage Representatives by giving written notice thereof to the Condominium Board, which Mortgage Representatives shall thereby be empowered to act as the representatives of the holders of all mortgages encumbering Units with respect to any matter requiring the consent or approval of mortgagees under the Declaration or these By-Laws. Any designation of a Mortgage Representative pursuant to the terms of this subsection (B) shall be effective until any successor Mortgage Representative is designated pursuant to the terms hereof and written notice thereof is given to the Condominium Board. Unless otherwise required by Law, no holders of mortgages (which are not Institutional Mortgages) shall be entitled to participate in the designation of Mortgage Representatives, but all holders of mortgages encumbering Units shall be subject to all determinations made by the Mortgage Representatives pursuant to the terms of the Declaration or these By-Laws.

Section 8.7 *Notice to Permitted Mortgagees .*

(A) The Condominium shall provide written notice to the Permitted Mortgagees of each of the following events, to the extent applicable:

(i) any default by the Permitted Mortgagee's mortgagor in the payment of Common Charges or Special Assessments for more than 60 days. If the Condominium Board shall foreclose a lien on such mortgagor's Unit pursuant to the terms of section 6.5 hereof by reason of such default, the Condominium Board shall pay to such Permitted Mortgagee any net proceeds of any foreclosure sale of such Unit (after retaining all sums due and owing to the Condominium Board pursuant to the Condominium Documents) or such lesser sum as shall be due and owing to such Permitted Mortgagee.

(ii) if requested in writing by a Permitted Mortgagee, any default by the Permitted Mortgagee's mortgagor in the observance or performance of any of the provisions of the Condominium Documents as to which the Condominium Board has knowledge then exists. In such event, the Condominium Board shall, when giving notice to a Unit Owner of any such default, also send a copy of such notice to the Permitted Mortgagee.

(iii) any condemnation or casualty loss that affects either (x) a material portion of the Condominium or (y) a material portion of a Unit.

(iv) a lapse, cancellation or material modification of any insurance policy maintained by the Condominium.

(v) any proposed action by the Condominium Board that requires the consent of a specified percentage of Permitted Mortgagees or the approval of the majority of the Mortgage Representatives.

(B) In no event, however, shall the Condominium Board (including its Members, officers, agents, attorneys and employees) and Unit Owners be liable for any claims or liabilities and expenses for any failure, through oversight or negligence, in giving a Permitted Mortgagee any notice required under (A) above. Nonetheless, the Condominium Board shall give such missed notice with reasonable promptness after discovering such failure.

(C) Where the consent of the Permitted Mortgagees or Mortgage Representatives is required pursuant to the terms of the Declaration or By-Laws, if the Permitted Mortgagees or Mortgage Representatives fail to respond within sixty (60) days after written receipt of the required consent, delivered by either certified or registered mail, "return receipt" requested, the implied approval of such Permitted Mortgagees or Mortgage Representative shall be assumed.

ARTICLE 9

CERTAIN REMEDIES

Section 9.1 *Se.f Help.* If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on Unit Owner's part to be observed or performed, including, without limitation, any breach of Unit Owner's obligation to paint, decorate, maintain, repair, or replace the Unit or its appurtenant Residential Limited Common Elements, if any, pursuant to the terms of Article 5 hereof, and shall fail to cure such violation or breach within 5 days after receipt of written notice of the same from the Condominium Board, the Managing Agent, or any manager (or, with respect to any violation or breach of the same not reasonably susceptible to cure within such period, to commence such cure within such 5 day period and, thereafter, to prosecute such cure with due diligence to completion), the Condominium Board shall have

the right to enter such Unit Owner's Unit and/or its appurtenant Residential Limited Common Elements, if any, and summarily to abate, remove, or cure such violation or breach without thereby being deemed guilty or liable in any manner of trespass. In addition, in the event that the Condominium Board shall determine that the abatement, removal, or cure of any such violation or breach is immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals or is required to avoid the suspension of any necessary service in the Building, the Condominium Board may take such action immediately, without prior notice and without allowing the said Unit Owner any period of time within which to cure or to commence to cure such violation or breach.

Section 9.2 *Abatement and Enjoinment.*

(A) In the event that any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on Unit Owner's part to be observed or performed, the Condominium Board shall have the right (i) to enter any Unit or Common Elements in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Condominium Board shall not thereby be deemed guilty or liable in any matter of trespass, and/or (ii) to enjoin, abate, or remedy the continuance or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity, provided that the Condominium Board gives the Unit Owner notice (which may be by telephone or in writing) that such violation exists, that repairs or replacements are necessary and that the Condominium Board will complete such repairs or replacements in the event the Unit Owner does not promptly act or complete the repairs or replacements, and/or (iii) to levy such fines and penalties as the Condominium Board may deem appropriate, and the Condominium Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges.

(B) The violation or breach of any of the terms of the Condominium Documents with respect to any rights, easements, privileges, or licenses granted to Sponsor or the Hotel Unit Owner (including any breach by any party of the Hotel Standard) shall give to Sponsor or the Hotel Unit Owner the right to enjoin, abate, or remedy the continuation or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity.

Section 9.3 *Remedies Cumulative.* The remedies specifically granted to the Condominium Board or to Sponsor or the Hotel Unit Owner in this Article 9 or elsewhere in the Condominium Documents shall be cumulative, shall be in addition to all other remedies obtainable at law or in equity and may be exercised at one time or at different times, concurrently or in any order, in the sole discretion of the Condominium Board or Sponsor or the Hotel Unit Owner, as the case may be. Further, the exercise of any remedy shall not operate as a waiver, or preclude the exercise, of any other remedy.

Section 9.4 *Costs and Expenses.* All sums of money expended, and all costs and expenses incurred, by (i) the Condominium Board in connection with the abatement, enjoinment, removal, or cure of any violation, breach, or default committed by a Unit Owner pursuant to the terms of section 9 hereof or (ii) Sponsor or the Hotel Unit Owner in connection with any abatement, enjoinment, or remedy of any violation or breach of the Condominium Documents pursuant to the terms of section 9 hereof, shall be immediately payable by (a) in the event set forth in provision (i) of this paragraph, such Unit Owner to the Condominium Board or (b) in the event set forth in provision (ii) of this paragraph, the offending party (i.e. the Condominium Board or the Unit Owner) to Sponsor or the Hotel Unit Owner, as the case may be, which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of 2% per month (but in no event in excess of the maximum rate chargeable to such Unit Owner pursuant to Law). All sums payable by a Unit Owner to the Condominium Board pursuant to the terms of this section 9.3 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

ARTICLE 10

ARBITRATION

Section 10.1 *Procedure.* Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in the City of New York in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in the City of New York before 1 arbitrator appointed, upon the application of any party, by any Justice of the highest court of appellate jurisdiction then located in the City of New York. The decision of the arbitrator so chosen shall be given within 10 days after such arbitrator's selection or appointment. Any arbitrator appointed or selected in connection with any arbitration to be conducted hereunder shall be a member of a law firm having at least 5 members whose principal office is located in the City of New York and in the case of any Arbitration involving the Hotel Unit or the Hotel Unit Owner, the arbitrator shall have at least ten (10) years' experience in the field of hotel and luxury condominiums in the City of New York.

Section 10.2 *Variation by Agreement.* The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of section 10.1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in section 3031 of the New York Civil Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes."

Section 10.3 *Binding Effect.* The decision in any arbitration conducted pursuant to the terms of section 10.1 and 10.2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction.

Section 10.4 *Costs and Expenses.*

(A) The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of disputant's counsel and expert witnesses.

(B) All costs and expenses paid or incurred by the Condominium Board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, shall constitute General Common Expenses, to be borne by all Unit Owners, if such arbitration relates to the Units, generally, or to the General Common Elements, and shall constitute Residential Common Expenses, to be borne by all Residential Unit Owners if such arbitration relates solely to the Residential Units or the Residential Common Elements or the Residential Limited Common Elements.

ARTICLE 11

NOTICES

Section 11.1 *General.* All notices required or desired to be given hereunder (except for notices of regular annual or special meetings of the Residential Unit Owners and except all meetings of the Condominium Board) shall be sent by registered or certified mail, return receipt requested, postage prepaid addressed:

(i) if to the Condominium Board, to the Condominium Board at its principal office as set forth in section l.5 hereof, with a copy sent by regular first class mail to the Managing Agent (if any) at its principal office address as aforesaid;

(ii) if to a Unit Owner other than Sponsor, to such Unit Owner at Unit Owner's address at the Property;

(iii) if to Sponsor, to Sponsor at its principal office as set forth in the Plan;

(iv) if to a Permitted Mortgagee, to such Permitted Mortgagee at its latest address designated in writing to the Condominium Board.

Any of the foregoing parties may change the address to which notices are to be sent, or may designate additional addresses for the giving of notice, by sending written notice to the other parties as aforesaid. All notices sent pursuant to the terms of this section 11.1 shall be deemed given when mailed in the State of New York, provided, however, that notices of change of address, notices designating additional addresses and notices deposited in a United States Postal Service depository located outside of the State of New York shall be deemed to have been given when received.

Section 11.2 *Waiver of Service of Notice.* Whenever any notice is required to be given by Law or pursuant to the terms of the Condominium Documents, a waiver thereof in writing, signed by the Persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 12

AMENDMENTS TO BY-LAWS AND RESIDENTIAL RULES AND REGULATIONS

Section 12.1 *General.*

(A) All the provisions of this section 12.1 are subject to the provisions contained in section 12.2 and 12.3 hereof with respect to amendments, modifications, additions or deletions affecting Sponsor, the Hotel Unit Owner, or any Permitted Mortgagee.

(B) Any provision of these By-Laws affecting the (i) General Common Elements or all Unit Owners may be added to, amended, modified or deleted by the affirmative vote of at least 66-2/3% in number and in Common Interest of all Unit Owners and (ii) Residential Common Elements or all Residential Unit Owners may be added to, amended, modified or deleted by affirmative vote of at least 66-2/3% in number and Residential Common Interest of all Residential Unit Owners, either taken at a duly constituted meeting thereof or given in writing without a meeting in accordance with the provisions of section 4.10 hereof. Any such amendment, modification, addition or deletion shall be effectuated in an instrument executed and recorded in the Register's Office by or on behalf of the Condominium Board as attorney-in-fact of all the Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest. No such amendment, modification, addition or deletion shall be effective unless and until such instrument is duly recorded in the Register's Office.

Section 12.2 *Special Amendments.*

(A) (1) Sponsor shall have the right, at its sole cost and expense and without the vote or consent of any Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute and record (or, at Sponsor's sole option, to require the Condominium Board or any other Unit Owners to execute and record) in the Register's Office and elsewhere, if required by Law, by or on behalf of the Condominium Board as attorney-in-fact of all the Unit Owners, which power-of-attorney shall be deemed

irrevocable and coupled with an interest, one or more amendments to these By-Laws and/or the Residential Rules and Regulations as Sponsor deems appropriate to effectuate the same:

(i) to reflect any changes in Unsold Residential Units and/or the reapportionment of the Common Interest of the affected Unsold Residential Units resulting therefrom made by Sponsor in accordance with the terms of Article 12 hereof; or

(ii) required by (x) an Institutional Lender designated by Sponsor to make a loan secured by a mortgage on any Unsold Residential Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Sponsor to insure title to any Unsold Residential Unit; or

(iii) to correct any inconsistencies or scrivener's errors; or

(iv) to relinquish any rights granted to Sponsor hereunder.

Provided, however, that any amendment made pursuant to the terms of subparagraph (i) or (ii) of this Section shall not (1) change the Common Interest of any Unit other than a Unit owned by Sponsor, or (2) require a material, physical modification of any Unit other than a Unit owned by Sponsor, or (3) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender unless the owner of such affected Unit (in the event described in (1) or (2) of this Section) or the holder of such mortgage (in the event described in (3) of this Section) shall consent thereto by joining in the execution of such amendment.

(2) Sponsor or any Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, shall have the right, at its sole cost and expense and without the vote or consent of any Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute and record (or, at Sponsor's or the Development Rights Owner's sole option, to require the Condominium Board or any other Unit Owners to execute and record) in the Register's Office and elsewhere, if required by Law, by or on behalf of the Condominium Board as attorney-in-fact of all the Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest, one or more amendments to these By-Laws and/or the Residential Rules and Regulations as Sponsor or the Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, deems appropriate to effectuate the same, with respect to Excess Development Rights, to effectuate Sponsor's or any Development Rights Owner's utilization, sale or transfer of any Excess Development Rights in any manner permitted by Law, provided that no such amendment shall enable Sponsor or Development Rights Owner to utilize Excess Development Rights to increase the size, height, bulk, configuration and/or density of the Property.

(B) The Hotel Unit Owner shall have the right, at its sole cost and expense and without the vote or consent of any other Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute and record in the Register's Office or elsewhere, if required by Law, by or on behalf of the Condominium Board as attorney-in-fact of all the Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest, one or more amendments to these By-Laws, together with such documents, plans and maps as the Hotel Unit Owner deems appropriate to effectuate the same:

(i) to reflect any changes in the Hotel Unit and/or the reapportionment of the Common Interest of the affected Hotel Unit resulting therefrom made by the Hotel Unit Owner in accordance with the terms of Article 12 hereof; or

(ii) required by (x) an Institutional Lender designated by the Hotel Unit Owner to make a loan secured by a mortgage on the Hotel Unit, (y) any governmental agency having regulatory

jurisdiction over the Condominium, or (z) any title insurance company selected by the Hotel Unit Owner to insure title to any Hotel Unit, as such requirements relate solely to the Hotel Unit; or

(iii) to correct any inconsistencies or scrivener's errors.

(iv) to reflect any changes that do not materially and adversely affect the Residential Units and/or the Residential Unit Owners; provided, however, that any such amendment shall not (1) change the Common Interest or Residential Common Interest of any other Unit, or (2) require a physical modification of any other Unit, or (3) adversely affect the priority or validity of the lien of any mortgage held by an Institutional Lender unless the owner of such affected Unit (in the event described in provision (1) or (2) of this paragraph) or the holder of such mortgage (in the event described in provision (3) of this paragraph) shall consent thereto by joining in the execution of such amendment. Notwithstanding the provisions of this subsection (iv), no change which pertains solely to the Hotel Unit (including but not limited to, any change in the layout, use, or design of the Hotel Unit or the amenities or facilities provided therein or the Hotel Services (provided that the Hotel Unit Owner shall be required to make Basic Hotel Services available to the Residential Unit Owners (subject to the provisions of the By-Laws with respect thereto more particularly set forth in Article 6 thereof)) shall be deemed to have any material and adverse effect on the Residential Units or the Residential Unit Owners notwithstanding the fact that such change may impact a Residential Unit Owner's use and enjoyment of all or any portion of the Hotel Unit or the Hotel Services.

(C) Any amendment to these By-Laws may be executed; (i) if on behalf of Sponsor or any Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, pursuant to the terms of section 12.2(A) hereof, by Sponsor or the Development Rights Owner, (ii) if on behalf of a Hotel Unit Owner pursuant to the terms of section 12.2(B) hereof, by the Hotel Unit Owner, or (iii) if on behalf of the Unit Owners or by the Condominium Board, by any officer of the Condominium. If the amendment requires the approval of a specific percentage of Unit Owners pursuant to the terms of the Declaration or these By-Laws, then there shall be attached to such amendment an original executed Secretary's Certificate, certifying that the requisite number and percentage of Unit Owners approved the amendment at a duly constituted meeting or (when permitted pursuant to the terms of the Declaration or these By-Laws) in writing without a meeting, in which Certificate shall be described the number and percentage of Unit Owners so consenting and (if voted upon at a meeting) the date and time of the meeting.

(D) Notwithstanding anything contained in the Condominium Documents to the contrary, if any Residential Unit Owner, with the prior approval of the Condominium Board changes the size and/or number of Residential Units owned by such Residential Unit Owner by either (w) subdividing a Residential Unit(s) into two or more separate Residential Units, (x) combining a Residential Unit into one or more Residential Units, (y) altering the boundary walls between any adjacent Residential Units owned by such Residential Unit Owner, or (z) otherwise, including incorporating Residential Common Elements (such as a portion of a hallway used exclusively by the owner of such Residential Unit) which exclusively benefit a Residential Unit into such Residential Unit, then the Condominium Board on behalf of such Residential Unit Owner and at the Residential Unit Owner's sole cost and expense, shall have the right to execute, and record in the City Register's Office and elsewhere, if required by Law, any amendment to these By-Laws and other documents which are necessary or appropriate to reflect the changes made by the Residential Unit Owner, all without the approval of the other Unit Owners, provided, however, that any such amendment shall not (1) change the Common Interest or Residential Common Interest of any other Unit, or (2) require a physical modification of any other Unit, or (3) adversely affect the priority or validity of the lien of any mortgage held by an Institutional Lender, unless the owner of such affected Unit (in the event described in (1) or (2)) or the holder of such mortgage (in the event described in (3)) shall consent thereto by joining in the execution of such amendment.

Section 12.3 *Special Consents.*

(A) Notwithstanding anything contained in the Condominium Documents to the contrary, but subject to any limitation imposed by the Condominium Act, no amendment to the Condominium Documents shall be made without the consent of Sponsor or the Hotel Unit Owner, as the case may be, if the same would (i) unreasonably interfere with the sale, lease, or other disposition of any Unit owned by Sponsor or the Hotel Unit Owner, as the case may be, (ii) abridge, modify, suspend, eliminate, or otherwise affect any right, power, easement, privilege, or benefit granted to Sponsor or the Hotel Unit Owner, as the case may be, (iii) adversely affect the use of any Unit owned by Sponsor or the Hotel Unit and/or the rights of Sponsor or the Hotel Unit Owner (including any amendment which has any impact on the Hotel Standard in effect at a given time), as the case may be, or (iv) impose any charge or fee against Sponsor or the Hotel Unit Owner, as the case may be.

(B) Notwithstanding anything contained in the Condominium Documents to the contrary, the provisions of this Article 12 may not be modified, amended, added to or deleted, in whole or in part, without the written consent of Sponsor or the Hotel Unit Owner if the same relate to Sponsor or the Hotel Unit Owner.

(C) *Intentionally omitted.*

(D) Notwithstanding the provisions of section 12.1(B), the Common Interest appurtenant to any Unit, as set forth in the Declaration, shall not be altered without the consent of the Unit Owner thereof, except as otherwise provided in subsection (F) of section 5.5 of these By-Laws.

(E) Subject to the rights of Sponsor set forth herein, the foregoing Section 12.1 of these By-Laws may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, if any, as set forth above) 80% in number and in Common Interest of all Unit Owners affected thereby, approve such amendment, modification, addition or deletion in writing.

(F) Notwithstanding anything contained in the Condominium Documents to the contrary, no amendment, modification, addition, or deletion of or to Section 5.4 or 5.5, subsection (B) or subsection (C) of section 6.2, provision (iv) or (v) of subsection (B) of section 7.5 or Article 8 hereof shall be effective with respect to the holder of any Permitted Mortgage theretofore made unless and until such Permitted Mortgagee shall have given its written consent thereto. If the Permitted Mortgagees fail to respond within sixty (60) days after written receipt of the proposed amendment, delivered by either certified or registered mail, "return receipt" requested, the implied approval of such Permitted Mortgagees shall be assumed.

ARTICLE 13

FURTHER ASSURANCES

Section 13.1 *General.* Any Person that is subject to the terms of these By-Laws, whether such Person is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a Member of the Condominium Board, an officer of the Condominium, or otherwise, shall, at the expense of any other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request in order either to effectuate the provisions of these By-Laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

Section 13.2 *Failure to Deliver or Act.*

(A) If any Unit Owner or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days (or 60 days, with

respect to a Permitted Mortgagee) after request therefor, to take any action that such Unit Owner or Person is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, then the Condominium Board is hereby authorized, as attorney-in-fact for such Unit Owner or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit Owner or other Person.

(B) If any Unit Owner, the Condominium Board or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days (or 60 days, with respect to a Permitted Mortgagee) after request therefor, to execute, acknowledge or deliver any instrument which such Unit Owner, Condominium Board or other Person is required to execute, acknowledge or deliver pursuant to these By-Laws at the request of Sponsor or any Hotel Unit Owner or any Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, as the case may be, then Sponsor, the Hotel Unit Owner, or the Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, as the case may be, is hereby authorized, as attorney-in-fact for the Unit Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, in the name of the Unit Owner, Condominium Board or other Person, and such instrument shall be binding on the Unit Owner, Condominium Board or other Person. The Condominium Board shall not unreasonably withhold or delay its consent or approval with respect to any matter contained in these By-Laws which requires the consent or approval of the Condominium Board.

ARTICLE 14

MISCELLANEOUS

Section 14.1 *Inspection of Documents.* Copies of the Declaration, these By-Laws, the Residential Rules and Regulations and the Tax Lot Drawings, as the same may be amended from time to time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours. Each Unit Owner shall be permitted to examine the books of account of the Condominium during reasonable business hours, but not more frequently than once a month.

Section 14.2 *Waiver.* No provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches that may occur.

Section 14.3 *Conflict.* In the event that any provision of these By-Laws or of the Residential Rules and Regulations shall be construed to be inconsistent with any provision of the Declaration, the provision contained in the Declaration shall control.

Section 14.4 *Severability.* If any provision of these By-Laws is invalid or unenforceable as against any Person or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise provided herein, be valid and enforced to the fullest extent provided by Law.

Section 14.5 *Successors and Assigns.* The rights and/or obligations of Sponsor as set forth herein shall inure to the benefit of, and shall be binding upon, any successor or assignee of Sponsor. The rights and/or obligations of the Hotel Unit Owner as set forth herein shall inure to the benefit of, and shall be binding upon, any successor or assignee of the Hotel Unit Owner.

Section 14.6 *Gender.* A reference in these By-Laws to any one gender, masculine or feminine, includes the other one, and the singular includes the plural, and vice-versa, unless the context otherwise requires.

Section 14.7 *Captions.* The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of these By-Laws or the intent of any provision hereof.

ARTICLE 15

TAX STATUS AS A HOMEOWNERS ASSOCIATION

Section 15.1 *General.* As of the date of the recording of this Declaration, the Condominium Board will not be eligible to elect tax-exempt status as a "homeowners association" under Section 528 of the Internal Revenue Code of 1986, as amended.

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ADDENDUM TO THE BY-LAWS

RESIDENTIAL RULES AND REGULATIONS

1. The sidewalks, entrance passages, public halls, elevators, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose other than ingress to and egress from the Residential Units.

2. No bicycles, rollerblades, scooters, skateboards or similar vehicle shall be taken into or from the Building through the main entrance or shall be allowed in any of the elevators of the Building other than the elevator designated by the Condominium Board or the Managing Agent for such purpose or ridden in the Building. No baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the public halls, passageways, or other public areas of the Building.

3. All service and delivery persons will be required to use the service entrances or such other entrances of the Building designated by the Condominium Board or the Managing Agent. In addition, all domestic employees, messengers and tradespeople visiting the Building shall use the elevator designated by the Condominium Board or the Managing Agent for the purposes of ingress and egress, and shall not use any of the other elevators for any purpose, provided, however, that care-givers in the employ of Residential Unit Owners or their Family Members, guests, tenants, subtenants, licensees, or invitees may use any of the other elevators when accompanying said Unit Owners, Family Members, guests, subtenants, licensees, or invitees.

4. Trunks and heavy baggage shall be taken in or out of the Building only by the elevator designated by the Condominium Board or the Managing Agent for the purpose and only through the service entrances.

5. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed or stored in any of the halls or on any of the staircases or fire tower landings of the Building, nor shall any fire exit thereof be obstructed in any manner. No bicycles may be stored in any common hallways or on any Terraces or in any other outdoor areas of the Building.

6. No Residential Unit may be used for the storage of any flammable materials or any other materials the storage of which may constitute a building code violation or which will increase the insurance requirements for the Building.

7. No refuse from the Residential Units shall be sent to the service area of the Building, except at such times and in such manner as the Condominium Board or the Managing Agent may direct. Nothing shall be hung or shaken from any doors, windows, Terrace or placed upon the windowsills of the Building, and no Residential Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance therefrom.

8. There shall be no playing or lounging in the entrances, passages, public halls, elevators, vestibules, corridors, stairways, or fire towers of the Building.

9. The Condominium Board or the Managing Agent may, from time to time, curtail or relocate any portion of the Common Elements devoted to storage or service purposes in the Building.

10. Nothing shall be done or kept in any Residential Unit or in the Common Elements that will increase the rate of insurance of the Building, or the contents thereof. No Residential Unit Owner shall permit anything to be done or kept in the Residential Unit or in the Common Elements that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in

violation of any Law. No Residential Unit Owner or any Family Members, agents, servants, employees, licensees, or visitors shall, at any time, bring into or keep in the Residential Unit any inflammable, combustible, or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of the Residential Unit.

11. There shall be no barbecuing in the Building, including without limitation in any Units, Terraces, or Common Elements.

12. No Residential Unit Owner shall make, cause, or permit any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from the Residential Unit or its appurtenant Residential Limited Common Elements, if any, or permit anything to be done therein that will interfere with the rights, comforts, or conveniences of the other Residential Unit Owners. No Residential Unit Owner shall play upon or suffer to be played upon any musical instrument, or shall operate or permit to be operated a phonograph, radio, boombox, stereo, or other loudspeaker in such Unit Owner's Unit or its appurtenant Residential Limited Common Elements, if any, between 11:00 P.M. and the following 9:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall any Residential Unit Owner practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M. No construction, repair work, or other installation involving noise shall be conducted in any Residential Unit except on weekdays (not including legal holidays) and only between the hours of 9:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency.

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

14. No pigeons or other birds or animals shall be fed from the windowsills, or other public portions of the Building, or on the sidewalk or street adjacent to the Building.

15. No group tour, open house or exhibition of any Residential Unit or its contents shall be conducted, nor shall any auction sale be held in any Residential Unit, without the consent of the Condominium Board or the Managing Agent in each instance. In the event that any Residential Unit shall be used for home occupation purposes in conformance with the Declaration and the By-Laws, no patients, clients, or other invitees shall be permitted to wait in any lobby, public hallway, or vestibule.

16. Unless expressly authorized by the Condominium Board in each instance, not less than 80% of the total floor area of each room of each Residential Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting, or equally effective noise reducing material.

17. No window decorations shall be used in or about any Residential Unit, except such as shall have been approved in writing by the Condominium Board or the Managing Agent, which approval shall not be unreasonably withheld, conditioned, or delayed. In no event, however, shall any windows of any Residential Unit be colored or painted.

18. Any installations, replacements, and/or repairs in connection with legally-compliant window guards and/or window stops in any Residential Unit shall be performed at the direction of the Managing Agent and all costs associated therewith shall be borne by the Residential Unit Owner. It is the responsibility of each Residential Unit Owner to (i) notify the Managing Agent in writing if any child under the age of eleven (11) years resides (even temporarily) in the Residential Unit, (ii) to make the necessary arrangements with respect to the installation, repair, replacement, operation, and/or maintenance of legally-compliant window guards and/or window stops in the Residential Unit and/or any additional equipment as required by Law, and (iii) to otherwise ensure that all operable windows located in the Residential Unit comply with Law. Residential Unit Owners and their Permitted Users are prohibited from modifying or tampering with any window guards and/or window stops installed in the Residential Unit.

19. No ventilator or air conditioning device shall be installed in any Residential Unit or its appurtenant Residential Limited Common Elements, if any, without the prior approval of the Condominium Board, which approval may be granted or refused in the sole discretion of the Condominium Board.

20. No radio or television aerial shall be attached to or hung from the exterior of the Building, and no sign, notice, advertisement, or illumination (including, without limitation, "For Sale," "For Lease," or "For Rent" signs) shall be inscribed or exposed on or at any window or other part of the Building, except such as are permitted pursuant to the terms of Declaration and/or the By-Laws or shall have been approved in writing by the Condominium Board or the Managing Agent. Nothing shall be projected from any window of a Residential Unit without similar approval.

21. All radio, television, or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements, or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction, and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment.

22. Water-closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown into same. Any damage resulting from misuse of any water-closets or other apparatus in a Unit shall be repaired and paid for by the owner of the Residential Unit.

23. Each Residential Unit Owner shall keep the Residential Unit and its appurtenant Residential Limited Common Elements, if any, in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

24. The access doors located in various portions of the ceiling of the Residential Units shall not be obstructed in any manner which would prevent access to the ceiling hung units located within such ceilings.

25. The agents of the Condominium Board or the Managing Agent, and any contractor or workperson authorized by the Condominium Board or the Managing Agent, may enter any room or Unit at any reasonable hour of the day, on at least 1 day's prior notice to the 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.

26. The Condominium Board or the Managing Agent may retain a pass-key to each Residential Unit. If any lock is altered or a new lock is installed, the Condominium Board or the

Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Residential Unit Owner is not personally present to open and permit an entry to the Residential Unit at any time when an entry therein is necessary or permissible under these Residential Rules and Regulations or under the By-Laws, and has not furnished a key to the Condominium Board or the Managing Agent, then the Condominium Board or Managing Agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Condominium or an officer of the Managing Agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Residential Unit Owner's property).

27. If any key or keys are entrusted by a Unit Owner, by any Family Member thereof, or by an agent, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, whether for the Residential Unit or an automobile, trunk, or other item of personal property, the acceptance of the key shall be at the sole risk of such Residential Unit Owner, and neither the Condominium Board nor the Managing Agent shall (except as provided in Rule 22 above) be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

28. Residential Unit Owners and their respective Family Members, guests, servants, employees, agents, visitors, or licensees shall not at any time or for any reason whatsoever, enter upon, or attempt to enter upon, the roof of the Building unless such roof is part of a lawful Terrace or common amenity area at the time in question.

29. No occupant of the Building shall send any employee of the Condominium or of the Managing Agent out of the Building on any private business.

30. Any consent or approval given under these Residential Rules and Regulations may be amended, modified, added to, or repealed at any time by resolution of the Condominium Board. Further, any such consent or approval may, in the discretion of the Condominium Board or the Managing Agent, be conditional in nature.

31. No Residential Unit Owner shall install any plantings on any Terrace or roof without the prior approval of the Condominium Board. Plantings shall be placed in containers impervious to dampness and standing on supports at least two inches from the Terrace or roof surface, and if adjoining a wall, at least three inches from such wall. Suitable weep holes shall be provided in the containers to draw off water. In special locations, such as a corner abutting a parapet wall, plantings may be contained in containers which shall be at least three inches from the parapet and flashing, with the floor of drainage tiles and suitable weep holes at the sides to draw off water. Such masonry planting beds shall not, however, rest directly upon the surface of such Terrace or roof but shall stand on supports at least two inches above such surface. No planting shall be permanently affixed to a Terrace or roof surface but shall be able to be easily moved. It shall be the responsibility of the Residential Unit Owner to maintain the containers in good condition, and the drainage tiles and weep holes in operating condition. Such Residential Unit Owner shall pay the cost of any repairs rendered necessary by or damage caused by such plantings. The Condominium Board shall have an easement and a right of access to the Terrace appurtenant to the a Unit to inspect the same and to remove violations therefrom and to install, operate, maintain, repair, alter, build, restore, and replace any of the Common Elements located in, over, under through, adjacent to, or upon the same.

32. No Residential Unit Owner shall enclose, erect a greenhouse and/or alter the Terrace appurtenant to a Residential Unit in any way, without the prior approval of the Condominium Board.

33. No Residential Unit Owner may install or place speakers on a Terrace appurtenant to a Residential Unit.

34. Complaints regarding the service of the Condominium shall be made in writing to the Condominium Board and the Managing Agent.

35. When leaving the Residential Unit for extended periods of time, Residential Unit Owners and their respective Family Members, guests, domestic employees, agents, visitors, or licensees shall keep the Residential Unit at a maximum of 80 degrees Fahrenheit from May 15 to October 15 and shall keep the Residential Unit at a minimum of 60 degrees Fahrenheit from October 15 to May 15. Any damage resulting from a Residential Unit Owner's or their respective Family Member, guests, domestic employees, agents, visitors or licensees failure to abide by the provisions of this paragraph shall be borne solely by the owner of such Residential Unit causing the damage.

36. No nuisance shall be allowed on the Property, nor shall any use or practice be allowed that either is a source of annoyance to Residential Unit Owners or occupants or interferes with the peaceful possession or proper use of the Property by Residential Unit Owners or occupants. No immoral, improper, offensive, or unlawful use shall be made of the Property or any portion thereof, and all valid Laws relating to any portion of the Property shall be complied with at the sole cost and expense of the respective Residential Unit Owners or the Condominium, whoever shall have the obligation to maintain or repair such part of the Property.

37. Residential Unit Owners and their respective Family Members, guests, domestic employees, employees, agents, visitors, or licensees shall abide by any additional rules and regulations adopted by the Condominium Board.

38. Due to the risk of pipe ruptures, water damage, and other risks associated with freezing pipes, Unit Owners whose Units have appurtenant Terraces are required to shut off all water spigots located on their respective Terraces during winter months and otherwise during cold weather. If any maintenance, repairs, or replacements to any water spigots, piping, conduits, or other property (regardless whether a part of the Unit or a Common Element) are necessitated by the failure by a Unit Owner to comply with the foregoing provision, the entire cost and expense thereof shall be borne by such Unit Owner.

39. Residents are obligated to comply with the Building's smoking policy annexed hereto.

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RESIDENTIAL RULES AND REGULATIONS
SMOKING POLICY
The Surrey Condominium

In accordance with §17-506.1 of the Administrative Code of the City of New York, following is the Building's Smoking Policy (the "Smoking Policy"):

(i) Smoking is prohibited as follows: Smoking is prohibited in the Common Elements (other than Terraces) of the Building, including without limitation, the lobby, stairwells, service entrance, below-grade spaces, roofs, amenity areas, and any common outdoor space as well as the sidewalk perimeter area of 6 feet from the Building. Ashes, matches and other smoking debris shall be disposed of in closed trash containers and not left on the grounds or sidewalk adjacent to the Building. This rule applies to residents and any other persons on the Property, including guests and service persons. Smoking is permitted in the Residential Units only when all doors are closed and on a Residential Unit's Terrace; but in any event only to the extent the same does not trigger complaint of smoke or smoke odors infiltrating or permeating into other Units or Common Elements.

(ii) Definition of "Smoking": "Smoke" or "Smoking" is defined as carrying, burning, inhaling, exhaling, or otherwise handling any lighted or smoldering object or device or nicotine vaporizing device, including, but not limited to, cigarettes, electronic cigarettes, cigars, pipes, vapes or any other lighted object, device, matter or substance.

(iii) Tenant Smoking: In accordance with the Condominium Documents, any lease or renewal lease entered into by a Residential Unit Owner, as landlord shall include a copy of the Smoking Policy and shall provide that the Smoking Policy is a material term of the lease and that failure to comply will permit landlord or the Condominium Board to take action against the tenant, including, without limitation, the right to evict the tenant for breach thereof.

(iv) Complaint Procedure: Complaints about smoking or smoke or smoke odors infiltrating or permeating into a Unit or Common Element should be made promptly to the Managing Agent. Complaints should be made in writing and should be as specific as possible, including the date, approximate time, location, and source of the smoke or smoke odors. The Condominium Board may enter any Residential Unit to investigate any such complaints.

(v) Compliance: Residential Unit Owners are required to advise all of their co-occupants, tenants, guests, visitors, contractors, and other invitees of the Smoking Policy and shall be responsible for any violations of the smoking policy caused by such parties, which violations may subject a Unit Owner to fines. Purchasers are advised that the By-Laws empower the Condominium Board to amend the Residential Rules and Regulations, including without limitation to modify or replace the Smoking Policy, and Sponsor makes no representations or guarantees as to whether the Condominium Board will choose to do so at any time.

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

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EXHIBIT E

TO THE DECLARATION

UNIT POWER OF ATTORNEY

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UNIT POWER OF ATTORNEY

Terms used in this Unit Power of Attorney which are used (a) in the declaration ("Declaration") establishing a plan for condominium ownership of the premises known as The Surrey Condominium ("Condominium") and by the street number 20 East 76th Street, New York, NY 10021 under Article 9-B of the Real Property Law of the State of New York, dated _____, and recorded in the Office of the Register of The City of New York of the County of New York ("Register's Office") on _____, as CRFN_____ ("Declaration"), or (b) in the By-Laws of The Surrey Condominium ("By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

[Applicable to Unit Owners of Residential Units only]: The undersigned, _____, (having an office) (residing at) _____, the owner of a Unit _____ ("Unit") in the Condominium which is designated and described as the Unit in the Declaration and also designated as Tax Lot _____ in Block 1390 of the Borough of Manhattan on the Tax Map of the Division of Land Records of The City of New York and on the Tax Lot Drawings, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as Members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, to:

(a) employ counsel for purposes of protesting the New York City real property tax assessments with the Tax Commission and commencing, pursuing, appealing, settling and/or terminating administration and tax certiorari proceedings on behalf of the Residential Unit Owners for the reduction of the assessed valuation of their Residential Units, such Residential Unit Owners agreeing not to protest said assessments and bring such tax certiorari proceedings at their own initiative and on their own behalf;

(b) acquire, lease or license any Residential Unit, together with its Appurtenant Interests whose owner desires to sell, convey, transfer, assign, lease, sublease or surrender the same or acquire any Residential Unit, together with its Appurtenant Interests that becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners;

(c) acquire, mortgage, lease, sublease, license, convey or otherwise deal with (but not to vote the Common Interest, appurtenant to) any Residential Unit so acquired or to sublease any Residential Unit so leased;

(d) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Property or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Property which the Condominium Board deems necessary or appropriate or (3) any protest and tax certiorari proceeding documentation affecting Residential Units.

The acts of a majority of such persons constituting the Condominium Board shall constitute the acts of said attorneys-in-fact.

[Applicable to Unit Owners of Residential Units and Hotel Unit]: The undersigned, _____, (having an office) (residing at) _____, the owner of a Unit _____ ("Unit") in the Condominium

which is designated and described as the Unit in the Declaration and also designated as Tax Lot _____ in Block 1390 of the Borough of Manhattan on the Tax Map of the Division of Land Records of The City of New York and on the Tax Lot Drawings, do(es) hereby nominate, constitute and appoint Surrey Propco, LLC ("Sponsor") as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to:

(a) amend the Condominium Documents pursuant to the terms thereof, and to effectuate the rights of Sponsor under the Condominium Documents, including without limitation, when such amendment (1) shall be required to reflect any changes in Unsold Residential Units and/or the reapportionment of the Common Interest of the affected Unsold Residential Units resulting therefrom made by Sponsor in accordance with the Declaration, or (2) shall be required by (a) an Institutional Lender designated by Sponsor to make a mortgage loan secured by a mortgage on any Residential Unit, (b) any governmental agency having regulatory jurisdiction over the Condominium, or (c) any title insurance company selected by Sponsor to insure title to any Residential Unit; or (3) shall be required to correct any inconsistencies or scriveners' errors in the Declaration, the By-Laws and/or the Tax Lot Drawings; or (4) relinquish Sponsor's rights under the Condominium Documents, provided, however, that any amendment made pursuant to the terms of subdivision (1) or (2) of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a material, physical modification to the Undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any mortgage held by an Institutional Lender covering the Undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment. The terms, covenants and conditions contained in, and the powers granted pursuant to, this paragraph shall remain in full force and effect until such time as (i) Sponsor shall cease to own any Unit in the Condominium; (ii) Sponsor has completed all of its obligations under the terms of the Offering Plan; and (iii) a PCO has been issued for the Property;

(b) to effectuate Sponsor's and/or Development Rights Owner's utilization, sale or transfer of all or any portion of the Excess Development Rights, as set forth in the Declaration; and

(c) to close out or otherwise assume complete control over any open applications and/or permits associated with any work commenced by any Unit Owner (including without limitation to substitute the person who opened the application or permit with an architect chosen by Sponsor) and otherwise take any other actions necessary in Sponsor's sole discretion (to the extent permitted by Law) in order to avoid or mitigate any delay in obtaining a TCO or PCO for the Building (or any amendment to, or extension of, the TCO or PCO), pursuant to Sponsor's rights under subsection 5.2(F) of the By-Laws.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ____ day of _____, ____.

_____

(ACKNOWLEDGEMENT ON FOLLOWING PAGE)

(ACKNOWLEDGEMENT)

STATE OF _____)
) ss.:
COUNTY OF _____)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

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UNIT OWNER'S SPECIMEN TITLE POLICY

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PRESTIGE TITLE AGENCY, INC.
as agent for
Stewart Title Insurance Company

AMERICAN LAND TITLE ASSOCIATION OWNERS POLICY (6-17-2006)
WITH TIRSA NEW YORK COVERAGE ENDORSEMENT APPENDED

SCHEDULE A

Policy No. PROFORMA

Title Number	**Effective Date**	**Amount of Insurance**
M00591		$0.00

1. **Name of Insured:** TBD

2. **The estate or interest in the land that is covered by this policy is:** Fee Simple

3. **Title is vested by:**

   Deed from Surrey Propco LLC to _____, dated _____ and to be recorded in the Office of the New York City Register of the County of New York.

4. **The land referred to in this Policy is described herein on Schedule A Description of Premises.**

_____
Authorized Signatory

PRO FORMA

PRESTIGE TITLE AGENCY, INC.
as agent for
Stewart Title Insurance Company

SCHEDULE A
DESCRIPTION OF PREMISES

The Unit known as Apartment No. ___ (hereinafter called "the Unit") in the Building known as and by the _____ Condominium and by the street Number 20 East 76th Street, New York, NY, 10021 in the Borough of Manhattan, County of New York and City and State of New York, (the "Building") designated and described in the Declaration establishing a plan for condominium ownership of said Building and the land upon which the Building is situated, (referred to collectively as the "Property"), dated _____, made under the Condominium Act of the State of New York (Article 9-B of the Real Property Law of the State of New York), recorded in the Office of the Register of the City of New York in the County of New York on _____ in CRFN _____ (hereinafter called the "Declaration"). The Unit is also designated as Tax Lot No. ____ in Block 1390, of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of the City of New York and on the floor plans of the building, certified by _____, and filed with the Real Property Assessment Department of the City of New York on _____ as Condominium Plan No. ____ and recorded on _____ as Map No. CRFN _____.

TOGETHER with an undivided _____ percent interest in the Common Elements of the Condominium, as such term is defined in the Declaration;

The land upon which the Building containing the Unit is situate is described as follows:

ALL that certain plot, piece or parcel of land, situate, lying and being in the County, City and State of New York and more particularly described as follows:

BEGINNING at, a point on the Southerly side of East 76th Street, distant 20 feet Westerly from the corner formed by the intersection of the Southerly side of East 76th Street with the Westerly side of Madison Avenue;

RUNNING THENCE Southerly parallel with Madison Avenue, 102 fee 2inches to the center line of the block;

THENCE Westerly, along said center line of the block, 98 feet 1-1/2 inches;

THENCE Northerly and parallel with Madison Avenue, 102 feet 2 inches to the Southerly side of East 76th Street; and

THENCE Easterly along the same 98 feet 1-1/2 inches to the point or place of BEGINNING.

PRO FORMA

PRESTIGE TITLE AGENCY, INC.
as agent for
Stewart Title Insurance Company

Policy No. PROFORMA
Title No. M00591

SCHEDULE B – PART I

Showing defects, liens, encumbrances and other matters against which the Company does not, by this Policy, insure:

1. **Rights of tenants or persons in possession.**

2. **Party Wall Agreement recorded 05/03/1886 in Liber 1966 cp 46.**

3. **The premises described in Schedule A is located in an area designated as a landmark historic district (Upper East Side Historic District) by a notice recorded in the New York County Register/County Clerk's office on 07/02/1982 in Reel 629 page 739. Said improvements are subject to the restrictions as to use provided for in the Administrative Code of the City of New York, Title 25, Chapter 3.**

4. **Terms, restrictions, conditions, and easements set forth in the Declaration of Condominium and By - Laws of the _____ Condominium dated _____, recorded _____ in CRFN _____; but the Policy insures against loss or damage occasioned by the premises not being a part of a Condominium validly created pursuant to Article 9-B of the Real Property Law, as amended.**

5. **Emergency Repair Notices, if any, filed pursuant to chapter 57, Section 26-57.01 of the administrative code.**

6. **Power of Attorney to the Board of Managers of the _____ Condominium, and their successors in office dated _____ and to be recorded in the office of the New York City Register, New York County, as provided in the Declaration and By - Laws of the _____ Condominium.**

7. **AS TO THE BUILDING(S):**
Any state of facts which an accurate survey of current date would disclose.

AS TO THE UNIT:
With respect to Condominium Unit No. ____, the title to which is to be insured herein, policy excepts any state of facts which an accurate survey would disclose. Policy insures, however, that any encroachment of the Unit onto other Units or onto any part of the common elements may remain undisturbed as long as the Unit insured hereunder exists.

PROFORMA

stewart

STANDARD NEW YORK ENDORSEMENT
(OWNER'S POLICY)

Attached to and made a part of Policy Number PROFORMA

1. The following is added as a Covered Risk:

   "11. Any statutory lien arising under Article 2 of the New York Lien Law for services, labor or materials furnished prior to the date hereof, and which has now gained or which may hereafter gain priority over the estate or interest of the insured as shown in Schedule A of this policy."

2. Exclusion Number 5 is deleted, and the following is substituted:

   5. Any lien on the Title for real estate taxes, assessments, water charges or sewer rents imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as Shown in Schedule A.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Countersigned By:

STEWART TITLE INSURANCE COMPANY INCORPORATED 1987 NEW YORK

John Frates
President and General Counsel

David Hisey
Secretary

Date:

Agency Name address & ID Number:

Prestige Title Agency, Inc.
55 West 39th Street
9th Floor
New York, NY 10018
Title No. M00591

PROFORMA

POLICY AUTHENTICATION ENDORSEMENT

Attached to and made a part of Policy Number PROFORMA

When the policy is issued by the Company with a policy number and Date of Policy, the Company will not deny liability under the policy or any endorsements issued with the policy solely on the grounds that the policy or endorsements were issued electronically or lack signatures in accordance with the Conditions.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Countersigned By:

Date:

Agency Name address & ID Number:

Prestige Title Agency, Inc.
55 West 39th Street
9th Floor
New York, NY 10018
Title No. M00591

John Frates
President and General Counsel

David Hisey
Secretary

PRO FORMA

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ATTORNEY'S INCOME TAX OPINION

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OLSHAN

1325 AVENUE OF THE AMERICAS ▪ NEW YORK, NEW YORK 10019
TELEPHONE: 212.451.2300 ▪ FACSIMILE: 212.451.2222

EMAIL: WGLEICHER@OLSHANLAW.COM
DIRECT DIAL: 212.451.2231

December 14, 2023

Surrey Propco, LLC
2500 Enterprise Drive
Allen Park, MI 48101

Re: **The Surrey Condominium, 20 East 76th Street, New York, NY**

Ladies and Gentlemen:

In connection with the offering of condominium Residential Units under a plan entitled Condominium Offering Plan for The Surrey Condominium (the "Plan"), you have requested our opinion as Income Tax Counsel to the Plan concerning certain tax matters. Specifically, you have requested our opinion as to the deductibility for U.S. federal, New York State and New York City income tax purposes of payments of mortgage interest and real property taxes by individual Residential Unit Owners. You have also asked for our opinion as to the tax status of the condominium association.

All capitalized terms not otherwise defined herein shall have the same meaning ascribed to them in the Plan.

We understand that under the Plan each Residential Unit Owner will hold title to his Residential Unit and an undivided interest in the Common Elements of the Property in fee simple. Under New York State law, each Residential Unit and its interest in the Common Elements will be taxed as a separate parcel for real property tax purposes. Each Residential Unit Owner may place a separate mortgage on his Residential Unit and, by doing so, incur direct liability for the interest payable on such mortgage.

This opinion addresses certain of the U.S. federal, New York State and New York City income tax consequences that would result from the ownership of a Residential Unit by an individual who is a resident of New York City for tax purposes, who purchased such Residential Unit on or after the date hereof, and who uses the Residential Unit as a qualified residence. It does not address, among other things, the tax consequences of ownership of a Residential Unit other than a Residential Unit by any person or entity; and does not address the tax consequences of the ownership of Residential Units by corporations, other entities or foreign persons, or individuals who are not residents of New York City; or, except as specifically discussed, by an individual taxpayer in connection with his or her trade or business, for investment, or for the production of income.

In our opinion, under present law, subject to the limitations discussed in the following paragraph, interest on a mortgage secured by a Residential Unit paid or accrued by the owner of such Residential Unit who is liable for the interest payment on such mortgage and who uses the Residential Unit exclusively as his personal residence will be deductible for U.S. federal income

tax purposes in the appropriate year according to his method of accounting, provided that he itemizes his deductions. In rendering this opinion we assume that such interest is not prepaid, that the mortgage proceeds were used by the Residential Unit Owner to purchase the Residential Unit, that the Residential Unit is the owner's principal residence and that the Residential Unit Owner is an individual.

Except as provided below, mortgage interest is deductible if paid or accrued during the taxable year on indebtedness which is secured by either the taxpayer's principal residence, as defined for purposes of exclusion of gain on sale under Internal Revenue Code ("Code") Section 121, or on certain designated second homes. However, a ceiling is placed on the amount of indebtedness which may be taken into account for purposes of this deduction. In general, with respect to indebtedness incurred in purchasing a Residential Unit, this ceiling is $750,000, or $375,000 in the case of a married individual filing a separate return.[1] However, special limitations may apply to the deductibility of points and prepaid interest if any.

It is also our opinion under present law that real property taxes assessed against a Residential Unit Owner's Residential Unit which are paid or accrued by such owner will be deductible for U.S. federal income tax purposes in the appropriate year according to his method of accounting, provided he itemizes his deductions. Pursuant to changes in the 2017 Tax Cuts and Jobs Act, for a taxable year beginning after December 31, 2017 and before January 1, 2026, the aggregate deduction for state and local real property taxes; state and local personal property taxes; state, local, and foreign income, war profits, and excess profits taxes; and general sales taxes (if elected) for any such taxable year is limited to $10,000 ($5,000 in the case of a married individual filing a separate return).

We note that, with respect to a Residential Unit Owner who is subject to the alternative minimum tax, no deduction is allowed for real property taxes paid by such Residential Unit Owner and a deduction for mortgage interest is allowed to the same extent as described above.

Subject to certain limitations for high income taxpayers, the amount of mortgage interest and real property taxes described above that are deductible for U.S. federal income tax purposes should also be allowable as deductions for New York State and New York City income tax purposes to a resident individual.

We have reviewed various documents included as exhibits in the Plan relating to the organization of the Condominium Board of The Surrey Condominium (the "Association"),

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[1] Without further Congressional action, the $750,000 and $375,000 threshold limitations will expire pursuant to a sunset provision contained in the 2017 Tax Cuts and Jobs Act. Accordingly, the $750,000 and $375,000 threshold limitations will be increased to $1,000,000 and $500,000 respectively for taxable years commencing January 1, 2026. The deduction for interest payable on certain home equity indebtedness was repealed pursuant to the 2017 Tax Cuts and Jobs Act. However, as a result of a similar sunset provision contained in the 2017 Tax Cuts and Jobs Act, for taxable years commencing on or after January 1, 2026 (assuming no further Congressional action), an individual may again deduct interest on an additional $100,000 of home equity indebtedness in excess of the threshold limitations mentioned above (or $50,000 of home equity indebtedness in excess of the threshold limitations in the case of a married individual filing a separate return).

including the Declaration of Condominium and By-Laws of the Condominium (which are the instruments which will create the Association).

Our opinion has been requested as to whether the Association will be eligible to qualify as a tax-exempt organization for U.S. federal income tax purposes. In order for the Association to qualify as an exempt organization for U.S. federal income tax purposes under Code Section 528, it must meet the following six conditions:

(1) The Association must be organized and operated to provide for the acquisition, construction, management, maintenance, and care of the Association's property.

(2) Sixty percent (60%) or more of the Association's gross income for the taxable year must consist solely of amounts received as membership dues, fees or assessments from owners of Residential Units.

(3) Ninety percent (90%) or more of the expenditures of the Association for the taxable year must be expenditures for the acquisition, construction, management, maintenance, and care of the Association's property.

(4) No part of the net earnings of the Association may inure to the benefit of any private shareholder or individual, other than by acquiring, constructing, or providing management, maintenance, and care of the Association's property and other than by a rebate of excess membership dues, fees, or assessments.

(5) The Association must qualify as a "condominium management association," which is an organization meeting the requirements of condition (1), above, with respect to a condominium project substantially all the Residential Units of which are used by individuals for residences.

(6) The Association must properly elect to have Code Section 528 apply for the taxable year.

"Substantially all the Residential Units" of a condominium management association will be considered as used by individuals for residences if at least eighty-five percent (85%) of the total square footage of all Residential Units within the project is used by individuals for residential purposes. Residential Units that are used for purposes auxiliary to residential use are considered as used for residential purposes. These auxiliary purposes include laundry areas, storage rooms, and areas used by maintenance personnel. A special limitation is established for transient use. No building or Residential Unit will be considered as used for residential purposes if, for more than one half the days in the Association's taxable year, such Residential Unit or building is occupied by a person or series of persons each of whom occupies the Residential Unit or building for less than thirty days.

You have advised us that less than 85% of the total square footage of the Premises will be used by individuals for residential purposes. Accordingly, the "substantially all" test will not be

met. As a result, it is our opinion that the Association will not be eligible to elect tax-exempt status under Code Section 528.[2]

Since the Association will not initially qualify as a tax exempt organization pursuant to Code Section 528, the present state of the law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. Tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of its income (including the nonmembership, and possibly membership, income described above less expenses related to such income) is subject to U.S. federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax. Alternatively, it is possible that some or all of such income might be reportable directly by the Residential Unit Owners. The tax treatment of the Association may be affected by certain Residential United States Treasury Department Regulations relating to entity classification.[3]

This opinion deals only with the specific tax matters discussed above, which do not necessarily comprise all tax matters which may be significant to purchasers of Residential Units. We express no views as to any U.S. federal, New York State or New York City tax consequences other than as explicitly discussed in this opinion or as to the tax status or tax consequences of the Plan under the laws of any foreign jurisdiction. Accordingly, it is recommended that each prospective purchaser of a Residential Unit consult with his own tax advisor concerning the U.S. federal, New York State, and New York City tax consequences of the purchase and ownership of a Residential Unit.

This opinion is based solely on the facts and documents referred to above. No warranties are made that the tax laws upon which counsel bases this opinion will not change. In no event will the Sponsor, counsel to Sponsor, special tax counsel to the Sponsor, the Association, or any other person be liable if, by reason of future changes in fact or applicable law, regulations, decisional law, or Internal Revenue Service rulings, the tax consequences described previously should change.

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[2] If in the future the Association does meet the "substantially all" test and elects tax treatment under Code Section 528, all amounts received by the Association as exempt function income will be exempt from U.S. federal income tax. This consists of amounts received as membership dues, fees, or assessments from owners of Residential Residential Units. However, the Association would be subject to tax on income which is not exempt function income to the extent such income exceeds expenses properly allocable to such income. Examples of income which is not exempt function income are interest earned on reserve funds, amounts received from persons who are not members of the Association or from non-Residential Unit Owners, amounts received for work done on privately owned property which is not Association property, and amounts received from members for special use of the Association's facilities, the use of which is not available to all members as a result of having paid the dues, fees, or assessments required to be paid by all members.

[3] To remove doubt in the area, the Association may be able to elect to be treated as a corporation for U.S. federal income tax purposes if it files Form 8832 with the IRS within 75 days of its formation.

ALL RESIDENTIAL UNIT OWNERS, POTENTIAL RESIDENTIAL UNIT OWNERS, THE ASSOCIATION AND THE CONDOMINIUM ARE HEREBY INFORMED THAT (I) ANY TAX ADVICE CONTAINED IN THIS OPINION IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING PENALTIES UNDER THE INTERNAL REVENUE CODE, (II) THE ADVICE IS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED IN THE PLAN, AND (III) EACH RESIDENTIAL UNIT OWNER, EACH POTENTIAL RESIDENTIAL UNIT OWNER, THE ASSOCIATION AND THE CONDOMINIUM SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

Sincerely yours,

OLSHAN FROME WOLOSKY LLP

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REAL ESTATE TAX PROJECTION OPINION

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MICHAEL D. POLLACK
ODELIA NIKFAR

November 16, 2023

Surrey PropCO LLC
611 Broadway Suite 311
New York, New York 10012

Real Estate Tax Projection
20 East 76th Street, Residential Units
Manhattan Block 1390, Lot 57

Ladies and Gentlemen:

You have requested that we project the real estate tax liability for the residential portion of a mixed-use building at the location described above, which will be renovated and subject to a condominium regime (the "Building"). You have advised us that a portion of the Building will be operated as a hotel, that the upper floors will consist of for-sale residential units and some or all of the residential 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 construction 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 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.

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 condominiums. Under current practice, DOF considers construction cost only in connection with measuring value increments during construction, which in aggregate are limited by the value derived by the income approach. However, in some decisions involving newly constructed condominium properties outside of the City, the courts have also allowed consideration of the cost approach to be used more generally, which in practice may result in a substantially greater value estimate than the income 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 the income capitalization 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.

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 ten 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. We omit from our analysis properties that appear to be assessed as if still under construction, even if in fact they were completed prior to the Taxable Status Date.

We have observed the following aspects of DOF's current methods of valuation of condominiums:

DOF uses the income-approach to value as its primary method.

The gross income used for the income approach 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. There are similar variations in the estimated operating expenses deducted from gross income to determine net income.

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.

The actual method used to measure gross area varies from building to building. The use of gross floor area instead of the net areas commonly used in the residential sale and rental markets is not inherently inconsistent with appraisal theory. If the imputed rents are based on

comparable buildings measured in the same manner, the resulting estimate may be valid. However, the use of gross floor area may introduce more apparent and actual variation in value estimates.

We observe that DOF's estimates of gross income are often substantially less than actual market rents, especially where the applicable rents would be near the top of the market. This produces values substantially less than those that would be obtained by conventional application of the income approach as used in appraisals for private purposes. DOF's estimates of operating expenses and capitalization rates tend to further increase this disparity.

In a few cases, DOF has apparently estimated incomes that approach or exceed market rent levels with the result that the assessed values and taxes per square foot are much greater than those of similar buildings. In the event DOF adopts a market rent for the Building, the resultant assessed values will be significantly greater than those that we have projected.

DOF's capitalization rates for most residential buildings are similar within each borough of the City. However, because of the variation in the income and expense estimates used by DOF, the resulting Full Value estimates per gross square foot vary substantially. The variations in the relationship between gross and unit areas may cause further variations in the value estimates when measured by unit floor area.

We have sought to be as accurate in our projections as possible based on DOF's current practices, as best they can be determined from observation and public information. In order to emulate DOF's current methods as closely as possible, we give greatest weight in our projections to the assessments of comparable properties. However, the wide variation in DOF's value estimates makes it highly likely that the assessment and taxes actually imposed on the property will vary, at least to some extent, from the assessments and taxes that we have projected, and that there will be other, similar properties with higher or lower taxes per square foot.

Further, there is no certainty that DOF's current practices will remain unchanged or that the indicators of market value will not change prior to completion of the Building resulting in the assessment and tax liability actually imposed on the property differing substantially from those that we have projected.

Generally, assessments change every year. Over the long term, values have increased steadily with very large percentage increases occurring for some buildings in some years. The rate and direction of future changes in market value and assessments is not known. We have not projected an increase in assessments over the current level for similar buildings.

DOF multiplies its estimated Full Value by its stated level of assessment of 45% to determine an Actual (or target) Assessment. 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 Actual Assessments.

State law provides for most year-over-year changes in Actual Assessments to be phased in over five years to determine a Transition Assessment. However, assessment changes

attributed by DOF to new construction or renovation work are not phased in but added in full to both the Actual and Transition Assessments. 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. Our estimated Transition Assessments reflect projected assessment increases that may be attributed to renovation work.

DOF calculates a Taxable Assessment, which is the lesser of the Actual and Transition Assessment, after deduction 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. Separately assessed commercial, community facility, parking and storage units are designated as Class 4 property.

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 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 have been advised that no other partial exemption or abatements will be sought and, therefore, this restriction would not affect the potential availability of 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. 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 as a whole are as follows:

City Fiscal Year	2021/22	2022/23	2023/24
Actual Total Assessment	$26,857,350	$26,857,350	$29,113,000
Transition Assessment	$35,518,050	$34,031,520	$32,836,140
Tax Rate	10.755%	10.646%	10.592%
Approximate Annual Tax	$2,888,508	$2,859,233	$3,083,649

Our projections of the assessments and tax liabilities for the first and second years of condominium operation are set forth below.

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.

Approximate Start of Renovation	1/1/2022		
Start of Condominium Operation	10/1/2024		
Most Recent City Fiscal Year Assessments	2023/24		
Residential Units			Per sq. ft.
Estimated Gross Floor Area	41,064	sq. ft.	
Projected City Full Value as if Complete	$21,444,533		$522
Level of Assessment	45%		
Actual Assessed Value as if Complete	$9,650,040		$235

City Fiscal Year 2024/25			
Estimated % Complete as of Jan. 5, 2024	75%		
Projected Actual Assessed Value	$8,433,900		$205
Projected Transition Assessed Value	$10,581,393		
Projected Taxable Assessed Value	$8,433,900		
Projected Tax Rate	12.502%		
Projected Annual Tax	$1,054,406		
Projected Tax per Month	$87,867		
City Fiscal Year 2025/26			
Estimated % Complete as of Jan. 5, 2025	100%		
Projected Actual Assessed Value	$9,650,040		$235
Projected Transition Assessed Value	$10,400,526		
Projected Taxable Assessed Value	$9,650,040		
Projected Tax Rate	12.502%		
Projected Annual Tax	$1,206,448		
Projected Tax per Month	$100,537		
City Fiscal Year 2026/27			
Estimated % Complete as of Jan. 5, 2026	100%		
Projected Actual Assessed Value	$9,650,040		$235
Projected Transition Assessed Value	$10,162,721		
Projected Taxable Assessed Value	$9,650,040		
Projected Tax Rate	12.502%		
Projected Annual Tax	$1,206,448		
Projected Tax per Month	$100,537		
First Year of Condominium Operation	10/1/2024	to	9/30/2025
City Fiscal Year 2024/25	9 months at	$87,867 =	$790,805
City Fiscal Year 2025/26	3 months at	$100,537 =	$301,612
Projected Annual Tax			$1,092,417

Second Year of Condominium Operation	10/1/2025	to	9/30/2026
City Fiscal Year 2025/26	9 months at	$100,537 =	$904,836
City Fiscal Year 2026/27	3 months at	$100,537 =	$301,612
Projected Annual Tax			$1,206,448

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

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FORM W-8
(CERTIFICATION OF FOREIGN STATUS)

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Form **W-8BEN**

(Rev. July 2017)

Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)

▶ For use by individuals. Entities must use Form W-8BEN-E.
▶ Go to *www.irs.gov/FormW8BEN* for instructions and the latest information.
▶ Give this form to the withholding agent or payer. Do not send to the IRS.

OMB No. 1545-1621

Do NOT use this form if:	Instead, use Form:
• You are NOT an individual	W-8BEN-E
• You are a U.S. citizen or other U.S. person, including a resident alien individual	W-9
• You are a beneficial owner claiming that income is effectively connected with the conduct of trade or business within the U.S. (other than personal services)	W-8ECI
• You are a beneficial owner who is receiving compensation for personal services performed in the United States	8233 or W-4
• You are a person acting as an intermediary	W-8IMY

Note: If you are resident in a FATCA partner jurisdiction (i.e., a Model 1 IGA jurisdiction with reciprocity), certain tax account information may be provided to your jurisdiction of residence.

Part I Identification of Beneficial Owner (see instructions)

1 Name of individual who is the beneficial owner

2 Country of citizenship

3 Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address.**

City or town, state or province. Include postal code where appropriate.

Country

4 Mailing address (if different from above)

City or town, state or province. Include postal code where appropriate.

Country

5 U.S. taxpayer identification number (SSN or ITIN), if required (see instructions)

6 Foreign tax identifying number (see instructions)

7 Reference number(s) (see instructions)

8 Date of birth (MM-DD-YYYY) (see instructions)

Part II Claim of Tax Treaty Benefits (for chapter 3 purposes only) (see instructions)

9 I certify that the beneficial owner is a resident of _____ within the meaning of the income tax treaty between the United States and that country.

10 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article and paragraph _____ of the treaty identified on line 9 above to claim a _____ % rate of withholding on (specify type of income):

_____

Explain the additional conditions in the Article and paragraph the beneficial owner meets to be eligible for the rate of withholding: _____

Part III Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the individual that is the beneficial owner (or am authorized to sign for the individual that is the beneficial owner) of all the income to which this form relates or am using this form to document myself for chapter 4 purposes,
- The person named on line 1 of this form is not a U.S. person,
- The income to which this form relates is:
  (a) not effectively connected with the conduct of a trade or business in the United States,
  (b) effectively connected but is not subject to tax under an applicable income tax treaty, or
  (c) the partner's share of a partnership's effectively connected income,
- The person named on line 1 of this form is a resident of the treaty country listed on line 9 of the form (if any) within the meaning of the income tax treaty between the United States and that country, and
- For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner. **I agree that I will submit a new form within 30 days if any certification made on this form becomes incorrect.**

Sign Here ▶

_____ _____
Signature of beneficial owner (or individual authorized to sign for beneficial owner) Date (MM-DD-YYYY)

_____ _____
Print name of signer Capacity in which acting (if form is not signed by beneficial owner)

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FORM W-9
(REQUEST FOR TAXPAYER IDENTIFICATION NUMBER)

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Form **W-9**
(Rev. March 2024)
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.

Before you begin. For guidance related to the purpose of Form W-9, see *Purpose of Form*, below.

Print or type. See ***Specific Instructions*** on page 3.

1 Name of entity/individual. An entry is required. (For a sole proprietor or disregarded entity, enter the owner's name on line 1, and enter the business/disregarded entity's name on line 2.)

2 Business name/disregarded entity name, if different from above.

3a Check the appropriate box for federal tax classification of the entity/individual whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor ☐ C corporation ☐ S corporation ☐ Partnership ☐ Trust/estate

☐ LLC. Enter the tax classification (C = C corporation, S = S corporation, P = Partnership) . . . . .

Note: Check the "LLC" box above and, in the entry space, enter the appropriate code (C, S, or P) for the tax classification of the LLC, unless it is a disregarded entity. A disregarded entity should instead 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 Foreign Account Tax Compliance Act (FATCA) reporting code (if any)

(Applies to accounts maintained outside the United States.)

3b If on line 3a you checked "Partnership" or "Trust/estate," or checked "LLC" and entered "P" as its tax classification, and you are providing this form to a partnership, trust, or estate in which you have an ownership interest, check this box if you have any foreign partners, owners, or beneficiaries. See instructions . . . . . ☐

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. See also *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*.

What's New

Line 3a has been modified to clarify how a disregarded entity completes this line. An LLC that is a disregarded entity should check the appropriate box for the tax classification of its owner. Otherwise, it should check the "LLC" box and enter its appropriate tax classification.

New line 3b has been added to this form. A flow-through entity is required to complete this line to indicate that it has direct or indirect foreign partners, owners, or beneficiaries when it provides the Form W-9 to another flow-through entity in which it has an ownership interest. This change is intended to provide a flow-through entity with information regarding the status of its indirect foreign partners, owners, or beneficiaries, so that it can satisfy any applicable reporting requirements. For example, a partnership that has any indirect foreign partners may be required to complete Schedules K-2 and K-3. See the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS is giving you this form because they

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-NEC (nonemployee compensation).
- 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), and 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.

Caution: If you don't 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; and

4. Certify to your non-foreign status for purposes of withholding under chapter 3 or 4 of the Code (if applicable); and

5. 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).

Establishing U.S. status for purposes of chapter 3 and chapter 4 withholding. Payments made to foreign persons, including certain distributions, allocations of income, or transfers of sales proceeds, may be subject to withholding under chapter 3 or chapter 4 of the Code (sections 1441–1474). Under those rules, if a Form W-9 or other certification of non-foreign status has not been received, a withholding agent, transferee, or partnership (payor) generally applies presumption rules that may require the payor to withhold applicable tax from the recipient, owner, transferor, or partner (payee). See Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities.

The following persons must provide Form W-9 to the payor for purposes of establishing its non-foreign status.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the disregarded 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 grantor trust.
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust and not the beneficiaries of the trust.

See Pub. 515 for more information on providing a Form W-9 or a certification of non-foreign status to avoid withholding.

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 (under Regulations section 1.1441-1(b)(2)(iv) or other applicable section for chapter 3 or 4 purposes), do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515). If you are a qualified foreign pension fund under Regulations section 1.897(l)-1(d), or a partnership that is wholly owned by qualified foreign pension funds, that is treated as a non-foreign person for purposes of section 1445 withholding, do not use Form W-9. Instead, use Form W-8EXP (or other certification of non-foreign status).

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 their 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 their scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include, but are not limited to, 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, as described in item 4 under *"By signing the filled-out form"* 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.

See also *Establishing U.S. status for purposes of chapter 3 and chapter 4 withholding*, earlier.

What Is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all U.S. account holders that are specified U.S. 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 are no longer 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.

- **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 for 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 you filed with your application.

- **Sole proprietor.** Enter your individual name as shown on your Form 1040 on line 1. Enter your business, trade, or "doing business as" (DBA) name on line 2.

- **Partnership, C corporation, S corporation, or LLC, other than a disregarded entity.** 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.

- **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. Enter any business, trade, or DBA name on line 2.

- **Disregarded entity.** In general, a business entity that has a single owner, including an LLC, and is not a corporation, is disregarded as an entity separate from its owner (a disregarded entity). See Regulations section 301.7701-2(c)(2). A disregarded entity should check the appropriate box for the tax classification of its owner. Enter the owner's name on line 1. The name of the owner 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. 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, enter it on line 2.

Line 3a

Check the appropriate box on line 3a for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3a.

IF the entity/individual on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation.
• Individual or • Sole proprietorship	Individual/sole proprietor.
• LLC classified as a partnership for U.S. federal tax purposes or • LLC that has filed Form 8832 or 2553 electing to be taxed as a corporation	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 3b

Check this box if you are a partnership (including an LLC classified as a partnership for U.S. federal tax purposes), trust, or estate that has any foreign partners, owners, or beneficiaries, and you are providing this form to a partnership, trust, or estate, in which you have an ownership interest. You must check the box on line 3b if you receive a Form W-8 (or documentary evidence) from any partner, owner, or beneficiary establishing foreign status or if you receive a Form W-9 from any partner, owner, or beneficiary that has checked the box on line 3b.

Note: A partnership that provides a Form W-9 and checks box 3b may be required to complete Schedules K-2 and K-3 (Form 1065). For more information, see the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

If you are required to complete line 3b but fail to do so, you may not receive the information necessary to file a correct information return with the IRS or furnish a correct payee statement to your partners or beneficiaries. See, for example, sections 6698, 6722, and 6724 for penalties that may apply.

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 on 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 territory, 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 territory.

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 as defined under section 581.

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 Information, 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) entered 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 territory, 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, enter "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 ITIN. Enter it in the entry space for the Social security number. 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). 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 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/EIN*. 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 Form SS-4 mailed to you within 15 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and enter "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, you will generally 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. See also *Establishing U.S. status for purposes of chapter 3 and chapter 4 withholding*, earlier, for when you may instead be subject to withholding under chapter 3 or 4 of the Code.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third-party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account[1]
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor[2]
5. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee[1]
b. So-called trust account that is not a legal or valid trust under state law	The actual owner[1]
6. Sole proprietorship or disregarded entity owned by an individual	The owner[3]
7. Grantor trust filing under Optional Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))**	The grantor*
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 Form 1041 or under the Optional Filing Method 2, requiring Form 1099 (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 on line 1, and enter your business or DBA name, if any, on line 2. 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.)

*__Note:__ The grantor must also provide a Form W-9 to the trustee of the trust.

**For more information on optional filing methods for grantor trusts, see the Instructions for Form 1041.

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 return 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 a questionable credit report, contact the IRS Identity Theft Hotline at 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 877-777-4778 or TTY/TDD 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 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.

Go to *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 territories for use in administering their laws. The information may also 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, payors must generally withhold a percentage of taxable interest, dividends, and certain other payments to a payee who does not give a TIN to the payor. Certain penalties may also apply for providing false or fraudulent information.

ESCROW AGREEMENT

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ESCROW AGREEMENT FOR OFFERING PLAN

AGREEMENT made as of the filing date of the Offering Plan (defined below), between Surrey Propco LLC ("SPONSOR") as SPONSOR of the Offering Plan and Starr Associates LLP ("ESCROW AGENT") as escrow agent.

WHEREAS, SPONSOR is the SPONSOR of an offering plan for premises known as The Surrey Condominium and located at 20 East 76th Street, New York, NY 10021 ("Offering Plan"); and

WHEREAS, ESCROW AGENT is authorized to act as an escrow agent hereunder in accordance with New York General Business Law ("GBL") Sections 352-e(2-b) and 352-h and the New York Department of Law's regulations promulgated thereunder; and

WHEREAS, SPONSOR desires that ESCROW AGENT act as escrow agent for deposits and payments by purchasers or subscribers, pursuant to the terms of this Agreement and the Offering Plan, and in accordance with the provisions contained in the Escrow Rider to the Purchase Agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1. ESCROW AGENT will establish a master escrow account for the purpose of holding deposits, down payments, advances or payments ("Deposits") made by purchasers or subscribers ("Purchasers") pursuant to the Offering Plan at a commercial or savings bank authorized to do business in the State of New York entitled "Starr Associates LLP, Escrow Account" ("Master Escrow Account").

1.2. All Deposits will be placed initially in a non-interest-bearing checking portion of the Master Escrow Account. If ESCROW AGENT receives a completed and signed Form W-9 (Request for Taxpayer Identification Number) or Form W-8 (Certificate of Foreign Status), as applicable, from a Purchaser at the time the Deposit is delivered to ESCROW AGENT, the Deposit of such Purchaser will be promptly transferred from the non-interest-bearing checking portion of the Master Escrow Account into an individual interest-bearing sub-escrow account in the name of such Purchaser. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow savings account to the non-interest-bearing checking portion of the Master Escrow Account so that checks may be drawn thereon.

1.3. ESCROW AGENT has designated the following attorneys to serve as signatories for the Master Escrow Account: Samantha Sheeber, Esq., Adam Kriegstein, Esq., Shaun Pappas, Esq., and Benjamin Siegel, Esq. ("Authorized Signatories"). All Authorized Signatories are admitted to practice law in the State of New York. ESCROW AGENT and all Authorized Signatories have an address of 220 East 42 Street, Suite 3302, New York, New York 10017, and a telephone number of (212) 620-2680.

1.4. Neither ESCROW AGENT nor any Authorized Signatories on the Master Escrow Account are the Sponsor, Selling Agent, Managing Agent (as those terms are defined in the Offering Plan), or any principal thereof, or have any beneficial interest in any of the foregoing.

1.5. ESCROW AGENT and all signatories designated herein hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of this Agreement or otherwise concerning the maintenance of or release of the Deposit from escrow.

1.6. The Master Escrow Account is not an IOLA account established pursuant to Judiciary Law Section 497.

1.7. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Purchase Agreement (defined below), or (ii) Purchaser is entitled to a return of the Deposit. All interest will be credited to SPONSOR only in the event there is a consummation of the Offering Plan (i.e., the Offering Plan is declared effective) and Purchaser defaults.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1. All Deposits received from Purchasers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited into the Master Escrow Account. All instruments to be deposited into the Master Escrow Account shall be made payable directly to the order of "Starr Associates LLP, Escrow Agent". Endorsed instruments will not be accepted. Any instrument payable other than as required hereby, and which cannot be deposited into the Master Escrow Account, shall be returned to the Purchaser promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of Deposits, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2. Within ten (10) business days after tender of the Deposit submitted with the purchase agreement or subscription agreement ("Purchase Agreement"), ESCROW AGENT shall notify the Purchaser of the placement of the Deposit into the Master Escrow Account, provide the account number, and disclose the initial interest rate. If the Purchaser does not receive such notification within fifteen (15) business days after tender of the Deposit, the Purchaser may cancel the Purchase Agreement and rescind within ninety (90) days after tender of the Deposit. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, New York, New York, 10005 ("Department of Law"). Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited in accordance with the Department of Law's regulations concerning the Deposit and requisite notice was timely mailed to the Purchaser.

3. RELEASE OF FUNDS.

3.1. Under no circumstances shall Sponsor seek the release of the Deposits of a defaulting Purchaser until after Consummation of the Offering Plan (as such term is defined in the Attorney General's regulations). Consummation of the Offering Plan shall not relieve SPONSOR of its fiduciary and statutory obligations pursuant to GBL §§ 352(e)(2-b) and GBL Section 352-h.

3.2. ESCROW AGENT shall release the Deposit if so directed:

3.2.1. pursuant to terms and conditions set forth in the Offering Plan and Escrow Rider to the Purchase Agreement, upon closing of title to the Unit; or

3.2.2. in a subsequent writing signed by both SPONSOR and the Purchaser; or

3.2.3. by a final, non-appealable order or judgment of a court.

3.3. If the Deposits are not released pursuant to paragraph 3.2 and ESCROW AGENT receives a request by SPONSOR or Purchaser to release the Deposits, ESCROW AGENT shall give both parties prior written notice of not fewer than 30 days before releasing the Deposits. If ESCROW AGENT has not received notice of objection to the release of the Deposits at the expiration of the 30 day period, the Deposits shall be released and ESCROW AGENT shall provide further written notice to both parties informing them of the release of the Deposits. If ESCROW AGENT receives a written notice from either party objecting to the release of the Deposits within the 30 day period set forth in the notice, ESCROW AGENT shall continue to hold the Deposits until otherwise directed pursuant to paragraph 3.2. However, ESCROW AGENT shall also have the right at any time to deposit the Deposits with the clerk of a court in the county in which the Unit is located and shall give written notice to both parties of such deposit.

3.4. SPONSOR shall not object and will be deemed to have agreed, without the need for a written agreement, to the release of the Deposit to:

3.4.1. a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Offering Plan or an amendment to the Offering Plan, or

3.4.2. all Purchasers after an amendment abandoning the Offering Plan is accepted for filing by the Department of Law.

3.5. In the event SPONSOR and a Purchaser close title under the Purchase Agreement, ESCROW AGENT shall be entitled to release the Deposit to SPONSOR without the need for a written agreement from Purchaser.

4. RECORDKEEPING.

4.1. ESCROW AGENT shall maintain all records concerning the Master Escrow Account for seven (7) years after release of the funds.

4.2. Upon the dissolution of ESCROW AGENT, the former partners of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.

4.3. ESCROW AGENT shall make available to the Attorney General, upon request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1. ESCROW AGENT shall maintain the Master Escrow Account under its direct supervision and control.

5.2. A fiduciary relationship shall exist between ESCROW AGENT and Purchasers, and ESCROW AGENT acknowledges its fiduciary and statutory obligations under GBL §§ 352(e)(2-b) and 352(h).

5.3. ESCROW AGENT shall not be liable to SPONSOR for any error in judgment, mistake of fact or law or for any act or omission on ESCROW AGENT'S part, including, without limitation, any act or omission which permits a Purchaser to rescind a Purchase Agreement, unless taken or suffered in bad faith or in willful disregard of this Agreement or involving gross negligence on the part of ESCROW AGENT.

5.4. ESCROW AGENT shall be permitted to act as counsel for SPONSOR in any dispute as to the disbursement of the Deposit or any other dispute between SPONSOR and a Purchaser whether or not ESCROW AGENT is in possession of the Deposit and continues to act as ESCROW AGENT.

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

5.6. ESCROW AGENT may consult with legal counsel selected by it and the opinion of such counsel shall be full and complete authorization and protection to ESCROW AGENT in respect of any action taken or omitted in good faith by ESCROW AGENT hereunder in accordance with the opinion of such counsel.

5.7. The provisions of paragraphs 5.5 and 5.6 shall apply only to SPONSOR and nothing contained therein shall be in derogation of the rights of a Purchaser under Article 23-A of the GBL.

6. RESPONSIBILITIES OF SPONSOR.

6.1. SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall deliver all Deposits received by them prior to closing of an individual transaction to a designated attorney who is a partner of, or attorney or legal assistant employed by, ESCROW AGENT within two (2) business days of tender of the Deposit by a Purchaser, using such transmittal forms as required by ESCROW AGENT from time to time.

6.2. SPONSOR agrees that it shall not interfere with ESCROW AGENT'S performance of its fiduciary and statutory obligations set forth in GBL §§ 352(e)(2-b) and 352(h) and the Department of Law's regulations promulgated thereto.

6.3. SPONSOR shall obtain or cause the selling agent under the Offering Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from each Purchaser and deliver such form to ESCROW AGENT together with the Deposit and Purchase Agreement.

7. TERMINATION OF AGREEMENT.

7.1. This Agreement shall remain in effect unless and until it is cancelled by either:

7.1.1. Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment to the Offering Plan with the Department of Law providing for a successor escrow agent. Purchaser shall be deemed to have consented to such cancellation; or

7.1.2. The resignation of ESCROW AGENT upon giving notice to SPONSOR of its desire to so resign. Such resignation shall take effect on the date set forth in the notice from ESCROW AGENT, except such resignation shall take effect only upon the filing of an amendment to the Offering Plan with the Department of Law providing for a successor escrow agent with respect to Deposits held in the Master Escrow Account on the date of such resignation. Such amendment shall disclose the identity of the successor escrow agent, the bank in the State of New York where the Deposit is being held, and the account number in which the Deposits will be held, and shall be served on all Purchasers by SPONSOR; or

7.1.3. All units offered by SPONSOR pursuant to the Offering Plan have been sold and no Deposits of Purchasers from SPONSOR remain in the Master Escrow Account.

7.2. Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1.1 or 7.1.2, ESCROW AGENT shall deliver any and all funds held by ESCROW AGENT in escrow and any and all Purchase Agreements or documents maintained by ESCROW AGENT relating to such funds to the successor escrow agent.

8. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their respective successors and assigns.

9. GOVERNING LAW.

This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. ESCROW AGENT'S COMPENSATION.

SPONSOR agrees to pay ESCROW AGENT for services rendered by its attorneys and paralegals and expenses incurred by ESCROW AGENT in connection with this Agreement, including, without limitation, disputes arising with respect to the Deposit. SPONSOR shall not be charged with any administrative costs for maintenance of the Master Escrow Account. Prior to release of the Deposits, ESCROW AGENT'S fees and disbursements shall neither be paid by SPONSOR from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

11. SEVERABILITY.

If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. INDEMNIFICATION

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

13. ALTERNATE SECURITY

In the event SPONSOR is authorized by the Department of Law to post a Letter of Credit or Surety Bond as alternate security to secure all or a portion of the Deposits, ESCROW AGENT agrees to be the beneficiary of the Letter of Credit or Surety Bond and to act as fiduciary with respect to such Letter of Credit or Surety Bond for the benefit of Purchasers under the Offering Plan whose Deposits were released from escrow in accordance with the "Escrow and Trust Fund" section of the Offering Plan or an amendment to the Offering Plan.

14. ENTIRE AGREEMENT.

This Agreement, read together with GBL Sections 352-e(2-b) and 352-h, the Department of Law regulations, and the Escrow Rider to the Purchase Agreement, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT:

STARR ASSOCIATES LLP

By: Samantha Sheeber
Name: Samantha Sheeber
Title: Partner

SPONSOR:

SURREY PROPCO, LLC

By:
Name: Richard Stone
Title: President

CERTIFICATION OF SPONSOR AND PRINCIPALS

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PART 20: CERTIFICATION OF SPONSOR AND PRINCIPALS
CONCERNING THE OFFERING PLAN

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

Re: Condominium Offering Plan
The Surrey Condominium
20 East 76th Street
New York, NY 10021

We are the sponsor and the principals of sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

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

SPONSOR:

SURREY PROPCO, LLC

By: _____
Name: Richard Stone
Title: Authorized Signatory

PRINCIPALS OF SPONSOR:

_____
Richard Stone

_____
Eileen Sawyer

Severally sworn to before me
this 18 day of April, 2024

_____
Notary Public

ERIC ORENSTEIN
Notary Public, State of New York
No. 02OR6141733
Qualified in Nassau County
Commission Expires February 27, 2026

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

SPONSOR:

SURREY PROPCO, LLC

By: _____
Name: Richard Stone
Title: Authorized Signatory

PRINCIPALS OF SPONSOR:

_____
Richard Stone

_____
Eileen Sawyer

Severally sworn to before me
this 18 day of April, 2024

_____
Notary Public

ERIC ORENSTEIN
Notary Public, State of New York
No. 02OR6141733
Qualified in Nassau County
Commission Expires February 27, 2026

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CERTIFICATION OF ARCHITECT

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PART 20: CERTIFICATION OF ENGINEER OR ARCHITECT

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

Re: Condominium Offering Plan
The Surrey Condominium
20 East 76th Street
New York, NY 10021

Dear Sir/Madam:

The sponsor of the condominium offering plan to convert the captioned property to condominium ownership retained our firm to prepare a report describing the renovation of the property (the "Report"). We examined existing portions of the renovated property on 20 East 76th Street and the building plans and specifications that were prepared by BKSK Architects LLP dated February 16th, 2024 and prepared the Report dated May 22nd, 2024, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report.

We are a registered architect/licensed engineer in the State of New York.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

We certify that the Report:

(i) sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that we examined;

(ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that we examined;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and

(vii) does not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by and have no beneficial interest in the sponsor and that our compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

BKSK ARCHITECTS LLP

By: _____

Name: Todd Poisson
Title: Registered Architect

Sworn to before me this
22 day of May, 2024.

_____
Notary Public 5/22/24

RICH RICKABY
Notary Public - State of New York
NO. 01RI0014627
Qualified in New York County
My Commission Expires Oct 21, 2027

(Engineer's or Architect's Seal)

REGISTERED ARCHITECT
TODD ROBERT POISSON
No. 025568-1
STATE OF NEW YORK

240520_Form Architect Certification_BKSK Signed

CERTIFICATION OF BUDGET EXPERT

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PENMARK
PROPERTY ADVISORS, LLC

PART 20: CERTIFICATION BY EXPERT AS TO
ADEQUACY OF CONDOMINIUM BUDGET

May 15, 2024

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

Re: Condominium Offering Plan
The Surrey Condominium
20 East 76th Street
New York, NY 10021

Dear Sir/Madam:

The sponsor of the condominium offering plan for the captioned property retained our firm to prepare and review Schedules B and review Schedule B-1 (collectively, "Schedules") containing projections of income and expenses for the first year of condominium operation. Penmark Property Advisors, LLC is licensed as a real estate broker in the State of New York. The undersigned manager of the company has been engaged in the management residential real estate for over 40 years and has managed over 200 cooperative and condominium buildings during that period and is still active in management

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the Schedules.

We have reviewed the Schedules and investigated the facts set forth in the Schedules and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in the Schedules appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedules:

(i) set forth in detail the projected income and expenses for the first year of condominium operation;

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

PENMARK
PROPERTY ADVISORS, LLC

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income or expenses for the first year of condominium operation. This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

PENMARK PROPERTY ADVISORS, LLC

By: _____
Name: Leslie Bogen Winkler
Title: Manager

Sworn to before me this
16 day of May, 2024

_____
Notary Public

STUART B. SHAPIRO
Notary Public, State of New York
No. [illegible]
Qualified in New York County
Commission Expires Feb 02, 20[illegible]

PENMARK PROPERTY ADVISORS, LLC
250 EAST 87th STREET, 28G
NEW YORK, NY 10128
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CERTIFICATION OF BUDGET EXPERT
CONCERNING ADEQUACY OF COMMON CHARGES
PAYABLE BY THE HOTEL UNIT OWNER

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PART 20: CERTIFICATION BY EXPERT CONCERNING ADEQUACY OF COMMON CHARGES PAYABLE BY THE NON-RESIDENTIAL UNIT OWNER(S)

May 15, 2024

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

Re: Condominium Offering Plan
The Surrey Condominium
20 East 76th Street
New York, NY 10021

The sponsor of the condominium offering plan for the captioned property retained our firm to prepare Schedule B which includes projections of common charges payable by the owner of the non-residential unit. Penmark Property Advisors, LLC is licensed as a real estate broker in the State of New York. The undersigned Manager of the company has been engaged in the management of Residential real estate for over 40 years and has managed over 200 cooperative and condominium buildings during that period and is still active in management.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the non-residential unit listed in Schedule B.

We have reviewed Schedule B as it impacts upon the non-residential 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 buildings.

We certify that the projections in Schedule B for the common charges payable by the owner of the non-residential unit appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such non-residential unit for the projected first year of condominium operation, and that the allocation of common charges attributable to the non-residential unit also reflects special or exclusive use or availability or exclusive control of particular common areas.

We certify that the estimates in Schedule B for the common charges payable by the owner of the non-residential unit:

(i) sets forth in detail the projected common charges for the non-residential unit for the first year of condominium operation;

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(ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the common charges payable by the owner of the non-residential unit;

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where we:

(a) knew the truth;

(b)with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the non-residential unit for the first year of condominium operation.

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

PENMARK PROPERTY ADVISORS, LLC

By: _____
Name: Leslie Bogen Winkler
Title: Manager

Sworn to before me this
15 day of May, 2024

_____
Notary Public

STUART B. SHAPIRO
Notary Public, State of New York
No. 02SH6082248
Qualified in New York County
Commission Expires Feb 02, 2026

REAL PROPERTY LAW § 339-kk

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NEW YORK REAL PROPERTY LAW § 339-kk

§ 339-kk. Rents.

(a) For the purposes of this section, "non-occupying owner" shall mean a unit owner in a condominium association who does not occupy the dwelling unit.

(b) If a non-occupying owner rents any dwelling unit to a rental tenant and then fails to make payments due for Common Charges, assessments or late fees for such unit within sixty days of the expiration of any grace period after they are due, upon notice in accordance with subdivision (c) of this section, all rental payments from the tenant shall be directly payable to the condominium association.

(c) If the Common Charges, assessments or late fees due for any unit have not been paid in full, within sixty days after the expiration of any grace period of the earliest due date, the board of managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for Common Charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the board of managers have been elected by and from among the unit owners who are in occupancy, the board may elect not to require that rental payments be made payable to the condominium association. At such time as payments for Common Charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the board of managers, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim.

(d) Nothing in this section shall limit any rights of unit owners or of the board of managers existing under any other law or agreement.

(e) Payment by a rental tenant to the condominium association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

§HISTORY: Add, L 1998, ch 422, § 3, eff July 22, 1998 (see 1998 note below).

EDITOR'S NOTES:

Laws 1998, ch 422, §§ 4, 5, eff July 22, 1998, provide as follows:

§ 4. This act may be enforced by any party by means of a special proceeding brought pursuant to article 4 of the civil practice law and rules.

§5. This act shall take effect immediately, and is applicable to all cooperative corporations and condominiums in existence on or after such date.

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PROTECT YOUR FAMILY FROM LEAD IN YOUR HOME

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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

March 2021

Are You Planning to Buy or Rent a Home Built Before 1978?

Did you know that many homes built before 1978 have **lead-based paint**? Lead from paint, chips, and dust can pose serious health hazards.

Read this entire brochure to learn:

- How lead gets into the body
- How lead affects health
- What you can do to protect your family
- Where to go for more information

Before renting or buying a pre-1978 home or apartment, federal law requires:

- Sellers must disclose known information on lead-based paint or lead-based paint hazards before selling a house.
- Real estate sales contracts must include a specific warning statement about lead-based paint. Buyers have up to 10 days to check for lead.
- Landlords must disclose known information on lead-based paint or lead-based paint hazards before leases take effect. Leases must include a specific warning statement about lead-based paint.

If undertaking renovations, repairs, or painting (RRP) projects in your pre-1978 home or apartment:

- Read EPA's pamphlet, *The Lead-Safe Certified Guide to Renovate Right,* to learn about the lead-safe work practices that contractors are required to follow when working in your home (see page 12).

Simple Steps to Protect Your Family from Lead Hazards

If you think your home has lead-based paint:

- Don't try to remove lead-based paint yourself.
- Always keep painted surfaces in good condition to minimize deterioration.
- Get your home checked for lead hazards. Find a certified inspector or risk assessor at epa.gov/lead.
- Talk to your landlord about fixing surfaces with peeling or chipping paint.
- Regularly clean floors, window sills, and other surfaces.
- Take precautions to avoid exposure to lead dust when remodeling.
- When renovating, repairing, or painting, hire only EPA- or state-approved Lead-Safe certified renovation firms.
- Before buying, renting, or renovating your home, have it checked for lead-based paint.
- Consult your health care provider about testing your children for lead. Your pediatrician can check for lead with a simple blood test.
- Wash children's hands, bottles, pacifiers, and toys often.
- Make sure children eat healthy, low-fat foods high in iron, calcium, and vitamin C.
- Remove shoes or wipe soil off shoes before entering your house.

1

Lead Gets into the Body in Many Ways

Adults and children can get lead into their bodies if they:

- Breathe in lead dust (especially during activities such as renovations, repairs, or painting that disturb painted surfaces).
- Swallow lead dust that has settled on food, food preparation surfaces, and other places.
- Eat paint chips or soil that contains lead.

Lead is especially dangerous to children under the age of 6.

- At this age, 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.

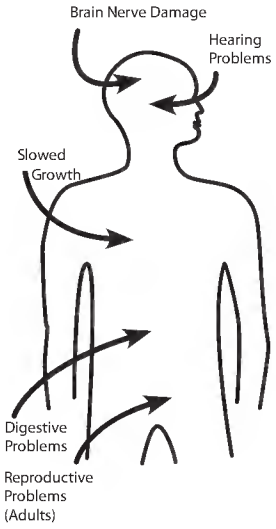
Women of childbearing age should know that lead is dangerous to a developing fetus.

- Women with a high lead level in their system before or during pregnancy risk exposing the fetus to lead through the placenta during fetal development.

Health Effects of Lead

Lead affects the body in many ways. It is important to know that even exposure to low levels of lead can severely harm children.

In children, exposure to lead can cause:



- Nervous system and kidney damage
- Learning disabilities, attention-deficit disorder, and decreased intelligence
- Speech, language, and behavior problems
- Poor muscle coordination
- Decreased muscle and bone growth
- Hearing damage

While low-lead exposure is most common, exposure to high amounts of lead can have devastating effects on children, including seizures, unconsciousness, and in some cases, death.

Although children are especially susceptible to lead exposure, lead can be dangerous for adults, too.

In adults, exposure to lead can cause:

- Harm to a developing fetus
- Increased chance of high blood pressure during pregnancy
- Fertility problems (in men and women)
- High blood pressure
- Digestive problems
- Nerve disorders
- Memory and concentration problems
- Muscle and joint pain

Check Your Family for Lead

Get your children and home tested if you think your home has lead.

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 lead. Blood lead 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.

Where Lead-Based Paint Is Found

In general, the older your home or childcare facility, the more likely it has lead-based paint.[1]

Many homes, including private, federally-assisted, federally-owned housing, and childcare facilities built before 1978 have lead-based paint. In 1978, the federal government banned consumer uses of lead-containing paint.[2]

Learn how to determine if paint is lead-based paint on page 7.

Lead can be found:

- In homes and childcare facilities in the city, country, or suburbs,
- In private and public single-family homes and apartments,
- On surfaces inside and outside of the house, and
- 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.)

Learn more about where lead is found at epa.gov/lead.

[1] "Lead-based paint" is currently defined by the federal government as paint with lead levels greater than or equal to 1.0 milligram per square centimeter (mg/cm^2), or more than 0.5% by weight.

[2] "Lead-containing paint" is currently defined by the federal government as lead in new dried paint in excess of 90 parts per million (ppm) by weight.

Identifying Lead-Based Paint and Lead-Based Paint Hazards

Deteriorated lead-based paint (peeling, chipping, chalking, cracking, or damaged paint) is a hazard and needs immediate attention. **Lead-based paint** may also be a hazard when found on surfaces that children can chew or that get a lot of wear and tear, such as:

- On windows and window sills
- Doors and door frames
- Stairs, railings, banisters, and porches

Lead-based paint is usually not a hazard if it is in good condition and if it is not on an impact or friction surface like a window.

Lead dust can form when lead-based paint is scraped, sanded, or heated. Lead dust also forms when painted surfaces containing lead bump or rub together. Lead paint chips and dust can get on surfaces and objects that people touch. Settled lead dust can reenter the air when the home is vacuumed or swept, or when people walk through it. EPA currently defines the following levels of lead in dust as hazardous:

- 10 micrograms per square foot ($\mu g/ft^2$) and higher for floors, including carpeted floors
- 100 $\mu g/ft^2$ 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. EPA currently defines the following levels of lead in soil as hazardous:

- 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

Remember, lead from paint chips—which you can see—and lead dust—which you may not be able to see—both can be hazards.

The only way to find out if paint, dust, or soil lead hazards exist is to test for them. The next page describes how to do this.

Checking Your Home for Lead

You can get your home tested for lead in several different ways:

- A lead-based paint **inspection** tells you if your home has lead-based paint and where it is located. It won't tell you whether your home currently has lead hazards. A trained and certified testing professional, called a lead-based paint inspector, will conduct a paint inspection using methods, such as:
  - Portable x-ray fluorescence (XRF) machine
  - Lab tests of paint samples

- A **risk assessment** tells you if your home currently has any lead hazards from lead in paint, dust, or soil. It also tells you what actions to take to address any hazards. A trained and certified testing professional, called a risk assessor, will:
  - Sample paint that is deteriorated on doors, windows, floors, stairs, and walls
  - Sample dust near painted surfaces and sample bare soil in the yard
  - Get lab tests of paint, dust, and soil samples
- A combination inspection and risk assessment tells you if your home has any lead-based paint and if your home has any lead hazards, and where both are located.

Be sure to read the report provided to you after your inspection or risk assessment is completed, and ask questions about anything you do not understand.

Checking Your Home for Lead, continued

In preparing for renovation, repair, or painting work in a pre-1978 home, Lead-Safe Certified renovators (see page 12) may:

- Take paint chip samples to determine if lead-based paint is present in the area planned for renovation and send them to an EPA-recognized lead lab for analysis. In housing receiving federal assistance, the person collecting these samples must be a certified lead-based paint inspector or risk assessor
- Use EPA-recognized tests kits to determine if lead-based paint is absent (but not in housing receiving federal assistance)
- Presume that lead-based paint is present and use lead-safe work practices

There are state and federal programs in place to ensure that testing is done safely, reliably, and effectively. Contact your state or local agency for more information, visit epa.gov/lead, or call **1-800-424-LEAD (5323)** for a list of contacts in your area.[3]

[3] Hearing- or speech-challenged individuals may access this number through TTY by calling the Federal Relay Service at 1-800-877-8339.

What You Can Do Now to Protect Your Family

If you suspect that your house has lead-based paint hazards, you can take some immediate steps to reduce your family's risk:

- If you rent, notify your landlord of peeling or chipping paint.
- Keep painted surfaces clean and free of dust. Clean floors, window frames, window sills, and other surfaces weekly. Use a mop or sponge with warm water and a general all-purpose cleaner. (Remember: never mix ammonia and bleach products together because they can form a dangerous gas.)
- Carefully clean up paint chips immediately without creating dust.
- Thoroughly rinse sponges and mop heads often during cleaning of dirty or dusty areas, and again afterward.
- Wash your hands and your 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, or eating soil.
- When renovating, repairing, or painting, hire only EPA- or state-approved Lead-Safe Certified renovation firms (see page 12).
- 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

Disturbing lead-based paint or removing lead improperly can increase the hazard to your family by spreading even more lead dust around the house.

- In addition to day-to-day cleaning and good nutrition, you can **temporarily** reduce lead-based paint hazards by taking actions, such as repairing damaged painted surfaces and planting grass to cover lead-contaminated soil. These actions are not permanent solutions and will need ongoing attention.
- You can minimize exposure to lead when renovating, repairing, or painting by hiring an EPA- or state-certified renovator who is trained in the use of lead-safe work practices. If you are a do-it-yourselfer, learn how to use lead–safe work practices in your home.
- To remove lead hazards permanently, 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 control.

Always use a certified contractor who is trained to address lead hazards safely.

- Hire a Lead-Safe Certified firm (see page 12) to perform renovation, repair, or painting (RRP) projects that disturb painted surfaces.
- To correct lead hazards permanently, hire a certified lead abatement contractor. This will ensure your contractor knows how to 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.

Reducing Lead Hazards, continued

If your home has had lead abatement work done or if the housing is receiving federal assistance, once the work is completed, dust cleanup activities must be conducted until clearance testing indicates that lead dust levels are below the following levels:

- 10 micrograms per square foot (µg/ft^2) for floors, including carpeted floors
- 100 µg/ft^2 for interior windows sills
- 400 µg/ft^2 for window troughs

Abatements are designed to permanently eliminate lead-based paint hazards. However, lead dust can be reintroduced into an abated area.

- Use a HEPA vacuum on all furniture and other items returned to the area, to reduce the potential for reintroducing lead dust.
- Regularly clean floors, window sills, troughs, and other hard surfaces with a damp cloth or sponge and a general all-purpose cleaner.

Please see page 9 for more information on steps you can take to protect your home after the abatement. For help in locating certified lead abatement professionals in your area, call your state or local agency (see pages 15 and 16), epa.gov/lead, or call 1-800-424-LEAD.

Renovating, Repairing or Painting a Home with Lead-Based Paint

If you hire a contractor to conduct renovation, repair, or painting (RRP) projects in your pre-1978 home or childcare facility (such as pre-school and kindergarten), your contractor must:

- Be a Lead-Safe Certified firm approved by EPA or an EPA-authorized state program
- Use qualified trained individuals (Lead-Safe Certified renovators) who follow specific lead-safe work practices to prevent lead contamination
- Provide a copy of EPA's lead hazard information document, *The Lead-Safe Certified Guide to Renovate Right*

RRP contractors working in pre-1978 homes and childcare facilities must follow lead-safe work practices that:

- **Contain the work area.** The area must be contained so that dust and debris do not escape from the work area. Warning signs must be put up, and plastic or other impermeable material and tape must be used.
- **Avoid renovation methods that generate large amounts of lead-contaminated dust.** Some methods generate so much lead-contaminated dust that their use is prohibited. They are:
  - Open-flame burning or torching
  - Sanding, grinding, planing, needle gunning, or blasting with power tools and equipment not equipped with a shroud and HEPA vacuum attachment
  - Using a heat gun at temperatures greater than 1100°F
- **Clean up thoroughly.** The work area should be cleaned up daily. When all the work is done, the area must be cleaned up using special cleaning methods.
- **Dispose of waste properly.** Collect and seal waste in a heavy duty bag or sheeting. When transported, ensure that waste is contained to prevent release of dust and debris.

To learn more about EPA's requirements for RRP projects, visit epa.gov/getleadsafe, or read *The Lead-Safe Certified Guide to Renovate Right.*

Other Sources of Lead

Lead in Drinking Water

The most common sources of lead in drinking water are lead pipes, faucets, and fixtures.

Lead pipes are more likely to be found in older cities and homes built before 1986.

You can't smell or taste lead in drinking water.

To find out for certain if you have lead in drinking water, have your water tested.

Remember older homes with a private well can also have plumbing materials that contain lead.

Important Steps You Can Take to Reduce Lead in Drinking Water

- Use only cold water for drinking, cooking and making baby formula. Remember, boiling water does not remove lead from water.
- Before drinking, flush your home's pipes by running the tap, taking a shower, doing laundry, or doing a load of dishes.
- Regularly clean your faucet's screen (also known as an aerator).
- If you use a filter certified to remove lead, don't forget to read the directions to learn when to change the cartridge. Using a filter after it has expired can make it less effective at removing lead.

Contact your water company to determine if the pipe that connects your home to the water main (called a service line) is made from lead. Your area's water company can also provide information about the lead levels in your system's drinking water.

For more information about lead in drinking water, please contact EPA's Safe Drinking Water Hotline at 1-800-426-4791. If you have other questions about lead poisoning prevention, call 1-800 424-LEAD.*

Call your local health department or water company to find out about testing your water, or visit epa.gov/safewater for EPA's lead in drinking water information. Some states or utilities offer programs to pay for water testing for residents. Contact your state or local water company to learn more.

* Hearing- or speech-challenged individuals may access this number through TTY by calling the Federal Relay Service at 1-800-877-8339.

Other Sources of Lead, continued

- **Lead smelters** or other industries that release lead into the air.
- **Your job.** If you work with lead, you could bring it home on your body or clothes. Shower and change clothes before coming home. Launder your work clothes separately from the rest of your family's clothes.
- **Hobbies** that use lead, such as making pottery or stained glass, or refinishing furniture. Call your local health department for information about hobbies that may use lead.
- Old **toys** and **furniture** may have been painted with lead-containing paint. Older toys and other children's products may have parts that contain lead.[4]
- Food and liquids cooked or stored in **lead crystal** or **lead-glazed pottery or porcelain** may contain lead.
- Folk remedies, such as **"greta"** and **"azarcon,"** used to treat an upset stomach.

[4] In 1978, the federal government banned toys, other children's products, and furniture with lead-containing paint. In 2008, the federal government banned lead in most children's products. The federal government currently bans lead in excess of 100 ppm by weight in most children's products.

For More Information

The National Lead Information Center
Learn how to protect children from lead poisoning and get other information about lead hazards on the Web at epa.gov/safewater and hud.gov/lead, or call **1-800-424-LEAD (5323).**

EPA's Safe Drinking Water Hotline
For information about lead in drinking water, call **1-800-426-4791**, or visit epa.gov/lead for information about lead in drinking water.

Consumer Product Safety Commission (CPSC) Hotline
For information on lead in toys and other 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 cpsc.gov or saferproducts.gov.

State and Local Health and Environmental Agencies
Some states, tribes, and cities have their own rules related to lead-based paint. 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 state or local contacts on the Web at epa.gov/safewater, or contact the National Lead Information Center at **1-800-424-LEAD.**

Hearing- or speech-challenged individuals may access any of the phone numbers in this brochure through TTY by calling the toll-free Federal Relay Service at **1-800-877-8339**.

U. S. Environmental Protection Agency (EPA) Regional Offices

The mission of EPA is to protect human health and the environment. Your Regional EPA Office can provide further information regarding regulations and lead protection programs.

Region 1 (Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island, Vermont)

Regional Lead Contact
U.S. EPA Region 1
5 Post Office Square, Suite 100, OES 05-4
Boston, MA 02109-3912
(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 205, Mail Stop 225
Edison, NJ 08837-3679
(732) 906-6809

Region 3 (Delaware, Maryland, Pennsylvania, Virginia, DC, West Virginia)

Regional Lead Contact
U.S. EPA Region 3
1650 Arch Street
Philadelphia, PA 19103
(215) 814-2088

Region 4 (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)

Regional Lead Contact
U.S. EPA Region 4
AFC Tower, 12th Floor, Air, Pesticides & Toxics
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 (LL-17J)
77 West Jackson Boulevard
Chicago, IL 60604-3666
(312) 353-3808

Region 6 (Arkansas, Louisiana, New Mexico, Oklahoma, Texas, and 66 Tribes)

Regional Lead Contact
U.S. EPA Region 6
1445 Ross Avenue, 12th Floor
Dallas, TX 75202-2733
(214) 665-2704

Region 7 (Iowa, Kansas, Missouri, Nebraska)

Regional Lead Contact
U.S. EPA Region 7
11201 Renner Blvd.
Lenexa, KS 66219
(800) 223-0425

Region 8 (Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming)

Regional Lead Contact
U.S. EPA Region 8
1595 Wynkoop St.
Denver, CO 80202
(303) 312-6966

Region 9 (Arizona, California, Hawaii, Nevada)

Regional Lead Contact
U.S. EPA Region 9 (CMD-4-2)
75 Hawthorne Street
San Francisco, CA 94105
(415) 947-4280

Region 10 (Alaska, Idaho, Oregon, Washington)

Regional Lead Contact
U.S. EPA Region 10 (20-C04)
Air and Toxics Enforcement Section
1200 Sixth Avenue, Suite 155
Seattle, WA 98101
(206) 553-1200

Consumer Product Safety Commission (CPSC)

The CPSC protects the public against unreasonable risk of injury from consumer products through education, safety standards activities, and enforcement. Contact CPSC for further information regarding consumer product safety and regulations.

CPSC
4330 East West Highway
Bethesda, MD 20814-4421
1-800-638-2772
cpsc.gov or saferproducts.gov

U. S. Department of Housing and Urban Development (HUD)

HUD's mission is to create strong, sustainable, inclusive communities and quality affordable homes for all. Office of Lead Hazard Control and Healthy Homes for further information regarding the Lead Safe Housing Rule, which protects families in pre-1978 assisted housing, and for the lead hazard control and research grant programs.

HUD
451 Seventh Street, SW, Room 8236
Washington, DC 20410-3000
(202) 402-7698
hud.gov/lead

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U. S. EPA Washington DC 20460
U. S. CPSC Bethesda MD 20814
U. S. HUD Washington DC 20410

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IMPORTANT!

Lead From Paint, Dust, and Soil in and Around Your Home Can Be Dangerous if Not Managed Properly

- Children under 6 years old are most at risk for lead poisoning in your home.
- Lead exposure can harm young children and babies even before they are born.
- Homes, schools, and child care facilities built before 1978 are likely to contain lead-based paint.
- Even children who seem healthy may have dangerous levels of lead in their bodies.
- Disturbing surfaces with lead-based paint or removing lead-based paint improperly can increase the danger to your family.
- People can get lead into their bodies by breathing or swallowing lead dust, or by eating soil or paint chips containing lead.
- People have many options for reducing lead hazards. Generally, lead-based paint that is in good condition is not a hazard (see page 10).

NEW YORK CITY LOCAL LAW 1 OF 2004

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Local Law 1 - NYC Lead Poisoning Prevention Law Information for Tenants

The text below is a printer-friendly version of the New York City Department of Health and Mental Hygiene (DOHMH) brochure for tenants entitled, "Fix Lead Paint". For additional information on lead poisoning, go to www.nyc/lead or call 311.

Fix Lead Paint Hazards:

What Landlords Must Do and Every Tenant Should Know

Lead Can Cause Learning Problems

Lead is a poison often found in old paint. Peeling lead paint is the most common cause of lead poisoning in young children. Lead dust from peeling paint can land on window sills, floors, and toys. When children play on the floor and put their hands and toys in their mouths, they can swallow lead dust.

Preventing Lead Poisoning: What the Law Requires

In New York City, Local Law 1 of 2004 requires landlords to identify and fix lead paint hazards in the apartments of young children. This law applies to your apartment if:

- The building was built before 1960 (or between 1960 and 1978 if the owner knows that the building has lead paint), and
- The building has 3 or more apartments, and
- A child under the age of 6 lives in your apartment.

What Are Lead Paint Hazards?

- Dust from lead paint.
- Peeling or damaged lead paint.
- Lead paint on:
  - Crumbling plaster or rotted wood.
  - Doors and windows that stick or rub together.
  - Window sills and any other surfaces that have been chewed on by children.

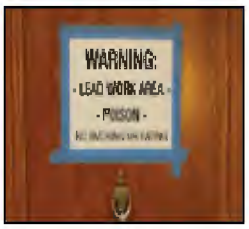
Things Landlords Must Do

- In buildings covered by Local Law 1, landlords must find out if any children younger than 6 years live in the building and inspect those apartments for lead paint hazards **every year**.
- Landlords must use safe work practices and trained workers when fixing lead paint hazards and when doing general repair work that disturbs lead paint.
- Local Law 1 requires landlords to use firms certified by the U.S. Environmental Protection Agency when disturbing more than 100 square feet of lead paint, replacing windows, or fixing violations issued by the New York City Department of Housing Preservation and Development (HPD).
- Landlords must repair lead paint hazards **before** a new tenant moves into an apartment.
- Landlords must keep records of all notices, inspections, repairs of lead paint hazards, and other matters related to the law. HPD may ask the landlord for copies of this paperwork.

Before repair work begins, landlords must make sure that trained workers:

Local Law 1 - NYC Lead Poisoning Prevention Law
Information for Tenants

- Post warning signs outside the work area.
- Tell tenants to stay out of the work area.
- Clean the work area with wet mops or HEPA vacuums.
- Remove all items that can be moved from the work area.
- Cover furniture that cannot be moved.
- Seal floors, doors, and other openings with plastic and waterproof tape.



While repair work is going on, landlords must make sure trained workers clean the work area every day with wet mops and HEPA vacuums.

Landlords and contractors must NEVER dry-scrape or dry-sand lead paint.

After repair work is finished, landlords must:

- Hire only trained workers to clean the work area with wet mops and HEPA vacuums.
- Hire a company or individual trained to take "clearance dust wipes" to make sure lead dust levels are below: 40 mcg/sf for floors, 250 mcg/sf for window sills, and 400 mcg/sf for window wells (mcg/sf = micrograms of lead per square foot). If levels are higher, clean-up must be repeated and the dust wipes taken again.
- Give a copy of clearance dust wipe results to the tenant.

Things Tenants Must Do

- Tenants must fill out and return the ANNUAL NOTICE form they receive each year from their landlord. This form tells your landlord if any children younger than 6 years live in your apartment.
- Wash floors, window sills, hands, toys, and pacifiers often.
- Remind your doctor to test your child for lead poisoning at ages 1 and 2. Ask the doctor about testing older children.
- If a child younger than 6 comes to live with you during the year or if you have a baby, you must notify your landlord in writing.

Tenants should also:

- Report peeling paint in your apartment to your landlord.
- Call 311 if your landlord does not fix peeling paint or if you think repair work is being done unsafely.

Call 311 to

- **Report unsafe work practices.**
- **Learn more about how to prevent lead poisoning.**
- **Find out where to get your child tested for lead poisoning, and for diagnosis and treatment information.**
- **Order more copies of this brochure or other materials on lead poisoning prevention.**

Owners of multiple dwellings (3 or more apartments) must give this brochure to tenants when they sign a lease or move into an apartment if the multiple dwelling was built before 1960, or was built between 1960 and 1978 if the owner knows that the building has lead paint. This brochure contains basic information about Local Law 1 of 2004 and is provided for your convenience only. For a copy of the law and applicable rules go to nyc.gov/hpd.