CONDOMINIUM OFFERING PLAN FOR

118 WEST 13TH STREET CONDOMINIUM

118 West 13th Street
New York, New York 10011

Total Initial Offering Price for 8 Residential Units	$82,000,000.00
Total Initial Offering Price for 8 Storage Units*	$0.00
Total Initial Offering Price	$82,000,000.00

*One (1) Storage Unit will be included in the sale of each Residential Unit.

SPONSOR:	SELLING AGENT:
118 West 13th Street Owner LLC c/o Slate Property Group 440 Park Avenue South, 3rd Floor New York, New York 10016	Compass Development Marketing Group 90 Fifth Avenue New York, New York 10011

Date of Acceptance for Filing: _____, 2025.

The term of the initial offer is twelve (12) months commencing on the Date of Acceptance for Filing. The term may be extended by a duly filed amendment to the offering plan.

BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT RATHER THAN SELL UNITS AFTER CONSUMMATION, THIS PLAN MAY NOT RESULT IN THE CREATION OF A CONDOMINIUM IN WHICH A MAJORITY OF THE UNITS ARE OWNED BY OWNER-OCCUPANTS OR INVESTORS UNRELATED TO THE SPONSOR. PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE BOARD OF MANAGERS UNDER THE TERMS OF THIS PLAN. (SEE SPECIAL RISKS SECTION OF THE PLAN).

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

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PART I

A. SPECIAL RISKS TO BE CONSIDERED BY PURCHASERS

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. All capitalized terms are defined throughout the Plan.

1. **Use of Units**. 118 West 13th Street Condominium (the "Condominium") contains eight (8) Residential Units that are being offered for sale under this Offering Plan (each a "Residential Unit" and collectively the "Residential Units"). Each Residential Unit includes a deed for a Storage Unit (each a "Storage Unit" and collectively the "Storage Units"). The Residential Units may generally be used only for residential purposes and, subject to compliance with the Declaration and the By-Laws, for lawful home occupation as defined in the New York City zoning resolution; and may be leased by the Unit Owners thereof to tenants only for periods of not less than one year. Subject to the certificate of occupancy for the Building, Legal Requirements and the By-Laws, the Storage Units may only be used for storage purposes by a Unit Owner or tenant of a Residential Unit. The Unsold Units may be leased by Sponsor, its designee or by an owner of Unsold Units for any period of time, for any use and on any terms which are consistent with the then existing certificate of occupancy for the Building.

In no event may any of the Storage Units be used as a dwelling space. To do so may result in a violation placed against the Building by DOB that will be the obligation of the Unit Owner to remove. Since the Storage Units are located in the Cellar of the Building, which is a below-grade area, neither the Board nor Sponsor can make any representation that the Storage Units will remain dry or will not experience any water infiltration and neither the Board nor Sponsor will be responsible for any damage to items stored within the Storage Units. Unit Owners who store items in the Storage Units do so entirely at their own risk and Unit Owners are advised to consult with their insurance brokers regarding appropriate coverage for such items. Those Rules and Regulations of the Condominium which are applicable to the Residential Units shall also be applicable to the Storage Units.

2. **Financial Crimes Enforcement Network Disclosure**. Purchasers are advised that the Director of the Financial Crimes Enforcement Network, U.S. Department of the Treasury ("FinCEN"), has recently extended and expanded an earlier issued Geographic Targeting Order ("Order") that applies to any corporation, partnership, limited liability company, or other similar business entity ("Covered Purchaser") using cash, or a cashier's check, certified check, traveler's check or money order in any form, whether wholly or in part, without a bank loan or other similar form of external financing, to purchase a residential unit in the Borough of Manhattan from Sponsor for a total price in excess of $300,000 (a "Covered Transaction"). The Order provides that in the event a Covered Purchaser enters into a Covered Transaction, the Covered Purchaser shall be required to deliver to the Title Company at Closing all documents and information necessary in order for the Title Company to comply with the requirements set forth in the Order, including without limitation the requirement to file a completed FinCEN Form 8300. Any failure by the

Covered Purchaser to deliver such documents and information shall be deemed an Event of Default under the Agreement. Purchasers are advised to refer to the text of the Order itself for further details: https://www.fincen.gov/news_room/nr/files/Real_Estate_GTO-NYC.pdf. If it is determined that the Condominium is deemed a "reporting company" under the Corporate Transparency Act ("CTA"), "beneficial owners" (as such term is defined under the CTA) may be required to provide certain disclosures to FinCen.

3. **Sponsor's Obligations to Sell**. Sponsor will endeavor in good faith to sell all of the Units in a reasonably timely manner; however, there is no certainty as to the period of time required to sell all of the Units. Sponsor may unconditionally elect to rent rather than sell the Units from time to time after the consummation of the Plan. Residents of the Condominium may be comprised of Unit Owners and tenants leasing from Sponsor or other Unit Owners. Accordingly, it is possible that a significant proportion of Unit Owners will not be Residents of the Building and that a significant portion of tenants in the Building may not be Unit Owners, and a Unit Owner seeking to resell or refinance a Unit may experience difficulty. Further, Residents of the Condominium who are not Unit Owners have no investment in their Units and, therefore, do not share the same economic interests as Unit Owners in the maintenance and care of the Building's facilities and amenities. Owner-occupants and non-Resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e., purchase as a home as opposed to as an investment). Because Sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no commitment to sell more Residential Units than the fifteen percent (15%) necessary to declare the Plan effective (i.e., two (2) Residential Units), and owner-occupants may not gain control and management of the Condominium until the expiration of the Initial Control Period.

Sponsor has obtained construction financing from Cerco Bridge Loans 6 LLC ("Construction Lender"), with an office at 251 Little Falls Drive, Wilmington, DE 19808, in an aggregate amount of up to $13,500,000.00 (the "Sponsor's Loan"). Sponsor's Loan has a maturity date of April 19, 2026 (which is subject to extension), in accordance with the terms of the documents governing Sponsor's Loan, including, without limitation, a mortgage, loan agreement and other documents securing the making of Sponsor's Loan (collectively, the "Loan Documents"). At the time of the First Closing, Sponsor will subordinate the lien of its mortgage to the Declaration, and at each Unit closing, Construction Lender will release its lien on said Unit and its interest in the Common Elements, each subject to and in accordance with the Loan Documents. There are minimum release prices for each Unit set by Construction Lender that must be paid to Construction Lender at Closing in order for Construction Lender to release its lien from the Unit being sold. The Loan Documents also grant additional security rights to Construction Lender in the case of a default by Sponsor under the Loan Documents, including, e.g., resignation of members of Sponsor's members and officers serving on the Board and allowing Construction Lender to appoint replacement members, voting proxies and assignment of Sponsor's rights under the Condominium Documents. Construction Lender has not required a different minimum number or percentage of Residential Units which must be under contract before the Plan may be declared effective. See the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further detail.

4. **Effectiveness**. Sponsor's offer to sell the Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20.3(q) of Title 13 NYCRR (i.e., agreements signed by bona fide Purchasers for fifteen percent (15%) of the Residential Units offered under the Plan). Sponsor may declare the Plan effective after selling a minimum of fifteen percent (15%) of the Residential Units offered for sale in the Building (i.e., two (2) Residential Units). If all Purchase Agreements are either rescinded or terminated prior to the date of the first Residential Unit closing, regardless of whether the Declaration has been recorded, Sponsor must re-declare the Offering Plan effective. Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to submit the Property to a condominium regime and convey Units with fewer than a minimum number of sales if Purchasers counted towards effectiveness do not ultimately purchase a Residential Unit. Please refer to the Section entitled "Effective Date" in Part I of the Plan for further details.

The Plan may, at the option of Sponsor, be abandoned (a) at any time before it is declared effective and (b) after it is declared effective in the event of: (1) the existence of one or more title defects affecting any one or more Units or the Property that cannot be removed, cured or complied with or without litigation or for less than one-half of one percent of the Total Offering; (2) 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 one-half of one percent of the Total Offering; or (3) a taking of all or part of the Property in condemnation proceedings or by eminent domain. See the Sections entitled "Description of Property and Improvements" and the "Rights and Obligations of Unit Owners and the Condominium Board" in Part I of the Plan for further discussion.

5. **Financing**. Although a Purchaser may obtain financing from a lending institution or any other source, his or her obligation to purchase a Residential Unit pursuant to his or her Agreement shall not be contingent on obtaining financing for such purchase. Neither Sponsor nor the Selling Agent makes any representations as to the terms or availability of any mortgage financing. Prospective Purchasers are, therefore, advised to pre-qualify for financing with their lender before signing an Agreement. However, prospective Purchasers should be aware that even if a loan commitment is obtained, its term may be fixed, and it could expire before the Closing Date. In addition, given the current economic climate, a lending institution could withdraw its commitment if, for example, it believes a Purchaser's financial condition has worsened or that the Residential Unit's appraised value has decreased. Any prospective Purchaser who executes a Purchase Agreement and does not obtain financing may lose his or her deposit if he or she is unable to otherwise raise the monies for the balance of the Purchase Price. Prospective Purchasers who require financing are advised to consult with a lending institution before execution of a Purchase Agreement. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan for further details.

If Purchaser obtains a mortgage loan for the purchase of the Residential Unit (the "Purchase Money Mortgage"), the Purchaser will pay to Sponsor a sum equal to the partial mortgage tax credit to which the Purchaser may be entitled pursuant of Section 339-ee(2) of the Condominium Act, which sum shall be paid as a reimbursement for the mortgage recording tax previously paid by Sponsor in connection with any existing mortgage(s). Alternatively, Sponsor will require a

Purchaser who is financing the purchase of said Residential Unit with a Purchase Money Mortgage, to cause the lender making such loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to the Purchase Money Mortgage as determined by Sponsor. Upon such assignment, that portion of the Purchase Money Mortgage assigned by Sponsor, will be exempt from mortgage recording tax under Section 255 of the Real Property Tax Law. Sponsor shall be solely entitled to the benefits of such exemption and accordingly, Purchaser must pay to Sponsor an amount equal to the mortgage recording tax which would have otherwise been due in connection with the recording of the Purchase Money Mortgage.

The severance and assignment of a portion of the mortgage on the Property, as contemplated herein, would not result in any additional risk to the Purchaser. Any severance/assignment transaction will be initiated only after financing has been procured by Purchaser. In the event the severance and assignment transaction is initiated and fails to take place which results in the loss of Purchaser's financing commitment, then Purchaser will be entitled to an opportunity to obtain new financing, if Purchaser so elects. In the event the Purchaser's lender refuses to take the assignment, the Purchaser will be required to pay the mortgage recording tax and reimburse the equivalent amount to the Sponsor.

Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on loans. Some restrictions include requiring that a certain percentage (up to 70% or more) of the residential units in a building be sold before the lender will consider making a loan. Even after the first closing has occurred, lenders may still impose minimum sales requirements as a condition to making a loan for which commitments have been issued. It may be possible for a purchaser to experience difficulty obtaining a loan in a building where the percentage of residential units purchased is lower than a lender's particular sales minimum. Moreover, in the current economic climate, lenders are imposing higher loan to value requirements, making it more difficult for purchasers to obtain a loan to finance the purchase of their residential unit. See the Section entitled "Procedure to Purchase" in Part I of the Plan for further details.

To the extent permitted by applicable Law, the provisions of the Declaration and By-Laws may comply with certain requirements of Federal National Mortgage Association ("Fannie Mae") and the Federal Housing Authority ("FHA"). Sponsor, at its sole cost and expense, may file applications with Fannie Mae and FHA in order to have the Condominium added to a list of "approved" condominiums. There is no guaranty or assurance that Sponsor will complete said applications or satisfy the criteria for approvals, or in the event that either or both of the Fannie Mae and FHA requirements are satisfied, whether the Condominium will continue to satisfy such criteria. Purchasers should further be advised that if FHA approval is granted to the Condominium, no more than thirty percent (30%) of the total Residential Units may be encumbered by FHA securitized, guaranteed or insured loans. It shall not be a basis for a Purchaser to rescind an Agreement if for any reason, Sponsor's application to either or both of Fannie Mae and FHA, is not submitted or approved. In addition, in accordance with the requirements of Fannie Mae and FHA, at least ten percent (10%) of the total operating budget for the first year of Condominium operation, or a lesser amount pursuant to a reserve study, is required to be set aside for a capital repair and reserve fund in order to fund the reserve contributions for capital expenditures and deferred maintenance (the "Reserve Fund"), as more particularly described in the projected

"Budget for First Year of Condominium Operation, Schedule B", in Part I of the Plan and Exhibit 16 "Reserve Study" in Part II of the Plan. There is no guarantee or assurance that the Reserve Fund will be provided as a line item in the operating budget after the first year of Condominium operation or that Purchasers will be able to obtain mortgages insured by Fannie Mae and/or FHA. The Board reserves the right, in its sole discretion (including without limitation during the Initial Control Period) to use the Reserve Fund towards any capital expenditures it deems appropriate. The Reserve Fund can only be used for the repair and replacement of the Common Elements. Please refer to the Section entitled "Introduction" in Part I of the Plan and Exhibit 16 "Reserve Study" in Part II of the Plan for additional details.

6. **Purchase Payments**. The agreement to acquire a Residential Unit is a Residential Unit Purchase Agreement (referred to herein as the "Purchase Agreement" or the "Agreement"). At the time an Agreement is executed, a Purchaser is required to make a payment in an amount equal to at least ten percent (10%) of the Purchase Price (the "Initial Deposit"); and an additional deposit equal to 5% of such Purchase Price (the "Additional Deposit") is due and payable no later than the earlier to occur of: (x) six (6) months after the date of the Agreement; or (y) thirty (30) days after Sponsor serves Purchaser with written notice of an amendment to the Offering Plan declaring the same effective, but in no event later than the closing of title to the Residential Unit; provided, however, that with respect to Agreements entered into after the Offering Plan has been declared effective, Sponsor reserves the right to require both the Initial Deposit and the Additional Deposit due and payable upon execution of the Agreement. The term "Deposit" or "Payment" as used herein refers to both the Initial Deposit and, if the same has been paid at the time in question, the Additional Deposit. At the Closing, the Deposit will be applied to the Purchase Price of the Residential Unit. In the event Purchaser fails to close through no fault of the Sponsor, the Sponsor will retain the Payment unless the Attorney General's Regulations or this Plan provide to the contrary.

Foreign governments and persons with diplomatic immunity will be obligated to make an Initial Deposit in an amount equal to at least fifty percent (50%) of the Purchase Price on the execution of an Agreement. In the event a Purchaser defaults under his or her Agreement and does not cure such default within thirty (30) days after Sponsor gives written notice to the Purchaser of such default, Sponsor may, at its option, cancel such Agreement and retain, as liquidated damages, the entire Payment made by the Purchaser, together with interest earned thereon, if any. TIME IS OF THE ESSENCE (described in the Definitions section below) as to a Purchaser's obligations under the Agreement, including, without limitation, timely payment of the balance of the Purchase Price.

The Deposit will be held in escrow by the Escrow Agent pursuant to the terms of this Offering Plan. See the Section of the Plan entitled "Procedure to Purchase" for additional details.

7. **Default**. The only construction prerequisite to Closing is the issuance of (i) a temporary certificate of occupancy ("TCO") for the Residential Unit or (ii) a final certificate of occupancy ("FCO") for the Building. As such, each Purchaser shall be required to close title to their particular Residential Unit once a TCO or an FCO 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". In the event that a Purchaser fails to close title on the date set for Closing or otherwise fails to perform any other obligation under the Purchase Agreement, and such default

is not cured within thirty (30) days after Sponsor gives written notice to such Purchaser of the default, Sponsor may cancel such Agreement and retain as liquidated damages the Payment made by the Purchaser, together with all interest earned thereon, and be reimbursed by Purchaser for the cost of removing changes to the Residential Unit requested by the Purchaser and putting the Residential Unit back to the condition described in this Plan. Additionally, if a Purchaser fails for any reason to close title to his or her Residential Unit on the originally scheduled closing date and Sponsor elects not to cancel the Agreement as a result of the same, (a) the closing apportionments to be made at the Closing will be made as of midnight of the day preceding the originally scheduled closing date, and (b) the Purchaser will be required to pay to Sponsor an amount equal to 0.04% of the Purchase Price of the Residential Unit in question for each day that the Closing is adjourned.

In the event a Purchaser defaults and the Deposit previously paid (together with any interest thereon) is retained by Sponsor (subject to the terms of the Plan), as liquidated damages, it is acknowledged and agreed by Sponsor and each Purchaser that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of such a default by a prospective Purchaser, and that the Deposit (including all interest) shall constitute and be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Residential Unit and other expenses that may be incurred and shall be paid by Purchaser to, and retained by, Sponsor. In such case, Purchaser shall have no further liability to Sponsor in respect of the Agreement (except for those matters expressly specified therein or herein to survive the termination hereof). Purchaser shall not have any right whatsoever to the return of all or any portion of its Deposit (or any interest thereon). The election by Sponsor to retain, and the retention by Sponsor of, the Deposit (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor.

Purchasers are further advised that if a Purchaser makes a Deposit in excess of $250,000 for the purchase of a Residential Unit, such Payment will not be federally insured in excess of $250,000; and while the Payment is in the non-interest bearing checking portion of the Master Escrow Account, the Payment may not be fully federally insured even if the Payment does not exceed $250,000. Funds drawn on out-of-state or foreign banks will not be accepted as payment of the Payment of the Purchase Price for a Residential Unit unless otherwise agreed by Sponsor. If Purchaser has accounts at the same bank as Sponsor's account that holds escrowed funds, Purchaser's other funds at the escrow bank factor into the $250,000 insurance limit.

For purposes of this Plan and the Agreement, the term "TIME BEING OF THE ESSENCE" shall mean that a failure by Purchaser to do what is required at the time specified in the Agreement is a material breach of the Agreement and an Event of Default entitling Sponsor to the remedies set forth in this Plan and the Agreement. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan.

All funds received by the Sponsor for upgrades or extras will initially be placed in an escrow account. However, Purchasers should note as a special risk that such funds may be released from the escrow account by the Escrow Agent as long as the Sponsor uses the funds for such upgrades or extras. As a result, in the event a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds used for upgrades or extras. Notwithstanding the foregoing, if

Sponsor abandons the Plan, all funds received by Sponsor for upgrades or extras will be returned to Purchasers. See the Section entitled "Procedure to Purchase" for the further discussion of the foregoing.

8. **Storage Units**. Sponsor will be conveying a Storage Unit to each Purchaser of a Residential Unit. The form of the Storage Unit Purchase Agreement and Storage Unit Deed are included in Part II of the Plan as Exhibits 14 and 15, respectively. To protect the security of the Building, any owner of a Storage Unit must also at all times be the owner of a Residential Unit, provided, however, that the foregoing restrictions shall not apply: (i) to Sponsor or its designee (and Sponsor may permit the use of any Storage Unit owned by Sponsor by any party); or (ii) to the Board, or its designees. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use any Storage Unit owned by Sponsor for any lawful purpose, to change the permitted use of any Storage Unit owned by Sponsor or to convey any Storage Unit owned by Sponsor to any individual or entity.

Each Storage Unit can only be conveyed to the owner of a Residential Unit. Neither Sponsor nor the Board shall have any liability or obligation with respect to a private conveyance of a Storage Unit.

Notwithstanding the foregoing, the owner of a Storage Unit may permit the use of its Storage Unit by a permitted tenant or occupant of such owner's Residential Unit, provided that (i) such owner shall remain liable for such Storage Unit, (ii) such right to use shall automatically terminate upon the expiration or earlier termination of the permitted tenancy or occupancy of such Residential Unit, and (iii) in no event shall such tenant or occupant be permitted to further convey such Storage Unit.

Owners of Storage Units will be required to pay Common Charges to the Condominium in an amount proportionate to the percentage Common Interest attributable to such Storage Unit. Sponsor makes no representation whatsoever regarding the future Common Charges assessed to owners of Storage Units. In addition, no representation is made with respect to the expected date of completion or availability of such Storage Units. If a Unit Owner owning a Storage Unit is in default under the Condominium Documents, the Board may, in addition to the rights and remedies set forth therein, deny access to and use of the Storage Unit until such Unit Owner cures such default.

It is anticipated that the Storage Units will be completed during the first year of Condominium operation or within the twelve (12) months afterward. As a result, Storage Units may not be completed or available for use at, and for a period of time following, the closing of title to any particular Residential Unit. However, at the closing of title to the Residential Unit, Purchaser will be required to consummate the purchase of both its Residential Unit and its Storage Unit, without credit or offset, notwithstanding that the Storage Unit is not yet substantially complete, covered by a TCO or available for Purchaser's use at such time. Further, until issuance of a TCO or FCO covering a given Storage Unit and the Storage Unit is made available for use to its Purchaser, monthly Common Charges for the Storage Unit will not be collected from Purchaser.

9. **Control of the Condominium**. The Condominium will have a Condominium

Board (the "Board") which will have the powers and duties necessary and incidental to the administration of the affairs of the Condominium. Following the Initial Control Period, as hereafter defined, the Board will consist of elected representatives of the Unit Owners. Sponsor, as the owner of Unsold Residential Units, will have control of the Board during the period which continues until the earlier to occur of: (i) the closing of title by Sponsor or its designees of all the Residential Units and (ii) five (5) years after the First Closing (the "Initial Control Period"). During the Initial Control Period, Sponsor will have control of maintenance, facilities and services to be provided to Unit Owners and will determine the Common Charges to be paid by all Unit Owners in accordance with Schedule B and subject to the requirements of Real Property Law ("RPL") Section 339-m. At all meetings, each Unit Owner (or his or her proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Units) shall be entitled to cast one vote for each percentage of Common Interests pertaining to the Unit Owner's Unit.

During the Initial Control Period, the Board shall consist of three (3) persons designated by Sponsor, although, Sponsor reserves the right to designate fewer than three (3) persons to the Board. Commencing with the First Annual Meeting, the Board shall consist of three (3) persons chosen by the Unit Owners (including one person designated by the Sponsor if Sponsor owns any Residential Units).

All determinations with respect to the continuance or discontinuance of any of the services in the Building, will be made by the Board, which will be controlled by Sponsor throughout the duration of the Initial Control Period. Notwithstanding the expiration of the Initial Control Period, as the Sponsor has the unconditional right to rent Units, it may always hold a majority of the Units and thereby control the Board indefinitely. See the Section entitled "Control by Sponsor" in Part I of the Plan.

Please refer to Exhibit 6, entitled "Description of Property," set forth in its entirety in Part II of the Plan, for further details regarding services and Facilities at the Property. Neither Sponsor, the Managing Agent nor the Board will in any event be liable for the availability, interruption, discontinuance or quality of any services in the Building, including, but not limited to, any services provided by any 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 that any such injury to person or damage to property occurs as a result of the gross negligence of Sponsor, the Managing Agent or the Board, as the case may be.

With certain exceptions, the sale or lease of a Unit is subject to a right of first refusal by the Board. This right of first refusal in favor of the Board is not applicable to a sale or lease of the Unsold Units. Leases of Residential Units, other than Unsold Residential Units, may not be for terms shorter than one (1) year. The Condominium Board does not have the right to approve or disapprove purchasers, and as a result, there is no limit on the number of owners who may purchase a Unit for investment rather than for personal occupancy, and there may always be a substantial percentage of Unit Owners who are non-Residents. However, the Board, to the extent permitted by Law, has the right to reject sales and leases to Purchasers and tenants who themselves (or Residents of their Residential Units) have diplomatic immunity or have been convicted of violent crimes or child molestation without being required to exercise the right of first refusal.

At the First Annual Meeting and at all times thereafter, Sponsor may be able to elect members of the Board as a result of its ownership of or interest in Unsold Units. Sponsor shall retain voting control of the Board if Sponsor and its designees are able to cast sufficient votes at such meetings to establish such control. In addition, Sponsor, for so long as Sponsor owns at least one (1) Residential Unit, shall also have the right, at its option, to designate at least one member of the Board. See the Sections in Part I of this Plan entitled "Control by Sponsor" and "Condominium Board" for further discussion.

The By-Laws do not include a provision that after the expiration of the Initial Control Period, a majority of the Board must be Unit Owner-occupants or members of a Unit Owner-occupant's household who are unrelated to Sponsor and its principals. Owner-occupants and non-Resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment. Purchasers for their own occupancy may never gain control of the Board of Managers under the terms of this Plan. See the sections of this Plan entitled "Control by Sponsor" and "Condominium Board" for further discussion.

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

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

12. **Sponsor Veto Powers**. Although Sponsor and its designees may exercise veto power over some actions of the Board, Sponsor may not exercise veto power over expenses described in Schedule B or over expenses (i) required to comply with applicable Law or regulations; (ii) required to remedy any notice of violation; (iii) required to remedy any work order by an insurer; or (iv) regarding any matter protecting the health and/or safety of the occupants of the Property. Sponsor may exercise veto power over expenses other than those described in the foregoing sentence throughout the duration of the Initial Control Period. Until Sponsor and its designees have conveyed title to seventy-five percent (75%) of the Residential Units, but in no event later than five (5) years after the First Closing, the 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 for the creation of, addition to or replacement of all or part of a working capital, reserve, Reserve Fund or surplus fund, or (c) increase or decrease the number, or change the kind of, employees referred to in the Plan, or (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as it required to reflect normal annual increases in operating services, 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 Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary (i) (and no other alternative is available) to enable the Board to comply with laws, rules or regulations of any governmental authority having jurisdiction over the Condominium or any matter affecting the health and/or safety of the occupants of the Property. See the Section entitled "Control By Sponsor" for further details.

13. **Amendments**. No amendment, modification, addition or deletion of the Declaration, By-Laws or Rules and Regulations shall be effective in any way without the prior written consent of Sponsor or its designee or the owner of any Unsold Residential Units, as the case may be, with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Sponsor or its designee or the owner of any Unsold Residential Units, as the case may be, or otherwise adversely affecting Sponsor or its designee or the owner of any Unsold Residential Units, as the case may be. See the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board" in Part I of the Plan for further details.

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

15. **Power of Attorney**. Each Purchaser will be obligated to enter into a power of attorney at the closing of title to a Residential Unit. The form of Unit Power of Attorney, set forth in Part II of the Plan, grants broad powers to the Board to enter into agreements affecting the Common Elements. The Unit Power of Attorney also grants to Sponsor the right to amend the Declaration with respect to any Unsold Unit. Please refer to the form of Unit Power of Attorney set forth in its entirety in Part II of the Plan.

16. **Construction**. Subject to Force Majeure (see Special Risk 76), prospective Purchasers are advised that the Building is anticipated to be substantially complete by approximately April 2025. Any disruption or work contemplated herein shall not render the premises uninhabitable for those Purchasers that have closed on their Residential Units. Construction work and disruptions described herein shall not impact the Common Charges payable by Unit Owners, which shall be due unless there is a waiver of Common Charges as described herein. Construction in general is a complicated process requiring the coordination of numerous

concurrent tasks and the balancing of complex mechanical and architectural systems, all of which is subject to unanticipated delays or difficulties and necessarily involve noise, disruption and inconvenience. Thus, for a period of time following the First Closing through, including and beyond the closing of title to any particular Purchaser's Residential Unit, work should be expected to be undertaken and continue by or on behalf of: (i) Sponsor to complete the balance of the Building; and (ii) individual Unit Owners within their Residential Units (to perform custom renovations, etc.). During at least the first year of Condominium operation, construction workers and related personnel of Sponsor and others will be at the Property from time to time performing construction work, making adjustments and performing various other tasks related to the completion, renovation and fitting-out of, and moving into, the Residential Units and other portions of the Building which may compromise the security of the Building from time to time. No assurance can be given with regard to the accuracy of any projected completion dates set forth herein.

Various systems, including, but not limited to, water supply, air conditioning, heating, cooling, gas, electric, ventilating and other systems, and elevators, may require more than a year after any particular Residential Unit closing to complete and may be disrupted temporarily and from time to time (systems constituting Common Elements may require more than a year after any particular Residential Unit closing to complete, but all systems within a Residential Unit that must be completed as a requirement for the issuance of a TCO covering such Residential Unit will be functioning at the time of closing). Elevators and personnel may be taken out of service and diverted to facilitate construction, and exterior hoists, sidewalk overhead protection, and loading/unloading areas may be in place during at least the year following the First Closing, and from time to time thereafter, as needed, in connection with construction being performed in Residential Units by the Unit Owners thereof, Sponsor and/or tenants of such Residential Units. Various other adjustments, to windows, hoist run units, exterior elements, elevators and other systems and amenities, may require eighteen (18) months or more after the First Closing to complete. Sponsor may not fully complete the decoration of the Lobby or the corridors in the Building, including but not limited to installing light fixtures, hanging wall coverings or laying carpeting, until after that particular floor is fully occupied by Unit Owners or, if additional construction within a Residential Unit is anticipated, for some period thereafter. All of the foregoing work and conditions will create a noisy and otherwise disruptive condition in the Building during the period such work is being performed.

Certain portions of the Common Elements may be completed before or after completion of any particular Purchaser's Residential Unit. As a result, certain amenities, services and benefits anticipated to be available to Unit Owners may not be available until such other portions of the Building are completed and fully operational. Sponsor shall have no liability whatsoever in the event these amenities, services and benefits are delayed, not made available, or discontinued or disrupted. Further, the Board and/or Sponsor may refuse to permit a Unit Owner to perform alterations in a Unit until such time as the Building has been completed and an FCO has been obtained therefor. Even where such alterations are permitted, the Board and/or Sponsor may impose conditions and deadlines upon the planning, performing and completion of such work. No assurance can be given with regard to the accuracy of any projected schedules or completion dates set forth herein or with respect to the duration of any interim service period or periods of potential

disruption to the Unit Owners and their tenants or occupants, all such dates and timetables, to the extent provided, being only good faith estimates. Please refer to the Section entitled "Description of Property and Improvements" in Part I of the Plan for further details.

During the period when Sponsor is completing the construction to the Building, move-ins into the Building may be restricted to certain periods when the elevators and other access to the Building are not being utilized by the construction trades. The first TCO may be issued for some but not all of the Residential Units and Sponsor may complete construction of certain Residential Units before others. Purchasers should also note that even if the First Closing occurs on or before July 1, 2025 (or such other date projected as the date of commencement of operation at the time the Agreement was entered into) or within the twelve (12) month period thereafter, the closing of subsequent Residential Units may be substantially delayed beyond such dates if a TCO has not been issued for such Residential Units or for the floor on which such Residential Units are located. Accordingly, Purchasers may not be able to close title to their respective Residential Unit(s) for some period of time after signing their respective Agreement and after the First Closing. In such a case, provided that the Sponsor is pursuing completion of construction and issuance of a certificate of occupancy and is otherwise in compliance with its obligations under the Plan, a Purchaser will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of substantial delays and will not be excused from paying the full Purchase Price for the Residential Unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A RESIDENTIAL UNIT.

17. **First Closing**. Based upon the construction schedule anticipated as of the initial filing date of this Plan, Sponsor presently contemplates that construction of the Building will be sufficiently completed to permit closings of title to Residential Units to begin on or about July 1, 2025. Prospective Purchasers should note, however, that the Residential Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date.

Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the Purchase Price for his or her Residential Unit or otherwise be relieved from any obligations under the Purchase Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Residential Unit is accelerated, delayed or postponed by Sponsor, or in the event that any of the conditions described above occur, or in the event of non-completion of any item of construction on any projected date, or compensations for the presence of scaffolding on any portion of the Building or any interruption of services in the Building; provided, however, that in the event the actual or anticipated commencement date of the projected first year of Condominium operation is to be delayed by six (6) months or more, Sponsor will amend the Plan to include a revised Condominium budget with current projections, and (i) if such amended budget exceeds the projected Condominium budget set forth herein by twenty-five percent (25%) or more; or (ii) if the First Closing does not occur within twelve (12) months after July 1, 2025, the date set forth in the "Budget for First Year of Condominium Operation, Schedule B" as the commencement date for the projected first year of Condominium operation, then in the case of either (i) or (ii), Sponsor will offer all Purchasers

(other than Purchasers who are then in default beyond any applicable grace period under their Purchase Agreements, if the Plan has been declared effective) the right to rescind their Purchase Agreements within fifteen (15) days after the presentation date of the amendment containing such revised budget or after such twelve (12) month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Payment and any interest accrued thereon returned. Purchasers' rights as described in the preceding sentence are in lieu of any other rights or remedies which may be available pursuant to any applicable Law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. As set forth in the Section entitled "Effective Date" in Part I of the Plan, no closing of title to any Residential Unit offered hereunder will take place prior to the Plan being declared effective.

Purchasers should note that even if the First Closing occurs on or before July 1, 2025 (or such other date projected as the date of commencement of Condominium operation at the time the Purchase Agreement was entered into) or within the twelve (12) month period thereafter, the Closing of subsequent Residential Units may be substantially delayed beyond such dates if a TCO has not been issued for such Residential Units or for the floors on which such Residential Units are located. In such case, provided that Sponsor is diligently pursing completion of construction and the issuance of a certificate of occupancy and is otherwise in compliance with its obligations under the Plan, Purchaser will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of such delays and will not be excused from paying the full Purchase Price for the Residential Unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A RESIDENTIAL UNIT. Unless an Agreement contains an outside closing date, the Sponsor is not obligated to schedule any closing within any specified time frame or to ensure that closing of title to any Residential Unit will occur by any date certain. See the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further discussion.

18. **Warranties**. Upon Closing a Residential Unit, the Purchaser will receive warranties for the appliances in the Residential Unit. Except as contained on Purchaser's inspection statement, Sponsor shall not be obligated to correct, repair, or replace any defects relating to construction of the Residential Units, the Common Elements, or in the installation or operation of any appliances, fixtures, or equipment therein, except as expressly provided in this Plan. As more fully set forth in the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan, Sponsor is obligated to construct the Building in accordance with all applicable Law and the Plans and Specifications, as well as the provisions of this Offering Plan. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering, as this Law applies only to multi-unit residential structures measuring five stories or less, and this Building measures over five stories. Sponsor is not making any other express or implied warranties of fitness for a particular purpose, merchantability or habitability of any Unit or Common Element. Unless caused by a violation of the sound transmission code, noise code or other applicable code, there is no warranty as to sound transmission. Unless caused by a failure of Sponsor to comply with the Law and the Plans and Specifications, Sponsor is not responsible for, nor can it make any guarantees regarding odors, levels of noise or vibrations resulting from the operation of the Building or the Residential Units or the degree of privacy which will be

afforded to Unit Owners in their Residential Units. Unless caused by a code violation or a violation of Law, there is no warranty with respect to mold, mildew, spores, fungi or other toxins. There is no warranty as to air, view or light quality. Sponsor's obligation, regardless of any limitations in the warranty, is to construct the premises in accordance with all applicable Law and the Plans and Specifications, and any conflict between (a) the disclaimers and (b) Sponsor's obligation to construct the premises in accordance with all applicable Law and the Plans and Specifications, shall be resolved in favor of the latter. In no event will Sponsor be liable for incidental, special or consequential damages. See the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan for additional details.

19. **Certificate of Occupancy**. Sponsor is obligated to procure the FCO for the entire Building, and shall exercise best efforts to obtain the FCO within a two year period while keeping the TCO current. Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a FCO covering the entire building but with only a TCO and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local Codes and rules. Both TCOs and FCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property conforms substantially to the DOB approved Plans and Specifications, and to the requirements of all applicable Law, rules and regulations for the uses and occupancies specified in the TCO. No change of use or occupancy shall be made unless a new certificate of occupancy is issued. All TCOs have an expiration date. A TCO typically expires ninety (90) days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance or sell residential units. In New York City, it is common for sponsors to commence residential unit closings when some or all residential units are covered by a TCO rather than an FCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a FCO covering the entire Building within two (2) years from the date of the issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that the DOB will issue the FCO within such two year period. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE FCO FOR THE ENTIRE BUILDING, AND SHALL EXERCISE BEST EFFORTS TO OBTAIN THE FCO WITHIN SUCH TWO YEAR PERIOD WHILE KEEPING THE TCO CURRENT. Unit Owners and the Board shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

Furthermore, because Sponsor and the By-Laws of the Condominium may permit Unit Owners to undertake renovations to individual Residential Units prior to the procurement of an FCO, such renovations may cause additional delays in the issuance thereof. Notwithstanding the foregoing, Sponsor and its principal(s) are obligated to procure the FCO.

Purchasers are advised to visit the DOB website for further recommendations when purchasing a residential unit in a building that does not have an FCO. A fact sheet on certificates of occupancy is available on its website at http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf.

Purchasers should seriously consider negotiating their closings based on an FCO, not a TCO. If purchasing a Residential Unit covered by a TCO, Purchasers should consult a licensed architect or engineer to determine what work has to be done in order for the Building to receive an FCO. Purchasers are advised to visit the DOB website for further recommendations when purchasing a Residential Unit that does not have an FCO. See the Section of the Plan entitled "Rights and Obligations of Sponsor."

20. **Unit Alterations**. In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of prospective Purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by Law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Board, Unit Owner or a mortgagee, to (a) change the layout of, or number of rooms in any Unsold Unit, (b) change the size and/or number of Unsold Units by dividing one or more such Units into two or more separate Unsold Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Unsold Units, altering the boundary walls between one or more Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Unit, (c) designate a Common Element as part of the Unit or designate all or part of a Unit as a newly created Common Element (provided that the excluded section of the Common Elements or any addition thereto would not materially affect a Purchaser or Unit Owner, including, without limitation, amenities offered under the Plan), and (d) if appropriate, reapportion among the Unsold Units affected by any such change, their aggregate Common Interests. Please see the Section of the Plan entitled "Changes in Prices and Units" for further details.

In such event, the Common Interest appurtenant to any diminished Unit will decrease and such reduced Common Interest will be allocated to and/or among the newly created and/or configured Units. Sponsor expressly reserves the right, from time to time prior to the First Closing, to effect such changes among the Unsold Units and to amend the Plan so as to reflect the same.

Notwithstanding the foregoing, where a purchase agreement for a Residential Unit has been countersigned by Sponsor and returned to Purchaser, no material change will be made in a Residential Unit's size, layout or proportionate share of aggregate common interest unless (i) the affected Purchaser consents; (ii) the Purchaser is in default beyond all applicable grace and cure periods and has not contested a declaration of default, or (iii) the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Law, unforeseen events, etc.) and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where, in the exercise of sound construction management practices, no practicable alternative exists), and in such event covered by this clause (iii), Sponsor will, in the amendment disclosing such material adverse change, offer the affected Purchaser(s) the right, for at least fifteen (15) days, to rescind their Agreement(s) and receive a refund of their Payment(s), together with all interest earned thereon. There is a rebuttable presumption that a Residential Unit size that is diminished by 5% or less is not material. See the Sections entitled "Changes in Prices and Units" in Part I of the Plan for further discussion.

The Sponsor as well as the Board may refuse to permit a Unit Owner to perform alterations in a Unit until such time as the Building has been completed and an FCO has been obtained therefor. In addition, certain services, such as cable, computer, and other similar services may be provided by outside suppliers and delays in these services will not be the responsibility of the Sponsor unless such delays are caused by the Sponsor. All alterations to a Unit or the Building or services for a Unit Owner or the Building shall be performed in a manner which will not interfere with, or cause any labor disturbances or stoppages in, the work of Condominium employees, or other contractors or subcontractors employed in the Units or the Building; and in all events, in compliance with the Declaration, the By-Laws, the Rules and Regulations, the overall Building standards and applicable Law. In furtherance of the foregoing, the Board may require that the Board also assume and/or subject itself to the applicable union contracts.

21. **Real Estate Taxes**. Lawrence J. Berger, P.C., having an office at 240 Madison Avenue, 7th Floor, New York, New York 10016, has been engaged as Sponsor's real estate tax attorney in connection with the Plan. The real estate tax estimates for each Unit were calculated on the assumption that the real estate taxes for the Building payable with respect to each Unit for the first year of Condominium operation will be allocated in proportion to each Unit's percentage Common Interest. Upon determination of individual tax lots and individual Unit assessments, the New York City tax authorities may allocate taxes between the Units in proportion to each Unit's Purchase Price rather than its percentage interest in the Common Elements, and, if so, Units having the same percentage interest may pay different amounts of real estate taxes, and/or taxes may differ from those set forth on Schedule A. The real estate taxes payable the first year of the Condominium's operation, as set forth on Schedule A, are based on an assessment of the Building as complete for only a portion of the year. Sponsor can only estimate, based on reasonable, professional third party expert assumptions, what the real estate taxes for each Unit will be. Only the New York City tax authorities will make this determination upon the filing of tax lots. Once the Building is completed and fully assessed, the real estate taxes will be higher. Please refer to the Section of the Plan entitled "Real Estate Taxes" in Part I of the Plan for further details.

In addition, the New York City tax authorities may assess taxes against the Building in a different manner and in a different amount than that assumed by Sponsor's real estate tax attorney and, if so, Unit Owners may pay significantly different real estate taxes than those set forth on Schedule A. There is also a risk that New York City or New York State could change the manner in which real estate taxes are assessed. Each year the New York City Department of Finance issues temporary assessments, which are not finalized until a later date and are still subject to adjustment as a result of tax certiorari proceedings. In order to determine the Unit's real estate taxes at any time after the Condominium is formed, Purchasers and Unit Owners can utilize the following link to the New York City Department of Finance's website: https://www1.nyc.gov/site/finance/taxes/calculating-your-property-taxes.page. See the Sections entitled "Offering Prices and Related Information, Schedule A" and "Real Estate Taxes" in Part 1 of the Plan for further discussion.

22. **Diplomatic Immunity**. Purchasers who have diplomatic immunity will be required to expressly waive any and all immunity from suit by the Sponsor and the Board. In addition, any Purchaser that is a foreign government, a resident representative of a foreign

government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity Unity) will be required at the time of closing of title to such Purchaser's Residential Unit, to deposit with the Board an amount equal to two years' estimated Common Charges for the Residential Unit and Storage Unit. See the Section entitled "Procedure to Purchase" in Part I of this Plan.

23. **Common Charges and Contingency**. The contingency provided for in the projected budget for the first year of Condominium operation (set forth in Schedule B in Part I of the Plan) is intended to provide a fund for unanticipated expenses not included in the budgets and for increases in operating expenses above the amounts projected. Additionally, a Reserve Fund has been established to conform to Fannie Mae requirements for an amount to be set aside as a reserve for capital repairs and replacements. No other reserve fund has been established for this Condominium. This budget line item may not be sufficient to meet the cost of any major capital repairs or unforeseen expenses or the need for future capital replacements which may be required. If funds are required to meet such costs, it may be necessary to increase Common Charges or institute a special assessment. See the Section entitled "Working Capital Fund" in Part I of the Plan for further discussion.

24. **Waiver of Common Charges**. Sponsor is reserving the right to delay the commencement of collection of Common Charges for an indeterminate period (the "Waiver Period"). During any such delay, Sponsor shall timely pay all expenses of the Condominium, including, but not limited to, insurance premiums and any Reserve Fund payments (the "Waiver Period Operating Expenses"). Such expenses shall not include individual Unit Owner expenses such as real estate taxes, utility charges, etc. During such delay in the collection of Common Charges, Sponsor shall remain obligated to update the Condominium Budget, and, if Sponsor controls the Board, to provide certified financial statements for the Condominium, as required by the regulations promulgated by the Department of Law. Sponsor shall provide written notice of the expiration of the Waiver Period to all Unit Owners and Purchasers in contract at least 30 days prior to the commencement of the collection of Common Charges. Thereafter, Sponsor shall disclose the expiration of the delay period in the next substantive amendment to the Plan. Upon commencement of the collection of Common Charges, Unit Owners will not be assessed for any items in the certified Budget for the Condominium. If Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose the anticipated period of delay in the collection of Common Charges in the initial post-closing amendment to the Plan.

25. **Common Interest**. The Common Interest of each of the Units has been determined pursuant to Section 339-i(1)(iv) of the Condominium Act and accordingly based upon a comparison of the floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. Based upon final specifications, construction conditions and/or "as-built" plans for the Building reflecting relative measurements, areas and uses of portions of the Building, application of such method of allocation of Common Interest may justify a minor increase or decrease in the aggregate Common Interest appurtenant to the Units. In such event, the Common Interest appurtenant to each individual Unit would be adjusted (by a minimal amount) pro rata. Sponsor expressly

reserves the right to effect such a change in the Common Interests and to amend the Plan so as to reflect the same, provided that Sponsor obtains a new §339-i opinion letter providing that the Common Interests are in compliance with RPL §339-i. Sponsor will not change the Common Interest associated with a Unit that has already closed without the new owner's consent. In no event, however, will the Common Interest of any Unit be increased as a result of any of the foregoing by more than five percent (5%).

26. **Floor Plans**. The Floor Plans set forth in Exhibit 7 of Part II depict the layouts of the Residential Units. The approximate floor area of each Unit will consist of the area measured horizontally from the exterior face of the exterior walls of the Building at 4'-0" above slab level to the centerline of the partitions separating one Unit from another Unit, and to the centerline of the partitions separating Units from corridors, and to the centerline of the partitions separating one Unit from stairs, elevators, and other mechanical spaces or any Common Elements (as hereinafter defined). Structural elements, such as columns, and mechanical elements, such as pipes, shaft ways, chases, chase ways and conduits, are not deducted from the measurement of each Unit. Each l Unit will consist of the area measured vertically from the top of the structural slab of the floor to the underside (of any fire protection) of the structural members above.

Purchasers should note that the square footage of each Unit as reflected in Schedule A and the Floor Plans set forth in Part II of the Plan is approximate within reasonable tolerances and may change due to field conditions and construction variances and tolerances. Square footage calculations are only approximations within reasonable tolerances for the purposes of marketing the Units and may not be exact. There is a rebuttable presumption that an area that is diminished by five percent (5%) or less is not material. Because the square footages listed are based on measurements from exterior walls, they do not accurately represent the interior space in the Residential Unit and will significantly exceed the actual floor area. Floor area may include columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits which may be incorporated behind protruding walls or may be separately enclosed as freestanding columns thereby reducing the available floor area. Ceiling heights are estimates only. The clearance between the top of the floor slab on one floor and the top of the floor slab on the next floor will vary among the Residential Units and certain Residential Units may have less clearance and all or portions of the ceilings in certain rooms within other Residential Units may have a lesser clearance as the result of construction variances or the presence of beams, ducts and other mechanical spaces in such Residential Units. Because dimensions listed are based on measurements from floor slabs, they do not accurately represent the heights of the Residential Units from the finished floor to the finished ceiling. Ceiling heights within any given room may also vary. Kitchens, bathrooms, closets, foyers, hallways and entryways typically have dropped ceilings.

The Terraces may not be used for any type of occupancy, including but not limited to: dining, sleeping, living room, recreation or an office. To do so may result in a violation against the Building issued by DOB. Unless all Purchasers consent, no material change will be made in the size, and no material adverse change will be made in the quality, of the Common Elements. Please refer to the Notes to Schedule A in Part I of the Plan and Exhibit 6 entitled "Description of Property" in Part II of the Plan for further details.

Purchasers are advised that while construction necessitates a sequential numbering of floors for a building, it is common in New York City to designate floor numbers solely for marketing purposes in a manner that is inconsistent with the construction levels. Consequently, Purchasers should note that a Residential Unit may be located on a floor designated with a higher number than the actual construction level on which it is situated. Purchasers should further note that all references throughout the Plan are to marketing floors, unless the context specifies otherwise or the term "level" is used. The "Description of Property" in Part II of the Plan contains a chart which matches marketing floors and construction levels and should be referenced by Purchasers. The Plans and Specifications are based on construction levels rather than marketing floors.

27. **Transfer Taxes**. Purchasers are advised that as is common in offerings of residential condominium units in New York City, and as more fully discussed in this Plan, Purchasers will be required pursuant to the Purchase Agreement to pay the New York City Real Property Transfer Tax (the "RPT Tax") and the New York State Real Estate Transfer Tax (the "State Transfer Tax," and collectively with the RPT Tax, the "Transfer Taxes") due on the sale of the Residential Units. Absent this contractual provision, Transfer Taxes would be a seller's obligation. If the RPT Tax rate and/or State Transfer Tax rate is increased by New York City or New York State on or after the date of this Plan, same shall not give rise to a right of rescission on the part of any Purchaser who has executed a Purchase Agreement hereunder.

The State Transfer Tax as of December, 2024 is $2.00 per $500, or fractional portion thereof, of the consideration for the unit transferred at closing plus an additional $1.25 per $500, or fractional portion thereof, of the consideration for the unit transferred at closing when the consideration for the entire conveyance is $3,000,000 or more. The RPT Tax rate is currently 1% of consideration for individual residential condominium units priced at $500,000 or less and 1.425% of consideration for individual residential condominium units priced at more than $500,000. Purchaser shall also be required to pay the administrative charge for filing the RPT Tax return (and any other administrative fee or filing charges as the City of New York may impose), which is currently in the amount of $125.

Also, as more fully discussed in this Plan, New York State imposes a transfer tax upon a purchaser of a residential condominium unit (the "Mansion Tax"), which tax shall be the primary obligation of Purchaser. The Mansion Tax is 1% of the consideration. Additionally, New York State imposes a supplemental transfer tax upon a purchaser of a residential condominium unit that has a consideration of $2,000,000 or more (the "Supplemental Tax"). The Supplemental Tax is .25% if the purchase price is at least $2,000,000, but less than $3,000,000; .5% if the purchase price is at least $3,000,000, but less than $5,000,000; 1.25% if the purchase price is at least $5,000,000, but less than $10,000,000; 2.25% if the purchase price is at least $10,000,000, but less than $15,000,000; 2.5% if the purchase price is at least $15,000,000, but less than $20,000,00; 2.75% if the purchase price is at least $20,000,000, but less than $25,000,000; and 2.9% if the purchase price is at least $25,000,000. For purposes of computing consideration subject to the Transfer Taxes, Mansion Tax and Supplemental Tax, the New York City Department of Finance and the New York State Department of Taxation and Finance had been including the aggregate of any Transfer Taxes payable by purchaser under the purchase agreement and might include other costs payable by purchaser which, absent a contractual provision making them purchaser's

obligation, could be considered sponsor's expense. However, pursuant to a recent amendment to Section 1404 of the New York State Tax Law, the State Transfer Tax amount will not be included as additional consideration for purposes of calculating the State Transfer Tax. As such, purchaser is no longer required to pay any "grossed-up" consideration payable in connection with the State Transfer Tax. For purposes of calculating the taxes payable, the amounts of, in the case of New York State, the RPT Tax, and in the case of New York City, the RPT Tax and the State Transfer Tax, which are the primary obligation of the seller but are paid by purchaser, will be included in the consideration subject to tax on a "grossed up" basis. Accordingly, with respect to the Mansion Tax and Supplemental Tax, even though the purchase price allocated to a residential condominium might be less than $1,000,000 (or another applicable threshold), it is possible that the purchase price for such units, when grossed up by the aggregate of all Transfer Taxes and other seller expenses and amounts payable by purchaser, might be in excess of $1,000,000 (or another applicable threshold), thereby subjecting the transaction to the Mansion Tax (and, if over $2,000,000, the Supplemental Tax). If the Mansion Tax and/or Supplemental Tax rate is increased by New York State on or after the date of this Plan, same shall not give rise to a right of rescission on the part of any Purchaser who has executed a Purchase Agreement hereunder.

In the event the Purchaser shall also pay any tax in addition to the Transfer Taxes and Mansion Tax (e.g., without limitation, a pied-a-terre tax) payable by transferor or transferee at Closing and imposed on the transaction after the date of this Plan by New York City or New York State ("Additional Tax"). Sponsor will amend the Plan to disclose any such Additional Tax. See the Section entitled "Closing Costs and Adjustments" in Part I of this Plan for additional information.

28. **First Closing**. The Sponsor anticipates that the First Closing of a Residential Unit will occur on approximately July 1, 2025. Purchasers will be offered a right of rescission if: (i) the actual date of closing of title to the first Residential Unit (the "First Closing"); or (ii) the projected date of closing of title to the first Residential Unit, occurs later than June 30, 2026, which is twelve (12) months after the projected date for the First Closing, although the actual First Closing may occur prior to July 1, 2025. If the Plan is amended to provide for a later projected date for the First Closing, Purchaser will be entitled to an offer of rescission if the First Closing occurs more than twelve (12) months beyond that amended, later date. However, if the First Closing occurs before June 30, 2026, Sponsor may schedule the closing of title to other Residential Units significantly later than such date. Unless the Agreement contains an outside closing date, Sponsor is not obligated to schedule the closing of title to any Residential Unit within any specified timeframe or to ensure that the closing of title to any Residential Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A RESIDENTIAL UNIT.

29. **Closing Costs**. All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's attorneys, Holland & Knight LLP ("Sponsor's Counsel"), in connection with the closing of title to Purchaser's Residential Unit: (i) the sum of $4,000 to reimburse Sponsor for its legal fees in handling the sale of the Residential Unit and $750 in connection with the sale of the Storage Unit; (ii) closings will be held in escrow

or, at the request of the Purchaser, at the offices of Holland & Knight LLP or, if the Purchaser requests the Closing to occur other than at the offices of Holland & Knight LLP or such other place as Sponsor may designate in its closing notice, and Sponsor consents to such change, an attendance fee of $500 per hour for each Closing held within Manhattan and $750 per hour for each Closing held in any borough outside Manhattan; (iii) if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Agreement, or for the addition, deletion or substitution of names on the Agreement, Purchaser shall pay a fee of $1,000 to Sponsor's Counsel, payable in advance, for preparation of an assignment agreement (Purchaser may pay more than one fee pursuant to this paragraph with respect to a single Unit if there are multiple assignments); (iv) if Purchaser obtains mortgage financing, then Purchaser shall pay the Sponsor's Counsel an additional fee of $750 to defray the additional costs associated therewith; (v) if the closing is adjourned solely due to the fault of Purchaser, the Purchaser will be required to pay Sponsor's Counsel an additional fee of $1,000 for each adjournment to help defray the cost of preparing for and coordinating the new closing; (vi) if any custom work is to be done in the Residential Unit, then Purchaser shall pay Sponsor's Counsel an additional fee to defray the costs of negotiating and preparing the requisite documents, on an hourly basis at Holland & Knight LLP's customary rates; (vii) $250 for the preparation of ACRIS transfer documents required by the City of New York; (viii) Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single Unit; and, (ix) Purchaser shall pay Sponsor's Counsel the sum of $600 in connection with the consideration, review and processing of any agreement of exchange or the like which Sponsor is requested to execute in connection with any tax deferred exchange under Section 1031 of the Internal Revenue Code. Other additional charges may apply. At Sponsor's option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor's Counsel shall be paid by Purchaser prior to Closing upon notice to Purchaser.

Purchasers or any other persons entering into an Interim Occupancy Agreement for a Residential Unit shall be required to pay the legal fees of Sponsor's Counsel in connection therewith upon the execution of the Interim Occupancy Agreement. Such legal fees are estimated to be approximately $2,500 assuming that the Purchaser's counsel does not negotiate the terms of the Interim Occupancy Agreement. Any fees above $2,500 will be billed on an hourly basis at Holland & Knight LLP's customary rates. In connection with the Closing of a Residential Unit subject to an Interim Occupancy Agreement, all other charges or other fees due under an Interim Occupancy Agreement shall be adjusted as of midnight of the day preceding the Closing Date to the Residential Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any Interim Occupancy Agreement for any Residential Unit. Please refer to the Sections entitled "Closing Costs and Adjustments" and "Interim Occupancy Agreements" in Part I of this Plan for further details.

30. **Window Guards**. In the event a child of ten (10) years of age or younger resides, or visits for an extended period of time, a Residential Unit, the Unit Owner is required to have installed (at the Unit Owner's expense) child safety window guards in all windows of the Residential Unit, per New York City Code. The Unit Owner must notify the Managing Agent in writing when a child or children ten (10) years old or younger lives or resides in the Residential Unit. Windows may contain limit stops, which may not be removed. The Unit Owner shall maintain all window stops installed in the Residential Unit and shall not remove same until

permitted by applicable Law. Please see the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board" in Part I of this Plan for further details.

31. **Easements**. Sponsor, for so long as it owns any Unsold Units, shall have, and the Units and Common Elements shall be subject to, an easement to use the Common Elements of the Building for any lawful purpose including, but not limited to, the purposes of (a) installing, utilizing, operating, maintaining, repairing, altering, rebuilding, restoring and replacing satellite dishes and other communication equipment on the roofs and façade of the Building and elsewhere on the Common Elements and the conduit and other Facilities (as such term is defined in the Declaration) relating thereto provided, however, that no wires or cables shall be hanging on the side of the Building and (b) maintaining any encroachment on any Unit, or any Common Elements or elsewhere on the Property resulting from the installation, operation, maintenance, repair, alteration, rebuilding, restoration or replacement thereof; provided that access to any Unit or Common Element in furtherance of such easements shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of any assignee or licensee of Sponsor for the purpose of servicing the Condominium or any other building or area. The Condominium shall not be entitled to any portion of fees, compensation or other profits received by Sponsor for the use of the aforesaid easements or equipment. Any satellite dishes or other Facilities placed upon the roofs or façade of the Building or elsewhere on the Common Elements by Sponsor or their assignees or licensees shall be the exclusive property of Sponsor or their assignees or licensees and neither the Condominium nor any Unit Owner shall have any rights with respect thereto. The equipment placed by Sponsor shall not be for the use of the Condominium, and shall not adversely affect the Condominium in any material way. Sponsor (and not the Condominium) shall be responsible for all costs and expenses (including any increase in insurance costs) related to such right and easement, and shall indemnify the Condominium for any liability that arises due to the installed equipment. All of the foregoing shall at all times be used, installed and maintained in compliance with all Law and insurance requirements. Sponsor's use of the Common Elements as set forth herein shall in all instances conform to the requirements of applicable Law. Please see the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board," and specifically the subsection entitled "Easements," Part I of this Plan for further details.

32. **Mechanical Equipment**. The Building incorporates highly sophisticated mechanical equipment, including the elevator and related equipment, and heating, ventilating and air conditioning ("HVAC") equipment, designed to provide for the physical comfort and convenience of the Building's occupants. Within the Units and throughout the Limited Common Elements, heating and cooling from HVAC systems will be subject to normal variations and tolerances. During normal operation of this equipment (which may include required periodic testing), some occupants of Residential Units adjacent to or in the vicinity of the equipment floors, equipment areas and the roof of the Building may perceive noise and/or vibration from the equipment. The sole obligation of Sponsor and the Condominium Board with respect to such noise and/or vibration shall be to install and operate such equipment in a manner consistent with commercially reasonable practices in typical luxury high-rise residential buildings and in compliance with applicable Legal Requirements, including the New York City Building Code (the "Building Code") and Title 24, Chapter 2, Section 24-201, et. seq. of the New York City

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

Notwithstanding that all HVAC equipment located within a Residential Unit, including without limitation, the HVAC equipment located in the ceiling above certain closets, condenser Residential Unit equipment on the floor of certain closets and other areas, constitute part of such Residential Unit, for the proper operation and maintenance of the Building's HVAC systems, the Board shall enter into a maintenance contract on behalf of all Unit Owners to service each Residential Unit's HVAC equipment. Each Unit Owner shall periodically be required to provide access to their Residential Unit and its HVAC equipment to permit routine inspection, testing, and maintenance, as well as any repairs and replacements. The cost for the maintenance service contract shall constitute a Common Expense included in each Unit Owner's Common Charges, except that in the event of the cost of any extraordinary maintenance and/or repairs, i.e., any maintenance and/or repairs not covered within the scope of such agreement, shall be paid by the Board and assessed as a special assessment against the Unit Owner of the Residential Unit exclusively served by the HVAC equipment requiring such repair and/or maintenance.

Except in the event of an emergency, Unit Owners shall receive a minimum of one (1) day's notice from Sponsor or Sponsor's agent in connection with the foregoing rights of access.

Cooling towers and other mechanical equipment necessary for the maintenance and operation of the Building and the Units will be located in the Building and on the roofs. The Board, with respect to the Common Elements, will be responsible for ensuring that the mechanical equipment is operated in accordance with Law, including requirements governing acceptable levels of noise and odor emissions. Sponsor is not responsible for, nor can Sponsor make any guarantees regarding, the level or noise or odors resulting from the operation of the Building or the Units.

33. **No On-Site Superintendent**. The Condominium will not have a Residential Unit for the Superintendent to live on site. There will be one part-time non-Resident superintendent, who will work approximately twenty (20) hours per week and in accordance with Administrative Code of the City of New York Section 6-2052. In the event of an emergency, the Superintendent will have to return to the Building, which might delay a response. However, even in buildings with superintendents in residence, the superintendents are not always available on site. Please refer to the Section of Part I of the Plan entitled "Notes to Schedule B" for further details.

34. **Security Systems**. No representation or warranty is made and no assurance is given that the security systems and procedures of the Condominium will prevent personal injury or damage to, theft or loss of personal property. While Unsold Residential Units are being offered for sale or lease by Sponsor or its designees there may be a greater number of visitors in the

Building than would otherwise be the case. No representation or warranty is made and no assurance is given as to when such selling or leasing activity will terminate. Neither Sponsor nor its designees nor the Managing Agent shall be liable or responsible for any personal injury or for any loss, theft or damage to personal property which may result from the failure of the Condominium's security systems and procedures, including, without limitation, those procedures with regard to any delivery of packages, provided that any such failure is not caused by the gross negligence of Sponsor or its designees, the Managing Agent or their respective agents. No representation or warranty is made and no assurance is given that the security systems and procedures of the Condominium will prevent personal injury, theft or damage to or loss of personal property. Please refer to the Section entitled "Description of Property and Improvements" in Part I of this Plan for further details.

35. **Views**. Changes in zoning or construction of new buildings within the vicinity of the Property could affect existing or planned views. No assurance can be given that the views planned or currently existing (or existing when Purchaser first purchases or occupies a Residential Unit) will continue to exist unchanged.

36. **Tenant Protection Plan**. As required under Section 28-104.8.4 of the New York City Building Code, since the Building is expected to be occupied by Unit Owners and/or tenants prior to the time when a FCO can be obtained, a tenant protection plan will be distributed to each occupant who will be occupying any dwelling units of the Building during construction.

37. **Risk of Loss**. If the Purchaser is or becomes the tenant or occupant of a Residential Unit before the Closing and, before such Closing, the Residential Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss not covered by Sponsor's or the Condominium's insurance and the obligation to repair the damage, unless the cause thereof originated outside of the Residential Unit or did not result from the acts of such Purchaser or other occupants of the Residential Unit or such Purchaser's guests, invitees or workmen. Otherwise, the risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until a Purchaser takes possession of a Residential Unit pursuant to an Interim Occupancy Agreement with Sponsor, at which time such risk to the contents of the Residential Unit not covered by Sponsor's insurance (but not to any portion of the Residential Unit or Building otherwise insured by Sponsor or the Board) shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Unit, the Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price for the subject Unit. In the event of an occurrence of a fire or other casualty, Sponsor shall notify the Purchaser as to whether or not Sponsor will restore the Unit no later than two (2) months after the date of the occurrence of the fire or other casualty. In addition, 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 Board and other Unit Owners, belong entirely to Sponsor. In the event that Sponsor elects to repair or restore a Unit, Sponsor will restore the Unit and Common Elements

to substantially the same condition that the Unit and Common Elements existed in immediately prior to the casualty, and essential services (such as utilities and heat) and a reasonable means of ingress and egress to the street, if affected, will be restored. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and Condominium Board"), the Agreement shall be deemed canceled and of no further force or effect and Escrow Agent shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, within thirty (30) days' notice of such election, subject to Sponsor's rights to retain certain funds deposited by Purchaser and expended by Sponsor for Custom Work in the Residential Unit, whereupon the parties to the Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan.

38. **Limitations on Sale**. In order to facilitate the Sponsor's sale of the Residential Units, prior to (a) one (1) year after a Purchaser's closing on its Residential Unit, a Purchaser will not be permitted to sell his or her Residential Unit(s) without obtaining the Sponsor's written approval, and (b) a Purchaser's closing of a Residential Unit, the Purchaser may not (i) list the Residential Unit for resale with any broker or otherwise, or (ii) advertise, promote or publicize the availability of his or her Residential Unit for sale or lease. In the event that Purchaser violates the foregoing prohibition, any sums received by Purchaser in excess of the Purchase Price paid by Purchaser shall be paid to the Sponsor as liquidated damages. In addition, any such sale or lease, listing of the Residential Unit or form of advertising, promotion or publicizing of the Residential Unit by Purchaser or its agents or representatives shall constitute a default under the Agreement, entitling Sponsor to the remedies set forth therein and any lease or conveyance in violation of the foregoing will be voidable by Sponsor. The foregoing limitations on sale will not be applicable after all Residential Units are sold. See the Section of the Plan entitled "Procedure to Purchase" in Part I of the Plan.

39. **Insurance**. The Board is not required to obtain or maintain any insurance with respect to any property contained in any Unit or any liability with respect to occurrences in or about each Unit, or the Common Elements that are exclusive and/or appurtenant to the Unit. Further requirements with respect to such insurance are more particularly set forth in Section 6.2 of the By-Laws. In addition, all Unit Owners are urged to obtain personal property insurance with respect to improvements and betterments within, and the fixtures, furniture, furnishings and other personal property located in, their respective Units, for an amount equal to the full insurable replacement cost of same. Purchasers are also advised that the insurance policies to be maintained by or on behalf of the Board will be on a "replacement cost" basis and will not cover losses to the extent that "market value" of a Unit may exceed its insured replacement cost. Further, as a result of current fluctuations in the insurance market, the Board will not be required to obtain or maintain terrorism coverage, but may do so, and in such event, the cost thereof shall be a Common Expense as described in the By-Laws. Sponsor does not make any representation that the insurance limits set forth in Schedule B will meet the requirements of a lender who finances the purchase of a Residential Unit. If Purchaser's lender requires additional insurance, Purchaser will be obligated

to obtain such supplemental insurance at Purchaser's sole cost and expense. Sponsor is advised that the New York City Flood Zone Map is being updated post-Super Storm Sandy. As of the date hereof, the Condominium is not located in a Special Flood Hazard Area. Consequently, it is difficult to estimate flood related insurance premiums as well as to predict the ultimate flood zone designation of the Building. If Purchaser's lender requires any additional flood insurance, Purchaser will be obligated to obtain such supplemental dwelling flood policy at Purchaser's sole cost and expense.

40. **Additional Units**. Sponsor reserves the right to change the number and size of the Units by, among other things, subdividing and reconfiguring the Units. In such event, the Common Interest appurtenant to any diminished Unit will decrease and such reduced Common Interest will be allocated to and/or among the newly created and/or configured Units. Sponsor expressly reserves the right, from time to time prior to the First Closing, to effect such changes and to amend the Plan so as to reflect the same. Where an Agreement for a Residential Unit has been countersigned by Sponsor and returned to the Purchaser, no material change will be made in such Residential Unit's size, layout or percentage of Common Interest, and no material change in size, nor material and adverse change in the quality, of Common Elements and/or Limited Common Elements appurtenant to such Unit, if any, or the adverse change to the value of any Unit will be made, unless: (i) the affected Purchaser consents (or in the case of Common Elements, unless all Purchasers consent); (ii) the Purchaser is in default and the period of time in which such Purchaser may cure the default has expired; or (iii) the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc.) and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists), and in such event covered by this clause (iii), Sponsor will, in the amendment disclosing such change, offer any materially adversely affected Purchaser(s) the right, for at least fifteen (15) days from the presentation date of such amendment, to rescind their Agreements and receive a refund of their Deposit, together with all interest earned thereon. (Any such changes that are not both material and adverse will not give rise to a right of rescission.) However, as long as the size, layout and dimensions of a Residential Unit conform substantially to the Plans and Specifications, a Purchaser will not be excused from purchasing a Residential Unit by reason of a minor, non-material deviation or change and will not have any claim against Sponsor as a result thereof. There is a rebuttable presumption that an increase in the Common Interest appurtenant to a Residential Unit of five percent (5%) or less, or Residential Unit size that is diminished by five percent (5%) or less, is not material.

41. **Custom Work**. Sponsor may agree, in its sole discretion, to perform custom work to a Residential Unit (including without limitation combining or further dividing Residential Units) ("Custom Work"). Unless otherwise agreed to by Sponsor, a Purchaser shall bear the costs of such Custom Work (the "Custom Work Costs") which Custom Work Costs shall be due and payable by Purchaser to Sponsor upon the execution of the Agreement for the Residential Unit and deposited in an escrow account with Escrow Agent in accordance with the Plan, unless otherwise agreed to by Sponsor. The Custom Work Costs may be released from the Escrow Agent's escrow account upon the Escrow Agent's receipt of written notification from Sponsor's Architect to the Escrow

Agent that all or any portion of the Custom Work has been commenced in the Residential Unit. In the event a Purchaser becomes entitled to rescission after the release of the Custom Work Costs, or any portion thereof, to Sponsor, the Purchaser shall not receive a refund of any Custom Work Costs, if any, used to perform Custom Work in the Residential Unit. If the Plan is abandoned, any Custom Work Costs will be returned to Purchaser.

42. **Defense Costs**. Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending or enforcing Sponsor's rights under the Agreement or, if Purchaser defaults under the Agreement beyond any applicable grace period, in canceling the Agreement, or in otherwise enforcing Purchaser's obligations thereunder if Sponsor is deemed to be the prevailing party. The Agreement also provides, that, except as prohibited by Law, the parties waive trial by jury in any litigation arising out of, or connected with, or relating to, the Plan, the Agreement or the relationship created thereby. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan for further details.

43. **No Invasive Testing**. Prior to the closing of a Residential Unit, Purchasers shall not be entitled to conduct any invasive testing in the Residential Unit including, without limitation, making holes in the walls or ceiling and/or removing sheet rock, tiles, wood flooring, windows or window panes to test for mold, asbestos, lead paint, mildew, spores, fungi or other toxins or for any other purpose. Please refer to the Sections entitled "Terms of Sale" and "Rights and Obligations of Sponsor" in Part I of the Plan.

44. **Sprinklers and Safety Devices**. The Building will be fully sprinklered (except for bathrooms and closets as per NYC Building Code) to eliminate fires. Although hidden from view, every ceiling will have sprinkler heads, which are covered by 3-4 inch circular protuberances in the ceiling. In order to operate effectively in the event of a fire, furniture, furnishings and other equipment in the Residential Units should not be placed in a way that would block the sprinklers from emitting water throughout the area beneath it. Blocking the sprinklers would be a violation of the Fire Department's Regulations. Residential Units will be equipped with certain safety devices, including fire and carbon monoxide alarms, which have to be checked regularly to make certain that they are operating properly. Checking the safety devices will be the Unit Owner's responsibility.

45. **Sponsor Principal**. 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 the 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., 2013 N.Y. Slip Op 03574 (1st Dept. May 16, 2013). See the Section entitled "Procedure to Purchase" in Part I of the Plan and the Purchase Agreement set forth in Part II of the Plan for details.

46. **Floor Designations**. All references in the Plan and in marketing materials to "floors" are references to their marketing designations and may not correspond to the designations given to the floors on the plans submitted to DOB.

47. **Sponsor's Use of the Building for Sales and Promotional Functions**. There will be a sales office located within the Building. Sponsor and its designee(s) shall also have the right, until the tenth (10th) anniversary of the First Closing (or until no Unsold Residential Units remain, if earlier), to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events and/or promotional functions (e.g., with respect to any sales programs for Unsold Residential Units). Such activities will result in excess traffic and noise in the Building, and may interfere with owner-occupants' enjoyment of the Building.

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

49. **Interim Service Period**. Prospective Purchasers are advised that some of the services and Facilities described in the Plan may not be available Until move-ins are finished and Sponsor's construction work within and on the Building is completed. Sponsor will use its best efforts to make all services and Facilities described in the Plan available within eighteen (18) months of the First Closing. However, it is anticipated that at all times after the First Closing, the Lobby will be attended twenty-four (24) hours per day, seven (7) days per week, and there will be one elevator servicing every floor on which there are occupied Residential Units. The interim level of staffing will at all times during this period be commensurate with the levels of occupancy from time to time and adequate to properly maintain the Building. During such interim service period when full services and/or Facilities are not available, the expenses for such services and/or Facilities, as accounted for in Schedule B of this Plan, may not be actually incurred. Therefore, Common Charges payable by the Unit Owners may be reduced accordingly to reflect the corresponding diminished expenses of the Building. To the extent that any service or Facility provided during such interim period benefits particular Units, to the exclusion of other Units, and the cost of the same is readily identifiable, the Common Charges necessary to provide such service or Facility will be borne exclusively by the owners of the benefitted Units, in proportion to their respective Common Interests. The amount of the Common Charges necessary to defray the cost of the interim services and Facilities described in the preceding sentence, as well as the manner of allocating such Common Charges among any Unit Owners who are exclusively benefitted by any use of the same, will be determined by the Board, which will be controlled by Sponsor during such

period. See the Section entitled "Description of Property and Improvements" in Part I of this Plan for further discussion.

50. **Services**. All determinations with respect to the continuance of any of the services in the Building, if initially made available, will be made by the Condominium Board, which will be controlled by Sponsor during the Initial Control Period. (See the Section entitled "Control by Sponsor.") Please refer to Exhibit 6 entitled "Description of Property" set forth in its entirety in Part II of the Plan for further details regarding services and Facilities at the Property. During the Initial Control Period, Sponsor will not diminish the services and Facilities provided in the Plan after such services and Facilities are made available. Neither Sponsor, the Managing Agent nor the Board will in any event be liable for the availability, interruption, discontinuance or quality of any services in the Building, including, but not limited to, any services provided by any 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 that any such injury to person or damage to property occurs as a result of the gross negligence of Sponsor, the Managing Agent or either of the Board, as the case may be.

51. **Rule Against Perpetuities**. In order to preclude any application of the Rule Against Perpetuities which might otherwise invalidate the Agreement, the Agreement shall expire, unless otherwise previously terminated, on the date that is the earlier to occur of (i) twenty-one (21) years after the date of the Agreement, or (ii) the time period legally permitted by the Rule Against Perpetuities in the State of New York, in which case the Deposit and all interest accrued thereon shall be returned to Purchaser. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan.

52. **Terraces**. Terraces are appurtenant to certain Residential Units, as identified in Schedule A and in the Floor Plans set forth in Part II of the Plan, and are Limited Common Elements available for the exclusive use of a Unit Owner of the Residential Unit to which such Terrace is appurtenant, subject to and in accordance with the Declaration, By-Laws and Rules and Regulations in effect from time to time. All normal maintenance and cleaning of any Terrace shall be made by the Unit Owner having access to such Terrace at the Unit Owner's own cost and expense, and any structural or extraordinary repairs or replacements to such Terrace shall be made by the Condominium Board and the cost and expense thereof shall be charged to all Unit Owners as a Common Expense. Unless damage is caused by the Unit Owner, the slab beneath the Terrace shall be the Board's responsibility and the surface of the Terrace above the slab shall be the Unit Owner's responsibility. Sponsor is not responsible for, can make no guarantees regarding and shall have no liability to Unit Owners with respect to, the level of noise or vibrations or odors resulting from the operation of the Building or the Units or the degree of privacy which will be afforded to Unit Owners on their Terraces. Moreover, Terraces must be kept free of snow, ice and accumulation of water to the extent failure to do so could cause damage to the Building and/or other Residential Units therein. In the event a Unit Owner fails to comply with any of its maintenance obligations, the Board may, at the expense of the Unit Owner and without liability to the Board, enter the Residential Unit and perform such acts as are necessary to cure the Unit Owner's default.

From time to time, the Board may adopt rules and regulations regarding the type of

plantings, furniture, roof finishes and other installations to be placed or which have been placed on the Terraces, and may also prohibit the storage of other items on such spaces. The Board shall at all times have the right to require a Unit Owner to remove such items if the Board determines, in its sole discretion, that such plantings or other installations may adversely affect the integrity of the roof or other portion of the Building or is otherwise unsafe. The Board shall have the right to mandate that any furniture, plantings, equipment and/or installations on a Terrace be secured to such Terrace as the case may be, via tie downs in accordance with specifications promulgated from time to time. In addition, the Board shall have the right, in connection with any construction, repair or maintenance work in the Building, to erect scaffolding temporarily on any Terrace or use the Terrace or roofs as a staging area, which could preclude the Terrace or roofs from being used while the work proceeds. In no event shall any Unit Owner of a Residential Unit having a Terrace be permitted to modify, without the prior approval of the Board, roof parapets and guards, or enclose or erect any structure on such Terrace including, without limitation, a hot tub. The Board shall have the right to require a Unit Owner to remove any installation that is installed without prior approval or is deemed unsafe. The Board may establish such other rules and regulations it deems necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health and safety of the occupants. Unit Owners shall not be permitted to exceed a weight load of 60 lbs. per square foot for the Terraces.

Purchasers are advised that from time to time, strong sustained winds or wind gusts may be experienced on the Terraces. In such instances, the occupants of a Residential Unit having a Terrace should avoid using such outdoor space. The Board may also require removal of personal property from the Terraces and may prohibit storage or require removal of any items from such spaces, as the Board reasonably determines for purposes of safety or otherwise. Further, with or without direction from the Board, Unit Owners are required to remove all items not affixed to Terraces in such instances of high winds. In extreme weather conditions and in the winter months, defined as the period of time commencing on December 1st and ending on March 31st, it could be hazardous for the occupants of a Residential Unit having a Terrace to use such outdoor space. To the extent permitted by Law, all Unit Owners which have a Terrace appurtenant to their Residential Unit, shall indemnify, defend and hold harmless Sponsor, the Board, and the Managing Agent against any and all claims arising from such Unit Owner's use of such outdoor space.

In addition, Unit Owners with Terraces must employ their own licensed plumber, with prior approval from the Board, in order to winterize any and all drains, pipes and hose bibs prior to November 1st, which winterization work shall be at the Unit Owner's expense, in order to prevent water damage from potential pipe bursts. Drains and gratings on Terraces must be kept free of any material or covering that may cause obstruction for its proper functioning. In the event a Unit Owner fails to comply with any of its maintenance obligations, the Board may, at the expense of the Unit Owner and without liability to the Board, enter the Residential Unit and perform such acts as are necessary to cure the Unit Owner's default.

In the event of either an emergency or in the event a Unit Owner fails to comply with its maintenance obligations, the Board may, at the expense of the Unit Owner and without liability to the Board, enter the Residential Unit and perform such acts as are necessary to secure and/or remove any furniture, plantings, equipment and/or installations on a Terrace and store same at the

Unit Owner's cost and expense and/or take any other measures reasonably necessary to ensure the safety of Building, the occupants thereof, and neighboring properties and individuals.

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

53. **Homeowners Association**. Sponsor anticipates that the Condominium will qualify as a homeowners association. Assuming the Condominium qualifies 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 Section entitled "Tax Opinion of Holland & Knight LLP" ("Attorney's Income Tax Opinion") in Part I of this Plan, 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 in Section W of this Plan 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. The budget for the first year of Condominium operation, in Schedule B, does not contemplate any income which might be taxable and accordingly does not budget any amounts for taxes for nonmembership or membership income. 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 regulations relating to entity classification, which were adopted by the United States Treasury Department on December 17, 1996. In addition, Purchasers should be advised that certain homeowners associations may be considered a "reporting company" subject to the CTA. Accordingly, if reporting is required, Board Members may be required to report certain financial information to FinCen, and compliance with the CTA will be a condition of holding a seat on the Board. Please refer to the Attorney's Income Tax Opinion and the Section entitled "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" in Part I of the Plan for further discussion.

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

55. **Interstate Land Sales Full Disclosure Act Exemption**. The Interstate Land Sales Full Disclosure Act 15. U.S.C. §§ et seq. ("ILSA") is a federal statute administered, as of July 21, 2011, by the Consumer Financial Protection Bureau ("CFPB") pursuant to the Dodd-Frank Wall

Street Reform and Consumer Protection Act ("Dodd-Frank Act"). ILSA requires sellers of lots in certain subdivisions to file a statement of record (the "Statement of Record") and property report (the "Property Report") with CFPB and provide a copy of the Property Report to purchasers before they sign a purchase agreement, unless the project or sale is exempt from this filing requirement. On September 26, 2014, President Obama signed into Law a bill amending ILSA to exempt sponsors of new construction condominium projects from the obligation to file a Statement of Record and Property Report. The law took effect on March 25, 2015. Accordingly, the registration and filing requirements of ILSA are not applicable to the Condominium as the Condominium is exempt from same. Thus, Purchasers will receive the Plan only, without copies of a Statement of Record and Property Report, and will not have the rights afforded purchasers of residential units in non-exempt projects pursuant to ILSA.

56. **Smoking**. The Building will be smoke free. Unit Owners and their guests shall not permit cigarette, cigar, pipe or cannabis/marijuana smoking in the Building, nor the use of vapes or JUULs. The Board shall have the right to obtain a court order enjoining the occupant of a Residential Unit from smoking in the Units or the Common Elements and the Board shall have the right to seek the eviction of a tenant who smokes in a Unit or the Common Elements. In addition to all other remedies available to the Board, violation of this policy shall subject the Unit Owner to (i) a fine in an amount to be determined from time to time by the Board and (ii) reimbursement of any fees or expenses incurred by the Condominium, including legal fees, in enforcing this provision.

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

58. **Sponsor's Obligations**. Sponsor reserves the right to sell two (2) or more of the Residential Units and to designate the purchaser of such blocks of Residential Units as a "sponsor" under this Plan and the Declaration or to not designate the purchaser as a sponsor. A party designated as a "sponsor" or a "sponsor-designee" will have those additional rights and obligations of a "Sponsor" as more fully described in the Plan including the assumption of the status and all of the obligations of Sponsor for those Residential Units under this Plan, applicable Law or regulations. No bond or other security has been posted by Sponsor to secure its obligation to pay Common Charges, special assessments and real estate taxes with respect to Unsold Units. Sponsor represents that it has the financial resources to meet such obligations with respect to Unsold Units. Please refer to the Section of the Plan entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further details.

59. **Windows**. The Residential Units will have large glass windows, which should be covered during the portions of the day when the sun is strongest in order to maintain the temperature of the Residential Units' rooms at comfortable levels and to conserve energy. The interior and exterior glass surfaces of all windows located in any Residential Unit shall not be colored or painted. The interior glass surfaces of all windows located in any Residential Unit and

the exterior glass surfaces of windows, which can be washed from Terraces, shall be washed and cleaned at the sole discretion of the Unit Owner or occupant thereof at such Unit Owner's sole cost and expense. Any replacement of glass windows in any Residential Unit because of breakage or otherwise shall be made by the Board at the sole cost and expense of the owner of such Residential Unit (unless such breakage is caused by the Board or the negligence of any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Board or such negligent Unit Owner, as the case may be). It is not unusual for there to be distortion in the peripheral portions of large windows. Distortion can be caused by changes in temperature, changes in elevation from where the insulating glass Residential Units were fabricated, changes in barometric pressure, windloads, glazing pressure around the periphery of the glass and the heat treatment process used for heat-strengthened and tempered glasses. Distortion is very subjective and the degree of distortion can change due to environmental conditions as listed above.

60. **Wood Floors**. Purchasers are advised that Residential Units will feature finished in place wood flooring. Wood flooring should not be washed with water and should be maintained in accordance with the manufacturer's recommendations. Sponsor makes no representation as to the number of times such floors can be sanded. Sponsor is not responsible for: (i) immaterial variations in floor level and slight separation between base and floor; (ii) immaterial variations in width, length or tone of wood floor strips or normal shrinking or expansion of wood flooring due to changes in moisture content of wood; or (iii) scratches and dents in flooring. Nearly every wood floor will have some seasonal separation between the individual boards, which is normal. However, excessive shrinkage from humidity can cause more serious, irreparable issues such as cracking, cupping, delamination, and even buckling.

Purchasers should also note that wood materials used as finishes have certain inherent risks associated with such use. Risks associated with wood products (including, but not limited to wood flooring, furniture, cabinetry, interior of cabinetry, moldings, etc.) include, but are not limited to: appearance of cracks between floor boards, gaps, squeaks, variation in color, variation in wood grain, texture, occurrence of knots, and cupping. Cracks, gaps, occurrence of knots and grain variation are more noticeable in light colored wood flooring. Furthermore, wood flooring is sometimes affected by sunlight and often fades and changes with use and age. Some woods darken and some lighten when exposed to light. Sponsor makes no representation or warranty that the wood floors will maintain their appearance after they are subject to wear and tear. Wood flooring can also dent. Protective felt pads and protective material should be used when placing furniture or appliances. Standing water will cause cupping, swelling and subsequent gapping. Purchasers should refer to the manufacturer's instructions on care of wood floors. See the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board" in Part I of the Plan for further discussion.

61. **Stone Surfaces**. Certain surfaces in the Residential Units may consist of natural stone, such as marble or limestone. Purchasers are advised that natural stone can be porous and calciferous, with the potential to absorb and/or chemically react to certain substances. Purchasers should note that special care will be necessary in the maintenance and cleaning of certain materials in the Residential Units. Natural stones such as marble or limestone have natural variations in colors and markings which require cleaning with neutral cleaners that are free of acidic or alkaline

solutions, bleach, ammonia or abrasives that can break down sealers and damage or stain the stone surface. Such stone surfaces may be sealed so as to prevent absorption, etching, discoloration and/or staining.

To reduce (but not eliminate) the possibility of absorption, etching, discoloration and/or staining, Sponsor may apply a sealer to the stone surfaces in the Residential Unit prior to delivery of such Residential Unit to Purchaser. Such stone surfaces may require sealing and resealing at some point in the future, and any such sealing will help with water absorption and staining, which may alter colorations. Purchasers are advised that impregnating sealants and using daily stone cleaners, which have been specially developed for cleaning stone, are recommended for proper maintenance. Purchasers are advised that the application of a sealer to stone surfaces does not in any way guarantee that future absorption, etching, discoloration and/or staining will not occur. Furthermore, it will be each Unit Owner's obligation to maintain the stone surfaces, including the engagement of a professional to reapply the sealer at regular intervals. Purchasers should consult a professional regarding the proper care and maintenance necessary to preserve the appearance of any stone surfaces in their Residential Units under the Purchase Agreement (including, without limitation, pursuant to Arbitration, as discussed herein) and/or in terminating the Purchase Agreement in the event of Purchaser's noncompliance with the terms thereof. For more information, please see the Sections entitled "Rights and Obligations of Unit Owners and the Condominium Board" and "Repairs to and Maintenance of Residential Units and Common Elements" in Part I of the Plan.

62. **Interim Occupancy Agreement**. Prior to the consummation of the Plan, Sponsor shall keep all Residential Units vacant unless occupied by a Purchaser in contract to buy a Residential Unit, subject to an Interim Occupancy Agreement ("IOA"). In the event a Purchaser occupies a Residential Unit pursuant to an IOA with Sponsor, and such Purchaser rescinds its Purchase Agreement due to an amendment to the Plan which discloses a material adverse change to the Plan and offers Purchasers the right to rescind, such Purchaser shall be obligated to surrender the Residential Unit within thirty (30) days thereafter, free of all occupants and in broom clean condition. If a Purchaser fails to timely vacate the Residential Unit before the First Closing has occurred, the Purchaser shall be liable for use and occupancy in an amount equal to twice the rent under the Interim Occupancy Agreement. If a Purchaser fails to timely vacate the Residential Unit after the First Closing has occurred, the Purchaser shall be liable for twice the costs of carrying the Residential Unit (such as Common Charges and the allocable portion, based on the Residential Unit, of debt service on any loan covering Unsold Residential Units) as calculated by Sponsor. In addition, irrespective of when such failure to timely vacate occurs, such Purchaser shall be liable to Sponsor for the following: (i) loss of profit and (ii) all costs and expenses incurred by Sponsor to obtain possession of the Residential Unit, including the cost of litigation and reasonable attorneys' fees and expenses.

Sponsor may agree to license a vacant Residential Unit for payment and upon such other terms and conditions as may be agreed upon by Sponsor and the Purchaser; provided, however, that in the case of an IOA to a Purchaser, such IOA will provide that an uncured default by the Purchaser under the IOA (that is, a default not cured within 30 days after the sending of written notice thereof) will constitute a default under the IOA entitling the Sponsor, at its sole option, to

immediately terminate such IOA whereupon the Purchaser must vacate the Residential Unit within ten (10) days thereafter. The Purchase Agreement will contain a similar provision entitling Sponsor to terminate the Agreement and retain the Deposit (and any interest thereon) as liquidated damages, and not as a penalty, in the event the Purchaser fails to cure a default under such Purchaser's IOA, if any, within the applicable grace period (if any) and either: (a) Sponsor has obtained an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser or (b) the Purchaser has vacated the Residential Unit. No portion of the payments paid under any IOA will be credited towards the Purchase Price of a Residential Unit unless the IOA and the Purchase Agreement therefor expressly so provide. See the Section entitled "Interim Occupancy Agreements" in Part I of this Plan and Exhibit 13 in Part II of the Plan for more information.

63. **Time Is of the Essence**. After the Plan is declared effective, Purchasers will receive at least thirty (30) days' prior notice of the scheduled Closing Date and, in the event Purchaser fails to close on the designated date, then Purchaser will have a thirty (30) day period after notice within which to cure, time being of the essence, such default, following which Sponsor shall have the remedies set forth in the Section entitled "Procedure to Purchase" in Part I of the Plan. Time is of the essence with respect to the Purchaser's obligation to close title on the date set for closing and to pay, perform or observe all of his or her other obligations under the Purchase Agreement and/or Storage Unit Purchase Agreement, and to cure a default within thirty (30) days after Sponsor gives written notice to the Purchaser of such default. Therefore, a Purchaser who defaults under his or her Agreement and/or Storage Unit Purchase Agreement and who does not cure such default within such thirty (30)day period may not be permitted any additional time to cure such default. TIME IS OF THE ESSENCE AS TO PURCHASER'S OBLIGATIONS PURSUANT TO THE AGREEMENT AND STORAGE UNIT PURCHASE AGREEMENT, INCLUDING, WITHOUT LIMITATION, PAYMENT OF THE BALANCE OF THE PURCHASE PRICE. See the Section entitled "Procedure to Purchase" in Part I of this Plan for more information.

64. **Dispute Resolution**. The Purchase Agreement contains a clause requiring that any dispute regarding the Purchase Agreement, including the disposition of the Deposits, be submitted to "Expedited Arbitration". In addition, disputes between Unit Owners and, at the option of the Board, disputes between Unit Owners and the Board, shall be submitted to Expedited Arbitration. Expedited Arbitration means a binding arbitration proceeding held in New York County administered by JAMS, or if JAMS is no longer providing such service, by another private alternative dispute resolution provider selected by Sponsor or the Board which is not affiliated with Sponsor (the "ADR Provider") and conducted, to the extent consistent with the Purchase Agreement and the By-Laws, in accordance with the then prevailing rules and expedited procedures of the ADR Provider (the "ADR Rules"). Accordingly, by submitting to Expedited Arbitration, the parties to the dispute waive the right to bring suit in court and agree to accept the Arbitrator's decision as final; there is generally no right to appeal. The right of the parties to be represented by counsel and to submit data, memoranda and similar material in support of their respective positions, and the ability of the parties to obtain documents, witness statements and other discovery, may be more limited in Expedited Arbitration than in court proceedings. After hearing the dispute, the Arbitrator shall be obligated to render a determination (the "Award")

within the applicable time period under the ADR Rules for the rendering thereof. The Award shall be final and binding upon the parties. Any motion to confirm or vacate the Award must be filed in a federal or state court located in the City, County and State of New York.

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

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

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

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

66. **Statute of Limitations**. The Purchase Agreement provides that, to the extent arbitration is inapplicable, Purchaser, as Unit Owner, shall have a maximum of three (3) years from closing the acquisition of the Residential Unit to bring a claim against Sponsor with the exception of (i) causes of action arising out of Sponsor's obligations under the Offering Plan or GBL Article 23-A (hereinafter, the "Martin Act") and (ii) enforcement of judgments already obtained. This three (3) year period is shorter than the six (6) year statute of limitations for breach of contract contained in New York Civil Practice Law and Rules §213(2). By executing the Purchase Agreement, Purchaser shall be deemed to have acknowledged and agreed that said three (3) year period maximum is reasonable. Therefore, Purchasers agree that, notwithstanding anything to the contrary set forth in the Plan, the Purchase Agreement, at Law, in equity, or otherwise, any action or proceeding brought by, through or on behalf of Purchaser against Sponsor, its principals, affiliates or agents, under or related to this Plan or the Purchase Agreement, or related to the Building or a Purchaser's Residential Unit, to be valid, must be commenced by the earlier to occur of (x) three (3) years, or (y) the expiration of the otherwise applicable statute of limitations, in either case from the date the claim giving rise to such action or proceeding accrues in accordance with applicable Law. While Sponsor is attempting to shorten the statute of limitations for certain claims, courts have restricted a party's attempt to restrict the statute of

limitations if the restriction is deemed unreasonable. Purchaser should discuss this provision with their attorneys prior to executing the Purchase Agreement. See Part I, Section M of the Plan, entitled "Procedure to Purchase" and the Purchase Agreement itself, for additional information.

67. **Development Rights**. All excess air or developmental rights otherwise appurtenant to the Property and not used in connection with the original construction of the Building as described in this Plan or hereafter granted will be retained by Sponsor (the "Development Rights"). As a result, unless Development Rights are separately acquired therefor on behalf of the Condominium or a Unit Owner, as the case may be, any future expansion of the Building by the Condominium Board, or of a Unit by any Unit Owner, as may otherwise be permitted pursuant to any applicable Legal Requirements, may not be possible or may be limited. Further, as a result of such reservation, the owner of the Development Rights may transfer or sell such Development Rights to the owner(s) of adjoining properties or offsite and in such case such properties may be increased as a result of such transfer or sale. The Development Rights will not be used to add additional floors to the top of the Building or to physically expand the Building. In the event such excess Development Rights are transferred to the owner(s) of adjoining properties or offsite, a Unit Owner's views and exposure to light may be affected. See the subsection entitled "Reservation of Air and Development Rights" in the "Rights and Obligations of Sponsor" Section in Part I of this Plan for more information.

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

69. **Local Law 11 (FISP)**. As set forth in the Description of Property set forth as Exhibit 6 in Part II of the Plan, New York City Façade Inspection and Safety Program (FISP) formerly known as Local Law LL11-98 applies to the Building. Under FISP, periodic inspections are required in order to maintain a building's exterior walls and appurtenances thereto in a safe

condition. A filing is required for all buildings with exterior walls or parts thereof that are greater than six stories in height, including the basement, but not the cellar, as defined in the Building Code, and regardless of the information in the certificate of occupancy. Buildings required to file a report shall do so once every five (5) year report filing cycle established by the department. A report shall be filed within sixty (60) days of the date on which the visual critical examination is completed (final inspection date) and not more than one (1) year after completion date of the required physical close-up inspection. The LL11-98 (FISP) requirements for new buildings state that a report shall be filed five years from the date the first TCO is issued if that five-year date falls within the applicable filing window according to the last digit of the building's block number. If the five years from the date the first TCO or FCO issued falls outside the applicable filing window, according to the last digit of the building's block number, then the initial report shall be filed within the applicable two-year filing window for the next five-year cycle.

Unsafe conditions were identified per the latest FISP report, which consist of damaged masonry and cracked concrete, sills and coping. The required repairs will consist of a combination of brick, sill and coping replacement, along with cement injections. In accordance with Local Law 11 requirements, all unsafe conditions noted in the latest FISP report will be remediated by Sponsor to obtain safe filing status prior to obtaining a TCO. Sponsor is only responsible for the condition of exterior walls up to the date of the First Closing and will not perform any future maintenance or remediation work.

Local Law 11 report will be due in accordance with the DOB schedule in effect at the completion of construction. The next examination of the Building shall be conducted in 2030, the fifth year following the erection of the exterior walls and/or enclosures inspection. Based on the current DOB schedule, the inspection will be scheduled during Cycle 10. Compliance with FISP, including, but not limited to, hiring an architect or engineer to perform an inspection and filing a report with DOB, and any costs associated therewith, shall entirely be the responsibility of the Condominium Board, and not of Sponsor. Purchasers are advised that costs associated with Local Law 11-98 (FISP) inspections could be substantial and may include installation of construction bridges and other scaffolding as required by DOB for extended periods of time. See the "Description of Property" set forth as Exhibit 6 in Part II of the Plan for further details.

70. **Rebates to Unit Owners of Surplus of Annual Receipts**. Notwithstanding the various Common Charges required to meet the expenses set forth in the "Budget for First Year of Condominium Operation, Schedule B," or until the expiration of the Initial Control Period, if the annual receipts levied against Unit Owners during the first year of Condominium operation commencing on the date of First Closing exceed the actual expenses less income from sources other than Unit Owners for that period accounted for on an accrual basis by an amount in excess of $100,000, the receipts from Unit Owners over and above such amount will be rebated to the Unit Owners by the Board in proportion to each Unit's percentage of Common Interest. Rebates, if any, attributable to Units purchased from Sponsor during the first year of Condominium operation will be distributed by the Board to Sponsor and the Unit Owner(s) in proportion to the amount of time Sponsor and each Unit Owner owned such Unit. Sponsor makes no representations that there will be any excess receipts for rebate to Unit Owners or, if rebates are made, what the tax consequences of such rebates would be to Unit Owners. See the Attorney's Income Tax

Opinion in Part I of the Plan for further discussion regarding the income tax consequences of the ownership of Units by individual Unit Owners. Sponsor makes no warranty or representation that the operating expenses during this period will be less than the actual Common Charges or as to the amount of any credit that may be available as a result of such computation.

Notwithstanding the foregoing, if a refund is contemplated for the first or any subsequent year of Condominium operation, such refund may only be effectuated if an independent certified public accountant, as part of its preparation of the yearly annual certified financial statement for the Condominium has determined that a refund is warranted based on an excess payment of Common Charges by Unit Owners over actual expenses for the Condominium and has determined the amount of such refund as part of its annual review. Sponsor shall continue to update the budget, in accordance with the governing regulations. For purposes of this Plan, an "excess payment of Common Charges" shall mean the actual expenses of the Condominium (or specific sections of the Condominium as applicable) were less than the projected expenses set forth in the Budget of the Condominium (or the applicable section). No refund may be given unless all expenses of the Condominium are paid, including but not limited to, insurance premiums and reserve funds. During the budget year following a year for which a refund was effectuated, no special assessment or increase in Common Charges shall be instituted to pay for any item which was set forth in the previous year's budget and which was refunded to Unit Owners as per the foregoing.

71. **Roof Rights/Easement**. Sponsor has, with respect to the roof of the Building, the exclusive right (and such easements as shall be required) at any time and from time to time at its sole cost and expense, to exclusively erect, use, maintain, repair, replace, relocate and operate for Permitted Roof Platform Purposes, as hereinafter defined, one or more platforms, supports or structures on any portion of the roof (other than those portions of the roof which are Limited Common Elements for the exclusive use of a particular Unit Owner, if any) for the purpose of erecting, using, maintaining, repairing, replacing, relocating and operating for Permitted Roof Platform Purposes, antennae, satellite dishes and other communications equipment thereon (including, without limitation, the running of conduit wiring and/or cabling throughout the Building as necessary); provided, however, that Sponsor shall give prior notice to the Board, for information purposes only, of the type and location of any such equipment before installation. Such easement shall also include the right of Sponsor to use, lease and license such equipment, and to retain any profits therefrom. All of the foregoing shall at all times be used, installed and maintained in compliance with all Law and Insurance Requirements. The word "equipment" as used in this paragraph shall be deemed to include fiber optic cable and other communications lines, wires, risers, cables and conduits, as well as any other ancillary equipment, based upon all current and future technologies, needed for the proper operation of the communications installations. Each easement and other right granted under this paragraph must be exercised, and all such platforms, supports, structures, installations and equipment must be used in such a way so as to minimize, to the extent reasonably practicable, interference with the exercise of the other easements and other rights granted under this paragraph. Further, the holder of the easement and the exercise of any such easement will not materially interfere with the Unit Owner's use and maintenance of the Condominium. Sponsor is obligated to indemnify the Condominium in connection with Sponsor's exercise of this easement. Any additional insurance costs/coverage needed in connection therewith will be borne solely by Sponsor. As used herein, "Permitted Roof Platform Purposes" shall mean

all businesses, operations and activities of Sponsor and its affiliates, including the business of renting out or otherwise providing satellite dishes and/or other communications equipment, services and/or space for satellite dishes and/or other communications equipment or services to third parties, and any operations or activities in connection with such business.

72. **Mold**. Purchasers are advised that the prevention of the growth of mold in a Unit is the responsibility of each Unit Owner. Construction is not, and cannot be, designed to exclude mold spores. Whether a Unit Owner experiences mold growth depends largely on how such Unit Owner manages and maintains his/her Unit. Unit Owners will need to take actions to prevent conditions which cause the mold or mildew, and it is the responsibility of each Unit Owner to ensure that he/she has taken the necessary precautions to prevent mold from becoming a problem in such Unit Owner's Unit. Sponsor will not be liable for, and Purchaser hereby waives any claim for, any actual, special, incidental or consequential damages based on strict liability, or breach of express or implied warranty, unless caused by the gross negligence or misconduct of Sponsor. The provisions of this paragraph shall survive closing of title or the termination of the Purchase Agreement. See the Purchase Agreement, set forth as Exhibit 1 in Part II of the Plan, for more information.

73. **Construction Disputes**. Prior to bringing any lawsuit, arbitration or administrative proceeding (a "Proceeding") against the Sponsor and/or the Sponsor's consultants, professionals, members, managers, or the Sponsor Principal (collectively, the "Sponsor Parties") relating to the construction of all or part of the Building (including the Units and Common Elements), the party intending to bring the Proceeding must have a report prepared (the "Correction Report") by an independent, licensed, architect or engineer (the "Inspecting Professional"). The Correction Report must identify the specific areas of the Building that are not in compliance with the specific provisions of the Offering Plan, the Plans and Specifications filed with DOB, and/or the local construction codes (a "Claim"). The Sponsor shall have a ninety (90) day period after the receipt of the Correction Report to correct any of the Claims or explain why the Claim is incorrect, prior to the Proceedings being brought by the Unit Owners or the Board. The Sponsor shall have no responsibility for damages to the Units or the Building arising out of the Unit Owner's, the Managing Agent's or the Board's failure to properly inspect, maintain or repair the Property.

At least thirty days prior to the Board commencing a Proceeding against the Sponsor Parties, the owner of each Residential Unit that is not owned by the Sponsor or an affiliate of the Sponsor, shall receive (a) a copy of the Correction Report and the Sponsor's response to it, if any; (b) a description of the Claim, the relief sought, the anticipated duration of prosecuting the Claim, and the likelihood of success; (c) a copy of the engagement letter or retainer agreement between the Board and the attorney selected by the Board to assert or provide assistance with the Claim; (d) a budget for the cost of bringing the Claim, whether incurred by the Board directly or for which the Board or the Unit Owners may be liable as a result of prosecuting the Claim; (e) a summary of the steps previously taken by the Board to resolve the Claim; (f) a statement that initiating the Proceeding may affect the market value, marketability, or refinancing of the Units while the Claim is pending; (g) a description of the manner in which the Board proposes to fund the cost of prosecuting the Claim; and (h) a letter from the attorney retained by the Board with an analysis of the Claim and the likelihood of success. See the Section entitled "Rights and Obligations of

Sponsor" in Part I of the Plan.

74. **Lot Line Windows**. The Building has a single lot line window on the west wall of the primary bathroom in the Penthouse Residential Unit. Such window would need to be blocked-in by the Unit Owner if a neighboring building is built at a height at or above these windows. If one of these lot line windows must be blocked, the cost to the Unit Owner is currently expected to be approximately $800 per window, but may increase substantially over time. The room that the lot line window serves does not rely on this window for legally required light and air. Under the applicable building code in the City of New York, lot line windows must meet certain requirements including being built of a shatter-resistant type of glass and being provided with a protective sprinkler head. Also, such windows may not be counted toward the mandatory light and ventilation requirements. All lot line windows were built in full compliance with all applicable building codes and other regulations, and all Residential Units meet the light and ventilation requirements without taking those windows into account. Please refer to Exhibit 6 entitled "Description of Property" in Part II of the Plan for further details.

75. **Confidentiality**. Sponsor and Purchaser hereby acknowledge and agree to keep all of the terms and conditions of the Purchase Agreement confidential, except that Sponsor shall be permitted to disclose that the Agreement has been executed for the Residential Unit and the purchase price thereunder, but not the identity of Purchaser or its principals. Sponsor and Purchaser agree that any information which is required to be disclosed to the parties' respective lawyers, brokers, architects/engineers, accountants, 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.

76. **Force Majeure**. 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 or to be relieved of any other obligation under the Purchase Agreement. However, none of Purchaser's rights under Article 23-A of the General Business Law, the Plan and Part 20 of the Regulations issued by the Department of Law, shall be abridged by virtue of a Force Majeure Event, except as determined in a final decision or order by a court of competent jurisdiction or any governmental agency, or by executive order. **Purchasers are specifically advised that the timing of the Closing may be significantly delayed in the event that Sponsor exercises its tolling rights under the foregoing Force Majeure provision. The Attorney General recommends that Purchasers consult with their attorneys as to the following prior to executing a Purchase Agreement: (i) whether there exists a final decision or order by a court of competent jurisdiction or any governmental agency, or executive order, that impacts the timing of Purchaser's obligations under the Purchase Agreement; and (ii) any risks associated with executing a Purchase Agreement containing the foregoing Force Majeure provision.**

77. **Landmark Status**. The Building is located in the Greenwich Village Historic District, as designated by the New York City Landmarks Preservation Committee ("LPC"), and is governed by Title 25, Chapter 3 of the Administrative Code of New York. Prior to any exterior construction work at the Building requiring a building alteration permit issued by DOB, application must be made to, and approved by, LPC for either a Certificate of No Effect or Certificate of Appropriateness, whichever is applicable. There are no anticipated costs associated with maintaining landmark status requirements. If construction is performed on the exterior of the Building, the Condominium Board shall assume responsibility for the costs of complying with the requirements of the landmark status of the Building (and/or any portion thereof) and the costs associated therewith shall be a Common Expense. Sponsor reserves the right, exercisable prior to or at the First Closing, to donate a facade conservation easement to a qualified charitable organization and claim a tax deduction for the distribution. In the event Sponsor makes the donation, in the future, the Condominium Board will need to obtain the consent of the charitable organization prior to repairing or altering the facade. See the Section entitled "Description of Property and Improvements" in Part I of this Plan for further discussion.

78. **Local Law 97**. The New York City Building Emissions Law (Local Law 97) was passed in April 2019, and added carbon emissions caps for medium and large sized buildings to begin taking effect in 2024. The Building does not warrant compliance with Local Law 97.

79. **Asbestos.** Prior to the commencement of new construction, BSI EHS Services and Solutions' New York State Department of Labor (NYSDOL) Certified Asbestos Inspectors performed an asbestos inspection and collected bulk material samples from suspect asbestos-containing materials (ACM) identified to be present at the Roof, Façade, 7th Floor, 6th Floor, 5th Floor, 4th Floor, 3rd Floor, 2nd Floor, 1st Floor and Cellar at 118 West 13th Street, New York, New York 10011. According to the laboratory analytical results for the bulk samples collected, eleven (11) of the seventy-five (75) materials sampled were found to contain asbestos in a concentration exceeding one percent (1.0%), thus classifying the materials as ACM. All asbestos-containing materials located in areas of proposed work were abated by New York Insulation, Inc., in accordance with NYC DEP, NYS DOL, EPA & OSHA requirements. The Project Monitor's Reports were subsequently submitted to the DEP Asbestos Control Program, and Asbestos Completion Forms (ACP-21s) were issued by NYC DEP for the work completed. There may be existing elements of the building which still contain asbestos-containing material from prior construction work. No asbestos-containing material was installed during the Sponsor's scope of construction work.

80. **Lead-Based Paint**. The building was not tested for lead-based paint. There may be existing elements of the building which contain lead-based paint from prior construction. No lead-based paint was installed during the Sponsor's scope of construction work. The ingestion of lead poses serious health risks, especially in young children. Purchasers are advised to familiarize themselves with the NYC Local Law 1 of 2004, a copy of which is included as Exhibit 17 to the Offering Plan. Purchasers of Units, particularly those with young children, are advised to consult with an environmental professional to determine the existence of, and any remediation of, lead-based paint.

81. **Maisonette Lower Level**. The lower level of the Maisonette Unit (the "Maisonette Lower Level") is a cellar, located below grade, and thus is non-habitable, for accessory use only, and not for living, sleeping or cooking. In addition, the Maisonette Lower Level may not be rented independently of the dwelling above.

B. INTRODUCTION

1. **The Offering Plan**.

118 West 13th Street Owner LLC, a Delaware limited liability company ("Sponsor"), hereby presents this Offering Plan (the "Plan") for the establishment of condominium ownership of certain land consisting of approximately 6,453 square feet on the south side of West 13th Street between Avenue of the Americas (6th Avenue) and 7th Avenue (the "Land"), including a building with seven (7) construction floors, exclusive of roof levels, and a cellar (the "Building") containing eight (8) Residential Units, which are referred to collectively as the "Residential Units". The Land and the Building are collectively referred to herein as the "Property". The Condominium will be known as "118 West 13th Street Condominium", and also "The Katharine", but will be referred to as the "Condominium" throughout the Plan. Sponsor acquired the Property on September 9, 2021 from The New School. The purpose of the Plan is to set forth in detail all material facts relating to the offering by Sponsor of the eight (8) Residential Units and eight (8) Storage Units.

Sponsor reserves the unconditional right to rent or lease, rather than sell, the Units after the consummation of the Plan. As a result, Purchaser may be acquiring a Unit that has been previously occupied, but unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Unit will be delivered at closing free and clear of all leases and tenancies. Because Sponsor reserves the unconditional right to rent or lease Units, there is no commitment to sell more Residential Units than the fifteen percent (15%) of such Residential Units (i.e., two (2) Residential Units) necessary to declare the Plan effective and, accordingly, Unit Owners may never gain effective control and management of the Condominium. See the Sections entitled "Introduction", "Procedure to Purchase" and "Rights and Obligations of Sponsor" in Part I of the Plan for further discussion.

The Plan is presented in two parts (in one volume) which together constitute the entire Plan. Part I sets forth a general description of the Plan and Part II contains all of the material terms of the transaction and the basic documents necessary to create the Condominium and to otherwise effectuate the provisions of the Plan. Also included in Part II is a detailed physical description of the Property, certifications of Sponsor and Sponsor's Principals and Sponsor's architect, certifications of an expert selected by Sponsor concerning the adequacy of the budget for the first year of Condominium operation and certain agreements to which the Condominium will be bound. In addition, Sponsor has filed exhibits to the Plan with the Department of Law, which are presented as Parts A (Certifications), B (General), C (Engineering) and D (Other Information). The Plan, including all schedules set forth herein in Parts A, B, C and D of the exhibits, constitutes the entire offer of Sponsor. Copies of the Plan and the exhibits will be available for inspection by prospective Purchasers without charge and for copying at reasonable fees at Sponsor's office and at the offices of the Department of Law at 28 Liberty Street, New York, New York. Copies of the Plan and the exhibits may also be borrowed from Sponsor upon payment of a two hundred fifty dollar ($250) deposit, which amount will be fully refunded after the earlier of (i) the prompt return of all borrowed materials in good condition within ten (10) days or (ii) the execution by the borrower of an Agreement subsequently accepted by Sponsor. All of these documents are important and should be carefully read by prospective Purchasers. Prospective Purchasers are also advised to consult with their own attorneys or other advisers before agreeing to purchase. All capitalized terms used

in the Plan shall have the meanings ascribed thereto in the Section entitled "Definitions", unless otherwise indicated.

2. **The Condominium**.

The Sponsor is constructing the Building on the Land, which will be subject to a certificate of occupancy. The Building will contain seven (7) floors above grade, exclusive of roof levels, along with a below-grade Cellar. The floors in the Building are named (from bottom to top): Cellar, Ground Floor, Floors 2-7, Roof and Bulkhead Roof. As more particularly described herein, the Building will include eight (8) Residential Units within the Cellar, First Floor, Floors 2-7 and the Roof, eight (8) Storage Units in the Cellar and the Common Elements which are located on portions of the Cellar, First Floor and Roof.

There will be available to occupants of the Building, certain first class residential services, including, but not limited to, automatic elevators, and cable television and internet service at an additional charge, exercise room, recreation areas and security systems.

3. **Features of Condominium Ownership**.

The ownership of a Residential Unit is similar in many respects to the ownership of a private home. Each Unit Owner owns fee title to his or her Residential Unit and is entitled to the exclusive possession thereof. The owners of the Residential Units are collectively entitled to the exclusive use of the Common Elements. He or she also owns, in common with the owners of all other Residential Units, a proportionate undivided interest in (and right to use) the Common Elements.

Each Unit Owner is obligated to comply with the Declaration and By-Laws, Rules and Regulations, and any other requirements of the Condominium Board. The Condominium Board shall have the authority to manage the Condominium. The Unit Owners have the right to vote for members of the Condominium Board after the Initial Control Period.

Subject to certain conditions contained in the By-Laws, each Unit Owner may mortgage his or her Residential Unit(s) with such lender and in such amount as he or she chooses. However, Sponsor makes no representations about whether a Purchaser will be able to finance the purchase of any Residential Unit. Each Residential Unit is separate and is not subject to the lien of any mortgage placed by other Unit Owners on their respective Residential Units.

A Unit Owner may decorate the interior of his or her Residential Unit in any way desired except as otherwise provided in the By-Laws and Rules and Regulations and Law, and will be solely responsible for the cost of maintenance and interior repairs to his Residential Unit after Closing.

Once separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for the payment of, nor will his or her Unit be subjected to, any lien arising from the non-payment of real estate taxes on other Units. Please refer to the opinion of Holland & Knight LLP, counsel to Sponsor, set forth in full in Part I of the Plan,

for a discussion regarding the deductibility for federal, New York State and New York City income tax purposes, of real estate taxes and the interest paid on a mortgage, if any, on a Residential Unit.

The Condominium Board does not have the right to approve or disapprove purchasers, and as a result, there is no limit on the number of owners who may purchase a Residential Unit for investment rather than for personal occupancy, and there may always be a substantial percentage of Unit Owners who are non-Residents. With certain exceptions (for example, Sponsor and its designee are not required to give the Board a right of first refusal with respect to any Unsold Units), any sale or lease of a Unit will be subject to a right by the Board to acquire or lease such Unit or to produce a third party to acquire or lease such Unit on the same terms as were offered to the owner of such Unit. The Board, to the extent permitted by Law, has the right to reject sales and leases to purchasers and tenants who themselves (or Residents of their Residential Units) have diplomatic immunity or have been convicted of violent crimes or child molestation without being required to exercise the right of first refusal. For a more complete discussion of the foregoing, see the subsection entitled "Sales and Leases of Residential Units" in the "Rights and Obligations of Unit Owners and the Condominium Board" Section in Part I of the Plan. Currently, there is no limit on the number of owners who may purchase for investment (rather than for personal occupancy).

The statute concerning condominiums in effect in the State of New York pursuant to which the Condominium will be organized is Article 9-B of the Real Property Law of the State of New York, as amended, commonly known, and hereinafter referred to as the "Condominium Act". The Property will be submitted to the provisions of the Condominium Act by Sponsor's recording of the Declaration in the City Register's Office. From and after the date of recording the Declaration, Sponsor will be the owner of the Units until each is sold or conveyed. The Condominium will comply with all statutes and regulations applicable to condominiums in the State of New York.

Generally, the cost of operating the Common Elements will be borne by the Unit Owners in proportion to their respective Common Interests. The costs and expenses of operating and maintaining the Common Elements will generally be shared by all Unit Owners in proportion to their respective Common Interest except as otherwise provided in the projected "Budget for First Year of Condominium Operation, Schedule B" in Part I of the Plan or in accordance with the terms of the By-Laws. The Condominium Board may make allocations of Common Expenses in accordance with sub-metering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with Law.

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 Board determines, the Board will assess Common Charges. Such charges will be assessed against Unit Owners in proportion to their respective Common Interests except as otherwise determined by the Condominium Board in accordance with the Condominium Act, Sections 339-i and 339-m.

After the closing of title to a Unit, a Unit Owner will be solely responsible for maintaining casualty insurance with respect to the fixtures, equipment and personal property situated within his or her Unit, as well as liability insurance with respect to occurrences in or about his or her Unit. The By-Laws require that each Unit Owner maintain such insurance coverage. The Condominium

Board will be solely responsible for maintaining casualty and liability insurance with respect to the Common Elements, in accordance with the provisions of the By-Laws. See the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board" in Part I of the Plan for a more complete discussion of the foregoing.

In order to facilitate the Sponsor's sale of the Residential Units, prior to (a) one (1) year after a Purchaser's closing on its Residential Unit, a Purchaser will not be permitted to sell or lease his or her Residential Unit(s) without obtaining the Sponsor's written approval, and (b) a Purchaser's closing of a Residential Unit, the Purchaser may not (i) list the Residential Unit for resale or lease with any broker or otherwise, or (ii) advertise, promote or publicize the availability of his or her Residential Unit for sale or lease. In the event that Purchaser violates the foregoing prohibition then any sums received by Purchaser in excess of the Purchase Price paid by Purchaser shall be paid to the Sponsor as liquidated damages. In addition, any such sale or lease, listing of the Residential Unit or form of advertising, promotion or publicizing of the Residential Unit by Purchaser or its agents or representatives shall constitute a default under the Agreement, entitling Sponsor to the remedies set forth therein and any lease or conveyance in violation of the foregoing will be voidable by Sponsor.

There are no limitations on who may purchase Residential Units. Under the New York Real Property Law, a condominium unit may be owned by an individual, a corporation, a partnership, an association, a trust or any other entity which is permitted to take title pursuant to New York Law. Notwithstanding the foregoing, Sponsor is not obligated to offer or sell any Residential Units and may, if it chooses, withhold one or more Residential Units for future sale for any reason whatsoever, without the consent of either of the Board, any Unit Owner, or mortgagee, and refuse to approve and execute (a) an Agreement for any Residential Unit and (b) an Agreement or Agreements, as the case may be, for more than one Residential Unit to any one person or entity; provided, however, that, in either event, Sponsor shall not discriminate against any person because of his or her or their race, creed, color, gender, disability, marital status, age, ancestry, national origin, height, weight or other ground proscribed by Law. No binding obligation will arise for the sale of a Residential Unit unless and until an Agreement executed by both Purchaser and Sponsor, has been exchanged and Sponsor has collected the funds constituting Purchaser's required Deposit thereunder (see the Section entitled "Procedure to Purchase" in Part 1 of this Plan for more details). Sponsor will not accept an offer of purchase from an individual younger than eighteen (18) years of age or an incompetent under Law.

Current zoning permits the residential use of all Residential Units offered for sale.

Sponsor has obtained Sponsor's Loan from Construction Lender. Sponsor's Loan has a maturity date of April 19, 2026 (which is subject to extension), in accordance with the Loan Documents. At the time of the First Closing, Sponsor will subordinate the lien of its mortgage to the Declaration, and at each Unit closing, Construction Lender will release its lien on said Unit and its interest in the Common Elements, each subject to and in accordance with the Loan Documents. There are minimum release prices for each Unit set by Construction Lender that must be paid to Construction Lender at Closing in order for Construction Lender to release its lien from the Unit being sold. The Loan Documents also grant additional security rights to Construction Lender in the case of a default by Sponsor under the Loan Documents, including, e.g., resignation

of members of Sponsor's members and officers serving on the Board and allowing Construction Lender to appoint replacement members, voting proxies and assignment of Sponsor's rights under the Condominium Documents. Construction Lender has not required a different minimum number or percentage of Residential Units which must be under contract before the Plan may be declared effective.

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

4. **Offering of Units for Sale**.

Sponsor hereby offers for sale eight (8) Residential Units and eight (8) Storage Units. All equipment and fixtures described in this Plan as being included in a Residential Unit are included in the Offering Price. The prices for each of the Residential Units offered under the Plan are listed in Schedule A entitled "Offering Prices and Related Information, Schedule A". **THE PRICES CONTAINED IN THIS PLAN HAVE BEEN SET BY SPONSOR WITHOUT ARMS LENGTH NEGOTIATION AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.**

Sponsor will be conveying a Storage Unit to each Purchaser of a Residential Unit. The form of the Storage Unit Purchase Agreement and Storage Unit Deed are included in Part II of the Plan as Exhibits 14 and 15, respectively. The estimated Common Charges for each Unit for the first year of operation of the Property as a condominium are also set forth in Schedule A.

Sponsor will endeavor in good faith to sell all of the Units in a reasonably timely manner; however, there is no certainty as to the period of time required to sell all of the Units. Sponsor may unconditionally elect to rent rather than sell the Units from time to time after the consummation of the Plan. Residents of the Condominium may be comprised of Unit Owners and tenants leasing from Sponsor or other Unit Owners. Accordingly, it is possible that a significant proportion of Unit Owners will not be Residents of the Building and that a significant portion of tenants in the Building may not be Unit Owners, and a Unit Owner seeking to resell or refinance a Unit may experience difficulty. Further, Residents of the Condominium who are not Unit Owners have no investment in their Units and, therefore, do not share the same economic interests as Unit Owners in the maintenance and care of the Building's facilities and amenities. Owner-occupants and non-Resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e., purchase as a home as opposed to as an investment). Because Sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no commitment to sell more Residential Units than the fifteen percent (15%) necessary to declare the Plan effective (i.e., two (2) Residential Units), and owner-occupants may not gain control and management of the Condominium until the expiration of the Initial Control Period.

Sponsor reserves the right to sell two (2) or more Residential Units in the Condominium and to designate the purchaser of such block(s) of Residential Units as a "sponsor" under this Plan.

The party so designated as a "sponsor" or "sponsor-designee" will have those additional rights and obligations (including the obligation to comply with all applicable Legal Requirements) applicable to a "sponsor" or "sponsor-designee" as more fully described in the Plan including the assumption of the status and all of the obligations of Sponsor for those Residential Units under this Plan, applicable Law or regulations.

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

Each Purchaser of a Unit will be required to make a contribution to the Working Capital Fund and Reserve Fund. Such contributions, to be made at the time of Closing of the Unit, shall each be in an amount equal to one (1) month's Common Charges in effect at the time of closing for each Unit purchased. See the Section entitled "Working Capital Fund and Apportionments; Reserve Fund" in Part I of this Plan.

In addition to the payment of Common Charges, each Unit Owner will be responsible for the payment of the real estate taxes which will be separately assessed against his or her Unit, interest and amortization payments on the mortgage, if any, which such Purchaser may, at his or her option, obtain, and charges for electricity consumed in his or her Residential Unit.

Electricity for each Unit shall be supplied through one or more electrical meters and the cost thereof shall be borne by each Unit Owner based upon sub-metering. Each Unit Owner shall be required to pay the bills for electricity consumed or used in his or her Unit either to the Board or to the utility company as directed by the Board. Water charges and sewer rents, assessed by The City of New York, will be billed to the Unit Owner as a Common Expense. The costs and expenses of central heat and gas will be included in Common Charges; Unit Owners will be required to pay charges for electricity consumed by the fan coil HVAC units which provide air conditioning and heating to each Residential Unit. Schedule A sets forth estimates of the amounts of real estate taxes which will be payable with respect to each Unit. See the Notes to Schedule A with respect to the bases of such estimates. See "Budget for Individual Energy Costs, Schedule B-1" for more information.

5. **Private Terraces**. Private Terraces (each a "Terrace" and collectively "Terraces") are appurtenant to certain Residential Units, as identified in Schedule A and the Floor Plans (Exhibit 7 in Part II of the Plan). These Terraces are Limited Common Elements available for the exclusive use of the Unit Owner of the Residential Unit to which such Terrace is appurtenant, subject to and in accordance with the Declaration, the By-Laws and Rules and Regulations as in

effect from time to time. Each Unit Owner shall be responsible for all ordinary maintenance and cleaning of each Terrace appurtenant to its Residential Unit, subject to the rights of the Board to regulate its use and to enter the Residential Unit to access the Terrace, and to access any Limited Common Elements for maintenance, repair and replacement and other uses (including, without limitation, to access any Building mechanical equipment or other Common Elements located on any roof setback adjacent to any Terrace, or to use any Terrace as a platform for window washing equipment). Sponsor is not responsible for, can make no guarantees regarding, and shall have no liability to Unit Owners with respect to, the level of noise or vibrations or odors resulting from the operation of the Building or the Residential Units or the degree of privacy which will be afforded to Unit Owners on their Terraces. The costs and expenses of any structural or extraordinary repairs or replacements to a Terrace (unless caused by or attributable to the Unit Owner, in which case such Unit Owner shall be responsible for the entire cost), shall be charged to all Unit Owners as a Common Expense. Unit Owners shall not be permitted to exceed a weight load of 60 lbs. per square foot for the Terraces.

From time to time, the Board may adopt rules and regulations regarding the type of plantings, furniture, roof finishes and other installations to be placed or which have been placed on the Terraces and may also prohibit the storage of other items on such spaces. The Board shall at all times have the right to require a Unit Owner to remove such items if the Board determines, in its sole discretion, that such plantings or other installations may adversely affect the integrity of the roof or other portion of the Building or is otherwise unsafe. The Board shall have the right to mandate that any furniture, plantings, equipment and/or installations on a Terrace be secured to such Terrace, via tie downs in accordance with specifications promulgated from time to time. In addition, the Board shall have the right, in connection with any construction, repair or maintenance work in the Building, to erect scaffolding temporarily on any Terrace or use the Terrace or Roof as a staging area, which could preclude the Terrace or Roof from being used while the Work proceeds. In no event shall any Unit Owner of a Residential Unit having a Terrace be permitted to modify without the prior approval of the Board roof parapets and guards, or enclose or erect any structure on such Terrace including, without limitation, a hot tub. The Board shall have the right to require a Unit Owner to remove any installation that is installed without prior approval or is deemed unsafe. The Board may establish such other rules and regulations it deems necessary to protect the Common Elements and the Residential Units and to insure the integrity of the Building and the health and safety of the occupants.

Purchasers are advised that due to the height and location of the Building and its attendant unobstructed exposures, from time to time, strong sustained winds or wind gusts may be experienced on the Terraces. In such instances, the occupants of a Residential Unit having a Terrace should avoid using such outdoor space. The Board may also require removal of personal property from the Terrace and may prohibit storage or require removal of any items from such spaces, as the Board reasonably determines for purposes of safety or otherwise. Further, with or without direction from the Board, Unit Owners are required to remove all items not affixed to Terraces, in such instances of high winds. In extreme weather conditions and in the winter months defined as the period of time commencing on December 1st and ending on March 31st, it could be hazardous for the occupants of a Residential Unit having a Terrace to use such outdoor space. All Unit Owners which have a Terrace appurtenant to their Residential Unit, shall indemnify and hold

harmless Sponsor, the Board, and Managing Agent against any and all claims arising from such Unit Owner's use of such outdoor space.

Moreover, Terraces and any other areas that are exposed to the elements must be kept free of snow, ice and accumulation of water to the extent failure to do so could cause damage to the Building and/or other Residential Units therein or otherwise. In addition, Unit Owners with Terraces must employ their own licensed plumber, with prior approval from the Board, in order to winterize any and all drains, pipes and hose bibs prior to November 1st, which winterization work shall be at the Unit Owner's expense in order to prevent water damage from potential pipe bursts. Drains and gratings on Terraces must be kept free of any material or covering that may cause obstruction for its proper functioning. In the event a Unit Owner fails to comply with any of its maintenance obligations, the Board may, at the expense of the Unit Owner and without liability to the Board, enter the Residential Unit and perform such acts as are necessary to cure the Unit Owner's default.

In the event of either an emergency or in the event a Unit Owner fails to comply with its maintenance obligations, the Board may, at the expense of the Unit Owner and without liability to the Board, enter the Residential Unit and perform such acts as are necessary to secure and/or remove any furniture, plantings, equipment and/or installations on a Terrace and storing same at the Unit Owner's cost and expense and/or take any other measures reasonably necessary to ensure the safety of Building, the occupants thereof, and neighboring properties and individuals.

In the event a Unit Owner fails to comply with any of its maintenance obligations, the Board may, at the expense of the Unit Owner and without liability to the Board, enter the Residential Unit and perform such acts as are necessary to cure the Unit Owner's default, including, without limitation, removing any furniture, plantings, equipment and/or installations on a Terrace and storing same at the Unit Owner's cost and expense.

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 and the By-Laws:

"Additional Deposit" refers to the Second Installment required under the Agreement (as defined in the Agreement).

"Additional Tax" shall have the meaning ascribed thereto in Special Risk 27.

"Adversely affect", or "adverse effect", as used in the Condominium Documents, shall mean, with respect to any action or proposed change and with respect to any Unit Owner or Owners, that such action or change could, if realized, (i) materially increase the Common Charges payable by such Unit Owner or Owners, (ii) materially interfere with such Unit Owner's access to its Residential Unit, (iii) materially obstruct or degrade the view from the windows of such Unit Owner's Residential Unit or (iv) otherwise materially diminish such Unit Owner's use and enjoyment of its Residential Unit.

"Agreement" or "Purchase Agreement" refers to the agreement to purchase a Residential Unit pursuant to the Plan, the form of which is Exhibit 1 in Part II of the Plan.

"Amenities" refers to the items described in the section of the Plan entitled "Services and Facilities."

"Arbitration" refers to the procedure described in Section M hereof entitled "Procedure to Purchase."

"Board" refers to the Condominium Board.

"Building" refers to the structures and improvements including above and below grade segments, known as "118 West 13th Street Condominium" located at 118 West 13th Street, New York, New York in which the Units of the Condominiums are located.

"Building Code" refers to the New York City Building Code.

"By-Laws" refer to the By-Laws governing the operations of the Condominium, the form of which is set forth in Exhibit 9 of Part II of the Plan.

"Cellar" refers to lower level of the Building.

"City Register's Office" refers to the New York County office of the Register of The City of New York.

"Claim" shall have the meaning ascribed thereto in Special Risk 73.

"Closing" refers to the time, place and procedure by which fee title to the Residential Unit

in question is conveyed to a Purchaser pursuant to a fully executed Agreement.

"Closing Date" refers to the date on which Closing occurs.

"Common Charges" refer to assessments payable to the Condominium Board by the Unit Owners for the purpose of meeting Common Expenses.

"Common Elements" refer to the Land and all parts of the Building, including its foundations, and supports, other than the Units and the Limited Common Elements.

"Common Expenses" refer to costs and expenses incurred or projected in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements.

"Common Interest" refers to the proportionate undivided interest, expressed as a numerical percentage, in the Common Elements appertaining to each Unit determined in accordance with the Declaration.

"Completion Date" shall be the date when the Building is substantially complete and the first TCO for a Residential Unit is issued and is anticipated to be in April 2025.

"Condominium" refers to 118 West 13th Street Condominium.

"Condominium Act" refers to the New York Condominium Act, as amended from time to time and presently found in the New York Real Property Law, Article 9B.

"Condominium Board" refers to the overall board of managers of the Condominium comprised of representatives of the Unit Owners.

"Construction Lender" refers to Cerco Bridge Loans 6 LLC, or its successors or assigns.

"Correction Report" shall have the meaning ascribed thereto in Special Risk 73.

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

"Custom Work" and "Custom Work Costs" are defined in Special Risk 41.

"Declarant" or "Developer" refers to 118 West 13th Street Owner LLC, a Delaware limited liability company, which is developing the Property.

"Declaration" refers to the instrument creating the Condominium, as the same may be amended from time to time, the form of which is set forth in Exhibit 8 of Part II of the Plan.

"Department of Law" refers to the New York State Department of Law.

"Deposit" and "Payment" refers to the Initial Deposit and the Additional Deposit due to purchase a Residential Unit.

"Development Rights" refers to the excess Development Rights appurtenant to the Property after the development of the Building and any additional Development Rights that are granted to the Property in the future.

"Expedited Arbitration" shall have the meaning ascribed thereto in Special Risk 64.

"Facility" and "Facilities" shall have the meaning ascribed thereto in Section 8.1.2 of the Declaration.

"FHA" refers to the Federal Housing Authority.

"Escrow Agent" refers to Holland & Knight LLP.

"Fannie Mae" refers to the Federal National Mortgage Association.

"FCO" refers to a final certificate of occupancy.

"First Annual Meeting" refers to a meeting of Unit Owners called within thirty (30) days after the end of the Initial Control Period.

"First Closing", or words of similar import, refers to the date fee title to a Residential Unit is first conveyed to a bona fide Purchaser pursuant to the Plan.

"Floor Plans" refer to the floor plans of the Building, as set forth in Exhibit 7 to the Plan, as same may be amended from time to time.

"Force Majeure" or "Force Majeure Event" means any of the following events to the extent that such event, individually or together with any other such event, adversely affects the ability of the Sponsor to perform its duties: (i) an act of God, an earthquake, hurricane, tsunami, tornado, flood or other similar natural catastrophe, (ii) a strike, lockout, work stoppage, or failure of utility services that is not specific to the property, (iii) a building moratorium, or (iv) a riot, insurrection, terrorist act, or war, in each case to the extent adversely affecting the delivery of materials to or the performance of work by the Sponsor; (v) an epidemic, pandemic or any other similar public health crisis, including, without limitation, the COVID-19 virus and any quarantine, shelter-in place order, lockdown, emergency declaration or any other governmental order, guidance or advisory and a stop work order or moratorium which legally precludes, prohibits or suspends the ability of the Sponsor to perform its obligations hereunder.

"GBL" refers to the New York General Business Law.

"Initial Control Period" refers to the period ending the earlier to occur of: (i) the Closing of title by Sponsor or its designees of all the Residential Units or (ii) five (5) years after the First

Closing.

"Inspecting Professional" shall have the meaning ascribed thereto in Special Risk 73.

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

"Land" refers to the Property, other than the Building and the appurtenances thereto.

"Law" or "Legal Requirements" means the laws, statutes, treaties, rules, codes, ordinances, and regulations of any or all of the federal, state, city, county and local governments and rules, regulations, orders and/or 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 Condominium, the Property or any part thereof, including Common Elements and the Units, and/or the direction of any public officer pursuant to any such laws, and to the extent a Unit Owner and/or the Board, the Property or any part thereof, including any Unit or any part of the Common Elements, as the case may be, is bound thereby or subject thereto, any judgments, decrees, injunctions, writs, orders, notices of violation or like action of any such governmental authorities.

"Limited Common Elements" refer to those Common Elements that serve or benefit exclusively one or more but not all of the Units or all of the Unit Owners.

"Lobby" refers to those certain portions of the Ground Floor of the Building, denoted on the Floor Plans as "Reception," "Package Storage," "Mailboxes," "Building Entrance #1" and "Building Entrance #2."

"Managing Agent" refers to the managing agent or manager of the Condominium.

"Original Scheduled Closing Date" refers to the date scheduled by the Sponsor for the Purchaser's closing.

"Permitted Encumbrances" refer to those title encumbrances on a Unit subject to which a Purchaser agrees to take title, as more particularly itemized on Schedule A annexed to the form of Agreement set forth in Part II of the Plan.

"Permitted Mortgage" refers to a mortgage permitted to be placed upon Residential Unit(s) pursuant to the provisions of the By-Laws.

"Permitted Mortgagee" refers to the holder of any Permitted Mortgage and shall include, without limitation, such banks and financial institutions as constitute the holders of the construction loan mortgages given by Sponsor to acquire and construct the Property.

"Plan" or "Offering Plan" refers to this offering plan for the establishment of condominium ownership, as the same may be amended from time to time.

"Plans and Specifications" refers to the plans and specifications for the Building which (to

the extent required by Law) are filed with, and approved by, DOB, which plans and specifications may, from time to time, have been amended or changed, or may hereafter be amended or changed in accordance with the provisions of the Plan.

"Proceeding" shall have the meaning ascribed thereto in Special Risk 73.

"Property" refers to the Land, the Building and the appurtenances thereto.

"Purchase Agreement" or "Agreement" refers to the agreement to purchase a Residential Unit pursuant to the Plan, the form of which is Exhibit 1 in Part II of the Plan.

"Purchase Price" means the purchase price for a Residential Unit.

"Purchaser" refers to person(s) or entity(ies) named as Purchaser(s) in an Agreement which has been duly executed by such person(s) or entity(ies) and accepted by Sponsor.

"Reserve Fund" shall have the meaning ascribed thereto in Special Risk 5.

"Residential Unit" refers to space designated as a Residential Unit in the Declaration, consisting, generally, of either a specific residence or a portion of the space in the Building, together with an appurtenant proportionate undivided interest in the Common Elements. All of such Residential Units are collectively referred to as "Residential Units."

"Residential Unit Deed" refers to the form of Residential Unit deed set for as Exhibit 5 in Part II of the Plan.

"Residents" refer to the people residing in the Building regardless of whether they are Unit Owners, renters, or other occupants of the Residential Units.

"Rules and Regulations" refer to the rules and regulations of the Condominium, as annexed as Schedule A to the By-Laws, which may be amended from time to time.

"Schedule A" refers to "Offering Prices and Related Information, Schedule A" set forth in Part I of the Plan.

"Schedule B" refers to the projected "Budget for First Year of Condominium Operation, Schedule B" set forth in Part I of the Plan.

"Selling Agent" refers to the Sponsor or any successor selling agent at the time in question.

"Sponsor" refers to 118 West 13th Street Owner LLC, a Delaware limited liability company, and its successors and assigns.

"Sponsor and/or its designee(s)", "Sponsor or a designee of Sponsor" or similar terms refers to Sponsor and any designee of Sponsor including a purchaser of Unsold Units.

"Sponsor's Board Designees" refers to Sponsor's designees on the Condominium Board.

"Sponsor Parties" shall have the meaning ascribed thereto in Special Risk 73.

"Storage Unit" refers to space designated as a Storage Unit in the Declaration, consisting, generally, of a portion of the space on the Cellar Floor of the Building, together with an appurtenant proportionate undivided interest in the Common Elements. All of such Storage Units are collectively referred to as "Storage Units."

"Storage Unit Deed" refers to the Deed for a Storage Unit, the form of which is Exhibit 15 in Part II of the Plan.

"Storage Unit Purchase Agreement" refers to the agreement to purchase a Storage Unit pursuant to the Plan, the form of which is Exhibit 14 in Part II of the Plan.

"Tax Maps" refer to the floor plans of the Building, as the same may be amended from time to time, which are approved by the Tax Map Unit of The City of New York and filed with the City Register's Office.

"TCO" refers to a temporary certificate of occupancy.

"Terraces" refers to the terraces and/or balconies that are appurtenant to some of the Residential Units and the roof terraces, if any, which are Limited Common Elements.

"Time Being of the Essence" or "Time of the Essence" shall mean that a failure by Purchaser to do what is required at the time specified in the Agreement is a material breach of the Agreement and an Event of Default entitling Sponsor to the remedies set forth in this Plan and the Agreement.

"Title Company" refers to Kensington Vanguard National Land Services, located at 39 West 37th Street, New York, NY 10018.

"Total Offering" refers to the total sales price of the Residential Units and Storage Units described on the cover of the Plan.

"Unavoidable Delays" refer to delays due to weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain materials or equipment on a timely basis or otherwise, governmental restrictions including stay at home orders and stoppages of non-essential activities, government shutdowns, quarantine, epidemics, pandemics, acts of God or other events beyond its reasonable control (whether similar or dissimilar to the foregoing); provided, however, that for purposes of this definition, lack of funds or inability to obtain financing shall not be deemed to be a cause similar to the causes stated above.

"Unit(s)" refers to any space designated as a Residential Unit or Storage Unit in the Declaration, consisting, generally, of a portion of the space in the Building, together with an appurtenant proportionate undivided interest in the Common Elements. All of such Units are collectively referred to as "Units."

"Unit Owner" refers to the owner of any Residential Unit, and all of such Unit Owners are

collectively referred to as the "Unit Owners."

"Unsold Residential Unit" refers to (a) 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 its designee, or a Residential Unit that is acquired, individually or collectively, by a principal of Sponsor or a group of which Sponsor, or one or more of their principals, is a member or (b) any Residential Unit for which there is a signed Agreement but for which Closing has not yet occurred.

"Unsold Unit" refers to (a) any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Sponsor or its designee, or a Unit that is acquired, individually or collectively, by a principal of Sponsor or a group of which Sponsor, or one or more of their principals, is a member or (b) any Unit for which there is a signed Agreement but for which Closing has not yet occurred.

"Waiver Period" is defined in Special Risk 24.

"Waiver Period Operating Expenses" is defined in Special Risk 24.

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

D. DESCRIPTION OF PROPERTY AND IMPROVEMENTS

1. **Construction of the Building**.

The Building, including the individual Units therein, is a new construction project which will be completed substantially in accordance with the Plan and Specifications and all applicable zoning and building laws, regulations, codes and other government requirements. No Asbestos containing material will be present in insulating or fire-proofing material contained in the Building. The site of the Building previously housed a small office building occupied by a non-profit entity. Following completion, an FCO for the Units and the Building will be issued by DOB and copies of the Plans and Specifications for the Building will be filed with DOB.

Under the present construction schedule it is anticipated that, except for finishing work to stairways, hallways, and other areas of the Building which are not intended for the exclusive use of any particular Unit Owner, and work, if any, which Sponsor performs in individual Residential Units, certain Residential Units will be substantially completed by the Completion Date, and a first TCO with respect to portions of the Building will be obtained on or about the Completion Date. Sponsor does not, however, warrant or guarantee the foregoing completion or occupancy dates for the Building. The first TCO may be issued for some but not all of the Residential Units and Sponsor may complete construction of certain Residential Units before others.

The Building is a new construction located in the Greenwich Village Historic District, as designated by the New York City Landmarks Preservation Committee ("LPC"), and is governed by Title 25, Chapter 3 of the Administrative Code of New York. Prior to any exterior construction work at the Building requiring a building alteration permit issued by DOB, application must be made to, and approved by, LPC for either a Certificate of No Effect or Certificate of Appropriateness, whichever is applicable. There are no anticipated costs associated with maintaining landmark status requirements. If construction is performed on the exterior of the Building, the Condominium Board shall assume responsibility for the costs of complying with the requirements of the landmark status of the Building (and/or any portion thereof) and the costs associated therewith shall be a Common Expense. Sponsor reserves the right, exercisable prior to or at the First Closing, to donate a facade conservation easement to a qualified charitable organization and claim a tax deduction for the distribution. In the event Sponsor makes the donation, in the future, the Condominium Board will need to obtain the consent of the charitable organization prior to repairing or altering the facade.

Sponsor has engaged BKSK Architects LLP ("Sponsor's Architect") as architect for the Building, EP Engineering as mechanical engineer for the Building and Thornton Tomasetti, Inc. as the structural engineer for the Building.

Sponsor reserves the right to amend or modify the Plans and Specifications in any way not material to this offering or in a manner disclosed in this offering, including, without limitation, changing materials, appliances, equipment, fixtures and other construction and design details set forth therein or in the "Description of Property" set forth as Exhibit 6 in Part II of the Plan and to substitute in their place similar materials, appliances, equipment and/or fixtures of equal or better quality, provided that any necessary approval of any governmental authority having jurisdiction

thereof is timely obtained. Any or all of the foregoing shall give rise to no right of rescission on the part of any Purchaser and may be made without prior notice or amendment to the Plan. Unless all Purchasers and affected Unit Owners consent in writing, Sponsor shall make no material changes to the size, location of Building or Units or other improvements or Common Elements if such changes affect the percentage of common interests or adversely affect the value of any Unit to which title has closed or for which an Purchase Agreement has been executed and is in effect.

The location in the Building, and the size, layout and approximate square footages of the Units are shown on the Floor Plans duplicated in Exhibit 7 of Part II of the Plan. Such Floor Plans are subject to the rights of Sponsor or its designee to combine two or more Unsold Units, to add additional Units by subdividing Unsold Units or to change the number of rooms in, as well as the size, layout and square foot area of, any Unsold Units, as further described in Part I, the Section entitled "Changes in Prices and Units" hereof. Any Floor Plan or sketch shown to a Purchaser, including those set forth in this Plan are only an approximation within reasonable tolerances of the dimensions and layout of each Unit. The actual layout of a Residential Unit may have been altered by the tenants thereof or others, and no variation will affect a Purchaser's obligations under his or her Agreement or the Plan. Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset or reduction in the Purchase Price for his or her Residential Unit or otherwise be relieved of any obligations under the Agreement, by virtue of an inaccuracy or error in the Floor Plans. Square footage calculations are only approximations within reasonable tolerances for the purposes of marketing the Units and may not be exact. Such square footage calculations shall not be relied upon for loan, valuation or other purposes. If exact square footage is a concern for a Purchaser, the Purchaser should have the Unit in question independently measured. Purchasers waive and disclaim any rights to rescind their Agreement and any and all other claims against Sponsor resulting from alleged discrepancies in square footage calculations. Notwithstanding the foregoing, alterations, variations, inaccuracies, errors or discrepancies mentioned above shall not be material.

The Building incorporates mechanical equipment necessary for the maintenance and operation of the Building and the Units. The Condominium Board, with respect to such mechanical equipment which is a Common Element, will be responsible for making sure the mechanical equipment is operated in accordance with Legal Requirements, including requirements governing acceptable levels of noise and odor emissions. The Building has an E-designation for noise. A Remedial Action Plan was filed with and approved by the Office of Environmental Remediation. Sponsor is not responsible for, nor can Sponsor make any guarantees regarding the level of noise or odors resulting from the operation of the Building or the Units.

2. **Residential Units**.

Subject to the rights of Sponsor and its designee to change the number of Residential Units, there will be a total of eight (8) Residential Units situated in the Cellar and on the First Floor through the Seventh Floor and Roof of the Building. Detailed descriptions of the Residential Units including a finish schedule are set forth in the Declaration and in the "Description of Property" in Part II of the Plan. See also the Section entitled "Changes in Prices and Units" in Part I of the Plan. Please refer to Schedule A in Part I of the Plan for further details.

Except as otherwise agreed by the parties, the Residential Units will be delivered to Purchasers with a primer plus one finish coat of paint. Each Purchaser will be obligated to do all other painting and decorating of his or her Residential Unit at his or her own cost and expense.

Included in the sale of each Residential Unit are the following: refrigerator/freezer, kitchen cabinets, gas cooktop and oven, automatic dishwasher, washing machine and dryer and a centrally controlled heating and cooling system. In addition, the Purchaser of each Residential Unit will also receive a Storage Unit at no additional cost. The manufacturer, model number and specifications for the foregoing appliances and equipment are set forth in the "Description of Property." As more fully set forth herein these fixtures, appliances and equipment are subject to change by Sponsor. Sponsor may negotiate to make modifications or changes in any Residential Unit or to do Custom Work therein to provide different or additional appliances, equipment furnishings or decorations, provided that Sponsor shall not be bound to do so unless agreed to by Sponsor in a written instrument which is incorporated as an addendum to the Agreement.

A Unit Owner may only use his or her Residential Unit for a purpose consistent with the local zoning ordinance, as amended from time to time, any other applicable ordinance or statute, and any regulation of a governmental authority with jurisdiction over the Condominium, including, but not limited to, local Codes and the Multiple Dwelling Law, as such statutes, ordinances and regulations may be amended from time to time, but in no event may a Unit Owner use his Residential Unit for a use violative of the By-Laws or the deed restrictions which are described in this Plan. Residential Units cannot be leased for terms shorter than one (1) year.

There will be no modifications or extras for any Residential Unit unless set forth in the Agreement for such Residential Unit. Moreover, Sponsor shall not be obligated to correct and shall have no liability or responsibility to any Purchaser for, and no Purchaser shall be entitled to any reduction in or credit against the Purchase Price of his or her Residential Unit or be otherwise relieved from performing his or her obligations under the Agreement as a result of immaterial inaccuracy or error in the Floor Plans for such Residential Unit as set forth in Exhibit 7 in Part II of the Plan.

In no event shall the presence of any furniture, furnishings, equipment or decorations in any model apartment imply or represent that any Residential Unit will contain such furniture, furnishings, equipment or decorations upon delivery of the Residential Unit to the Purchaser of the Residential Unit unless such Purchaser agrees to pay Sponsor an amount as determined by Sponsor in addition to the Purchase Price for such Residential Unit.

3. **Common Elements**.

Generally, the Common Elements consist of all portions of the Building other than the Units and the Limited Common Elements and include, among other things, the following: (a) the Land; (b) all foundations, footings, columns, girders, concrete floor slabs and ceilings (except to the extent included as part of a Unit or Limited Common Element), beams, supports, and interior load bearing walls, together with those portions of the exterior walls of the Building; (c) corridors and all fire staircases, landings and stairs which are not Limited Common Elements or part of any Unit; (d) meter rooms, electrical rooms, gas meter room, pump room, and domestic hot water

room; (e) general illumination fixtures and security systems; (f) all passages, hallways, stairs, corridors, mechanical and other rooms, areas and spaces located in the Building which are not Limited Common Elements or part of any Unit; (g) the Building amenity spaces (gym, shared rear yard amenity space, shared rooftop amenity space, package room, reception); and (h) all other parts of the Building and the apparatus, installations, systems, equipment and Facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance or safety of the Units. A detailed description of the Common Elements is set forth in the Declaration.

4. **Limited Common Elements**.

The Limited Common Elements include those portions of the Building available for the exclusive use of some but not all Unit Owners, such as the Terraces.

Terraces ("Terraces") are appurtenant to certain Residential Units, as identified in Schedule A set forth in Part I and in the Floor Plans set forth in Part II of the Plan, and are Limited Common Elements available for the exclusive use of a Unit Owner of the Residential Unit to which such Terrace is appurtenant, subject to and in accordance with the Declaration, By-Laws and Rules and Regulations in effect from time to time. All normal maintenance and cleaning of any Terrace shall be made by the Unit Owner having access to such Terrace at the Unit Owner's own cost and expense, and any structural or extraordinary repairs or replacements to such Terrace shall be made by the Condominium Board and the cost and expense thereof shall be charged to all Unit Owners as a Common Expense. Unless damage is caused by the Unit Owner, the slab beneath the Terrace shall be the Board's responsibility and the surface of the Terrace above the slab shall be the Unit Owner's responsibility. Sponsor is not responsible for, can make no guarantees regarding and shall have no liability to Unit Owners with respect to, the level of noise or vibrations or odors resulting from the operation of the Building or the Units or the degree of privacy which will be afforded to Unit Owners on their Terraces. Moreover, Terraces must be kept free of snow, ice and accumulation of water to the extent failure to do so could cause damage to the Building and/or other Residential Units therein. In the event a Unit Owner fails to comply with any of its maintenance obligations, the Board may, at the expense of the Unit Owner and without liability to the Board, enter the Residential Unit and perform such acts as are necessary to cure the Unit Owner's default.

The Condominium Board and its agents and employees, including the landscape installer and servicer, will have easements to enter the Residential Units and access the Terraces for maintenance, repair and replacement of the Residential Units and Common Elements (including, without limitation, seasonal startup and shutdown maintenance and periodic maintenance of the landscaped areas, maintenance of Building mechanical equipment or other Common Elements located on any roof setback adjacent to any Terrace, or use of any Terrace as a platform for window washing equipment). The Condominium Board may establish such other rules and regulations it deems necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health and safety of the occupants.

5. **Services and Facilities**.

Generally, all services normally associated with the operation and maintenance of a luxury residential condominium will be provided to Unit Owners at no cost other than Common Charges; these services and Facilities are described below. There will be a variety of other services offered which will be available to Unit Owners at their option. Notwithstanding the foregoing, however, the Board shall at all times maintain, operate and staff the Building in compliance with, and subject to, all applicable Legal Requirements.

Under present plans, Sponsor will use its best efforts to make available all of the services and Facilities described herein within eighteen (18) months following the First Closing.

a. Entrance

The Building will have entrances on 13th Street.

b. Elevator Service

One automatic passenger/service elevator will be in service, twenty-four (24) hours a day.

c. Cable Television Service

A cable television system will be available for the use of the Unit Owners. The charges for primary connections and subsequent monthly fees related to the service will be determined by, and payable by the Unit Owner directly to the cable company. At the present time the two primary cable television providers are Charter Communications Holding Company (d/b/a "Spectrum") and Verizon Communications (the "Cable Companies"). Additional cable service (i.e., Home Box Office or Showtime) will also be available from the Cable Companies providing the service for an additional charge on the same basis. A cable outlet will be located in each living room and bedroom. Sponsor makes no representation that cable television service will be available to any Unit Owner upon its initial occupancy of a Residential Unit. Sponsor will enter into agreements with the Cable Companies the right to install wires, cables and other components of their systems (the "Cable Facilities") in the Building's internal conduit system and granting the Cable Companies easements for the installation, repair or replacement of the Cable Facilities and certain rights to relocate the Cable Facilities which shall remain the property of the Cable Companies (the "Cable Agreement"). The Condominium will own and maintain the internal conduit system in which the Cable Facilities are located. The Condominium will be subject to and bound by the terms of the agreements with the Cable Companies.

d. Electrical Systems Telephone Service and Internet Access

Electricity for each Unit shall be supplied through one or more electrical meters and the cost thereof shall be borne by each Unit Owner based upon sub-metering. Each Unit Owner shall be required to pay the bills for electricity consumed or used in his or her Unit either to the Board or to the utility company as directed by the Board. Local and long distance telephone, internet and cable service will be provided by Verizon or other telephone service provider and separately billed to each Unit Owner. Each Residential Unit will be prewired for data and telephone service. All

charges for hi-speed internet service (including activation, installation and subscription charges) will be paid by each Unit Owner who subscribes directly to the hi-speed internet service provider.

e. Mail & Packages

All incoming mail for the Residential Units will be delivered by the United States Postal Service, who will place it in mailboxes in the Lobby on the Ground Floor.

f. Laundry

A washer/dryer will be located in each Residential Unit.

g. Refuse Disposal

There will be a refuse chute on each floor serving the Residential Units leading directly to the Compactor Room in the Cellar.

6. **Amenities**.

The Building will have the following amenities: gym, shared rear yard amenity space, shared rooftop amenity space, package room, reception.

7. **Storage Units**.

One (1) Storage Unit will be included in the sale of each Residential Unit. The Storage Units will range in size from approximately 44-87 square feet. The area in which the Storage Units are located is not climate controlled.

Owners of Storage Units will be required to pay Common Charges to the Condominium in an amount equal to the Storage Unit's respective Common Interest.

At or prior to conveyance of the Storage Unit to a Purchaser, Sponsor hereby reserves the right, with or without prior notice to such Purchaser, to substitute the Storage Unit designated in such Purchaser's Storage Unit Purchase Agreement (the "Original Storage Unit") for an alternate Storage Unit (the "Substituted Storage Unit"), provided that such Substituted Storage Unit is equally sized or larger than the Original Storage Unit. Any exercise of Sponsor's rights to designate a Substituted Storage Unit shall not result in an increased deposit or purchase price due for the Storage Unit and shall not afford a Purchaser any abatement in purchase price or excuse a Purchaser from its obligations under its Purchase Agreement or Storage Unit Purchase Agreement.

Storage Units may only be conveyed to Unit Owners, except with respect to Sponsor or any holder of Unsold Units. Upon the conveyance of a Storage Unit to a Unit Owner, such Unit Owner shall provide the Managing Agent with a copy of the Storage Unit Deed.

In the event the Storage Unit is not available for Purchaser's use at the closing of such Purchaser's Residential Unit, the Purchaser will still be required to close with no diminution in price for the Residential Unit.

8. **Security Procedures**.

The Board is vested with the responsibility of devising and carrying out security procedures with respect to the Building. Such procedures may be adopted and from time to time changed by the Board as such Board, in its discretion, determines to be appropriate to secure the Building.

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

9. **General Provisions Concerning Services and Facilities**.

No representation or warranty is made as to the continued operation of any of the foregoing services or facilities and neither Sponsor nor the Board shall have any liability with respect to or arising from any Unit Owner's, tenant's or occupant's use of any of the foregoing or the amount of the fees charged therefor.

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

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

Although Sponsor anticipates that many of the services described above will be available

at the time of the First Closing, prospective Purchasers should note that some of these services (such as a full staff of personnel) may not be available until move-ins are finished and Sponsor's construction work within and on the Building is completed. In addition, certain of the amenities described in the Plan may not be arranged or available until after such interim period. Sponsor will use its best efforts to make all services and Facilities described in the Plan available within eighteen (18) months of the First Closing. However, it is anticipated that at all times after the First Closing, the Lobby will be attended twenty-four (24) hours per day, seven (7) days per week, and there will be one elevator servicing every floor on which there are occupied Residential Units. The interim level staffing will at all times during this period be commensurate with the levels of occupancy from time to time and adequate to properly maintain the Building. Purchasers are also advised that during such period and beyond, various systems, including, but not limited to, water supply, air conditioning, heating, cooling, ventilating and elevators, may be incomplete and may be disrupted temporarily and from time to time. To the extent that any service or Facility provided during such interim period benefits particular Units, to the exclusion of other Units, and the cost of the same is readily identifiable, the Common Charges necessary to provide such service or Facility will be borne exclusively by the owners of the benefitted Units, in proportion to their respective Common Interests. The amount of the Common Charges necessary to defray the cost of the interim services and Facilities described in the preceding sentence, as well as the manner of allocating such Common Charges among any Unit Owners who are exclusively benefitted by any use of the same, will be determined by the Board, which will be controlled by Sponsor during such period.

Purchasers are further advised to note that construction in general is a complicated process which requires the coordination of numerous concurrent tasks, contractors, and suppliers and the balancing of complex mechanical and architectural systems, all of which is subject to unanticipated delays and difficulties and necessarily involves noise, disruption, construction dust, debris and inconvenience. Any disruption or work contemplated herein shall not render the premises uninhabitable for those Purchasers that have closed on their Residential Units. Construction work and disruptions described herein shall not impact the Common Charges payable by Unit Owners, which shall be due unless there is a waiver of Common Charges as described herein. For a period of time following the First Closing through, including and beyond the closing of title to any particular purchaser's Residential Unit, work should be expected to be undertaken and continue by or on behalf of: (i) Sponsor to complete the balance of the Building; and (ii) individual Unit Owners within their Residential Units (to perform custom renovations, etc.). During at least the first year of Condominium operation, construction workers and related personnel of Sponsor and others will be at the Property from time to time performing construction work, making adjustments and performing various other tasks related to the completion of renovation, fitting out of, and moving into, the Residential Units and other portions of the Building which may compromise the security of the Building from time to time. Elevators and personnel may be taken out of service and diverted to facilitate renovation and exterior hoists may be in place during at least the year following the First Closing and from time to time thereafter, as needed, in connection with construction being performed in Residential Units by the Unit Owners thereof. Sponsor may not fully complete the decoration or finishing of the Lobby, corridors, elevator finishes and other portions of the Building, including, but not limited to, installing light fixtures, painting, hanging wall coverings or laying carpeting, until that particular floor is fully occupied by Unit Owners or,

if additional construction within a Residential Unit is anticipated, for some period thereafter. All of the foregoing work and conditions may create a noisy and otherwise disruptive condition in the Building during the period such work is being performed. Certain portions of the Common Elements may be completed before or after completion of any particular Purchaser's Residential Unit. As a result, certain amenities and benefits anticipated to be available to Unit Owners may not be available until such other portions of the Building are completed and fully operational. Sponsor shall have no liability whatsoever in the event these services are delayed, not made available, or discontinued or disrupted. Further, the Board and/or Sponsor may impose conditions and deadlines upon the planning, performing and completion of such work. No assurance can be given with regard to the accuracy of any projected schedules or completion dates set forth herein or with respect to the duration of any interim service periods or periods of potential disruption of the Unit Owners and their tenants or occupants, all such dates and timetables, to the extent provided, being only good faith estimates.

E. LOCATION AND AREA INFORMATION

1. Location and Services

The Condominium is located in the West Village neighborhood in the City of New York, on West 13th Street between Sixth and Seventh Avenues. New York City is one of the largest cities in the United States, and contains numerous business and financial centers, modes of regional transportation, cultural activities, recreational and open-space park areas, educational facilities, medical centers and restaurants. New York is the home of the New York Stock Exchange. About 50 of the country's "Fortune 500" corporations have their principal corporate headquarters in Manhattan and almost a quarter of the nation's major law firms and the "big four" accounting firms maintain offices in Manhattan. Manhattan is also recognized as the national center of the advertising, communications, broadcasting, publishing and garment industries.

2. Surrounding Area

The Building is located in the West Village neighborhood of New York City. The area includes residential apartments, schools, commercial offices, shopping and restaurants.

3. Shopping, Commercial and Recreational Facilities

The Condominium is located on the northeast edge of the West Village, abutting the Greenwich Village, Meatpacking District, Chelsea and Flatiron District neighborhoods of Manhattan. There are luxury residences, art galleries, hotels, schools, nightlife, churches and retail establishments all within close proximity to the Condominium. There is a wide variety of commercial establishments located near the premises including pharmacies, groceries, banks, restaurants and other stores. Numerous attractions are located within easy access to the Condominium. Among them are Washington Square Park, Union Square Park, the Rubin Museum of Art, the Stonewall National Monument and the Comedy Cellar. The Condominium is also near many fine dining restaurants, active nightlife, and high end shopping.

4. Schools

Numerous private schools, public schools and parochial schools are easily accessible from the Condominium. The public schools in the area include: PS 041 Greenwich Village, located at 116 West 11th Street; Legacy School, located at 33 West 13th Street; New York City Lab School for Collaborative Studies, located at 333 West 17th Street; Ballet Tech - The New York Public School for Dance, located at 890 Broadway; and Manhattan Village Academy High School, located at 43 West 22nd Street. Private schools in the area include: The City and Country School, located at 146 West 13th Street; Winston Preparatory School, located at 126 West 17th Street; Friends of the German International School, located at 244 West 14th Street; and The Notre Dame School, located at 327 West 13th Street.

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

Higher educational facilities are also within close proximity to the Condominium. They include The New School University, New York University, Touro College, The Cooper Union and the Fashion Institute of Technology.

5. Transportation

New York City is served by three major airports - LaGuardia Airport, Kennedy International Airport and Newark International Airport. Passenger railroad service is provided from Pennsylvania Station, located at Seventh Avenue and West 33rd Street; Harlem-125th Street Station, located at Park Avenue and 125th Street; and Grand Central Station, located at Lexington Avenue and 42nd Street. Transportation to and from the Building and through New York City is available by taxi, rideshare service, limousine and private automobile. Public transportation via subways and buses is also readily available. Subway Lines 1, 2, 3, F, L, and M are available at the 14th Street - Sixth Avenue station. Subway Lines A, B, C, D, E, F, and M are available at the West 4th Street - Washington Square station. The PATH train is accessible at the 14th Street - Sixth Avenue station. The area is also serviced by several bus lines including the M7, M14A-SBS, M14D-SBS, and M55. There exist a number of commercial parking garages located nearby.

6. Police, Fire, Water, Postal Service, Sanitation, Snow Removal and Road Maintenance

These services are provided by The City of New York and all charges (except water) are financed through real estate taxes paid by Unit Owners to The City of New York. The Premises is located in the 10th Precinct, with the nearest Police station located at 230 West 20th Street. The closest fire house is Squad 18, with a station located at 132 West 10th Street. Water charges for the Residential Units will be paid by Unit Owners as a Common Expense of the Condominium. The zip code for the Building will be 10011, to which, as of the date hereof, the closest post office is the Patchin Post Office located at 70 West 10th Street.

7. Medical Facilities

The area is served by numerous hospitals and medical facilities located within an approximate two-mile radius of the Condominium, including the New York Eye and Ear Infirmary, located at 310 East 14th Street; NYU Langone Orthopedic Hospital, located at 301 East 17th Street; and Mount Sinai Beth Israel, located at 281 First Avenue. The Condominium is also within easy access to some additional medical facilities in the New York area, including the Memorial Sloan Kettering Cancer Center and the Hospital for Special Surgery.

8. Religious Facilities

Local houses of worship include, but are not limited to, the following: Redeemer Presbyterian Downtown Church, located at 120 West 14th Street; The Church of the Village, located at 201 West 13th Street; The Church of St. Francis Xavier, located at 46 West 16th Street; Emmanuel Anglican Church, located at 232 West 11th Street; The New Shul, located at 12 West 12th Street; The Conservative Synagogue of Fifth Avenue, located at 11 East 11th Street; Village Temple, located at 33 East 12th Street; Yeshe Nyingpo Temple, located at 19 West 16th Street.

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

9. Zoning and Use

The Property is situated on Block 608 in Manhattan. It is located in an R6 zoning district. Buildings conforming to an R6 building envelope can be found in a range of neighborhoods, from those with a diverse range of building types and heights, to larger-scale "tower in the park" communities. The floor area ratio (FAR) for R6 districts ranges from 0.78 to 2.43. Developers may choose between standard height factor regulations or Quality Housing regulations, and higher maximum FAR and heights are available for buildings that participate in certain housing programs or provide certain facilities for seniors. Off-street parking is generally required for 50% of the building's dwelling units, but certain areas are further modified and have lower requirements. Some off-street parking requirements may also be waived.

See Chapter 2 of the NYC Zoning Resolution for more information about uses in R6 districts, available at:

https://zr.planning.nyc.gov/sites/default/files/article/Zoning%20Resolution%20Complete.pdf

The Building is a new construction located in the Greenwich Village Historic District, as designated by the New York City Landmarks Preservation Committee ("LPC"), and is governed by Title 25, Chapter 3 of the Administrative Code of New York. Prior to any exterior construction work at the Building requiring a building alteration permit issued by DOB, application must be made to, and approved by, LPC for either a Certificate of No Effect or Certificate of Appropriateness, whichever is applicable. There are no anticipated costs associated with maintaining landmark status requirements. If construction is performed on the exterior of the Building, the Condominium Board shall assume responsibility for the costs of complying with the requirements of the landmark status of the Building (and/or any portion thereof) and the costs associated therewith shall be a Common Expense. Sponsor reserves the right, exercisable prior to or at the First Closing, to donate a facade conservation easement to a qualified charitable organization and claim a tax deduction for the distribution. In the event Sponsor makes the donation, in the future, the Condominium Board will need to obtain the consent of the charitable organization prior to repairing or altering the facade.

10. Flood Zone Information

Pursuant to the applicable FEMA Flood Map, the Property is located in Flood Zone X, which is indicative of minimal flood risk. Further information regarding New York City FEMA Flood Maps is available at:

http://www.region2coastal.com/

11. Other Sponsor Projects

There are no other projects by the Sponsor within the immediate vicinity (i.e., one block radius); and no other development projects by Sponsor that have been approved by DOB or authority having jurisdiction that will be adjacent to or directly across the street from the Property. Any change in this information that occurs while sales are continuing will be disclosed in an amendment within thirty (30) days after the information is known.

12. Future Developments

Neither Sponsor nor the principal of Sponsor own, in whole or part, or have an option or right to acquire, in whole or part, any adjacent areas which are not fully developed. As of the date hereof, neither Sponsor or its principal are involved in development projects that have been approved by DOB or authority having jurisdiction that will be adjacent to or directly across the street from the property. In the event that Sponsor or its principal do become involved in any such development projects, Sponsor shall disclose such changes in an amendment to the Plan within thirty (30) days after the information is known.

F. OFFERING PRICES AND RELATED INFORMATION, SCHEDULE A

118 WEST 13TH STREET CONDOMINIUM
118 WEST 13TH STREET
SCHEDULE A
OFFERING PRICES AND RELATED INFORMATION

FIRST YEAR OF CONDOMINIUM OPERATIONS JULY 1, 2025 - JUNE 30, 2026

UNIT (NOTE 1)	NUMBER OF BEDROOMS (NOTE 1)	NUMBER OF BATHROOMS (NOTE 1)	NUMBER OF POWDER ROOMS (NOTE 1)	APPROXIMATE UNIT SQUARE FOOTAGE (NOTE 2)	APPROXIMATE UNINHABITABLE SQUARE FOOTAGE (NOTE 2)	APPROXIMATE TERRACE/ROOF SQUARE FOOTAGE (NOTE 2)	PURCHASE PRICE (NOTE 3)	GENERAL COMMON INTEREST (NOTE 4)	RESIDENTIAL/ STORAGE COMMON INTEREST (NOTE 4)	PROJECTED ANNUAL COMMON CHARGES (NOTE 5)	PROJECTED MONTHLY COMMON CHARGES (NOTE 5)	PROJECTED ANNUAL REAL ESTATE TAXES* (NOTE 6)	PROJECTED MONTHLY REAL ESTATE TAXES* (NOTE 6)	PROJECTED MONTHLY TOTAL CARRYING CARRYING CHARGES & REAL ESTATE TAXES (NOTE 6)	PROJECTED SECOND-YEAR ANNUAL REAL ESTATE TAXES (NOTE 6)	PROJECTED SECOND-YEAR MONTHLY REAL ESTATE TAXES (NOTE 6)
Residential Units																
Atelier	1	1		742			$ 1,950,000	2.7308%	2.7773%	$ 19,672	$ 1,639	$ 21,953	$ 1,829	$ 3,469	$ 22,313	$ 1,859
The Parlour	4	4	1	3,475		913	$ 11,500,000	13.7969%	14.0319%	$ 99,392	$ 8,283	$ 110,918	$ 9,243	$ 17,526	$ 112,732	$ 9,394
Residence 3	4	4	1	3,475			$ 9,450,000	12.7889%	13.0067%	$ 92,130	$ 7,678	$ 102,814	$ 8,568	$ 16,245	$ 104,496	$ 8,708
Residence 4	4	4	1	3,483			$ 9,600,000	12.8183%	13.0366%	$ 92,342	$ 7,695	$ 103,051	$ 8,588	$ 16,283	$ 104,737	$ 8,728
Residence 5	4	4	1	3,483			$ 9,750,000	12.8183%	13.0366%	$ 92,342	$ 7,695	$ 103,051	$ 8,588	$ 16,283	$ 104,737	$ 8,728
Residence 6	4	4	1	3,483			$ 10,250,000	12.8183%	13.0366%	$ 92,342	$ 7,695	$ 103,051	$ 8,588	$ 16,283	$ 104,737	$ 8,728
Penthouse	4	4	2	3,981		399	$ 20,000,000	15.0916%	15.3487%	$ 108,719	$ 9,060	$ 121,327	$ 10,111	$ 19,170	$ 123,311	$ 10,276
Maisonette	3	3	2	2,744	1,251	688	$ 9,500,000	15.4622%	15.7256%	$ 111,389	$ 9,282	$ 124,306	$ 10,359	$ 19,641	$ 126,340	$ 10,528
Total Residential Units				**24,866**		**2,000**	**$ 82,000,000**	**98.3255%**	**100.0000%**	**$ 708,328**	**$ 59,027**	**$ 790,472**	**$ 65,873**	**$ 124,900**	**$ 803,402**	**$ 66,950**
Storage Units																
Atelier Storage				44			$ -	0.1619%	9.6703%	$ 1,038	$ 87	$ 616	$ 51	$ 138	$ 559	$ 47
Parlour Storage				73			$ -	0.2687%	16.0440%	$ 1,722	$ 144	$ 1,021	$ 85	$ 229	$ 927	$ 77
Residence 3 Storage				44			$ -	0.1619%	9.6703%	$ 1,038	$ 87	$ 616	$ 51	$ 138	$ 559	$ 47
Residence 4 Storage				49			$ -	0.1803%	10.7692%	$ 1,156	$ 96	$ 685	$ 57	$ 153	$ 622	$ 52
Residence 5 Storage				50			$ -	0.1840%	10.9890%	$ 1,180	$ 98	$ 699	$ 58	$ 157	$ 635	$ 53
Residence 6 Storage				53			$ -	0.1951%	11.6484%	$ 1,250	$ 104	$ 741	$ 62	$ 166	$ 673	$ 56
Penthouse Storage				87			$ -	0.3202%	19.1209%	$ 2,053	$ 171	$ 1,217	$ 101	$ 272	$ 1,105	$ 92
Maisonette Storage				55			$ -	0.2024%	12.0879%	$ 1,298	$ 108	$ 769	$ 64	$ 172	$ 698	$ 58
Total Storage Units				**455**			**$ -**	**1.6745%**	**100.0000%**	**$ 10,735**	**$ 895**	**$ 6,365**	**$ 530**	**$ 1,425**	**$ 5,778**	**$ 482**
Total				**25,321**			**$ 82,000,000**	**100.0000%**		**719,063**	**59,922**	**796,837**	**66,403**	**126,325**	**809,180**	**67,432**

***The projected real estate taxes for the projected First Year of Condominium Operations shown on Schedule A are based on an assessment of the Building before construction is complete. Purchasers are advised that the real estate taxes may increase materially when the Building is reassessed after construction is complete. See footnote 6 to Schedule A for more information regarding the projected assessed valuation after completion of construction.**

The accompanying notes should be read in conjunction with this schedule.

NOTES TO SCHEDULE A

(1) Amounts are projected on the assumption that the first year of Condominium operation will be during the year from July 1, 2025 to June 30, 2026. The actual first year of Condominium operation may begin earlier or later than that year and is currently projected to commence on approximately July 1, 2025. Plans depicting layouts of Residential Units in this Schedule A appear in Part II of the Plan. Purchasers should note that the square footage of each Unit as reflected in this Schedule A and the Floor Plans set forth in Exhibit 7 in Part II of the Plan is approximate. The room count 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.

The number of bedrooms and bathrooms for each Residential Unit was determined by Sponsor's architect in accordance with industry practice for condominiums and does not necessarily conform to the zoning room count or the method used by the Real Estate Board of New York.

Any floor plan or sketch or schedule shown to a prospective Purchaser is only an approximation of the square foot area and layout of the Residential Unit in question. However, any material change will be set forth in an amendment to the Plan, and no material change (for example, a reduction in square footage in excess of 5%) will be made in the size, configuration, or layout of a Residential Unit for which an Agreement has been executed unless the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc.) and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices exists), and in such event, Sponsor will offer the materially adversely affected Purchaser(s) the right, for at least fifteen (15) days, to rescind their Agreement(s) and receive a refund of their Deposit(s), together with all interest earned thereon. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. An increase in the size of a room or Residential Unit will not on its own give rise to a right of rescission.

(2) The approximate floor area of each Residential Unit will consist of the area measured horizontally from the exterior face of the exterior walls of the Building at 4'-0" above slab level to the centerline of the partitions separating one Residential Unit from another Residential Unit, and to the centerline of the partitions separating Residential Units from corridors, and to the centerline of the partitions separating one Residential Unit from stairs, elevators, and other mechanical spaces or any Common Elements (as hereinafter defined). Structural elements, such as columns, and mechanical elements, such as pipes, shaft ways, chases, chase ways and conduits, are not deducted from the measurement of each Residential Unit. Each Residential Unit will consist of the area measured vertically from the top of the structural slab of the floor to the underside (of any fire protection) of the structural members above.

The square foot areas determined using the methodology set forth above, as shown in Schedule A in Part I of the Plan, would be different from that derived by using an alternative methodology of measuring from interior surfaces to interior surfaces (which would yield

significantly lesser actual useable floor area for each Residential Unit). The stated method of measurement used is applicable to all Residential Units. The room count for each Residential Unit was determined by Sponsor's architect in accordance with industry practice for new construction condominiums.

(3) Sponsor has reserved the right to change the purchase prices (as well as other terms of sale) of Residential Units not subject to executed Agreements, so Purchasers may pay different prices for similar Residential Units. The purchase prices and other terms of the Agreements may be subject to negotiation with Sponsor. No such change will be made other than pursuant to a duly filed amendment to the Plan filed in advance of any such change, except that Sponsor reserves the right to decrease purchase prices or modify other terms of sale without filing an amendment to the Plan at any time during the offering period if such a decrease in the purchase price or modification of such other terms of sale does not constitute a general offering or an advertised price but is rather the result of an individually negotiated transaction (see the section in Part I of the Plan entitled "Changes in Prices and Units"). In addition to the purchase price, Purchaser will be responsible at Closing for certain closing costs as explained in the Section entitled "Closing Costs and Adjustments" in Part I of the Plan including, without limitation, the obligation to contribute one month's Common Charges to the Working Capital Fund of the Condominium, which can only be used for initial closing costs incurred by the Condominium and repairs and replacements to the Common Elements, and one month's Common Charges to the Reserve Fund. Purchasers are advised to consult with their attorneys as to the exact closing costs they will incur in purchasing their Residential Units.

(4) The respective Percentage Interest of each Unit in the Common Elements, in accordance with the provisions of Section 339-i(l)(iv) of the New York Condominium Act, 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 the event that Sponsor negotiates with individual purchasers to change the layout or dimensions of their respective Units and such change involves the inclusion, in the Unit, of areas formerly designated as Common Elements, or involves adding to the Common Elements, space that was previously incorporated in the Units, the Common Elements of all of the Units may change slightly. Any such change in the Common Elements prior to the recording of the Declaration shall not be deemed a material change. Immaterial changes shall not give rise to a right of rescission on the part of any purchaser. The percent interest of each Unit in the Common Elements is apportioned in the same proportion that the Unit bears to the aggregate Common Interests of all Units.

(5) The estimates contained in this schedule were computed by Sponsor's Condominium Budget Expert on the assumption that the first year of Condominium operation will be during the year from July 1, 2025 to June 30, 2026, and are based on such Condominium Budget Expert's estimate of the receipts and expenses for the projected year. The actual first year of Condominium operation may be earlier or later than such year and is currently anticipated to commence on or about July 1, 2025. If the actual or anticipated date of commencement of condominium operation is delayed by more than six (6) months from the commencement of the projected first year of Condominium operation, Sponsor will amend the Plan to include a revised budget disclosing

current projections. If such amended budget projections exceed original budget projections by twenty-five (25%) percent or more, Sponsor will offer all purchasers the right to rescind their Agreements for a period of fifteen (15) days after the date of the presentation of the amendment setting forth the right to rescind.

The estimated monthly Common Charges for each Unit are based on the projected "Budget for First Year of Condominium Operation, Schedule B" as set forth in Part I of the Plan and prepared by Sponsor's Condominium Budget Expert. In addition to these estimated payments, each Unit Owner will be responsible for real estate taxes for such Unit, mortgage payments under a loan or loans, if any, obtained to finance the purchase of the Residential Unit, the cost of electricity supplied to the Residential Units which will be separately sub-metered and payable by the Unit Owners to the Condominium Board, the insurance which must be carried by each Unit Owner with respect to liability and casualty to the contents of the Unit and the cost of interior repairs and decorations to the Residential Unit. Until the Units are separately assessed, real estate taxes shall be part of Common Expenses, as provided in the Condominium By-Laws. The first year of Condominium operation may include a portion of the year in which the Buildings are not fully occupied or all services are not provided. Accordingly, the first year of Condominium operation may not be indicative of subsequent years.

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

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

Notwithstanding the various Common Charges required to meet the expenses set forth in the "Budget for First Year of Condominium Operation, Schedule B," or until the expiration of the Initial Control Period, if the annual receipts levied against Unit Owners during the first year of Condominium operation commencing on the date of First Closing exceed the actual expenses less income from sources other than Unit Owners for that period accounted for on an accrual basis by an amount in excess of $100,000, the receipts from Unit Owners over and above such amount will be rebated to the Unit Owners by the Board in proportion to each Unit's percentage of Common Interest. Rebates, if any, attributable to Units purchased from Sponsor during the first year of Condominium operation will be distributed by the Board to Sponsor and the Unit Owner(s) in proportion to the amount of time Sponsor and each Unit Owner owned such Unit. Sponsor makes

no representations that there will be any excess receipts for rebate to Unit Owners or, if rebates are made, what the tax consequences of such rebates would be to Unit Owners. See the Attorney's Tax Opinion in Part I of the Plan for further discussion regarding the income tax consequences of the ownership of Units by individual Unit Owners. Sponsor makes no warranty or representation that the operating expenses during this period will be less than the actual Common Charges or as to the amount of any credit that may be available as a result of such computation.

Notwithstanding the foregoing, if a refund is contemplated for the first or any subsequent year of Condominium operation, such refund may only be effectuated if an independent certified public accountant, as part of its preparation of the yearly annual certified financial statement for the Condominium has determined that a refund is warranted based on an excess payment of Common Charges by Unit Owners over actual expenses for the Condominium and has determined the amount of such refund as part of its annual review. Sponsor shall continue to update the Budget, in accordance with the governing regulations. For purposes of this Plan, an "excess payment of Common Charges" shall mean the actual expenses of the Condominium (or specific sections of the Condominium as applicable) were less than the projected expenses set forth in the Budget of the Condominium (or the applicable section). No refund may be given unless all expenses of the Condominium are paid, including but not limited to, insurance premiums and reserve funds. During the budget year following a year for which a refund was effectuated, no special assessment or increase in Common Charges shall be instituted to pay for any item which was set forth in the previous year's budget and which was refunded to Unit Owners as per the foregoing.

As discussed below in the Section entitled "Control by Sponsor", Sponsor shall have the right to delay the commencement of collection of Common Charges for an indeterminate period (the "Waiver Period"). During any such delay, Sponsor shall timely pay all expenses of the Condominium, including, but not limited to, insurance premiums and any Reserve Fund payments (the "Waiver Period Operating Expenses"). Such expenses shall not include individual Unit Owner expenses such as real estate taxes, utility charges, etc. During such delay in the collection of Common Charges, Sponsor shall remain obligated to update the Condominium Budget, and, if Sponsor controls the Board, to provide certified financial statements for the Condominium, as required by the regulations promulgated by the Department of Law. Sponsor shall provide written notice of the expiration of the Waiver Period to all Unit Owners and Purchasers in contract at least 30 days prior to the commencement of the collection of Common Charges. Thereafter, Sponsor shall disclose the expiration of the delay period in the next substantive amendment to the Plan. Upon commencement of the collection of Common Charges, Unit Owners will not be assessed for any items in the certified Budget for the Condominium. If Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose the anticipated period of delay in the collection of Common Charges in the initial post-closing amendment to the Plan.

(6) It is estimated that the aggregate real estate taxes attributable to the Property will be approximately $796,837 for the first year of Condominium operation and $809,180 for the second year of Condominium operation, based on an opinion prepared by Lawrence J. Berger, P.C., dated November 26, 2024, which assumes (a) an estimated taxable assessed valuation attributable to the incomplete Property of $3,049,650 for the 2024/2025 fiscal year, (b) an estimated taxable assessed

valuation attributable to the Property of $5,956,014 for the 2025/2026 fiscal tax year, (c) an estimated taxable assessed valuation attributable to the complete Property of $6,108,980 for the 2026/2027 fiscal tax year, (d) for the 2024/2025 fiscal tax year a projected tax rate of 10.762%, (e) for the 2025/2026 fiscal tax year a projected tax rate of 12.875% and (f) for the 2026/2027 fiscal tax year a projected tax rate of 13.261% for the Residential Units and 11.418% for the Storage Units. Purchasers should note that the real estate taxes for the first year of Condominium operation, as reflected on Schedule A, are based on an assessment of the Building as complete for only a portion of the year, and are less than the taxes will be for the second year of Condominium operation benefits. Assuming the Property does not receive any abatement from real estate taxes, the taxes during the second year of operation, and subsequent years, will be higher than the taxes during the first year of Condominium operation.

SPONSOR AND THEIR REAL ESTATE TAX COUNSEL MAKE NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY OR THE REAL ESTATE TAXES WILL BE AS PROJECTED OR THAT THE ESTIMATED ALLOCATIONS OR THE TAX RATE WILL NOT BE CHANGED.

The estimate of the taxes for each Unit has been determined by multiplying the total taxes due with respect to the Units by a percentage derived by multiplying the estimated assessed value for the Units by their percentage Common Interest. Please refer to the Section of the Plan entitled "Real Estate Taxes" and the opinions of Holland & Knight LLP and Lawrence J. Berger, P.C., as set forth in Part I of the Plan for further discussion regarding real estate taxes for the Property.

Each Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for payment of, nor will the Unit be subjected to, any lien arising from the non-payment of real estate taxes on other Units. Prior to the issuance of separate tax lots, the real estate tax estimates for each Unit will be determined by multiplying the total taxes due with respect to the Units by a percentage derived by dividing the Common Interest of each Unit by the total Common Interests of all Units. Upon determination of individual tax lots and individual Unit assessments, the New York City tax authorities may allocate taxes between the Units in proportion to each Unit's percentage interest in the Common Elements rather than Purchase Price, or some combination of the two, and if so, Units having the same percentage interest may pay different real estate taxes.

PURCHASERS ARE ADVISED THAT THE FOREGOING INFORMATION IS NOT A GUARANTEE OR WARRANTY (i) that the New York City tax assessor will allocate individual Unit assessments on the basis of each Unit's percentage interest in the Common Elements; (ii) that the taxable assessed value of the Property will be as stated above; or (iii) that the tax rates will be as stated above.

See the Section entitled "Income Tax Deductions to Unit Owners and Tax Status of Condominium" and the Tax Opinion of Holland & Knight LLP in Part I of the Plan for a discussion concerning the deductibility of real estate taxes paid with respect to a Residential Unit.

No warranty, guarantee or assurance is given that:

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

(ii) the New York City Department of Finance will allocate the Property's aggregate assessed valuation between the Units in accordance with the proportionate Common Interests of the Units, or that such bureau will allocate the aggregate assessed valuation attributable to the Units among the different Units as described above; or

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

Until the Units are separately assessed, each Unit Owner will pay to the Board his or her Unit's pro rata share of the Property's real estate taxes for the period in question pursuant to Section 6.19 of the By-Laws. This proration will be made by first allocating the Property's taxes among the Units on basis of proportionate Common Interest. If the payments are made to the Condominium Board, the Board will pay such real estate taxes to the Department of Finance of The City of New York or directly to Sponsor if Sponsor has paid such real estate taxes. If any Unit Owner fails to pay his or her pro rata share as set forth above, the Board will be entitled to assess late charges and/or place a lien on such Unit as if such unpaid share were Common Charges.

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

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

Moreover, New York State could change the manner in which Real Estate is assessed and taxed. In order to determine the Unit's real estate taxes at any time after the Condominium is formed, Purchasers and Unit Owners can utilize the following link to the New York City Department of Finance's website: https://www1.nyc.gov/site/finance/taxes/calculating-your-property-taxes.page.

In the opinion of Sponsor's Counsel, an individual Unit Owner who is a resident of New York City for tax purposes and who itemizes his or her deductions generally will, under the income

tax laws and regulations in effect as of the date of this Plan and subject to certain limitations and qualifications, be entitled to deduct from his or her Federal, New York State and New York City income, the state and local real property taxes assessed against his or her Unit and paid by such Unit Owner. However, the amount of such deductions may vary from year to year due to changes in the amount of the real estate taxes payable by the Unit Owner (which might result from changes in the assessed valuation of the Unit, in the tax rate and/or in the manner of assessing real property). Prospective Purchasers should refer to the Sections entitled "Income Tax Deductions to Unit Owners and Tax Status of Condominium" and "Opinions of Counsel" below for further discussion.

(7) NO PRICE WILL BE CHARGED FOR THE STORAGE UNITS. Owners of Storage Units will be required to pay Common Charges to the Condominium in an amount equal to the Storage Unit's respective Common Interest. The Common Charges are subject to change from time to time as the Board deems necessary in its discretion.

The Storage Units may only be used for storage purposes, and in no event may the Storage Units be used as dwelling spaces. No materials which pose a health or safety threat or which otherwise create a nuisance may be stored therein, and Storage Units may not be used to store toxic, inflammable or combustible items as defined in the Building Code of the City of New York. Failure of a Unit Owner to comply with the use limitations set forth in the immediately preceding sentence may result in issuance by DOB of a violation against the Building along with imposition of an associated fine. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use any unsold Storage Units for any purpose permitted by Legal Requirements (as hereinafter defined) or to change the permitted use of any unsold Storage Units, subject, however, to Article 8 of the Declaration.

Upon the conveyance of a Storage Unit to a Unit Owner, such Unit Owner may freely convey the Storage Unit without the consent of the Board; provided such grantee is also a Unit Owner; and provided further that the Board is provided written notice of such conveyance. Neither Sponsor nor the Board shall have any liability or obligation with respect to a private conveyance of a Storage Unit. If at any time a Unit Owner sells its Residential Unit, it shall simultaneously convey the Storage Unit to another Unit Owner (or the purchaser of such Residential Unit).

If a Unit Owner owning a Storage Unit defaults in its obligations under the By-Laws, the Board may, in addition to the rights and remedies set forth in the Condominium Documents, deny access to and use of the Storage Unit until such Unit Owner cures such default.

G. BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION, SCHEDULE B

SCHEDULE B
PROJECTED BUDGET

118 WEST 13TH STREET CONDOMINIUM
118 WEST 13TH STREET
NEW YORK, NY 10011

ESTIMATED SCHEDULE OF INCOME AND
EXPENSES FOR PROJECTED FIRST FULL YEAR OF OPERATION (See Note 1)
July 1, 2025 – June 30, 2026

INCOME		
Common Charges – Residential Units	(2)	$ 708,328
Common Charges – Storage Units	(3)	$ 10,735
TOTAL OPERATING INCOME		$ 719,063
EXPENSES	(4)	
Payroll and Related Expenses	(5)	$376,438
Gas (Cooking & Hot Water)	(6)	$ 15,029
Electricity	(7)	$ 35,910
Water Charges & Sewer Rent	(8)	$ 12,670
Repairs & Maintenance	(9)	$ 32,500
Service Contracts	(10)	$ 53,516
Insurance	(11)	$ 90,000
Management Fee	(12)	$ 35,000
Legal & Audit	(13)	$ 15,000
Miscellaneous Administrative	(14)	$ 18,500
Contingency	(15)	$ 15,000
Replacement Reserve	(16)	$ 19,500
TOTAL OPERATING EXPENSES		$ 719,063

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

ALLOCATION OF COMMON EXPENSES BETWEEN RESIDENTIAL AND STORAGE UNITS

(see detailed notes which follow)

Common Expenses	Total Expenses	Method of Allcation	Residential Units Share	Storage Units Share
%			98.3255%	1.6745%
Payroll & Benefits	$ 376,438	% of Common Interest	$ 370,134	$ 6,304
Electricity	$ 35,910	% of Common Interest	$ 35,309	$ 601
Gas (Heat, Hot Water and Cooking)	$ 15,029	100% Residental	$ 15,029	N/A
Water Charges and Sewer Rent	$ 12,670	100% Residential	$ 12,670	N/A
Rapairs and Maintenance	$ 32,500	See Notes	$ 32,349	$ 151
Service Contracts	$ 53,516	See Notes	$ 53,068	$ 448
Insurance	$ 90,000	% of Common Interest	$ 88,493	$ 1,507
Management Fee	$ 35,000	% of Common Interest	$ 34,414	$ 586
Legal /Audit	$ 15,000	% of Common Interest	$ 14,749	$ 251
Other Expenses	$ 18,500	% of Common Interest	$ 18,190	$ 310
Contingency	$ 15,000	% of Common Interest	$ 14,749	$ 251
Replacement Reserve	$ 19,500	% of Common Interest	$ 19,173	$ 327
Total	**$ 719,063**		**$ 708,328**	**$ 10,735**

All General Common Charges have been allocated based upon each Unit's Common Interest unless otherwise stated.

A. The Storage Unit Owners' share of the Payroll and Benefits expense is based on their allocation.

B. The Storage Unit Owners' share of utilities will apply to electricity only.

C. The Storage Unit Owners' share of Repairs and Maintenance expenses is based on its Common Interest applied to the costs of the following Repair and Maintenance expense only: Elevator and General Repairs.

D. The Storage Unit Owners' share of Service Contract expenses is based on its Common Interest applied to the costs of the following Service Contracts only: Fire Protection, elevator, exterminating and telephone.

FOOTNOTES TO SCHEDULE B

(1) Projected First Year of Condominium Operation

Amounts are projected on the assumption that the First Year of Condominium Operation will be the year from July 1, 2025 to June 30, 2026. The actual First Year of Condominium Operation may be earlier or later than projected.

If the actual or anticipated date of commencement of condominium operation is delayed by more than six (6) months from the commencement of the projected First Year of Condominium Operation, Sponsor will amend the Plan to include a revised budget disclosing current projections ("Revised Budget Amendment"). If such amended projections exceed original projections by twenty-five (25%) percent or more, Sponsor will offer all Purchasers that entered into Purchase Agreements prior to the Filing Date of the Revised Budget Amendment the right to rescind for a period of fifteen (15) days after the Presentation Date of the Revised Budget Amendment.

(2) Common Charges – Residential Units

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

(3) Common Charges – Storage Units

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

There are a total of eight (8) Storage Units. Each Storage Unit Owner will be charged monthly Common Charges. The monthly Common Charges projected herein are based upon estimated expenses for the twelve (12) month period commencing July 1, 2025.

(4) Estimated Expenses

Common Charges include the costs and expenses in connection with the maintenance and operation of, and any alteration to, the Common Elements and the provision of services to all Unit Owners in general, such as service contracts applicable to the Building as a whole, employees who will provide services to the entire Condominium, the Managing Agent for the Condominium, and insurance coverage for the Common Elements.

(5) Payroll and Related Expenses: $376,438

The wages and benefits projections are based on a proposal, dated May 9, 2024, from Planned Companies, located at 150 Smith Road, Parsippany, NJ 07054 ("Planned") to provide concierge/doorman services and janitorial and maintenance services.

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

Superintendent:
The Building will use services of a part-time Superintendent who will provide coverage 20 hours per week. The duties of the non-resident Superintendent include cleaning the sidewalk in front of the entrances to the Building, snow removal, cleaning the common hallways, stairs, elevator cab and common areas, as needed and putting out trash for collection as well as checking the daily operation of the common mechanical equipment in the Building.

Concierge:
The Concierge of the Building will provide coverage twenty-four (24) hours per day, seven (7) days per week. The Concierge shall assist those arriving and departing and provide general concierge duties. The Concierge will supervise all admissions to the lobby, as well as identify and announce all visitors to a specific Residential Unit.

Such level of staffing complies with all applicable housing and labor laws.

Service	# Hours/ Week	Bill Rate/ Hour	Annual Cost	NY State Sales Tax**	Annual Cost + Sales Tax
Superintendent	20	$ 45.35	$ 47,344	$ 4,202	$ 51,546
Concierge	168	$ 35.00	$ 306,966	N/A	$ 306,966
Totals	**188**	**$ 80.35**	**$ 354,310**	**$ 4,202**	**$ 358,512**

* Holiday rate is included, our six (6) holidays: Memorial Day • Independence Day • Labor Day • Thanksgiving Day • Christmas Day • New Year's Day ** NYC Sales Tax 8.875%

The total costs for the above-described services is $376,438. This includes labor, uniforms, holidays, one week paid sick days, NYS sales tax and health benefits to be offered to all-fulltime associates if they choose to accept them. The projected expenses for wages, salaries and benefits as well as the assumptions described herein, are believed to be reasonable and reflect the experience of Sponsor's budget expert, FirstService Residential New York Inc., in managing

comparable buildings. Such level of staffing complies with all applicable housing and labor laws.

Planned Companies is not affiliated with the Sponsor.

(6) Gas (Cooking, Heat & Hot Water): $15,029

Based on an estimate dated May 13, 2024 by EP Engineering, LLC located at 100 William Street, 32nd Floor, New York, NY 10038, it is anticipated that gas for common area heat, cooking gas, and hot water will be provided to the Residential Units by natural gas and will cost $14,313. This estimate is based on a projected usage of approximately 4,720 Therms of gas per year at an anticipated cost of $2.88 per Therm. A 5% increase has been used to factor in for inflation.

(7) Electricity: $35,910

Based on an estimate dated May 13, 2024 by EP Engineering, LLC located at 100 William Street, 32nd Floor, New York, NY 10038, it is anticipated that light and power for the Common Elements as well as the mechanical equipment will be approximately 100,589 KW/HR/YR at an annual cost of $.34 X 105% per KW/HR to factor in for inflation.

Each Residential Unit will be individually sub-metered for consumption of electricity within their own Units (including current necessary to operate HVAC Systems). The Storage Units will be commonly metered and billed in accordance with their allocated percentage of General common interest.

(8) Water and Sewer: $12,670

Based on an estimate dated May 13, 2024 by EP Engineering, LLC located at 100 William Street, 32nd Floor, New York, NY 10038, it is anticipated that water charges for the Residential Units and all Common Elements, will be approximately $12,067 based on a combined rate of $11.14 per cubic feet of water used. A 5% increase has been used to factor in for inflation.

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

(9) Repairs, Maintenance & Supplies: $32,500

This estimate includes painting, maintenance and repair costs of Common Elements only. Except as otherwise set forth in the By-Laws of the Condominium, Unit Owners will be responsible for the cost of repairs and painting in the interiors of their Units and any Limited Common Elements appurtenant thereto. No provision has been made to cover the cost of any capital expenditure. This estimate also includes the estimated annual cost of Building supplies provided to and for the benefit of the Units

Supplies and Hardware	$ 10,000
Plumbing	$ 5,000
Electrical	$ 2,500
Elevators	$ 4,000
Windows, Doors, and Locks	$ 1,000
Intercom	$ 2,500
Uniforms	$ 2,500
General Repairs	$ 5,000
Total	**$ 32,500**

This estimate is based on experience of Sponsor's budget expert, FirstService Residential New York Inc., in operating comparable new buildings.

(10) Service Contracts: $53,516

This estimate includes the cost of various services used in or for the Common Elements, including but not limited to elevator service, heating & cooling maintenance, sprinkler & fire protection, extermination, compactor, fitness equipment, and landscaping of the public areas. The following is a cost estimate for each prospective contract:

Elevator	$ 12,000
Exterminator	$ 3,000
Sub-Metering	$ 3,266
Fire Extinguishers	$ 750
Landscaping	$ 5,000
Flowers	$ 2,500
Fire Alarm and Central Station Monitoring	$ 7,500
Sprinkler	$ 3,500
Compactor	$ 1,000
HVAC	$ 10,000
Fitness Equipment	$ 1,000
Boiler	$ 4,000
Total	**$ 53,516**

The budgeted amounts are based on existing contracts or other estimates received from contractors and otherwise or the experience of Sponsor's budget expert, FirstService Residential New York Inc., in operating similar buildings. While this Schedule B includes a reasonable allowance for possible increases in cost, no warranty is made that the actual cost for these or other services will be in accordance with this projection.

(11) Insurance: $90,000

The insurance premiums are based on a letter dated March 18, 2024 from Genatt V LLC, 3333 New Hyde Park Road, Suite 400, New Hyde Park, NY 11042. The fire, casualty and general liability coverages are on the terms set therein:

Property	
Building	$ 40,000,000
Contents	$ 100,000
Business Income	$ 750,000
Flood	$ 5,000,000
Earthquake	$ 5,000,000
Deductibles	
Flood	$ 50,000
Earthquake	$ 50,000
Water Damage	$ 100,000
All Other Losses	$ 25,000
General Liability:	
General Aggregate	$ 2,000,000
Per Occurrence	$ 1,000,000
Personal & Advertising Injury	$ 1,000,000
Fire Damage Legal Liability	$ 50,000
Medical Expense	$ 5,000
Non-Owned & Hired	$ 1,000,000
Umbrella:	
Limit of Liability	$ 25,000,000
Self-Insured Retention	$ 10,000
Boiler & Machinery:	Included
Directors & Officers:	$ 1,000,000
Deductible	$ 10,000
Cyber:	$ 500,000
Deductible	$ 5,000
Crime:	
Employee Dishonesty	$ 500,000
Managing Agent Rider	Included
Deductible	$ 5,000

The total premium for the foregoing coverage is approximately $90,000.

If it is determined that the Building is located in a high hazard flood zone and flood coverage would be excluded under the property policy, a separate flood policy would need to be placed. This would increase the total estimated annual premium.

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

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

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

The insurance coverage to be carried by the Board of Managers does not include any coverage for losses either due to fire, theft or other casualty to the personal property of a Unit Owner contained within the Unit or a Limited Common Element or the cost of living elsewhere if a Unit is greatly damaged. Nor does it include liability coverage for a Unit Owner for occurrences within a Unit or a Limited Common Element appurtenant to a particular Unit. Unit Owners should consult their insurance agent as to the availability of this insurance and any additional coverage which might be recommended. Purchasers should reference the By-Laws set forth in Part II if the Plan and the "Rights and Obligations of Unit Owners" section of Part I of the Plan for information regarding insurance requirements for Unit Owners.

The insurance coverage meets the requirements of any mortgage lender procured by Sponsor.

(12) <u>Management Fee: $35,000</u>

The budget number is based on a management agreement with FirstService Residential New York Inc., 575 Fifth Avenue, New York, N.Y. 10017, to begin at or before First Closing. It is expected that the Condominium Managing Agent will receive an annual fee of $35,000 for the First Year of Condominium Operation. This fee is commercially reasonable and comparable to management fees for buildings of similar size and quality as the Property. Reference should be made to the Section of the Plan entitled "Management Agreement" in the Offering Plan for further details of the Management Agreement.

(13) <u>Legal and Audit Fees: $15,000</u>

Based upon the signed engagement letter from WilkinGuttenplan, certified public accountants having an office at 499 Seventh Avenue, 6th Floor, New York, NY 10018, as set forth in a letter dated October 9, 2024, $10,000 has been budgeted for fees to be incurred in connection with the preparation of the audited financial statements for the First Year of Condominium Operation and its Federal, New York State and New York City income tax returns. The balance of the budgeted amount $5,000 has been estimated to provide for minor legal services to be rendered in connection with the operation of the Building such as attendance at Board meetings, preparation of Board minutes and negotiation of minor agreements.

(14) Miscellaneous Administrative Expenses: $18,500

Miscellaneous Administrative Expenses covers payroll processing, telephone, permits and other filing fees, office supplies, office equipment, postage, special communications and mailings to the Unit Owners, annual meetings, and other general expenses.

Printing and Postage	$ 1,000
Bank Charges	$ 300
Corporate Tax	$ 5,000
Telephone	$ 7,500
Office Expense	$ 500
Payroll Processing	$ 1,000
Permit Fees	$ 1,000
Compliance	$ 2,200
Total	**$ 18,500**

(15) Contingency: $15,000

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

(16) Replacement Reserve: $19,500

The budget number is based on the annual contribution recommended by Strategic Inspections, LLC, 150 Main Street, Suite 2, Port Washington, New York 11050, in a reserve study for the project dated May 10, 2024 (the "Reserve Study"), a copy of which is set forth hereinafter in Part II of the Plan.

The funds collected under this line item are for deposit into an account established by the Board of Managers, which is to be used for periodic maintenance, repair and replacement of the Common Elements, in accordance with the By-Laws.

****

IN THE OPINION OF SPONSOR'S BUDGET EXPERT THE PROJECTED INCOME IS ADEQUATE TO MEET THE ESTIMATED EXPENSES FOR THE YEAR OF OPERATION COMMENCING JULY 1, 2025. THE FOREGOING SCHEDULE, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE OR WARRANTY BY ANYONE THAT THE MAINTENANCE CHARGES FOR SUCH FIRST YEAR OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY BY THE BOARD WILL BE AS SET FORTH IN THIS BUDGET, AND IT IS LIKELY THAT THE ACTUAL MAINTENANCE CHARGES AND OTHER ITEMS OF INCOME AND EXPENSES WILL VARY FROM THE AMOUNTS SHOWN IN THIS BUDGET.

H. BUDGET FOR INDIVIDUAL ENERGY COSTS, SCHEDULE B-1

A 110 William Street, 32nd Fl, NY, NY 10038 T 212. 257. 6190 W epengineering.com EP Engineering, LLC, MEP Consultants

May 13th, 2024

Jeff Knecht
Slate Property Group
440 Park Ave. South, 3rd Floor
New York, NY 10016

Re: 118 W13th Street Condominium
New York, NY 10011
Utility Estimates

1. Utility Rates:

    a. Gas:
        i. $2.88/Therm

    b. Electricity:
        i. Cost per kWh: $0.34
            1. *Average value based on Rate EL1, Zone J, standard customer for 2024 (including delivery charge & other misc. costs).*
    c. Water + Sewer:
        i. $11.14 per 100 cubic feet

1. Estimated Natural Gas Costs:

Description	Consumption (Therms/year)	Cost ($/year)
Domestic Hot Water	3,860	$11,117
Cooking (Gas Ranges)	860	$2,477
Dryers	250	$719
Total	4,720	$14,313

Natural gas in the building is commonly metered, with 1 meter for the entire building.

Gas consumption is based on the following assumptions:

- 44 gallons of hot water used per occupant per day
- 2 occupants per master bedroom, 1 occupant each for all other bedrooms
- 50° incoming water, 120° hot water supply
- 90% water heater efficiency
- Cooking ranges are 59,000 BTU/hr and are used 1.5 hour per day at 50% capacity, 243 days per year.
- Dryers are 20,000 BTU/hr and are used 1 hour per cycle, 3 cycles per week, 52 weeks per year.

May 13th, 2024

Re: 118 W13th Street Condominium
New York, NY 10011
Utility Estimates

2. Estimated Water & Sewer Costs:

Description	Rate	Consumption (ft^3/yr)	Cost ($/year)
Total building water usage	60 gallons per person per day; 37 occupants	108,329	$12,067

3. Estimated Common Area Electricity Costs:

Electric consumptions are based on the following assumptions:

- Lighting loads are calculated at 100% of the total connected load for approximately 12 hours per day, 365 days per year.
- Elevator loads are calculated at 100% of the total connected load for approximately 4 hours per day, 365 days per year.
- Receptacle loads are calculated at 100% of the first 10,000 Volt-amps connected load plus 50% of the remaining connected loads over 10,000 Volt-amps for approximately 6 hours per day, 365 days per year.

Description	Consumption (kWh/yr)	Cost ($/year)
Heating, Ventilating & AC	8,068	$2,743.07
Lighting	21,128	$7,183.52
Elevators	37,843	$12,866.69
Plug Loads	33,550	$11,407.00
Total	100,589	$34,200.28

May 13th, 2024

Re: 118 W13th Street Condominium
New York, NY 10011
Utility Estimates

4. Estimated Apartment Electricity Costs:

Electric consumptions are based on the following assumptions:

- Lighting and receptacle loads are calculated at 100% of the first 3,000 Volt-amps connected load plus 35% of the remaining connected loads over 3,000 Volt-amps for approximately 4 hours per day, 365 days per year.

- Appliance loads include cooktop, hood, refrigerator, dishwasher, and wine cooler are calculated at 75% of the total connected load for approximately 4 hours per day, 365 days per year.

- Washer and dryer loads are calculated at 75% of the total connected load. Both appliances are estimated to be utilized for approximately 6 hours per week.

The estimated total for each apartment unit are tabulated in the following Tables:

Apt 1A (3990 SF)

Description	Load (kW)	Hours of operation	Consumption (kWh)	Cost ($/year)
Cooling			7,469.62	$2,539.67
Heating			8,377.26	$2,848.27
Lighting & Receptacles	9.8	1,460	14,308.00	$4,864.72
Appliances	5.9	1,460	8,614.00	$2,928.76
Washer/Dryer	2.57	312	801.84	$272.63
Total	18.27	3,232	39,570.72	$13,454.04

Unit 1B (728 SF)

Description	Load (kW)	Hours of operation	Consumption (kWh)	Cost ($/year)
Cooling			1,908.00	$648.72
Heating			2,474.76	$841.42
Lighting & Receptacles	4.6	1,460	6,716.00	$2,283.44
Appliances	4.42	1,460	6,453.20	$2,194.09
Washer/Dryer	1.98	312	617.76	$210.04
Total	11	3,232	18,169.72	$6,177.70

May 13th, 2024

Re: 118 W13th Street Condominium
New York, NY 10011
Utility Estimates

Apt 2 (3405 SF)

Description	Load (kW)	Hours of operation	Consumption (kWh)	Cost ($/year)
Cooling			5,851.20	$1,989.41
Heating			6,178.28	$2,100.62
Lighting & Receptacles	10.5	1,460	15,330.00	$5,212.20
Appliances	7.5	1,460	10,950.00	$3,723.00
Washer/Dryer	1.98	312	617.76	$210.04
Total	19.98	3,232	38,927.24	$13,235.26

Apt 3 (3405 SF)

Description	Load (kW)	Hours of operation	Consumption (kWh)	Cost ($/year)
Cooling			6,899.65	$2,342.48
Heating			7,817.41	$2,657.92
Lighting & Receptacles	10.5	1,460	15,330.00	$5,212.20
Appliances	7.5	1,460	10,950.00	$3,723.00
Washer/Dryer	1.98	312	617.76	$210.04
Total	19.98	3,232	41,604.82	$14,145.64

Apt 4 (3405 SF)

Description	Load (kW)	Hours of operation	Consumption (kWh)	Cost ($/year)
Cooling			6,899.65	$2,342.48
Heating			7,817.41	$2,657.92
Lighting & Receptacles	10.5	1,460	15,330.00	$5,212.20
Appliances	7.5	1,460	10,950.00	$3,723.00
Washer/Dryer	1.98	312	617.76	$210.04
Total	19.98	3,232	41,604.82	$14,145.64

May 13th, 2024

Re: 118 W13th Street Condominium
New York, NY 10011
Utility Estimates

Apt 5 (3405 SF)

Description	Load (kW)	Hours of operation	Consumption (kWh)	Cost ($/year)
Cooling			6,899.65	$2,342.48
Heating			7,817.41	$2,657.92
Lighting & Receptacles	10.5	1,460	15,330.00	$5,212.20
Appliances	7.5	1,460	10,950.00	$3,723.00
Washer/Dryer	1.98	312	617.76	$210.04
Total	19.98	3,232	41,604.82	$14,145.64

Apt 6 (3405 SF)

Description	Load (kW)	Hours of operation	Consumption (kWh)	Cost ($/year)
Cooling			6,899.65	$2,342.48
Heating			7,817.41	$2,657.92
Lighting & Receptacles	10.5	1,460	15,330.00	$5,212.20
Appliances	7.5	1,460	10,950.00	$3,723.00
Washer/Dryer	1.98	312	617.76	$210.04
Total	19.98	3,232	41,604.82	$14,145.64

Penthouse (3910 SF)

Description	Load (kW)	Hours of operation	Consumption (kWh)	Cost ($/year)
Cooling			8,295.75	$2,820.56
Heating			9,256.78	$3,147.31
Lighting & Receptacles	11.32	1,460	16,527.20	$5,619.25
Appliances	8.32	1,460	12,147.20	$4,130.05
Washer/Dryer	1.98	312	617.76	$210.04
Total	21.62	3,232	46,844.69	$15,927.19



John Rocchio, PE
Principal

I. COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

FirstService
RESIDENTIAL

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

December 12, 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
118 West 13th Street Condominium
118 West 13th Street
New York, New York 10011 ("Property")

Dear Sir/Madam:

118 West 13th Street Owner LLC ("Sponsor") of the Condominium Offering Plan ("Offering Plan") for the Property retained FirstService Residential New York, Inc. ("Firm") to review the percentage of Common Interest in the Common Elements allocated to each Unit in the Property set forth in Schedule A of the Offering Plan.

The Firm is licensed as a real estate brokerage firm in the State of New York. The principals of the Firm have been engaged in the real estate and brokerage business for over twenty-five (25) 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 (and Management of the Premises under the Offering Plan). The Firm understands that a copy of this letter is intended to be incorporated into the Offering Plan.

FirstService Residential New York, Inc.
575 Fifth Ave. | 9th Floor | New York, NY 10017
Tel 212.634.8900 | Fax 212.634.3946
www.fsresidential.com/new-york

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

Very truly yours,

FirstService Residential New York, Inc.

By: _____
Name: Marc Kotler
Title: President
New Development Group

Sworn to before me this
12th day of December 2024

_____
Notary Public

ROSEMARY MERCADO
Notary Public, State of New York
No. 01ME6282869
Qualified in Westchester County
Commission Expires May 28, 2025

FirstService
RESIDENTIAL

J. DEVELOPMENT RIGHTS

All excess Development Rights otherwise appurtenant to the Property and not used in connection with the Building as described in this Plan as of the recordation of the Declaration or hereafter granted will be conveyed to Sponsor. As a result, unless Development Rights are separately acquired therefor on behalf of the Condominium or a Unit Owner, as the case may be, any future expansion of the Building by the Board or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable Legal Requirements, may not be possible or may be limited. Further, as a result of such reservation by the Sponsor, the Sponsor may transfer or sell such Development Rights to the owner(s) of adjoining properties and in such case such properties may be increased as a result of such transfer or sale.

The Development Rights reserved by Sponsor will not be used to add additional floors to the top of the Building. The Development Rights reserved by Sponsor may be used in the case of a sale or transfer for use in connection with other properties. In the event such excess Development Rights are transferred to the owner(s) of adjoining properties, a Unit Owner's views and exposure to light may be affected.

K. CHANGES IN PRICES AND UNITS

Purchase Prices for all Residential Units are negotiable and Sponsor reserves the right, at any time and from time to time before and after the recording of the Declaration, without giving prior notice (except as otherwise provided herein) and without the consent of the Board, Unit Owner or mortgagee, to change the price, including, without limitation, the manner of payment thereof and other terms of sale of any Residential Unit, except that no such change with respect to any Residential Unit for which an Agreement is then in effect may be made without the consent of the Purchaser. Offering prices set forth in Schedule A in Part I of the Plan must be changed by a duly filed amendment to the Plan in advance of such change when the change in price is an across the board increase or decrease affecting one or more lines of Residential Units or Residential Unit models, or is to be advertised, or is a price increase for an individual purchaser, except that Sponsor reserves the right to decrease Purchase Prices or modify other terms of sale without filing an amendment to the Plan at any time during the offering period if such a decrease in the Purchase Price or modification of such other terms of sale does not constitute a general offering or an advertised price but is rather the result of an individually negotiated transaction. If any such change is made, a Purchaser of a Residential Unit affected thereby may pay more or less than other Purchasers under the Plan for similar Residential Units, but this will not affect any prior or subsequent sale of Residential Units which are not the subject of such change. Sponsor reserves the right to negotiate with each Purchaser, the terms and conditions of the Agreement, including but not limited to: Purchase Price; the amount of the Deposit; contingencies; the availability of financing; the payment of Purchaser's financing fees and other closing costs; work to be performed in the Residential Unit or the revision of Floor Plans and the allocation and payment of costs therefor; and extensions of time periods within which to perform obligations under the Agreement. Sponsor reserves the right from time to time to add and/or delete negotiable terms from the list set forth above for all or some Purchasers without further amendment to this Offering Plan. No Purchaser will benefit from any terms and conditions negotiated with any other Purchaser, and a Purchaser's failure to so benefit will not give rise to any rights of rescission under an Agreement. However, no such negotiated changes shall act to abrogate Sponsor's obligations, nor waive the rights afforded Purchaser under applicable Law and regulations.

In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of prospective purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by Law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Board, Unit Owner or mortgagee, to (a) change the layout of, or number of rooms in, any Unsold Unit, (b) change the size and/or number of Unsold Units by dividing one (1) or more such Units into two (2) or more separate Unsold Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one (1) or more Unsold Units, altering any boundary walls between one (1) or more Unsold Units, or otherwise, including incorporating Residential Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Unit into such Unsold Unit, (c) designate a Common Element as part of a newly created Unit or Limited Common Element or designate all or part of a Unit as a newly created Unit, Common Element, Limited Common Element, and (d) if appropriate, reapportion among the Unsold Units affected by any such change, their aggregate Common Interests. In the event of any change pursuant to

any of (a) through (d) above, such change shall be disclosed in a duly filed amendment to the Plan. No such change, including any change in the Common Interest or in the amount or quality of Common Elements directly affecting or servicing a Unit, will be made with respect to any Unsold Unit for which a purchase agreement is then in effect and the Purchaser thereunder is not in default unless (i) the Purchaser consents to such change or (ii) such change is not a material change in the size, Common Interest, dimension, floor space or layout of such Unsold Unit. The Common Interest of a Unit may change if there is a change in the floor space or 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. No material change will be made in the size or quality of the Common Elements except by amendment to the Plan and, when applicable, by amendment to the Declaration. Unless all Purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of the Common Elements.

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 of any Unit be changed, unless, in each such event, the Declaration and Tax Maps and this Plan are amended with the consent of each Unit Owner whose Unit is so changed. Sponsor will have the right to amend or to cause the Condominium Board to amend the Declaration to reflect any such change and to file such amendment and any necessary plans and specifications in connection therewith.

No change will be made in the size or number of Units and/or their respective percentages of common interest, and no material change will be made in the size or quality of common elements, except by amendment to the Plan and, when applicable, to the Declaration. Unless an affected Purchaser consents, no material change will be made in Residential Unit size, layout, or percentage of common interest if a Purchase Agreement has been executed and delivered to the Sponsor for that Residential Unit and the Purchaser is not in default. Unless all purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of common elements. It should be noted that as long as the layout and dimensions of a Residential Unit are not materially different than the Residential Unit Plans, a Purchaser will not be excused from purchasing his Residential Unit and will not have any claim against Sponsor as a result of any immaterial change.

Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset or reduction in the Purchase Price for his or her Residential Unit or otherwise be relieved of any obligations under the Agreement, by virtue of an immaterial inaccuracy or error in the Floor Plans. With regard to size, such immaterial error would mean a decrease of five percent (5%) or less or any increase in the size of any Unit or room contained in a Residential Unit. There is a rebuttable presumption that a Unit size that is diminished by five percent (5%) or less is not material.

Any change to a Storage Unit will not excuse Purchaser from purchasing the Residential Unit. Purchaser will not have any claim against Sponsor as a result of any such change, and same will not affect a Purchaser's obligations under the Purchase Agreement or the Plan.

No Purchaser will have the right to alter or modify any Storage Unit without the consent of the Condominium Board, which may be granted or withheld in its sole and absolute discretion.

To the extent permitted by applicable Law, if the size or configuration of a Unit is changed in compliance with the Plan and the Condominium Documents and, in connection therewith, a wall, space or other area forming a part of the Common Elements servicing and benefiting only such Unit is razed or incorporated in the Unit, then such Common Element shall be deemed for the exclusive use and benefit of the owner of such Unit and the Unit's Common Interest will remain unchanged.

L. INTERIM OCCUPANCY AGREEMENTS

Sponsor will endeavor in good faith to sell, but nevertheless reserves the unconditional right, prior to the closing of a Residential Unit and after consummation of the Plan, to rent or lease, rather than sell, such Residential Unit to Purchasers and others. As a result, a Purchaser of a Residential Unit may be acquiring a Residential Unit that has been previously occupied or used, but, unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Residential Unit will be delivered at the closing vacant and free and clear of all leases, tenancies and rights of occupancy. In addition, because Sponsor reserves the unconditional right to rent or lease Residential Units, there is no commitment to sell more Residential Units than the fifteen percent (15%) of such Residential Units necessary to declare the Plan effective (i.e., two (2) Residential Units) and, accordingly, Unit Owners may never gain effective control and management of the Condominium. (See the Sections entitled "Introduction", "Procedure to Purchase", and "Rights and Obligations of Sponsor" in Part I of the Plan for further discussion.) However, once an Agreement for a Residential Unit is fully executed and for so long as the Agreement is in effect, such Residential Unit may only be leased to its Purchaser. No Purchaser shall have the right to occupy or use any Residential Unit prior to the closing unless Sponsor agrees to permit such occupancy under an Interim Occupancy Agreement or other written rental agreement.

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

If Sponsor agrees to lease a vacant Residential Unit for a rent and upon such other terms and conditions as may be agreed upon by Sponsor and the tenant; provided, however, that in the case of an Interim Occupancy Agreement to a Purchaser, such lease will provide that an uncured default by the Purchaser under the Agreement (that is, a default not cured within thirty (30) days after the sending of written notice thereof) will constitute a default under the lease entitling the landlord (i.e., Sponsor), at its sole option, to immediately terminate such lease whereupon the lessee must vacate the Residential Unit within ten (10) days thereafter. The Agreement will contain a similar provision entitling Sponsor to terminate the Agreement and retain the Deposit (and any interest thereon) as liquidated damages, and not as a penalty, in the event the Purchaser fails to cure a default under such Purchaser's lease, if any, within the applicable grace period (if any) and either: (a) Sponsor has obtained an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser or (b) the Purchaser has vacated the Residential Unit. No portion of the rent paid under any lease will be credited towards the Purchase Price of a Residential Unit unless the lease and the Agreement therefor expressly so provide.

In the event of any amendment to the Plan which discloses a material adverse change to the Plan and offers the Purchaser a right to rescind, if a Purchaser who is a tenant under an Interim Occupancy Agreement duly elects to rescind, the Purchaser's Deposit will be returned subject to the terms of the Plan and the Interim Occupancy Agreement made with such Purchaser shall be cancelled and possession of the Residential Unit must be surrendered within thirty (30) days

thereafter free of all occupants and in broom clean condition. If such failure to timely vacate occurs prior to the First Closing, the Purchaser shall be liable for use and occupancy in an amount equal to twice the rent under the Interim Occupancy Agreement. If such failure to vacate occurs after the First Closing, the Purchaser shall be liable for twice the costs of carrying the Residential Unit (such as Common Charges, real estate taxes and the allocable portion, based on such Residential Unit's Common Interest, of debt service on any loan covering the Unsold Residential Units) as calculated by Sponsor. In addition, irrespective of when failure to timely vacate occurs, such Purchaser shall be liable to Sponsor for loss of profit and all costs and expenses incurred by Sponsor to obtain possession of the Residential Unit, including the cost of litigation and reasonable attorneys' fees and expenses. In the event the Plan is abandoned, a Purchaser who has entered into an Interim Occupancy Agreement will have no right to remain in occupancy as a tenant after the abandonment of the Plan.

Purchasers are advised that the risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until a Purchaser takes possession of a Residential Unit pursuant to an Interim Occupancy Agreement or written agreement with Sponsor, at which time such risk to the contents of the Residential Unit (but not to any portion of the Residential Unit or Building otherwise insured by Sponsor or the Condominium Board) shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. Purchaser shall only be liable for the costs and expenses outlined herein only to the extent the same is not considered an unenforceable penalty and is permitted by Law. The provisions of this paragraph are in compliance with applicable housing Law.

Sponsor and its designee reserve the right, without prior notice or amendment to the Plan, to use Unsold Residential Units on any floor of the Building as sales and rental offices and model apartments for the Building. In the event Sponsor or its designee thereafter elects to sell any such Unsold Residential Units, Sponsor or its designee may require the purchaser thereof to purchase all or any of the furnishings, equipment or decorations therein and pay, in addition to the Purchase Price for such Residential Unit, such amounts as Sponsor may determine. In no event shall the presence of any furniture, furnishings, equipment or decorations in any model apartment imply or represent that any Residential Unit will contain such furniture, furnishings, equipment or decorations upon delivery of the Residential Unit to the Purchaser of the Residential Unit unless such Purchaser agrees to pay Sponsor an amount as determined by Sponsor in addition to the Purchase Price for such Residential Unit and such items to be included are specifically stated to be included in an addendum to the Agreement for such Residential Unit.

See the form of Interim Occupancy Agreement included in Exhibit 13 in Part II of the Plan.

M. PROCEDURE TO PURCHASE

1. General Information.

A person desiring to purchase a Residential Unit will be required to execute an Agreement in quadruplicate (i.e., four (4) original copies), which will be in the form set forth in Part II of the Plan.

If a Purchaser has not received the Plan at least three (3) full business days prior to executing an Agreement, then a Purchaser shall have the right to rescind the Agreement within seven (7) days after the date of the Agreement. The Agreement sets forth in detail the terms of sale with respect to each Residential Unit and should be read carefully by each prospective Purchaser. Prospective Purchasers should be aware that if any conflict exists between the Plan and the Agreement, the provisions of the Plan shall in all events control except where such provisions were requested by Purchaser and agreed to by Sponsor.

Purchaser's obligation to purchase a Residential Unit pursuant to the Agreement shall not be contingent on Purchaser obtaining financing for such purchase.

A Purchaser shall deliver to Selling Agent, together with the four (4) signed original counterparts of the completed Purchase Agreement, the following: a completed and signed copy of either Form W-9 (Request for Taxpayer Identification Number and Certification) or Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), as applicable, in the form required by Law (the forms currently required by Law are reproduced as Exhibits 2 and 3 in Part II of this Plan); and the Payment(s) as set forth below. Each Purchaser shall in all events be deemed to represent and warrant that the Payments and all sums deposited by Purchaser pursuant to the Purchase Agreement are such Purchaser's own funds and that no other party has any right thereto.

The obligations of a Purchaser under an Purchase Agreement are not conditioned on obtaining financing. Any prospective Purchaser who executes an Purchase Agreement and does not obtain financing may lose his or her Payment if he or she is unable to otherwise raise the monies for the balance of the Purchase Price. Prospective Purchasers who require financing are advised to consult with a lending institution before execution of an Purchase Agreement. No representation is made by the Sponsor as to the availability or cost of such financing.

Agreements will not be binding on Sponsor until approved and executed by Sponsor, and delivered by Sponsor to the prospective Purchaser even if the Sponsor has deposited the Deposit. Sponsor will have thirty (30) days after delivery by Purchaser of an executed Agreement and the down payment required thereby, within which to accept or reject such Agreement. Sponsor reserves the right to request thorough identification and financial information concerning any prospective Purchaser, subject to any limitations and requirements imposed by Law.

If an Agreement is not accepted by Sponsor within the aforesaid thirty (30) day period, the Agreement shall be deemed to have been rejected and canceled and all sums theretofore deposited thereunder, without interest, shall be promptly returned to the prospective Purchaser. Sponsor

hereby reserves the right at any time and from time to time for any reason whatsoever, without prior notice or prior amendment to the Plan and without the consent of the Board, to refuse to approve and execute (a) an Agreement for any Residential Unit, except as prohibited by Law, and (b) an Agreement(s) for more than one Residential Unit to any one person or entity.

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

If there is any conflict between the terms of the Purchase Agreement and the Offering Plan, such conflict will be resolved according to the terms of the Offering Plan.

At the time of execution of an Agreement, a Purchaser is required to make a payment in an amount equal to at least ten percent (10%) of the Purchase Price (the "Initial Deposit"); and an additional Deposit equal to five percent (5%) of such Purchase Price (the "Additional Deposit") is due and payable no later than the earlier to occur of: (x) six (6) months after the date of the Agreement; or (y) thirty (30) days after Sponsor serves Purchaser with written notice of an amendment to the Offering Plan declaring the same effective, but in no event later than the closing of title to the Residential Unit; provided, however, that with respect to Agreements entered into after the Offering Plan has been declared effective, Sponsor reserves the right to require both the Initial Deposit and the Additional Deposit due and payable upon execution of the Agreement. In the event the Purchaser defaults, the Sponsor shall have the right to retain the Deposit. Agreements entered into after the plan is declared effective will require one Deposit that is at least fifteen percent (15%) of the Purchase Price. All Deposit checks must be made payable to the direct order of "Holland & Knight LLP, Escrow Agent". All checks delivered in payment of the Deposit shall be accepted by Sponsor subject to collection, and if any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, among other things, to deem such Agreement to be canceled and of no further force or effect.

Each prospective Purchaser should note that Sponsor is only obligated to provide the equipment, fixtures and furnishings described in the "Description of Property" set forth as Exhibit 6 in Part II of this Plan. If a person desiring to purchase a Residential Unit requests that Sponsor perform Custom Work on such Residential Unit or provide extra furnishings, including, but not limited to, any deviation from the materials or specifications described in the "Description of Property", and Sponsor agrees to perform such Custom Work and/or provide such furnishings, then a description of such work or furnishings shall be inserted as an addition to the Agreement and Sponsor may require such person to pay for said Custom Work or furnishings in advance together with the cost of removing the Custom Work if the Purchaser fails to close. Any funds received by Sponsor for such Custom Work must initially be placed in the Escrow Account. However, Purchasers should note that such funds may be released from the Escrow Account by Sponsor as long as the Sponsor uses such funds for such Custom Work. As a result, in the event the Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds used for Custom Work. Notwithstanding the foregoing, if Sponsor abandons the Plan, all such funds received by Sponsor for Custom Work will be returned to Purchasers. Sponsor shall be under no obligation whatsoever to agree to perform any Custom Work or provide extra furnishings for a Purchaser, nor shall Sponsor have any obligation to allow a Purchaser or its agents to perform any

Custom Work or install extra furnishings prior to Closing. Any and all special or additional work which a Purchaser desires to be performed with regard to a Residential Unit shall be done only upon Sponsor's written consent thereto and Sponsor's approval of all contractors and suppliers in connection therewith, which consent and approval are within the sole discretion of Sponsor. In no event shall the presence of any furniture, furnishings, equipment or decorations in any model apartment imply or represent that any Residential Unit will contain such furniture, furnishings, equipment or decorations upon delivery of the Residential Unit to Purchaser unless Purchaser agrees to pay Sponsor an amount determined by Sponsor in addition to the Purchase Price for such Residential Unit.

The balance of the Purchase Price shall be payable simultaneously with the delivery of the deed to the Residential Unit at Sponsor's option, by wire transfer or an official bank check or an unendorsed certified check drawn on or issued by a New York bank or trust company which is a member of The New York Clearinghouse Association and shall be payable to the direct order of Sponsor, or otherwise if Sponsor should so notify Purchaser. The deed will be substantially in the form set forth as Exhibit 5 in Part II of the Plan. Interest, if any, on Purchaser's Deposit will be credited or paid to Purchaser at Closing.

TIME IS OF THE ESSENCE TO PURCHASER AS TO PURCHASER'S OBLIGATIONS PURSUANT TO THE PURCHASE AGREEMENT, INCLUDING, WITHOUT LIMITATION, FOR THE PAYMENT OF THE BALANCE OF THE PURCHASE PRICE. FUNDS DRAWN ON OUT-OF-STATE OR FOREIGN BANKS WILL NOT BE ACCEPTED IN PAYMENT OF THE PURCHASE PRICE FOR A RESIDENTIAL UNIT UNLESS OTHERWISE AGREED BY SPONSOR.

After the Plan is declared effective, Purchasers will receive at least thirty (30) days' prior notice of the originally scheduled Closing Date and, in the event Purchaser fails to close on the designated date, then Purchaser will have a thirty (30) day period after notice within which to cure, time being of the essence, such default, following which Sponsor shall have the remedies set forth below. A Purchaser may waive notice of such Purchaser's Closing Date. In the event of any default by Purchaser under his or her Agreement, and if Purchaser does not cure such default within thirty (30) days after Sponsor gives written notice to the Purchaser of default, Sponsor may, at its option, cancel such Agreement and retain the Deposit made by Purchaser, together with any interest earned thereon, as liquidated damages, in which event all rights, obligations and liabilities of Sponsor and Purchaser shall wholly cease and terminate. In addition, Sponsor shall also be entitled to retain (i) any amount spent by Sponsor for Custom Work requested by Purchaser and (ii) the reasonable cost to restore the Residential Unit to its condition prior to such Custom Work being performed. Sponsor will fix dates for closing title to all Unsold Residential Units for which Agreements have been executed by serving notice upon each Purchaser setting such Purchaser's Closing Date unless a specific Closing Date is contained in the Agreement.

If a Purchaser fails for any reason to close title to his or her Residential Unit on the originally scheduled Closing Date (a) the closing apportionments described in the Section hereto entitled "Closing Costs and Adjustments" will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher 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 Agreement and this Plan, an amount equal to 0.04% of the Purchase Price of his or her Residential Unit for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date.

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

It is anticipated that the First Closing will occur on approximately July 1, 2025. In the event the projected commencement date of Condominium operation is twelve (12) months or later than the anticipated date of the First Closing, Sponsor will offer all Purchasers the right to rescind their Agreements and have their Deposits refunded to them. In the event that the projected commencement date of Condominium operation is six (6) months later than the anticipated date of the First Closing, the Plan will be amended to include a revised budget disclosing the then current budget projections. If the Common Charges in the revised budget increase by twenty-five (25%) percent or more, Sponsor will offer all Purchasers the right to rescind their Agreements and have their Deposits refunded to them. Any Purchaser electing rescission will have their Deposits and any interest earned thereon returned; within thirty (30) days' notice of such election, provided however, that Sponsor may retain any escrow funds expended for Custom Work at the request of the Purchaser as well as the cost of any work necessary to restore the Residential Unit to its condition prior to such work having been performed. Rescission need not be offered to any Purchaser who is in default under such Purchaser's Agreement, beyond the expiration of any applicable grace period, provided that Sponsor shall only retain the Deposit of a Purchaser in accordance with the escrow and trust fund requirements of General Business Law Sections 352-e(2b) and 352-h and the Attorney General's regulations promulgated pursuant thereto as described in the subsection of the Plan entitled "Escrow and Trust Fund Requirements" in this Section of the Plan.

At the time of execution of an Agreement, Purchaser is not required to sign a power of attorney to the Condominium Board. Notwithstanding the foregoing, at the closing of title and simultaneously with the delivery of the deed conveying a Residential Unit to Purchaser, Purchaser shall execute and acknowledge a Unit Power of Attorney to the Condominium Board and Sponsor substantially in the form set forth as Exhibit 4 in Part II of the Plan.

If the Plan is abandoned, the Deposit previously paid to and actually collected by Sponsor, together with any interest earned thereon, shall be returned to Purchaser within five (5) days of the date of such abandonment, in accordance with the provisions herein set forth.

From and after the Closing of each Unit, Purchaser will become obligated for the payment of Common Charges in proportion to the Purchaser's Common Interest, real estate taxes and assessments (including water charges and sewer rents, if separately assessed) and all other expenses with respect to his or her Unit, whether or not he or she has taken possession of his or

her Unit, and whether or not all work required to be performed by Sponsor or anyone else in or to his or her Unit or the Building has been completed.

The risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until a Purchaser takes possession of a Residential Unit prior to Closing, at which time any risk not covered by insurance shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, provided Sponsor elects (which election shall be in its sole discretion) within two (2) months after the date of the occurrence of such fire or casualty, to repair or restore the Unit, the Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price for the subject 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 Board and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit, or, if the casualty occurs after the First Closing and the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and Condominium Board"), the Agreement shall be deemed canceled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, within thirty (30) days' notice of such election, subject to Sponsor's rights to retain certain funds deposited by Purchaser for Custom Work in the Residential Unit, whereupon the parties to the Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan; provided, however, notwithstanding anything to the contrary herein, if Purchaser is then in default under the Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

Agreements are not assignable without the prior written consent of Sponsor, which consent may be granted or denied by Sponsor in its sole discretion.

2. **Escrow and Trust Fund Requirements**.

The Agreement is attached hereto as Exhibit 1 in Part II of the Plan. The relevant escrow trust fund provisions are included in Section 12 of the Agreement, which must be executed by the Escrow Agent.

All Deposits received by Sponsor under an Agreement will be held in escrow in conformity with the provisions set forth below.

All Deposits made pursuant to an Agreement are subject to the escrow and trust fund requirements of the State of New York Lien Law Section 71a(3), the General Business Law of the State of New York Sections 352-e(2-b) and 352-h and the Attorney General's regulations promulgated pursuant thereto.

Any provision of any contract or agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the 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 an 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.

a. Escrow Agent

All Deposits made by Purchasers prior to the closing of each individual transaction, will be placed, within five (5) business days after the Agreement has been signed by all necessary parties, in a segregated special escrow account of Holland & Knight LLP, the escrow agent for Sponsor and Purchaser (the "Escrow Agent"), whose address is 787 Seventh Avenue, New York, New York 10019 and whose telephone number is (212) 513-3308. The attorneys who are signatories on this account authorized to withdraw funds are: Stuart M. Saft, Renee I. Covitt, Erin Goodman, Rachel Katz, Joshua Berengarten and Kenneth Lowenstein. All designated signatories are admitted to practice Law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

b. Escrow Account

The Escrow Agent has established a master escrow account at PNC Bank (the "Bank") at its branch located 340 Madison Ave, New York, New York 10173, named "Holland & Knight LLP - 118 West 13th Street Condominium, Escrow Account" or similar name (the "Master Escrow Account"). All Deposits will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. Each Purchaser is required to deliver a completed and signed Form W-9 (Request for Taxpayer Identification Number) in the form set forth as Exhibit 2 in Part II of the Plan or a Form W-8 (Certificate of Foreign Status) in the form set forth as Exhibit 3 in Part II of the Plan, as applicable, to Sponsor or Selling Agent at the time Purchaser tenders the Deposit and the Agreement. If an Deposit is accompanied by a completed and signed Form W-9 or Form W-8, the Deposit will thereafter be promptly transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser. The interest rate for all Deposits transferred to an individual interest bearing sub-escrow savings account shall be the prevailing rate for such accounts, which as of December, 2024 is approximately 3.75%. Interest shall begin to accrue upon placing the Deposit into the individual interest bearing sub-escrow savings account. All interest earned thereon shall be paid to Purchaser at Closing. If a Purchaser does not deliver the Form W-9 or Form W-8, the Deposit will remain in the non-interest bearing checking portion of the Master Escrow Account. No fees of any kind may be deducted from the Master Escrow Account or individual escrow accounts, and Sponsor shall bear all costs associated with the maintenance of the Master Escrow Account and individual escrow accounts. 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. The Bank is covered by federal bank Deposit insurance to a maximum of $250,000 per individual deposit. The following are special risks of this offer: (i) if a Purchaser makes an Deposit

in excess of $250,000 for the purchase of a Residential Unit, such Deposit will not be federally insured in excess of $250,000; and (ii) while the Deposit is in the non-interest bearing checking portion of the Master Escrow Account, the Deposit may not be fully federally insured even if the Deposit does not exceed $250,000. In addition, if Purchaser makes an Deposit of less than $250,000 but maintains other accounts at the same bank, those accounts could be used to count toward the $250,000 limit.

The Deposit may be tendered 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. The Deposit shall be deemed tendered by Purchaser on the date it is actually received by Sponsor or Selling Agent.

Acceptance of the Deposit by Sponsor or Selling Agent and deposit of 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 an Agreement and Sponsor or Selling Agent executes a duplicate thereof and delivers the Agreement to Purchaser in accordance with the terms of the Plan.

If a Purchaser tenders all or a portion of the Deposit without an executed Agreement, Sponsor shall have the right to reject the Deposit and return it to Purchaser: (i) within five (5) business days after tender, if the Deposit has not been deposited into escrow, and (ii) at any time, if the Deposit has been deposited into escrow.

The checking account portion of the Master Escrow Account will not be interest-bearing. The sub-escrow savings account portion of the Master Escrow Account will be interest-bearing. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Agreement, or (ii) Purchaser is entitled to a return of the Deposit. All interest will be credited to Sponsor only in the event Purchaser defaults. The interest rate to be earned will be the prevailing rate for these accounts, which varies. Interest will begin to accrue after deposit within: (i) one (1) business day, if the Deposit is cash or cash equivalent, or (ii) three (3) 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 Master Escrow Account into the sub-escrow savings account portion of the Master Escrow Account.

All instruments shall be made payable directly to the order of "Holland & Knight LLP, as Escrow Agent." Endorsed instruments will not be accepted.

In the event a check delivered by a Purchaser fails of collection, the Agreement will be deemed void ab initio (as if the Agreement had never been executed) at the option of Sponsor, who reserves the right to exercise this option in its discretion by written notice to Purchaser given within five (5) business days of Sponsor receiving notice from Escrow Agent of such failure of collection.

c. Notification to Purchaser

Within five (5) business days after the fully executed Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Agreement and place the Deposit

into the Master Escrow Account. Within ten (10) business days after deposit of the first portion of the Deposit into the Master Escrow Account, Escrow Agent will notify Purchaser and Sponsor that such funds have been deposited into escrow and will provide the account number and the initial interest rate, if any. Any deposits made for upgrades, extras, or custom work shall be initially deposited into the Master Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor.

The Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Master Escrow Account. If Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the first portion of the Deposit, Purchaser may cancel the purchase and rescind so long as the right to rescind is exercised within ninety (90) days after tender of the Agreement and Deposit to Escrow Agent or may apply to the Attorney General for relief. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, New York, N.Y. 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited in the Master Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to Purchaser.

d. Escrow Revisions

Before funds are transferred to any new escrow account, or if the Escrow Agent is replaced, the Plan must be amended to provide the same full disclosure with respect to any new account, the Escrow Agent and the escrow agreement as was originally provided. A bond, letter of credit or other security maybe substituted for any escrow account only after the Department of Law approves in writing the use of such alternate form of security, pursuant to the provisions of Section 20.3(o)(4) of Title 13 NYCRR.

e. Release of Funds

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

Under no circumstances shall Sponsor seek or accept release of the Deposit of a defaulting Purchaser until after consummation of the Plan, as evidenced by acceptance of a post-closing amendment by the New York State Department of Law. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-e(2-b) and 352-h.

Escrow Agent will hold the Deposit in escrow until otherwise directed:

(i) pursuant to terms and conditions set forth in Paragraph 12.12 of the Agreement upon closing of title to the Residential Unit; or

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

(iii) in a final decision by JAMS. See Section 13 of the Agreement, entitled "Dispute Resolution."

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

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

(a) all Purchasers after an amendment abandoning the Plan is accepted for filing by the Department of Law; or

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

Purchaser will not object and will be deemed to have agreed, without the need for a written agreement, to the release of the Deposit to Sponsor in the event Sponsor and Purchaser close title under the Agreement. The Department of Law may perform random reviews and audits of any records involving the Escrow Account to determine compliance with all applicable statutes and regulations.

Escrow Agent shall be permitted to act as counsel to Sponsor in any dispute as to the disbursement of the Deposit or any other dispute between Sponsor and a Purchaser whether or not Escrow Agent is in possession of the Deposit and continues to act as Escrow Agent. Sponsor has agreed to indemnify Escrow Agent from all costs, claims, expenses and damages incurred in connection with or arising out of the performance or non-performance of Escrow Agent's duties under Article 12 of the Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of Article 12 of the Agreement or involving gross negligence of Escrow Agent.

Sponsor has agreed to compensate Escrow Agent for services rendered in connection with Escrow Agent's duties under Article 12 of the Agreement, if any. Escrow Agent's fees and disbursements will neither be paid by Sponsor from the Deposit nor deducted from the Deposit by any financial institution under any circumstance. Escrow Agent will maintain all records concerning the Master Escrow Account for seven (7) years after the release of funds.

Sponsor may agree to modify the Floor Plans and finishes of certain Residential Units or to do Custom Work or provide extras to the Residential Units as requested by individual Purchasers as negotiated by Sponsor and Purchaser. Purchaser shall bear the cost of such modification to Floor Plans and finishes in advance. All funds received by Sponsor from Purchasers for such modified or additional work in Residential Units, as aforesaid, shall be initially placed in escrow and shall be paid to Sponsor by the Escrow Agent to be used by Sponsor to pay for such work. Accordingly, in the event a Purchaser becomes entitled to rescission after the release of such funds, the Purchaser shall not receive a refund of any funds used for Custom Work or extras, unless Purchaser is entitled to rescission because of Sponsor's abandonment of the Plan or other acts of Sponsor.

f. Waiver Void

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

3. **Date of the First Closing; Closing Notices**.

After this Plan is declared effective, Sponsor shall fix dates for closing title to Residential Units for which Agreements have been fully executed. Sponsor will give each Purchaser not less than thirty (30) days prior written notice of the date, time and place (in the Borough of Manhattan) for the Closing. Purchasers may, but are not required, to waive this thirty (30) day notice. At Closing, such Purchaser shall pay the balance of the Purchase Price stated in the Agreement at Sponsor's option by wire transfer or by unendorsed, personal certified check or by official cashier check.

4. **Default**.

In the event a Purchaser fails to close title on the date set for Closing or otherwise fails to perform any other obligation under his or her Agreement ("Event of Default"), and such default is not cured within thirty (30) days after Sponsor gives written notice to such Purchaser of the default, Sponsor, on behalf of itself and the Condominium Board, may cancel such Agreement and retain as liquidated damages the Deposit made by the Purchaser together with all interest earned thereon, it being acknowledged and agreed by Sponsor and each Purchaser that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of such a default by a prospective Purchaser, and that the Deposit (including all interest) shall constitute and be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Residential Unit and other expenses that may be incurred and shall be paid by Purchaser to Sponsor as Sponsor's sole and exclusive remedy. In the event Sponsor elects to cancel the Agreement and retain the Deposit, all rights, obligations and liabilities of Sponsor and the Purchaser to each other shall cease and terminate and Purchaser shall have no further liability to Sponsor in respect of the Agreement (except for those matters expressly specified therein or herein to survive the termination thereof); however, such Purchaser shall not have any right whatsoever to the return of all or any portion of its Deposit (or any interest thereon). The payment of the

Deposit (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor.

In the event Sponsor elects not to cancel the Agreement as a result of the failure of the Purchaser to close on the date specified by Sponsor, or if Sponsor approves a request from the Purchaser to adjourn the closing date, then Sponsor may require that: (a) the Purchaser pay Sponsor interest at a rate of 0.04% per day (or such lower daily rate which is the legal limit, if 0.04% per day exceeds the legal limit) on the total Purchase Price, computed from the original closing date until the transaction is actually closed; and (b) all apportionments between Sponsor and the Purchaser be made as of the original closing date; in addition, the Purchaser shall reimburse Sponsor for any additional costs, including but not limited to attorneys' fees, incurred by Sponsor as a result of the Purchaser's delay.

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

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

5. **Prohibition Against Advertising, Selling or Leasing**.

In order to facilitate the Sponsor's sale of the Residential Units, prior to (a) one (1) year after a Purchaser's closing on its Residential Unit, a Purchaser will not be permitted to sell his or her Residential Unit(s) without obtaining the Sponsor's written approval, and (b) a Purchaser's closing of a Residential Unit, the Purchaser may not (i) list the Residential Unit for resale with any broker or otherwise, or (ii) advertise, promote or publicize the availability of his or her Residential Unit for sale or lease. In the event that Purchaser violates the foregoing prohibition then any sums received by Purchaser in excess of the Purchase Price paid by Purchaser shall be paid to the Sponsor as liquidated damages. In addition, any such sale or lease, listing of the Residential Unit or form of advertising, promotion or publicizing of the Residential Unit by Purchaser or its agents or representatives shall constitute a default under the Agreement, entitling Sponsor to the remedies set forth therein and any lease or conveyance in violation of the foregoing will be voidable by Sponsor. The foregoing limitations on sale will not be applicable after all Residential Units are sold.

6. **Risk of Loss**.

If the Purchaser is or becomes the tenant or occupant of a Residential Unit before the Closing and, before such Closing, the Residential Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss not covered by Sponsor's insurance and the obligation to repair the damage, unless the cause thereof originated outside of the Residential Unit or did not result from the acts of such purchaser or other occupants of the Residential Unit or such Purchaser's guests, invitees or workmen. Otherwise, the risk of loss to any Unit by fire or other casualty until the closing of title to such Unit (or an earlier taking of possession by the Purchaser) is assumed by Sponsor, but Sponsor has no obligation or liability to repair or restore any Unit. If a Unit is damaged or destroyed by fire or other casualty prior to the closing of title, but after the signing of an Agreement, and Sponsor gives written notice to the Purchaser of Sponsor's election to repair or restore the Unit within two (2) months after the date of the occurrence of such fire or casualty then the Agreement shall continue in full force and effect, and the Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights, if any, of the Condominium Board, and other Unit Owners, belong entirely to Sponsor.

However, if Sponsor notifies the Purchaser in writing that it does not elect to repair or restore the Unit, or if the Unit Owners entitled to make such determination do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board" in Part I of the Plan), the Agreement shall be deemed terminated, Sponsor shall return to the Purchaser its entire Deposit, together with interest earned thereon, within thirty (30) days' notice of such election, and the parties shall be released and discharged from all rights, obligations and liability under the Agreement and this Plan, except that if the Purchaser is then in default under the Agreement beyond any applicable grace period, Sponsor may retain such Purchaser's Deposit(s), together with interest earned thereon.

7. **Financing**.

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

8. **Transfer Taxes and Mansion Tax**.

Under the Purchase Agreement, Purchaser will be required to pay the New York State Real Estate Transfer Tax applicable to the transaction (the "State Transfer Tax"). The State Transfer Tax as of

December, 2024 is $2.00 per $500, or fractional portion thereof, of the consideration for the Residential Unit transferred at Closing plus an additional $1.25 per $500, or fractional portion thereof, of the consideration for the Residential Unit transferred at Closing when the consideration for the entire conveyance is $3,000,000 or more. As of the date of this Plan, the State of New York imposes no administrative fee with respect to filing New York State Form TP-584 in connection with the State Transfer Tax. However, Purchasers will be obligated to pay any such administrative fee or other filing charge as the State of New York may impose in the future with respect to such filing.

Under the Purchase Agreement, Purchaser also will be required to pay the New York City Real Property Transfer Tax (the "RPT Tax") applicable to the transaction and complete the RPT Tax return in connection therewith (the State Transfer Tax and the RPT Tax are referred to in this Plan collectively as the "Transfer Taxes"). The RPT Tax rate currently is 1% of consideration for individual residential condominium units priced at $500,000 or less and 1.425% of consideration for individual residential condominium units priced at more than $500,000. Purchaser shall also be required to pay the administrative charge for filing the RPT Tax return (and any other administrative fee or filing charges as the City of New York may impose), which currently is in the amount of $125.

Purchasers are advised that the New York City Department of Finance takes the position that higher, non-residential RPT Tax rates apply if Purchaser purchases more than one Residential Unit. The non-residential rates currently are 1.425% for purchases with a consideration of $500,000 or less, and 2.625% for purchases with a consideration of more than $500,000. Purchasers of two (2) or more uncombined Residential Unit will be required to pay the RPT Tax at the applicable higher rate.

Without a contract provision making purchasers responsible for payment of the Transfer Taxes, payment of the Transfer Taxes ordinarily is the obligation of a seller. New York City and New York State take the position that where a contract of sale for real property provides, as does the Purchase Agreement, that the purchaser pays the Transfer Taxes, the Purchase Price for the property is that much higher than the amount stated in the contract itself. The State Transfer Tax and the RPT Tax have thus been calculated by New York City and New York State in situations where a purchaser pays the Transfer Taxes, first by computing the RPT Tax and the State Transfer Tax on the Purchase Price listed in the contract of sale or Purchase Agreement, and then adding this aggregate tax amount to the Purchase Price listed in the contract of sale or Purchase Agreement, as applicable, to derive a "grossed up" Purchase Price. The RPT Tax and State Transfer Tax have then been recalculated based upon this "grossed up" Purchase Price. However, pursuant to a recent amendment to Section 1404 of the New York State Tax Law, the State Transfer Tax amount will not be included as additional consideration for purposes of calculating the State Transfer Tax. For purposes of calculating the taxes payable, the amounts of, in the case of New York State, the NYC RPTT, and in the case of New York City, the NYC RPTT and NYS RETT, which are the primary obligation of the seller but are paid by Purchaser, will be included in the consideration subject to tax on a "grossed up" basis. Purchasers accordingly will be obligated to pay the RPT Tax and the State Transfer Tax calculated pursuant to this "grossing up" procedure, and also will be obligated to pay the RPT Tax at such higher rate as may be applicable when and

if Purchaser is purchasing two or more Residential Unit simultaneously. It is possible a similar gross-up calculation will be imposed for other costs and amounts paid by Purchaser, such as if taxing authorities take the position they would be Sponsor costs absent a contractual provision making them a Purchaser's obligation. Accordingly, a gross-up calculation will be employed with respect to document preparation and related fees paid to Sponsor's Counsel by Purchaser as discussed above.

The foregoing discussion is not a representation or warranty that New York State and/or New York City will continue to compute the Transfer Taxes owed them by use of the policies, practices, formulas or rates described above, or that Sponsor will so compute the Transfer Taxes. If the RPT Tax rate and/or State Transfer Tax rate is increased by New York City or New York State on or after the date of this Plan, same shall not give rise to a right of rescission on the part of any Purchaser who has executed an Purchase Agreement hereunder.

Purchasers are advised that New York State imposes an additional transfer tax upon Purchasers (the "Mansion Tax"), which tax shall be the primary obligation of Purchaser. The Mansion Tax shall be payable by Purchaser as follows:

Tax Rate	Consideration
1%	$1 million up to $2 million
1.25%	$2 million up to $3 million
1.5%	$3 million up to $5 million
2.25%	$5 million up to $10 million
3.25%	$10 million up to $15 million
3.5%	$15 million up to $20 million
3.75%	$20 million up to $25 million
3.9%	Over $25 million

PURCHASERS ARE FURTHER ADVISED THAT NEW YORK STATE DEPARTMENT OF TAXATION AND FINANCE TAKES THE POSITION, THAT FOR PURPOSES OF THE MANSION TAX, CONSIDERATION INCLUDES NOT ONLY THE PURCHASE PRICE FOR THE RESIDENTIAL UNIT LISTED IN THE PURCHASE AGREEMENT, BUT ALSO THE AGGREGATE OF ANY TRANSFER TAXES PAYABLE BY PURCHASER UNDER THE PURCHASE AGREEMENT. THUS, FOR INSTANCE, A RESIDENTIAL UNIT PRICED AT $985,000 UNDER AN PURCHASE AGREEMENT WHERE A PURCHASER PAYS THE TRANSFER TAXES WOULD SUBJECT THE PURCHASER TO LIABILITY FOR THE MANSION TAX AS THE AGGREGATE OF THE PURCHASE PRICE PLUS THE TRANSFER TAXES EXCEEDS $1 MILLION. Purchasers of Residential Units where the consideration

(including the Purchase Price itself, plus the aggregate Transfer Taxes and possibly other costs and amounts payable by Purchaser as discussed above) is $1 million or more, currently will be obligated to pay the Mansion Tax at closing. The foregoing discussion is not a representation or warranty that New York State will continue to compute the Mansion Tax owed to it in accordance with the foregoing policies, practices, formulas or rates. If the Mansion Tax rate is increased by New York State on or after the date of this Plan, same shall not give rise to a right of rescission on the part of any Purchaser who has executed an Purchase Agreement hereunder.

Purchaser shall also pay any tax in addition to the Transfer Taxes, Mansion Tax and Stamp Tax (e.g., without limitation, a pied-a-terre tax) payable by transferor or transferee at Closing and imposed on the transaction after the date of this Plan by New York City or New York State ("Additional Tax"). Sponsor will amend the Plan to disclose any Additional Tax.

Sponsor's Counsel will cause the Title Company to file returns for the State Transfer Tax and RPT Tax (and, if applicable, Additional Tax) after Purchaser's Closing Date, and Purchaser shall pay any administrative and/or service fee(s) charged by the Title Company to make such filings.

9. **Unit Power of Attorney**.

At the Closing and simultaneously with the delivery to Purchaser of the deed conveying the Residential Unit, Purchaser shall execute and acknowledge the Unit Power of Attorney substantially in the form set forth in Part II of the Plan as Exhibit 4 to: (a) the persons who shall from time to time constitute the Condominium Board, designating such Board as the Purchaser's attorney-in-fact, for the purpose of acquiring or leasing in the name of the Condominium Board or its designee on behalf of all Unit Owners any Unit and to otherwise deal with the Condominium and the Common Elements, all in accordance with the provisions of the Declaration and the By-Laws; and after any such acquisition or leasing of any Unit, to manage, convey, sell, lease, sublease, mortgage or otherwise deal with any such Unit so acquired or leased, as the case may be, all in accordance with the provisions of the Declaration and By-Laws. Failure by any Purchaser to deliver such document at closing shall constitute an Event of Default under a Purchaser's Agreement, entitling Sponsor to all remedies set forth in such Agreement; and (b) Declarant, for the purpose of amending the Declaration and effectuating the rights granted to Declarant under the Declaration and the By-Laws and this Plan and consenting on behalf of each Unit Owner, as a party in interest, to any declaration or other agreement effecting a merger or division of the zoning lot in which the Property is located, with any other tax lots to form a single zoning lot for the purpose of transferring to or from Sponsor, or its successors or assigns, all or any portion of the Development Rights. Failure by any Purchaser to deliver such document at closing shall constitute an Event of Default under a Purchaser's Agreement, entitling Sponsor to all remedies set forth in such Agreement.

10. **Foreign Missions: Required Notification and Waiver of Diplomatic or Sovereign Immunity**.

Any Purchaser that is a foreign mission, as such term is defined under the Foreign Missions Act, 22 U.S.C. 4305, must notify the United States Department of State prior to purchasing a Residential Unit and provide a copy of such notice to Sponsor. Sponsor will not be bound under

any Agreement with a foreign mission unless and until the earlier to occur of: (i) receipt of a notification of approval from the Department of State; or (ii) sixty (60) days after receipt of such Purchaser's notice by the Department of State.

Any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) shall expressly and voluntarily waive such immunity and consent to any suit action or proceeding arising out of or relating to the Agreement being brought in any state or federal court in the State of New York. Any such purchaser shall designate C.T. Corporation System, having its offices, at the date hereof, at 111 Eighth Avenue, 13th Floor, New York, New York, 10027 as its duly authorized and lawful agent to receive process for and on behalf of Purchaser in any state or federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Agreement.

11. **Expedited Dispute Resolution**.

Any dispute between Sponsor and Purchaser shall be resolved by binding Expedited Arbitration. The Arbitration forum shall be JAMS. The Arbitration shall be conducted in accordance with JAMS Streamlined Arbitration Rules and Procedures (the "JAMS Streamlined Rules"). The JAMS Streamlined Arbitration Rules and Procedures may be accessed at: http://www.jamsadr.com/rules-streamlined-arbitration.

Within five (5) days of filing a request for arbitration proceeding, JAMS shall send the parties a list of three (3) arbitrator candidates. Each such arbitrator candidate shall have at least ten (10) years New York real estate law experience. Within seven (7) days of service by the parties of the list of names, each party may strike one (1) name and shall rank the remaining arbitrator candidates in order of preference. The remaining arbitrator candidate with the highest composite ranking shall be appointed the Arbitrator. In the event that no arbitrator has the highest composite ranking, the Arbitrator shall be determined by JAMS. The Arbitrator shall be neutral and independent of Sponsor, all of its principals and the Purchaser.

The Arbitration will take place at JAMS headquarters, currently located at 620 Eighth Avenue, New York, New York.

Sponsor and Purchaser are relinquishing their right to bring suit in court, including the right to trial by jury, concerning disputes over the dispositions of the Payment, except as provided by the rules of arbitration under New York Civil Practice Law and Rules ("CPLR") §7511. There are procedural differences between arbitration and litigation that Purchaser should consider. JAMS may impose a shorter time limits for filing and bringing claims under the JAMS Streamlined Rules than in standard litigation. For example, as of the date hereof, JAMS Streamlined Rules require a response to a notice of claims within seven (7) days, while in New York Supreme Court a respondent has either twenty or thirty days to file an answer, depending on the type of service of process. Discovery powers are less expansive in arbitration than in a traditional court proceeding. The ability of parties to obtain documents, witness statements and other tools of discovery may be limited by the Arbitrator and JAMS Streamlined Rules. New York Law does not authorize any party to an arbitration to file a notice of pendency based on an ongoing arbitration proceeding.

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

The decision of the Arbitrator shall be final and conclusively binding on the parties. An Arbitrator does not have explain their ruling when rendered. There is very limited ability to have a court reverse or modify an arbitration award. See CPLR § 7511. In no event shall Sponsor or Purchaser have the right to bring any action in Law or equity to otherwise seek damages or any other relief with respect to this dispute.

In no event shall the Payment be released from escrow until at least ninety (90) days has elapsed from the issuance of the final arbitration award. See CPLR §7511. While arbitration awards are generally final, there are limited possibilities for a party to vacate an award. In the event that a purchaser brings a proceeding pursuant to CPLR §7511 to vacate the award, the Payment must remain in escrow until that proceeding is finally adjudicated.

Pursuant to CPLR §7511, Escrow Agent shall not release the Payment from escrow until at least ninety (90) days after issuance of the Award. During that ninety (90) day period Purchaser may bring an action pursuant to CPLR §7511 to vacate or modify the Award. During such interim period no statutory interest will accrue (or be deemed to have accrued) on the Payment. Escrow Agent shall continue to hold the Payment funds in escrow until otherwise directed by a final, non-appealable judgment or order of a court of competent jurisdiction directing the disposition of such funds. Motions to enforce an arbitration clause or to confirm or set aside an arbitration award, must be brought in a New York court. In the event the party challenging arbitrator's award loses the appeal, the losing party will reimburse the winning party all of its costs including legal fees and expenses of the appeal.

12. **Sponsor's Rights if Purchaser Does Not Comply with the Purchase Agreement**.

If (x) Purchaser does not close on the Residential Unit on the Original Scheduled Closing Date, or (y) when Sponsor tenders the Residential Unit (or any assignment thereon to Purchaser, Purchaser does not then sign any of the necessary purchase documents referred to in this Plan, or (z) Purchaser does not remain in compliance with any of the other terms of the Purchase Agreement (including, without limitation, the obligation to make any applicable Additional Deposit), then Sponsor, subject to next succeeding paragraph, shall be entitled to terminate the Purchase Agreement and retain the Deposit made thereunder with interest earned thereon, if any. In addition, Sponsor shall be entitled to proceed against Purchaser to recover any applicable Additional Deposit, and Custom Work Costs and the cost of removing any work done in the Residential Unit at the Purchaser's request, if not already paid.

Before Sponsor may fully and finally terminate the Purchase Agreement and keep Purchaser's Deposits, Sponsor must first send Purchaser a notice by Federal Express or other reputable overnight courier, by hand delivery or by regular, registered or certified mail, stating that Sponsor intends to terminate the Purchase Agreement, specifying the reason(s) therefor, and granting Purchaser a period of at least thirty (30) days within which Purchaser may reinstate the Purchase Agreement. **TIME SHALL BE OF THE ESSENCE WITH RESPECT TO PURCHASER'S OPPORTUNITY TO REINSTATE THE PURCHASE AGREEMENT WITHIN THE SPECIFIED PERIOD, WHICH SPECIFIED PERIOD SHALL BE AT LEAST THIRTY (30) DAYS. AFTER THE SPECIFIED PERIOD EXPIRES, IF THE PURCHASE AGREEMENT HAS NOT BEEN REINSTATED, SPONSOR MAY TERMINATE THE PURCHASE AGREEMENT, RETAIN PURCHASER'S DEPOSITS AS WELL AS THE PAYMENT FOR CUSTOM WORK, IF APPLICABLE, TOGETHER WITH INTEREST EARNED THEREON (IF ANY), AND SELL THE RESIDENTIAL UNIT TO ANOTHER PURCHASER AS IF THE PURCHASE AGREEMENT HAD NEVER BEEN ENTERED INTO. HOWEVER, IF THERE IS A DISPUTE OVER THE DEPOSIT PRECEDING (OR SUBSEQUENT TO) DISBURSEMENT OF THE DEPOSIT UPON TERMINATION OF THE PURCHASE AGREEMENT, NO STATUTORY INTEREST WILL ACCRUE (OR BE DEEMED TO HAVE ACCRUED) ON THE DEPOSIT OR OTHER MONIES DEPOSITED BY PURCHASER WHILE DISBURSEMENT OF THE DEPOSIT REMAINS IN DISPUTE**.

13. **Statute of Limitations to Claim Sponsor Breach of Purchase Agreement**.

The Purchase Agreement provides that, to the extent arbitration is inapplicable, Purchaser, as Unit Owner, shall have a maximum of three years from closing of the acquisition of the Residential Unit to bring a claim against Sponsor with the exception of (i) causes of action arising out of Sponsor's obligations under the Offering Plan or the Martin Act and (ii) enforcement of judgments already obtained. This three (3) year period is shorter than the six (6) year statute of limitations for breach of contract contained in CPLR §213(2). By executing the Purchase Agreement, Purchaser shall be deemed to have acknowledged and agreed that said three year period maximum is reasonable. Therefore, Purchasers agree that, notwithstanding anything to the contrary set forth in the Plan, the Purchase Agreement, at Law, in equity, or otherwise, any action or proceeding brought by, through or on behalf of Purchaser against Sponsor, its principals, affiliates or agents, under or related to this Plan or the Purchase Agreement, or related to the Building or a Purchaser's Residential Unit, to be valid, must be commenced by the earlier to occur of (x) three (3) years, or (y) the expiration of the otherwise applicable statute of limitations, in either case from the date the claim giving rise to such action or proceeding accrues in accordance with applicable Law. See Section L entitled "Procedure to Purchase and Close" in Part I of the Plan and the Purchase Agreement in Part II of the Plan, for additional information.

14. **Financial Crimes Enforcement Network Disclosure**.

Purchasers are advised that the Director of the Financial Crimes Enforcement Network, U.S. Department of the Treasury ("FinCEN"), has recently extended and expanded an earlier issued Geographic Targeting Order ("Order") that applies to any corporation, partnership, limited liability company, or other similar business entity ("Covered Purchaser") using cash or a cashier's

check, certified check, traveler's check or money order in any form, whether wholly or in part, without a bank loan or other similar form of external financing, to purchase a Residential Unit in the Borough of Manhattan from Sponsor for a total price in excess of $300,000 (a "Covered Transaction"). The Order provides that in the event a Covered Purchaser enters into a Covered Transaction, the Covered Purchaser shall be required to deliver to the Title Company at Closing all documents and information necessary in order for the Title Company to comply with the requirements set forth in the Order, including without limitation the requirement to file a completed FinCEN Form 8300. Any failure by the Covered Purchaser to deliver such documents and information shall be deemed an Event of Default under the Agreement. Purchasers are advised to refer to the text of the Order itself for further details: https://www.fincen.gov/news_room/nr/files/Real_Estate_GTO-NYC.pdf.

15. **Delivery of Closing Documents**.

Each Purchaser's title underwriter must agree (i) to timely submit the Residential Unit Deed and Storage Unit Deed, all Transfer Tax forms and checks for payment of such Transfer Taxes required to be submitted to the appropriate governmental authorities for recording and payment in connection with the conveyance of the Residential Unit and Storage Unit to Purchaser; and (ii) indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event the title underwriter (or its abstract company) fails to file such Residential Unit Deed, Storage Unit Deed and Transfer Tax forms and remit payment of the Transfer Taxes required in connection therewith in a timely manner in accordance with Law and the requirements of any governmental or quasi-governmental agency. If said title underwriter does not execute an indemnification substantially in the form set forth as Exhibit A to the Agreement in Part II of the Plan, Purchaser must, as more fully set forth in the Agreement, agree to indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) if its title underwriter (or such title underwriter's abstract company) fails to file such Residential Unit Deed, Storage Unit Deed transfer tax forms and remit payment of the Transfer Taxes required in connection therewith in a timely manner in accordance with Law and the requirements of any governmental or quasi-governmental agency, and pay any such taxes, fines or penalties assessed or charged by any governmental or quasi-governmental agency. Please refer to the "Closing Costs and Adjustments" Section of Part I of the Plan and the Agreement set forth as Exhibit 1 in Part II of the Plan.)

16. **Title Indemnity**.

Purchaser shall provide to Sponsor, at least five (5) business days prior to Closing, an Indemnity Agreement substantially in the form annexed to the Purchase Agreement as Exhibit A or in such other form as may be acceptable to Sponsor (the "Title Agreement"), in its sole discretion, wherein Purchaser's title underwriter agrees to (x) timely submit the Residential Unit Deed, Storage Unit Deed, all New York State and New York City real property transfer tax forms, including the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax" ("Transfer Taxes") and checks for payment of such Transfer Taxes required to be submitted to the appropriate governmental authorities for recording and payment in connection with the conveyance of the Residential Unit and Storage Unit to Purchaser in connection herewith; and (y) indemnify the Sponsor, its counsel, agents and others for loss,

damages, penalties, fines and the like (including attorneys' fees) in the event Purchaser's title underwriter (or such title underwriter's abstract company) fails to file such Residential Unit Deed, Storage Unit Deed and transfer tax forms and remit the payment of the required Transfer Taxes in connection therewith in a timely manner in accordance with Law and the requirements of any governmental or quasi-governmental agency.

In the event the Title Agreement is not delivered as set forth above, (x) Purchaser will indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event Purchaser's title underwriter (or such title underwriter's affiliated abstract company) fails to file such Residential Unit Deed, Storage Unit Deed and transfer tax forms and remit payment of the required Transfer Taxes in connection therewith in a timely manner in accordance with Law and the requirements of any governmental or quasi-governmental agency; and pay any such taxes, fines or penalties assessed or charged by any governmental or quasi-governmental agency. Purchaser acknowledges, however, that the filing deposit is not a maximum payment in the event the Residential Unit Deed, Storage Unit Deed and transfer tax forms are not filed and/or the payment of the required Transfer Taxes are not paid in a timely manner.

N. ASSIGNMENT OF PURCHASE AGREEMENTS

An Agreement may not be assigned by the Purchaser thereunder. If a Purchaser desires to assign its rights under an Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by, the Purchaser that differs from the name on the Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, then, if such assignment, alteration, addition, deletion or substitution is permitted by Sponsor (in Sponsor's sole discretion), the Purchaser will be required to deliver to Selling Agent or Sponsor's Counsel, four signed assignments of the Agreement (to be prepared by Sponsor's Counsel at Purchaser's expense and in form and content acceptable to Sponsor, in its sole discretion), as well as two (2) completed and signed copies of either Form W-9, Request for Taxpayer Identification Number and Certification, or Form W-8BEN, as applicable, which must be delivered to the Selling Agent or Sponsor's Counsel, together with a personal certified check, or an official bank or cashier's check, in the amount of $1,000 made payable to "Holland & Knight LLP" (for services rendered in connection with the assignment), if the assignment is to an affiliate of the Purchaser or the value of the time involved by Sponsor's Counsel if the assignment is to a third party, not less than 20 days prior to the date scheduled for the Purchaser's closing. In the event such fee is not collected prior to the Closing, it is payable at the Closing. In no event will the Purchaser (or its assignee or any added or substituted party) have the right to adjourn or postpone the closing as a result of such change or assignment. Furthermore, if Purchaser is requesting to assign the Agreement to an entity, then the Purchaser shall furnish to Sponsor's Counsel, all organizational documents containing proof that the proposed assignee entity is authorized to assume the Agreement and close on the Residential Unit. Sponsor is not obligated to consent to any such change or assignment and, if Sponsor refuses to consent, the Purchaser will not be excused from his or her obligations under the Agreement; and the prohibition against advertising or listing any Residential Unit(s) for sale or resale with any broker or otherwise advertising, promotion or publicizing the availability of such Residential Unit(s) for sale shall remain if effect.

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

O. EFFECTIVE DATE

Sponsor's offer to sell the Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20.3(q) of Title 13 NYCRR (i.e., purchase agreements signed by bona fide purchasers including investors for at least fifteen percent (15%) of the Residential Units (i.e., two (2) Residential Units) offered under the Plan). The Plan must be declared effective when Agreements have been executed by prospective purchasers and accepted by Sponsor with respect to eighty percent (80%) of the Residential Units offered for sale. The Plan may be declared effective at an earlier date, at Sponsor's sole election, when bona fide Agreements (including those executed by investors) have been executed and accepted by Sponsor with respect to fifteen percent (15%) of the Residential Units being offered for sale under the Plan.

The Plan will not be declared effective based on 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 three (3) business days to review this Plan and all filed amendments prior to executing an Agreement or at least seven (7) days to rescind; or (iii) signed by any Purchaser who is Sponsor, the Selling Agent, the 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, the Selling Agent, the Managing Agent or a principal of either (except that such a purchaser other than Sponsor or a principal thereof may be counted if Sponsor has submitted proof satisfactory to the Department of Law establishing that the purchaser is bona fide).

This Plan will be declared effective either by: (a) personal service of written notice to all purchasers and, within five (5) business days following such notice, an amendment to this Plan confirming that this Plan was declared effective as of the date of such notice will be submitted to the Department of Law, which amendment, upon acceptance for filing, will be delivered to all purchasers; or (b) by duly filed amendment to this Plan. The closing of title with respect to any Residential Unit shall in no event take place prior to the acceptance for filing of such amendment to this Plan.

Notwithstanding the fact that not all Purchasers used for purposes of declaring the Plan effective may actually close title to their Residential Units, if all Agreements used to declare the Plan effective are either rescinded or terminated prior to the date of the First Closing, the Sponsor will re-declare the Plan effective, regardless of whether the Declaration has been recorded.

The Plan may, at the option of Sponsor, be abandoned (a) at any time before it is declared effective and (b) after it is declared effective in the event of: (1) the existence of one or more title defects affecting any one or more Units or the Property that cannot be removed, cured or complied with or without litigation that did not exist on the date of presentation of the plan and are not known to Sponsor or a matter of public record, or for less than one half of one percent of the Total Offering amount, excluding attorney's fees; (2) 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 one half of one percent of the Total Offering amount; or (3) a taking of all or part of the Property in condemnation proceedings or by eminent domain.

In the event the Plan is abandoned, the Plan will be abandoned by a duly filed amendment and all Deposits, together with interest earned thereon and Custom Work Costs, if any, will be returned to Purchasers within five (5) days following such abandonment. Upon the return of the Deposits, together with any interest earned thereon, the Agreements will be null and void and Sponsor will have no further obligation or liability to Purchasers under the Plan or the Agreements. Sponsor shall promptly submit an amendment to the Department of Law confirming such abandonment and, in the case of an abandonment, shall file a notice of abandonment on form RS-3 or such other form as the Department of Law may require and explain the reason for the abandonment and disposition of all funds received.

P. TERMS OF SALE

1. **Preconditions for Closing**.

The term "Closing" as used herein refers to the conveyance of title to a Residential Unit and Storage Unit from Sponsor to Purchaser by the delivery to Purchaser of a Residential Unit Deed and Storage Unit Deed upon payment by Purchaser to Sponsor of the balance of the Purchase Price for the Residential Unit. After the Plan has been declared effective, Sponsor shall provide Purchasers with at least thirty (30) days' notice of the scheduled Closing Date. The Closing to each Unit shall be held at the offices of Sponsor's Counsel, Holland & Knight LLP, 787 Seventh Avenue, 30th Floor, New York, New York 10019 or at such other place as Sponsor may designate on not less than two (2) business days' notice prior to the Closing. The Closing to each Unit shall take place only after or concurrently with the following events:

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

(ii) the recording or filing of the Declaration, By-Laws, Tax Maps and engineer's and tax authority certifications required by Section 339-p of the New York Condominium Act or other applicable Law and such other documents as may be required by Law;

(iii) either (i) the release of the Unit and its appurtenant interest in the Common Elements from the lien of all mortgages, if any, or (ii) if the Purchaser is obtaining financing on the Residential Unit, the assignment to the Purchaser's mortgagee of any existing mortgage(s) encumbering such Residential Unit and its appurtenant interest in the Common Elements;

(iv) the delivery to Purchaser of written notice of the time and place of the Closing to the Unit at least thirty (30) days prior to the Closing Date specified therein, unless such notice is waived by Purchaser, including a reasonable opportunity, upon written request of Purchaser, for Purchaser to examine the Residential Unit and the Property, during normal business hours and in the company of Sponsor's agent, prior to Closing;

(v) the execution and delivery by Sponsor of a bargain and sale deed with covenants against grantor's acts (which deed shall be substantially in the form set forth in Part II of the Plan) conveying title to the Residential Unit, Storage Unit and its appurtenant Common Interest, free and clear of all liens, encumbrances and other title exceptions other than the Permitted Encumbrances;

(vi) the assignment by Sponsor to Purchaser of the right to proceed under any existing assignable warranties covering appliances, equipment or fixtures installed in his or her Residential Unit, and the assignment by Sponsor to the Condominium Board of the right to proceed under any existing assignable warranties covering appliances, equipment or fixtures installed in the Common Elements, Common Elements or

Limited Common Elements, as the case may be. (Purchasers should be aware that warranties vary in length, depending partly on when the appliances, equipment and fixtures covered by such warranties are first installed. Sponsor makes no representation as to which, if any, of the warranties will continue to remain in force upon the Closing Date of any particular Residential Unit);

(vii) the execution and delivery by Purchaser of the Unit Power of Attorney, the form of which is set forth as Exhibit 4 in Part II of the Plan;

(viii) if Purchaser has requested title insurance, the issuance to Purchaser (at Purchaser's sole expense) of a policy of title insurance in at least the amount of the Purchase Price of the Residential Unit, insuring that (i) Purchaser has fee title to his or her Unit free and clear of all liens and encumbrances except for (1) Permitted Encumbrances and standard printed exceptions, (2) liens and encumbrances (other than Permitted Encumbrances) to which his or her Unit's title is subject, which have been expressly accepted by Purchaser, and (3) any mortgage and related security documents that Purchaser executes in connection with the financing of the Purchase Price of his or her Residential Unit and (ii) the Condominium has been validly created pursuant to the Condominium Act.

Title to each Residential Unit, Storage Unit and its appurtenant interest in the Common Elements will be conveyed at the closing free and clear of all liens, encumbrances and title exceptions other than those described in the Plan and the proposed Residential Unit Deed and Storage Unit Deed. Title exceptions that will affect the property after closing are described in the Agreement on Exhibit 1 in Part II of the Plan. Title exceptions may include any additional state of facts a subsequent survey would show, provided that such additional state of facts does not render title unmarketable.

Purchasers must order a title report within ten (10) days of receiving a fully executed Agreement and Purchasers must deliver any title objections to Sponsor's attorney at least twenty (20) days prior to the Closing or any such objections shall be deemed waived. Any encumbrance to which title is not to be subject shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to Purchaser's title insurance company, together with the attendant recording or filing fee, if any, or (b) a licensed title insurance company or Kensington Vanguard National Land Services (the "Title Company"), is or would be willing, in a fee policy issued by it to the 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.

Permitted Title Exceptions include the following:

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 of the Building and the Unit would show, or such other items as a personal inspection of the Property would show,

provided such facts would not make title to the Unit unmarketable, except as otherwise permitted herein.

3. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all as set forth in the Declaration, the By-Laws and the Rules and Regulations, the Unit Power of Attorney from the Grantee to the Board and other parties, and the Tax Maps; as all of the same may be amended from time to time.

4. Consents by the Grantor 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. 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 between record lines of the Property and retaining walls and the like, if any.

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

9. 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.

10. The lien of any unpaid assessment payable in installments (other than assessments levied by the Board), except that the Grantor 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 Grantee shall pay all assessments due from and after the Closing Date.

11. Any declaration or other instrument affecting the Property which the Grantor deems necessary or appropriate to comply with any Law, ordinance, regulation, zoning resolution or requirement of DOB, 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.

12. Any encumbrance as to which Kensington Vanguard National Land Services (or such other New York Board of Title Underwriters member title insurance company

which insures the Grantee's title to the Unit) would be willing, in a fee policy issued by it to the Grantee, to insure the Grantee that such encumbrance (1) will not be collected out of the Unit if it is a lien, or (2) will not be enforced against the Unit if it is not a lien, or (3) will not affect the use and maintenance of the Unit.

13. 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 a Residential Unit for residential purposes or a Storage Unit for storage purposes.

14. Any lease covering the Unit made from the Grantor to the Grantee, provided the sale is subject to such lease.

15. Any violation against the Property (other than the Unit) which is the obligation of the Condominium Board (not controlled by the Sponsor) or another Unit Owner to correct.

16. Covenants, conditions, easements, agreements of records, etc., as follows:

    a. Covenants as to setbacks recited in Liber 509, Page 328; Liber 510, Page 349; Liber 626, Page 677; Liber 810, Page 199 and Liber 1096, Page 621.

    b. Covenants and restrictions recited in Liber 509, Page 328.

    c. Utility right of way recorded in Reel 2248, Page 1659.

Sponsor is not obligated to repair any damage from a casualty or other cause that occurs before the closing of a Purchaser's Unit. If Sponsor elects to repair any such damage, Purchaser's Agreement will remain in full force and effect, Purchaser shall not have the right to reject title or receive a credit against or an abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. If Sponsor notifies Purchaser that it does not elect to repair or restore the Unit, the Agreement shall be deemed canceled and Sponsor shall return to Purchaser all sums deposited by Purchaser under the Agreement, together with interest earned thereon, if any, except if Purchaser is in default under the Agreement, Sponsor shall retain any such sums as and for liquidated damages, within thirty (30) days' notice of such election.

A Closing will take place only concurrently with the issuance of a TCO for a specific Residential Unit until the issuance of a TCO or FCO for the entire Building. The Storage Units may not be completed or available for use at, and for a period of time following, the closing of title to any particular Residential Unit. However, at the closing of title to the Residential Unit, Purchaser will be required to consummate the purchase of both its Residential Unit and its Storage Unit, without credit or offset, notwithstanding that the Storage Unit is not yet substantially complete, covered by a TCO or available for Purchaser's use at such time. Further, until issuance of a TCO or FCO covering a given Storage Unit and the Storage Unit is made available for use to its Purchaser, monthly Common Charges for the Storage Unit will not be collected from Purchaser.

All personal property located within a Unit as of the date the Agreement is executed, or located within the Common Elements on the date the Declaration is filed, is not included in the conveyance, unless the Agreement or the Declaration, as the case may be, specifically includes it.

If Sponsor's Loan on the Building is not satisfied at or prior to the First Closing, at the First Closing, the Construction Lender will release its lien on the Unit being conveyed and the Common Elements.

2. **Acceptance of Deed**.

The acceptance of a deed by a Purchaser shall be deemed an acknowledgment that Sponsor has performed and discharged every agreement and obligation on the part of Sponsor to be performed under the Plan except those (if any) which may be expressly stated in the Plan, in the Agreement, in 13 NYCRR, Part 20 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of this Plan) and in GBL Section 352-e to survive delivery of the deed. The Purchaser of a Residential Unit shall inspect such Residential Unit prior to the Closing Date and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Residential Unit in good condition and in accordance with the terms of the Plan, provided that if Purchaser finds that Sponsor's improvements have not been completed as described in the Plan then Sponsor and the Purchaser in question will agree to include on the inspection statement a list of incomplete work to be completed in the Residential Unit by Sponsor following the Closing Date, but all such obligations to complete work in the Residential Unit shall cease once the work has been completed. Notwithstanding the foregoing, Sponsor's obligations to perform work in any Residential Unit shall not survive beyond one (1) year after the Closing Date. Sponsor shall have no obligation to complete any work described herein which is not specifically designated by the Purchaser on the inspection statement. A Purchaser shall provide written notice that such Purchaser wishes to inspect the Residential Unit pursuant to this Paragraph at least ten (10) days prior to Closing and Sponsor shall respond prior to Closing. A Purchaser who fails to inspect such Residential Unit prior to the Closing shall be deemed to have accepted the Residential Unit in good condition and in accordance with the terms of the Plan. Notwithstanding anything contained herein, Sponsor is obligated to build and complete the Condominium in accordance with the Plans and Specifications identified in the Plan.

3. **Condition of Residential Unit**.

Notwithstanding anything to the contrary set forth above, in no event shall the Sponsor be responsible for any condition resulting from (i) normal wear and tear or natural deterioration or from the normal settling or shifting of the Building; (ii) for defects of an insubstantial nature, such as, without limitation, partial or total death of any trees, shrubs, bushes or other landscape improvements, nail pops, ridging on sheet rock walls, lumber shrinkage, door sticking or window sticking due to weather, door warpage, scratches in formica or porcelain surfaces, bath and kitchen title grouting, adjustment of any bi-fold doors, walls not square, electrical plates not straight, discoloration or shrinkage, slight separation between base and floor, (iii) normal settlement and deflection or any consequential damage resulting therefrom including, without limitation, cracks in any concrete roof pavers, or concrete cracks which do not impair the structural soundness of the Building, (iv) variations in any floor levels, (v) ceiling imperfections, (vi) minor painting defects,

(vii) alignment of bathroom finishes, (viii) air and sound infiltration from windows, (ix) normal plumbing system, heating system and air conditioning system noises and normal noises from the operation of elevators and garbage chutes, (x) normal floor noises and creaking, (xi) carpet or floor discoloring or stretching, (xii) variations in width, length or tone of wood floor strips, also, normal shrinkage or expansion of wood flooring due to changes in moisture content of wood, which also may result in the warping of the floors (xiii) repair of chips, scratches, mars, breaks or other defects in windows and window sashes, sliding glass doors, shower doors, electrical fixtures and globes, painted surfaces, sinks, tubs, basins, kitchen cabinets and countertops, vanity tops and cabinets, ceramic tile, marble floors, saddles, appliances, woodwork and doors, mirrors, hardware, appliance cabinets and flooring, (xiv) subsequent to the Residential Unit Closing, paint touch-ups, repairs of dented appliances or replacement of fluorescent light ballasts, (xv) cracks or variations in tone, finish or color of any marble used in bathrooms or cracks, variations in tone, finish or color of vanity tops or other marble aggregate surfaces, (xvi) salting or color variation in exterior colored mortar and deep colored brick, (xvii) ponding and/or controlled drainage on the roof surface, or (xviii) cracks in any pressure treated wood or redwood used or intended for use outside the Building. Prior to Closing, but in no event thereafter, Sponsor shall be obligated to repair only abnormally chipped stone, formica and porcelain surfaces, which repair shall be made by filling the stone or formica or refinishing the porcelain, but Sponsor shall not be obligated to replace such stone, formica or porcelain surfaces. Sponsor's obligation for the condition of a Unit is limited to the original purchase of a Unit from the Sponsor. Sponsor shall have no responsibility for any condition in any Unit that is resold by a Purchaser from the Sponsor.

4. **Tax-Deferred Exchanges**.

Sponsor makes no representation or warranty as to whether a Residential Unit will qualify as part of a tax-deferred exchange and Purchasers should rely on their own tax attorney or accountant for that determination nor does Sponsor represent that Sponsor can meet Purchaser's requirements to act within Purchaser's time frame. However, the form of Agreement (Exhibit 1 in Part II of the Plan) provides that in the event a Residential Unit is being acquired by a Purchaser as part of a tax-deferred exchange under §1031 of the Internal Revenue Code, Sponsor shall reasonably assist and cooperate in such tax-deferred exchange, provided, however, that: (i) any action taken in connection with such tax-deferred exchange or requested of Sponsor shall not result in any cost, expense or liability on the part of Sponsor or increased risk to Sponsor relating to the transaction (and, among other things, Purchaser acknowledges that a fee may be payable to Sponsor's Counsel in connection with the review of any documentation related to such tax-deferred exchange); (ii) no action or failure on the part of Purchaser (or any other party to such tax-deferred exchange) or cooperation on the part of Sponsor in connection with or related to the tax-deferred exchange will frustrate the purpose of the Agreement or otherwise result in a reduction of Sponsor's rights, remedies and privileges under the Agreement or increase any of Sponsor's obligations or duties under the Agreement or otherwise; and (iii) Sponsor shall not be obligated, as part of such tax-deferred exchange, to convey any property (other than the applicable Residential Unit), acquire any property, or accept any form of payment in respect of any of the amounts due under the Agreement other than as set forth therein or in the Plan. Purchaser shall indemnify, defend and hold Sponsor harmless from and against any and all costs, expenses, fees (including, without limitation, reasonable attorneys' fees and expenses) or liabilities incurred by

Sponsor in connection with or resulting from the tax-deferred exchange, and such indemnity shall survive the closing of title to the Residential Unit. Notwithstanding the foregoing, Sponsor makes no representation and expresses no opinion with respect to the applicability of §1031 of the Internal Revenue Code to the purchase or acquisition of any Residential Unit.

5. **Risk of Loss**.

If the Purchaser is or becomes the tenant or occupant of a Residential Unit before the Closing and, before such Closing, the Residential Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss not covered by Sponsor's insurance and the obligation to repair the damage, unless the cause thereof originated outside of the Residential Unit or did not result from the acts of such purchaser or other occupants of the Residential Unit or such Purchaser's guests, invitees or workmen. Otherwise, the risk of loss to any Unit by fire or other casualty until the closing of title to such Unit (or an earlier taking of possession by the Purchaser) is assumed by Sponsor, but Sponsor has no obligation or liability to repair or restore any Unit. If a Unit is damaged or destroyed by fire or other casualty prior to the closing of title, but after the signing of an Agreement, and Sponsor gives written notice to the Purchaser of Sponsor's election to repair or restore the Unit within two (2) months after the date of the occurrence of such fire or casualty, then the Agreement shall continue in full force and effect, and the Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights, if any, of the Condominium Board, and other Unit Owners, belong entirely to Sponsor.

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

Q. CLOSING COSTS AND ADJUSTMENTS

As more particularly set forth in the Agreement, in addition to Purchaser's own legal fees, Purchaser will pay the closing costs set forth below at the time of the closing of title of the Purchaser's Residential Unit. Recording charges, fees and taxes are based on rates in effect on the date the Plan was prepared and are subject to change without notice.

1. **Title Insurance**.

If Purchaser elects to obtain fee title insurance, the Purchaser will pay the premium for title insurance, which will vary depending upon the Purchase Price of the Residential Unit. Purchasers may use a title insurance company of their choice. If Purchaser elects to obtain fee title insurance, the current rates in effect from a title insurance company are:

FEE RATE SCHEDULE FOR INSURANCE UNDER $1,000,000

FEE AMOUNT	PREMIUM
First $35,000 or less	$342.00
From $35,001 to $50,000	$5.39 per Thousand
From $50,001 to $100,000	$4.39 per Thousand
From $100,001 to $500,000	$3.52 per Thousand
From $500,001 to $1,000,000	$3.21 per Thousand

FEE RATE SCHEDULE FOR INSURANCE OVER $1,000,000

FEE AMOUNT	PREMIUM
First $35,000 or less	$382.00
From $35,001 to $50,000	$6.34 per Thousand
From $50,001 to $100,000	$5.16 per Thousand
From $100,001 to $500,000	$4.14 per Thousand
From $500,001 to $1,000,000	$3.78 per Thousand
From $1,000,001 to $5,000,000	$3.48 per Thousand
From $5,000,001 to $10,000,000	$3.09 per Thousand

Mortgage Title insurance rates are outlined on the schedule below:

MORTGAGE RATE SCHEDULE

FEE AMOUNT	PREMIUM
First $35,000 or less	$327.00
From $35,001 to $50,000	$5.27 per Thousand
From $50,001 to $100,000	$4.31 per Thousand
From $100,001 to $500,000	$3.46 per thousand

From $500,001 to $1,000,000	$3.14 per Thousand
From $1,000,001 to $5,000,000	$2.90 per Thousand
From $5,000,001 to $10,000,000	$2.57 per Thousand

Note: Title insurance rates and fees for recording documents are uniform, and will be the same regardless of the title company used.

2. **Recording Charges**.

A fee for recording the Residential Unit Deed, Storage Unit Deed and Unit Power of Attorney. Each title company establishes its own additional service fees and surcharges in this regard, but the Title Company charges approximately $250 to record each Deed and $150 to record the Unit Power of Attorney.

3. **Mortgage Tax Credit**.

If Purchaser obtains a mortgage loan for the purchase of the Residential Unit (the "Purchase Money Mortgage"), the Purchaser will pay to Sponsor a sum equal to the partial mortgage tax credit to which the Purchaser may be entitled pursuant of Section 339-ee(2) of the Condominium Act, which sum shall be paid as a reimbursement for the mortgage recording tax previously paid by Sponsor in connection with any existing mortgage(s). Alternatively, Sponsor may require in its sole discretion a Purchaser who is financing the purchase of said Residential Unit with a Purchase Money Mortgage, to cause the lender making such loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to the Purchase Money Mortgage as determined by Sponsor. Upon such assignment, that portion of the Purchase Money Mortgage assigned by Sponsor, will be exempt from mortgage recording tax under Section 255 of the Real Property Tax Law. Sponsor shall be solely entitled to the benefits of such exemption and accordingly, Purchaser must pay to Sponsor an amount equal to the mortgage recording tax which would have otherwise been due in connection with the recording of the Purchase Money Mortgage.

If Purchaser obtains a mortgage loan, the Purchaser will pay Sponsor a sum equal to the partial mortgage tax credit to which Purchaser may be entitled pursuant to Section 339-ee(2) of the Condominium Act, which sum will be paid as a reimbursement for the mortgage recording tax previously paid by Sponsor in connection with any existing mortgage(s). If Purchaser's lender refuses to provide an assignment, Purchaser will still be obligated to reimburse the Sponsor even if Purchaser still has to pay the Mortgage Recording Tax on its mortgage.

The severance and assignment of a portion of the mortgage on the Property, as contemplated herein would not result in any additional risk to the Purchaser. Any severance/assignment transaction will be initiated only after financing has been procured by Purchaser.

4. **Transfer Taxes**.

Under the Agreement, Purchaser will be required to pay the New York State Real Estate Transfer Tax applicable to the transaction (the "State Transfer Tax"). The State Transfer Tax currently is $2.00 per $500, or fractional portion thereof, plus an additional $1.25 per $500, or fractional

portion thereof, of the consideration for the Residential Unit transferred at Closing when the consideration for the entire conveyance is $3,000,000 or more. As of the date of this Plan, the State of New York imposes no administrative fee with respect to filing New York State Form TP-584 in connection with the State Transfer Tax. However, Purchasers will be obligated to pay any such administrative fee or other filing charge as the State of New York may impose in the future with respect to such filing.

Under the Agreement, Purchaser also will be required to pay the New York City Real Property Transfer Tax (the "RPT Tax") applicable to the transaction and complete the RPT Tax return in connection therewith (the State Transfer Tax and the RPT Tax are referred to in this Plan collectively as the "Transfer Taxes"). The RPT Tax rate currently is 1% of consideration for individual Residential Units priced at $500,000 or less and 1.425% of consideration for individual Residential Units priced at more than $500,000. Purchaser shall also be required to pay the administrative charge for filing the RPT Tax return (and any other administrative fee or filing charges as the City of New York may impose), which currently is in the amount of $125.

Purchasers are advised that the New York City Department of Finance takes the position that higher, commercial RPT Tax rates apply if Purchaser purchases more than one Residential Unit. The commercial rates currently are 1.425% for purchases with a consideration of $500,000 or less, and 2.625% for purchases with a consideration of more than $500,000. Purchasers of two (2) or more uncombined Residential Unit will be required to pay the RPT Tax at the applicable higher rate.

Without a contract provision making purchasers responsible for payment of the Transfer Taxes, payment of the Transfer Taxes ordinarily is the obligation of a seller. New York City and New York State take the position that where a contract of sale for real property provides, as does the Agreement, that the purchaser pays the Transfer Taxes, the Purchase Price for the property is that much higher than the amount stated in the contract itself. The State Transfer Tax and the RPT Tax have thus been calculated by New York City and New York State in situations where a purchaser pays the Transfer Taxes, first by computing the RPT Tax and the State Transfer Tax on the Purchase Price listed in the Agreement, and then adding this aggregate tax amount to the Purchase Price listed in the Agreement, as applicable, to derive a "grossed up" Purchase Price. The RPT Tax and State Transfer Tax have been recalculated based upon this "grossed up" Purchase Price. However, pursuant to a recent amendment to Section 1404 of the New York State Tax Law, the State Transfer Tax amount will not be included as additional consideration for purposes of calculating the State Transfer Tax. For purposes of calculating the taxes payable, the amounts of, in the case of New York State, the RPT Tax, and in the case of New York City, the RPT Tax and State Transfer Tax, which are the primary obligation of the seller but are paid by Purchaser, will be included in the consideration subject to tax on a "grossed up" basis. Purchasers accordingly will be obligated to pay the RPT Tax and the State Transfer Tax calculated pursuant to this "grossing up" procedure, and also will be obligated to pay the RPT Tax at such higher rate as may be applicable when and if Purchaser is purchasing two (2) or more Residential Units simultaneously. It is possible a similar gross-up calculation will be imposed for other costs and amounts paid by Purchaser, such as if taxing authorities take the position they would be Sponsor costs absent a contractual provision making them a Purchaser's obligation. Accordingly, a gross-

up calculation will be employed with respect to document preparation and related fees paid to Sponsor's Closing Agent by Purchaser as discussed above.

The foregoing discussion is not a representation or warranty that New York State and/or New York City will continue to compute the Transfer Taxes owed them by use of the policies, practices, formulas or rates described above, or that Sponsor will so compute the Transfer Taxes. If the RPT Tax rate and/or State Transfer Tax rate is increased by New York City or New York State on or after the date of this Plan, same shall not give rise to a right of rescission on the part of any Purchaser who has executed an Agreement hereunder.

The steps to compute the tax are:

(i) Multiply the Purchase Price by the RPT Tax rate to compute the City tentative tax;

(ii) Multiply the Purchase Price by the NYS Tax rate to compute the tentative NYS Tax;

(iii) Add the tentative taxes to the Purchase Price;

(iv) Multiply the sum of (iii) by the RPT Tax rate to determine the RPT Tax payable; and

(v) Add the tentative tax in (i) to the Purchase Price and multiply the sum by the NYS Tax rate to determine the NYS Tax payable.

Example:

Purchase Price = $9,000,000

(1) $9,000,000 x 1.425%	=	$128,250.00
(2) $9,000,000 x .65%	=	$58,500.00
(3) $9,000,000 + $186,750	=	$9,186,750.00 ("NYC Tax Adjusted Purchase Price"
(4) $9,000,000 + $128,250	=	$9,128,250.00 ("NYS Tax Adjusted Purchase Price ")
(5) $9,186,750.00 x 1.425%	=	$130,911.19 (RPT Tax)
(6) $9,128,250.00 x .65%	=	$59,333.63 (State Transfer Tax)
(7) $9,128,250.00 x 2.25%	=	$205,385.63 (Mansion Tax/new supplemental tax)

Where a purchaser purchases two (2) or more Residential Units, the NYC RPT Tax rate where the consideration is $500,000 or less will be 1.425%, while the tax rate where the consideration is in excess of $500,000 will be 2.625%. The City of New York Department of Finance has recently taken the position that the consideration for the transfer of each Residential Unit is not aggregated for purposes of determining total consideration. There is no guarantee that The City of New York will not change its positions with respect to the purchase of multiple Residential Units by the same purchaser.

5. **Mansion Tax**.

If the Purchase Price of the Residential Unit is $1,000,000 or more, the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax", will be payable by Purchaser. The Mansion Tax is 1% of the total consideration of the Residential Unit. Purchase Price and New York City transfer taxes payable by purchaser are added together by NYS Department to arrive at total consideration. Therefore, a Residential Unit priced at $985,000, where purchaser pays Transfer Tax, would subject purchaser to liability for Mansion Tax as the aggregate of price plus tax would exceed $1,000,000. New York State has also adopted a new supplemental tax in instances when the Purchase Price of the Residential Unit is $2,000,000 or more. The supplemental tax ranges from 0.25% to 2.9% of the total consideration.

Collectively, the Mansion Tax and new supplemental tax is currently payable by Purchaser as follows:

Tax Rate	Consideration
1%	$1 million up to $2 million
1.25%	$2 million up to $3 million
1.5%	$3 million up to $5 million
2.25%	$5 million up to $10 million
3.25%	$10 million up to $15 million
3.5%	$15 million up to $20 million
3.75%	$20 million up to $25 million
3.9%	$25 million and above

PURCHASERS ARE FURTHER ADVISED THAT NEW YORK STATE DEPARTMENT OF TAXATION AND FINANCE TAKES THE POSITION, THAT FOR PURPOSES OF THE MANSION TAX, CONSIDERATION INCLUDES NOT ONLY THE PURCHASE PRICE FOR THE RESIDENTIAL UNIT LISTED IN THE AGREEMENT, BUT ALSO THE AGGREGATE OF NYC TRANSFER TAXES PAYABLE BY PURCHASER UNDER THE AGREEMENT. THUS, FOR INSTANCE, A RESIDENTIAL UNIT PRICED AT $985,000 UNDER AN AGREEMENT WHERE A PURCHASER PAYS THE TRANSFER TAXES WOULD SUBJECT THE PURCHASER TO LIABILITY FOR THE MANSION TAX AS THE AGGREGATE OF THE PURCHASE PRICE PLUS THE TRANSFER TAXES EXCEEDS $1 MILLION.

Purchasers of Residential Units where the consideration (including the Purchase Price itself, plus the aggregate New York City Transfer Taxes and possibly other costs and amounts payable by

Purchaser as discussed above) is $1 million or more, currently will be obligated to pay the Mansion Tax at closing. The foregoing discussion is not a representation or warranty that New York State will continue to compute the Mansion Tax owed to it in accordance with the foregoing policies, practices, formulas or rates. If the Mansion Tax rate is increased by New York State on or after the date of this Plan, same shall not give rise to a right of rescission on the part of any Purchaser who has executed an Agreement hereunder.

Purchaser shall also pay any tax in addition to the Transfer Taxes, Mansion Tax (e.g., without limitation, a pied-a-terre tax) payable by transferor or transferee at Closing and imposed on the transaction after the date of this Plan by New York City or New York State ("Additional Tax"). Sponsor will amend the Plan to disclose any Additional Tax.

6. **Closing Fees**.

All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's attorneys, Holland & Knight LLP ("Sponsor's Counsel"), in connection with the Closing: (i) the sum of $4,000 to reimburse Sponsor for its legal fees in handling the sale of the Residential Unit and $750 in connection with the sale of the Storage Unit; (ii) closings will be held in escrow or, at the request of the Purchaser, at the offices of Holland & Knight LLP or, if the Purchaser requests the Closing to occur other than at the offices of Holland & Knight LLP, or such other place as Sponsor may designate in its closing notice, and Sponsor consents to such change, an attendance fee of $500 per hour for each Closing held within Manhattan and $750 per hour for each Closing held in any borough outside Manhattan; (iii) if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Agreement, or for the addition, deletion or substitution of names on the Agreement, Purchaser shall pay a fee of $1,000 to Sponsor's Counsel, payable in advance, for preparation of an assignment agreement (Purchaser may pay more than one fee pursuant to this paragraph with respect to a single Unit if there are multiple assignments); (iv) if Purchaser obtains mortgage financing, then Purchaser shall pay the Sponsor's Counsel an additional fee of $750 to defray the additional costs associated therewith; (v) if the closing is adjourned solely due to the fault of Purchaser, the Purchaser will be required to pay Sponsor's Counsel an additional fee of $1,000 for each adjournment to help defray the cost of preparing for and coordinating the new closing; (vi) if any custom work is to be done in the Residential Unit, then Purchaser shall pay Sponsor's Counsel an additional fee to defray the costs of negotiating and preparing the requisite documents, on an hourly basis at Holland & Knight LLP's customary rates; (vii) $250 for the preparation of ACRIS transfer documents required by the City of New York; (viii) Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single Unit; and, (ix) Purchaser shall pay Sponsor's Counsel the sum of $600 in connection with the consideration, review and processing of any agreement of exchange or the like which Sponsor is requested to execute in connection with any tax deferred exchange under section 1031 of the Internal Revenue Code. Other additional charges may apply. At Sponsor's option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor's Counsel shall be paid by Purchaser prior to Closing upon notice to Purchaser.

Purchasers or any other persons entering into an Interim Occupancy Agreement for

a Residential Unit shall be required to pay the legal fees of Sponsor's Counsel in connection therewith upon the execution of the Interim Occupancy Agreement. Such legal fees are estimated to be approximately $2,500 assuming that the Purchaser's counsel does not negotiate the terms of the Interim Occupancy Agreement. Any fees above $2,500 will be billed on an hourly basis by Sponsor's Counsel customary rates. In connection with the Closing of a Residential Unit subject to an Interim Occupancy Agreement, all other charges or other fees due under an interim lease shall be adjusted as of midnight of the day preceding the Closing Date to the Residential Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any Interim Occupancy Agreement for any Residential Unit. Please refer to the Sections of the Plan entitled "Closing Costs and Adjustments" and "Interim Occupancy Agreements" for further details.

7. **Working Capital; Reserve Fund**.

At Closing, Purchaser shall make a contribution to the Working Capital Fund and Reserve Fund, each in an amount equal to one (1) month's Common Charges in effect for the Unit in accordance with Schedule A hereto, as the same may be amended from time to time.

8. **Common Charges**.

In addition to the contributions to the Working Capital Fund and Reserve Fund by the Purchaser of a Unit as described in paragraph 7 above, Purchaser will pay to the Board the Common Charges for the Residential Unit and Storage Unit (to the extent there is a TCO or FCO covering the Storage Unit and the Storage Unit is accessible to Purchaser, as further discussed in Section P, "Terms of Sale") for the first full month following the month in which title closes. If Purchaser is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), Purchaser shall pay to the Board an amount equal to the Common Charges for such Residential Unit and Storage Unit for a period of two (2) years as security for the faithful observance by such Unit Owner of the terms, provisions and conditions of the By-Laws. In the event that such Unit Owner defaults in respect of the terms, provisions and conditions of the By-Laws, the Board may use, apply, or retain the whole or any part of the security so paid in advance to the extent required for the payment of any Common Charges or any other sum as to which such Unit Owner is in default; and such Unit Owner shall, within thirty (30) days after notice from the Board, deposit with the Board the amount so applied or retained so that the Board shall have the full amount of said security on hand at all times.

9. **Mortgage and Related Costs**.

If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of all mortgage recording tax, origination, appraisal and closing costs and other expenses in connection therewith (including legal fees) in amounts determined by governmental authorities and such lender. Currently, the mortgage recording tax for mortgages under $500,000 is $2.05 for each $100 of principal and such tax for mortgages in the amount of $500,000 or greater is $2.175 for each $100 of principal. This tax is reduced for Residential Units in both instances by $30.00 if the mortgage principal exceeds $10,000. No representation or warranty is made with respect to the amounts of

such closing costs and expenses or the availability or cost of mortgage loans from any sources. As previously stated, if a mortgage tax credit becomes available pursuant to Section 339-ee(2) of the Condominium Act, such credit will inure solely to the benefit of Sponsor. Alternatively, Sponsor will require a Purchaser who is financing the purchase of said Residential Unit with a Purchase Money Mortgage, to cause the lender making such loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to the Purchase Money Mortgage as determined by Sponsor. Upon such assignment, that portion of the Purchase Money Mortgage assigned by Sponsor, will be exempt from mortgage recording tax under Section 255 of the Real Property Tax Law. Sponsor shall be solely entitled to the benefits of such exemption and accordingly, Purchaser must pay to Sponsor an amount equal to the mortgage recording tax which would have otherwise been due in connection with the recording of the Purchase Money Mortgage. The severance and assignment of a portion of the mortgage on the Property, as contemplated herein would not result in any additional risk to the Purchaser. Any severance/assignment transaction will be initiated only after financing has been procured by Purchaser.

Accordingly, at Closing, each Purchaser utilizing mortgage financing will pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed and Sponsor will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed.

In addition to the above-specified costs and expenses, a mortgage on a Residential Unit may provide that the Unit Owner deposit monthly with the lender one-twelfth (1/12) of the estimated annual real estate taxes and tax assessments which are assessed or are to be assessed against the Residential Unit, together with one-twelfth (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.

Example: Mandatory Closing Costs

Purchaser will pay the following mandatory Closing costs based on rates in effect in December, 2024 and assuming the Purchase Price is $9,000,000 and the form of documents in the Part II of this Plan are used (all amounts are approximate and rounded to the nearest whole dollar).

(1) Fee to record Residential Unit Deed, Storage Unit Deed and Unit Power of Attorney, plus $125 recording charge for the RP5217 NYC form.	$775.00
(2) New York State transfer tax (also called the documentary stamps) at the rate equal to the Adjusted Purchase Price (see Example above) x .65% (rounded up to the nearest $500)	$59,333.63
(3) New York City transfer tax (at the rate of 1% of an	$130,911,19

Adjusted Purchase Price of $500,000 or less, or at the rate of 1.425% of an Adjusted Purchase Price of more than $500,000)	
(4) "Mansion Tax" of 2.25% of the Adjusted Purchase Price (if the Adjusted Purchase Price is $5,000,000 to $10,000,000)	$205,385.63
Total projected mandatory Closing costs:	$396,405.45* (estimated & approximate)

*Note: This figure does not include the required Working Capital Fund and Reserve Fund payments, which are each equal to one (1) month's projected Common Charges, or the legal fee due Sponsor's Counsel. In addition, governmental recording fees may vary from time to time. Additional title company service charges (if any) may also be imposed depending on the title agent or insurer.

Example: Elective Closing Costs

Assuming the purchase of the Residential Unit is financed with a mortgage loan for eighty percent (80%) of the Purchase Price (or $7,200,000) and both fee and mortgage title insurance are obtained simultaneously for Purchaser and Purchaser's mortgage lender, Purchaser would pay the following projected elective Closing costs based upon rates in effect as of December, 2024 (all amounts are approximate):

(1) Mortgage recording tax (at a rate of 2.05% of the mortgage – if less than $500,000 – or 2.175% of the mortgage – if $500,000 or more), minus $30 and minus .25% payable by the mortgage lender before deducting the statutory credit against the mortgage tax credit payable to Sponsor.	$138,570.00
(2) Mortgage recording fee (assuming 20 pages, including 1 cover page) at the rate of $42 per instrument, $5 per page, and a $40 service fee to title company.	$182.00
(3) Municipal charge to record the mortgage tax credit affidavit.	$25.00
(4) Premium for fee and mortgage title insurance.	$14,366.97
(5) Other projected potential mortgage loan costs (assuming: "points" of 1% of mortgage amount, appraisal of $250, lender's legal fee of $750, UCC-1 filing fee of $70 and $200 allowance for miscellaneous expenses)	$33,270.00
(6) Allowance for title closer gratuity and contingencies.	$250.00

Total projected elective closing costs:	$186,663.97* (estimated and approximate)

*Note: This projection does not include: (a) escrows for real estate taxes, Common Charges or other sums that might be required by Purchaser's mortgage lender, (b) a travel fee to Sponsor's Counsel in the event the Purchaser's lender or its counsel refuses to close at the office of Sponsor's Counsel or (c) a fee to any attorney Purchaser may engage.

Purchaser's actual Closing costs will be based upon the applicable governmental and title company rates in effect on the Closing Date.

The foregoing projections of mandatory and elective Closing costs are not guaranteed. Although the projections are believed to be reasonable, there are a number of unknown factors (such as the mortgage loan Closing costs, which may vary widely amongst different lenders). As a result, the actual Closing costs may be higher or lower, perhaps substantially, than those projected.

All legal costs, fees and expenses of Sponsor's Counsel, other than those specifically set forth above, will be the sole responsibility of Sponsor.

At Closing, adjustments will be made as of midnight of the day preceding the Closing Date between Sponsor and each Purchaser with respect to (a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed) on the basis of the period for which assessed, (b) Common Charges for the month in which title closes, and (c) accrued rent and any other charges pursuant to an Interim Occupancy Agreement or use and occupancy agreement, if any, covering Purchaser's Residential Unit. In the event the Units have not been separately assessed for real estate tax purposes, the Unit Owners will pay a pro rata share (in the proportion that such Unit's Common Interest bears to the aggregate Common Interest of all Units) of all real estate taxes with respect to the Property to the Condominium Board as Common Charges. (Please refer to Schedule A in Part I of the Plan for an estimate of real estate taxes payable during the first year of Condominium operation). The Condominium Board will pay such taxes either to the Finance Administration of The City of New York or directly to Sponsor if Sponsor has already paid such real estate taxes. If any Unit Owner fails to pay his pro rata share as set forth above, the Condominium Board will have a lien on such Unit for non-payment of Common Charges. (See the subsection entitled "Common Charges: Collection and Lien for Non-Payment" in the Section "Rights and Obligations of Unit Owners and the Condominium Board" in Part I of the Plan for further discussion.) At such time as a Unit is separately assessed and separately billed, its Unit Owner will pay such taxes directly to the taxing authority. Until the Units are separately assessed, each Unit Owner will pay to the Sponsor a share of the Property's real estate taxes for the period in question calculated based upon each Unit's proportionate share of the Common Interest. Following separate assessment of the Units, the Unit Owners will be reimbursed for any overpayment of taxes, or assessed for an underpayment, as described in the By-Laws.

If a Purchaser fails for any reason to close title to his or her Unit on the originally scheduled Closing Date, (a) the closing apportionments described above will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher 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 Agreement and this Plan, an amount equal to 0.04% of the Purchase Price of his or her Residential Unit for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date.

Except as specifically set out in this Plan, Sponsor must pay all costs and expenses incurred in connection with the promulgation and consummation of this Plan, the creation of the Condominium and the initial sale of Units, including, but not limited to, all selling expenses and commissions payable to Selling Agent for the initial sale of Units pursuant to this Plan, 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 entitled "Rights and Obligations of Sponsor" in Part I of the Plan.)

10. **Fees for Delay**.

If Purchaser is not ready to exercise the option granted under the Agreement and close on the Original Scheduled Closing Date, but ultimately exercises the option and closes thereafter, (i) all adjustments made at the Closing will be made as of the Original Scheduled Closing Date and (ii) Purchaser shall pay to Sponsor (or anyone Sponsor designates) at the Closing, by unendorsed personal certified check or bank check, in either event drawn on a bank that is a member of the New York Clearing House Association, an amount equal to 0.04% per day (or such lower daily rate which is the legal limit, if 0.04% per day exceeds the legal limit) of the Purchase Price multiplied by the number of days that the Closing is delayed, beginning with (and including) the Original Scheduled Closing Date and ending with (and including) the actual Closing Date. The provisions of this paragraph shall not be applicable if, through no fault of Purchaser, Sponsor adjourns the Closing Date. However, the provisions shall apply to any postponements by Purchaser of Purchaser's exercise of the option, and the Closing, beyond the Original Scheduled Closing Date. Sponsor reserves the right to waive any or all provisions of this paragraph in connection with an Agreement.

11. **Other Fees**.

In addition to the foregoing, Purchaser also will be required to pay the fees of all professionals, including attorneys employed or retained by Purchaser, in connection with the purchase of the Unit. If Purchaser obtains a loan to finance the purchase, Purchaser will be required to pay all fees associated with the loan.

R. RIGHTS AND OBLIGATIONS OF SPONSOR

1. Construction Loan

Sponsor has obtained construction financing from Construction Lender, in an aggregate amount of up to $13,500,000.00. Sponsor's Loan has a maturity date of April 19, 2026 (which is subject to extension), in accordance with the terms of the documents governing Sponsor's Loan, including, without limitation, a mortgage, loan agreement and other documents securing the making of Sponsor's Loan (collectively, the "Loan Documents"). At the time of the First Closing, Sponsor will subordinate the lien of its mortgage to the Declaration, and at each Unit closing, Construction Lender will release its lien on said Unit and its interest in the Common Elements, each subject to and in accordance with the Loan Documents. There are minimum release prices for each Unit set by Construction Lender that must be paid to Construction Lender at Closing in order for Construction Lender to release its lien from the Unit being sold. The Loan Documents also grant additional security rights to Construction Lender in the case of a default by Sponsor under the Loan Documents, including, e.g., resignation of members of Sponsor's members and officers serving on the Board and allowing Construction Lender to appoint replacement members, voting proxies and assignment of Sponsor's rights under the Condominium Documents. Construction Lender has not required a different minimum number or percentage of Residential Units which must be under contract before the Plan may be declared effective.

2. Sponsor's Obligations with Respect to the Building.

Subject to the terms and conditions of the Plan, Sponsor shall have the following obligations and all Purchasers upon execution of their respective Agreements will be deemed to have accepted, approved and agreed to abide and be bound by the following: (i) Sponsor will diligently, expeditiously and at its sole cost and expense, perform or cause to be performed such work, and will supply or cause to be supplied all materials, necessary to complete construction of the Building substantially in accordance with the Plans and Specifications. Sponsor is bound by the foregoing obligations only with respect to the first Purchaser of each Residential Unit, and, accordingly, Sponsor shall have no liability to any subsequent purchaser with respect to any claimed defects relating to construction of the Residential Units, the Common Elements or the Building. If access to a Residential Unit is refused by the Board or a Unit Owner, or if the Board or a Unit Owner otherwise frustrates Sponsor's right to cure under the applicable provisions of the Plan, Sponsor is relieved of its obligations for said condition. Sponsor shall not be obligated to correct and will not be liable to any Purchaser as a result of any immaterial variations from the Plans and Specifications or the description of the Building or a Residential Unit set forth in the Plan. 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), provided, however, that: (i) any materials, appliances, equipment and fixtures which Sponsor may substitute shall be similar products of Equal or Better Quality; and (ii) Sponsor shall not (1) materially change the size or location of the Residential Units, other improvements or Common Elements or (2) make any changes that affect the percentage of common interests or materially adversely affect the value of any Residential Unit to which title has closed or for which an Agreement has been executed and is in effect, unless all affected Unit Owners and contract vendees consent in writing to such change.

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

There is a rebuttable presumption that an area that is diminished by five (5%) or less is not material. No such change will be made if the same would materially adversely affect any Purchaser under an Agreement which has been countersigned by Sponsor and returned to the Purchaser unless (i) the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc.) and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices exists), and in such event, Sponsor will, in the amendment disclosing such material adverse change, offer the affected Purchaser(s) the right, for at least fifteen (15) days, to rescind their Agreement(s) and receive refund(s) of their Deposit(s), together with all interest earned thereon, (ii) the affected Purchaser consents or (iii) the Purchaser is in default. No material change will be made in the size or location of any Residential Units, improvements or Common Elements if such changes affect the percentage of Common Interests or materially adversely affect the value of any Residential Unit to which title has closed or for which an Agreement has been executed and is in effect unless all affected Unit Owners and contract vendees consent in writing to such change. However, as long as the layout and dimensions of a Residential Unit conform substantially to the Plans and Specifications, a Purchaser will not be excused from purchasing a Residential Unit by reason of a minor, non-material deviation or change and will not have any claims against Sponsor as a result thereof. The issuance of a TCO or FCO for the entire Building shall be deemed presumptive evidence that the construction of the Building and its appurtenances and all of the Residential Units have been substantially completed in accordance with this Plan and the Plans and Specifications.

Sponsor or its representatives will correct, repair or replace all defects in the construction of the Building and its appurtenances and the Residential Units, or in the installation or operation of any appliances, fixtures or equipment in the same, or will cause the same to be corrected, repaired or replaced, only if such defects are due to substantial improper workmanship or material substantially at variance with the Plans and Specifications, and Sponsor is notified by the Board or the affected Unit Owner in writing of such defect: (i) as to the Common Elements, within six (6) months from the earlier of the issuance of a TCO for the portion of the Building subject to such defect or the date of substantial completion of the portion(s) of the Common Elements which is claimed to be defective; or (ii) as to any Residential Unit, on or prior to the date of closing for such Residential Unit, except that if any such defect in a Residential Unit can be detected only by occupancy of the Residential Unit, Sponsor will correct such defect if notified in writing by the Unit Owner within six (6) months from the earlier of the closing of title to such Residential Unit or the commencement date of an Interim Occupancy Agreement for such Residential Unit. However, notwithstanding the foregoing, Sponsor will not be responsible for correcting any defects in construction or installation or operation of any appliances, equipment or fixtures with respect to which assignable warranties or other undertakings (however denoted) from contractors, materialmen or others are assigned to the Condominium Board or any Unit Owner(s); or for any condition resulting from normal wear and tear or natural deterioration or from normal settling or shifting of the Building, or for defects of an insubstantial nature, such as, without limitation, partial

or total demise of any trees, shrubs, or other landscape improvements, nail pops, ridging on gypsum board/sheet rock walls, lumber shrinkage, doors or windows sticking due to weather, door warpage, scratches in formica or porcelain surfaces, bath and kitchen title grouting cracks, adjustment of any bi-fold doors, walls not square, electrical plates not straight, discolorations or shrinkages, normal settlement and deflection or any consequential damage resulting therefrom including, without limitation, cracks in any concrete roof pavers, or concrete cracks which do not impair the structural soundness of the Building, ceiling imperfections, damage caused by dampness or condensation due to the failure of the Unit Owners to maintain ventilation which may result in a mold condition, television, radio or other telecommunications reception, bath tile grouting, separation in joints of kitchen tile or wood flooring, warping, cupping or creaking of wood flooring or any nicks, scratches, gouges, imperfections or discolorations thereof, floors out of level, variations in width, length, composition or tone of wood floor strips or other flooring or floor finishes, also, normal shrinkage or expansion of wood flooring due to changes in moisture content of wood, ceiling imperfections, painting defects, alignment of bathroom finishes, air infiltration from windows, any consequential damage resulting from settling (including, without limitation, concrete or drywall cracks which do not impair the structural soundness of the Building), normal plumbing, heating and air conditioning noises, or carpet discoloring and stretching; or for paint touch-ups or for repair of chips, mars, breaks or other defects in windows, and window sashes, sliding glass doors, lighting fixtures and globes, interior painted surfaces, sinks, tubs, bowls, shower doors, kitchen cabinets, counter tops, vanity tops and bases, medicine cabinets, doors, mirrors, saddles, appliances, woodwork, doors, hardware, flooring and appliance cabinets, salting or color variation in exterior colored mortar and deep colored brick, ponding and/or controlled drainage on the roof surface, or cracks in any pressure treated wood or redwood used or intended for use outside the Building. Sponsor shall be obligated to repair only abnormally chipped stone, formica and porcelain surfaces, which repair shall be made by filling the stone or formica or refinishing the porcelain, but Sponsor shall not be obligated to replace such stone, formica or porcelain surfaces. Except as expressly set forth herein, Sponsor has no obligation to make any repairs of any kind. In no event shall Sponsor be liable for special or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise), it being intended that Sponsor's sole obligations under the Plan shall be to repair or, at Sponsor's option, replace (or cause to be repaired or replaced) any defective item of construction (whether arising as a result of defects in material or improper workmanship or material substantially at variance with the Plans and Specifications), in accordance with the terms and conditions set forth in this paragraph, provided, however, that nothing contained herein is intended to relieve Sponsor of liability for actual damages resulting from property damage or personal injury arising as a result of gross negligence of Sponsor or its authorized agents or employees in connection with the transactions contemplated in this Plan. From and after the First Closing, in the event the Board or a Unit Owner fails to maintain a portion of the Building, Sponsor will not be responsible nor liable for any conditions relating to said unmaintained or mismaintained portion of the Building.

Sponsor shall not be obligated to correct and will not be liable to any Purchaser as a result of (i) any immaterial variations from the Plans and Specifications or the description of any portion of the Building or a Residential Unit set forth in this Plan or (ii) variations from the Plans and Specifications or the description of any portion of the Building or a Residential Unit set forth in this Plan which are neither in violation of applicable Codes, nor require the approval of any

governmental authority having jurisdiction, provided such variations are of substantially similar or better quality than as set forth in the Plans and Specifications or description in this Plan. Any such variation affecting the Building which is material will be disclosed in a duly filed amendment to this Plan.

Each Residential Unit and the fixtures and personal property contained therein, are being sold and delivered as described in this Plan, at the time of transfer of title to such Residential Unit, unless Sponsor and the Purchaser of such Residential Unit otherwise agree in writing. The Purchaser of a Residential Unit shall inspect such Residential Unit prior to the Closing Date and shall execute at such time an inspection statement acknowledging the Purchaser's acceptance of the Residential Unit in good condition and in accordance with the terms of the Plan. However, if a Purchaser finds that Sponsor's improvements as described in the Plan or in the Agreement for such Residential Unit or other writing duly executed and delivered by Sponsor, have not been fully completed, although such improvements have been substantially completed, then Sponsor or its designated representative and the Purchaser will at the time of such execution agree upon and set forth in the inspection statement a list of the incomplete work to be completed in the Residential Unit by Sponsor following the closing for such Residential Unit, but all such obligations to complete work in the Residential Unit shall cease once the work has been completed. Sponsor shall have no obligation to complete any work described herein which is not specifically designated by the Purchaser on the inspection statement except for work necessary to cure violations and to obtain a FCO.

Under the present construction schedule, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain materials or equipment on a timely basis or otherwise, governmental restrictions including stay at home orders and stoppages of non-essential activities, government shutdowns, quarantine, epidemics, pandemics, acts of God or other events beyond its reasonable control (whether similar or dissimilar to the foregoing), it is anticipated that, except for finishing work to stairways, hallways and other areas of the Building which are not intended for the exclusive use of any one Unit Owner and specialized work, if any, which Sponsor agrees to perform in individual Residential Units at the request of Purchasers, a first TCO could be issued on the Completion Date and the Building will be substantially completed by the Completion Date, subject to Unavoidable Delays. Sponsor, however, makes no warranty or representation as to the date of substantial completion or the issuance of the first TCO. Purchasers should also note that the Residential Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date.

Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the Purchase Price for his or her Residential Unit or otherwise be relieved from any obligations under the Agreement in the event the closing of a Residential Unit does not occur on a specific date. In the event that the first year of Condominium operation is to be delayed by six (6) months or more, Sponsor will amend the Plan to include a revised Budget with current projections and if: (i) such amended budget exceeds the projected budget set forth herein by twenty-five percent (25%) or more; or (ii) the First Closing does not occur within twelve (12) months after the date set forth in Schedule B of Part I of the Plan as the commencement date for the projected first

year of Condominium operation, or the Plan is amended to provide for a commencement date that is later than twelve (12) months after July 1, 2025, then in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements not less than 15 days after the presentation date of the amendment containing such revised budget or amended commencement date or after such twelve (12) month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Deposit and any interest accrued thereon returned. Purchasers' rights as described in the preceding sentence are in lieu of any other rights or remedies which may be available pursuant to any applicable Law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. As set forth in the Section entitled "Effective Date" of Part I of the Plan, no closing of title to any Unit will take place prior to the Plan being declared effective.

During the period when Sponsor is completing construction of the Building, move-ins into the Building may be restricted to certain periods when the elevators and other access to the Building are not being utilized by the construction trades. The TCO may be issued for some but not all of the Units and Sponsor may complete construction of certain Units before others. Purchasers should also note that even if the First Closing occurs on approximately July 1, 2025 (or such other date projected as the date of commencement of operation at the time the Agreement was entered into) or within the twelve (12) month period thereafter, the closing of subsequent Residential Units may be substantially delayed beyond such dates if a TCO has not been issued for such Residential Units or for the floor on which such Residential Units are located. Accordingly, Purchasers may not be able to close title to their respective Residential Unit(s) for some period of time after signing their respective Agreements and after the First Closing. In such a case, provided that the Sponsor is pursuing completion of construction and issuance of a certificate of occupancy and is otherwise in compliance with its obligations under the Plan, a Purchaser will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of substantial delays and will not be excused from paying the full Purchase Price for the Residential Unit.

Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a FCO covering the entire building but with only a TCO, and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local Codes and rules. Both TCOs and FCOs are issued by DOB. A TCO is intended to indicate that the property conforms substantially to the DOB approved Plans and Specifications, and to the requirements of all applicable laws, rules and regulations for the uses and occupancies specified in the TCO. No change of use or occupancy shall be made unless a new certificate of occupancy is issued. All TCOs have an expiration date. A TCO typically expires ninety (90) days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance or sell residential units. In New York City, it is common for sponsors to commence residential unit closings when some or all residential units are covered by a TCO rather than a FCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a FCO covering the entire Building within two (2) years from the date of the issuance of the first TCO. However, Sponsor and its principals make no

representation or guarantee that the DOB will issue the FCO within such two (2) year period. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE FCO FOR THE ENTIRE BUILDING, AND SHALL EXERCISE BEST EFFORTS TO OBTAIN THE FCO WITHIN SUCH TWO YEAR PERIOD WHILE KEEPING THE TCO CURRENT. Unit Owners and the Board shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

(i) Furthermore, because Sponsor and the By-Laws of the Condominium may permit Unit Owners to undertake renovations to individual Residential Units prior to the procurement of a FCO, such renovations may cause additional delays in the issuance thereof. Notwithstanding the foregoing, Sponsor and its principal(s) are obligated to procure the FCO.

(ii) Purchasers are advised to visit the DOB website for further recommendations when purchasing a residential unit in a building that does not have a FCO. A fact sheet on certificates of occupancy is available on its website at http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf.

(iii) Purchasers should seriously consider negotiating their closings based on a FCO, not a TCO. If purchasing a Residential Unit covered by a TCO, Purchasers should consult a licensed architect or engineer to determine what work has to be done in order for the Building to receive a FCO. Purchasers are advised to visit the DOB website for further recommendations when purchasing a Residential Unit that does not have a FCO.

(iv) In the event that a closing takes place prior to the issuance of a FCO for the Building, Sponsor shall maintain all deposits and funds in the special escrow account required by Section 352-e(2)(b) of the New York General Business Law unless the Sponsor's engineer or architect certifies that a lesser amount will be necessary to complete the work necessary to obtain a FCO for the Building, in which case the sum exceeding the amount so certified by the Sponsor's engineer or architect may be released from escrow. Alternatively, Sponsor may deposit with the Escrow Agent an unconditional, irrevocable letter of credit or post a surety bond in the amount so certified, in which event same will be reflected by duly filed amendment to the Plan. Any amount held in escrow, in excess of the amount certified as reasonably necessary to complete the work needed to obtain the FCO, can be released from escrow from time to time upon the receipt by Escrow Agent of a request by Sponsor.

(v) Each Residential Unit and the fixtures and personal property contained therein are being sold and delivered as described in this Plan, at the time of transfer of title to such Residential Unit, unless Sponsor and Purchaser otherwise agree. Sponsor will maintain each Residential Unit, and the fixtures and personal property contained therein, up to the time of the transfer of title to the Residential Unit in question. The Purchaser of a Residential Unit shall inspect such Residential Unit prior to the Closing Date and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Residential Unit in good condition and in accordance with the terms of the Plan. However, if the Purchaser finds that Sponsor's improvements have not been completed, although such improvements have been substantially completed, then Sponsor and the Purchaser in question will immediately thereafter agree to include

on the inspection statement a list of incomplete work to be completed in the Residential Unit by Sponsor following the Closing for the Residential Unit in question but all such obligations to complete work in the Residential Unit shall cease once the work has been completed. The failure of Sponsor to complete such work shall not be a ground for Purchaser delaying the Closing. Sponsor shall have no obligation to complete any work described herein which is not specifically designated on the inspection statement by the Purchaser, except for work necessary to cure violations and to obtain a TCO or FCO. Sponsor shall have no obligation to complete any work described herein which is not specifically designated by the Purchaser on the inspection statement except for work necessary to cure violations and to obtain a FCO. Notwithstanding anything contained herein, Sponsor is obligated to build and complete the condominium in accordance with the Plans and Specifications identified in the Plan.

(vi) Following the recording of the Declaration, Sponsor will deliver, assign or otherwise grant to the Board, on behalf of all Unit Owners, or the Condominium Board, on behalf of all Unit Owners, as the case may be, the right to proceed under any assignable warranties and other undertakings received by Sponsor from contractors, materialmen or others in connection with the construction and equipping of the Building, except that warranties and undertakings received by Sponsor which relate to appliances, equipment or fixtures located in the Residential Unit of a Purchaser shall be assigned to such Purchaser on the date of closing of title to his Residential Unit. Purchasers should be aware that warranties vary in length, depending partly on when the appliances, equipment and fixtures covered by such warranties are first installed. Sponsor makes no representation as to which, if any, of the warranties will continue to remain in force upon the Closing Date of any particular Residential Unit provided, however that the warranties for the appliances in each Residential Unit will commence from the date the Residential Unit is first occupied for residency.

(vii) 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), provided, however, that: (i) any materials, appliances, equipment and fixtures which Sponsor may substitute shall be similar products of equal or better quality or design; and (ii) Sponsor shall not (1) materially change the size or location of the Residential Units, other improvements or Common Elements or (2) make any changes that affect the percentage of common interests or materially adversely affect the value of any Residential Unit to which title has closed or for which an Agreement has been executed and is in effect, unless all affected Unit Owners and contract vendees consent in writing to such change.

(viii) Sponsor shall not be obligated to correct, repair, or replace any and all defects relating to construction of the Units, the Common Elements, and the Limited Common Elements, or in the installation or operation of any appliances, fixtures, or equipment therein, except as expressly provided in this Plan. Sponsor will not warrant the materials or workmanship of any Unit or any of the Common Elements. The Housing Merchant Implied Warranty Law (GBL Article 36-B) is not applicable to this offering because such law is applicable to residential units in buildings of five stories or less. However, Sponsor's obligations to construct the premises must be in accordance with all applicable codes, and filed Plans and Specifications, and any conflict

between (a) the disclaimers and (b) Sponsor's obligation to construct the premises in accordance with all applicable Law and the Plans and Specifications, shall be resolved in favor of the latter.

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

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

(xi) Sponsor will pay or cause to be paid all contractors, subcontractors and materialmen and all others involved in the construction and equipping of the Building in accordance with the New York Lien Law, for work performed and fixtures, material and equipment supplied or installed during construction thereof and will cause any and all mechanics' liens arising out of such construction and equipping, if any, to be discharged by bonding, or otherwise, promptly after the filing of any such liens.

(xii) Sponsor shall have the obligation to defend any suits or proceedings arising out of Sponsor's acts or omissions and to indemnify the Condominium Board and the Unit Owners in any such action or proceeding.

(xiii) Following the issuance of a FCO for the Building, Sponsor will deliver to the Condominium Board a complete set of mechanical, electrical and plumbing drawings for the entire Building.

(xiv) In accordance with Section 339-p of the Condominium Act, a registered architect or licensed professional engineer shall certify within reasonable tolerances that the Floor Plans are an accurate copy of portions of the plans of the Building as filed with and approved by the municipal or other governmental authority having jurisdiction over the issuance of permits for the construction of the Building.

(xv) Sponsor shall have the right to delay the commencement of collection of Common Charges for an indeterminate period (the "Waiver Period"). During any such delay, Sponsor shall timely pay all expenses of the Condominium, including, but not limited to, insurance premiums and any Reserve Fund payments (the "Waiver Period Operating Expenses"). Such expenses shall not include individual Unit Owner expenses such as real estate taxes, utility charges, etc. During such delay in the collection of Common Charges, Sponsor shall remain obligated to update the Condominium Budget, and, if Sponsor controls the Board, to provide certified financial statements for the Condominium, as required by the regulations promulgated by the Department of Law. Sponsor shall provide written notice of the expiration of the Waiver Period to all Unit Owners and Purchasers in contract at least 30 days prior to the commencement of the collection of Common Charges. Thereafter, Sponsor shall disclose the expiration of the delay period in the next substantive amendment to the Plan. Upon commencement of the collection of Common Charges, Unit Owners will not be assessed for any items in the

certified Budget for the Condominium. If Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose the anticipated period of delay in the collection of Common Charges in the initial post-closing amendment to the Plan.

(xvi) All Waiver Period Operating Expenses paid by Sponsor during the Waiver Period are based on the actual cost of operating the Building and not on estimates set forth in "Budget for First Year of Condominium Operation, Schedule B." In all instances the Unit Owners will remain responsible for the payment of their allocable share of real estate taxes.

(xvii) Sponsor will pay all Common Charges (or as applicable, operating expenses), special assessments and real estate taxes allocated to any Unsold Unit in accordance with the provisions of the By-Laws. Sponsor represents that it has the financial resources to meet such obligations with respect to Unsold Units. Sponsor will fund its financial obligations from proceeds from the sales of Residential Units, rental income from Unsold Units, and financing. No bond or other security will be posted by Sponsor with respect to this obligation.

(xviii) Sponsor will initially procure on behalf of the Condominium Board the insurance relating to the Condominium which is required to be maintained by the Condominium Board in accordance with the provisions of the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board" in Part I of the Plan) the cost of which insurance has been reflected in the projected budget set forth in Schedule B in Part I of the Plan.

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

(xx) Sponsor is obligated to deliver to the Condominium Board a set of "as-built" plans for the Building and all books of account and records pertaining to the Building's operation which are in Sponsor's possession on the First Closing.

(xxi) All representations under the Plan, all obligations pursuant to the GBL and such additional obligations under the Plan which are to be performed subsequent to the Closing of each Unit will survive delivery of the Residential Unit Deed and Storage Unit Deed, as applicable.

(xxii) The risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until a Purchaser takes possession of a

Residential Unit, at which time any such risk not covered by Sponsor's insurance shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Unit, the Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price for the subject 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 respective Board and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit, or, if the casualty occurs after the First Closing and the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board" in Part I of the plan), the Agreement shall be deemed canceled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, within thirty (30) days' notice of such election, subject to Sponsor's rights to retain certain funds deposited by Purchaser and expended by Sponsor for Custom Work in the Residential Unit, whereupon the parties to the Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan; provided, however, notwithstanding anything to the contrary herein, if Purchaser is then in default under the Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

(xxiii) Sponsor will endeavor in good faith to sell all of the Residential Units in a timely manner however, there is no certainty as to the period of time required to sell all of the Residential Units. If Sponsor makes a bulk sale of all or some of its Unsold Residential Units, the transferee successor sponsor shall be bound by Sponsor's representations regarding its commitment to sell Residential Units. Therefore, it is likely, but there is no guaranty, that the Unit Owners will obtain control of the Board at the expiration of the Initial Control Period.

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

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 Agreements or to include any financial limitation on Sponsor's liability for failure to

perform its obligations under the Plan. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures other than as set forth in the Plan.

Obligations of Sponsor hereunder shall be enforceable by the Condominium Board on behalf of all Unit Owners. Sponsor shall have no obligation to any Purchaser of a Residential Unit other than the Purchasers to whom Sponsor sold Residential Units. By operation of Law, Sponsor appointed Board Members have a fiduciary duty to the Unit Owners. In addition, obligations of Sponsor shall be enforceable by individual Unit Owners if either: (i) the Condominium Board fails to take reasonable action to enforce such obligations within ninety (90) days following the giving of notice of such claim by any Unit Owner to the Condominium Board; or (ii) the applicable statute of limitations with respect to any claim by a Unit Owner which would otherwise be enforceable by the Condominium Board will expire during the aforesaid ninety (90) day period.

Except as set forth above or as required by Law or governmental regulation, Sponsor has not furnished any bond or other security for the performance of the obligations of Sponsor under the Plan. The ability of Sponsor to perform its obligations hereunder will partly depend upon its financial condition at the time it is called upon to perform. No representation can be made that it will be financially able to perform any or all of such obligations. Unless expressly provided to the contrary herein, the obligations of Sponsor under the Plan which are to be performed after closing, shall survive the delivery of the respective Residential Unit Deed and Storage Unit Deed, as applicable. In the event Sponsor is not financially able to perform its obligations under the Plan, sales will cease and the Plan will be amended to offer rescission to purchasers, if any.

Sponsor anticipates obtaining a FCO for the Building within two (2) years after the First Closing provided, however, that the FCO cannot be obtained until all the Residential Units are completed. Sponsor will endeavor in good faith to sell all of the Residential Units unless otherwise specified in the Plan.

Notwithstanding anything to the contrary contained in the Plan, the sponsor's obligation, regardless of any limitations in any warranty provided to a Purchaser or the Condominium Board or otherwise set forth in the Plan, is to construct the premises in accordance with all applicable codes and filed plans and specifications, and that any conflict between the disclaimers and the sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter.

3. **Alterations of Unsold Units**.

In order to meet the possible varying demand for number and type of different Units, or to meet particular requirements of prospective Purchasers, or for any other reason, Sponsor and its designees reserve the right (except to the extent prohibited by applicable Legal Requirements and subject to the Declaration and By-Laws) at any time and from time to time, before and after the recording of the Declaration, without prior notice and without the consent of the Condominium Board, any Unit Owner or mortgagee, to: (i) make alterations, additions, improvements, replacements and/or repairs whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon any Unsold Unit(s); (ii) change the use (subject to compliance with all Law, including, without limitation, the certificate of occupancy for such Unit) or layout of, or

number of rooms in, any Unsold Unit(s) from time to time; (iii) change the size and/or number of Unsold Unit(s) by subdividing one or more Unsold Units into two or more separate Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Units, converting an Unsold Unit or any portion thereof to a Common Element, altering the boundary walls between any Unsold Units, or otherwise, including incorporating the use of any portion of the Limited Common Elements adjacent or appurtenant thereto (but only to the extent that such Limited Common Elements are not required to be maintained as Limited Common Elements based upon such alterations); (iv) whether in respect of subdivisions or combinations of the Unsold Units or otherwise, designate all or any part of an Unsold Unit or a Common Element as part of a newly created or expanded Unsold Unit or Common Element (v) if appropriate, reapportion among the Unsold Units affected by such change, their Common Interests, provided, however, that after the recording of the Declaration, no change in any Unit's Common Interest will be made without obtaining the prior consent of all Unit Owners affected by such change; and (vi) use any Unsold Residential Unit(s) as models and sales and/or promotion offices in connection with the sale or rental of the Units, subject only to compliance with applicable governmental Law and regulations as to any such use. Any such change described in subsections (ii) through (v) in the immediately preceding paragraph and additionally any material adverse change in the size or quality of any of the Common Elements shall be disclosed by Sponsor in a duly filed amendment to the Plan and, when applicable, to the Declaration. Unless all Purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of Common Elements unless Sponsor, in the amendment disclosing such change, offers the affected Purchaser(s) who are not otherwise in default under their Agreements, the right, for at least fifteen (15) days after the presentation date, to rescind their Agreement(s) and receive a prompt refund of their Deposit(s), together with all interest earned thereon. In the event of any such change after the Declaration is recorded, the Declaration and Tax Maps shall each be amended and such amendments duly recorded and disclosed in a duly filed amendment to the Plan.

Notwithstanding the foregoing, no material adverse change will be made in a Residential Unit's size, layout or percentage of Common Interest if an Agreement has been executed and delivered to Sponsor for such Residential Unit, provided that the Purchaser is not in default thereunder, unless (a) the affected Purchaser consents to such changes; or (b) such changes are dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc.) and, in all cases, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists. In the event material adverse changes are made pursuant to (b) of the immediately preceding sentence which materially and adversely affect the percentage of Common Interest allocable to a Residential Unit or the size or quality of Common Elements, Sponsor will, in the amendment disclosing such material adverse change, offer the affected Purchaser(s) who are not otherwise in default under their Agreements, the right, for at least fifteen (15) days after the presentation date, to rescind their Agreement(s) and receive a prompt refund of their Deposit(s), together with all interest earned thereon.

The Common Interest of a Unit may change if there is a change in the floor space or 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 a particular Unit.

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

4. **Insurance**.

Sponsor will initially procure on behalf of the Condominium Board, to take effect on or before the date of the First Closing, the insurance relating to the Condominium which is required to be maintained by the Condominium Board in accordance with the provisions of the By-Laws (see "Rights and Obligations of Unit Owners and the Condominium Board" in Part I of the Plan), the cost of which insurance is pursuant to an agreed amount replacement value policy or in an amount sufficient to avoid coinsurance, as reflected in the Budget set forth as Schedule B in Part I. To the extent any policy obtained and paid for by Sponsor shall satisfy the insurance requirements of the Condominium Board for the Condominium in respect of any period following the First Closing, the Condominium Board shall reimburse Sponsor for its prorated share of the cost of such coverage.

5. **Casualty**.

If the Purchaser is or becomes the tenant or occupant of a Residential Unit before the Closing and, before such Closing, the Residential Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss and the obligation to repair the damage, unless the cause thereof originated outside of the Residential Unit or did not result from the acts of such purchaser or other occupants of the Residential Unit or such Purchaser's guests, invitees or workmen. Otherwise, the risk of loss to any Unit by fire or other casualty until the closing of title to such Unit (or an earlier taking of possession by the Purchaser) is assumed by Sponsor, but Sponsor has no obligation or liability to repair or restore any Unit. If a Unit is damaged or destroyed by fire or other casualty prior to the closing of title, but after the signing of an Agreement, and Sponsor gives written notice to the Purchaser of Sponsor's election to repair or restore the Unit, then the Agreement shall continue in full force and effect, and the Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights, if any, of the Condominium Board, and other Unit Owners, belong entirely to Sponsor.

However, if Sponsor notifies the Purchaser in writing that it does not elect to repair or restore the Unit, or if the Unit Owners entitled to make such determination do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board" in Part I of the Plan), the Agreement shall be deemed terminated, Sponsor shall return to the Purchaser the entire Deposit, together with interest earned

thereon, and the parties shall be released and discharged from all rights, obligations and liability under the Agreement and this Plan, except that if the Purchaser is then in default under the Agreement beyond any applicable grace period, Sponsor may retain such Purchaser's Deposit, together with interest earned thereon.

6. **Dissolution**.

Sponsor may dissolve or liquidate at any time. In the event of such an occurrence, or the transfer of two (2) or more Residential Units or twenty percent (20%) or more of the total number of Residential Units in the Condominium, whichever is less, to a single Purchaser, in connection with Sponsor's liquidation of its interest in the Residential Units, the principals of Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of Sponsor for those Residential Units under the Plan and applicable Legal Requirements.

7. **Successors to Sponsor**.

Sponsor reserves the right to sell two (2) or more of the total number of Residential Units in the Condominium and to designate the purchaser of such block(s) of Residential Units as a "sponsor" under this Plan. The party so designated as a "sponsor" or "sponsor-designee" will have those additional rights and obligations (including the obligation to comply with all applicable Legal Requirements) applicable to a "sponsor" or "sponsor-designee" as more fully described in the Plan including the assumption of the status and all of the obligations of Sponsor for those Residential Units under this Plan, applicable Law or regulations.

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

As further described in the Declaration and By-Laws, all excess air or developmental rights (collectively, the "Development Rights") otherwise appurtenant to the Property both (a) prior to the First Closing, in connection with any renovation work to be performed by Sponsor at the Building; and (b) subsequent to the First Closing, not used in connection with any renovation of the Building prior to the First Closing will be allocated to the Sponsor. As a result, unless Development Rights are separately acquired therefor on behalf of the Building or a Unit Owner, as the case may be, any future expansion of the Building by the Condominium Board or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable Legal Requirements and otherwise, may not be possible or may be limited. Further, Sponsor, as a result of such reservation, may transfer or sell such Development Rights to the owner(s) of adjoining properties and in such case such properties may be increased in size as a result of such transfer or sale. If the Building is ever upzoned, meaning that the floor area ratio ("FAR") associated with the zoning district designation applicable to the Property is increased from the FAR associated with the current zoning designation, then unless Development Rights are separately acquired on behalf of the Condominium or a Unit Owner, as the case may be, any future expansion of the Building by the Board or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable Legal Requirements, may not be possible or may be limited. Further, as a result of such reservation by Sponsor, if the Building is ever upzoned, Sponsor may transfer or sell such Development Rights to the owner(s) of adjoining properties or offsite and in such case such properties may be increased as a result of such transfer or sale. The Development Rights reserved by Sponsor will not be used

to add additional floors to the top of the Building. In the event such excess Development Rights are transferred to the owner(s) of adjoining properties or offsite, a Unit Owner's views and exposure to light may be affected.

The Development Rights will not be used subsequent to the First Closing to add additional floors to the top of the Building. Except in the case of a sale or transfer for use in connection with other properties, the reserved Development Rights will be used in the Property after the First Closing solely for the purpose of reconfiguring certain areas (e.g., adding mezzanine space, converting mechanical space to space used for other purposes) which, pursuant to the applicable provision of the Zoning Resolution, will require the use of Development Rights in excess of those used in connection with any renovation of the Building in accordance with the Plan. In the event such Development Rights are transferred to the owner(s) of adjoining properties, a Unit Owner's views and exposure to light may be affected. The Condominium Board, which will be a party in interest in any activity by the City of New York is obligated to arrange for the owner of the Development Rights to participate in the action and to receive the Development Rights.

9. **Right of Access**.

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

10. **Miscellaneous**.

Sponsor and/or its designee (and their respective successors and assigns) shall have an easement for so long as the Condominium shall remain in existence: (i) to erect, use, lease, maintain, repair, replace and operate a platform and other facilities for the purpose of erecting, using, leasing, licensing, maintaining, repairing, replacing and operating antennae, satellite dishes and other communications equipment on any part of any roof of the Building that is not occupied as of the date hereof for any other Building installations or as a common recreational area for the Unit Owners; and (ii) to erect, use, lease, maintain, repair, replace and operate related electronic and other communications equipment in any portion of any mechanical equipment room that is not occupied as of the date hereof by any other Building installations, and the right to erect partitions separating such portion from the balance of such equipment room; in each case, without the consent of, or charge by, the Board or any other Unit Owners; provided, however, that Sponsor (or its designee) shall give prior notice to the Board of the type and location of any such equipment before installation. Any obligations of Sponsor under any lease, license or other right of use granted by Sponsor with respect to any roof or the aforesaid mechanical equipment room shall be the obligation solely of Sponsor and not of the Condominium and any rights of Sponsor, including, without limitation, the right to receive rent or other consideration for such lease, license or other right of use, shall be the right solely of Sponsor and not of the Condominium. In connection with such easements and related rights, Sponsor and its designee (and their respective successors and

assigns) and the respective tenants and licensees shall each have, to the extent necessary or advisable for such erection, use, lease, maintenance, repair, replacement and operation, an easement in common with all Unit Owners for ingress, egress and the use of any Common Elements. Sponsor is obligated to indemnify the Condominium in connection with Sponsor's exercise of this easement. Any additional insurance costs/coverage needed in connection therewith will be borne solely by Sponsor. The Units shall be subject to such easement. The Unit Owners will not have any interest in the rents, profits or revenues from the rental, use or sale of any such space pursuant to the aforementioned easements and rights.

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

11. **General**.

Sponsor's representations, warranties and covenants under the Plan and under the GBL, which are required to be performed subsequent to the closing of title to a Residential Unit will survive the delivery of the deed to such Residential Unit only for the time periods set forth in this Plan or as otherwise required by Legal Requirements. The obligations of Sponsor to pay Common Charges and to perform its other duties as a Unit Owner with respect to any Unsold Units will survive for as long as Sponsor owns the same.

Sponsor agrees to indemnify the Condominium Board and the Unit Owners against, hold them harmless from and defend on their behalf any suits, proceedings, or claims arising out of any default by Sponsor in performing its obligations under this Plan or any breach of any representation expressly made by Sponsor in this Plan and resulting: (a) as to any Residential Unit, from any occurrence taking place prior to the closing of title to such Residential Unit; or (b) as to the Common Elements, from any occurrence taking place prior to the First Closing. However, Sponsor will not be liable for, or obligated to defend, any suits, proceedings or claims arising out of any occurrence taking place from and after the respective dates set forth above, except those arising out of any negligence or violation of Article 23-A of the New York State General Business Law by Sponsor or as explicitly stated in this Plan.

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

Sponsor has not furnished any bond or other security for the performance of the obligations of Sponsor under the Plan. Sponsor's ability to perform its obligations under the Plan will depend

on its financial condition from time to time. No warranty is made that Sponsor will be financially able to perform all or any of such obligations.

Until Sponsor no longer controls the Condominium Board, Sponsor will cause the Condominium Board to maintain the Building in substantially the same manner and condition as on the presentation date of this Plan (subject to ordinary wear and tear) and in accordance with the Legal Requirements, subject in all respects to Sponsor's right to change the Units and/or the Common Elements as set forth herein.

Sponsor will endeavor in good faith to sell all of the Residential Units in a reasonably timely manner; however, there is no certainty as to the period of time required to sell all of the Residential Units. Sponsor may unconditionally elect to rent rather than sell Residential Units from time to time after the consummation of the Plan.

Sponsor has obtained Sponsor's Loan from Construction Lender. Sponsor's Loan has a maturity date of April 19, 2026 (which is subject to extension), in accordance with the Loan Documents. At the time of the First Closing, Sponsor will subordinate the lien of its mortgage to the Declaration, and at each Unit closing, Construction Lender will release its lien on said Unit and its interest in the Common Elements, each subject to and in accordance with the Loan Documents. There are minimum release prices for each Unit set by Construction Lender that must be paid to Construction Lender at Closing in order for Construction Lender to release its lien from the Unit being sold. The Loan Documents also grant additional security rights to Construction Lender in the case of a default by Sponsor under the Loan Documents, including, e.g., resignation of members of Sponsor's members and officers serving on the Board and allowing Construction Lender to appoint replacement members, voting proxies and assignment of Sponsor's rights under the Condominium Documents. Construction Lender has not required a different minimum number or percentage of Residential Units which must be under contract before the Plan may be declared effective.

12. **Construction Dispute**.

Prior to bringing any lawsuit, arbitration or administrative proceeding (a "Proceeding") against the Sponsor and/or the Sponsor's consultants, professionals, members, managers, or the Sponsor Principal (collectively, the "Sponsor Parties") relating to the construction of all or part of the Building (including the Residential Units and Common Elements), the party intending to bring the Proceeding must have a report prepared (the "Correction Report") by an independent, licensed, architect or engineer (the "Inspecting Professional"). The Correction Report must identify the Claim. Subject to Force Majeure Events, the Sponsor shall have a ninety (90) day period after the receipt of the Correction Report to correct any of the Claims or explain why the Claim is incorrect, prior to the Proceedings being brought by the Unit Owners or the Board. The Sponsor's response shall be delivered to all of the Unit Owners. The Sponsor shall have no responsibility for damages to the Residential Units or the Building arising out of the Unit Owner's, the Managing Agent's or the Board's failure to properly inspect, maintain or repair the Property.

At least thirty (30) days prior to the Board commencing a Proceeding against the Sponsor Parties, the owner of each Residential Unit that is not owned by the Sponsor or an affiliate of the Sponsor,

shall receive (a) a copy of the Correction Report and the Sponsor's response to it, if any; (b) a description of the Claim, the relief sought, the anticipated duration of prosecuting the Claim, and the likelihood of success; (c) a copy of the engagement letter or retainer agreement between the Board and the attorney selected by the Board to assert or provide assistance with the Claim; (d) a budget for the cost of bringing the Claim, whether incurred by the Board directly or for which the Board or the Unit Owners may be liable as a result of prosecuting the Claim; (e) a summary of the steps previously taken by the Board to resolve the Claim; (f) a statement that initiating the Proceeding may affect the market value, marketability, or refinancing of Units while the Claim is pending; (g) a description of the manner in which the Board proposes to fund the cost of prosecuting the Claim; and (h) a letter from the attorney retained by the Board with an analysis of the Claim and the likelihood of success.

S. CONTROL BY SPONSOR

The Condominium shall have a Condominium Board. Sponsor as the owner of Unsold Residential Units will, at its option, have control of the Board during the period which continues until the earlier to occur of: (i) the closing of title by Sponsor or its designees of all the Residential Units or (ii) five (5) years after the First Closing (the "Initial Control Period"). During the Initial Control Period of the Board, Sponsor would be able to control maintenance, facilities and services to be provided to Unit Owners and would determine the Common Charges to be paid by all Unit Owners and the enforcement of Sponsor's obligations by said Board(s). Within thirty (30) days after the end of the Initial Control Period, the Board will call a special meeting of the Unit Owners (the "First Annual Meeting"), to be held not less than ten (10) days nor more than forty (40) days after such date, at which time the Unit Owners will elect members to the Board and the members of the Board on behalf of the Building.

During the Initial Control Period, the Board shall consist of three (3) persons designated by Sponsor. During the Initial Control Period, Sponsor reserves the right to designate fewer than three (3) persons to the Board.

Commencing with the First Annual Meeting, the Board shall consist of three (3) members elected by the Unit Owners including the Sponsor. The number of Board members and the number or composition of Board members may not be changed except in accordance with the procedures described in the By-Laws.

At the First Annual Meeting and at all times thereafter, Sponsor may be able to elect members of the Board as a result of its ownership of or interest in Unsold Units. Sponsor shall retain voting control of the Board if Sponsor and its designees are able to cast sufficient votes at such meetings to establish such control. In addition, Sponsor, for so long as Sponsor owns at least one (1) Residential Unit, shall also have the right, at its option, to designate at least one member of the Board.

The By-Laws do not include a provision that after the expiration of the Initial Control Period, a majority of the Condominium Board must be Unit Owner-occupants or members of a Unit Owner-occupant's household who are unrelated to Sponsor and its principals. Owner-occupants and non-Resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment. Unit Owners may never gain control of the Condominium Board and the First Annual Meeting may never occur because Sponsor has the unlimited right to rent the Unsold Residential Units after the Plan is consummated.

Until Sponsor or its designee has conveyed title to seventy-five percent (75%) of all the Residential Units, but in no event later than five (5) years after the First Closing, whichever shall first occur, the Board may not take any of the following actions without Sponsor's prior written consent (notwithstanding the number of votes Sponsor controls): (a) make any addition, alteration or improvement to the Common Elements or to any Unit, (b) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency for repairs or surplus fund, (c) increase or decrease the number, or change the kind of, employees referred to in the Plan,

(d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services, (e) borrow money on behalf of the Condominium or on behalf of the Building, or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that 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, and no other alternative is available, to enable the Board to comply with laws, rules or regulations of any governmental authority having jurisdiction over the Condominium.

During the Initial Control Period, Sponsor may not exercise veto power over expenses described in the Section entitled "Budget for First Year of Condominium Operation, Schedule B" or over expenses required (i) to comply with applicable Law or regulations; or (ii) to remedy any notice of violation; (iii) to remedy any work order by an insurer, or (iv) any matter affecting the health and/or safety of the occupants of the Property. Sponsor may exercise veto power over expenses other than those described in the foregoing sentence for a period ending not more than five (5) years after the First Closing or whenever the Unsold Units constitute less than twenty-five percent (25%) of the Common Interest, whichever is sooner.

Sponsor shall have the right to delay the commencement of collection of Common Charges for an indeterminate period (the "Waiver Period"). During any such delay, Sponsor shall timely pay all expenses of the Condominium, including, but not limited to, insurance premiums and any Reserve Fund payments (the "Waiver Period Operating Expenses"). Such expenses shall not include individual Unit Owner expenses such as real estate taxes, utility charges, etc. During such delay in the collection of Common Charges, Sponsor shall remain obligated to update the Condominium Budget, and, if Sponsor controls the Board, to provide certified financial statements for the Condominium, as required by the regulations promulgated by the Department of Law. Sponsor shall provide written notice of the expiration of the Waiver Period to all Unit Owners and Purchasers in contract at least 30 days prior to the commencement of the collection of Common Charges. Thereafter, Sponsor shall disclose the expiration of the delay period in the next substantive amendment to the Plan. Upon commencement of the collection of Common Charges, Unit Owners will not be assessed for any items in the certified Budget for the Condominium. If Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose the anticipated period of delay in the collection of Common Charges in the initial post-closing amendment to the Plan.

All Waiver Period Operating Expenses paid by Sponsor during the Waiver Period are based on the actual cost of operating the Building and not on estimates in the budget set forth in Schedule B of Part I of the Plan. Purchasers should note that the "Budget for First Year of Condominium Operation, Schedule B" will not be in effect until the expiration of the Waiver Period. In all instances the Unit Owners will remain responsible for the payment of their allocable share of real estate taxes.

To the extent there are members of the Board appointed by Sponsor, such Board members may be required to refrain from voting on any issue before the Board which involves the decision to sue Sponsor, pursuant to *Park River Owners Corp. v. Bangser Klein Rocca & Blum*, 269 A.D.2d

313, 703 N.Y.D2d 465 (1st Dept. 2000); McKinney's Consolidated Laws of New York, N.Y. General Business Law, Volume 19, pocket part, page 193; and N.Y. Business Corporation Law § 713(a)(1).

T. CONDOMINIUM BOARD

The affairs of the Building shall be governed by the Condominium Board, which during the Initial Control Period, shall consist of three (3) persons designated by Sponsor. During the Initial Control Period, Sponsor reserves the right to designate fewer than three (3) persons to the Board. Sponsor anticipates the initial members of the Board will be Steve Krasman (Secretary & Treasurer), Brian Vetter (President) and Jay Stark (Vice President), each of whom is affiliated with Sponsor.

Within thirty (30) days after the end of the Initial Control Period, the Board will call for the First Annual Meeting of Unit Owners, such meeting to be held not less than ten (10) days nor more than forty (40) days after such date. At the First Annual Meeting, the incumbent Board members shall resign and the Unit Owners shall elect a new Board consisting of three (3) members elected by the Unit Owners. (See the Section entitled "Control by Sponsor" above.) Thereafter, at each annual meeting, members of the Board shall be elected and shall serve until the next annual meeting thereof and until a successor has been elected and qualified.

Special meetings of the Unit Owners can be called by the President of the Board, by a majority of the Board, or by a petition signed by twenty-five percent (25%) in Common Interests of Unit Owners.

Except for Board members designated by Sponsor or its designee, all members of the Board must be either Unit Owners or certain interested parties (e.g. directors, shareholders of Unit Owners) as described in the By-Laws. No member of the Board shall continue to serve on the Board if, during his or her term of office, said member shall cease to be a Unit Owner or an interested party. All Board members shall serve without compensation. The By-Laws do not include a provision that after the expiration of the Initial Control Period a majority of the members of the Condominium Board must be Unit Owner-occupants or members of a Unit Owner-occupant's household who are unrelated to Sponsor and its principals. Owner-occupants and non-Resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment.

The Board shall collectively have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium.

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

Annual meetings of Unit Owners shall be held within approximately thirty (30) days of each anniversary of the First Annual Meeting. At such meetings, the Unit Owners shall elect the three (3) members of the Condominium Board, subject to any rights of Sponsor to designate or elect Board members, and there shall also be transacted such other business as may properly come before such meetings. In addition, special meetings may be held from time to time pursuant to the By-Laws. The Secretary of the Board shall mail a notice of each annual or special meeting of the Building to all Unit Owners of record. The notice, which will generally be given at least ten (10)

days but not more than forty (40) days prior to any such meeting, shall state the purpose of the meeting as well as the time and place where it is to be held. Except as otherwise provided in the By-Laws or Declaration, at all meetings of Unit Owners, the presence in person or by proxy of Unit Owners owning more than fifty (50%) percent of the Common Interests attributable to all Units shall constitute a quorum and a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Unit Owners.

At all meetings, each Unit Owner (or his proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Units) shall be entitled to cast a vote equal to its percentage interest in the Common Elements.

The initial members of the Board will be affiliated with the Sponsor or its principals and described in the Post Closing Amendment to the Plan. The Board may appoint additional officers. Except as otherwise provided by the Board, no officer shall receive any compensation for acting as such. The By-Laws provide that all instruments of the Board are to be executed by any officer thereof or by such other person or persons as may be designated by the Board. However, any significant expenditure by the Board must be countersigned by two members of the Board.

The term of office of the members of the Board shall be for one (1) year or until their successors are elected. Members of the Board shall serve without compensation. Any member of any Board may resign at any time by written notice hand delivered or sent by certified mail, return receipt requested, to the President or Secretary of the Board. Notwithstanding the term of such member's office, such resignation shall take effect at the time specified therein.

A member of the Board designated or elected by the Unit Owners may be removed with or without cause by an affirmative vote of a majority of Unit Owners (as defined in the By-Laws) who are present at a meeting containing a quorum of Unit Owners; provided, however, that Board members designated by Sponsor may only be removed with cause and replaced by another Sponsor designee. No member of the Board shall continue to serve on the Board if, during his term of office, said member shall cease to be a Unit Owner or an interested party; provided, however, that this provision respecting Unit ownership and Board membership shall not apply to members of the Board designated by Sponsor or its designee.

Upon the affirmative vote of a majority of the members of a Board, any officer may be removed with or without cause. A successor officer may be elected at any regular Board meeting or at any special Board meeting called for such purpose.

All officers, Board members and employees of the Condominium will be bonded at all times from and after the First Closing under fidelity bonds in favor of the Condominium. The amount and cost of the bonds has been provided for in the "Budget for First Year of Condominium Operation, Schedule B." The By-Laws provide to the extent permitted by applicable Law, no member of the Board shall have any personal liability with respect to any contract, act or omission of the Board or of any managing agent or manager in connection with the affairs or operation of the Condominium, or the Limited Common Element (except in their capacities as Unit Owners). Board members shall have no liability to Unit Owners except that a Board member shall be liable for his or her own bad faith or willful misconduct. All Unit Owners shall severally, to the extent

of their respective interests in their Units and their appurtenant Common Interests, indemnify each Board member and each Board member, as the case may be, against any liability or claim except those arising out of such member's own bad faith or willful misconduct.

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

Notwithstanding any provision contained in the By-Laws to the contrary, no amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations shall be effective in any way (a) without the prior written consent of the affected Unit Owner(s), with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of any s or affecting the rights, privileges, easements, licenses or exemptions granted to any Unit Owners, (b) without the prior written consent of Sponsor or its designee or the owner of any Unsold Units with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Sponsor or its designee or the owner of any Unsold Unit, or otherwise adversely affecting Sponsor or its designee or the owner of any Unsold Unit or (c) without the prior written consent of the holder of any present or future mortgage, pledge, or other lien or security interest covering any Unsold Unit with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration, or the Rules and Regulations modifying the permitted uses of such Unsold Unit or affecting the rights, privileges, easements, licenses or exemptions granted to the owner of such Unsold Unit.

U. RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE CONDOMINIUM BOARD

1. **Sales and Leases of Units**.

Each Unit Owner may sell or lease his or her Unit provided such Unit Owner (the "Transferor") first gives the Board, on behalf of all Unit Owners, notice of his or her intention to sell or lease such Unit accompanied by a fully executed copy of the contract of sale, lease or other transfer or occupancy agreement together with a completed copy of the Condominium's standard form of Purchase Application or Lease Application, as the case may be (the "Offering Notice") and an opportunity to purchase or lease such 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 Article 8 of the By-Laws. If the Board does not elect to purchase or lease the Unit within twenty (20) days after receipt of the Offering Notice, the Transferor will have the right to sell or lease the Unit pursuant to the terms contained in the Offering Notice within sixty (60) days thereafter. In the event such sale or lease is not consummated within said sixty (60) day period, the Transferor will be required to again first offer the same to the Board, provided that the Board shall be entitled to waive, or to permit an extension of such sixty (60) day period. If the Board elects to purchase or lease the Unit, then (a) with respect to a purchase, title shall close at the office of the attorneys for the Board, in accordance with the terms of the Outside Offer, within forty-five (45) days after the giving of notice by the Board of its election to accept such offer and (b) with respect to a lease, the lease, upon the terms set forth in the Outside Offer, shall be executed and deemed effective on the date the Board elects to accept such offer. The Board may not exercise its option to purchase or lease any Unit without prior approval of a majority in interest of Unit Owners present in person or by proxy and voting at a meeting at which a quorum is present unless the Board is assigning its option to a third party so the Condominium's funds will not be utilized, in which event the vote is not required. The Transferor shall have the right to vote in any vote conducted by the Board for the purpose of determining whether the Board shall exercise its right of first refusal to purchase or lease the Transferor's Unit. Notwithstanding the foregoing, the Board has the right, to the extent permitted by Law, to reject sales and leases to purchasers and tenants who themselves (or Residents of their Units) have diplomatic immunity or have been convicted of violent crimes or child molestation without being required to exercise the right of first refusal. All leases must comply with Real Property Law Section 231-C.

In connection with the foregoing, the Board may not discriminate against any person on the basis of race, creed, color, national origin, gender, age, disability, marital status, sexual orientation, height, weight or other grounds prohibited by Law.

Any such deed given by a Transferor shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and Regulations, 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 Board, that the tenant shall not assign the lease or sublet the demised premises or any part thereof without the prior consent in writing of the Board, and that the Board, if permitted by applicable 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. No lease of a Residential Unit shall have a term of less than one (1) year.

Any purported sale or lease of a Unit in violation of this section shall be voidable at the election of the Board.

The purchase of any Unit by the Board or its designee, on behalf of all Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Board. If the funds in such accounts are insufficient to effectuate any such purchase, the Board may levy an assessment against each Unit Owner in proportion to his respective Common Interest, as a Common Charge, and/or such Board may, in its discretion, finance the acquisition of such Unit; provided, however, 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 appurtenant Common Interest. The lease or sublease covering any Unit leased or subleased by the Board or its designee shall be held by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interest in the Common Elements.

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

The restrictions upon the sale and lease of Units shall not apply to Sponsor, the Sponsor's mortgagee or their designees with respect to any Unsold Units, to the Board, or to Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure, and they shall be free to sell or lease without first offering to sell or lease to the Board.

A Unit Owner may only sell or lease such Unit Owner's entire Unit. In addition, each conveyance of a Unit by a Unit Owner shall include, as part of the property to be conveyed, such Unit Owner's undivided interest in (a) the Common Elements and the Limited Common Elements, (b) any Unit(s) acquired by the Board on behalf of all Unit Owners, or any proceeds of the sale or lease thereof and (c) any other assets of the Building and the Condominium.

No part of the Unit Owner's interest in the Common Elements may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit or as part of a sale, transfer or other disposition of the specific interest in the Common Elements by all affected Unit Owners.

A Unit may not be conveyed unless all unpaid Common Charges and liens against such Unit (other than Permitted Mortgages) are paid and/or satisfied at or prior to closing. In addition, the Board may establish reasonable fees for the processing of sale and lease notices, which shall be payable

by the selling or leasing Unit Owner, as the case may be, to the Managing Agent. The foregoing fees shall not apply to the sale or lease of a Unit to or from Declarant or its designee or the sale or lease of Unsold Units.

In order to facilitate the Sponsor's sale of the Residential Units, prior to (a) one (1) year after a Purchaser's closing on its Residential Unit, a Purchaser will not be permitted to sell or lease his or her Residential Unit(s) without obtaining the Sponsor's written approval, and (b) a Purchaser's closing of a Residential Unit, the Purchaser may not (i) list the Residential Unit for resale or lease with any broker or otherwise, or (ii) advertise, promote or publicize the availability of his or her Residential Unit for sale or lease. In the event that Purchaser violates the foregoing prohibition then any sums received by Purchaser in excess of the Purchase Price paid by Purchaser shall be paid to the Sponsor as liquidated damages. In addition, any such sale or lease, listing of the Residential Unit or form of advertising, promotion or publicizing of the Residential Unit by Purchaser or its agents or representatives shall constitute a default under the Agreement, entitling Sponsor to the remedies set forth therein and any lease or conveyance in violation of the foregoing will be voidable by Sponsor.

2. **Use of Units**.

A Residential Unit may be used as a residence or for any lawful purpose, provided such use does not violate the then existing certificate of occupancy or the deed restrictions covering such Residential Unit and complies with all applicable governmental regulations.

Each Unit Owner shall notify the Managing Agent in writing when a child or children ten (10) years of age or less lives or resides (even temporarily) in the Residential Unit. The Unit Owner, or the Board at such Unit Owner's expense, shall install the required window guards in all windows of the Residential Unit. The Unit Owner shall maintain all window stops installed in the windows of each Residential Unit and shall not remove same until permitted by applicable Law and in any event, without full knowledge of the Managing Agent. The portion of all curtains, drapes, blinds or other window treatments visible from the exterior of the Building must be white to give the Building a uniform exterior appearance.

Unless and until changed by an amendment of the By-Laws, the Building will be smoke free. Unit Owners and their guests shall not permit cigarette, cigar, pipe or cannabis/marijuana smoking in the Building, nor the use of vapes or JUULs. The Board shall have the right to obtain a court order enjoining the occupant of a Residential Unit from smoking in the Units or the Common Elements and the Board shall have the right to seek the eviction of a tenant who smokes in a Unit or the Common Elements. In addition to all other remedies available to the Board, violation of this policy shall subject the Unit Owner to (i) a fine in an amount to be determined from time to time by the Board and (ii) reimbursement of any fees or expenses incurred by the Condominium, including legal fees, in enforcing this provision.

Sponsor or its designee may, without the permission of any Board (a) use or grant permission for the use of any Unsold Residential Unit as a professional office or for any other purpose, provided such use is permitted by Law, does not violate the then existing certificate of occupancy covering such Residential Unit and the user of such Residential Unit complies with all applicable

governmental regulations and (b) retain ownership of one or more Residential Units for use as models and sales, rental and/or promotion offices in connection with the sale or rental of other Units in the Condominium.

The current zoning Law permits a person who resides in a Residential Unit to use up to 25% of the floor area of his Residential Unit (but in no event to exceed 500 square feet) for certain home occupations including a fine arts studio, professional offices (e.g., lawyer, doctor or dentist) and teaching of not more than four persons. No transient tenant may be accommodated in a Residential Unit, except in Unsold Residential Units, as permitted by Law.

No nuisance, immoral, improper, offensive or unlawful use shall be allowed in the Building or any portion thereof. All valid Law, zoning ordinances and regulations of governmental bodies having jurisdiction thereof relating to any portion of the Property shall be complied with at the sole expense of the respective Unit Owners or the Board, whoever or whichever shall have the obligation to maintain or repair such portion of the Property.

No "For Sale", "For Rent", "For Lease" sign, or any other sign evidencing a similar purpose, or other window display or advertising shall be maintained or permitted in any Residential Unit, except that these sign restrictions shall not apply with respect to Unsold Residential Units.

No awnings, air conditioning equipment or ventilators shall be installed or modified in the Building without prior written approval of the Board. No radio or television aerial, satellites or other similar device shall be erected by Unit Owners on the roof or exterior walls, windows or Terraces of the Building or on the Property without obtaining in each instance the written consent of the Board.

No more than (2) pets shall be permitted, kept or harbored in a Residential Unit without the same in each instance having been expressly permitted in writing by the Condominium Board or the Managing Agent of the Condominium and such consent, if given, shall be revocable by the Condominium Board or such Managing Agent in their sole discretion, at any time. Dogs may not be walked on the Property and all Unit Owners must clean-up after their pets. In no event shall any bird, reptile, or animal be permitted in any public elevator in the Condominium, other than the elevators designated by the Condominium Board or the Managing Agent of the Condominium for that purpose, or in any of the public portions of the Condominium, unless carried or on a leash. No pigeons or other birds or animals shall be fed from the window sills or other public portions of the Condominium or on the sidewalk or street adjacent to the Building. Each Unit Owner who keeps any type of pet in his Residential Unit shall be required to indemnify and hold harmless the Condominium, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet.

Each Unit Owner shall keep his or her Residential 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 his or her own Residential Unit in accordance with the provisions of the By-Laws and the rules and regulations of municipal departments or agencies having jurisdiction thereof. The Rules and Regulations concerning the use of Residential Units may be amended from time to time by the Board provided that copies thereof are furnished to each Unit Owner prior to the time that they

become effective. Further restrictions on the use and leasing of Residential Units are set forth in the By-Laws and Rules and Regulations.

Subject to the certificate of occupancy for the Building, Legal Requirements and the By-Laws, the Storage Units may only be used for storage purposes by a Unit Owner or tenant of a Residential Unit. In no event may the Storage Units be used as dwelling spaces. No materials which pose a health or safety threat or which otherwise create a nuisance may be stored therein, and Storage Units may not be used to store toxic, inflammable or combustible items as defined in the Building Code of the City of New York. Failure of a Unit Owner to comply with the use limitations set forth in the immediately preceding sentence may result in issuance by DOB of a violation against the Building along with imposition of an associated fine. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use any unsold Storage Units for any purpose permitted by Legal Requirements (as hereinafter defined) or to change the permitted use of any unsold Storage Units, subject, however, to Article 8 of the Declaration.

Upon the conveyance of a Storage Unit to a Unit Owner, such Unit Owner may freely convey the Storage Unit without the consent of the Board; provided such grantee is also a Unit Owner; and provided further that the Board is provided written notice of such conveyance. Neither Sponsor nor the Board shall have any liability or obligation with respect to a private conveyance of a Storage Unit. If at any time a Unit Owner sells its Residential Unit, it shall simultaneously convey the Storage Unit to another Unit Owner (or the purchaser of such Residential Unit). The Unsold Units may be leased by Sponsor, its designee or by an owner of Unsold Units for any period of time, for any use and on any terms which are consistent with the then existing certificate of occupancy for the Building.

If a Unit Owner owning a Storage Unit defaults in its obligations under the By-Laws, the Board may, in addition to the rights and remedies set forth in the Condominium Documents, deny access to and use of the Storage Unit until such Unit Owner cures such default.

3. **Mortgage of Residential Units by Unit Owners**.

Each Unit Owner may mortgage his or her Residential Unit, provided that the conditions with respect thereto set forth in the By-Laws are first complied with by him or her. As more fully set forth in the By-Laws, these conditions include the requirements that (a) the mortgage be substantially in the form of the New York Board of Title Underwriters form of mortgage or other standard forms of mortgage, except for such changes or additions as may be required to permit a lender to make the loan (provided that this shall not apply to the mortgages of Sponsor, its designees or affiliates), (b) the 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 his or her Residential Unit, other than Permitted Mortgages. The Sponsor shall have the right to mortgage any Unsold Unit without any restriction or limitation.

As more particularly set forth in the By-Laws, in certain instances the consent of the Mortgage Representative is necessary in order to amend the Declaration, By-Laws or Rules and Regulations. The By-Laws provide that no more than three 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 its designee and any mortgagee of Sponsor, its designee or affiliates, (ii) a bank, trust company, insurance company, real estate investment, mortgage trust, investment bank, trustee of a securitization or any other mortgagee, generally in the business of making real estate condominium loans, or (iii) a governmental or union employee, welfare, pension or retirement fund or system.

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

Common Expenses, which are payable only by Unit Owners and are included in their Common Charges, are allocated among Unit Owners in proportion to their respective Common Interests. Common Expenses shall include, without limitation, such amounts as the Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Common Elements or the Limited Common Elements. In addition, the Common Charges include the Unit Owner's allocable portion of the Common Expenses. The respective Common Interests of each Unit, as estimated by Sponsor, are 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. Common Expenses include, among other things, 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. Common Expenses may include amounts for certain other items as the Board may deem proper, such as amounts for reserves or in connection with the purchase or lease by the Board of any Unit.

Common Expenses which include, among other things, the 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 and certain other expenses common to all Unit Owners, such as premiums for insurance covering the Building, managing agent fees and legal and accounting fees will be determined by the Board. Common Expenses shall also include such amounts as the Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Common Elements.

In the event that the annual receipts levied against Unit Owners during the first year of Condominium operation commencing on the date of First Closing exceed the actual expenses less income from sources other than Unit Owners for that period accounted for on an accrual basis by an amount in excess of $100,000, the receipts from Unit Owners over and above such amount may be rebated to the Unit Owners by the Board in proportion to each Unit's percentage of Common Interest. Rebates, if any, attributable to Units purchased from Sponsor during the first year of Condominium operation will be distributed by the Board to Sponsor and the Unit Owner(s) in proportion to the amount of time Sponsor and each Unit Owner owned such Unit. Sponsor makes no representations that there will be any excess receipts for rebate to Unit Owners or, if rebates are made, what the tax consequences of such rebates would be to Unit Owners. See the Section entitled "Tax Opinion of Holland & Knight" in Part I of the Plan for further discussion regarding the income tax consequences of the ownership of Residential Units by individual Unit Owners.

At least annually the Board will prepare a budget for Common Expenses and allocate, as aforesaid, and assess Common Charges to meet such expenses.

The 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 Board to which they are payable, Common Charges and Common Charges will be payable monthly in advance on the first day of each month.

Notwithstanding anything to the contrary contained in the By-Laws, so long as Sponsor or its designee shall continue to own at least one Unsold Residential Unit but in no event later than five years from the First Closing, neither the Board nor the Board may, without Sponsor's prior written approval assess any Common Charges or Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund.

5. **Common Charges: Collection and Lien for Non-Payment**.

Pursuant to Section 339-z of the Real Property Law and under the provisions of the By-Laws, the Board, on behalf of all Unit Owners, will have a lien on each Unit for unpaid Common Charges together with interest thereon, assessed against such Unit. All such liens, however, to the extent permitted by applicable Law, will be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the particular Unit. Any lien for unpaid Common Charges, against a Unit will be effective from and after filing of a verified notice thereof in the City Register's Office until all sums secured thereby with interest accrued thereon shall have been fully paid, or until six years from the date of filing (unless foreclosure of such lien is started within such six (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 (acting on behalf of all Unit Owners or all Unit Owners, as the case may be) in like manner as the foreclosure of a mortgage on real property or an action may be brought by the Board to recover unpaid Common Charges without foreclosing such lien.

The Board may make any lien against a Unit Owner effective pursuant to Real Property Law §339-aa. The Sponsor will cause the Board to file a lien as provided in RPL §339-aa on a Unit owned by Sponsor if the Sponsor is more than thirty (30) days in arrears in paying Common Charges while Sponsor controls the Board.

No Unit Owner may exempt himself or herself from liability for his or her Common Charges by waiving use of any of the Common Elements or by abandonment of his or her Unit. No Unit Owner, however, will be liable for the payment of any part of the Common Charges assessed against his or her Unit subsequent to a permissible sale, transfer or other conveyance by him or her of such Unit. In addition, as more specifically set forth in the By-Laws, a Unit Owner may, by conveying his or her Unit without consideration to the Board and complying with certain conditions in connection therewith, exempt himself or herself from Common Charges and Common Charges thereafter accruing.

On a resale of a Unit, the seller thereof will be liable for the payment of Common Charges accrued and unpaid against such Unit prior to his or her acquisition. Prior to the permissible sale, transfer

or other conveyance of a Unit, any seller or purchaser of a Unit shall be entitled to a statement (an "Estoppel Letter") from the Board, setting forth the amount of the unpaid Common Charges accrued against the Unit and neither such seller nor 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 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 (as defined in the Declaration) 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 Board will have the right to assess such unpaid balance as a Common Charge among all Unit Owners.

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

Generally, all painting, decorating, and routine maintenance, repairs and replacements, (a) in or to any Unit (other than to the Common Elements or Limited Common Elements included therein), including the individual heating and cooling systems and the interior side of entrance doors thereto, will be made by the owner of such Unit at such Unit Owner's sole cost and expense, (b) in or to the Common Elements will be made by the Board and the cost and expense thereof will be charged to all Unit Owners as a Common Expense. Notwithstanding the foregoing, any repairs by Unit Owners to the incremental heating and air conditioning units within each Residential Unit shall only be made by contractors or servicemen who have been previously approved by the Board.

The Condominium Board may establish such other rules and regulations it deems necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health and safety of the occupants. Any replacement of glass windows in any Residential Unit because of breakage or otherwise shall be made by the Board at the sole cost and expense of the owner of such Residential Unit (unless such breakage is caused by the Board or the negligence of any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Board or such negligent Unit Owner, as the case may be). The By-Laws provide that each Unit and all portions of the Common Elements shall be kept in first-class condition (and with respect to any roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or appropriate Board, whichever is responsible for the maintenance thereof. In the event any Unit Owner fails to keep his or her Unit in such condition, the appropriate Board may, at the expense of such Unit Owner, enter such Unit and perform such acts as are necessary to cure such default.

The Residential Units will have large glass windows, which should be covered during the portions of the day when the sun is strongest in order to maintain the temperature of the Residential Units' rooms at comfortable levels and to conserve energy. The interior and exterior glass surfaces of all windows located in any Residential Unit shall not be colored or painted. The interior glass surfaces of all windows located in any Residential Unit and the exterior glass surfaces of windows, which

can be washed from Terraces, shall be washed and cleaned at the sole discretion of the Unit Owner or occupant thereof as such Unit Owner's sole cost and expense. The exterior of windows shall be washed by the Condominium at the discretion of the Condominium Board and the cost thereof shall be charged to the Unit Owners as a Common Expense.

Upon the closing of title to each Residential Unit, the Unit Owner will receive a welcome package, the contents of which shall include any assignable warranties, as well as care and use instructions, for the Unit's finishes and appliances. Unit Owners shall be obligated to keep their Units in first-class condition, which shall include, but shall not be limited to, abiding by the guidelines included in the welcome package received at Closing.

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

In addition, the Rules and Regulations require that at least eighty percent (80%) of the floor area of Residential Units (except for kitchens, bathrooms, closets and foyers) be covered with rugs, carpeting or equally effective noise-reducing material.

7. **Alterations and Improvements of Units and Common Elements**.

No Unit Owner may make any structural alteration, addition, improvement or repair in or to his or her Unit without the prior written approval of the Board but, as more fully set forth in the By-Laws, this provision does not apply to an Unsold Unit. Except as otherwise permitted in the By-Laws, no Unit Owner may make any alteration, addition, improvement or repair in or to the Common Elements without the prior written approval of the Board. The Board may impose fees upon such Unit Owner to reimburse the Condominium for costs incurred in connection with the review or supervision of such Unit Owner's work.

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 Unit, the Board shall have the right to reasonably approve the Unit Owner's contractors and suppliers and may, at its option, require the Unit Owner to execute an agreement in form and substance satisfactory to the Board setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done.

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 or improvement to be made in a Unit, unless approved and executed, if necessary, by the Board. The Board will not 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 Board and the 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, materialman, 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 Unit, provided any alteration to such Unsold Unit shall be in accordance with, and only as permitted by, the Condominium Act and all governmental regulations. Under the terms of the By-Laws, Sponsor is authorized on behalf of the Board to execute such applications, permits or other documents as may be required to undertake, perform and complete such work to the Unsold Units, as Sponsor is entitled to perform in accordance with the terms of the Declaration and the By-Laws and to obtain such certificates of completion as may then be required by Law (collectively the "Required Documentation") and, the Board, if requested by Sponsor is obligated to execute the Required Documentation. In addition, the Unit Power of Attorney to be executed by each Unit Owner upon acquisition of a Residential Unit further grants to Sponsor a power of attorney to execute the Required Documentation.

The Sponsor as well as the Board may refuse to permit a Unit Owner to perform alterations in a Unit until such time as the Building has been completed and a FCO has been obtained therefor. Further, in the event that any alterations, additions, improvements or repairs made by any Unit Owner materially delay, prevent or adversely affect, or create a significant risk of materially delaying, preventing or adversely affecting, whether directly or indirectly, the issuance of a TCO or FCO for such Unit, other Units or the Building, then upon the written request of Sponsor, or the Board, the Unit Owner shall restore the Unit or complete the work, at such Unit Owner's sole cost and expense, to its original condition. If such Unit Owner fails to commence diligently and continuously restoring the Unit within fifteen (15) days of receipt of the written request, then the party requesting such restoration shall be entitled to enter and restore the Unit at the expense of the Unit Owner and to exercise any remedies provided in the By-Laws.

Notwithstanding anything contained in the By-Laws to the contrary, each Unit Owner will have the right, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, wall to wall carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity and mechanical and electrical systems of such Unit or of the Building.

Generally all alterations or improvements in or to the Common Elements will be made by the Board and the cost and expense thereof will be charged to the Unit Owners as a Common Expense.

To promote a consistent aesthetic appearance of the Building, each Unit Owner will be required to install window treatments having a white colored backing on the sides facing the windows in his or her Residential Unit, which window treatments and backings must conform to any specifications (including a new color) established from time to time by the Board.

8. **Rights of Access**.

As more fully set forth in the By-Laws, the Board and any managing agents, managers, superintendent and other persons authorized by the Board, will have a right of access to any Unit for the purposes of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in the Unit or elsewhere in the Building, to remove violations, cure defaults by a Unit Owner, correct any condition originating in any Unit and threatening another Unit or any Common Element, and for any other purposes provided in the Plan, Declaration or as may be required by Law or governmental regulation, 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 tenants of any Residential Unit. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. Provided reasonable care is exercised to safeguard the Unit Owner's property, any entry described herein shall not render the Board or its authorized agents liable for damage incurred in connection with the exercise of such right of entry. Sponsor shall have a right of access to any Residential Unit for the purpose of performing work listed on the executed inspection statement or for the purpose of performing or completing construction in the Building.

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

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

10. **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, but the Unit Owners (individually or collectively) shall not review the books and records more frequently than once each calendar quarter. The Condominium and Managing Agent shall not release the any email address, mailing address or telephone number of a Unit Owner if such Unit Owner has requested in writing that such information not be made public.

11. **Repair or Reconstruction after Fire or Other Casualty**.

In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty, the Board with respect to any damage to or destruction of the Building, and the Board with respect to any damage to or destruction of the Common Elements, will, except as set forth below, arrange for the prompt repair and restoration thereof (including each Unit, but excluding fixtures, furniture, furnishings, wall and floor coverings, other personal property, and other decorations not constituting a part of such Units).

If the Building is damaged or destroyed by fire or other casualty and the insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the

case may be, will be shared entirely by all Unit Owners in proportion to their respective Common Interests. If said damage or destruction, however, affects only the Common Elements, then any deficit or surplus in insurance proceeds shall be borne or shared by all Unit Owners in proportion to their respective Common Interests. Notwithstanding anything in this paragraph to the contrary, no payment of surplus insurance proceeds shall be made to a Unit Owner until there has first been paid out of his or her share of such funds such amounts as may be necessary to reduce unpaid liens on his or her 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 three-fourths or more of the Building is destroyed or substantially damaged and if seventy-five percent (75%) or more in Common Interest of all Unit Owners do not promptly resolve to proceed with the repair or restoration thereof, the Building will not be repaired and the Property shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in in proportion to the relative fair market value of the Units based on an appraisal of the Building and all of the Units; provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of his or her share of such net proceeds all liens on his Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

Notwithstanding anything contained herein to the contrary, the proceeds of all policies of physical damage insurance maintained by the Board shall be payable to the Board entitled to adjust such loss 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 the Construction Lender, or its successors or assignees while it holds a mortgage on the Property or any Unit and, thereafter, to a New York City bank or trust company pursuant to the provisions of the By-Laws. The insurance trustee shall hold all such proceeds in accordance with RPL Section 254-(4).

12. **Insurance**.

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

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 Board meeting following the First Annual Meeting of the Unit Owners shall be in at least the sum set forth in Schedule B in Part I of the Plan.

All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured or (iv) pro rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees.

The Board shall also be required to obtain and maintain, to the extent obtainable, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as the Board may from time to time determine, covering (1) the Board, the Managing Agent or agents thereof, each 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 his or her own Unit or within the Limited Common Elements, if any, exclusive to his or her Unit. The Board shall review such limits not less than once each year. Until the first meeting of the Board following the First Annual Meeting of Unit Owners, such liability insurance shall be in at least the sum set forth in Schedule B in Part I of the Plan 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 Board may provide for such deductible amounts as such Board determines. The premiums for all insurance referred to above shall be a Common Expense and shall be borne by the Unit Owners in such proportions between them, with due consideration to their respective risks, liabilities and replacement values, as are equitable (as determined by the respective insurance carriers thereof or their agents, brokers or such other parties designated by the Board).

The Board is not required to obtain or maintain any insurance with respect to any personal property contained in a Unit. A Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with minimum coverage as established by the Board from time to time and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the apartment or any part thereof (including, but not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage). The limits of liability set forth in (a) and (b) above may be increased by the Board from time to time. The insurance required above shall be written

in form reasonably satisfactory to the Board by good and solvent insurance companies of recognized standing, admitted to do business in the State of New York. Upon ten (10) days' written notice from the Board or the Managing Agent, the Unit Owner shall deliver to the Board a duplicate original of the aforesaid policies, certificates evidencing such insurance or such other confirmation satisfactory to the Board. The Board and the Managing Agent shall not be responsible for ensuring that Unit Owners as insured and shall have no liability for the failure of a Unit Owner to have insurance. To the extent either party is insured for loss or damage to property, each party will look to their own insurance policies for recovery.

All Unit Owners are required to obtain casualty and liability insurance for their own benefit covering their Units and Limited Common Elements appurtenant thereto. All such policies shall contain waivers of subrogation, if available, and the liability of the carriers issuing insurance obtained by the Condominium Board shall not be affected or diminished by reason of such additional insurance carried by any Unit Owner.

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

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

14. **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 Board to all Unit Owners within four (4) months after the end of each fiscal year.

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 provided in the By-Laws) until such time as the Property shall be withdrawn from the provisions of the Condominium Act as a result of the vote to do so of at least eighty (80%) percent in number and in Common Interest

of all Unit Owners. Such vote shall not be effective, however, unless written consents are obtained from (a) the Mortgage Representatives, if any, and (b) Sponsor, until such time as Sponsor and its designees have conveyed title to all Residential Units, provided that in no event shall Sponsor's consent be required more than five (5) years after the First Closing. 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 the relative fair market value of the Units based on an appraisal of the Building and all of the Units; provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of his or her share of such net proceeds all liens on his Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

16. **Units Acquired by Board**.

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

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

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

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

18. **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 individual Units and their respective Common Interests. Labor performed on, or materials supplied to, a Unit may not be the basis for a mechanic's lien against the Unit of a Unit Owner not expressly consenting to or requesting such

work, except in the case of emergency repairs. No labor performed on, or materials furnished to, the Common Elements shall be the basis for a lien thereon but (a) all Common Charges received by the Board shall constitute trust funds for the purpose of paying the cost of labor performed or materials furnished at the request or with the consent of the Board or the Managing Agent for the Common Elements and the Limited Common Elements.

19. **Alternative Dispute Resolution**.

In order to control the cost of litigation, which is frequently time consuming and expensive, has an uncertain outcome and to protect the value of the Units, the following rules shall be followed (the "ADR Requirements") by the Condominium Board relating to litigation and arbitration:

A. Except in an Emergency, as defined below, the Condominium Board shall not bring any litigation or arbitration (a "Proceeding") except to enforce the specific provisions of the Declaration and By-Laws, without complying with the following ADR Requirements.

B. Prior to bringing any Proceeding other than to collect unpaid common charges or assessments or to abate an Emergency, the Condominium Board shall obtain the written consent of at least three quarters of the Residential Unit Owners and three-quarters of the Common Interests (the "Consent"). At least ten (10) days prior to seeking the Consent from the Unit Owners, the Unit Owners shall receive (a) a written description of the Claim that the Board intends to pursue, the relief sought, the anticipated duration of prosecuting the Claim, and the likelihood of success; (b) a copy of the engagement letter or retainer agreement between the Board and the attorney selected by the Board to assert or provide assistance with the Claim, which shall include a provision preventing the attorney from issuing any press releases, giving interviews with, or otherwise communicating with, the media or creating a situation in which the Proceeding becomes public knowledge (including sending a copy of the complaint to the media) understanding that a Proceeding could have an adverse impact on the Condominium and the Units, without receiving the prior written permission of the Board; (c) a budget for the cost of bringing the Claim, whether incurred by the Board directly or for which the Board or the Unit Owners may be liable as a result of prosecuting the Claim; (d) a summary of the steps previously taken by the Board to resolve the Claim without litigation; (e) a statement that initiating the Proceeding may affect the market value, marketability, or refinancing of the Units while the Claim is pending; (f) a description of the manner in which the Board proposes to fund the cost of prosecuting the Claim; and, (g) a letter from the attorney retained by the Board with an analysis of the Claim and the likelihood of success (the "Dispute Disclosure"), which letter shall not be shared with the potential defendant.

C. After complying with paragraph "B" herein and prior to commencing a Proceeding, the parties shall mediate their dispute before an independent mediator. A Proceeding shall only be brought if the other party refuses to mediate or violates an agreement reached in the mediation.

D. Amending or rescinding the ADR Requirement shall require the affirmative written approval of all the Unit Owners.

E. As used herein, an "Emergency" is an event that would, in the written opinion of a licensed architect or engineer cause an immediately dangerous situation that requires an Order to Show

Cause to avoid injury to residents or the public or significant damage to the Building or the property of the residents (a "Dangerous Situation"). The Emergency shall be limited to abating the Dangerous Situation. As soon as the Dangerous Situation is abated, the process for obtaining Unit Owner approval described above must be followed.

20. **Easements and Name of Condominium**.

In order to facilitate the operation and maintenance of the Building and the sale or leasing of Units therein, each of the Units will be subject to certain easements including easements in favor of Sponsor, other Unit Owners and the Board and the adjacent property owners. These easements, which are more particularly set forth in the Declaration, include an easement of support and necessity in favor of all other Units and the Common Elements, and an easement in favor of each Unit Owner to use, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements. In addition, Sponsor and its designees shall have an easement to erect, maintain, repair and replace any sign permitted by Law on the Property for the purposes of advertising the sale of any Residential Unit, the leasing of space in any Residential Unit and the operation of any business of a tenant or occupant of any Residential Unit.

As set forth in the Declaration, the Condominium and the Building shall be designated and known as "118 West 13th Street Condominium". Any and all rights and interests appurtenant to such name, if same exist, are owned and controlled by Sponsor. Similarly, any and all obligations and liabilities appurtenant to such name shall be the sole responsibility and obligation of Sponsor. For so long as Sponsor owns any Residential Units in the Building only Sponsor shall have the right to change the name of the Condominium and/or the Building, and such right may be exercised by Sponsor at any time without the vote or consent of any Board or Unit Owner.

21. **The Declaration and By-Laws**.

A copy of the Declaration and a copy of the By-Laws are set forth in Part II of the Plan. A prospective purchaser should read the Plan in its entirety including the Declaration and By-Laws.

V. REAL ESTATE TAXES

Each Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for payment of, nor will the Unit be subjected to, any lien arising from the non-payment of real estate taxes on other Units. Generally, Units may not be separately assessed until the tax year following the tax year in which the Declaration of Condominium is recorded. Until the Units are separately assessed and billed, each Unit Owner shall pay his or her pro rata share (in the proportion that his or her Unit's Common Interest bears to the aggregate Common Interest of all Units) of all real estate taxes with respect to the Property to the Sponsor.

It is estimated that the aggregate real estate taxes attributable to the Property will be approximately $796,837 for the first year of Condominium operation and $809,180 for the second year of Condominium operation, based on an opinion prepared by Lawrence J. Berger, P.C., dated November 26, 2024, which assumes (a) an estimated taxable assessed valuation attributable to the incomplete Property of $3,049,650 for the 2024/2025 fiscal year, (b) an estimated taxable assessed valuation attributable to the Property of $5,956,014 for the 2025/2026 fiscal tax year, (c) an estimated taxable assessed valuation attributable to the complete Property of $6,108,980 for the 2026/2027 fiscal tax year, (d) for the 2024/2025 fiscal tax year a projected tax rate of 10.762%, (e) for the 2025/2026 fiscal tax year a projected tax rate of 12.875% and (f) for the 2026/2027 fiscal tax year a projected tax rate of 13.261% for the Residential Units and 11.418% for the Storage Units. Purchasers should note that the real estate taxes for the first year of Condominium operation, as reflected on Schedule A, are based on an assessment of the Building as complete for only a portion of the year, and are less than the taxes will be for the second year of Condominium operation benefits. Assuming the Property does not receive any abatement from real estate taxes, the taxes during the second year of operation, and subsequent years, will be higher than the taxes during the first year of Condominium operation.

SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY, THE ESTIMATED ALLOCATIONS OR THE TAX RATE WILL NOT BE CHANGED.

The estimate of the taxes for each Unit has been determined by multiplying the total taxes due with respect to the Units by a percentage derived by dividing the Common Interest of each Unit by the total Common Interests of all Units. Please refer to the opinions of Holland & Knight LLP and Lawrence J. Berger, P.C. as set forth in Part I of the Plan for further discussion regarding real estate taxes for the Property.

Prior to the issuance of separate tax lots, the real estate tax estimates for each Unit will be determined by multiplying the total taxes due with respect to the Units by a percentage derived by dividing the Common Interest of each Unit by the total Common Interests of all Units. Upon determination of individual tax lots and individual Unit assessments, the New York City tax authorities may not allocate taxes between the Units in proportion to each Unit's percentage interest in the Common Elements, so Units having the same percentage interest may pay different real estate taxes.

The By-Laws provide that the Condominium Board is entitled to execute and deliver documents necessary in connection with proceedings to obtain reduced real estate tax assessments

with respect to Unit Owners, for the benefit and on behalf of (i) all Unit Owners, or (ii) for individual Unit Owners, provided that each such Unit Owner indemnifies the Condominium Board from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

Prospective purchasers should note that increases in a property's assessed valuation resulting from changes in its market value (other than changes resulting from new construction or alteration of an existing improvement) are phased in over five fiscal tax years in annual increments of twenty percent each. Any further increase in assessed valuation during such five-year period resulting from a still higher market value is similarly phased in over an additional five-year period from the date of such increase. The full increased assessed valuation targeted to be in effect after the end of the five-year period is called the "actual" assessed valuation, and the amount of the incremental assessed valuation upon which taxes are actually computed for each fiscal tax year during such five-year period is called the "transitional" assessed valuation.

No guaranty or assurance is given that (i) any of the assumptions described above will be valid, (ii) any projected or estimated amount set forth above (including, without limitation, the estimates of the Property's assessed valuations during the first year of Condominium operation, the estimates of the portions of such assessed valuations that will be allocable to the Units and the projection of the average real estate tax rate that will be in effect during such first year) will approximate the actual amount, (iii) the estimated or actual amount of assessed value of the Property following the projected first year of Condominium operation and the taxes payable based upon such assessment or (iv) the Real Estate Tax Assessment Bureau of the New York City Department of Finance will allocate the Property's aggregate assessed valuation between the Units in accordance with the values used by Sponsor's real estate tax consultant for such purpose, or that such bureau will allocate the aggregate assessed valuation attributable to the Units among the different Units as described above. Sponsor will amend the Plan promptly to disclose the same if it discovers that any of such assumptions are invalid as well as after the Units have been assessed and the applicable tax rate determined. In order to determine the Unit's real estate taxes at any time after the Condominium is formed, Purchasers and Unit Owners can utilize the following link to the New York City Department of Finance's website: https://www.nyc.gov/site/finance/property/calculating-your-property-taxes.page.

Until the Units are separately assessed, each Unit Owner will pay to the Sponsor a share of the Property's real estate taxes for the period in question calculated based upon each Unit's proportionate share of the Common Interest. These allocation percentages reflect the relative approximate aggregate assessed values of each of these Units as estimated by Sponsor's real estate appraiser and as set forth above in this Section V. If the payments are made to the Condominium Board, the Condominium Board will pay such real estate taxes timely to the Department of Finance of The City of New York, or directly to Sponsor if Sponsor has paid such taxes, so that no lien will be placed on the Property or any Unit. If Sponsor fails to pay real estate taxes attributable to any Unsold Unit in a timely manner and as a result of such failure a lien is placed on the Property and/or any other Unit, Sponsor will immediately cause such lien to be removed at its sole cost and expense. If Unit Owners fail to pay their pro rata share of real estate taxes as set forth above, the Condominium Board will be entitled to assess late charges and/or place a lien on their Units as if

such unpaid share were Common Charges. (See subsection 5 entitled "Common Charges: Collection and Lien for Non-Payment" in the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board" in Part I of the Plan for further discussion.) After the Units are separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes. A Unit Owner will not be responsible for the payment of, and will not be subject to any lien arising from the non-payment of real estate taxes assessed against any other Units. At such time as a Unit is separately assessed and separate tax bills are issued, the Unit Owner will pay such taxes directly to the taxing authority.

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

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

As more fully set forth in the By-Laws, the Board has the power to commence and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to any or all of the Units on behalf of and as agent for the respective Unit Owners provided such Unit Owners have authorized the Board to do so, and indemnified the Board from and against all claims, costs and expenses (including, without limitation, attorneys' fees) resulting from such proceedings. All Unit Owners making such request to the Board will share the costs of such proceeding in proportion to the benefits derived therefrom by such Unit Owners. In the event any Unit Owner individually seeks to have the assessed valuation of its Unit reduced by bringing a separate certiorari proceeding, the Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies, defends and holds the Board harmless from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) resulting from such proceedings. The tax opinions of Lawrence J. Berger, P.C. and Holland & Knight LLP, set forth in Part I of the Plan, did not make any assumptions vis a vis the outcome of any petition. The tax estimates provided in the Schedule A and the Real Estate Tax section reflect the current estimates, and are not based on any potential future impact of the certiorari proceedings, which cannot be determined at this time.

W. 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 prepared by Sponsor based, in part, upon the income tax opinion of Holland & Knight LLP, counsel to Sponsor, a copy of which is set forth in Part I of this Plan.

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

HOLLAND & KNIGHT LLP IS COUNSEL TO SPONSOR AND NOT THE RESIDENTIAL UNIT OWNERS. EACH PURCHASER SHOULD CONSULT HIS OR HER OWN TAX COUNSEL AS TO THE TAX CONSEQUENCES OF RESIDENTIAL UNIT OWNERSHIP UNDER THIS PLAN.

1. **Deductibility of Mortgage Interest and Real Estate Taxes**.

Each Unit Owner will own his or her 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 Unit Owner will own his or her Residential Unit in fee simple, the owner may mortgage such Residential Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness.

It is the opinion of Holland & Knight LLP that a Unit Owner who uses his or her Residential Unit as a personal residence and itemizes his or her deductions will, under present Law, for Federal, New York State and New York City income tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid in the case of cash basis taxpayers or accrued in the case of other taxpayers, subject to certain exceptions and limitations which are more particularly discussed in the Attorney's Income Tax Opinion. Purchasers should note that for the taxable years commencing on or after January 1, 2018 and before January 1, 2025 mortgage interest is deductible generally only with respect to (1) secured debt used to acquire or substantially improve a principal or second residence (up to a total indebtedness of $750,000). Interest on home mortgage debt in excess of those limitations would not be deductible. Special limitations also apply with respect to the deductibility of points and other prepaid interest, if any, on the mortgage debt and to the overall allowance of itemized deductions. For taxable years commencing on or after January 1, 2026 the amount of acquisition indebtedness for which a mortgage interest payment is deductible is increased from a maximum of $750,000 for married individuals filing joint returns to $1,000,000 and a separate "home equity" interest deduction is allowable for payments

attributable to $100,000 in secured debt. Purchasers should also note that for taxable years commencing on or after January 1, 2018 and before January 1, 2026 deductions for property taxes and state and local income taxes are limited to a combined total of $10,000 in any such year. Purchasers should note that the $10,000 tax deduction is for the combined New York State income taxes, New York City (or local) income taxes and real estate taxes. Accordingly, in the event the Unit Owner's combined New York State income taxes, New York City (or local) income taxes and real estate taxes exceed the $10,000 threshold, a Unit Owner may not be able to realize a deduction for amounts over the $10,000 threshold. For taxable years commencing on or after January 1, 2026 the $10,000 overall limit on property and state and local income taxes is removed. Section X of the Plan, the "Tax Opinion of Holland & Knight LLP", provides greater details of the mortgage and interest deductions.

2. **Taxation of the Condominium**.

If the Condominium meets the requirements for qualification as a "homeowners association," which requirements are discussed in the Attorney's Income Tax Opinion, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from 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 interest earned on any reserve funds (less expenses directly connected with the production of such income).

Sponsor anticipates that the Condominium will qualify as a homeowners association. Assuming 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 Attorney's Income Tax Opinion, 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. Schedule B, the budget for the first year of Condominium operation, does not contemplate any income which might be taxable and accordingly does not budget any amounts for taxes for nonmembership or membership income. 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 regulations relating to entity classification, which were adopted by the United States Treasury Department on December 17, 1996.

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 Law or the regulations or rulings issued thereunder, or any judicial interpretation thereof, upon which Holland & Knight LLP, as counsel to Sponsor, bases its opinion, will not

change. In no event will Sponsor, Holland & Knight LLP, the Selling Agent, the Managing Agent or any other person connected with this offering be liable if at any time it is held that the Unit Owners, or any of them, are not entitled to such income tax deductions. In addition, none of the aforesaid give any warranties with respect to the tax consequences of this Plan or the tax consequences of ownership of any Residential Units offered under this Plan, and no one has been authorized to give any warranties.

X. TAX OPINION OF HOLLAND & KNIGHT LLP

Holland & Knight

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To ensure compliance with the Internal Revenue Service Circular 230 disclosure requirements, we inform you that the United States federal tax advice contained herein (i) is written in connection with the promotion or marketing by others of the transactions or matters addressed herein, and (ii) is not intended or written to be used, and cannot be used by any taxpayer, for the purpose of avoiding U.S. tax penalties. Each taxpayer with respect to the subject matter addressed herein should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

December 16, 2024

118 West 13th Street Owner LLC
c/o Slate Property Group
440 Park Avenue South, 3rd Floor
New York, New York 10016

Re: Condominium Offering Plan
118 West 13th Street Condominium (the "Condominium")

Ladies and Gentlemen:

You have requested our opinion concerning (i) the deductibility, for Federal, New York State and New York City income tax purposes, of mortgage interest and real estate taxes paid by residents of New York who purchase the Residential Units for residential use pursuant to the above-referenced Condominium Offering Plan (the "Plan"), and (ii) the qualification of the Condominium as a "homeowners association" under Section 528 of the Internal Revenue Code of 1986, as amended (the "Code"). This opinion does not address the tax consequences of (i) the ownership of Residential Units by corporations, other entities or foreign persons, or (ii) any rebates or other payments that may be made, or benefits provided, to owners of Residential Units. Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Plan.

In connection with rendering this opinion, we have reviewed the Plan and have examined the schedules, exhibits and documents accompanying the Plan, including the declaration establishing, and the By-Laws governing, the operations of the Condominium (the "Plan Documents"). We have also considered the relevant sections of the Code, the New York State Tax Law, the New York City Administrative Code, the regulations promulgated thereunder and such other materials as we deemed relevant. In rendering this opinion, we have assumed that the Plan

is the document pursuant to which owners of the Residential Units will acquire their Residential Units and that the relevant facts are as set forth therein.

Mortgage Interest and Real Estate Tax Deductions - Federal

On December 22, 2017 President Trump signed into Law legislation commonly known as the Tax Cuts and Jobs Act (the "2017 Act"). The 2017 Act made changes to the Code that are generally effective for individual taxpayers for the period January 1, 2018 through December 31, 2025 at which point the relevant Code provisions in effect prior to 2018 again become effective. The 2017 Act makes significant changes to pre-2018 Code provisions relating to tax and interest deductions for home ownership. Because of the transitory nature of many of the tax Law changes discussed in this opinion, we discuss both the current 2017 Act for the period January 1, 2018 through December 31, 2025 and the pre-2018 Code provisions for the period January 1, 2026 and thereafter.

January 1, 2018 Through December 31, 2025

Pursuant to the Plan, the purchaser of a Residential Unit will receive legal title in fee simple to his or her Residential Unit, coupled with ownership of an undivided interest in the appurtenant Common Elements held in common with other Unit Owners. Such purchaser will have the right to place an individual mortgage on his or her separate Residential Unit and will be liable to the local tax authority for the real estate tax assessment with respect to his or her interest in the Property. Under these circumstances, the Internal Revenue Service (the "IRS") has ruled that the owner of a residential condominium unit may deduct interest paid on his or her mortgage indebtedness and the real estate taxes assessed and paid on his or her interest in the property. Rev. Rul. 64-31, 1964-1 C.B. 300.

Accordingly, based on the foregoing, it is our opinion that for the taxable year beginning on or after January 1, 2018 and before January 1, 2026 an owner of a Residential Unit who itemizes his or her deductions will be entitled under current Law to deduct from his or her gross income for Federal income tax purposes, real estate taxes assessed against his or her Residential Unit and paid to the local tax authority, subject to an overall limitation under the 2017 Act of $10,000 ($5,000 for a married individual filing a separate return) for the aggregate of state and local property taxes and state and local income taxes for such year. Since the deductions for state and local taxes are so restricted under the 2017 Act, Unit Owners should consider whether to claim the standard deduction in lieu of electing to itemize deductions. In determining whether to itemize deductions, the 2017 Act increases the standard deduction to $24,000 for married individuals filing a joint return, $18,000 for head of household filers, and $12,000 for all other taxpayers but also eliminates the deduction for personal exemptions. Further, no deduction for real estate taxes is permitted for purposes of the Federal alternative minimum tax, however the 2017 Act increases the exemption amount for individuals to $109,400 for taxpayers filing joint returns and surviving spouses, $70,300 for single taxpayers, and $54,700 for married taxpayers filing separately, with a phase-out reduction of such exemption amounts for taxable income in excess of a prescribed amount. Owners of the Residential Units should consult their tax advisers regarding the applicability of the alternative minimum tax to the deductibility of real estate taxes and whether to claim the standard deduction instead.

Under the 2017 Act a taxpayer generally is entitled to a deduction for Federal income tax purposes for interest paid with respect to a principal and one secondary residence (a "qualified residence") to the extent that the interest is attributable to indebtedness which is secured by the qualified residence and which is incurred in acquiring, constructing or substantially improving the qualified residence (or which constitutes a refinancing thereof, to the extent that such indebtedness does not exceed the amount of the refinanced debt) ("acquisition indebtedness"), up to, for debt incurred on or after December 15, 2017, a maximum of $750,000 in indebtedness for any period ($375,000 in the case of a married individual filing a separate return). The deduction for interest allowable under the pre 2018 Code attributable to home equity indebtedness, not to exceed $100,000, is suspended through December 31, 2025 for calendar year taxpayers. Accordingly, an owner of a Residential Unit who itemizes deductions and uses his or her Residential Unit as a qualified residence will be entitled, for the taxable year beginning on or after January 1, 2018 and before January 1, 2026, to deduct from his or her gross income for Federal income tax purposes, interest paid or accrued by him or her on acquisition indebtedness incurred with respect to his or her Residential Unit to the extent that such indebtedness, when added to the amount of acquisition indebtedness incurred with respect to a second qualified residence (if any), does not exceed $750,000 ($375,000 in the case of a married individual filing a separate return) with respect to his or her Residential Unit. Such Unit Owners should also consider whether to take the increased standard deduction allowed under the 2017 Act and discussed in the tax deduction portion of this letter, in lieu of electing to itemize deductions. Since the rules and limitations regarding the deductibility of home mortgage interest are complex, purchasers are urged to consult their tax advisers regarding the application of such rules and limitations to them, as well as regarding the deductibility of interest with respect to their Residential Units for Federal alternative minimum tax purposes (which at present is subject to rules different than those described above for regular tax purposes). In addition, owners of Residential Units should consult their tax advisers regarding potential limitations on the deductibility of points and prepaid interest, if any, on their mortgage loans.

January 1, 2026 and Forward

Effective for taxable years beginning on or after January 1, 2026, the pre-2018 Code provisions will be applicable to the deductibility of mortgage interest and real estate taxes. The pre-2018 Code provisions and its effect on our opinions are described below.

It is our opinion that an owner of a Residential Unit who itemizes his or her deductions with respect to a taxable year beginning on or after January 1, 2026 will be entitled to deduct from his or her gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as set forth in Section 68 of the Code, suspended during the period January 1, 2018 through December 31, 2025, real estate taxes assessed against his or her Residential Unit and paid to the local tax authority. The $10,000 overall limit on the deduction of state and local property and income taxes under the 2017 Act will not apply. However, no deduction for real estate taxes is permitted for purposes of the Federal alternative minimum tax as in effect prior to January 1, 2018. Owners of the Residential Units should consult their tax advisers regarding the applicability of the overall limitation on itemized deductions to the deductibility of real estate taxes.

With respect to taxable years beginning on or after January 1, 2026 a taxpayer generally is entitled to a deduction for Federal income tax purposes for interest paid with respect to a principal and one secondary residence (a "qualified residence") to the extent that the interest is attributable to indebtedness which is secured by the qualified residence and which (i) is incurred in acquiring, constructing or substantially improving the qualified residence (or which constitutes a refinancing thereof, to the extent that such indebtedness does not exceed the amount of the refinanced debt) ("acquisition indebtedness"), up to a maximum of $1,000,000 for any period ($500,000 in the case of a married individual filing a separate return), or (ii) is any indebtedness other than acquisition indebtedness, up to the excess of the fair market value of any one qualified residence over the amount of acquisition indebtedness with respect to such residence ("home equity indebtedness"), but not to exceed $100,000 ($50,000 in the case of a married individual filing a separate return) in the aggregate for all qualified residences of the taxpayer in any period. The restrictions under the 2017 Act for $750,000 and $375,000 in acquisition indebtedness and the disallowance for home equity indebtedness will not apply in this period. Accordingly, an owner of a Residential Unit who itemizes deductions and uses his or her Residential Unit as a qualified residence will be entitled, under Law in effect in the taxable year beginning on or after January 1, 2026, to deduct from his or her gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as set forth in Section 68 of the Code, interest paid or accrued by him or her on (i) acquisition indebtedness incurred with respect to his or her Residential Unit to the extent that such indebtedness, when added to the amount of acquisition indebtedness incurred with respect to a second qualified residence (if any), does not exceed $1,000,000 ($500,000 in the case of a married individual filing a separate return) and (ii) home equity indebtedness with respect to his or her Residential Unit to the extent that such indebtedness, when added to the amount of home equity indebtedness incurred with respect to a second qualified residence (if any), does not exceed $100,000 ($50,000 in the case of a married individual filing a separate return). Since the rules and limitations regarding the deductibility of home mortgage interest are complex, purchasers are urged to consult their tax advisers regarding the application of such rules and limitations to them, as well as regarding the deductibility of interest with respect to their Residential Units for Federal alternative minimum tax purposes (which is subject to rules different than those described above for regular tax purposes). In addition, owners of Residential Units should consult their tax advisers regarding potential limitations on the deductibility of points and prepaid interest, if any, on their mortgage loans and on the overall limitation on the allowance of itemized deductions.

Mortgage Interest and Real Estate Tax Deductions – New York State and City

Each owner of a Residential Unit who uses his or her Residential Unit as a residence will generally be entitled to the same deduction for mortgage interest and real estate taxes paid or accrued with respect to his or her Residential Unit for New York State and New York City income tax purposes as is allowed for Federal (regular) income tax purposes in the relevant periods. However, under New York State and New York City income tax Law, itemized deductions, such as interest and real estate tax deductions, are subject to reduction by as much as fifty percent (50%) in the case of individuals having income exceeding certain prescribed levels. Moreover, if an individual's New York State and New York City adjusted gross income exceeds $1,000,000, then no New York State or New York City itemized deductions are allowable for the mortgage interest and the real property tax payments. Furthermore, purchasers should consult their tax advisers to

determine the application, if any, of the New York State and New York City minimum taxes to the deduction for mortgage interest and real estate taxes with respect to their Residential Units.

Because the 2017 Act limits deductions for property and state income taxes to a combined total of $10,000 a question arises during the period January 1, 2018 to January 1, 2026 whether all of the real property taxes paid, subject to a $10,000 limit, can be deducted for New York State and New York City purposes, or merely a proportionate amount of property taxes paid as results from the ratio of property taxes to total property and state income taxes multiplied by $10,000. We expect both the IRS and the New York State Department of Finance and Taxation will provide guidance, but in the absence of guidance we think the better view is that property taxes are deductible to the extent paid or accrued for New York State and New York City purposes subject to the $10,000 Federal limit in the applicable years and the limitations under New York Law described above.

Section 528 Homeowners Association

If the Condominium qualifies as a homeowners association within the meaning of Section 528 of the Code, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Unit Owners. However, even if the election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources such as interest earned on any reserve funds (less expenses) directly connected with the production of such income).

To qualify as a homeowners association, the Condominium must meet all of the following conditions: (1) it must be organized and operated to provide for the acquisition, construction, management, maintenance and care of association property, (2) at least sixty percent (60%) of its gross income for each taxable year must consist solely of amounts received as membership dues, fees or assessments from Unit Owners, (3) ninety percent (90%) or more of its expenditures for each taxable year must be made for the acquisition, construction, management, maintenance and care of association property (hereinafter, the "90% test"), (4) no part of its net earnings can inure to the benefit of any private shareholder or individual (other than by acquiring, constructing, or providing management, maintenance, and care of association property, and other than by rebate of excess membership dues, fees, or assessments), (5) the Condominium must elect to be treated as a homeowners association, and (6) at least eighty-five percent (85%) of the total square footage of all Residential Units within the Condominium must be used by individuals for residential purposes. See Treasury Regulation § 1.528-4(b). The qualification of an organization under the provisions of Section 528 is to be determined annually at the close of each taxable year and it is possible, therefore, that if the Condominium does not qualify in one year, it may nevertheless qualify in one or more future years.

Based on the information contained in Schedule A to the Plan, which shows that one-hundred percent (100%) of the total square footage of all Residential Units of the Condominium will be contained in the Residential Units, and assuming that the Residential Units are used by individuals for residential purposes under Treasury Regulation § 1.528-4, at least eighty-five percent (85%) of the total square footage of all Residential Units of the Condominium will be used by individuals for residential purposes. If that should be the case, the Condominium

will not be eligible to elect to be treated as a homeowners association. Based on the information contained in Schedule A to Part I of the Plan and assuming (i) the actual gross income and expenditures of the Condominium for its taxable year beginning July 1, 2025 and ending June 30, 2026 (the "2025 Taxable Year") are the same (or, are in the same proportions) as the estimated gross income and expenditures for the Condominium's budget for the first year of operations, as set forth in Schedule B to Part I of the Plan, (ii) the Condominium otherwise operates in accordance with the terms of the Plan and the Plan Documents, and (iii) there are no changes in the facts and/or the relevant provisions of current Law, the Condominium should be eligible to elect to be treated as a homeowners association under Section 528 of the Code for the 2025 Taxable Year. In making that determination we also note that Schedule B to the Plan lists qualifying expenditures (the 90% test discussed in clause (3) above) for association property, essentially property attributable to Residential Units, at 91.9% of total expenditures in the 2025 Taxable Year. To the extent that actual expenses for association property decreases by a small amount in the 2025 Taxable Year, or the expenses for non-association property increases by a small amount in the 2025 Taxable Year, or a combination of both occurs, such increases or decreases may cause total expenditures for association property to be less than 90% of total expenditures in the 2025 Taxable Year. If such increases or decreases result in association property expenditures that are less than ninety percent (90%) of total Condominium expenditures, the Condominium will not be eligible to elect to be treated as a homeowners association for the 2025 Taxable Year.

Absent the application of Code Section 528, the present state of federal Law is unclear as to the precise tax status of the Condominium. An entity classification regime was adopted in regulations issued by the United States Treasury Department on December 17, 1996 and there is no authority addressing the application of those entity classification regulations to condominiums. Because the By-Laws of the Condominium provide that the Condominium Board (the "Board") will act as the agent of the Unit Owners represented by such Board, the Condominium Board may take the position that the Condominium is not a separate entity and accordingly is not subject to the classification regime. In such case, the Unit Owners would, in the aggregate, include in their gross income and be taxed on all income earned by the Condominium (which income may include interest or similar income earned from interim investments of the amounts assessed and collected from the Unit Owners), reduced by the expenses incurred in earning such income. For this purpose, the Common Charges should not be considered income earned by the Condominium through the Board collecting such charges. If, however, the Condominium is properly considered a separate entity and is not incorporated under New York State Law, the Condominium may elect to classify itself as a corporation. If the Condominium is taxable as a corporation, it would be considered a separate taxpayer with respect to income and deductions and return filing requirements and would be subject to Federal corporate income tax. If the Condominium does not elect to be treated as a corporation and is treated as a partnership, the partnership would not be subject to an entity level tax, the items of income and deduction of the partnership would generally be passed through to the Unit Owners in accordance with the provisions of Subchapter K of the Code, and the partnership would be required to file information returns.

The precise tax status of the Condominium for New York State and New York City tax purposes is also unclear. The relevant New York State and New York City laws incorporate by reference federal entity classification provisions which, as discussed above, do not specifically

address the treatment of condominiums. If the Condominium is properly treated as a separate entity that is an association taxable as a corporation for Federal income tax purposes, the Condominium would be subject to the New York State Corporation Franchise Tax and the New York City General Corporation Tax. If the Condominium does not constitute an association that is taxable as a corporation for Federal income tax purposes, it likely would be subject to the New York City Unincorporated Business Tax, unless the Condominium were eligible for and elected treatment under Code Section 528 as a homeowners association.

* * * * * * * * * * * * * * * * * * * *

We express no views as to any Federal, New York State or New York City tax consequences other than those explicitly discussed in this opinion, or as to the tax status or tax consequences of the Plan under the Law of any other U.S. or foreign jurisdiction. Moreover, this opinion, while based on existing rules of Law applied to the facts and documents referred to above, is not binding on the IRS, any state or local tax authority, or any court. No assurances can be given that the tax laws upon which we base this opinion will not change. In no event will the Sponsor, Holland & Knight LLP, the Board, the Selling Agent or any other person be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional Law or IRS rulings on which we have relied which cause the owners of Residential Units not to be entitled to the income tax deductions described herein, or which would affect the tax treatment of the Condominium as described herein.

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

Very truly yours,

Holland & Knight LLP

Y. 339-I OPINION OF HOLLAND & KNIGHT LLP

Holland & Knight

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December 16, 2024

118 West 13th Street Owner LLC
c/o Slate Property Group
400 Park Avenue South, 3rd Floor
New York, New York 10016

Re: 118 West 13th Street Condominium
118 West 13th Street
New York, New York (the "Condominium")

Ladies and Gentlemen:

You have requested our opinion regarding the allocation of Common Interests to the Units at the above referenced Condominium as required by the New York State Codes, Rules and Regulations ("NYCRR") Section 20.3(y)(5). Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Offering Plan for the referenced project (the "Plan").

In connection with rendering this opinion we have reviewed the allocation of Common Interests as shown on the 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 based upon the factual determinations made by FirstService Residential as set forth in its opinion contained in the Plan as required by NYCRR Section 20.3(i). We have made no independent investigation of the truth or accuracy of the factual determinations of .

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

Accordingly, based on the foregoing it is our opinion that RPL Section 339-i has been complied with in assigning Common Interests to the Units. This opinion, while based upon existing

rules of Law applied to the facts and documents referred to above, is not a guarantee to purchasers. In no event will the Sponsor, Holland & Knight LLP, the Selling Agent or the Condominium Board be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in RPL Section 339 or other applicable Law.

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

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

Very truly yours,



Holland & Knight LLP

Z. REAL ESTATE TAX OPINION OF LAWRENCE J. BERGER, P.C.

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November 26, 2024

118 WEST 13TH STREET OWNER LLC
C/O: SLATE PROPERTY GROUP
440 Park Avenue South, 3rd Floor
New York, New York 10016
Attn: Jeff Knecht

Re: Real Estate Tax Opinion Letter
118 West 13 Street
Block: 608 Lot: 29; Manhattan

Dear Sir:

You have requested us to project the real estate tax liability of the above referenced premises for the fiscal year commencing *July 1, 2025 through June 30, 2026* after the proposed construction of the building is completed and the condominium declaration has been filed.

It has been the practice of the Property Division of the Department of Finance of the City of New York ("DOF") to increase the assessed valuation of newly constructed or rehabilitated buildings after construction has been completed. While there is a formula that has been utilized by DOF in reassessing such properties in the past, it has not been employed consistently and it is therefore not possible to estimate or determine the post-rehabilitation assessed valuation of this property with any degree of certainty. However, the estimates presented below are based upon current policies and practices of that department and upon analysis of comparable neighboring properties as presently assessed per square foot of total building area.

These estimates assume that the assessed valuation will be increased solely due to the rehabilitation being completed by the Sponsor. All prospective purchasers are advised that although the following estimates of the assessed valuation upon conversion of this property to condominium ownership are good-faith estimates, such assessed valuation, when made, may be less or greater than as estimated below.

You have advised us of the following facts, and made the following representations:

1. The subject development is located on tax lot 29 in block 608, as shown on the tax maps of the City of New York for the borough of Manhattan. The subject property is currently classified in building class H8 (hotels and lodging facilities) on the Notice of Property Value published by DOF on January 15, 2024. That document further indicates that the hotel class is "dormitory or residence hall", with a building containing 28,516 gross square feet (sf).

2. Renovation of the building commenced on January 16, 2023 pursuant to Department of Buildings permit # M00635385-I1.

3. Renovation of the existing building is anticipated to be completed on April 2025.

4. Upon completion of renovation, the project will be converted to condominium ownership, consisting of eight [8] residential units and eight (8) storage units. The building will maintain a height of seven [7] stories plus cellar and roof, comprising 33,254[1] gross sf. Of that, 32,748 sf will be attributable to the residential units, 506 sf in the cellar will be attributed to the storage units.

5. All residential units and storage units will be condominium units and will be offered for sale.

6. No application will be filed with the Department of Housing, Preservation and Development of the City of New York ("HPD") for any real estate tax abatement or exemption benefits that may be available.

ASSESSED VALUATION

The 2024/2025 Final Assessed Valuation for the property is as follows:

	Land	Total	Tax Class
Actual	$ 945,000	$ 3,049,650	4
Transitional	$ 945,000	$ 3,278,545	

There are three recognized appraisal methods which are employed by DOF to determine the full market value of income producing real property. These methods are the original cost method, the capitalization of income approach, and the sales price comparison method.

The original cost method is based on the theory that the value of a given property is reflected by its cost of construction plus the acquisition cost of the underlying land. This method

of valuation is considered a highly significant indicator of value with respect to new buildings. Relevant data used in the cost method include material and labor ("hard") costs, and financing, engineering, architectural, testing and professional fees, and construction period taxes ("soft") costs.

The capitalization of income method is based upon the proposition that the annual net income generated by a property, when divided by the rate of return an investor at a given time would accept for his money in a competing investment, yields a close estimate of the market value of the property.

The sales price comparison method is founded upon the belief that value can be ascertained by surveying market prices. Market value has been defined as that price which a property would bring in a competitive and open market, wherein both buyer and seller are acting prudently, knowledgeably, and assuming the price is not affected by undue stimulus. However, the addition of sale prices of individual units may not be the basis for arriving at the assessed valuation of a residential condominium or cooperative housing corporation (see New York State Real Property Tax Law ("RPTL") § 581, and Real Property Law § 339-y).

Since tax year 1982/1983, RPTL § 1805 (3) has mandated that increases in assessed valuation due to appreciation in value must be phased in over a five-year period, resulting in a "transitional assessment". However, the statute requires DOF to include all increases in value due to physical changes (new construction, renovation, rehabilitation, or addition of square footage to existing structures) directly into the taxable assessed valuation without the five-year phase-in. The "actual assessment" is the target value which will be reached at the end of the five-year period, assuming the assessment is not increased in the interim. Taxes are payable based upon the lower of the transitional or actual values (hereafter, sometimes "taxable assessed valuation"). However, the transitional phase-in is inapplicable to properties classified in tax class 2A, 2B or 2C.

In arriving at the assessed valuation for each unit in the condominium, the building is first assessed as an entirety. This overall assessment is then apportioned among the respective units, each of which will be assigned a tax lot designation once the condominium declaration has been recorded and the floor plans are filed with the office of the City Register. The apportionment may be based upon the proportion that the common interest percentage for each residential unit bears to the total common interest percentage of all of the residential units. However, the methodology employed by the New York City Department of Finance (hereinafter, "DOF") is uncertain. DOF may apportion based upon projected offering prices presented in the offering plan, actual prices paid, square footage taking into account extrinsic indicia of value, including location, square footage, amenities, income producing potential and existing leases on particular units, or a combination of methods (hereinafter, "Proportionate Valuation").

The full assessment reflecting the completed construction and renovations of the entire premises will not be imposed until tax year 2026/27; assuming renovation is complete prior to January 5, 2026. If construction is delayed for any reason, it is possible that the 2026/2027 assessed valuation may be somewhat lower than as estimated herein. Analysis and review of final 2024/25 valuations of comparable buildings in the vicinity of the subject premises justifies a **full assessed valuation** for the residential portion of the project for tax year 2026/27, (including "land" and "building") of 6,058,380 or approximately $185.00 per square foot of gross building area (32,748 sf.) and a **full assessed valuation** for the storage portion of the project for tax year 2026/27, (including "land" and "building") of 50,600, or approximately $100.00 per square foot of gross building area (506 sf.);

You have advised that renovations are anticipated to be completed on all units on or about April 2025. **Since the assessment for fiscal year 2025/2026 will be made as of January 5, 2025, (the "tax status date," New York City Charter §1507), the assessment for tax year 2025/2026 is an interim valuation reflecting partial completion of renovations. The full assessment reflecting the renovation of the premises will not be imposed until tax year 2026/2027, assuming construction is complete prior to January 5, 2026.** If construction is delayed for any reason, it is possible that the projected assessed valuations may be somewhat lower than as estimated herein.

Based upon the post-construction valuation estimates set forth above, it is projected that the assessed valuation for the entire project would be apportioned in accordance with the following approximate percentages:

	Projected Apportionment
All Residential Units:	99.17% (rounded)
All Storage Units:	0.83% (rounded)

TAX LIABILITY

Real property taxes are payable semi-annually, on July 1 and January 1 (the City operates on a fiscal year commencing July 1 and ending June 30).

Tax bills for tax year 2024/2025 were finalized at a tax rate of 12.500 % for residential properties and 10.762% for commercial properties. For purposes of the ensuing projections, the following *estimated* tax rates have been utilized:

Estimated Tax Rates

Tax Year	Residential (Class 2) [2]	Commercial (Class 4) [3]
2025/26	12.875 % (est.)	11.085 % (est.)
2026/27	13.261 % (est.)	11.418 % (est.)

[2] After completion of construction and the Condominium Declaration has been recorded, the project will be reclassified in tax class 2C (four (4) to ten (10) units), primarily residential, held in cooperative or condominium ownership. Increases in valuation regarding 2C are limited to no more than eight percent (8%) per annum, and no more than thirty percent (30%) over any five-year period [RPTL §1805(2)]. An exception to these limitations relates to increases in valuation due to additions or improvements to existing property [RPTL §1805(5)]. Commercial components of primarily residential properties classified in tax class 2C are taxed at the residential tax rate.

[3] DOF classifies accessory storage units in a residential condominium as building class RS with tax class 4 (commercial) tax rate

2024/25 Tax Year
(Valuation Before Completion of Construction)

Final Taxable Assessed Valuation:	*$*	*$3,049,650*
Est. Taxable Assessed Valuation (Residential Units)	$	3,024,338[4]
Taxes Payable @ est. 10.762%[5]:	$	325,479
Est. Taxable Assessed Valuation (Storage Unit)	$	25,312[6]
Taxes Payable @ est. 10.762%[7]:	$	2,724

The tax liability of a particular unit, assuming (a) the overall Taxable Assessed Valuation as stated above; and (b) the Proportionate Valuation calculated in accordance with the guidelines set forth above; and (c) tax rates as stated above, may be estimated as follows for fiscal year July 1, 2024 through June 30, 2025:

Est. tax liability for individual Residential Unit = $ 325,479 x Proportionate Valuation
Est. tax liability for Storage Unit = $ 2,724 x Proportionate Valuation

2025/26 Tax Year
(Valuation Before Completion of Construction)
(First Fiscal Period of Condominium)

Est. Taxable Assessed Valuation:	*$*	*5,956,014*
Est. Taxable Assessed Valuation (Residential Units)	$	5,906,579[8]
Taxes Payable @ est. 12.875%:	$	790,472
Est. Taxable Assessed Valuation (Storage Unit)	$	49,435[9]
Taxes Payable @ est. 12.875%[10]:	$	6,365

The tax liability of a particular unit, assuming (a) the overall Taxable Assessed Valuation as stated above; and (b) the Proportionate Valuation calculated in accordance with the guidelines set forth above; and (c) tax rates as stated above, may be estimated as follows for fiscal year July 1, 2025 through June 30, 2026:

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[4] 3,049,650 x 99.17% (residential apportionment) = $3,024,338
[5] Subject property is currently classified in tax class 4, building class H8 (hotels and lodging facilities)
[6] 3,049,650 x 0.83% (storage apportionment) = $25,312
[7] Subject property is currently classified in tax class 4, building class H8 (hotels and lodging facilities)
[8] 5,956,014 x 99.17% (residential apportionment) = $5,906,579
[9] 5,956,014 x 0.83% (storage apportionment) = 49,435
[10] DOF applies the tax class 2 residential tax rate to storage units before condominium declaration is approved and condominium lots are created.

Est. tax liability for individual Residential Unit = $ 790,472 x Proportionate Valuation
Est. tax liability for Storage Unit = $ 6,365 x Proportionate Valuation

NOTE: The fiscal period July 1, 2025 through June 30, 2026, reflects partial construction. The full-assessed valuation will not be reflected until tax year 2026/2027, which commences July 1, 2026.

2026/2027 Tax Year
(Estimated Valuation After Completion of Construction)
(Second Fiscal Period of Condominium)

Est. Actual Assessed Valuation (Residential Units):	$ 6,058,380
Est. Taxes Payable @ est. 13.261%:	$ 803,402
Est. Actual Assessed Valuation (Storage Units):	$ 50,600
Est. Taxes Payable @ est. 11.418%:	$ 5,778

The tax liability of a particular unit, assuming (a) the overall Tentative Assessed Valuation as estimated above; and (b) the Proportionate Valuation calculated in accordance with the guidelines set forth above; and (c) tax rates as estimated above may be estimated as follows for fiscal year July 1, 2026 through June 30, 2027:

Est. tax liability for individual Residential unit = $ 803,402 x Proportionate Valuation
Est. tax liability for Storage unit = $ 5,778 x Proportionate Valuation

ADDITIONAL ABATEMENT AND EXEMPTION BENEFITS AVAILABLE TO ELIGIBLE UNIT OWNERS

For Informational Purposes Only

The following abatement and tax relief benefits are presently available to qualified unit owners who meet the eligibility requirements of RPTL § 425 ("STAR Credit") and RPTL §467-a ("Coop/Condo Abatement").

STAR

New York State changed the STAR application process as of tax year 2016/2017. New STAR applicants must register with the New York State Tax Department to receive a STAR credit. You are considered a new applicant if you purchased your home after March 15, 2015 or you did not apply for the STAR exemption by March 15, 2015. New applicants who qualify will receive a STAR credit in the form of a check, instead of receiving a property tax exemption. It is recommended that applicants register promptly upon taking title. Registrations will be accepted for three years from the income tax filing deadline for the year that the credit covers. In order to qualify for the Basic STAR program, the following is required: (1) the combined income of all resident owners and of any owner's resident spouse cannot be more than $500,000 and (2) the property must be the primary residence of at least one owner. The approximate benefit is a $293 tax reduction. The benefit is enhanced for seniors 65 or older whose combined income does not exceed more than $92,000. The enhanced STAR is only available to units which serve as the primary residence of one or more of the owners thereof. The approximate enhanced benefit is a $650 tax reduction. Corporations, partnerships, and LLCs are not eligible. A married couple can receive only one STAR benefit regardless of how many properties they own, unless legally separated.

COOP/CONDO ABATEMENT

Since its enactment in 1996, the Condo Abatement has provided partial tax abatement to owners of residential units held in cooperative or condominium ownership.

The New York State Legislature has agreed to extend RPTL § 467-a (Coop/Condo Abatement) for homeowners that occupy their apartment as their primary residence, with some additional requirements. Commencing with tax year ***2022/23***, the new law provided partial tax abatement to owners of residential units held in cooperative or condominium ownership, if (i) a property has an average unit assessed value less than or equal to $60,000; or (ii) a property with an average unit assessed value of more than $60,000, and less than 30 dwelling units; or (iii) a property regarding which an applicant has submitted an affidavit certifying that all building service employees employed or to be employed at the property shall receive the prevailing wage for the duration of such property's tax abatement ("qualified property"). RPTL §467-a(1)(j).

Beginning in 2022/23, no dwelling unit in a property other than a qualified property shall be eligible to receive a tax abatement under this section.

The law applies to buildings with an **average unit assessed value of not more than $60,000** with the ***exception*** of buildings that have an average unit assessed value of $**60,000 to $100,000 and have fewer than 30 units**. The legislation makes affidavits certifying the payment of prevailing wages to building service workers public records that may be produced before a court or administrative tribunal. The New York State Department of Labor has the power to conduct an investigation and hearing and file a final determination to enforce the law and make sure employees are properly paid.

"BUILDING SERVICE EMPLOYEE" MEANS ANY PERSON WHO IS REGULARLY EMPLOYED AT A BUILDING WHO PERFORMS WORK IN CONNECTION WITH THE CARE OR MAINTENANCE OF SUCH BUILDING. "BUILDING SERVICE EMPLOYEE" INCLUDES, BUT IS NOT LIMITED TO, WATCHMAN, GUARD, DOORMAN, BUILDING CLEANER, PORTER, HANDYMAN, JANITOR, GARDENER, GROUNDSKEEPER, ELEVATOR OPERATOR AND STARTER, AND WINDOW CLEANER, BUT SHALL NOT INCLUDE PERSONS REGULARLY SCHEDULED TO WORK FEWER THAN EIGHT HOURS PER WEEK IN THE BUILDING.

If the billable assessed value of a QUALIFIED property is reduced after the assessment roll becomes final, any abatement already granted pursuant to this section shall be adjusted accordingly. The difference between the original abatement and the adjusted abatement shall be deducted from any credit otherwise due.

The Cooperative and Condominium Tax Abatement benefit is based upon seventeen and one-half percent (17.5%) of the net property taxes due on eligible dwelling units with an average assessed valuation greater than $60,000. In order to qualify for this Coop/Condo Abatement, the following requirements must be met:

- New condominium owners must have filed a real property transfer tax (RPTT) form or deed with the Division of Land Records at www.nyc.gov/acris.
- The co-op or condo unit must be the owner's primary residence. Co-op shareholders and condominium unit owners must inform the board or managing agent if the apartment is the homeowner’s primary residence to receive the abatement. The Commissioner of Finance shall by rule require the unit owner or shareholder of a dwelling unit to certify the primary residence of such unit owner or shareholder.
- The unit must be purchased on or before January 5 to qualify for the abatement for the upcoming tax year. If the unit was purchased after January 5, the homeowner can apply for the next tax year.
- Condominium owners cannot own more than three residential units in any one development and one of the units must be the owner’s primary residence.
- Property must be classified as a Class 2 property.

- Properties that are part of the Urban Development Action Area Program (UDAAP) cannot receive the abatement
- Co-op or condo owners cannot be receiving any of the following exemptions:
    - J-51 exemption
    - 420-c, 421-a, 421-b or 421-g exemptions
    - cooperative properties are not eligible for the clergy exemption
- The co-op or condominium property cannot be:[11]
    - Housing Development Fund Corporation (HDFC);
    - Limited Divided Housing Companies, Redevelopment Company;
    - Mitchell-Llama; or
    - in the Division of Alternative Management Programs (DAMP) Program.
- Units owned by a business (limited liability company) are not eligible.
- Units held by sponsors or their successors in interest are not eligible.
- Units owned by a trust are eligible only if the unit is the primary residence of the beneficiary of the trust, trustee, or life estate holder.

The board of managers must have filed a complete application, for the entire premises, with the Commissioner of DOF by February 15th immediately preceding the July 1st to June 30th fiscal tax year. The burden of proof is on the applicant to show that the requirements for granting an abatement have been met.

NOTE: THE CURRENT VERSION OF RPTL 467-A IS SET TO SUNSET ON JUNE 30, 2027. IN ORDER FOR THE SUBJECT CONDOMINIUM TO RECEIVE CONDO ABATEMENT BENEFITS AFTER TAX YEAR 2026/2027 THE STATUTE WILL NEED TO BE RENEWED. ADDITIONALLY, SINCE THE AVERAGE ASSESSMENT PER UNIT IS ESTIMATED TO BE GREATER THAN $100,000 PER UNIT, THE CONDOMINIUM WILL NEED TO PAY BUILDING SERVICE EMPLOYEES THE PREVAILING WAGE FOR THE DURATION OF SUCH PROPERTY'S TAX ABATEMENT ("QUALIFIED PROPERTY"). THERE IS NO GUARANTY THAT THIS PROVISION WILL BE RENEWED OR THAT THE BENEFIT WILL NOT BE REDUCED OR ELIMINATED AS IT RELATES TO TAX YEAR 2027/2028 AND THEREAFTER.

NOTE: THIS LETTER IS BASED UPON THE REAL PROPERTY TAX LAW AS IT EXISTS AS OF THE DATE OF THIS WRITING.T IN THE MATTER OF *TAX EQUITY NOW NY LLC V. CITY OF NEW YORK,* 2024 N.Y. SLIP OP. 01498, ISSUED MARCH 19, 2024 THE NEW YORK STATE COURT OF APPEALS ACKNOWLEDGED THAT THE COMPLAINT SUFFICIENTLY PLEADS CAUSES OF ACTION AGAINST NEW YORK CITY REGARDING DISPARITIES EXISTING WITHIN THE NYC TAX SYSTEM FOR CLASS ONE AND CLASS TWO PROPERTIES. THE COURT'S RULING COULD HAVE SIGNIFICANT IMPLICATIONS FOR THE EXISTING NYC REAL ESTATE

[11] Ineligibility is based upon the receipt of other tax benefits such as the DAMP Tax Cap or an Article XI tax exemption.

PROPERTY TAX SYSTEM, POSSIBLY INCLUDING SUBSTANTIAL REFORM OF SAID SYSTEM. ANY SUCH REFORM WILL LIKELY AFFECT TAX CLASS 2C PROPERTIES. AS SUCH, IF THE TAX EQUITY NOW LAWSUIT PREVAILS, AND THE STATUTES WHICH GOVERN REAL PROPERTY ASSESSMENT IN NEW YORK CITY ARE REVISED, THE CURRENT PROJECTION WILL BE SUBJECT TO CORRECTION.

This letter was prepared at the Sponsor's request. The figures set forth herein are approximations derived from material submitted by the Sponsor and are subject to variation. We have not passed upon the accuracy of any figures or estimates contained in the plan, and offer no warranties of the amount of any STAR, or Coop/Condo Abatement benefits for any period.

The above projections do not take into account any future increases in the assessed valuation of the property, any real estate tax rate or potential changes in the current ratio of assessed value to market value. The opinions expressed above are based on our interpretation of the RPTL, the Administrative Code of the City of New York, and the applicable rules and regulations of DOF in effect as of the date hereof. While we believe our opinions are well founded, they are not intended, and should not be construed as representations or warranties. You should be aware that the laws, regulations and practices of DOF upon which this opinion is predicated may in the future be revised in a manner adverse to your interests, or that there may be an adverse interpretation of the law or regulations by one or more agencies of the City of New York, or Courts of competent jurisdiction.

The foregoing analysis is based upon our experience with DOF and the Tax Commission of the City of New York, and their assessment policies regarding newly constructed and substantially rehabilitated properties held in condominium ownership. Application of a particular approach to valuation by an individual assessor may yield a different result. This would necessitate commencement of real property tax review proceedings at the Tax Commission or Supreme Court level to bring the assessment in line with the estimates presented herein. The Annual deadline to file a Real Estate Tax Protest Application with the Tax Commission is March 1 by 5 P.M. (City Charter §163 (b) and City Charter §1510). The Annual deadline to file a New York State Supreme Court Petition is no later than 11:59 P.M. on October 24 (City Charter §166).

We hereby consent to the inclusion of this letter in the Offering Plan to convert the subject premises to condominium ownership.

Very truly yours,

Lawrence J. Berger, P.C.

Lawrence J. Berger, P.C.

AA. WORKING CAPITAL FUND AND APPORTIONMENTS; RESERVE FUND

Working Capital Fund

The Purchaser of each Unit shall be required to make a contribution at the Closing of his or her Unit(s) to the working capital fund (the "Working Capital Fund"). Such contribution shall be in an amount equal to one (1) month's Common Charges in effect for such Unit(s).

At the First Closing, Sponsor will apportion with the Board the following items as of midnight of the date preceding said Closing:

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

(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 General and Limited Common Elements;

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

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

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

(7) cost of Building supplies on hand at Sponsor's cost (including sales tax);

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

(9) management fees; and

(10) other customary adjustments.

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

The Working Capital Fund will be held and used for the items described in clauses 1-10 above, and to pay for repairs and replacements to the Common Elements. While Sponsor controls the Condominium Board (see the Section entitled "Control By Sponsor" in Part I of the Plan), the

Working Capital Fund will not be used to reduce estimated Common Charges.

No representation or warranty can be made and no assurance can be given as to the exact amount of funds available at any specific time. However, in no event shall any portion of the Working Capital Fund be used to pay any Common Charges attributable to Unsold Units.

In the event that capital expenditures for renewal or replacement of Building components or systems or to remedy major Building defects are needed, it may be necessary to increase Common Charges or make special assessments payable by Unit Owners who are responsible for the repair and replacement of the Common Element in need of such renewal, replacement or remedy. Alternatively, a Board may determine to seek financing from a bank or other lending institution for such expenditures in accordance with the terms of the By-Laws and subject, in certain instances, to Unit Owner approval. In addition, pursuant to the By-Laws each Board is entitled to determine amounts for a reserve for replacements in establishing the annual budgets. No representation or warranty is made that the Working Capital Fund will be, or is intended to be, adequate to cover current or future expenses, for the first or any subsequent year of Condominium operation. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund.

Reserve Fund

Pursuant to a Reserve Study, a reserve is being established for the Condominium for the renewal or replacement of Building components or systems or the remedy of major Building defects. The Purchaser of each Residential Unit shall be required to make a contribution in the amount of one (1) month's Common Charges at the Closing of his or her Residential Unit(s) to the reserve. The Reserve Fund is provided to conform with Fannie Mae requirements of 10% of the annual operating budget or a lesser amount pursuant to a property condition assessment and property condition report (the "Reserve Study") be set aside as a reserve for replacement. There is a Reserve Fund line item in Schedule B in Part I of the Plan and the Reserve Study is set forth as Exhibit 16 in Part II of the Plan. The Condominium Board, in its discretion, and subject to certain restrictions contained in the By-Laws, may, in its discretion, decide in future years to increase or decrease the Reserve Fund line item in the Condominium's Annual Budget or pay for necessary repairs or capital items to the Limited Common Elements by special assessment or by increasing Common Charges.

While the Sponsor is in control of the Board, Sponsor will not use Reserve Fund monies to reduce Common Charges. Since the Building is being newly constructed, it is anticipated that the Reserve Fund as it accumulates will be sufficient to pay for the replacement of any capital items likely to be needed within the first five (5) years of Condominium operation.

No representation or warranty is made that the Reserve Fund will be, or is intended to be, adequate to cover current or future expenses, for the first or any subsequent year of Condominium Operation.

Neither the Department of Law nor any government agency has passed upon the adequacy of the Reserve Fund.

BB. MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

1. **Management Agreement**.

The Condominium Board will enter into a management agreement with FirstService Residential, a company organized under the Law of the State of New York, and having a New York address at 575 Fifth Avenue, 9th Floor, New York, New York, 10017, as the Managing Agent, with respect to the Building at or prior to the First Closing. The principals of the Managing Agent are not affiliated with Sponsor or its principals.

The management agreement provides for an initial term of one (1) year. After the initial term, either party has the right to cancel upon sixty (60) days prior written notice, with or without cause. The management agreement is not assignable by either party.

The Managing Agent will receive an annual fee of $35,000.00 payable in equal monthly installments of approximately $2,916.67 for the first year. The annual fee will be increased annually by three percent (3%) after the first year, and four percent (4%) for each year thereafter. The Board shall also reimburse the Managing Agent for expenses incurred at the Managing Agent's office such as postage, photocopying, long distance telephone calls, payment envelopes, facsimiles, etc. In addition, the Managing Agent shall receive the following per Residential Unit payments for the preparation, distribution and processing of the following required forms and filings: (i) $6.00 per Residential Unit for Window Guard; (ii) $12.00 per Residential Unit for Lead-Based Paint Compliance; and (iii) $18.50 per Residential Unit for FDNY Emergency Preparedness (including Fire Safety Plans).

In addition to the compensation paid to the Managing Agent by the Board, the Managing Agent shall be entitled to receive the following compensation from Unit Owners for the Managing Agent's services rendered to Unit Owners:

(1) For the Processing of Purchase and Lease Applications. Managing Agent may charge the Unit Owners who make an application to lease their Residential Units or sell their Residential Units or the applicant(s) a processing fee in the amount of $900 without a broker. In connection with the processing of purchase and/or lease applications, such agent may charge fees to cover the costs of additional services or special consumer reports in the event they are required and photocopy and messenger costs, if any. In the event that Managing Agent, on behalf of the Board, attends a closing on the sale of each Residential Unit, an additional fee of $600.00 may be charged.

(2) For Coordination and Assistance with Financing or Refinancing. Managing Agent may charge Unit Owners who finance or refinance their Residential Unit or purchasers obtaining financing on acquisition, a fee of $300.00 for its coordination and assistance with a Unit Owner's financing or refinancing of its residential mortgage(s).

(3) For Processing of Lease Renewals. Managing Agent may charge Unit Owners who

make an application to renew or extend leases with the same tenant, a processing fee of $500.00.

(4) For Assisting with Unit Owner Alterations. Managing Agent shall accept applications from Unit Owners who desire to make alterations to their Units. Managing Agent shall submit such applications to the Board with the application and all approved alterations pursuant to the applicable requirements. Managing Agent shall charge the Unit Owner: $500.00 for regular or decorative alterations; and $1,000.00 for major alterations. Further detail is stated thereto in Section 4(v)(iii) in the Management Agreement.

(5) For Assisting with Collections. Managing Agent may charge Unit Owners who's accounts, on a per attorney file bases, are turned over to the Board a fee of $100.00 for collection and/or when the Board decides to garnish the rent of Residential Units leased by delinquent Resident Unit Owners. In the event that the Managing Agent is required and/or so requested by such attorney to appear in court, Managing Agent may charge Resident Unit Owner an additional fee of $100.00 per appearance.

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

(i) Property Management Services. Provide for the operation, maintenance, repair, and cleaning of the Building, to the extent required or authorized under the Declaration and in accordance with the approved budget of the Condominium and the direction of the Board.

(ii) Meetings of Condominium. Prepare and send out all notices of meetings of the Condominium, the Board or the Unit Owners, and such other letters and reports as the Board may request and, when requested, arrange for a suitable meeting place and assist with the preparation of agendas for such meetings. Cause a representative to attend one (1) Board meeting per month, annual meetings and special meetings of the Board and Unit Owners; prepare minutes of such meetings.

(iii) Budgets. Prepare and submit to the Condominium for approval, annual operating budgets for the Condominium.

(iv) Collections. Distribute invoices and take all other actions necessary to bill and collect all common charges, assessments, rent and other amounts due and payable by the Unit Owners, tenants and sub-tenants of the Board.

(v) Personnel. Hire in its own name all managerial personnel who shall be responsibility of the Agent. Provide routine supervision of all persons, who shall be the Board's employees, necessary to be

employed in order to properly maintain and operate the Building and coordinate compliance with the New York State and New York City Law relating to sexual harassment.

(vi) Books and Records. Set up and maintain the records and accounts of the Condominium and render monthly statements.

(vii) Tax Certiorari. Cooperate with tax certiorari attorney in ascertaining the tentative assessed value of the Property.

(viii) Entering into Contracts. The Managing Agent shall, on behalf and in the name of the Condominium (and at the expense of the Condominium), enter into contracts with third parties that are reasonably necessary for the provision or performance of electricity, gas, steam, air-conditioning, water, elevator, telephone, window cleaning, trash removal, fuel oil, security services, extermination, other normal or essential services or such items or services that are advisable. Notwithstanding the foregoing, the Managing Agent shall not enter into any contracts for a term longer than one (1) year or requiring annual payments in excess of $5,000.00 unless it is authorized by the Board or part of a previously approved operating budget or capital budget of the Board. All repairs anticipated to cost more than $5,000 shall only be undertaken after the Agent has obtained competitive proposals from at least two (2) third party contractors.

(ix) Compliance with Laws. Recommend and, with the approval of the Board, take such action as may be necessary to comply with any laws, statutes, ordinances, rules, regulations, and any and all orders, violations or requirements affecting the Condominium or Building, as a result of any action by any federal, state, county or municipal authority or any order of the New York Board of Fire Underwriters, the New York Fire Insurance Exchange or other similar body have jurisdiction.

(x) Insurance. Interact with the Board and the Board's insurance agents and brokers for the purchase and/or renewal of insurance policies and in making any claims thereunder.

(xi) Bill Payment. Review all bills received for services, work and supplies ordered in connection with maintaining and operating the Building; and pay all such bills, as and when same shall become due and payable.

(xii) Tax Returns, Forms Etc. Cause to be prepared and filed, for the Condominium, the necessary forms for unemployment insurance,

social security taxes, and all other tax forms. Cooperate with accountants in performing annual audits and tax returns required by any governmental authority. Send out all letters and reports as the Board may request.

(xiii) Alteration Requests. Process on behalf of the Condominium requests from the Unit Owners for Board approval, or any duly authorized committee thereof, of any alterations proposed to be made any Unit that require notice to or approval of the Board or any committee thereof under the terms of the Declaration.

(xiv) Moving Coordination. Supervise the moving in and moving out of Residential Units by Unit Owners (and their tenants), and, as far as reasonably possible, arrange the dates thereof so that there shall be a minimum disturbance to the operation of the Residential Units and of inconvenience to other Unit Owners and tenants. Accept applications and references from all prospective Unit Owners and tenants.

(xv) Condominium Duties. Consider and attend to complains of Unit Owners, lawful tenants, subtenants and occupant. To the extent not addressed in subparagraphs (i) through (xiv) above, exercise all other powers and perform all other duties that have been assigned to the Condominium under the Declaration as its agent. Without limiting the generality of the foregoing, the Managing Agent shall assist the Board in enforcing its rights and remedies under the Declaration.

The Managing Agent shall not be obligated to make any advance to or for the account of the Board, but in the event that the Managing Agent incurs any liability or obligation for the account of the Board, within its authorized duties, the Board shall reimburse the Managing Agent promptly for any monies that the Managing Agent may elect to advance for the Account of the Board. The Board shall indemnify the Managing Agent against liability for authorized acts arising out of the Management Agreement, excluding acts of gross negligence, willful misconduct, criminal conduct, or material breach of the Management Agreement.

CC. IDENTITY OF PARTIES

1. **Sponsor**.

Sponsor is 118 West 13th Street Owner LLC, a Delaware limited liability company, with an office c/o Slate Property Group at 440 Park Avenue, 3rd Floor, New York, New York 10016. The Sponsor has designated the Secretary of State of the state of New York for service of process. The principals of Sponsor are David Schwartz and Martin Nussbaum, with a business address at c/o Slate Property Group at 440 Park Avenue, 3rd Floor, New York, New York 10016.

Sponsor has not taken part in any public offering in New York State in the past five (5) years. The principals of Sponsor have taken part in the following public offerings in New York State:

David Schwartz, a principal of Sponsor, has taken part in the following condominium offerings in the last five (5) years:

Name	AG File No.	AG Filing Date
326 Rockaway Condominium	NA24-0015	4/25/2024
69-65 Yellowstone Boulevard Condominium	NA24-0010	3/27/2024
Hotel 161 Lexington Condominium	NA23-0134	2/15/2024
807 Manhattan Avenue Condominium	CD19-0223	12/10/2019
37-05 30th Street Condominium	NA21-0189	1/10/2022
The 251 1st Street Condominium	CD15-0312	3/21/2016
51 Jay Street Condominium	CD14-0159	12/23/2014
205 Water	CD11-0123	10/7/2011
331 Lafayette Avenue Condominium	NA17-0043	3/29/2017

Martin Nussbaum, a principal of Sponsor, has taken part in the following condominium offerings in the last five (5) years:

Name	AG File No.	AG Filing Date
326 Rockaway Condominium	NA24-0015	4/25/2024
69-65 Yellowstone Boulevard Condominium	NA24-0010	3/27/2024
Hotel 161 Lexington Condominium	NA23-0134	2/15/2024
807 Manhattan Avenue Condominium	CD19-0223	12/10/2019

10 Nevins Street Condominium	CD17-0169	7/9/2018
The 251 1st Street Condominium	CD15-0312	3/21/2016
51 Jay Street Condominium	CD14-0159	12/23/2014
205 Water	CD11-0123	10/7/2011
331 Lafayette Avenue Condominium	NA17-0043	3/29/2017

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

Sponsor and the principals of Sponsor have designated the Secretary of State for service of process.

2. **Attorneys for Sponsor**.

Sponsor has retained the law firm of Holland & Knight LLP, having an office at 787 Seventh Avenue, New York, New York 10019, to represent it in connection with the Plan ("Sponsor's Counsel"). Holland & Knight LLP prepared the Plan, the Declaration, the By-Laws and the forms of Agreement, Storage Unit Purchase Agreement, Residential Unit Deed, Storage Unit Deed and Unit Power of Attorney and has also rendered an opinion with respect to the availability of income tax deductions to purchasers of Residential Units and compliance with Section 339-i of the Real Property Law. Stuart M. Saft, Esq. had principal responsibility for the preparation of the Plan. Holland & Knight LLP will serve as Escrow Agent and will represent Sponsor in connection with matters relating to Unit Closings.

Lawrence J. Berger, P.C., having an address at 240 Madison Avenue, 7th Floor, New York, NY 10016, has been engaged as the real estate tax attorney in connection with the Plan, and has prepared forecasts of the assessed valuation of the Units following Sponsor's construction of the Building and submission of the Property to a condominium regime of ownership that was used in preparing the provisions of Schedule A and other disclosures in the Plan regarding projected real estate taxes. The real estate tax consultant has no financial interest in the Property, in Sponsor, in the Managing Agent, or in any other party interested in this transaction, except for its fees for services rendered in connection with the same.

The attorneys for Sponsor are not affiliated with Sponsor.

3. **Selling Agent**.

Compass Development Marketing Group Property Management, with offices at 90 Fifth Avenue, New York, New York 10017, is the Selling Agent retained by the Sponsor in connection with the offering of Residential Units. The Selling Agent is engaged in the brokerage and sale of residential properties in the New York metropolitan area. The Selling Agent is not affiliated with Sponsor.

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

4. **Managing Agent**

FirstService Residential, a company organized under the Law of the State of New York, and having an address at 575 Fifth Avenue, 9th Floor, New York, New York 10017, will be the Managing Agent for the Condominium. (See the Section entitled "Management Agreement" in Part I of the Plan.) The Managing Agent is not an affiliate of the Sponsor. The Managing Agent has been engaged in the development ownership, operation and management of New York City residential properties for over twenty years.

There have been no prior felony convictions of the Managing Agent or any principals of the Managing Agent and no prior convictions, injunctions and judgments against the Managing Agent, or any principals of the Managing Agent that may be material to the Plan or an offering of securities generally, that occurred within fifteen (15) years prior to the submission of this Plan. The Managing Agent is not affiliated with Sponsor.

5. **Sponsor's Architects/Engineers**.

The architect for the Building is BKSK Architects LLP, having an office at 230 West 38th Street, New York, New York 10018, which has had extensive experience in residential design and overall planning.

EP Engineering LLC ("EP"), having an office at 110 William Street, New York, New York 10038, is the mechanical engineer for the Building. EP is a full service consulting engineering firm specializing in mechanical, electrical, plumbing, fire protection, fire alarm and telecommunications design services.

Thornton Tomasetti, Inc. ("Thornton Tomasetti"), having an office at 120 Broadway, New York, New York 10271, is the structural engineer for the Building. Thornton Tomasetti has designed projects, and performed structural analysis and design for all types of buildings at all project phases.

The architect and engineers are not affiliated with Sponsor.

6. **Sponsor's Budget Expert**.

FirstService Residential, having an address at 575 Fifth Avenue, 9th Floor, New York, New York 10017, estimated all amounts of income and expenses in the projected "Budget for First Year of Condominium Operation, Schedule B", in consultation with Sponsor and provided its opinions regarding the adequacy of the Budget and Sponsor's compliance with Section 339-i of the Real Property Law.

DD. REPORTS TO UNIT OWNERS

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

(1) A certified financial statement of the Condominium prepared by a certified public accountant within one hundred-twenty (120) days after the end of the Condominium's fiscal year;

(2) Prior written notice of the Annual Meeting of Unit Owners; and

(3) A copy of the proposed annual budget for the Condominium at least ten (10) days prior to the date set for adoption by the Condominium Board and while the Sponsor is in control of the Condominium Board, such budget shall be certified pursuant to 13 NYCRR §20.4(d).

EE. DOCUMENTS ON FILE

Pursuant to the provisions of Section 352-e of the GBL, copies of the Plan and all exhibits or documents referred to herein shall be available for inspection by prospective Purchasers, and by any person who shall have purchased a Unit offered by the Plan or shall have participated in the offering of such Unit, at Sponsor's office and shall remain available for such inspection for a period of six (6) years all without charge and for copying for a reasonable charge. In addition, a set of Tax Maps showing the layout, locations and approximate dimensions of each Unit and its unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the City Register's Office 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 advance of or concurrently with the First Closing. The recording of all deeds conveying individual Units will also be in the City Register's Office.

FF. 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. Exact copies are contained in Part II of the Plan of the form of Declaration, form of By-Laws, form of Agreement, form of Storage Unit Purchase Agreement, form of Residential Unit Deed, form of Storage Unit Deed, form of Unit Power of Attorney and other documents and Purchasers are urged to read the documents set forth in Part II of the Plan in their entirety. Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to herein, copies of which are on file with Sponsor, are necessarily not complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such 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.

Under applicable federal and local Law, leaded paint can no longer be used in the construction of the Building.

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 Residential Units, the Property, the Condominium or the operation thereof, which are not covered by insurance.

No party other than the respective Purchasers shall have any right or benefit herein or herefrom, including without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of Sponsor's obligations hereunder and no such third party 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, upon amendment to the Plan, without obtaining the consent of Purchasers or others, to substantially revise the terms and conditions upon which the Units are to be sold, including changes affecting the rights, obligations and liabilities of Sponsor, the Purchasers and/or prospective Purchasers under the Plan. However, Sponsor may not unilaterally cancel an 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 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 adversely affects Purchasers, except as otherwise provided herein, Purchasers will have a right of rescission which may only be exercised not less than fifteen (15) days from the date of presentation of said amendment. Sponsor shall promptly return any Deposit, together with any interest thereon, to Purchasers who rescind, except that Sponsor shall retain the Deposit (and any interest thereon) of any Purchaser who is in default under the Agreement beyond any applicable grace period.

In accordance with the provisions of the Law of the State of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person in the sale of Units offered by the Plan or in the leasing of any such Units because of such person's sex, race, creed,

color, national origin, marital status, age, disability or any 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 and the Building have not been the subject of any prior public offerings.

No cooperative interest in realty or Unit has been offered for sale and no reservations, binding or non-binding, will be made until this Plan has been accepted for filing by the Department of Law. No deposits will be accepted by Sponsor until this Plan has been accepted for filing by the Department of Law.

No Units offered in the Building are occupied by residential or non-residential tenants as of the date of submission of the Plan to the Department of Law.

No contracts or agreements have been entered into and no deposits or advances of funds have been accepted as of the date the Plan is accepted for filing.

GG. SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor hereby adopts the "Description of Property" set forth as Exhibit 6 in Part II of the Plan and represents that it has no knowledge of any material defects or need for major repairs to the Property.

PART II

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118 WEST 13TH STREET CONDOMINIUM

118 WEST 13TH STREET

NEW YORK, NEW YORK 10011

PART II

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EXHIBIT "1"

RESIDENTIAL UNIT PURCHASE AGREEMENT

PURCHASE AGREEMENT

118 WEST 13TH STREET OWNER LLC

Sponsor-Seller

TO

_____

Purchaser

RESIDENTIAL UNIT NUMBER _____

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RESIDENTIAL UNIT NUMBER(S)_____

118 WEST 13TH STREET CONDOMINIUM
NEW YORK, NEW YORK 10011

(TO BE EXECUTED IN QUADRUPLICATE)

PURCHASE AGREEMENT

PURCHASE AGREEMENT (the "Agreement"), made as of _____, 20__, between 118 West 13th Street Owner LLC, a Delaware limited liability company, having an office c/o Slate Property Group, 440 Park Avenue, 3rd Floor, New York, New York 10016 ("Sponsor"), and _____, having an address at _____ ("Purchaser").

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 118 West 13th Street Condominium and all amendments thereto, if any, filed with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan") at least three (3) days prior to Purchaser's signing this Agreement. If Purchaser has not received the Plan and all amendments thereto at least three (3) full days prior to Purchaser's signing this Agreement, Purchaser shall have the right to rescind this Agreement within seven (7) days from the date of this Agreement. 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. Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof, as well as amendments to the Plan duly filed by Sponsor. Terms used herein which are also used in the Plan shall have the same meanings herein as therein unless the context otherwise requires.

2. THE RESIDENTIAL UNIT.

Upon and subject to the terms and conditions set forth herein, Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the Residential unit(s) ("Unit"), together with the percentage of undivided interest in the Common Elements of the Condominium appurtenant thereto.

3. THE PURCHASE AGREEMENT.

By executing this Purchase Agreement, Purchaser is agreeing to purchase the Unit for the Purchase Price described in paragraph 4.1 below. The Deposit (as hereinafter defined) is nonrefundable, except as otherwise specifically provided in the Plan.

4. PURCHASE PRICE.

4.1 The purchase price for the Unit (the "Purchase Price") is $_____

The Purchase Price is payable as follows:

(a) An initial payment of $_____ [an amount that is at least 10% of the Purchase Price unless the purchaser is a foreign government or a person with a diplomatic immunity in which event the Deposit is 50%] (the "First Installment"), due upon Purchaser's signing and submitting this Agreement, by check (subject to collection), receipt of which is hereby acknowledged and, applied to the Purchase Price;

(b) An additional payment of $_____ [an amount that with the First Installment equals at least 15% of the Purchase Price (the "Second Installment"; the term "Deposit", as used herein, refers to both the First Installment and, if the same has been paid at the time in question, the Second Installment)], due on the earlier of six (6) months after the execution of this Agreement or thirty (30) days after Sponsor serves Purchaser with written notice of an amendment to the Offering Plan declaring the same effective, by check (subject to collection). [This paragraph is inapplicable to foreign governments or persons with diplomatic immunity.] Purchase Agreements entered into after sending notification that the Offering Plan has been declared effective may require the First Installment and Second Installment be paid simultaneously; and

(c) $_____, constituting the balance of the Purchase Price, by good certified check of Purchaser or official bank check or, at Sponsor's option, by wire transfer payable on the delivery of the deed as hereinafter provided.

4.2 All checks shall represent United States currency and shall be drawn on or issued by a New York bank or trust company which is a member of The New York Clearing House Association, unless otherwise agreed to by Sponsor. Checks for the Deposit shall be made payable to "Holland & Knight LLP, Escrow Agent". Checks for the balance of the Purchase Price shall be made payable to the direct order of "118 West 13th Street Owner LLC" or such other party as Sponsor may designate upon not less than two (2) days prior notice. If any check is returned for insufficient funds or any other reason, Sponsor at its option, may declare this Agreement void ab initio and of no further force and effect and may institute an action against Purchaser for the collection of the Deposit as liquidated damages or may declare a default by Purchaser under this Agreement which shall entitle Sponsor to exercise any of the remedies set forth in Article 15 hereof.

5. 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 the Purchaser's failure to obtain such financing will not relieve the Purchaser of the Purchaser's obligations hereunder. Purchaser further understands and agrees that if the Purchaser chooses to finance the Purchaser's 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, nor any change in the Purchaser's financial status or condition shall release or relieve the Purchaser of the Purchaser's obligations pursuant to this Agreement.

6. CLOSING OF TITLE.

6.1 The closing of title shall be held at such place in the City and State of New York and on such date and hour as Sponsor may designate to Purchaser on not less than thirty (30) days' prior written notice. In the event this Agreement is executed prior to the Plan being declared effective, the Closing shall not occur until at least thirty (30) days' notice is provided after the Plan is declared effective. Notwithstanding the foregoing, Purchaser may waive such prior notice period. If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Sponsor's attorneys at closing the additional fee as set forth in the Plan. Sponsor, from time to time, may adjourn the date and hour for closing on written notice to Purchaser, which notice shall fix a new date, hour and place for the closing of title, if Sponsor adjourns the closing, the time for Purchaser to close shall be increased by the number of days that Sponsor postponed the closing.

6.2 The closing of title shall occur only after or concurrently with the compliance with the prerequisites as set forth under "Terms of Sale" in Part I of the Plan.

6.3 The term "Closing Date" or "closing of title" or words of similar import, whenever used herein, shall mean the date designated by Sponsor on which the deed to the Unit is delivered to Purchaser, or any adjourned date fixed by Sponsor pursuant to subsection 6.1 hereof.

6.4 Sponsor has projected that, based upon currently anticipated schedules, construction of the Building will be sufficiently completed to permit closings of Units to begin on approximately July 1, 2025 (the "Estimated First Closing Date"). The actual date for the First Closing is only an estimate and is not guaranteed or warranted, and may be earlier or later depending on the progress of construction and compliance with other prerequisites described in the Plan. 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 the Sponsor. Purchaser acknowledges that except as otherwise expressly provided in the Plan, Purchaser shall not be excused from paying the full Purchase Price, without credit or set-off, and shall have no claim against Sponsor for damages or losses, in the event that the First Closing occurs substantially earlier or later than the projected date or the time to complete or to close title to the Unit is accelerated, delayed or is postponed by Sponsor. Sponsor is not subject to damages and Purchaser has no basis to refuse to close or hold Sponsor liable if the First Closing is before or after the Estimated First Closing Date.

7. DELIVERY OF THE DEED AND UNIT POWER OF ATTORNEY.

7.1 At the closing of title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenants against grantor's acts conveying title to the Unit to Purchaser. The deed shall be prepared by Sponsor in substantially 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 execute a New York City Real Property Transfer Tax return and any other forms then required by Law, all of which shall be prepared by Sponsor.

7.2 Purchaser shall provide to Sponsor, at least five (5) business days prior to Closing, an Indemnity Agreement substantially in the form annexed hereto as Exhibit A or in such other form as may be acceptable to Sponsor (the "Title Agreement"), in its sole discretion, wherein Purchaser's title underwriter agrees to (x) timely submit the Unit Deed, all New York State and New York City real property transfer tax forms, including the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax" ("transfer taxes") and checks for payment of such transfer taxes required to be submitted to the appropriate governmental authorities for recording and payment in connection with the conveyance of the Unit to Purchaser in connection herewith; and (y) indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event Purchaser's title underwriter (or such title underwriter's abstract company) fails to file such Unit Deed and transfer tax forms and remit the payment of the required transfer taxes in connection therewith in a timely manner in accordance with Law and the requirements of any governmental or quasi-governmental agency.

In the event the Title Agreement is not delivered as set forth above, (x) Purchaser will indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event Purchaser's title underwriter (or such title underwriter's affiliated abstract company) fails to file such Unit Deed and transfer tax forms and remit payment of the required transfer taxes in connection therewith in a timely manner in accordance with Law and the requirements of any governmental or quasi-governmental agency; and pay any such taxes, fines or penalties assessed or charged by any governmental or quasi-governmental agency. Purchaser acknowledges, however, that the above fees and penalties are not a maximum payment in the event the Unit Deed and transfer tax forms are not filed and/or the payment of the required transfer taxes are not paid in a timely manner. Section 7.2 shall survive Closing.

7.3 At the closing of title and simultaneously with the delivery of the deed conveying the Unit to Purchaser, Purchaser shall execute and acknowledge a Unit Power of Attorney to the Condominium Board and Sponsor substantially in the form set forth in Part II of the Plan.

7.4 The deed and Unit Power of Attorney to the Condominium Board and Sponsor shall be delivered to the representative of the title company insuring Purchaser's title (or, if no such representative is present, then to Sponsor's attorney) for recording in the City Register's Office, which recording shall be at Purchaser's expense. After being recorded, the deed shall be returned to Purchaser and the Unit Power of Attorney shall be sent to the Managing Agent.

7.5 Sponsor shall deliver to Purchaser a certification stating that Sponsor is not a foreign person in the form then required by the Code Withholding Section and each party shall

execute, acknowledge and deliver to the other party such instruments, and take such other actions, as such other party may reasonably request in order to comply with IRS §6045(e), as amended, or any successor provision or any regulations promulgated pursuant thereto, insofar as the same requires reporting of information in respect of real estate transactions.

8. MARKETABLE TITLE.

8.1 Purchaser shall order a title report within ten (10) days of receiving a fully executed Agreement and Purchaser must deliver any title objections to Sponsor's attorney at least twenty (20) days prior to the Closing or any such objections shall be deemed waived. At the closing of title, Sponsor shall convey to Purchaser fee simple title to the Unit, free and clear of all encumbrances other than those expressly agreed to or waived by Purchaser or set forth in Schedule A annexed hereto and made a part hereof. Any encumbrance to which title is not to be subject shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to Purchaser's title insurance company, together with the attendant recording or filing fee, if any, or (b) a licensed title insurance company or Kensington Vanguard National Land Services (the "Title Company"), is or would be willing, in a fee policy issued by it to the 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.

8.2 The title conveyed by Sponsor to Purchaser shall be subject only to the liens, encumbrances and title conditions set forth in Schedule A annexed hereto and made a part hereof. Any lien, encumbrance or condition to which title is not to be subject shall not be an objection to title if: (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to the Title Company, together with the recording or filing fee; or (b) Purchaser's Title Company will insure Purchaser, at the Title Company's regular rates and without additional premium, that it will not be collected out of, or enforced against, the Unit; or (c) Title Company is unwilling to issue the affirmative insurance described in subsection (b) at its regular rates and without additional premium, and a licensed title insurance company or the Title Company would be willing to do so at its regular rates and without additional premium (as evidenced by the issuance of the same by the Title Company in connection with the closing of any other Units in the Condominium).

8.3 Sponsor shall be entitled to adjourn the closing to remove or correct and 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 Sponsor's attorney written notice of such defect in title at least 10 days prior to the Closing, then, for purposes of Article 15 below, Purchaser shall be deemed at fault for not having sent timely notice, and the closing adjournment to allow Sponsor to correct or remove such title defect shall be considered as having been requested by Purchaser.

8.4 The covenants in the deed will be solely for the personal benefit of Purchaser and will not inure to the benefit of Purchaser's successors or subrogees. In the event of a claimed breach of any covenant of the grantor contained in the deed, Purchaser must first seek recovery against Purchaser's Title Company before proceeding against Sponsor, it being agreed that the liability of Sponsor will be limited to any loss or damage not covered by such title insurance. In

the event Purchaser elects not to purchase title insurance, then the liability of Sponsor shall be limited to any loss or damage which would not have been covered by the title insurance that was available to Purchaser at the closing. The terms of any marked-up title binder of any title insurance company authorized to do business in New York State issued in connection with any Unit shall be conclusive evidence of the title insurance coverage that was available to Purchaser. The provisions of this Section 8.4 shall survive the closing of title or the termination of this Agreement.

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 for the month in which title closes; and

(c) accrued rent and any other charges pursuant to an Interim Occupancy Agreement, if any, covering the Unit.

9.2 If a Unit has been separately assessed but the closing of title occurs before the tax rate is fixed, adjustment of taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser and shall not be considered a defect in title. If a Unit has not been separately assessed 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.

9.3 Purchaser and Sponsor hereby agree that, if Purchaser or Sponsor obtain a refund for real estate taxes paid (or a credit for such taxes to be paid) on Purchaser's Unit, Purchaser and Sponsor will apportion the refund (as well as the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party hereto owned the Unit in question. The provisions of this subsection shall survive the closing of title.

9.4 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.

9.5 Any errors or omissions in computing adjustments shall be corrected and payment made to the proper party after discovery. The provisions of this subsection shall survive the Closing.

9.6 In the event that Purchaser fails to close title to the Unit on the date originally scheduled for the closing of title, postpones the closing for any reason, or is deemed at fault for not timely sending notice of a title defect as provided in Article 8 above, and title thereafter closes, then: (a) the closing apportionments shall be made as of the originally scheduled closing date

regardless of when the actual closing of title occurs; and (b) Purchaser shall pay Sponsor interest at the rate of 0.04% per day (or such lower rate per day which is the legal limit, if 0.04% per day exceeds the legal limit) on the total purchase price, computed from the original Closing Date until this transaction is actually closed. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, the foregoing provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title on the rescheduled Closing Date.

10. MORTGAGE TAX CREDIT.

In the event a mortgage recording tax credit becomes available pursuant to Section 339-ee(2) of the Condominium Act, it is specifically understood that such credit shall inure to the benefit of Sponsor. Accordingly, at Closing, a Purchaser who elects mortgage financing will be responsible to pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. Sponsor at Closing will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed. Alternatively, Sponsor may require in its sole discretion a Purchaser who is financing the purchase of said Unit with a Purchase Money Mortgage, to cause the lender making such loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to the Purchase Money Mortgage as determined by Sponsor. Upon such assignment, that portion of the Purchase Money Mortgage assigned by Sponsor, will be exempt from mortgage recording tax under Section 255 of the Real Property Tax Law. Sponsor shall be solely entitled to the benefits of such exemption and accordingly, Purchaser must pay to Sponsor an amount equal to the mortgage recording tax which would have otherwise been due in connection with the recording of the Purchase Money Mortgage.

11. CLOSING COSTS AND TRANSFER TAXES.

11.1 In addition to those costs and adjustments described in Articles 9 and 10 herein, Purchaser shall be required to pay the other closing costs which are Purchaser's responsibility as more particularly described in Part I of the Plan entitled "Closing Costs and Adjustments."

11.2 At the closing, Purchaser shall duly complete and sign before a notary public the real property transfer tax return required to be filed with The City of New York ("RPT Form") and Purchaser shall duly complete and sign the New York State Real Estate Transfer Tax Return ("NYS Tax Form"), or such other forms as may then be required by Law. The RPT Form and NYS Tax Form shall be delivered at closing to the representative of Purchaser's title insurance company (or, if none, to Sponsor's attorney) for filing with the proper governmental officer. Sponsor will similarly execute all of such forms and other documents required in connection with recording of the deed including, without limitation, smoke detector and multiple-dwelling affidavits.

11.3 Purchaser shall pay all New York City Real Property Transfer Taxes and New York State Real Estate Transfer Taxes (and, if applicable, the so-called "mansion tax"), and any other real property transfer tax due to the City or State of New York and the cost of any stock transfer stamps. Purchaser agrees to indemnify and hold Sponsor harmless from and against any and all liabilities and expenses (including, without limitation, reasonable legal fees and disbursements) incurred by Sponsor by reason of the non-payment by Purchaser of any of the taxes Purchaser is

obligated to pay hereunder in connection with the purchase of the Unit. Purchaser's obligations to pay the taxes described in this Article and to indemnify Sponsor as herein provided shall survive the closing or the termination of this Agreement.

12. DEPOSIT. The Deposit made pursuant to this Agreement is subject to the requirements of Section 71-a(3) of the State of New York Lien Law and Sections 352-e(2)(b) and 352-h of the General Business Law of the State of New York. Any Deposit received from Purchaser will be held in accordance with the provisions of the Subsection entitled "Escrow and Trust Fund Requirements" under the Section entitled "Procedure to Purchase" set forth in Part I of the Plan and as set forth in this section below. 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 the Deposit to Sponsor in the event Sponsor and Purchaser close title under this Agreement. Sponsor is required by Law to submit a Form 1099 to the Internal Revenue Service reporting interest earned on Purchaser's Deposit, if any. Purchaser will be taxed accordingly on such interest, whether or not Purchaser ultimately receives the interest in accordance with the terms of this paragraph.

12.1 The law firm of Holland & Knight LLP, with an address at 787 Seventh Avenue, New York, New York, telephone number (212) 513-3200, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Neither Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

12.2 Escrow Agent and all authorized signatories hereby submit to the jurisdiction of the State of New York and its courts for any cause of action arising out of the Purchase Agreement or otherwise concerning the maintenance of release of the Deposit from escrow.

12.3 The Escrow Agent has established a master escrow account at PNC Bank (the "Bank") at its branch located 340 Madison Ave, New York, New York 10173, a bank authorized to do business in the State of New York. The master escrow account is entitled "Holland & Knight LLP – 118 West 13th Street Condominium, Escrow Account" or similar name (the "Master Escrow Account"). All Deposits will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. Each Purchaser is required to deliver a completed and signed Form W-9 (Request for Taxpayer Identification Number) in the form set forth in Part II of the Plan or a Form W-8 (Certificate of Foreign Status) in the form set forth in Part II of the Plan, as applicable, to Sponsor or Selling Agent at the time Purchaser tenders the Deposit and the Purchase Agreement. If an Deposit is accompanied by a completed and signed Form W-9 or Form W-8, the Deposit will thereafter be promptly transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser. The Master Escrow Account is federally insured by the FDIC at the maximum amount of $250,000.00 per deposit, (the FDIC limit in effect as of the filing date hereof). Any deposit in excess of $250,000 (or the FDIC limit in effect from time to time) will not be insured. Purchasers are also advised that if a Purchaser has any additional accounts at the Bank (as defined herein), the funds in said accounts will be added together with the Deposit held in escrow and the aggregate of all the funds held by the Bank will only be insured up to the $250,000 FDIC maximum coverage.

12.4 The Deposit shall be paid by good certified check of Purchaser or official bank check or, at Sponsor's sole option, by wire transfer. All Deposit checks must be made payable to the direct order of "Holland & Knight LLP, Escrow Agent". All checks delivered in payment of the Deposit shall be accepted by Sponsor subject to collection, and if any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, among other things, to deem this Purchase Agreement to be canceled and of no further force or effect.

12.5 If a Deposit is accompanied by a completed and signed Form W-9 or Form W-8, the Deposit will thereafter be promptly transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser. The interest rate for all Deposits transferred to an individual interest bearing sub-escrow savings account shall be the prevailing rate for such accounts, which as of December, 2024 is approximately 3.75%. Interest shall begin to accrue upon placing the Deposit into the individual interest bearing sub-escrow savings account. All interest earned thereon shall be paid to Purchaser at Closing. If a Purchaser does not deliver the Form W-9 or Form W-8, the Deposit will remain in the non-interest bearing checking portion of the Master Escrow Account. No fees of any kind may be deducted from the Master Escrow Account or individual escrow accounts, and Sponsor shall bear all costs associated with the maintenance of the Master Escrow Account and individual escrow accounts.

12.6 Within five (5) business days after the fully executed Purchase Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Master Escrow Account. Within ten (10) business days after deposit of the first portion of the Deposit into the Master Escrow Account, Escrow Agent will notify Purchaser and Sponsor that such funds have been deposited into escrow and will provide the account number and the initial interest rate, if any. Any deposits made for upgrades, extras, or custom work shall be initially deposited into the Master Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor.

12.7 The Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Master Escrow Account. If Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the first portion of the Deposit, Purchaser may cancel the purchase and rescind so long as the right to rescind is exercised within ninety (90) days after tender of this Agreement and the Deposit to Escrow Agent or may apply to the Attorney General for relief. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, 21st Floor, New York, N.Y. 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited in the Master Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to Purchaser.

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

12.9 Under no circumstances shall Sponsor seek or accept release of the Deposit of a defaulting Purchaser until after consummation of the Plan, as evidenced by acceptance of a post-closing amendment by the New York State Department of Law. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-3(2-b) and 352-h.

12.10 Escrow Agent will hold the Deposit in escrow until otherwise directed:

(a) pursuant to terms and conditions set forth in Article 12 of this Agreement upon closing of title to the Unit; or

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

(c) in a final arbitration decision by JAMS.

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

Sponsor will not object to the release of the Deposit to: (a) all Purchasers after an amendment abandoning the Plan is accepted for filing by the Department of Law; or (b) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan or an amendment to the Plan.

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

12.12 Escrow Agent shall maintain the Master Escrow Account under its direct supervision and control.

12.13 A fiduciary relationship shall exist between Escrow Agent and Purchaser, and Escrow Agent acknowledges its fiduciary and statutory obligations pursuant to GBL §§ 352(e)(2-b) and 352(h).

12.14 Escrow Agent may rely upon any paper or 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.

12.15 Sponsor agrees that Sponsor and its agents, including any selling agents, shall deliver the Deposit received by them prior to closing of the Unit to a designated attorney who is a member of or employed by Escrow Agent, within two (2) business days of tender of the Deposit by Purchaser.

12.16 Sponsor agrees that it shall not interfere with Escrow Agent's performance of its fiduciary duties and statutory obligations as set forth in GBL §§ 352-(e)(2-b) and 352-(h) and the New York State Department of Law's regulations.

12.17 Sponsor shall obtain or cause the Selling Agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, and deliver such form to Escrow Agent together with the Deposit and this Agreement. Failure to receive a completed and signed Form W-9 or W-8, as applicable, at the time the Escrow Agent receives the Deposit and this Agreement, shall not prevent the consummation of this Agreement. Within five (5) days following receipt of the Form W-9 or W-8, as applicable, the Deposit will be transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser, and within ten (10) days following receipt of the Form W-9 or W-8, as applicable, Escrow Agent shall notify Purchaser of the deposit of the Deposit into the individual interest bearing sub-escrow savings account.

12.18 Prior to the release of the Deposit, Escrow Agent's fees and disbursements shall neither be paid by Sponsor from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

12.19 Sponsor agrees to defend, indemnify and hold Escrow Agent harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of Escrow Agent's responsibilities arising in connection with this Purchase Agreement or the performance or non-performance of Escrow Agent's duties under this Purchase Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the obligations set forth in this Purchase Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by Escrow Agent itself.

13. DISPUTE RESOLUTION.

13.1 Any dispute, claim or controversy between Sponsor and Purchaser (Sponsor and Purchaser, individually, a "Party", collectively, the "Parties") arising out of or relating to this Agreement or the Deposit shall be determined by arbitration in JAMS Headquarters, currently located at 620 Eighth Avenue, New York, New York, before one (1) arbitrator (the "Arbitration"). Except as otherwise noted in this Agreement and/or the Plan, the Arbitration shall be administered by JAMS pursuant to JAMS' Streamlined Arbitration Rules and Procedure. Judgment on any award issued by the Arbitrator may be entered in any court having jurisdiction.

13.2 Within five (5) days of filing an arbitration proceeding, JAMS shall send the Parties a list of three (3) arbitrator candidates. Each such arbitrator candidate shall have at least ten (10) years New York real estate law experience. Within seven (7) days of service by the parties of the list of names, each Party may strike one (1) name and shall rank the remaining arbitrator candidates in order of preference. The remaining arbitrator candidate with the highest composite ranking shall be appointed the arbitrator. In the event that no arbitrator has the highest composite ranking, the Arbitrator shall be determined by JAMS. The Arbitrator shall be neutral and independent of Sponsor, all of its principals and Purchaser. After hearing the dispute, the Arbitrator shall be obligated to render a determination (the "Award") within the applicable time period under the ADR Rules for the rendering thereof.

13.3 The Parties shall bear the costs of their own expenses and witness preparation. The Parties shall equally share the costs of the JAMS administrative fees, including the Arbitrator's compensation. The Arbitrator shall award to the prevailing Party, if any, the costs and attorneys' fees reasonably incurred by the prevailing party in connection with the Arbitration. The prevailing Party shall be reimbursed for their share of the JAMS administrative expenses.

13.4 Pursuant to New York Civil Practice Law and Rules ("CPLR") §7511, Escrow Agent shall not release the Deposits from escrow until at least ninety (90) days after issuance of the Award. During that 90-day period Purchaser may bring an action pursuant to CPLR §7511 to vacate or modify the Award. During such interim period no statutory interest will accrue (or be deemed to have accrued) on the Deposits. Escrow Agent shall continue to hold the Deposits in escrow until otherwise directed by a final, non-appealable judgment or order of a court of competent jurisdiction directing the disposition of such funds.

13.5 The Parties shall maintain the confidential nature of the Arbitration proceeding and the award, including the hearing, except as may be necessary to prepare for or conduct the arbitration hearing on the merits, or except as may be necessary in connection with a court application for a preliminary remedy, a judicial challenge to an award or its enforcement, or unless otherwise required by Law or judicial decision.

13.6 The Award shall be final and binding upon the parties. Any motion to confirm or vacate the Award must be filed in a federal or state court located in the City, County and State of New York. Purchaser shall be liable for all legal fees and disbursements and out-of-pocket expenses incurred by Sponsor in defending or enforcing Sponsor's rights under this Agreement pursuant to Arbitration in the event Sponsor prevails in defending or enforcing Sponsor's rights. In addition, Purchaser shall pay the fees and disbursements of the Arbitrator and all other costs associated with Arbitration in accordance with JAMS' fee schedule in effect at the time of the commencement of Arbitration.

13.7 If the party, who lost the Arbitration, is not successful on appeal, that party shall reimburse the other party for all of its fees and expenses including legal fees in appealing the arbitration decision.

13.8 This Section 13 shall survive the closing of title and the delivery of the Deed.

14. AGREEMENT SUBJECT TO MORTGAGE.

No encumbrance shall arise against the Property as a result of this Agreement or any monies deposited hereunder. 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, including, but not limited to, any construction or building loan mortgage, heretofore or hereafter made 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 each Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date, unless Purchaser voluntarily assumes such mortgage or consents to the continuation of the lien thereof. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its (their) 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 its 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.

15. DEFAULT BY PURCHASER.

15.1 The following shall constitute "Events of Default" hereunder:

(a) Purchaser's failure to pay the Deposit(s), when due, or the balance of the Purchase Price or any closing apportionments or closing costs on the Closing Date designated by Sponsor; or

(b) Purchaser's failure to duly complete and sign before a notary public and deliver on the Closing Date the New York State and City transfer tax returns; or

(c) If Purchaser is or becomes the tenant of record of the Unit, Purchaser's failure to pay rent or to otherwise comply with Purchaser's lease or tenancy obligations; or

(d) If Purchaser is or becomes the tenant of record of the Unit and Purchaser vacates or abandons the Unit; or

(e) Purchaser's assignment of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; or

(f) 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

(g) If a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the same; or

(h) Purchaser's failure to pay any closing costs set forth in this Agreement or the Plan, on the Closing Date designated by Sponsor; or

(i) Purchaser's failure to pay, perform or observe any of Purchaser's other obligations hereunder; or

(j) the occurrence of any Events of Default under any other Agreement between Sponsor and Purchaser, or between Sponsor and any member or members of Purchaser's immediate family or between Sponsor and any parent, affiliate or subsidiary of Purchaser.

15.2 TIME IS OF THE ESSENCE with regard to Purchaser's obligations to pay the balance of the Purchase Price and to perform Purchaser's other obligations under this Agreement. If Purchaser fails to make such payment when required as herein provided or fails to perform any of Purchaser's other obligations hereunder, Sponsor shall give written notice to Purchaser of such default. If such default shall not be cured within thirty (30) days thereafter, Sponsor may, at its option, cancel this Agreement by notice of cancellation to Purchaser. If Sponsor elects to cancel this Agreement, (a) Sponsor may retain all sums deposited by Purchaser hereunder (including any amounts paid by Purchaser for additional work in the Unit), together with interest earned thereon, as liquidated damages (Sponsor's actual damages being difficult or impossible to ascertain) and, upon retaining such sum, 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 and (b) Sponsor may sell the Unit to any third party as though this Agreement had never been made (without any obligation to account to Purchaser for any part of the proceeds of such sale).

15.3 If Purchaser fails for any reason to close title to his or her Unit on the originally scheduled Closing Date (a) the closing adjustments described in Section 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 higher 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 0.04% of the Purchase Price for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before 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 his Unit on the rescheduled Closing Date.

15.4 Sponsor and Purchaser each hereby agree and acknowledge that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of a default by Purchaser hereunder, and that the Deposit (including all interest) shall constitute and shall be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Unit and other expenses that may be incurred, including, without

limitation, attorneys' fees, and shall be paid by Purchaser to Sponsor as Sponsor's sole and exclusive remedy. The payment of the Deposit (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor. In addition to the foregoing, Purchaser shall also reimburse Sponsor for the cost of removing any changes made to the Unit at Purchaser's request and restoring the Unit to the condition described in the Offering Plan.

15.5 NEITHER SPONSOR NOR PURCHASER SHALL CHALLENGE THE VALIDITY OF THE PROVISIONS OF THE AGREEMENT OR THE PLAN WITH RESPECT TO LIQUIDATED DAMAGES OR ANY RIGHT OF SPONSOR SET FORTH HEREIN OR THEREIN TO RETAIN THE DEPOSIT IN THE EVENT OF A PURCHASER DEFAULT. SUCH PROVISIONS HAVE BEEN AGREED TO VOLUNTARILY, AFTER NEGOTIATION, WITHOUT DURESS OR COERCION BY ANY PARTY UPON ANY OTHER PARTY, AND WITH EACH PARTY HAVING BEEN (OR HAVING HAD FULL AND ADEQUATE OPPORTUNITY TO BE) REPRESENTED AND ADVISED BY COUNSEL, ACCOUNTANTS, BROKERS, APPRAISERS AND OTHER EXPERTS AND ADVISORS OF ITS OWN CHOOSING.

16. CLOSING CONTINGENT UPON PLAN BEING DECLARED EFFECTIVE.

The respective obligations of Purchaser and Sponsor hereunder are contingent upon the Plan being declared effective. The Plan shall not be declared effective except in accordance with the prerequisites set forth in the Plan, as same may be amended from time to time. Purchaser understands and agrees that Sponsor shall have the right to abandon the Plan at any time prior to its being declared effective or thereafter in certain limited cases set forth in the Plan (see the Section in the Plan entitled "Effective Date" for full details). Purchasers shall be required to cooperate with the NYS Department of Law, Real Estate Financing Bureau's procedures relating to the Plan being declared effective. The Plan will be abandoned or deemed abandoned if it has not been declared effective within the time limits prescribed in the Plan. Sponsor shall notify Purchaser, in writing or by a duly filed amendment to the Plan, when the Plan becomes effective or is abandoned.

17. ABANDONMENT OF PLAN.

The Plan may be abandoned by Sponsor only under certain conditions and at certain times, as set forth in Part I of the Plan. Provided Purchaser is not then in default under this Agreement beyond any applicable grace period, if the Plan is abandoned or Sponsor elects not to declare the Plan effective or if after being declared effective the Plan will not be consummated for any reason, this Agreement shall be deemed canceled and, not later than ten (10) days thereafter, Sponsor shall return to Purchaser the Deposit paid by Purchaser hereunder, together with interest earned thereon, if any, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, as more particularly described in the Section entitled "Effective Date" in Part I of the Plan. After the monies are so disbursed, Purchaser and Sponsor will have no claim against each other or the Selling Agent or Escrow Agent in connection with this Agreement or the Plan, and all of same will be released and discharged from all liabilities and obligations hereunder and under the Plan.

18. SPONSOR'S INABILITY TO CONVEY THE UNITS.

18.1 If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan, 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, and, in such case, if Sponsor notifies Purchaser of its refusal to cure such inability 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 inability (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within thirty (30) days after receipt of notice of termination from Purchaser, return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, if any, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, and, 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 fifteen (15) days after the giving of Sponsor's notice of refusal 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).

18.2 In the event that any obligation or undertaking required by Sponsor under this Agreement is prevented, delayed or hindered by a Force Majeure Event (as such term is defined in the Plan), 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 the Agreement. However, none of Purchaser's rights under Article 23-A of the General Business Law, the Plan and Part 20 of the Regulations issued by the Department of Law, shall be abridged by virtue of a Force Majeure Event, except as determined in a final decision or order by a court of competent jurisdiction or any governmental agency, or by executive order. **Purchasers are specifically advised that the timing of the Closing may be significantly delayed in the event that Sponsor exercises its tolling rights under the foregoing Force Majeure provision. The Attorney General recommends that Purchasers consult with their attorneys as to the following prior to executing the Agreement: (i) whether there exists a final decision or order by a court of competent jurisdiction or any governmental agency, or executive order, that impacts the timing of Purchaser's obligations under the Agreement; and (ii) any risks associated with executing an Agreement containing the foregoing Force Majeure provision.**

19. FIXTURES, APPLIANCES AND PERSONAL PROPERTY.

Only those fixtures, appliances and items of personal property which are described in the Description of the Property in Part II of the Plan as being part of the Unit are included in the sale of the Unit pursuant to the provisions of this Agreement. At the Closing, Sponsor shall transfer to Purchaser any assignable warranties and undertakings received by Sponsor in its possession which relate to appliances, equipment or fixtures located in the Unit.

20. ACCEPTANCE OF CONDITION OF PROPERTY.

Purchaser shall accept title (without abatement in, or credit against, the Purchase Price or any provision for escrow deposits at the closing of title) notwithstanding the failure to complete construction of (a) minor details of the Unit or the Property, (b) other Units or (c) the Common Elements of the Property which do not prevent Purchaser's use of the Unit. Purchaser acknowledges that while the Building or the Unit are undergoing construction, it is dangerous and there is a great deal of activity in order to complete the Building and the Unit as expeditiously as possible. Accordingly, neither the Purchaser nor the Purchaser's advisors or consultants will be granted access to the Building or the Unit. Purchaser shall have a reasonable opportunity, upon written request of Purchaser, for Purchaser to examine the Unit and the Property, during normal business hours and in the company of Sponsor's representative prior to the Closing. Purchaser shall carefully inspect the Unit prior to the closing of title and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan. However, if Purchaser finds that Sponsor's improvements have not been completed, although such improvements have been substantially completed, then Sponsor and Purchaser will agree to include on the inspection statement a list of incomplete work of a material nature to be completed in the Unit by Sponsor following the closing of title, without provision for escrow, but all such obligations to complete work in the Unit shall cease once the work has been completed. Notwithstanding the foregoing, Sponsor's obligations to perform work in any Unit shall not survive beyond one (1) year after the Closing Date. Sponsor shall have no obligation to complete any work to the Unit which is not specifically designated on the inspection statement by Purchaser, except for work necessary to cure violations and to obtain a temporary or final certificate of occupancy covering the Unit. Purchaser shall provide written notice that he or she wishes to inspect the Unit pursuant to this Paragraph at least ten (10) days prior to Closing and Sponsor shall respond prior to Closing. If Purchaser fails to inspect such Unit prior to the Closing, Purchaser shall be deemed to have accepted the Unit in good condition and in accordance with the terms of the Plan. Except as expressly provided in this Agreement or the Plan, including but not limited to subparagraph (1) of the subsection entitled "Sponsor's Obligations with Respect to the Building" of the Section entitled "Rights and Obligations of Sponsor," Sponsor shall have no obligation to repair or improve the Unit, any portion of the Property, or the appliances, equipment or fixtures attached to or used in connection with the Unit or the Property.

Except as otherwise set forth in the Offering Plan, Sponsor will not be obligated to correct, and will not be liable to any Board or Unit Owner as a result of any defects in construction, or in the installation or operation of any mechanical equipment, appliances, other equipment, finishes, materials or fixtures (including kitchen appliances and bathroom fixtures), as specifically set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor".

Notwithstanding the foregoing, prior to Closing, Sponsor will be obligated to repair abnormal scratches in plastic laminate, vitreous china, natural stone, wood, porcelain and metallic surfaces by filling or refinishing the same, but Sponsor will not be obligated to replace any such surfaces.

21. 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:

21.1 The risk of loss to the Unit by fire or other casualty is assumed by Sponsor until the earlier of closing of title or possession of the Unit by Purchaser, but without any obligation or liability by Sponsor to repair or restore the Unit. If Sponsor elects to repair or restore the Unit within two (2) months after the date of the occurrence of such fire or casualty, 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 respective Boards 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.

21.2 In the event Sponsor notifies Purchaser that it does not elect to repair or restore 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 canceled and of no further force and effect and Sponsor shall return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, if any, within thirty (30) days' notice of such election, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, 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 such sums deposited by Purchaser hereunder, together with any interest earned thereon, as and for liquidated damages.

22. NO REPRESENTATIONS.

Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent, Sponsor's attorneys, Escrow Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes on the Unit, 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, or any other data, except as herein or in the Plan specifically represented, Purchaser having relied solely on his own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor except as herein or in the Plan specifically set forth. No oral representations or statements shall be considered a part of this Agreement. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures in the Unit, the Common Elements or any other part of the Property other than as set forth herein or in the Plan. Purchaser agrees that Purchaser shall not be relieved of any of Purchaser's obligations hereunder by reason of any immaterial or

insubstantial inaccuracy or error. The provisions of this Article 22 shall survive the closing of title or the termination of this Agreement.

23. PROHIBITION AGAINST SALES OR ADVERTISING, SELLING OR LEASING.

Purchaser hereby covenants and agrees that prior to (a) one (1) year after a Purchaser's closing on its Unit, a Purchaser will not be permitted to sell his or her Unit(s) without obtaining the Sponsor's written approval, and (b) a Purchaser's closing of a Unit, the Purchaser may not (i) list the Unit for resale with any broker or otherwise, or (ii) advertise, promote or publicize the availability of his or her Unit for sale or lease. In the event that Purchaser violates the foregoing prohibition then any sums received by Purchaser in excess of the Purchase Price paid by Purchaser shall be paid to the Sponsor as liquidated damages. In addition, any such sale or lease, listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives shall constitute a default under the Agreement, entitling Sponsor to the remedies set forth herein and any lease or conveyance in violation of the foregoing will be voidable by Sponsor. The provisions of this Article 23 shall survive the closing of title or the termination of this Agreement.

24. BROKER.

Purchaser represents to Sponsor that Sponsor, Sponsor's Selling Agent and _____ _____ are the only brokers or sales agents with whom Purchaser has dealt in connection with this transaction, and Sponsor agrees to pay the commission earned by said broker pursuant to a separate agreement. Purchaser agrees that should any claim be made against Sponsor for commissions by any broker, other than the aforementioned brokers, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees. The provisions of this Article 24 shall survive the closing of title.

25. AGREEMENT MAY NOT BE ASSIGNED.

25.1 Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor. 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 be required to pay Sponsor's reasonable attorneys' fees in advance, for preparation of an assignment agreement and otherwise comply with the Section of the Plan entitled "Assignment of Purchase Agreements".

25.2 Notwithstanding the provisions of Section 25.1 above, Sponsor will not unreasonably withhold its consent to the assignment by Purchaser, on one (1) occasion only, of all the Purchaser's rights under this Agreement to a Purchaser affiliate or to member(s) of Purchaser's immediate family. For purposes of this Section 25.2 only: (i) "Purchaser affiliate" means an entity, as of the date of the assignment and at all times thereafter through and including the Closing

controlled by or under common control with Purchaser; (ii) "immediate family" means Purchaser's spouse, domestic partner, children, parents, grandchildren, brothers or sisters, stepchildren and stepparents; and (iii) "control" means the ownership of fifty-one percent (51%) or more of the interests in such entity and possession of the power to direct the management and policies of such entity and distribution of its profits.

25.3 Notwithstanding any consent by Sponsor pursuant to the terms of this Article to any such change of name or assignment, in no event shall Purchaser, as assignor, be released or relieved from any obligations, promises, covenants and liabilities under or in respect of this Agreement.

25.4 If Purchaser is a corporation, any sale, assignment, transfer, pledge, encumbrance or other disposition of any of the stock of Purchaser, or if Purchaser is a partnership, limited liability company or other entity, any sale, assignment, transfer, pledge, encumbrance or other disposition of any interest in such partnership, limited liability company or other entity shall, for purposes of this Agreement, be considered an assignment and shall be subject to the provisions, prohibitions and terms of this Article concerning assignment of this Agreement, except that a sale of 49% or less of the stock, or in the case of a partnership, limited liability company, trust or other entity, 49% or less than of the ownership interests, of Purchaser which does not result in a change in control of Purchaser shall not be considered an assignment. For purposes of the preceding sentence only, "control" shall mean the ownership of fifty-one percent (51%) or more of the interests in such entity and possession of the power to direct the management and policies of such entity and the distribution of its profits.

25.5 If a Purchaser desires to assign its rights under this Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by Purchaser that differs from that reflected in this Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, then, if such assignment, alteration, addition, deletion or substitution is permitted by Sponsor (in Sponsor's sole discretion), Purchaser shall deliver to Selling Agent or Sponsor's counsel, four (4) signed forms of assignment of this Agreement (to be prepared by Sponsor's counsel at Purchaser's expense and in form and content acceptable to Sponsor, in its sole discretion), and three (3) completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification), Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), or other appropriate Form W-8, as applicable, in the form required by Law. Upon each assignment or other change permitted by Sponsor (it its sole discretion), the assignments, affidavits and Form W-8 or Form W-9, as applicable, must be delivered to Selling Agent or Sponsor's counsel, together with a personal certified check, or an official bank or cashier's check, in the amount of $1,000 made payable to Holland & Knight LLP (for services rendered in connection with the assignment), not less than five (5) days prior to the date scheduled for the Purchaser's closing. In no event shall Purchaser or its assignee (or any added or substituted party) have any right to adjourn or postpone the closing as a result of any such change or assignment. Sponsor is not obligated to consent to any such change or assignment and, Sponsor's refusal to consent to an assignment or change in name will not entitle Purchaser to cancel this Agreement or excuse Purchaser from any of its obligations hereunder or give rise to any claim for damages against Sponsor; and the prohibition against advertising or publicizing the availability of Purchaser's Unit as set forth in Article 23 above and

in the Plan will remain in effect.

26. BINDING EFFECT.

This Agreement shall not be binding on Sponsor until a fully executed counterpart hereof has been delivered to Purchaser. If this Agreement is not accepted within thirty (30) days from the date hereof by the delivery to Purchaser of a fully executed counterpart, this Agreement shall be deemed to have been rejected and canceled and the Deposit paid on the execution hereof shall be promptly returned to Purchaser. If Purchaser has not received the Plan and all amendments thereto at least three full (3) days prior to Purchaser's signing this Agreement, the Purchaser shall have the right to rescind this Agreement within seven (7) days from the date of this Agreement.

27. NOTICES.

27.1 Any notice, request, letter, consent or other communication hereunder or under the Plan shall be in writing and hand delivered or sent, postage prepaid, by registered or certified mail, to Purchaser at the address given at the beginning of this Agreement, and to Sponsor at the address given at the beginning of this Agreement, with a copy to Holland & Knight LLP, 787 Seventh Avenue, New York, New York 10019, Attn: Leanne Bernhard, Esq., in the same manner as notice is given to Sponsor, or to such other address as either party may hereafter designate to the other in writing. Except as otherwise expressly provided herein, the date of hand delivery or mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself. A failure by Purchaser to acknowledge receipt of any notice, request, letter, consent or other communication hereunder shall not in any way invalidate such communication.

27.2 Sponsor hereby designates and empowers both Selling Agent and Sponsor's counsel (Holland & Knight LLP) as Sponsor's agents to give any notice to Purchaser under this Agreement (including, without limitation, a notice of default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor itself.

28. JOINT PURCHASERS.

The term "Purchaser" shall be read as "Purchasers" if the Unit is being purchased by more than one person, in which case their obligations shall be joint and several.

29. PURCHASER'S REPRESENTATIONS.

29.1 Purchaser represents that Purchaser has full right and authority to execute this Agreement and perform Purchaser's obligations hereunder. If Purchaser is not a natural person, Purchaser agrees to deliver at Closing, such documents evidencing Purchaser's authority as may be required by Purchaser's title company. Purchaser further represents that the Deposit represents Purchaser's own funds and that no other party (other than Purchaser or Seller, as provided herein) has any right or claim to all or any portion of the Deposit.

29.2 Purchaser is not now, nor shall it be at any time prior to or at the Closing of title,

an individual, corporation, partnership, joint venture, trust, trustee, limited liability company, unincorporated organization, real estate investment trust or any other form of entity (collectively, a "Person") with whom a United States citizen, entity organized under the Laws of the United States or its territories or entity having its principal place of business within the United States or any of its territories (collectively, a "U.S. Person"), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States Law, regulation, executive orders and lists published by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") including those executive orders and lists published by OFAC with respect to Persons that have been designated by executive order or by the sanction regulations of OFAC as Persons with whom U.S. Persons may not transact business or must limit their interactions to types approved by OFAC or otherwise. Neither Purchaser not any Person who owns an interest in Purchaser is now nor shall be at any time prior to or at the closing of title a Person with whom a U.S. Person, including a "financial institution" as defined in 31 U.S.C. 5312 (a)(z), as periodically amended, is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States Law, regulation, executive orders and lists published by the OFAC or otherwise.

29.3 Purchaser has taken, and shall continue to take until the closing of title, such measures as are required by applicable Law to assure that the funds used to pay to Sponsor the Purchase Price are derived: (i) from transactions that do not violate United States Law nor, to the extent such funds originate outside the United States, do not violate the Laws of the jurisdiction in which they originated; and (ii) from permissible sources under United States Law and to the extent such funds originate outside the United States, under the Laws of the jurisdiction in which they originated. Purchaser is, and will at Closing be, in compliance with any and all applicable provisions of the USA PATRIOT Act of 2001, Pub. L. No. 107-56, the Bank Secrecy Act of 1970, as amended, 31 U.S.C 5312 et. seq., the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as well as Laws relating to prevention and detection of money laundering in 18 U.S.C Sections 1956 and 1957.

29.4 The provisions of this Article shall survive the closing of the title to the Unit or termination of this Agreement.

30. WAIVER OF DIPLOMATIC OR SOVEREIGN IMMUNITY.

30.1 Purchaser hereby waives any and all immunity from suit or other actions or proceedings and agrees that, should Sponsor or any of its successors or assigns bring any suit, action or proceeding in New York or any other jurisdiction to enforce any obligation or liability of Purchaser arising, directly or indirectly, out of or relating to this Agreement, no immunity from such suit, action or proceeding will be claimed by or on behalf of Purchaser.

30.2 As of the execution of this Agreement, Purchaser acknowledges and agrees that all disputes arising, directly or indirectly, out of or relating to this Agreement may be dealt with and adjudicated in the state courts of New York or the federal courts sitting in New York, and hereby expressly and irrevocably submits the person of Purchaser to the jurisdiction of such courts in any suit, action or proceeding arising, directly or indirectly, out of or relating to this Agreement. So far as is permitted under the applicable Law, this consent to personal jurisdiction shall be self-

operative and no further instrument or action shall be necessary in order to confer jurisdiction upon the person of Purchaser in any such court.

30.3 Purchaser irrevocably waives, to the fullest extent permitted by Law, and agrees not to assert, by way of motion, as to a defense or otherwise in any suit, action or proceeding arising, directly or indirectly out of relating to this Agreement brought in the state courts in New York or the federal courts sitting in New York: (i) any objection which it may have or may hereafter have to the laying of the venue of any such suit, action or proceeding in any such court (ii) any claim that any such suit, action or proceeding has been brought in an inconvenient forum; or (iii) any claim that it is not personally subject to the jurisdiction of such courts. Purchaser agrees that final judgment from which Purchaser has not or may not appeal or further appeal in any such suit, action or proceeding brought in such a court shall be conclusive and binding upon Purchaser and, may so far as is permitted under the applicable Law, be enforced in the courts of any state or any federal court and in any other courts to the jurisdiction of which Purchaser is subject, by a suit upon such judgment and that Purchaser will not assert any defense, counterclaim, or set off in any such suit upon such judgment.

30.4 Purchaser agrees to execute, deliver and file all such further instruments as may be necessary under the Laws of the State of New York, in order to make effective the consent of Purchaser to jurisdiction of the state courts of New York and the federal courts sitting in New York and any other provisions of this Article 30.

30.5 Nothing in this Article 30 shall affect the ability of Sponsor to bring proceedings against Purchaser in the courts of any jurisdiction or jurisdictions.

30.6 The provisions of this Article 30 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.

30.7 In the event Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), such Purchaser shall hereby be deemed to have designated and hereby designates C.T. Corporation System, having its offices, at the date hereof, at 111 Eighth Avenue, New York, New York 10011 as its duly authorized and lawful agent to receive process for and on behalf of Purchaser in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement.

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

31. SECTION 1031 EXCHANGE.

Sponsor hereby acknowledges that the acquisition of the Unit hereunder may be in connection with a tax deferred exchange under §1031 of the Internal Revenue Code and that Purchaser may be assigning all of its rights and obligations hereunder to a qualified intermediary as part of, and in furtherance of, such tax deferred exchange. Sponsor hereby agrees to reasonably assist and cooperate in such tax deferred exchange, provided, however, that: (i) any action taken in connection with such tax deferred exchange or requested of Sponsor shall not result in any cost, expense or liability on the part of Sponsor or increased risk to Sponsor relating to the transaction contemplated by this Agreement (and, among other things, Purchaser acknowledges that a fee shall be payable to Sponsor's Counsel in connection with the review of any documentation related to such tax-deferred exchange); (ii) no action or failure on the part of Sponsor in connection with or related to such tax deferred exchange or cooperation on the part of Sponsor in connection with or related to said tax deferred exchange will frustrate the purpose of this Agreement or otherwise result in a reduction of Sponsor's rights, remedies and privileges under this Agreement or increase any of Sponsor's obligations or duties under this Agreement or otherwise; and (iii) Sponsor shall not be obligated, as part of any tax deferred exchange, to convey any property (other than the Unit), acquire any property, or accept any form of payment in respect of the amounts due hereunder other than as set forth herein. Purchaser shall indemnify and shall hold Sponsor harmless from and against any and all costs, expenses, fees (including, without limitation, reasonable attorneys' fees) or liabilities incurred by Sponsor in connection with or resulting from the said tax deferred exchange, and such indemnity shall survive the closing of title or the termination of this Agreement. Notwithstanding the foregoing, Sponsor makes no representation and expresses no opinion with respect to the applicability of §1031 of the Internal Revenue Code to the purchase or acquisition of the Unit.

32. PERFORMANCE BY AND LIABILITY OF SPONSOR.

32.1 Other than those obligations on the part of Sponsor that have been expressly stated to survive the delivery of the deed in this Agreement, the Plan, 13 NYCRR, Part 20 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of the Plan) and General Business Law §352-e, Purchaser's acceptance of the deed for the Unit shall be deemed to be a full performance and discharge of each and every agreement and obligation on the part of Sponsor to be performed pursuant to the provisions of this Agreement, the Plan, 13 NYCRR, Part 20 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of the Plan) and General Business Law §352-e.

32.2 Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain materials or equipment on a timely basis or otherwise, governmental restrictions including stay at home orders and stoppages of non-essential activities, government shutdowns, quarantine, epidemics, pandemics, acts of God or other events beyond its reasonable control (whether similar or dissimilar to the foregoing). Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the period during which such performance was excused.

32.3 Purchaser agrees that Sponsor may cancel this Agreement by forwarding Sponsor's

check in the full amount of the Deposits paid by Purchaser together with interest earned thereon, if any, together with a written termination notice, in the event that (i) any governmental bureau, department or subdivision thereof (x) imposes restrictions on the manufacture, sale, distribution and/or use of materials necessary in the construction of residential housing and such restrictions prevent Sponsor from obtaining such materials from Sponsor's regular suppliers or from using them in the construction and/or completion of the Unit or (y) revokes or modifies any building permit on audit (not due to any violation thereof or default thereunder by Sponsor) and as a result of such revocation or modification Sponsor is unable to construct the Building as contemplated in the Offering Plan, or (ii) Sponsor is unable to obtain materials from Sponsor's usual sources due to events beyond sponsor's reasonable control.

Sponsor's liability under this Agreement for failure to deliver the Deed for any reason, other than Sponsor's willful failure to do so, shall be limited to the return of Purchaser's Deposits paid hereunder, together with interest earned thereon, if any. Upon the return of Purchaser's Deposit, together with interest earned thereon, if any, this Agreement shall be null and void and Purchaser and Sponsor will be released from any and all liability to each other and to Selling Agent. In any event, Sponsor shall not be required to bring any action or proceeding or otherwise incur any expense to render title to the Unit marketable or to cure any objection to title, except as may be set forth in the Plan.

If Sponsor delays or adjourns the closing for the purpose of curing defects or otherwise, Sponsor shall not be liable for the costs, if any, that Purchaser incurs as a result of the delay or adjournment.

33. 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.

34. COSTS OF ENFORCING AND DEFENDING AGREEMENT.

To the extent the provisions of Article 13 hereof are inapplicable, Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under this Agreement or, in the event Purchaser defaults under this Agreement beyond any applicable grace period, in canceling this Agreement or otherwise enforcing Purchaser's obligations hereunder, if Sponsor is deemed the prevailing Party in any such dispute.

35. 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.

36. STRICT COMPLIANCE.

Any failure by Sponsor to insist upon the strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and Sponsor, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

37. GOVERNING LAW.

The provisions of this Agreement shall be governed by and construed in accordance with the internal Laws of the State of New York applicable to agreements made and to be performed wholly in the State of New York, without regard to principles of conflicts of laws. Subject to the provisions of Article 13 of this Agreement, Purchaser hereby grants jurisdiction to the Supreme Court of the State of New York in New York County and the United States District Court for the Southern District of New York for all disputes relating to the Condominium including this Purchase Agreement.

38. WAIVER OF JURY.

Except as prohibited by Law, and to the extent the provisions of Article 13 hereof are inapplicable, 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. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived. The provisions of this Article shall survive closing of title or the termination of this Agreement.

39. ENTIRE AGREEMENT.

This Agreement supersedes any and all understandings and agreements between the parties with respect to the subject matter hereof.

40. CERTAIN REFERENCES.

A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The 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, subsections or other provisions are references to Articles, Sections, subsections or other provisions of this Agreement.

41. NO RECORDING.

Neither this Agreement nor a memorandum of this Agreement shall be recorded against the Property, the Building or the Unit.

42. 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.

43. RULE OF CONSTRUCTION.

There shall be no presumption against the draftsman of this Agreement.

44. SUCCESSORS AND ASSIGNS.

The provisions of this Agreement shall bind and inure to the benefit of Purchaser and his heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

45. 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.

46. AMENDMENTS TO THE PLAN.

Subject to any provision of the Plan to the contrary, if there is a substantial amendment to the Plan that materially and adversely affects Purchaser, Purchaser will have a period of fifteen (15) days from the date of presentation of said amendment within which to rescind this Agreement and, if Purchaser exercises such right of rescission, Sponsor shall return the Deposit, together with any interest thereon, pursuant to this Agreement within thirty (30) days.

47. CONFIDENTIALITY.

Sponsor and Purchaser hereby acknowledge and agree to keep all of the terms and conditions of this Agreement and any negotiations with the Sponsor or the Broker confidential, except that Sponsor shall be permitted to disclose that this Agreement has been executed for the Unit and the purchase price thereunder, but not the identity of Purchaser or its principals. Sponsor and Purchaser agree that any information which is required to be disclosed to the parties respective lawyers, brokers, architects/engineers, accountants, individuals who "need to know" or governmental agencies shall not be deemed to be a breach by Sponsor or Purchaser of the parties undertaking of confidentiality contained in this Agreement. Any failure by Purchaser to keep the terms and conditions of this Agreement confidential shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement.

48. COUNTERPARTS.

This Agreement and any Rider(s) which may be annexed hereto may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same document. A facsimile signature on this Agreement (or any such Rider(s)) shall be acceptable and be deemed binding. The party tendering such facsimile signature shall provide the other party with original counterparts of the signature page promptly after delivery of the facsimile signature page, although the failure to do so shall not invalidate the effectiveness of the facsimile signature.

49. LIS PENDENS.

Purchaser waives any right to place a Lis Pendens against the Unit or the Building. In the event of the Sponsor's failure to substantially complete the Unit in accordance with the terms of the Plan and this Agreement, Purchaser's sole remedy shall be the return of Purchaser's Deposit(s). The Deposit(s) shall only be returned if Purchaser has complied with the conditions contained in the Plan and this Agreement. Purchaser acknowledges that if Purchaser has not acted in compliance with the foregoing, Purchaser may not have the right to have the Purchaser's Deposit(s) refunded.

50. SMOKING POLICY.

The Building will be smoke free. Unit Owners shall not permit cigarette, cigar, pipe or cannabis/marijuana smoking in the Building, nor the use of vapes or JUULs.

51. STATUTE OF LIMITATIONS.

The Purchase Agreement provides that, to the extent the provisions of Article 13 hereof are inapplicable, Purchaser, as Unit Owner, shall have a maximum of three years from closing of the acquisition of the Unit to bring a claim against Sponsor with the exception of (i) causes of action arising out of Sponsor's obligations under the Offering Plan or the Martin Act and (ii) enforcement of judgements already obtained. This three year period is shorter than the six year statute of limitations for breach of contract contained in New York Civil Practice Law and Rules §213(2). By executing the Purchase Agreement, Purchaser shall be deemed to have acknowledged and agreed that said three year period maximum is reasonable. Therefore, Purchasers agree that, notwithstanding anything to the contrary set forth in the Plan, the Purchase Agreement, at Law, in equity, or otherwise, any action or proceeding brought by, through or on behalf of Purchaser against Sponsor, its principals, affiliates or agents, under or related to this Plan or the Purchase Agreement, or related to the Building or a Purchaser's Unit, to be valid, must be commenced by the earlier to occur of (x) three (3) years, or (y) the expiration of the otherwise applicable statute of limitations, in either case from the date the claim giving rise to such action or proceeding accrues in accordance with applicable Law. See Part I, Section L of the Plan, entitled "Procedure to Purchase and Close" and the Purchase Agreement itself, for additional information. By executing this Agreement, Purchaser shall be deemed to have acknowledged and agreed that said 3-year period is reasonable.

52. CERTIFICATION OF SPONSOR AND PRINCIPAL.

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

53. MOLD.

Purchasers are advised that the prevention of the growth of mold in a Unit is the responsibility of each Unit Owner. Construction is not, and cannot be, designed to exclude mold spores. Whether a Unit Owner experiences mold growth depends largely on how such Unit Owner manages and maintains his/her Unit. Unit Owners will need to take actions to prevent conditions which cause the mold or mildew, and it is the responsibility of each Unit Owner to ensure that he/she has taken the necessary precautions to prevent mold from becoming a problem in such Unit Owner's Unit. Sponsor will not be liable for and Purchaser hereby waives any claim for any actual, special, incidental or consequential damages based on any legal theory whatsoever, including, but not limited to, strict liability, breach of express or implied warranty, negligence or any other legal theory with respect to the presence and/or existence of molds, mildew and/or microscopic spores unless caused by the gross negligence or willful misconduct of Sponsor. Purchaser has been advised to not turnoff the unit's HVAC system even when the Purchaser is not occupying the Unit. The provisions of this Article shall survive closing of title or the termination of this Agreement.

54. FINANCIAL CRIMES ENFORCEMENT NETWORK DISCLOSURE.

Purchasers are advised that the Director of the Financial Crimes Enforcement Network, U.S. Department of the Treasury ("FinCEN"), has recently extended and expanded an earlier issued Geographic Targeting Order ("Order") that applies to any corporation, partnership, limited liability company, or other similar business entity ("Covered Purchaser") using cash or a cashier's check, certified check, traveler's check or money order in any form, whether wholly or in part, without a bank loan or other similar form of external financing, to purchase a residential unit in the Borough of Manhattan from Sponsor for a total price in excess of $300,000 (a "Covered Transaction"). The Order provides that in the event a Covered Purchaser enters into a Covered Transaction, the Covered Purchaser shall be required to deliver to the Title Company at Closing all documents and information necessary in order for the Title Company to comply with the requirements set forth in the Order, including without limitation the requirement to file a completed FinCEN Form 8300. Any failure by the Covered Purchaser to deliver such documents and information shall be deemed an Event of Default under the Agreement. Purchasers are advised to refer to the text of the Order itself for further details: https://www.fincen.gov/news_room/nr/files/Real_Estate_GTO-NYC.pdf.

55. INSURANCE.

Purchasers are advised that the Board is not required to obtain or maintain any insurance with respect to a Unit or any fixtures, furnishings, furniture, equipment or personal property

contained in a Residential Unit. A Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect all insurance policies and limit liabilities as required by the Plan, the By-Laws and/or the Board. The Board and the Managing Agent shall not be responsible for ensuring that Unit Owners are insured and shall have no liability for the failure of a Unit Owner to have insurance. To the extent the Unit Owner is insured for loss or damage to property (including, but not limited to, loss due to water damage), the Unit Owner will look to its own insurance policies for recovery for any and all damage occurring in, upon, or from the Residential Unit or any part thereof. The provision shall survive the Closing of the Unit.

56. SPONSOR'S RIGHTS IF PURCHASER DOES NOT REMAIN IN COMPLIANCE WITH THIS AGREEMENT.

If (x) Purchaser does not close on the Original Scheduled Closing Date, or (y) when Sponsor tenders the Deed (or any assignment thereof) to Purchaser, Purchaser does not then sign any of the necessary purchase documents referred to in the Plan, or (z) Purchaser does not remain in compliance with any of the other terms of this Agreement. then Sponsor shall be entitled to terminate this Agreement and retain the Deposit made hereunder with interest earned thereon, if any. In the event the Sponsor changed the Unit from the Unit description contained in the Plan pursuant to the Purchaser's request, Purchaser shall also be responsible for the cost to return the Unit to the condition described in the Plan.

Before Sponsor may fully and finally terminate this Agreement and keep Purchaser's Deposits. Sponsor must first send Purchaser a notice by Federal Express or other reputable overnight courier, by hand delivery or by registered or certified mail stating that Sponsor intends to terminate this Agreement and specifying the reason(s) therefor, and granting Purchaser a period of at least thirty (30) days within which Purchaser may reinstate this Agreement. The thirty day period described herein shall be the same period described elsewhere in this Agreement and the Plan. TIME SHALL BE OF THE ESSENCE WITH RESPECT TO PURCHASER'S OPPORTUNITY TO REINSTATE THIS AGREEMENT WITHIN THE SPECIFIED PERIOD, WHICH SPECIFIED PERIOD SHALL BE AT LEAST THIRTY (30) DAYS. AFTER THE SPECIFIED PERIOD EXPIRES, IF THIS AGREEMENT HAS NOT BEEN REINSTATED, SPONSOR MAY TERMINATE THIS AGREEMENT, RETAIN PURCHASER'S DEPOSIT AS WELL AS THE WORK PAYMENT, IF APPLICABLE, TOGETHER WITH INTEREST EARNED THEREON (IF ANY), AND SELL THE UNIT TO ANOTHER PURCHASER AS IF THIS AGREEMENT HAD NEVER BEEN ENTERED INTO. HOWEVER, IF THERE IS A DISPUTE OVER THE DEPOSIT PRECEDING (OR SUBSEQUENT TO) DISBURSEMENT OF THE DEPOSIT UPON TERMINATION OF THIS AGREEMENT, NO STATUTORY INTEREST WILL ACCRUE (OR BE DEEMED TO HAVE ACCRUED) ON THE DEPOSIT OR OTHER MONIES DEPOSITED BY PURCHASER WHILE DISBURSEMENT OF THE DEPOSIT REMAIN IN DISPUTE.

57. BINDING EFFECT OF PLAN, DECLARATION, BY-LAWS AND RULES AND REGULATIONS.

Purchaser hereby accepts and approves the Plan (including the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and

conditions thereof.

58. DEFINITIONS.

All terms used but not otherwise defined herein shall have the meanings attributed to them in the Plan.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

SPONSOR:

118 WEST 13TH STREET OWNER LLC

By: _____
Name:
Title:

PURCHASER:

_____

_____

_____
(Social Security or Federal I.D. Number)

Telephone No. _____

ESCROW AGENT
Accepted and agreed as to the provisions of Article 12:

HOLLAND & KNIGHT LLP

By: _____
Name:
Title:

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 of the Building and the Unit would show, or such other items as a personal inspection of the Property would show, provided such facts would not make title to the Unit unmarketable, except as otherwise permitted herein.

3. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all as set forth in the Declaration, the By-Laws and the Rules and Regulations, the Unit Power of Attorney from the Grantee to the Board and other parties, and the Floor Plans; as all of the same may be amended from time to time.

4. Consents by the Grantor 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. 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 between record lines of the Property and retaining walls and the like, if any.

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

9. 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.

10. The lien of any unpaid assessment payable in installments (other than assessments levied by the Board), except that the Grantor 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 Grantee shall pay all assessments due from and after the Closing Date.

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

12. Any encumbrance as to which Kensington Vanguard National Land Services (or such other New York Board of Title Underwriters member title insurance company which insures the Grantee's title to the Unit) would be willing, in a fee policy issued by it to the Grantee, to insure the Grantee that such encumbrance (1) will not be collected out of the Unit if it is a lien or (2) will not be enforced against the Unit if it is not a lien.

13. 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 a Unit for residential purposes.

14. Any lease covering the Unit made from the Grantor to the Grantee.

15. Any violation against the Property (other than the Unit) which is the obligation of the Condominium Board or another Unit Owner to correct.

16. Covenants, conditions, easements, agreements of records, etc., as follows:

    (a) Covenants as to setbacks recited in Liber 509, Page 328; Liber 510, Page 349; Liber 626, Page 677; Liber 810, Page 199 and Liber 1096, Page 621.

    (b) Covenants and restrictions recited in Liber 509, Page 328.

    (c) Utility right of way recorded in Reel 2248, Page 1659.

EXHIBIT A
FORM OF TITLE INDEMNITY
[TITLE UNDERWRITER LETTERHEAD]

Dated: _____

_____
_____
_____

Re: 118 West 13th Street Condominium
118 West 13th Street
New York, New York 10011 (the "Premises")

Ladies and Gentlemen:

In connection with the sale of certain units (the "Units") at the referenced Premises, you have asked for certain assurances regarding the recordation by [title underwriter] _____ ("TitleCo") or an abstract company or other person or entity selected by TitleCo (any of the foregoing, a "Title Closer") of the deeds for the Units and related documentation, including, without limitation, mortgage related documents (the "Closing Documents"), the payment of New York City and New York State transfer taxes (including the New York State Additional Tax pursuant to Article 31 of the Tax Law) due in connection with such conveyances and mortgage recording taxes or other fees, if applicable (collectively, the "Tax Payments"), for which TitleCo is insuring title.

As of the date hereof, TitleCo agrees to hold harmless and indemnify Sponsor _____ and Holland & Knight LLP and their respective agents, representatives, members, affiliates and the like (each, an "Indemnified Party") from and against all losses, liabilities, judgments, damages, costs and expenses that an Indemnified Party may incur or suffer from the failure of TitleCo or a Title Closer to (a) record the Closing Documents for any of the Units and submit the Tax Payments for any of the Units in a timely manner from the dates of conveyances for the Units, and (b) do such other act as a reasonably prudent title company of Title Closer would perform.

[Name of Title Underwriter]

By _____
Name:
Title:

EXHIBIT "2"

FORM W-9

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)

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 . . . . . ☐

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.)

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.

EXHIBIT "3"

FORM W-8

Form **W-8BEN**

(Rev. October 2021)

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 United States (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 (that is, 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)

6a Foreign tax identifying number (see instructions)

6b Check if FTIN not legally required ☐

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 or proceeds 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;
- This form relates to:
  - (a) income not effectively connected with the conduct of a trade or business in the United States;
  - (b) income effectively connected with the conduct of a trade or business in the United States but is not subject to tax under an applicable income tax treaty;
  - (c) the partner's share of a partnership's effectively connected taxable income; or
  - (d) the partner's amount realized from the transfer of a partnership interest subject to withholding under section 1446(f);
- 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 ▶ ☐ I certify that I have the capacity to sign for the person identified on line 1 of this form.

Signature of beneficial owner (or individual authorized to sign for beneficial owner) — Date (MM-DD-YYYY)

Print name of signer

EXHIBIT "4"

UNIT POWER OF ATTORNEY

UNIT POWER OF ATTORNEY

_____

TO

THE CONDOMINIUM BOARD OF 118 WEST 13TH STREET CONDOMINIUM

AND

118 WEST 13TH STREET OWNER LLC

118 WEST 13TH STREET CONDOMINIUM

118 WEST 13TH STREET, NEW YORK, NEW YORK 10011

UNIT _____

COUNTY: NEW YORK

BLOCK: 608

LOT:

UNIT POWER OF ATTORNEY

Terms used in this Unit Power of Attorney which are used (a) in the declaration (the "Declaration") submitted by 118 West 13th Street Owner LLC ("Declarant") establishing a plan for Condominium ownership of the premises known as 118 West 13th Street Condominium and by the street number 118 West 13th Street, New York, New York 10011 under Article 9-B of the Real Property Law of the State of New York, dated _____ __, 20__, and recorded in the New York County Office of the Register of The City of New York on _____, 20__, as City File Register Number _____, or (b) in the By-Laws of the Condominium (the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Unit Power of Attorney as in the Declaration or the By-Laws.

The undersigned (the "Principal"), the owner of the Unit (the "Unit") in 118 West 13th Street Condominium which is (are) designated and described as Unit No(s). _____ in the Declaration and also designated as Tax Lot(s) _____, in Block 608 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, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute:

A. the Condominium Board of the Condominium (hereinafter collectively referred to as "**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, (1)(a) following due authorization by a Majority of Unit Owners, to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Unit, together with its Appurtenant Interests, from any Unit Owner who elects to surrender the same pursuant to the By-Laws, and (c) following due authorization by a Majority of Unit Owners, to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and, after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present; (2) upon determination by 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 Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate; and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Common Elements which the Condominium Board deems necessary or appropriate to comply with any ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration

of the Condominium, (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium which the Condominium Board deems necessary or appropriate or (c) following due authorization by any affected Unit Owner(s) to the extent required in the By-Laws and Declaration, any consent any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium, or any of the Common Elements, which the Condominium Board deems necessary or appropriate.

This Unit Power of Attorney shall be irrevocable; and

B. the **Declarant**, true and lawful attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, in the name of its designee (corporate or otherwise) but subject in all respects to the By-Laws and the Declaration then in effect, to execute an amendment to the Declaration, By-Laws and the Rules and Regulations of the Condominium or any permits, applications or documents required to undertake, perform or complete work to the Unsold Units or Common Elements by Declarant or obtain an amended certificate of occupancy therefor, or any of said documents when such amendment (i) shall be required to reflect any changes in Unsold Units, and/or the reapportionment of the Common Interests of the aforesaid Units resulting therefrom made by Declarant in accordance with the Declaration or (ii) shall be required by an (x) Institutional Lender designated by Declarant to make a mortgage loan secured by a mortgage on any Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Declarant to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of subdivision (i) or (ii) of this paragraph shall not (a) change the Common Interest of the Undersigned's Unit, (b) require a material or physical modification to the undersigned's Unit, or (c) adversely affect the priority or validity of the lien of any purchase money mortgage held by an Institutional Lender covering the undersigned's Unit unless the undersigned (in the event described in subdivision (a) or (b) of this paragraph) or the holder of such mortgage (in the event described in subdivision (c) of this paragraph) shall consent thereto by joining in the execution of such amendment.

This Unit Power of Attorney shall be irrevocable.

Each Agent may act SEPARATELY.

This Unit Power of Attorney does not revoke any prior powers of attorney executed by the Principal.

IN WITNESS WHEREOF, the undersigned has/have executed this Unit Power of Attorney as of the ___ day of _____, 20__.

PRINCIPAL signs here: =>_____

=>_____

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

EXHIBIT "5"

FORM OF RESIDENTIAL UNIT DEED

RESIDENTIAL UNIT DEED

THIS INDENTURE, made the ____ day of _____, 20___, between 118 West 13th Street Owner LLC, a Delaware limited liability company, having an office at having an office at 440 Park Avenue South, 3rd Floor, New York, New York 10016 (the "Grantor") and _____ (the "Grantee"), having an address at _____.

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 (the "Unit") in the premises known as 118 West 13th Street Condominium (the "Condominium") and by the street number 118 West 13th Street, Borough of Manhattan, City, County and State of New York, said Unit being designated and described as Unit No. _____ in the declaration ("Declaration") establishing a plan for condominium ownership of said premises under Article 9-B of the Real Property Law of the State of New York (the "Condominium Act"), dated _____, 20__ and recorded in the New York County Office of the Register of The City of New York (the "City Register's Office") on _____, 20____ as City Register File Number ("CRFN") _____, and also designated as Tax Lot(s) ____ in Block 608 of Section ____ of the Borough of Manhattan on the Tax Map of the Tax Map Unit of The City of New York and on the Floor Plans of said building, certified by _____, on _____, 20___, and filed in the Tax Map Unit of the City of New York on _____ as Condominium Plan No. _____ also filed in the City Register's Office on _____, 20__, as CRFN _____. The premises within which the Unit is (are) located are more particularly described in Schedule A attached hereto and made a part hereof. All capitalized terms herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or in the By-Laws of the Condominium. (Said By-Laws, as the same may be amended from time to time, are hereinafter referred to as the "By-Laws".)

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, all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest or estate in (any of) the Unit, as though recited and stipulated at length herein.

Subject also to such other liens, agreements, covenants, easements, restrictions and other matters as pertain to the Unit and/or to the Property as more particularly described in Schedule B attached hereto and made a part hereof.

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.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has (have) been encumbered in any way whatever, except as aforesaid.

The Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purposes.

The Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this Indenture as of the day and year first above written.

GRANTOR:

118 WEST 13TH STREET OWNER LLC

By: _____
Name:
Title:

GRANTEE(S):

_____

_____

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____ the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____ the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____ the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____

SCHEDULE A

LEGAL DESCRIPTION

TO BE INSERTED PRIOR TO CLOSING

SCHEDULE B

REFER TO PERMITTED ENCUMBRANCES SET FORTH AS SCHEDULE A TO PURCHASE AGREEMENT

TO BE INSERTED PRIOR TO CLOSING

EXHIBIT "6"

DESCRIPTION OF PROPERTY

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118 West 13th Street
NEW YORK, NEW YORK

Dated December 16, 2024

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.

A. Location and Use of Property

1) Address: The Property is located at 118 West 13th Street in the borough of Manhattan, City of New York. The property is on West 13th Street between 6th Avenue and 7th Avenue. The primary entrance is located on West 13th Street.

2) Block and Lot: The Building is located on Block No. 608, Lot No. 29.

3) Zoning: NYC Zoning map 12c locates this parcel in an R6 zoning district. Based on a survey prepared by Montrose Surveying Co., LLP dated August 11, 2021, the approximate lot area of 118 West 13th Street is 6,453 square feet. The building's existing floor area currently exceeds that permitted in an R6 district - after development, there will be no residual residential or commercial development rights. There is no requirement to reduce the existing non-conforming floor area to comply with current zoning floor area limitations that would otherwise apply to a new building.

4) Permissible Use: The Legal uses proposed for the building will be as per the approved Department of Buildings application #M00635385. The proposed use is Residential Use Group 2 permitted as-of-right within the R6 zoning district.

5) Applicable Codes: The proposed work is filed for review under the 1968 NYC Building Code with NYS Multiple Dwelling Law Article 7. Per Chapter 1 of the 2014 NYC Building Code Administrative Code, exceptions to the use of the 1968 Building Code for the projects are:
    a. Fuel gas, plumbing, mechanical work to be per the 2014 NYC Fuel Gas, Plumbing and mechanical Codes.
    b. Fire protection system per the 2014 NYC Building Code.
    c. Elevators per the 2014 NYC Building Code.
    d. Accessibility per the 2014 NYC Building Code.
    e. Encroachment into public right of way per the 2014 NYC Building Code.
    f. Special inspections per the 2014 NYC Building Code.
    g. Materials per the 2014 NYC Building Code.
    h. Security grilles per the 2014 NYC Building Code.
    i. Roof coverings per the 2014 NYC Building Code.
    j. Handrails per the 2014 NYC Building Code.
    k. Guards per the 2014 NYC Building Code.
    l. Structural use of load resistance factor design, calculation of live loads, applicability of seismic and wind loads per special provisions for prior code buildings per the 2014 NYC Building Code.
    m. Emergency and standby power systems per the 2014 NYC Building Code.
    n. Mold protection per the 2014 NYC Building Code.

6) Landmarks District: The property is in Greenwich Village Historic Landmark district. Any alteration to exterior of building will require LPC approval. The Certificate of Appropriateness number issued by the Landmarks Preservation Commission is COFA-22-11626 dated 08/17/2022.

B. Status of Construction

1) The project site is occupied by a building constructed in 1930-1931.

2) The building is classified as a Class B New Law Tenement by the New York State Multiple Dwelling Law Article 7, and is being developed subject to the applicable regulations of this Article. It can generally be described as a 7-story structure with a cellar below grade. Project work will conform to all applicable regulations of the Building Code of the City of New York as outlined in Section A-5. The construction class of the building is Type 1C non-combustible (per the 1968 NYC Building Code, section 27-269, Table 3-3, section 27-277). Listed below are the fire ratings of building components for this construction class per the 1968 NYC Building Code.
   a. Exterior load bearing walls: 2 hours
   b. Exterior non-bearing walls with a separation up to 15'-0": 2 hours
   c. Exterior non-beaning walls with a separation of 15'-0" to 30'-0": 1 hour
   d. Columns, girders and framing supporting one floor; 1 ½" hours
   e. Columns, girders and framing supporting more than one floor: 2 hours
   f. Floor construction including support beams and joists: 1 ½" hours
   g. Roof construction including beans, trusses, framing up to 20'-0" above the floor: 1 hour
   h. Roof construction including beans, trusses, framing 20'-0" or more above the floor: 0 hours
   i. Enclosures for vertical exits, exit passageways, elevator hoistways and shafts: 2 hours
   j. Unit separation partition walls: 2 hours

3) Certificate of Occupancy: After completion of construction, the Sponsor will apply for a Certificate of Occupancy (preceded by a Temporary Certificate of Occupancy) for the Building or portions thereof, from the Department of Buildings of the City of New York.. A Temporary Certificate of Occupancy (TCO) will be obtained prior to closing on the first residential unit.

4) Description of Work Done: This report is based on a visual inspection of the premises and a review of the construction documents prepared by BKSK Architects LLP, which have been approved by the NYC Department of Buildings. Construction began in May 2023 and is anticipated to be complete by April, 2025. The proposed work consists of the conversion of the existing cellar space to residential use, amenity spaces and building services. The dormitory spaces at the above-grade floors will be converted to dwelling units. There will be a total of 8 new dwelling units in the building. Two new egress stairs and one new elevator will be constructed to serve the above-grade floors, cellar, and roof. The floor slabs at these locations will be removed to create openings for the new stairs and elevators. New floor slabs with supporting structure will be constructed at existing slab openings that are not in use. All windows and exterior doors will be replaced with new windows and exterior doors. The existing north façade will have an additional door opening at the ground floor for the second means of egress and the existing window openings at the 7th floor will be enlarged to meet light and air requirements for the habitable spaces at that floor. The existing lot line walls to the east and west are to remain. The south wall and court-yard facing walls are to be modified with new punched window openings to provide light and air for the living spaces within. Existing window openings that are not in use will be suitably covered up/ repaired with masonry brick that matches the existing brick masonry. New bay windows are to be added at the south-facing courtyard wall on floor 3 through 7. The east bulkhead is to be extended southward to accommodate the upper level of the Penthouse unit. An elevator bulkhead is to be added to the existing west bulkhead.

Schedule of relevant job file numbers:

Filing Type	DOB Job #	Filing Date	Approved Date	Permit Issued	Description
ALT-CO - GC	M00635385-I1	12/8/2021	8/24/2022	7/24/2023	Filed for interior and exterior renovation and conversion of existing 7 story, prior-to-1968 code, Class 1 FP, UG3 community facility dormitory into proposed 7-story, 1968 BC, Class 1C, UG 2 multiple dwelling .

					No zoning enlargement is proposed.
ALT-CO - MS	M00635385-S1	1/27/2022	8/27/2022	1/17/2023	Mechanical work filed in conjunction with ALT-CO application
ALT-CO - PL/SD/SP	M00635385-S2	1/27/2022	8/31/2022	9/12/2023	Plumbing, sprinkler, and standpipe work filed in conjunction with ALT-CO filing
ALT-CO - ST	M00635385-S3	1/27/2022	9/14/2022	7/24/2023	Structural work filed in conjunction with ALT-CO change of use application
ALT-CO - FO	M00635385-S4	9/9/2022	9/14/2022	7/24/2023	Foundation work filed in conjunction with new elevator pit
ALT-CO - GC/ST	M00635385-S5	2/14/2023	2/15/2023	7/24/2023	Application filed for partial demolition means and methods and Temp shoring & stabilization of a 7 story building, in conjunction with ALT-CO filing M00635385-I1. Demo to be performed in two phases as indicated on DM plans.
ALT-CO - PMM	M00635385-S6	2/14/2023	2/15/2023	2/22/2023	Application filed for equipment use related to partial demo in conjunction with ALT-CO filing M00635385-I1
ALT-CO - FN	M00635385-S7	3/28/2023	3/30/2023	3/30/2023	Fence application filed in conjunction with ALT-CO renovation.

5) Where materials, appliances, equipment, fixtures, finishes and other construction and design details are specified in this report, Sponsor has reserved the right to substitute in their place similar materials, appliances, equipment, fixtures and/or finish of substantially equal or better quality as recognized by industry standards for performance, efficiency, longevity and/or classifications, as applicable.

C. Site

1) Size: Based on information in the survey prepared by Montrose Surveying Co., LLP dated August 11, 2021, the lot dimensions are approximately 103'-3" X 62'-6" and the approximate lot area of 118 West 13th Street is 6,453 square feet. The existing building footprint at the 1st floor is 5,140.6 sf, which is approximately 80% of the lot area. The proposed work includes reducing the 1st floor area to 4,711.2 sf, which is approximately 73% of the lot area.

2) Number of Buildings and Use: The site is occupied by a single dormitory building that will be converted to a single multifamily residential building.

3) The building can generally be described as a 7-story plus bulkheads, plus cellar masonry building with a steel structure and brick masonry-clad exterior walls. The proposed development will consist of a multi-family condominium building with residential use on the cellar through roof floors. There will be a residential accessory lobby on the ground floor and residential accessory mechanical rooms on the cellar level. There will be common residential recreation space in the cellar and at the roof level.

   There are total of 8 residential units in the building, as shown on the floorplans and as described below:
   - Maisonette – 3 bedroom duplex unit (cellar/ 1st floor)
   - Atelier – 1 bedroom unit (1st floor)

- The Parlour – 4 bedroom unit (2nd floor)
- Residence 3 – 4 bedroom unit (3rd floor)
- Residence 4 – 4 bedroom unit (4th floor)
- Residence 5 – 4 bedroom unit (5th floor)
- Residence 6 – 4 bedroom unit (6th floor)
- Penthouse – 4 bedroom duplex unit (7th floor/ roof)

4) Sidewalks and streets:

a. Paving: West 13th street and the associated sidewalk are outside the North property line and not owned by this project. The existing West 13th Street sidewalk is paved with concrete and is to remain and there is no change to the street or drainage. Any portions of the sidewalk paving that are damaged will be repaired to conform with DOT regulations.
b. Curbing: The existing stone curb is scheduled to remain.
c. Drainage: West 13th Street is currently pitched to drain through existing catch basins into the New York City storm water drainage system.
d. Street lighting: New York City street lighting is provided by pole-mounted fixtures. There are currently no pole lights on the sidewalk adjacent to the Building.
e. Street trees: One existing tree is to remain on site, two trees will be paid into the DPR tree fund.
f. There are no areas of grating within the sidewalk.
g. Site interior: There are no interior streets or sidewalks on the site.
h. The sidewalk does not provide a snow melt system.

D. Utilities

1) Electricity:

a. Electricity is provided by Consolidated Edison Company ("Con Edison"). The electric service will be distributed throughout the building to various loads and will be directly metered by the Utility Company. There is one utility meter for the Common/ base building loads, one for the Fire Pump, and one for the Residential Tenant Distribution Panel.

b. Common areas and Common/ base building loads (lighting, Compactor, Elevator, Electrical Heaters, Elevator Machine Room AC, Pumps, Exhaust Fans, Fire Alarm, and Miscellaneous (small building electrical loads)) shall be commonly metered. The Storage Units in the cellar will be commonly metered.

c. Residential units are each sub-metered via a third-party for their electrical use. The third-party meter will be installed at the Tenant Distribution Panel and the Condenser Panel on the roof.

d. Each residential unit owner is responsible for their own electric bill.

2) Telephone: Hardwired telephone lines will be provided for the fire alarm system and elevator.

3) Cable Television: Verizon FIOs & Spectrum in the building

4) Internet Service: Verizon FIOs & Spectrum in the building

5) Gas: One gas service is provided by Consolidated Edison Company ("Con Edison"). Gas is billed through (1) common meter and is supplying the building's dryers, cooking ranges and domestic water heaters shall be commonly metered.

6) Water and Sewer: Existing site connections for water and sewer include a 3" domestic water service fed from the NYC DEP street main along West 13th Street that supplies the building's domestic water. An existing 8" combined sewer drains the building's storm and sanitary systems to the NYC DEP street main along West 13th Street. An existing 6" fire water service fed from the NYC DEP street main along West 13th Street supplies the water for the building's sprinkler and standpipe systems.

E. Subsoil Conditions

1) The visible existing masonry foundation walls appear to be in fair condition, and there is no evidence of uneven settling or movement of foundation elements.

2) There have been no test borings taken.

3) The existing cellar does not show any signs of ground water intrusion at this time. FIRM Map 3604970201F and Preliminary FIRM Map 3604970201G locate the site outside the 0.2% annual chance floodplain.
4) There are no known environmental site issues at this time.

F. Landscaping and Enclosures

1) The roof level has an amenity terrace that will be open to all building residents and will be ADA accessible. The amenity terrace will have hardscape surfaces comprised of unit pavers on a pedestal assembly. A portion of the amenity terrace will have a pergola structure. All parapet edges will be protected by a 3'-6" minimum height guardrail and/ or masonry parapet.

2) The Parlour, Maisonette, and Penthouse units will have terraces with hardscape surfaces comprised of unit pavers on a pedestal assembly. All parapet edges at these terraces are protected by a 3'-6" minimum height guardrail and/ or parapet

3) The Maisonette unit will also have a yard at the cellar level with exposed aggregate concrete paving.

4) As stated in C. (4) (e), one existing street tree is to remain on West 13th Street.

5) The existing wrought iron fence along the West 13th Street frontage is to be maintained. There will be a planted area enclosed by this fence and the building. The existing fences will be cleaned and painted when reinstalled along the street frontage. Any missing or damaged components will be replaced and made to match the existing fence components. The existing fence is approximately 4'-6" high. A matching 4'-6" high gate will be incorporated into each section of the enclosed planted area.

6) The existing concrete wall at the rear (South side) at the cellar level is to remain at both the gym rear yard & Maisonette rear yard. The wall is in fair condition and is approximately 6'-5" in height measured from the top of the Maisonette cellar rear yard slab. The cellar rear yard slab is pitched, so the wall height measured from top of slab will vary. The wall contains an existing doorway to the South.

7) Display pools and fountains: none

G. Building Size

1) Total height: The height of the building will be approximately 75’-6 ½” above the NYC Building Code defined Grade Plane near sidewalk level.

2) Crawl spaces: None

3) Cellars and subcellars: The cellar has three levels. The lowest level at the North-East corner is occupied by back of house spaces, the fire pump room, I.T. Closet and Electrical Room. The intermediate level is occupied by the Amenity Gym, Resident Storage, Trash Room, Mechanical Room, and Elevator Control Room. The highest level is occupied by the lower level of the Maisonette unit & Staff WC.

4) Number of floors: The building will be 7 stories plus a cellar. There will be one elevator and two egress stairs. The elevator will serve the floor levels from cellar through roof. Both egress stairs will provide access to the roof for the required Fire Department access.

5) Parapets: All roofs and terraces will have a parapet or railing, each of which will be a minimum of 3’-6” above the roof or paver level.

6) Equipment rooms: The equipment rooms are located in the cellar, consisting of the mechanical room, elevator control room, electrical room, trash compactor room, fire pump room and an I.T closet for telephone and data services.

7) Ceiling heights: Exclusive of dropped ceiling areas in kitchens, kitchenettes, bathrooms, halls, soffits, mechanical equipment including ducts and plumbing elements, and structural offsets and boxed out beams, ceiling heights in the residential units located in the building are as follows. All heights noted are approximate:
   - Ceilings in the Maisonette unit at the cellar level are approximately 7’-11” in the recreation space and 7’-9” in the powder room. Ceilings in the Maisonette unit at the 1st floor level are approximately 10’-8” in the living room and dining room; 7’-10” in the kitchen, 12’-1” in the primary bedroom; 8’-10” in the secondary bedrooms; 8’-10” in the primary bathroom; 8’-0” in the secondary bathrooms and powder room; 8’-1”in the hallways.
   - Ceilings in the Atelier unit are approximately 9’-7” in the living room and dining room; 8’-4” in the kitchenette; 9-4” in the bedroom; 7’-10” in the bathroom. Additionally, a 12” deep dropped soffit is provided at the kitchenette in keeping with building code requirements for kitchenettes.
   - Ceilings in the Parlour unit are approximately 13’-2” in the living room, dining room, and kitchen; 12’-8” in the west bedrooms; 9’-0” in the west bathrooms; 12’-8” in the entry hall and west hallways; 8’-4” in the east bedrooms; 8’-0” in the east bathrooms; 8’-4” in the east hallway.
   - Ceilings in Residence 3, Residence 4, Residence 5, and Residence 6 are approximately 8’-2” in the living, dining room, and kitchenette; 8’-2” in the bedrooms; 7’-10” in the bathrooms; 7’-6” in the entry hall and hallways. Additionally, a 12” deep dropped soffit is provided at the kitchenette in keeping with building code requirements for kitchenettes.
   - Ceilings in the Penthouse unit at the 7th floor level are approximately 9’-5” in the living room and dining room; 8’-2” in the kitchenette; 9’-3” in the primary bedroom and east wing secondary bedrooms; 8’-3” in the northeast secondary bedroom, 8’-0” in the bathrooms; 8’-0” in the entry hall and hallways. Additionally, a 12” deep dropped soffit is provided at the kitchenette in keeping with building code requirements for kitchenettes. Ceilings in the Penthouse unit at the roof level are approximately 9’-3” at the rec. space, 7’-5” at the powder room and hallway.

H. Structural System

1) Building Structures:

The existing foundation, major column footings and foundation walls will remain. Small portions of two column footings will be removed to make way for the new elevator pit. None of the below-grade structure of the building is visible and its construction is unknown. Similarly, the existence of any underpinning, subgrade drainage or foundation waterproofing is unknown. There is no sign of settlement or other structural distress in the visible portions of the foundation walls at this time and no sign of water intrusion currently.

The existing above-grade structure consists of cast-in-place concrete slabs with draped wire reinforcing, steel columns and steel beams, which are in fair condition. The existing steel beams and columns are fire-proofed with concrete. Any damaged concrete used for fire-proofing the existing structure will be suitably repaired. All new structural steel beams will be fire-proofed with sprayed-on fireproofing. All new above-grade floor slabs will be steel deck with concrete topping. The typical floor assembly will include an acoustical underlayment under the floor finish. The ceiling assembly will include fiberglass acoustical insulation with the gypsum board ceiling suspended on Genie clips (or equal) for acoustical isolation. Based on this combined assembly, the floor and ceiling assembly within the dwelling units will have an anticipated STC and IIC rating of approximately 55 which meets code-minimum requirements.

2) Building Exteriors:
   i. Exterior Walls: Probes through exterior walls and visual inspection indicate that they are composed of terra cotta backup with a dark red brick veneer. The North façade, which is the primary facade facing West 13th Street, has a limestone band on the 2nd floor level and a limestone cornice at the roof level. The window openings at the ground floor have flat brick arches on top. The second floor window openings have semi-circular brick arches with limestone inserts. The window openings that do not have arches are formed with steel loose lintels.

   The secondary facades to the East and West have similar red brick with a terra cotta backup. The East facade has no lot line window openings. A single Lot Line window is located in the West façade.

   Portions of the brick walls at the South façade as well as the courtyard facing facades are to be rebuilt with a combination of new and salvaged brick. These facades are coated with a Landmarks-approved tinted coating. Some of the window openings in these facades have been enlarged and reorganized in accordance with the residential floor plans.

   The existing exterior masonry walls will have approximately 2" of spray-on insulation applied to the interior face of the terra cotta backup. New brick masonry walls will have approximately 3" of mineral wool insulation in the wall cavity. All exterior masonry walls within dwelling units will have an interior finish surface of painted gypsum board.

   The exterior walls are to have a fire rating of 2-hours.

   The Building is subject to the Local Law 11/ 1998 FISP, which requires a periodic inspection of exterior walls of buildings that are greater than six stories in height. Assuming the condominium TCO is received on or about April 1, 2025, the current requirements of Local Law 11/1998 inspection would take place during the Sub-cycle 9B window. Unsafe conditions have been identified per the latest FISP report, attached here within, which consist of damaged masonry, cracked concrete, cracked sills, and cracked coping. The required repairs will consist of a combination of brick replacement, cement injections, sill replacement, and coping replacement. All unsafe conditions noted in the latest FISP report will be remediated by the Sponsor to obtain Safe filing status, in accordance with Local Law 11 requirements, prior to TCO. Sponsor is only responsible for the condition of exterior walls up to the date of the first closing and will not perform any future maintenance or remediation work.

   Windows: All the window openings except for the single window on the existing roof bulkhead, facing North, will be furnished with new insulated double-glazed windows with a thermally broken frame. The South facing courtyard wall at the 3rd through 7th floors will have a bay window that will be a combination of fixed panels and casement windows. The bay window at the 2nd floor will be a combination of fixed panels and glazed terrace doors. All the other window openings will have double-hung windows. The insulating glass units will be clear, with

Low-E coating on the second surface. A 4" limiting stop will be included on all operable windows. Screens will not be provided. The windows are manufactured by Architectural Window Manufacturing Corporation, or equal. Window & glazing warranty shall be granted by manufacturer. All the windows will have factory-finished aluminum frames, sills and headers. The window frames will be thermally broken and with double-paned glazing. The U-values of the double hung window assemblies will be approximately 0.47. The U-value for the bay window assemblies will be approximately 0.44 and the U-value for the operable terrace doors will be approximately 0.48.

A single Lot Line window is located in the West wall of the primary bathroom of unit 7A. There are no light and air requirements for this bathroom and there is a potential for it to be closed up if future construction occurs at the adjacent property.

The window manufacturer, Architectural Window Manufacturing Corporation, will provide warranties for each component to the extent available, as stated below.

- 1 year on workmanship from the time of installation.
- 5 years for window hardware (excluding glazing).
- 10 years for insulated glazing.
- 20 years for the aluminum finish on the window exterior

Warranties will be assigned to the Board in advance of the First Closing. Any issues related to the windows, where covered by the warranty, will need to be directed to the warrantor, not the Sponsor.

ii. Landmark status: The property is in a Landmark District. See A.6.

3) Parapets and Copings: All roofs and terraces will have a railing, each of which will be a minimum of 3'-6" in height above the adjoining surface. The existing terracotta coping at the roof is to remain, with repairs as required. At the North façade, the existing stone coping is to be maintained. New copings at bulkheads shall be cast stone.

4) Chimneys and Caps:
   a. The Building will have a refuse chute adjacent to the West egress stair enclosure serving all residential units except for the Atelier. The refuse chute will be enclosed by a 2-hour fire rated wall construction. The refuse shaft shall extend from the cellar to the bulkhead roof and will terminate in the cellar in a trash storage room enclosed by 3-hour construction. The chute will have an explosion vent and metal flashing collar terminating in accordance with the New York City Building Code at the Bulkhead Roof. The chute will be approximately 16-gauge aluminum coated cold rolled commercial quality steel with factory applied damping material manufactured by U.S. Chutes or equal enclosed in a concrete and/or concrete block and/or gypsum wallboard shaft with 1 1/2 hour rated doors at every opening and an explosion proof cap at the termination point.

   b. Clothes dryers in all units, with the exception of the Atelier and the dryer at the cellar level of the Maisonette, will be vented gas dryers. Each dryer will be vented through a 4" vent, constructed in accordance with the requirements of Chapter 5 of the 2014 NYC Mechanical Code) connecting to a central exhaust system with variable speed fan (pressure controlled), located on the roof. A cleanout will be provided at the dryer exhaust riser base, and at every change in direction. The Atelier and cellar level of the Maisonette will have non-vented electric dryers.

   c. Hot water system: Hot water is provided by (2) direct vent gas-fired water heaters located on the roof which serve all fixtures in the building. Water heaters are Lochinvar Shield SWA150N or approved equal with 3-year limited warranty. Warranties will be assigned to the Board in advance of the First Closing. Any issues related to the water heaters, where covered by the warranty, will need to be directed to the warrantor, not the Sponsor. Hot water temperature maintenance is accomplished through a hot water return system with balancing

valves located in the ceilings of the 7th floor. Penthouse unit access will be required for plumbing / maintenance work that involves these balancing valves.

5) Balconies and Terraces:
    a. Terraces will occur at the Parlour, Maisonette, and Penthouse units. The terraces will have a solid parapet wall with a painted steel railing attached to the inside face of the parapet. Railing design does not create a "ladder effect". The terraces will have area drains and scuppers. The terrace connected to the Parlour primary bedroom will have a parapet wall that is 42" above the finished floor level. Deck finish: All terraces, with the exception of those at the cellar level, will be finished with pressed concrete pavers.
    b. Doors: Terrace doors manufactured by Architectural Window Manufacturing Corporation will be provided at the Parlour, Maisonette, and Penthouse units, and will be aluminum and glass swing doors. At the common terrace on the main roof level, the elevator vestibule access door will be aluminum and glass,and the egress and mechanical doors will be painted hollow metal doors.
    c. Non-freeze wall hydrants: Outdoor hose bibs will be provided at all the terraces.

6) Exterior Entrances:
    a. Exterior doors: The building will have one primary entry on West 13th Street. This will be an aluminum-clad wood and glass entry door.
    Entry door hardware: The primary entry door will be furnished with entrance locks with electric locks controlled by an intercom device.
    In addition to the primary entry, there will be a secondary entry with an aluminum-clad wood and glass double-door, as well as one emergency egress door on West 13th Street. The exterior doors will be manufactured by Kolbe Windows and Doors.
    b. Vestibule doors: none
    c. Exterior stairs: The central building entrance has existing stone-clad stairs that will remain. The existing stairs connect the upper level of the building Reception to the street level.
    d. Railings stairs: none
    e. Mail boxes: Mail is to be placed in government-approved individual mailboxes located in the lobby of the building. The mailbox type is Salsbury Industries 3706D-10, USPS approved or equal.
    f. Exterior lighting: A pair of exterior light sconces is provided at each of the building entrances on West 13th Street, in conformance with the New York State Multiple Dwelling Law. Stake-mounted light fixtures will be integrated into the planted area along West 13th Street. Wall-mounted light fixtures will be provided at the cellar rear yards, the Maisonette terrace, the Parlour terraces, and common areas at the roof level.

7) Service Entrances: none

8) Roof and Roof Structures:
    a. Roof construction: The roof system for the main roof and all bulkhead roofs will be bitumen membrane installed over protection board and tapered rigid insulation This roof shall be by Johns Manville or equal with a liquid flashing system by the same manufacturer.
    The roof system for all terraces will be a protected membrane modified bitumen system applied to the concrete slab with insulation and pavers above. The roof membranes will be protected by pavers on pedestals. This roof systems shall be by Johns Manville or equal, with a flashing system by the same manufacturer. Average R-value of 6.5 per inch of rigid insulation; minimum R-value of 39.
    The manufacturer of the roofing system (Johns Manville) known as the "SBS Roof System" will provide a 25 year roof membrane/ system guarantee commencing upon completion of the installation of the roof membrane/ system, estimated to be approximately November 2024 warranty on roof material. A copy of the form of guarantee is attached to this report.

The terraces at the first and second floors, as well as the main roof will have concrete pavers by Hanover or equal, on pedestals.

b. Drains: There will be 2 drains serving the Maisonette upper terrace located under pavers, with accompanying overflow scuppers and downspouts. The downspouts will drain down to the Maisonette cellar rear yard. There will be a total of 6 drains located under pavers serving the Parlour terraces, 4 of which are accompanied with overflow drains and 2 of which will have overflow scuppers and downspouts. The downspouts will drain down to the Maisonette upper terrace. There will be 5 drains serving the common roof terrace and 1 drain serving the Penthouse terrace, all located under the roof pavers and with accompanying overflow drains. The East bulkhead will have two roof drains with accompanying overflow drains. The West bulkhead will have 3 scuppers and downspouts which drain to the common roof terrace below. The two cellar level terraces will have one area drain each. Owners with exclusive use of the terraces at the Maisonette, Parlour and Penthouse units will be required to maintain the drains noted above to ensure proper functioning and avoidance of leaks and clogs.

The roof drains will be cast iron with a clamping collar integral with the gravel stop. The scuppers and exposed downspouts are to be painted metal.

c. Skylights: none

d. Bulkheads and penthouses: The elevator and West egress stair have a roof level bulkhead to the West. The East egress stairs and upper level of the Penthouse unit have a roof level bulkhead to the East. The West bulkhead is to have CMU block walls with brick. A portion of the East bulkhead consists of existing brick masonry walls and the new walls are to be CMU with brick. The existing masonry walls to remain at the bulkhead are in fair condition.

e. Metal work at roof level:
    i. New vibration spring type isolators with rubber pads will be provided for mechanical equipment.
    ii. Vertical galvanized metal ladders will be provided for maintenance access to the roof of each bulkhead. The roof of the elevator bulkhead will have no direct access.
    iii. One metal automatic smoke vent hatch will be provided above each of the egress stair bulkheads.
    iv. The main roof will have a solid parapet wall with a painted steel railing attached to the inside face of the parapet, at least 42” high. Railing design does not create a “ladder effect”.

f. Rooftop facilities:
    i. Fire Department access will be provided at the street wall of the building in accordance with NYC Fire Code FC504.4.
    ii. There will be a common roof terrace recreation area to the North, for the use of all the building occupants, consisting of approximately 1,551 square feet of paved area. This is accessed via the elevator and egress stairs. The common roof terrace is allocated as an accessory to the residential use of the building and will have a maximum occupancy of 8 persons.
    iii. The South-East portion of the main roof level will be allocated to the Penthouse unit. This roof terrace will be separated from the common recreation area by the East bulkhead.
    iv. The mechanical enclosure at the South-West is screened off with painted metal acoustical screens, approximately 8’-7” high, measured from the finished floor level. The additional mechanical areas at the North-West and North-East will have painted metal acoustical screens with a wood-clad fence and will be approximately 5’-10” high, measured from the finished floor level.
    v. The main roof will have a solid parapet wall with a painted steel railing attached to the inside face of the parapet. The top of the railing will be at least 42” high.
    vi. Two means of egress are provided.
    vii. The Building is exempt from the Sustainable Roof requirements of Local Law 92/94 of 2019. Per Bulletin 2019-010, since the existing roof deck is not being replaced with a new roof deck, the building is exempt from the sustainable roof requirement.

9) Fire escapes: None.

10) Yards and Courts: There is an existing rear yard at the cellar level to the South of the building. This is to be divided into a rear yard attached to the Maisonette unit and a rear yard attached to the gym, the latter of which will be accessible to all occupants of the building. The two rear yards will have a new concrete slab on grade construction, sloped to area drains. The Maisonette and gym rear yards will have one area drain each. The Owner with exclusive access to the rear yard attached to the Maisonette unit will be required to maintain the drain to ensure proper functioning and avoidance of leaks and clogs. A steel-framed wood fence, approximately six feet high, will separate the Maisonette and gym rear yards. The Maisonette rear yard will be enclosed by walls at the North, South and West, with a privacy fence to the East. The gym rear yard will be enclosed by walls at the North, South and East, with a privacy fence to the West. The common front yard area will be planted and enclosed by a fence as described in F. (5). The two existing light wells at the front yard are covered with metal grating. Each well has an existing drain connected to the building's storm water drainage system.

11) Interior Stairs:
    a. Egress Stairs: Two stairs, with painted steel and concrete treads will provide fire egress from the building at the ground level. Both stairs extend from the cellar level to the main roof level. Both stairs will be separated from their extensions to the cellar at the ground level with a 1-hour fire rated partition wall and 45-minute fire rated door. The stair enclosures will consist of gypsum drywall and brick masonry. Handrails and guardrails will be painted steel. The stair doors for the Egress stairs shall remain unlocked at all times. At floors 2, 3, 4, 5, 6,7 and the roof level, Corridors A and B are to remain free of obstructions at all times.

    b. Residence Stairs:
        i. The Masionette unit will have wood-clad steel stairs with painted steel bar stock railings and wood handrails, connecting the ground floor level to the cellar level of the dwelling unit. These stairs are not part of the fire egress, no fire rating is required.
        ii. The Parlour unit has a split level. This unit will have wood-clad steel stairs with painted steel bar stock railings and wood handrails that connect the Living/ Dining Room, located on the lower split level, with the Hallway, Bedrooms and Bathrooms located on the upper split level in the East wing.
        iii. The Penthouse unit will have wood-clad steel stairs with painted steel bar stock railings and wood handrails, connecting the 7th floor level to the roof level of the dwelling unit. These stairs are not part of the fire egress, no fire rating is required.

    c. Common Stairs and Ramp:
        i. The common corridor at the cellar level has a ramp that connects the cellar level of the Maisonette unit entry and the staff bathroom to the cellar elevator stop. The ramp will have a resilient floor finish that matches the corridor and painted steel handrails.
        ii. A convenience painted steel stair connects the common corridor level to the lower Back of House level at the cellar. This stair will have painted steel guardrails and concrete treads.
        iii. New stone-clad steps at the 1st floor connect the lower level of the Reception to the upper level of the Reception

12) Interior Doors and Frames:
    a. Unit entry doors:
        i. Unit entry doors for the Maisonette and Atelier units shall be self-closing fire-rated wood doors with wood-clad fire-rated hollow metal frames and will be labeled and meet the New York City Building Code requirements for a 90-minute rating.

ii. Unit entry doors for the Parlour, Residence 3, Residence 4, Residence 5, Residence 6, and Penthouse units that have direct access from the elevator shall be painted wood zero-clearance pocket doors.
iii. Unit egress doors connecting to the intervening vestibule separating the egress stairs from the dwelling unit shall be fire-rated wood doors with wood-clad fire-rated hollow metal frames and will be labeled and meet the New York City Building Code requirements for a 45-minute rating.

b. The unit interior doors shall be painted wood, with wood frames.
c. All doors and frames leading into fire stairs shall be painted hollow metal and will meet the New York City Building Code requirements. These doors shall have a 90-minute fire-rating and be self-closing.
d. Roof Doors, Cellar Doors and Frames: These doors and frames shall be painted hollow metal and will meet the New York City Building Code requirements.

13) Elevators:
    a. Passenger/freight elevators at core: 1
    b. Capacity: 3,500 LBS
    c. Speed: 200 FPM
    d. Power: approx.. 25 horsepower
    e. Elevator type: MRL Gearless traction running under a simplex selective collective automatic operation
    f. Floors served: Cellar through roof level. The 1st floor will have two stops – one at the Reception level and the second at the public Corridor level.
    g. The elevator will have sliding doors. The Parlour, Residence 3, Residence 4, Residence 5, Residence 6, and Penthouse units will have an additional lockable zero-clearance pocket door that is independent of the elevator functions.
    h. The elevator cab will have a built-in key fob system that will limit access to The Parlour, Residence 3, Residence 4, Residence 5, Residence 6, and Penthouse, where the elevator opens directly into the residential units.
    i. The elevator machine room is located at the cellar level, west of the elevator hoistway.
    j. Manufacturer: S & Q Elevator Inc. Warranties will be assigned to the Board in advance of the First Closing. Any issues related to the elevator, where covered by the warranty, will need to be directed to the warrantor or maintenance company, not the Sponsor.

14) Elevator Cab: The elevator cab will be in a muntz finish with decorative metal fretwork at the top of the cab on all four sides. The floor will have stone tiles and the ceiling will have stainless steel panels with four recessed light fixtures. The elevator cab control panel will have an intercom system with an autodial telephone connected to a 24-hour manned service. Elevators will be provided with Phase 1 and 2 emergency operation. The cab will include an interactive audio-visual emergency communication system in accordance with the BCCNY 2022 edition.

I. Auxiliary Facilities

1) Laundry room: A laundry room or closet is provided within each unit.
    a. See Section X-4g for laundry appliance information

    b. Only the LG or equal dryers will be vented to the roof level of the building. The Atelier and cellar level of the Maisonette will have non-vented electric dryers.

2) Refuse Disposal:
    a. Incinerator: None

b. Compactor: There will be a compactor located in the cellar trash room servicing the units. The compactor will be All-City Metal MC4000 model or equal.

c. Chute: one 24" diameter aluminum coated cold rolled commercial quality steel refuse chute is provided on each residential floor. Chute access doors will be 1-1/2 hour rated. The Atelier unit will not have direct access to the refuse chute.

d. Storage location: The compacted refuse bags will be stored in the designated space at the cellar level until they are transferred to street level on scheduled days for pickup by the New York City Department of Sanitation. Recycling material is to be sorted in accordance with NYC Department of Sanitation rules and dropped off in the designated cellar space by the residents. In no event should refuse be placed on the curb earlier than the night before the scheduled collection day.

3) Bicycle Parking: None

4) Storage Space: A total of eight individual storage units will be provided at the cellar level. See Storage Rooms plan. The storage rooms will be enclosed with stud-framed partition walls with painted gypsum wallboard. Each storage unit will have a painted hollow-metal door with a painted hollow metal frame. An electronic lock will control access to the storage area vestibules from the public Corridor in the cellar. The door to each individual storage unit will have a lockable lever-set.

5) Package room: A package closet will be provided in the ground floor area adjacent to the staffed front desk.

J. Plumbing and drainage System

1) Water distribution system: At the domestic water service point of entry there is located a main shut-off valve in the cellar water room (See Utilities Section). The building has a DEP approved 3" water meter and 3" RPZ-type backflow preventer installed in the same room. Downstream of the meter and backflow assembly, the domestic water passes through a duplex booster pump assembly to increase the building's water pressure to all base building equipment and residential units. Domestic booster pumps are EBARA EVMSU10 duplex pumps, each is 3HP and capable of supplying 30 GPM at 85 psi outlet pressure. . The booster pumps have a warranty for 12 months from the date of startup or 18 months from the date of shipment, whichever occurs first. Warranties will be assigned to the Board in advance of the First Closing. Any issues related to the booster pumps, where covered by the warranty, should be addressed with the warrantor, not the Sponsor. Domestic water distribution takes place on the cellar floor in an "up-feed" design with riser control valves provided for each riser in the cellar ceiling. All cold water piping is insulated with kraft-faced fiberglass insulation. Insulation thickness is ½" for piping 1¼" in diameter and smaller, and 1" for piping 1½" and larger.

2) Hot water system: Hot water is provided by (2) direct vent gas-fired water heaters located on the roof which serve all fixtures in the building. Water heaters are Lochinvar Shield SWA150N; they each have storage capacity of 90 gallons and recovery of 175 gallons per hour at 100-degree rise at 96% efficiency. The heaters have a 3-year limited warranty. Warranties will be assigned to the Board in advance of the First Closing. Any issues related to the water heaters, where covered by the warranty, will need to be directed to the warrantor, not the Sponsor. Hot water temperature maintenance is accomplished through a hot water return system with balancing valves located in the ceilings of the Penthouse unit. All hot water piping is insulated with kraft-faced fiberglass insulation. Insulation thickness is 1" for piping 1¼" in diameter and smaller, and 1½" for piping 1½" and larger.

3) Fire protection system: Downstream of the fire water service point of entry (See Utilities Section) the building has a DEP approved 6" DCDA-type backflow preventer with bypass meter installed in the cellar. A Pentair 4-383-9C 40HP fire pump and Pentair HP10D3 3/4HP jockey pump are provided in the cellar to meet the hydraulic demand of the building's combined sprinkler-standpipe system. Both pumps have a warranty for 12 months from the date of startup or 18 months from the date of shipment, whichever occurs first. Warranties will be assigned to the Board in advance of the First Closing. Any issues related to the pumps, where covered by the warranty, will need to be directed to the warrantor, not the Sponsor.
    a. Standpipe: The building has a Class I, automatic, wet standpipe system comprised of (2) 4" standpipes, one in each egress stair enclosure, with hose vales located at every floor level landing. The standpipes are constructed of black steel piping.
    b. Sprinkler: The standpipe riser in one of the stairs also feeds a floor control valve assembly on each floor which feeds the sprinkler main and all the heads on that floor. The sprinkler heads are residential-type and are a mixture of concealed sidewall and concealed pendant. All heads are of the ordinary temperature rating. All areas of the building are sprinklered with exceptions taken for certain closets and rooms containing electrical equipment as permitted by NFPA 13. A separate sprinkler riser is provided to feed the heads required in the trash chute.
    c. Fire department connection: The building has (1) 3"x 3"x 6" fire department connection located at the front of the building near the west entry.

4) Sanitary drainage system: All above ground sewer piping is service weight cast-iron no-hub piping with standard couplings. All below ground sewer piping is extra heavy cast-iron hub and spigot with gasketed joints. The building has multiple waste and vent stacks to drain building sanitary waste. All building sanitary drainage piping combines in the cellar ceiling and leave the building by gravity to the city sewer main. Meyers WHR7-03-DS-L/D 3/4HP sewage pumps are provided for the cellar level plumbing fixtures to collect and discharge waste since gravity drainage cannot be utilized. The sewage pumps have a warranty for 24 months from the date of manufacture. Warranties will be assigned to the Board in advance of the First Closing. Any issues related to the sewage pumps, where covered by the warranty, will need to be directed to the warrantor, not the Sponsor.

5) Storm drainage system: The building has primary and secondary roof drains on all roof areas which drain to a combined primary/secondary piping system. The drains on unoccupiable roof areas or located beneath pavers are standard dome-type roof drains. Roof/area drains located on paved surfaces open to foot traffic are flush-type area drains with removable grates. All building stormwater piping combines in the cellar ceiling and leave the building by gravity to the city sewer main. All stormwater piping is no-hub cast iron with no-hub couplings. The Board will need to periodically inspect and maintain the drain system to ensure proper functioning and avoidance of leaks and clogs.

K. Heating

1) The heating system for the Residential Section of the building will forced air heat pump units and will be designed to maintain an indoor temperature of 72 deg. F. when the outdoor temperature is 13 deg. F.DB within the normal conditions as per ASHRAE standards (99 %).

2) Air handlers within residential units will be ducted ceiling mounted horizontal type, ducted floor mounted type, or ductless floor console type, and will be equipped with wall mounted room thermostats.

3) Heating will be created through the heat pump refrigeration cycle by extracting heat from the refrigeration lines. Dedicated Variable Refrigerant Volume heat pump systems are provided for each residential unit. Supplemental electric baseboard heaters are provided within the apartments at the bay window facing the courtyard.

4) Air duct insulation –Supply-and return air ducts and plenum insulation shall be one of the following:
    a. Glass-Fiber Blanket: Minimum R-6.

    b. Glass-Fiber Board: Minimum R-6.

    c. Flexible Elastomeric: Minimum R-6.

5) Pipe insulation – refrigerant liquid and suction lines will be provided with minimum 1" thick insulation for indoor piping, and minimum 2" thick insulation for outdoor piping. Pipe insulation to be Armacell Armaflex or equivalent.

6) Heating of Public Space:
    a. The building lobby is provided with a ceiling concealed ducted air handler that will provide forced hot air. A ducted electric fan coil unit is provided to supplement space temperature recovery when the lobby doors are opened.

    b. The Amenity Gym, is provided with a ceiling concealed ducted air handler that will provide forced hot air.

    c. Public and Amenity spaces are served by dedicated mini split system heat pump condensing units, which feed the respective individual air handlers in each zone.

    d. Electric unit heaters will be provided for back of house cellar spaces, secondary entrances and mechanical spaces, roof elevator vestibule, and egress stairs.

L. Gas Supply

(See section D. Utilities, #5)

M. Air Conditioning

1) Method: The air conditioning system of the building will be a forced air type consisting of indoor heat pumps connected to outdoor condensing unit via refrigerant piping.

2) Manufacturer of Cooling System: Specified air conditioning system will be split heat pump system. The specified units are manufactured by TRANE Mitsubishi or equal. Condensing unit capacities are scheduled below. VRF condensing units are provided with a 1 year parts warranty and 7 year compressor warranty. Warranties will be assigned to the Board in advance of the First Closing. Any issues related to the cooling system, where covered by the warranty, will need to be directed to the warrantor, not the Sponsor.

AIR COOLED CONDENSER SCHEDULE											
Unit Number	Area Served	Nominal Tonnage	Cooling Capacity (MBH)	Heating Capacity (MBH)	Efficiency					Manufacturer	Model #
					EER	SEER	IEER	COP	HSPF		
ACCU-A	Atelier	3	36	42	12.6	18.3	N/A	3.7	11.2	Mitsubishi	NTXMSM36A142AA
ACCU-A	Penthouse, Northeast	3	36	42	12.6	18.3	N/A	3.7	11.2	Mitsubishi	NTXMSM36A142AA
ACCU-B	Residence 3, West	4	48	54	11.3	16.5	N/A	3.3	11.0	Mitsubishi	NTXMSM48A182AA
ACCU-B	Residence 4, West	4	48	54	11.3	16.5	N/A	3.3	11.0	Mitsubishi	NTXMSM48A182AA
ACCU-B	Residence 5, West	4	48	54	11.3	16.5	N/A	3.3	11.0	Mitsubishi	NTXMSM48A182AA
ACCU-B	Residence 6, West	4	48	54	11.3	16.5	N/A	3.3	11.0	Mitsubishi	NTXMSM48A182AA
ACCU-B	Penthouse, West	4	48	54	11.3	16.5	N/A	3.3	11.0	Mitsubishi	NTXMSM48A182AA
ACCU-B	Penthouse, Southeast	4	48	54	11.3	16.5	N/A	3.3	11.0	Mitsubishi	NTXMSM48A182AA
ACCU-C	Residence 3, East	5	60	66	11.1	17.8	N/A	3.7	10.7	Mitsubishi	NTXMSM60A182AA
ACCU-C	Residence 4, East	5	60	66	11.1	17.8	N/A	3.7	10.7	Mitsubishi	NTXMSM60A182AA
ACCU-C	Residence 5, East	5	60	66	11.1	17.8	N/A	3.7	10.7	Mitsubishi	NTXMSM60A182AA
ACCU-C	Residence 6, East	5	60	66	11.1	17.8	N/A	3.7	10.7	Mitsubishi	NTXMSM60A182AA
ACCU-1-1	Maisonette	8	96	108	14.1	N/A	26.7	4.04	N/A	Mitsubishi	TUHYE0963AN40AN
ACCU-2-1	The Parlour	6	72	80	13.5	N/A	25.3	4.05	N/A	Mitsubishi	TUHYE0723AN40AN
ACCU-C-1	Amenity Gym	2	24	28	11.7	19.6	N/A	4.3	10.8	Mitsubishi	TRUZA0241HA70NA
ACCU-L-1	Residential Lobby	1.5	18	22	10.8	19.9	N/A	3.9	10.2	Mitsubishi	TRUZA0181KA70NA
ACCU-EMR	Elevator Machine Rm	2	24	28	12.2	21.4	N/A	4.35	11.0	Mitsubishi	TRUZA0241HA70NA

3) The building will be provided with 17 condensing units overall, 14 dedicated condensing units for Residential Units, one for the building's Lobby, one for the Amenity Gym, and one for the elevator machine room. The condensing units are all located on the roof or bulkhead. All condensing units are powered via a dedicated building electrical panel located on the roof. The cost related to each residential unit for Heating and Cooling will be charged to each unit owner by a 3rd party billing company.

4) Residential Air Conditioning:
The Residential Section of the building will be provided with forced air heat pump units capable of maintaining inside temperatures of 75 deg. F. D.B. and 60% (max) relative humidity when outside temperatures are 92 deg. F. D.B. and 74 deg. F. within the normal conditions as per ASHRAE standards (1%).

5) Public Space Air Conditioning:
   a. The building lobby will be provided with a ceiling concealed ducted air handler that will provide cooling.

   b. The Amenity Gym will be provided with ceiling concealed ducted air handlers that will provide cooling.

   c. Public and Amenity spaces are served by a dedicated heat pump condensing unit, which feeds the individual air handlers in each zone.

6) Miscellaneous:
   a. The Elevator Machine Room located at the cellar level is provided with wall mounted heat pump unit within the room and connected via refrigerant piping to the common space condensing unit on the roof.

   b. All rooftop equipment will be provided with vibration isolation required as per specification and coordinated with the acoustical consultant.

   c. All exterior metals, including fasteners shall be corrosion resistant.

7) Refrigerant liquid and suction lines will be provided with minimum 1" thick insulation for indoor piping, and minimum 2" thick insulation for outdoor piping. Pipe insulation to be Armacell Armaflex or equivalent.

N. Ventilation

1) Mechanical ventilation is provided for all residential units and common spaces via four (4) Energy Recovery Ventilators (ERV) on the roof, to comply with the 2014 New York City Building Code. The ERVs are manufactured by RenewAire or equal and are all Model EV450JRT or equal. All equipment shall meet NYC noise code requirements. Overall noise emissions for ERV-R-1, ERV-R-2, ERV-R-3, & ERV-R-4 are shown below:

Sound Power (db)								
Frequency	**62.5 Hz**	**125 Hz**	**250 Hz**	**500 Hz**	**1 kHz**	**2 kHz**	**4 kHz**	**8 kHz**
Inlet	67	68.1	63.6	65.0	64.0	59.9	56.8	54.2

2) A dedicated Energy Recovery Ventilator (ERV) will provide mechanical ventilation for the Amenity Gym. The ERV is manufactured by RenewAire, Model EV240 or equal.

3) Two continuously operated general exhaust fans (inline mounted) are provided in the building's cellar for Utility Spaces, Trash Rooms and Water Closets.

4) The toilet exhaust from the Residential Units is routed to the ERVs located on the roof and exhausted directly outdoors. The ERVs shall operate continuously and extract the code required CFM for continuously operating toilet exhaust systems (per Chapter 4 of the 2014 NYC Mechanical Code).

5) Clothes dryers in all units, with the exception of the dryer in the Atelier unit and the cellar level dryer in the Maisonette unit, will be vented gas dryers. Each dryer will be vented through a 4" vent, constructed in accordance with the requirements of Chapter 5 of the 2014 NYC Mechanical Code) connecting to a central exhaust system with variable speed fan (pressure controlled), located on the roof. A cleanout will be provided at the dryer exhaust riser base, and at every change in direction. The dryer in the Atelier unit and the cellar level dryer in the Maisonette unit will be electric ventless dryers.

6) Kitchens and kitchenettes with cooking ranges in all units will be provided with a vented hood, with integral fan, connecting to a central exhaust system with variable speed fan (pressure controlled), located on the roof. Domestic range hoods will be limited to exhaust volumes of 300 cfm or less.

O. Electrical System

1) The electric power distribution system shall include all the elements necessary to conduct electricity in an approved, safe manner to all lighting fixtures, air conditioning equipment, sanitary equipment, kitchen equipment, elevators, appliance outlets, and signal and communication equipment. The electric power distribution system shall:

    a. Be suitable for receiving low tension power at 120/208 volt, 3-phase, 4-wire directly from Con Edison. In the Main Electrical Room, from the Service Handoff Box, power is distributed to a 208Y/120V, 3-phase, 4-wire, Service End Box with Copper Detail, and then to the following systems: Fire Alarm System, Fire Pump Controller, Common/ base building loads, and Residential Loads. The Common House loads, Residential loads, and the Fire Pump are metered by Con Edison meters. The Residential units are separately metered via a third-party sub-meter.

    b. The Fire Alarm System will be fed by a 120/208 volt, 1-phase, 3-wire, 30 Amp fused disconnect switch fused at 30 Amps.

    c. The Fire Pump will be fed by a 120/208 volt, 3-phase, 4-wire, 600 Amp fused disconnect switch fused at 600 Amps.

    d. The Common/ base building loads will be fed by a 120/208 volt, 3-phase, 4-wire, 800 Amp Fused Service disconnect Switch.
        i. The 800 Amp Fused Disconnect Switch feeds a 120/208 volt, 3-phase, 4-wire, 800 Amp Distribution Panelboard.

        ii. The 800 Amp Distribution Panelboard feeds local house panels throughout the building. The house panels provide power for all common area receptacles, lighting, HVAC equipment, residential condensing units, and plumbing equipment.

    e. The Residential Tenant Distribution Panel will be fed by a 120/208 volt, 3-phase, 4-wire, 600 Amp Fused Service disconnect Switch. Each unit will be fed by either a 120/208 volt, 1-phase, 3-wire, 70 Amp, 125 Amp, or 150 Amp, 2-pole, Branch Circuit Breakers. Each residential unit circuit breaker will be sub-metered by a third-party. The service breakdown for each unit is shown below:

Unit Number	Floor	Voltage	Service Size (Amps)
Maisonette	Cellar/First	208V, 1-Phase	125
Atelier	First	208V, 1-Phase	70
The Parlour	Second	208V, 1-Phase	125
Residence 3	Third	208V, 1-Phase	125
Residence 4	Fourth	208V, 1-Phase	125
Residence 5	Fifth	208V, 1-Phase	125
Residence 6	Sixth	208V, 1-Phase	125
Penthouse	Seventh/Roof	208V, 1-Phase	150

f. Adequacy:

i. Service: Each Residential Unit shall be provided with a 120/208 volt, 1-phase, 3-wire. 70 Amp, 125 Amp, or 150 Amp service. Service is in accordance with New York City Electrical Code ("NYCEC") and will be adequate to meet normal residential unit appliance, lighting, and air conditioning loads.

ii. All Residential Units are provided with a 54-circuit/ position panel, aside from the Atelier, which is provided with a 42-circuit/position panel.

iii. Lighting and Fixtures: Shall be in accordance with Architectural reflected ceiling plan and lighting fixture schedule. Switches for lighting fixtures will be provided in bedrooms, bathrooms, living/dining rooms, walk-in closets, foyers, and kitchens or as specified by the Architect.

iv. Outdoor Condensers: Shall be sub-metered by a third-party for its electrical usage for each residential unit (using data from the condenser manufacturer).

v. Convenience and Appliance Outlets:

1. All Residential Units are provided with wall (or floor) receptacles, appliance receptacles, etc. as required per NYCEC.

2. 20 Amps, 120V circuit are provided to handle lighting and general-purpose receptacles.

3. 15 Amp and 20 Amp, 120V circuit are provided in the kitchen area for 120V kitchen appliances.

4. All 15 Amp and 20 Amp outlets in bathroom and kitchen shall be Ground Fault Interrupter ("GFI") type.

5. 15 Amp, 208V single phase circuits are provided for washers.

6. 20 Amp, 120V circuits are provided for electric washers and gas dryers.

7. 20 Amp, 120V circuits and 15 Amp, 208V single phase circuits are provided for mechanical equipment.

8. All 120V, 15 Amp and 20 Amp branch circuits supplying outlets in dwelling unit bedrooms, recreation spaces, hallways, closets or similar rooms or areas will be provided and protected by a listed Arc-Fault Circuit Interrupter.

9. All receptacle outlets in Residential Units will be provided with listed tamper-resistant type receptacles.

10. All exterior receptacles will be weatherproof type and will be provided with Ground Fault Interrupter protection.

g. There is no generator on site for this building.

P. Intercommunication and / door signal systems, security, closed circuit TV

1) Video intercom is provided, with an outdoor panel at the primary residential entrance and an indoor station near the entry of all residential units and at the lobby desk. The intercom system is manufactured by Comelit.
2) Door access controls are provided at the building's main residential entrances, amenity areas, cellar storage vestibules, cellar back of house area, and the elevator for floors that open directly into the residential units.
3) Security cameras are provided at public areas, including the lobby, corridors, elevator, amenity areas, and building exterior.

Q. Public area lighting

1) Lighting fixtures are provided in the building's residential common areas, common corridors, fire stairs, and utility rooms, with power density that conforms with the energy code.

R. Garages and parking areas

1) None

S. Swimming Pools

1) None

T. Tennis Court, playgrounds, recreational facilities

1) Gym is provided in the Cellar, with fitness equipment by Sponsor, to include cardio and strength equipment. The gym is connected to an outdoor common space at the rear yard. Maximum 16 occupants within the gym.

2) An outdoor common residential terrace is provided on the main roof level. Outdoor terrace to include a pergola. The pergola is to have a steel structural frame that is clad in wood, with a wood shade structure spanning north-south. The pergola is to be approximately 9-feet wide and 10-feet tall, spanning between the elevator bulkhead and east roof bulkhead.

U. Handicap provisions

1) The elevator provides access to common recreational areas and other common spaces including the cellar-level gym and common roof terrace.

2) All residential units to be accessible / adaptable in compliance with the 2014 NYC Building Code. The kitchen islands in all the units are adaptable and will need to be lowered by 2" to a height of 34" above finish floor to be fully accessible.

V. Permits and certificates

1) New York City Department of Buildings
2) Demolition means and methods
3) General Construction, Structural, HVAC and Plumbing Permits.
4) HVAC Equipment use permits
5) Sprinkler
6) Elevator Certification and Inspections
7) Certificate of completion from the Bureau of Electrical Control.
8) Temporary Certificate of Occupancy
9) NYC Metropolitan Transit Authority: N/A
10) NYC Fire Department: Fire Protection Plans will be filed with the Fire Department
11) NYC DOT
12) LPC Certificate of Appropriateness

Periodic inspections of certain building systems and components will be required during the ongoing operation of the building, such as elevators, sprinklers, and fire alarms. These inspections will be coordinated by the Condominium's managing agent, in accordance with the requirements of the applicable municipal agencies.
List of recurring inspections after completion of the building:

a. Fire Alarm: Twice a year by a certified technician
b. Elevator: Twice a year by a private inspection company hired by DOB
c. Flow Test: Every 5 years by a licensed fire suppression GC and witnessed by FDNY
d. Sprinklers: Monthly and annually by a certified inspector with a Certificate of Fitness, licensed by FDNY
e. The FISP cycle starts 5 years after TCO with a 5 year frequency.
f. Fire Doors: Annual NFPA fire door inspection
g. Gas: Periodic inspection of gas piping systems is required at least once every four years per LL152/2016

W. Violations

The current NYC Department of Buildings violations on the property are as listed below.

a. 9/11/2024. Violation ID: VIO-FTF-VT-CAT1-202312-0006310 (Category 1 Test)
b. 9/11/2024. Violation ID: VIO-FTF-VT-PER-202312-0001208 (Periodic Elevator Violation)
c. 9/11/2024. Violation ID: VIO-FTF-VT-PER-202312-0001209 (Periodic Elevator Violation)
d. 8/02/2024. Violation ID: 080224BENCH00041 (Benchmarking - Failure to file benchmarking report of energy use as per ad. code sec. 28-309.4.)
e. 6/26/2024. Violation ID: 062624AEUHAZ100006 (AEU Failed to Certify – failure to certify correction on immediately hazardous Class 1 ECB violation)
f. 5/2/2024. Violation ID: 050224BENCH00081 (Benchmarking - Failure to file benchmarking report of energy use as per ad. code sec. 28-309.4.)
g. 2/22/2024. Violation ID: 022224BENCH00025 (Benchmarking - Failure to file benchmarking report of energy use as per ad. code sec. 28-309.4.)
h. 11/21/2023. Violation ID: 112123FISPHAZ911326 (Façade Local Law - Cycle 9b unsafe report filed)
i. 8/25/2023. Violation ID: VIO-FTF-VT-PER-202212-0009158 (Periodic Elevator Violation)

j. 8/11/2023. Violation ID: VIO-FTF-VT-CAT1-202112-0000864 (Category 1 Test)
k. 8/11/2023. Violation ID: VIO-FTF-VT-CAT1-202212-0000954 (Category 1 Test)
l. 6/30/2023. Violation ID: 063023LBLVIO18622 (Boiler Local Law - violation issued-failure to file 2020 external low pressure inspection)
m. 6/30/2023. Violation ID: 063023LBLVIO38899 (Boiler Local Law - violation issued-failure to file 2021 external low pressure inspection)
n. 4/25/2023. Violation ID: 042523LBLVIO02957 (Boiler Local Law - violation issued for failure to file annual boiler & yr inspection repo)
o. 4/7/2023. Violation ID: 040723CE102JT (Construction - vio23-50220)
p. 4/6/2018. Violation ID: 040618LBLVIO00646 (Boiler Local Law - violation issued for failure to file annual boiler 2016 inspection report)
q. 5/15/2014. Violation ID: 051514LBLVIO01838 (Boiler Local Law - violation issued for failure to file annual boiler 2012 inspection report)

X. Unit Information

1) There will be eight residential units in the building.

2) The measurement of each unit will consist of the area measured horizontally from the exterior face of the exterior walls of the building at 4'-0" above slab level to the centerline of the partitions separating one unit from another unit, and to the centerline of the partitions separating units from corridors, and to the centerline of the partitions separating one unit from stairs, elevators, and other mechanical spaces or any common elements (as herein after defined). Structural elements such as columns, and mechanical elements such as pipes, shaft ways, chases, chase ways, and conduits are not deducted from the measurement of each unit. Each unit will consist of the area measured vertically from the top of the structural slab of the floor to the underside (of any fire protection) of the structural members above.

3) The Common Elements shall mean the Property, other than the units themselves, being comprised of the general common elements and the limited common elements.

4) Unit finishes (All finishes are subject to Sponsor's right to substitute finishes of equal or better quality as recognized by industry standards for performance, efficiency, longevity and/or other classifications as applicable):
    a. The partitions within the units will be 5/8" gypsum wallboard on metal studs. Partitions between residential units, utility rooms, and egress passageways, will be 2-hour Fire Rated construction consisting of two layers of 5/8" gypsum wallboard (each side) over metal studs. The perimeter walls of the units will be finished with gypsum wallboard. Dropped Ceilings, where they occur, are 5/8" G.W.B. on furring channels on cross channels hung with black iron as per New York City Department of Buildings
    b. All bathrooms, kitchen areas, and mechanical rooms will be painted with at least two coats of washable eggshell or semi-gloss latex paint over a primer coat. All other areas will be painted with at least two finish coats of flat paint over a primer coat. Ceilings will be painted with at least two finish coats of flat paint over a primer coat.
    c. The residential interior floors will be approximately 7 ½" wide engineered wood flooring, White Oak species, 9/16" thick, with acoustic underlayment and Bona adhesive, except at the cellar level of the Maisonette unit, which will have 7" wide Nucore Stockbridge Oak Rigid Core Luxury Vinyl Tile flooring or equal with cork backing. The entry hall off the elevator entry in the Parlour, Residence 3, Residence 4, Residence 5, Residence 6, and Penthouse units will have stone tile flooring or equal. The interior connecting stairs at the Parlour, Maisonette, and Penthouse units will have wood treads and mid-landings.
    d. Bathroom floors and base will be finished with stone or equal, and utility room floors will be finished with porcelain tile or equal. Powder rooms will have wood floors with a painted

wood base, except in the cellar level of the Maisonette unit, which will have 7" wide nucore Stockbridge Oak Rigid Core Luxiry Vinyl Tile flooring or equal.

e. Kitchen countertops will be stone (Arabescato or equal). Kitchen cabinets and millwork under the islands will have a stained oak veneer finish (or equal) on the exterior. All other kitchen cabinets will have a painted finish (or equal) on the exterior. Kitchen cabinets will be constructed with plywood.

f. Bathroom fixtures:

i. Units: Throughout

1. Primary Baths:

a. Toilet: Toto CWT426CMFG#WH / SS114#01 or equal
b. Sink: Kohler K-2330-0 or equal
c. Sink Fittings: Kohler 07-39946-78145 or equal
d. Tub: Kohler K-817 or equal
e. Tub Filler: Waterworks 09-32105-92241 or equal
f. Control Valve: Waterworks 05-50886-2657 or equal
g. Shower Drain: Waterworks UNSD02 or equal
h. Wall Shower Head: Waterworks 05-14270-72503 or equal
i. Shower Thermostatic: Waterworks 05-01218-55724 or equal
j. Shower Control Valve: Waterworks 05-50886-2657 or equal
k. Handheld Shower: Waterworks 05-20420-77723 or equal

2. Secondary baths:

a. Toilet: Toto T426CMFG#WH / SS114#01 or equal
b. Sink: Kohler K-2330-0 or equal
c. Sink Fittings: Waterworks 07-07992-02461 or equal
d. Tub (where applicable): Kohler K-20201-LA-0 or equal
e. Tub Filler (where applicable): Waterworks 09-32544-64591 or equal
f. Shower Thermostatic: Waterworks 05-58566-62222
g. Shower Diverter - 2-Way (where applicable): Waterworks 05-55146-10520 or equal
h. Shower Diverter - 3-Way (where applicable): Waterworks 05-45260-21631 or equal
i. Handheld Shower: Waterworks 05-14270-72503 or equal
j. Shower drain (where applicable): Waterworks UNSD02 or equal
k. Wall Shower Head: Waterworks 05-14270-72503 or equal

3. Powder rooms:

a. Toilet: Toto T426CMFG#WH / SS114#01 or equal
b. Sink: Kohler K-2330-0 or equal
c. Sink Fittings: Waterworks 07-53847-80057 or equal

g. Kitchen appliances and fixtures:

i. Units: Throughout

a. Microwave: Wolf MDD24TE/S/TH or equal
(Note: The microwave at the Parlour unit is located in the under-island handicap work area and will need to be removed if this unit is made fully accessible.)
b. Dishwasher: Bosch SGV78B53UC or equal
c. Faucet: Waterworks 07-92252-31136 or equal

ii. Units: Atelier

a. Cooktop and oven: Lacanche 28" ULG741G or equal
b. Range hood: Faber 30" INPL3019SSNB-B / IB400 400 CFM Blower or equal

c. Refrigerator: Subzero 36” DET3650 ORID (with bottom freezer) or equal
d. Kitchen Sink: Blanco Precis 27 undermount or equal

iii. Units: Maisonette, the Parlour, Residence 3, Residence 4, Residence 5, Residence 6, and Penthouse
a. Cooktop and oven: Lacanche 55” ULG1432gct or equal
b. Range Hood: Faber 48” INPL4819SSNB-B / IB400 400 CFM Blower or equal
c. Column refrigerator: Subzero 30” DEC350RID or equal
d. Column freezer: Subzero 24” DEC2450FI or equal
e. Wine storage: Subzero 24” DEU2450W/ADAor equal
f. Kitchen sink: Kohler K-5705-0 or equal

h. Laundry appliances:
i. Units: Maisonette, Atelier
a. Washer: Bosch 24” WAW285H1UC or equal
(Note: At Maisonette, this is located at the cellar level)
b. Dryer: Bosch 24” WTW87NH1UC electric ventless or equal
(Note: At Maisonette, this is located at the cellar level)
ii. Units: Maisonette, the Parlour, Residence 3, Residence 4, Residence 5, Residence 6, and Penthouse
a. Washer and Dryer: LG 27” WKG101HWA Single Wash Tower or equal
(Note: At Maisonette, this is located in the 1st floor Utility Room)

Y. Finish Schedule of spaces other than units

1) Lobby:
a. Floor – Stone tiles with stone borders or equal
b. Walls –Painted mural
c. Base – Stone or equal
d. Ceilings – Painted sheetrock with painted crown moulding.
e. Additional –Stone and wood front desk; metal and stone enclosure around mailboxes.

2) Public corridor (1st floor):
a. Floor – Engineered wood with stone border.
b. Walls – Painted sheetrock
c. Base – Painted wood
d. Ceilings - Painted sheetrock with painted crown moulding.

3) Gym
a. Floor – Cork flooring
b. Walls – Painted sheetrock
c. Base – Painted wood
d. Ceilings - Painted sheetrock with painted crown moulding.

4) Egress Stairs
a. Floor – Concrete
b. Walls – Painted sheetrock and existing masonry
c. Base – None

d. Ceilings - underside of painted steel stairs

5) Mechanical spaces
   a. Floor – Concrete
   b. Walls – Painted sheetrock
   c. Base – None
   d. Ceilings – Underside of Floor structure and fireproofing

6) Public corridor (Cellar)
   a. Floor – Resilient vinyl flooring
   b. Walls – Painted sheetrock
   c. Base – Painted wood
   d. Ceilings - Painted sheetrock

7) W.C. and Staff W.C. (Cellar)
   a. Floor – Resilient vinyl flooring
   b. Walls – Painted sheetrock
   c. Base – Stone
   d. Ceilings - Underside of Floor structure and fireproofing

8) Elevator Vestibule at Roof Level
   a. Floor – Stone
   b. Walls – Painted sheetrock, glazing
   c. Base – Stone at painted sheetrock
   d. Ceilings - Painted sheetrock

Z. Safety and warning devices

1) Fire Alarm Systems: An Automatic Smoke/Heat Detection and Sprinkler Fire Alarm System is provided in accordance with NYC Department of Buildings Code. System includes monitoring of water flow and tamper switches as required for the Fire Protection/Sprinkler system, smoke/heat detection within utility (mechanical/electrical) rooms, elevator recall, and mechanical fire smoke dampers and duct detectors.

2) Combination smoke/carbon monoxide alarms that are 120V, hard-wired with battery backup are provided in each Residential Units in accordance with NYC Department of Buildings Code. Maintenance of safety and warning device is the responsibility of the unit owner.

AA. Additional information Required

1) See attached drawings for site plans and unit plans.

AB. Attorney General ordered testing

1) None required.

AC. Further Development

1) No additional development is planned.

AD. Asbestos

Prior to the commencement of new construction, BSI EHS Services and Solutions' New York State Department of Labor (NYSDOL) Certified Asbestos Inspectors performed an asbestos inspection and collected bulk material samples from suspect asbestos-containing materials (ACM) identified to be present

at the Roof, Façade, 7th Floor, 6th Floor, 5th Floor, 4th Floor, 3rd Floor, 2nd Floor, 1st Floor and Cellar at 118 West 13th Street, New York, New York 10011.
According to the laboratory analytical results for the bulk samples collected, eleven (11) of the seventy-five (75) materials sampled were found to contain asbestos in a concentration exceeding one percent (1.0%), thus classifying the materials as ACM.
All asbestos-containing materials located in areas of proposed work were abated by New York Insulation, Inc., in accordance with NYC DEP, NYS DOL, EPA & OSHA requirements. The Project Monitor's Reports were subsequently submitted to the DEP Asbestos Control Program, and Asbestos Completion Forms (ACP-21s) were issued by NYC DEP for the work completed.
There may be existing elements of the building which still contain asbestos-containing material from prior construction work. No asbestos-containing material will be installed during the Sponsor's scope of construction work.

AE. Lead-based Paint

The building was not tested for lead-based paint. There may be existing elements of the building which contain lead-based paint from prior construction. No lead paint will be used in the new construction of the Building. The ingestion of lead poses serious health risks, especially in young children. Purchasers are advised to familiarize themselves with the NYC Local Law 1 of 2004, a copy of which is included as an Exhibit to the Offering Plan. Purchasers of Units, particularly those with young children, are advised to consult with an environmental professional to determine the existence of, and any remediation of, lead-based paint.

AF. Document Transfer:

The following documents shall be transferred to the condominium at or subsequent to the first unit closing, to the extent transferrable, assignable and/ or available.

a. Operation and Maintenance manuals for major mechanical equipment.
b. Electronic system manual.
c. Equipment warranty.
d. Roof warranties.
e. Major equipment start-up sheets.
f. Control System as-built.
g. Test and Balance Report for HVAC system.
h. As-built drawings, if available, as maintained during construction, i.e.., structural, mechanical, electrical, plumbing, shop drawings.

AG. Local Law 97 of 2019:

1) The Sponsor does not warrant compliance with Local Law 97.

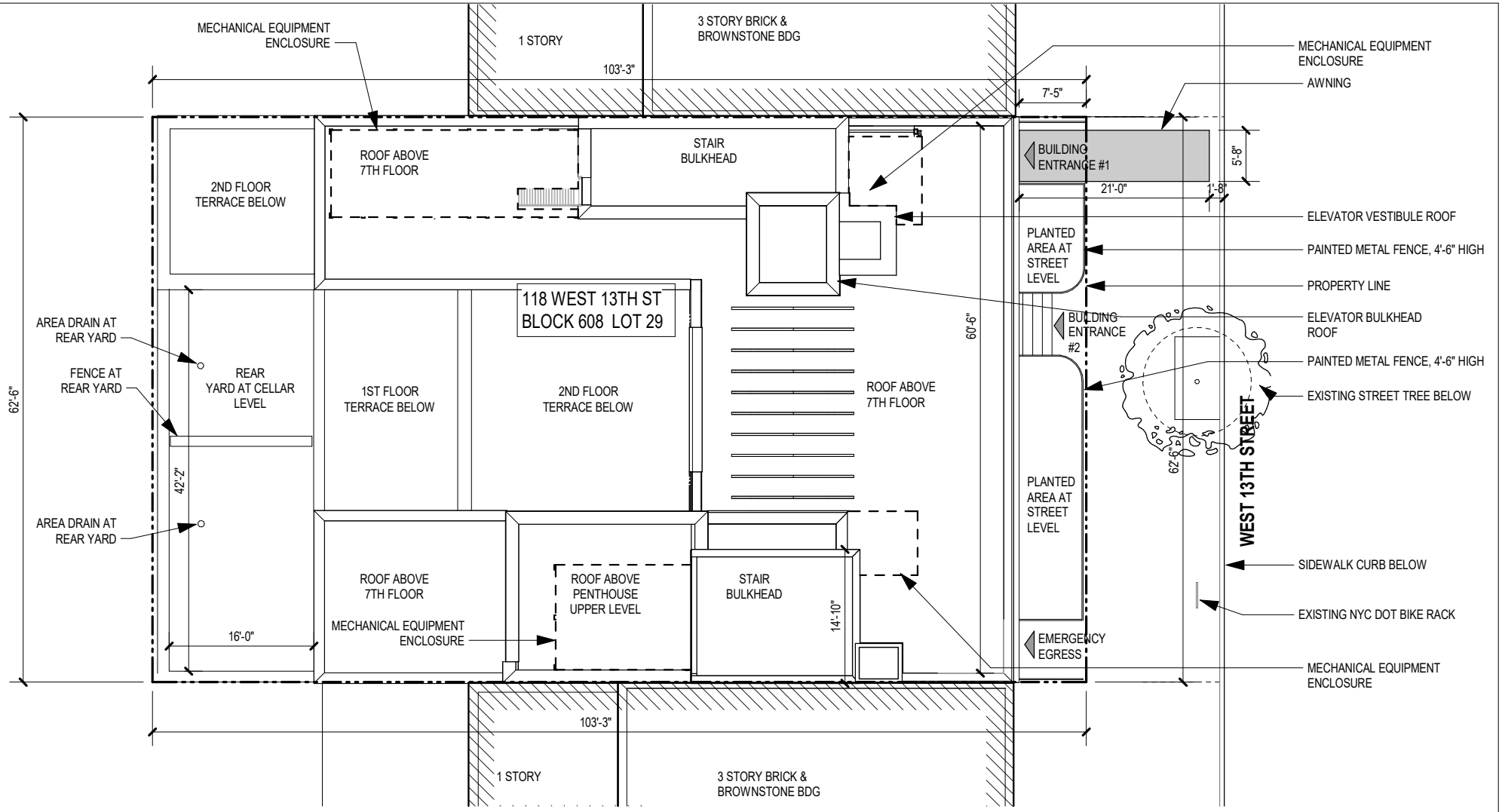
I hereby affirm that the above description of the property and specifications are an unbiased professional opinion arrived at without inducements of any kind.



Julia Nelson, AIA – Partner
BKSK Architects, LLP
- End of Report -

EXHIBIT "7"

FLOOR PLANS



SPONSORS
118 WEST 13TH STREET OWNER LLC
440 PARK AVE. SOUTH, 3RD FLOOR
NEW YORK, NY 10016

SCALE AS NOTED
ALL DIMENSIONS AND SQUARE FOOTAGES ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. THE SQUARE FOOTAGE ON THIS FLOOR PLAN EXCEED THE USABLE FLOOR AREA. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN. ALL DIMENSIONS ROUNDED TO THE NEAREST INCH.

LEGEND:

PROPERTY LINE

09/25/2024

BKSK

SITE PLAN

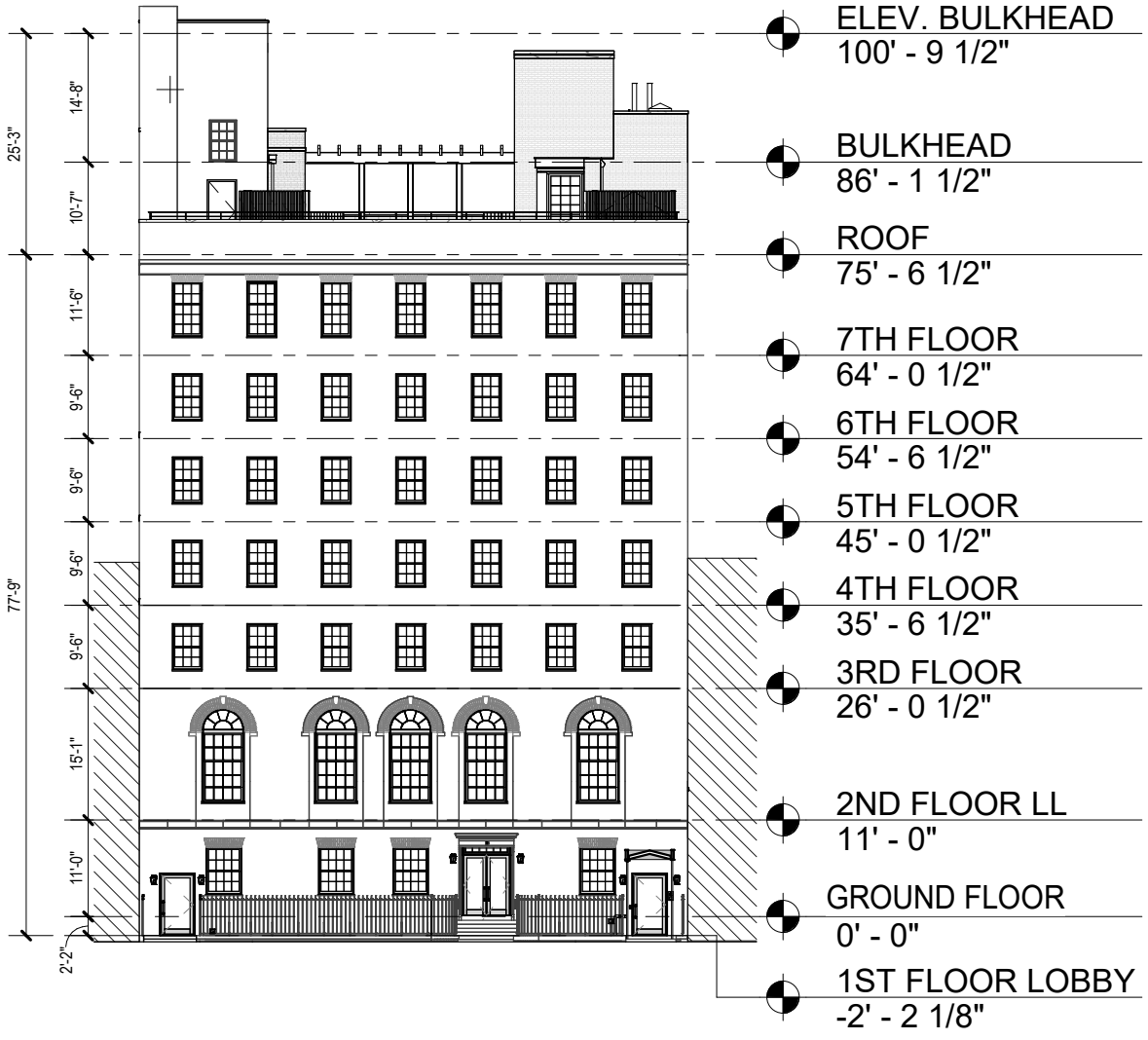
118 W 13 STREET
NEW YORK, NY 10011

1/16" = 1"

0' 5' 10' 30'

SHEET NUMBER:

AG .SP



SPONSORS
118 WEST 13TH STREET OWNER LLC
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NEW YORK, NY 10016

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09/25/2024

BKSK

NORTH ELEVATION

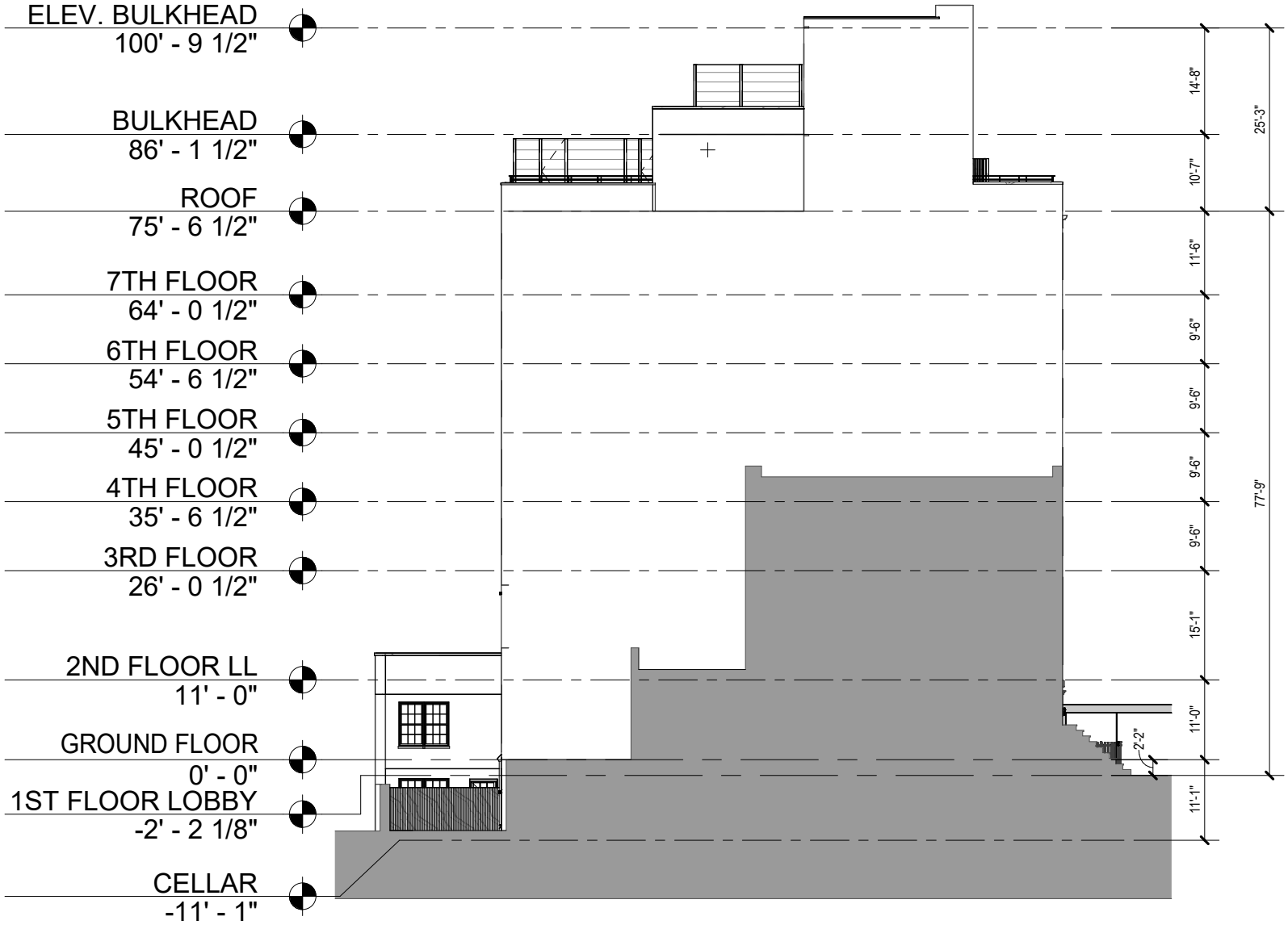
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NEW YORK, NY 10011

3/64" = 1"

0' 5' 10' 30'

SHEET NUMBER:

AG E.1



SPONSORS
118 WEST 13TH STREET OWNER LLC
440 PARK AVE. SOUTH, 3RD FLOOR
NEW YORK, NY 10016

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09/25/2024

BKSK

EAST ELEVATION

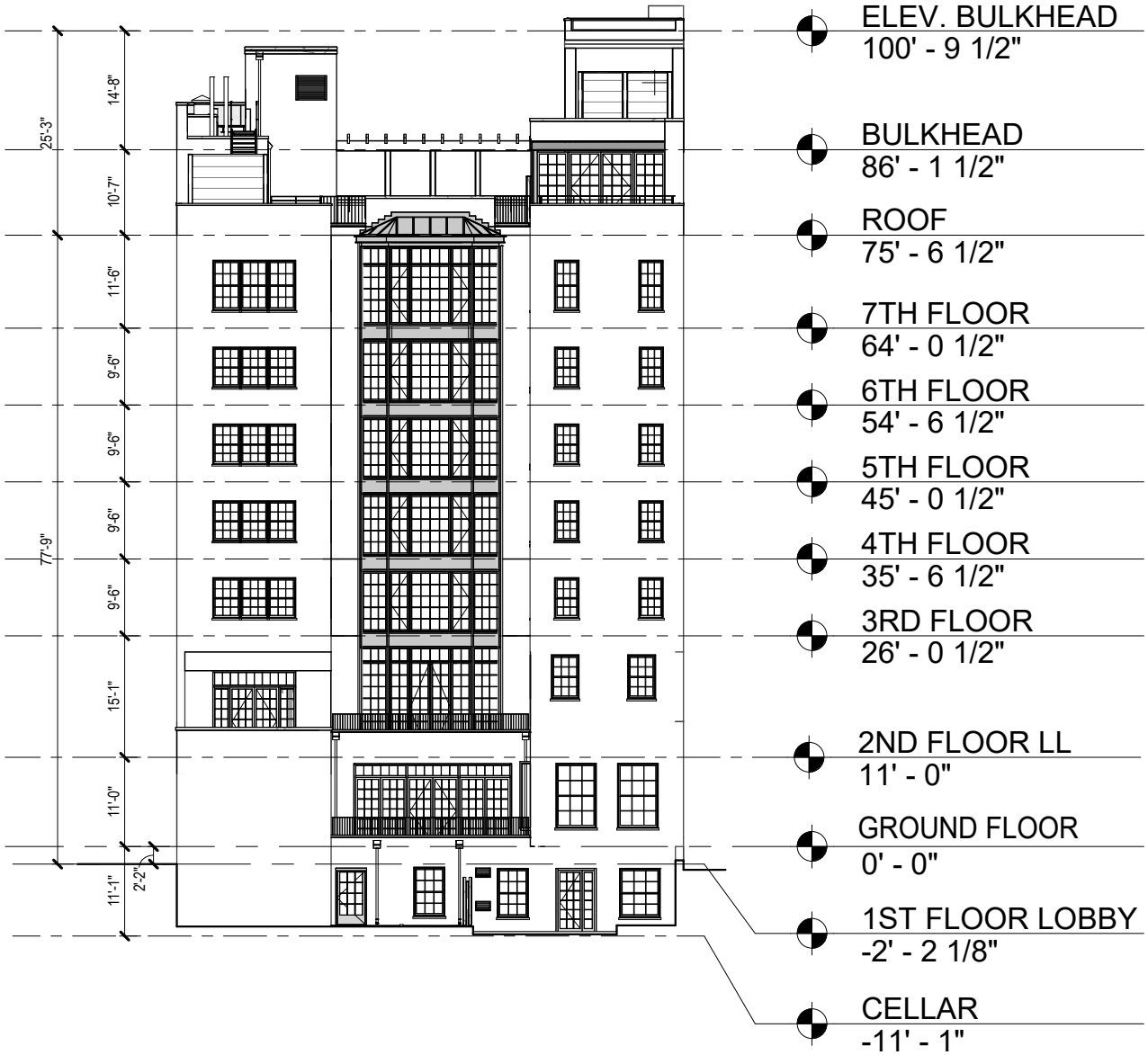
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NEW YORK, NY 10011

3/64" = 1"

0' 5' 10' 30'

SHEET NUMBER:

AG E.2



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09/25/2024

BKSK

SOUTH ELEVATION

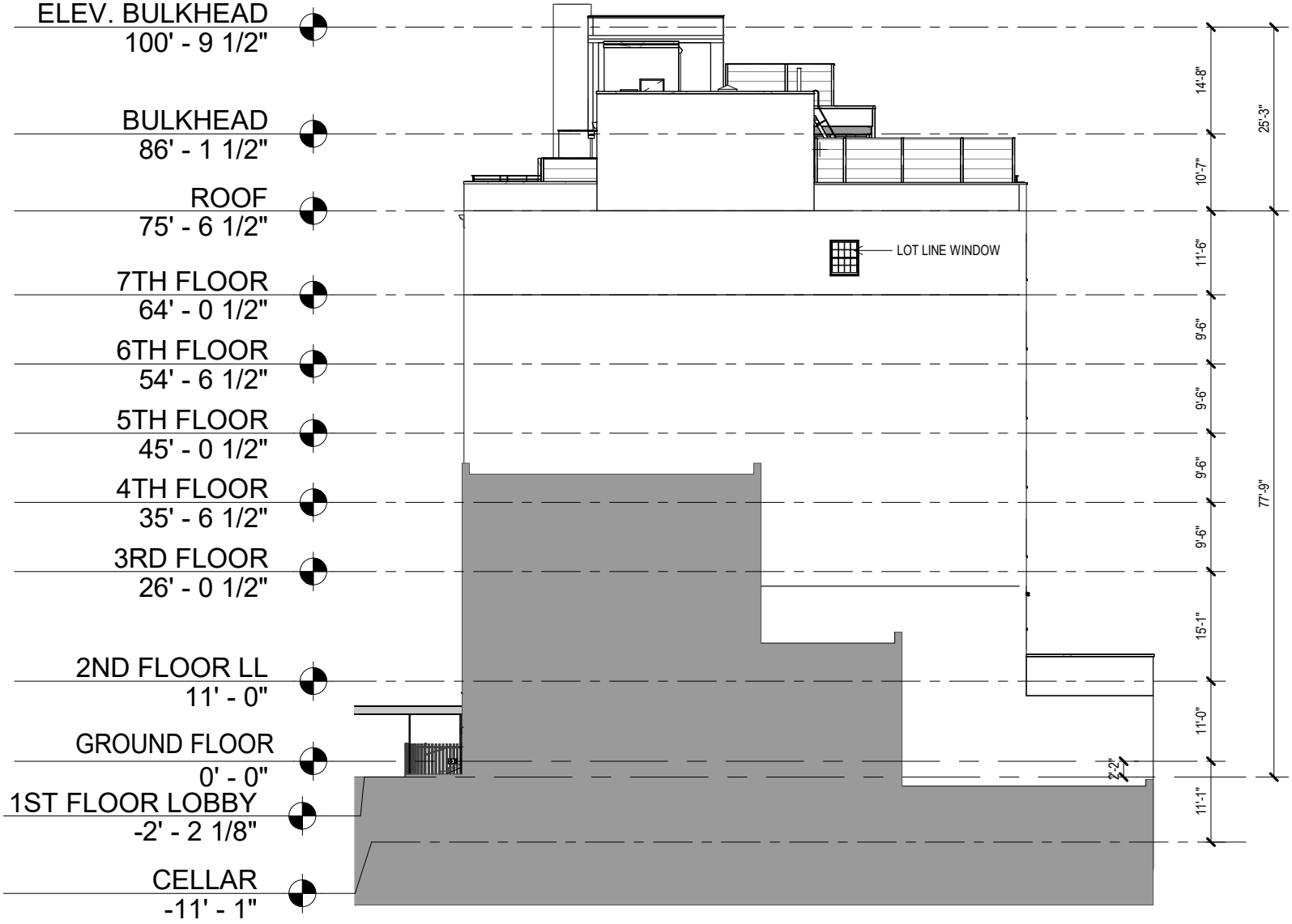
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NEW YORK, NY 10011

3/64" = 1"

0' 5' 10' 30'

SHEET NUMBER:

AG E.3



SPONSORS
118 WEST 13TH STREET OWNER LLC
440 PARK AVE. SOUTH, 3RD FLOOR
NEW YORK, NY 10016

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09/25/2024

BKSK

WEST ELEVATION

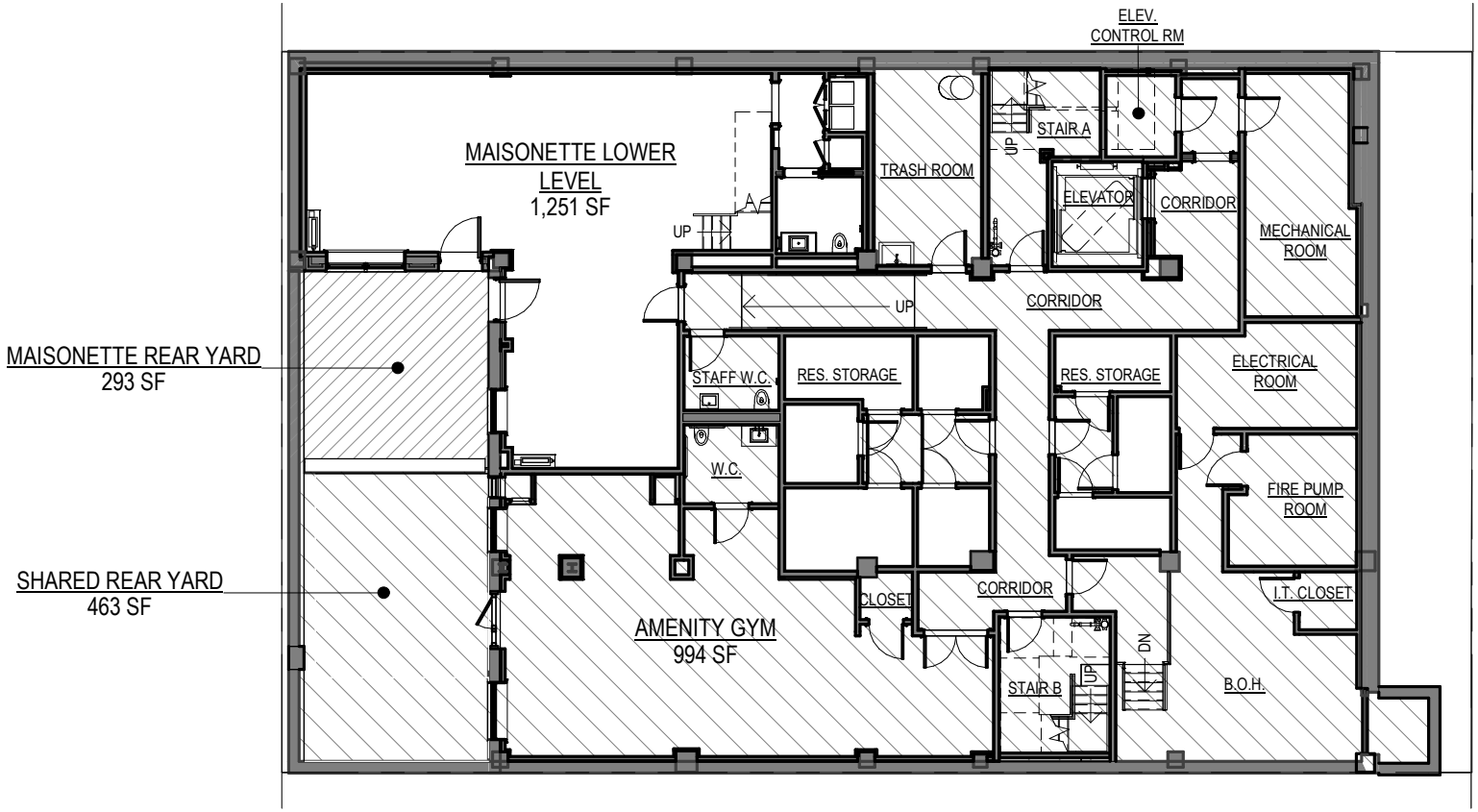
118 W 13 STREET
NEW YORK, NY 10011

3/64" = 1"

0' 5' 10' 30'

SHEET NUMBER:

AG E.4



NOTE: THE CELLAR IS NON-HABITABLE WITH ACCESSORY USES ONLY, NOT FOR LIVING, SLEEPING OR COOKING

SPONSORS
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LEGEND:
COMMON ELEMENT
LIMITED COMMON ELEMENT

09/25/2024

CELLAR FLOOR PLAN

118 W 13 STREET
NEW YORK, NY 10011

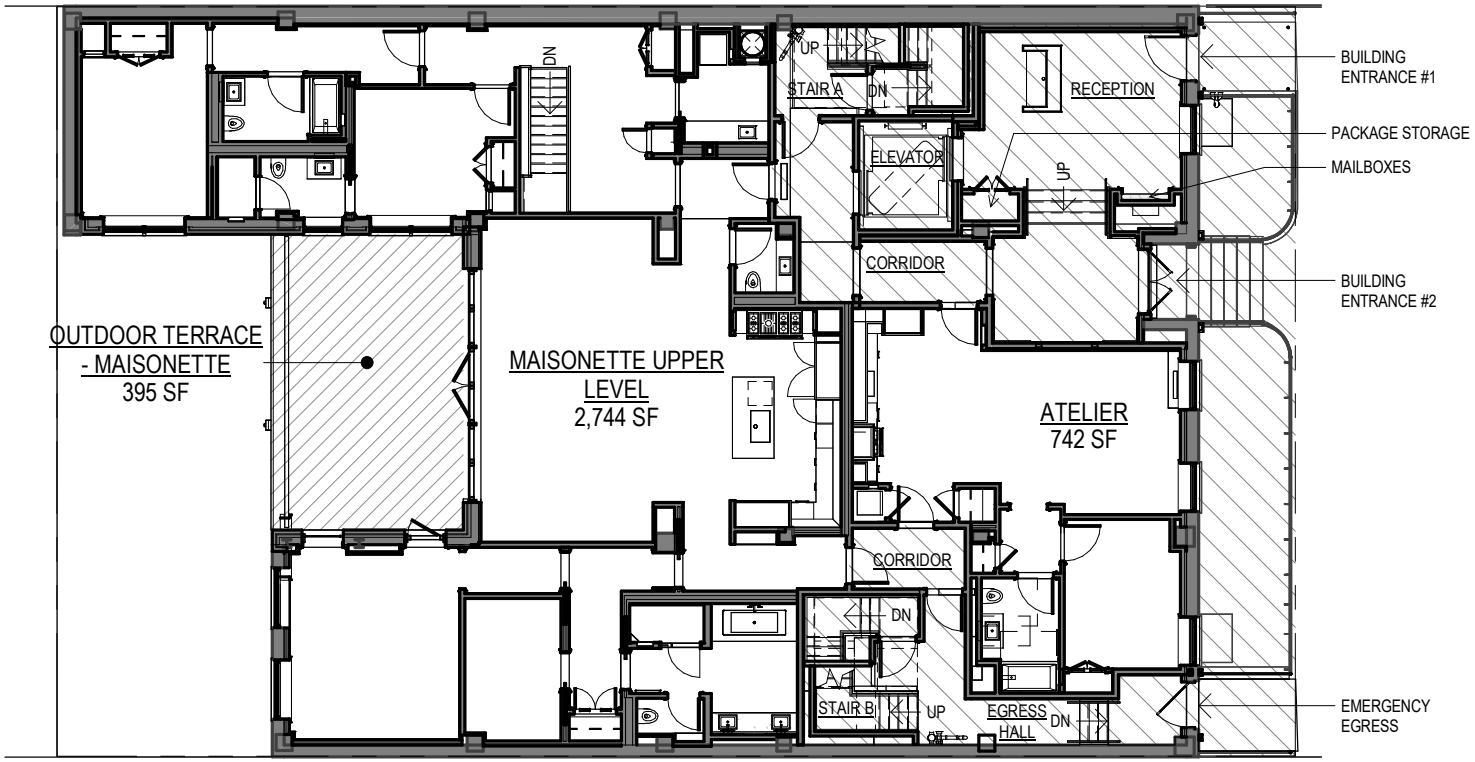
1/16" = 1"

0' 5' 10' 30'

BKSK

SHEET NUMBER:

AG FP0



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118 WEST 13TH STREET OWNER LLC
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LEGEND:
COMMON ELEMENT
LIMITED COMMON ELEMENT

09/25/2024

1ST FLOOR PLAN

118 W 13 STREET
NEW YORK, NY 10011

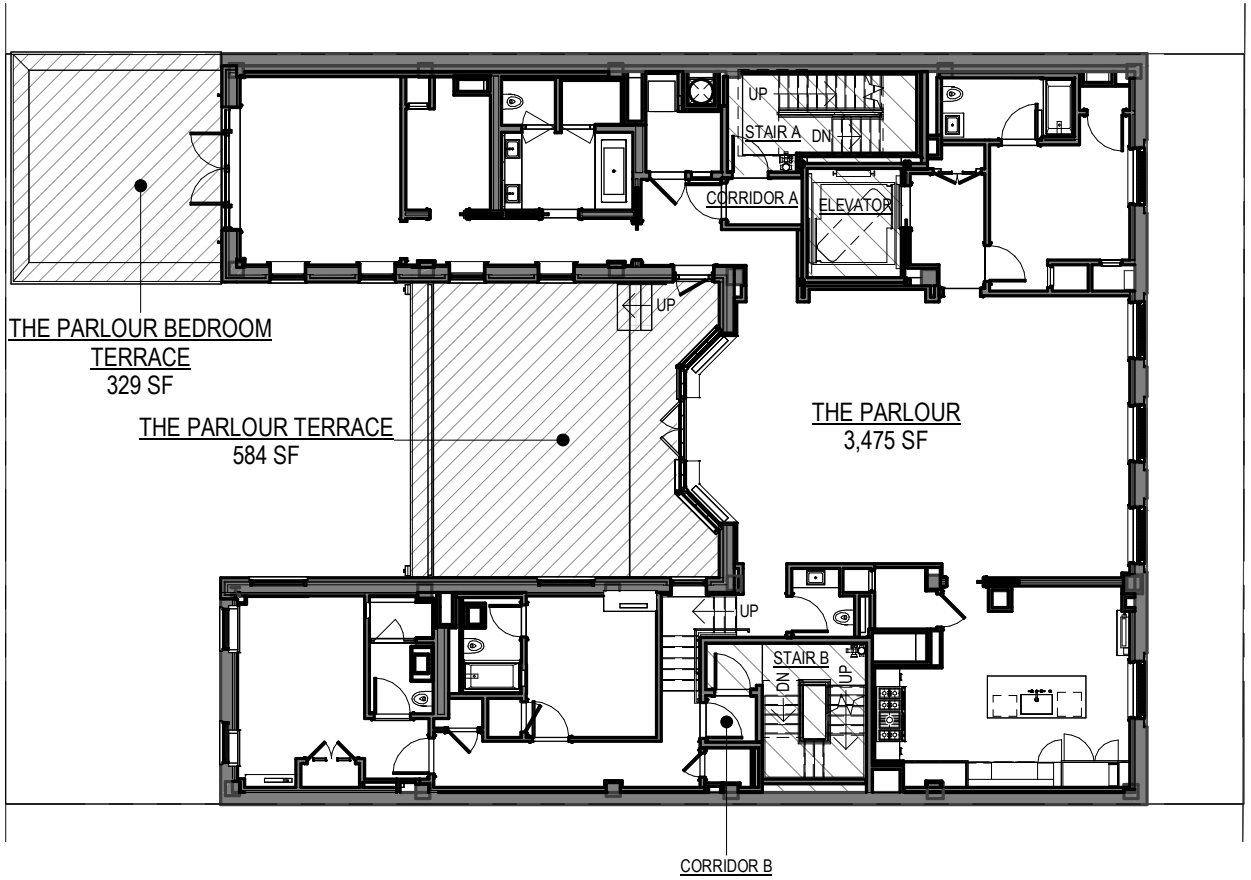
1/16" = 1"

0' 5' 10' 30'

BKSK

SHEET NUMBER:

AG FP1



SPONSORS
118 WEST 13TH STREET OWNER LLC
440 PARK AVE. SOUTH, 3RD FLOOR
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LEGEND:

COMMON ELEMENT

LIMITED COMMON ELEMENT

09/25/2024

2ND FLOOR PLAN

118 W 13 STREET
NEW YORK, NY 10011

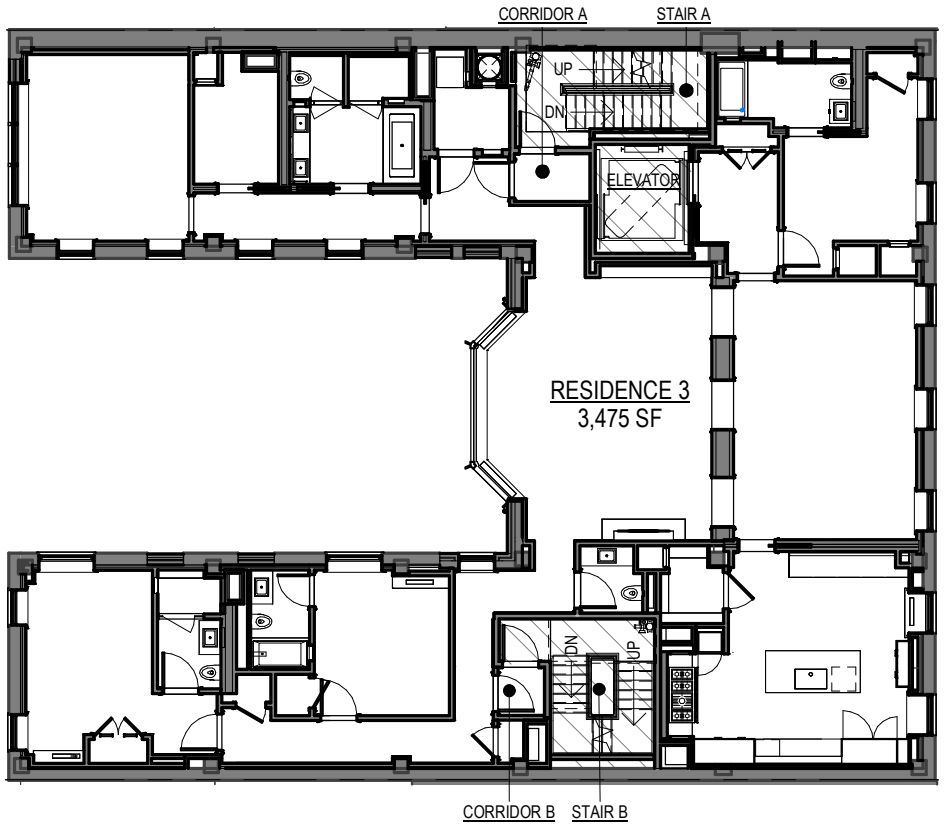
1/16" = 1"

0' 5' 10' 30'

BKSK

SHEET NUMBER:

AG FP2



SPONSORS
118 WEST 13TH STREET OWNER LLC
440 PARK AVE. SOUTH, 3RD FLOOR
NEW YORK, NY 10016

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LEGEND:

COMMON ELEMENT

LIMITED COMMON ELEMENT

09/25/2024

3RD FLOOR PLAN

118 W 13 STREET
NEW YORK, NY 10011

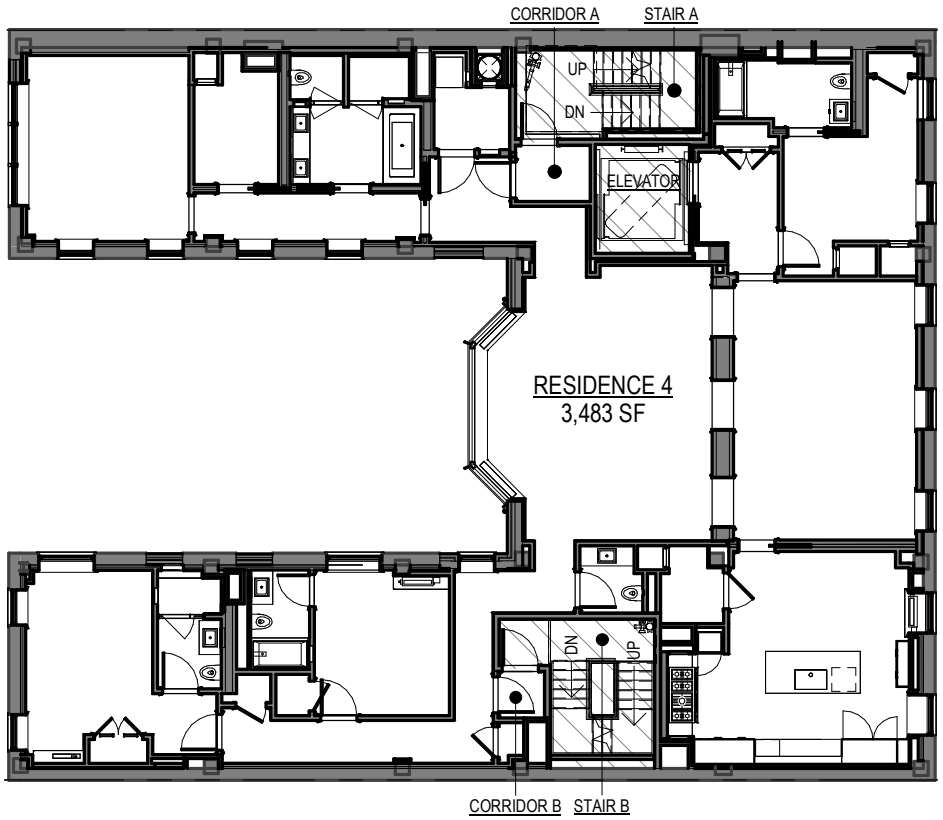
1/16" = 1"

0' 5' 10' 30'

BKSK

SHEET NUMBER:

AG FP3



SPONSORS
118 WEST 13TH STREET OWNER LLC
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LEGEND:

COMMON ELEMENT

LIMITED COMMON ELEMENT

09/25/2024

4TH FLOOR PLAN

118 W 13 STREET
NEW YORK, NY 10011

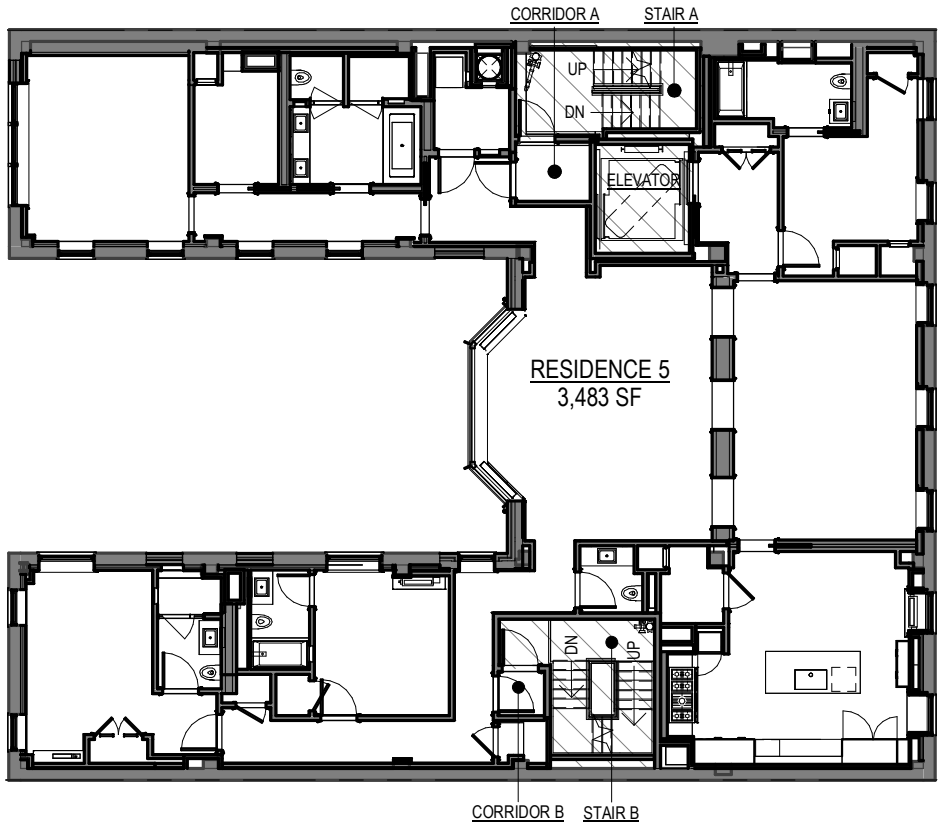
1/16" = 1"

0' 5' 10' 30'

BKSK

SHEET NUMBER:

AG FP4



SPONSORS
118 WEST 13TH STREET OWNER LLC
440 PARK AVE. SOUTH, 3RD FLOOR
NEW YORK, NY 10016

SCALE AS NOTED
ALL DIMENSIONS AND SQUARE FOOTAGES ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. THE SQUARE FOOTAGE ON THIS FLOOR PLAN EXCEED THE USABLE FLOOR AREA. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN. ALL DIMENSIONS ROUNDED TO THE NEAREST INCH.

LEGEND:

COMMON ELEMENT

LIMITED COMMON ELEMENT

09/25/2024

5TH FLOOR PLAN

118 W 13 STREET
NEW YORK, NY 10011

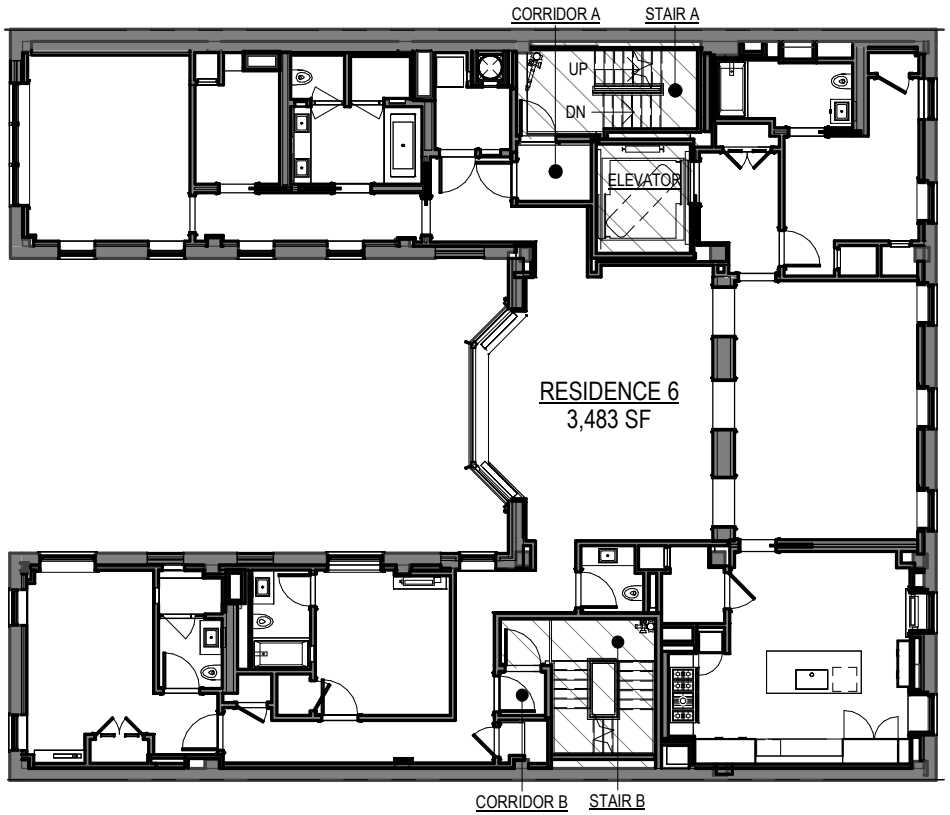
1/16" = 1"

0' 5' 10' 30'

BKSK

SHEET NUMBER:

AG FP5



SPONSORS
118 WEST 13TH STREET OWNER LLC
440 PARK AVE. SOUTH, 3RD FLOOR
NEW YORK, NY 10016

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LEGEND:

COMMON ELEMENT

LIMITED COMMON ELEMENT

09/25/2024

6TH FLOOR PLAN

118 W 13 STREET
NEW YORK, NY 10011

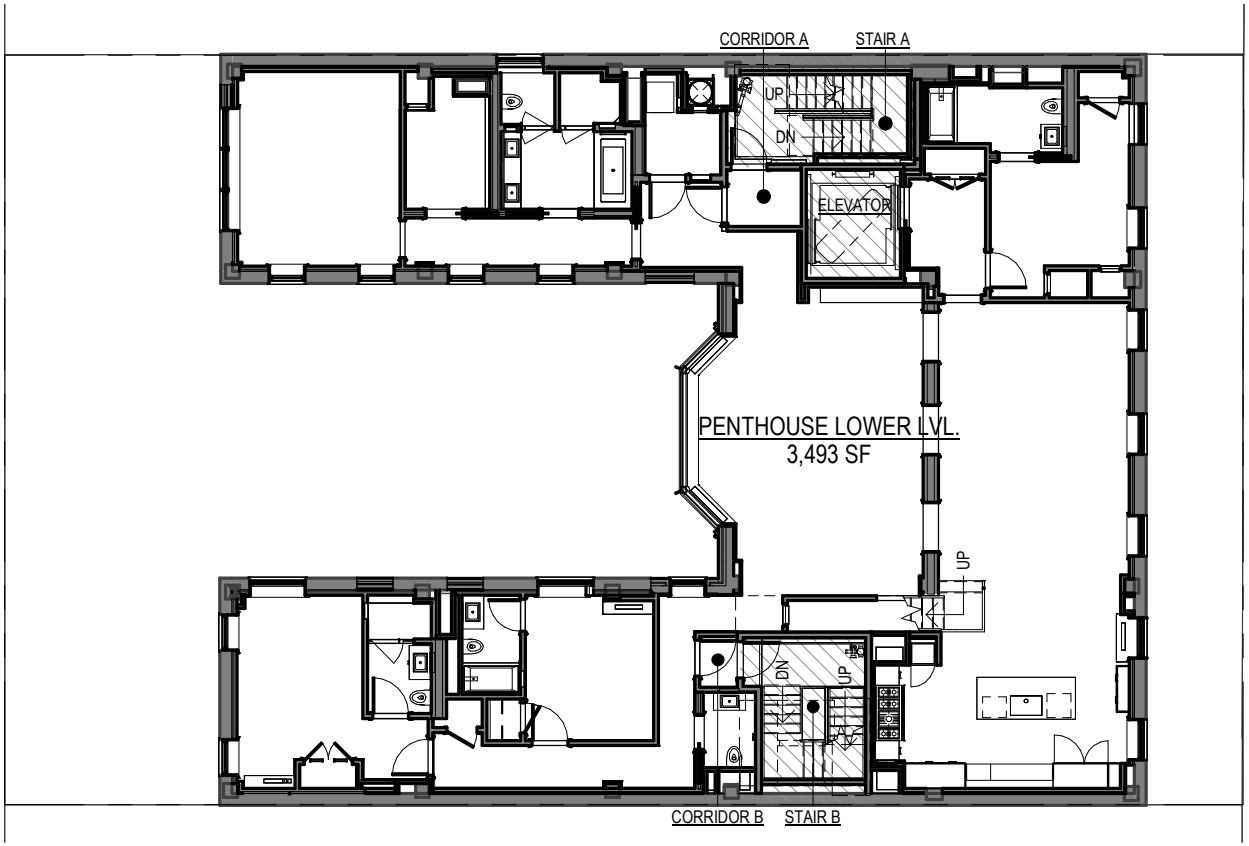
1/16" = 1"

0' 5' 10' 30'

BKSK

SHEET NUMBER:

AG FP6



SPONSORS
118 WEST 13TH STREET OWNER LLC
440 PARK AVE. SOUTH, 3RD FLOOR
NEW YORK, NY 10016

SCALE AS NOTED
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LEGEND:

COMMON ELEMENT

LIMITED COMMON ELEMENT

09/25/2024

7TH FLOOR PLAN

118 W 13 STREET
NEW YORK, NY 10011

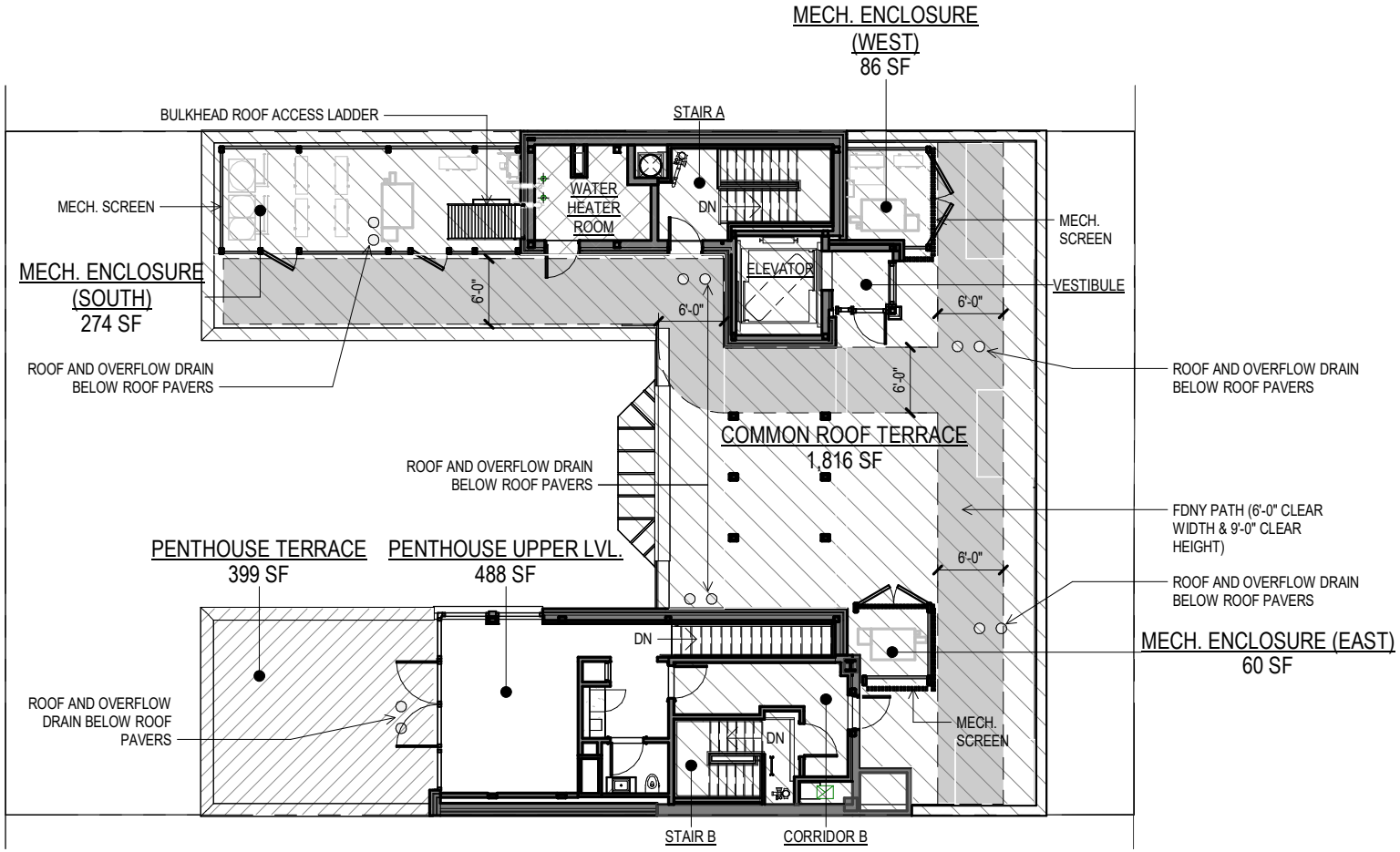
1/16" = 1"

0' 5' 10' 30'

BKSK

SHEET NUMBER:

AG FP7



SPONSORS
118 WEST 13TH STREET OWNER LLC
440 PARK AVE. SOUTH, 3RD FLOOR
NEW YORK, NY 10016

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LEGEND:

COMMON ELEMENT

LIMITED COMMON ELEMENT

09/25/2024

ROOF FLOOR PLAN

118 W 13 STREET
NEW YORK, NY 10011

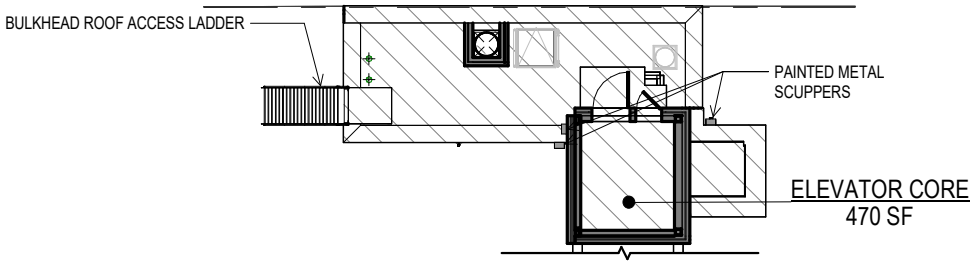
1/16" = 1"

0' 5' 10' 30'

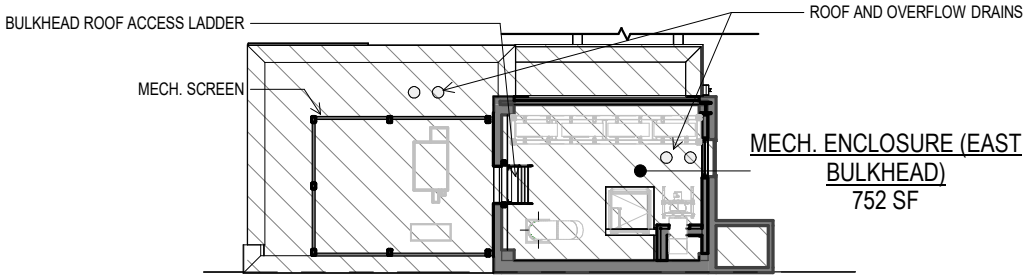
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SHEET NUMBER:

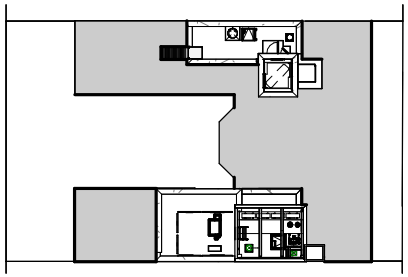
AG FP8



WEST BULKHEAD



EAST BULKHEAD



SPONSORS
118 WEST 13TH STREET OWNER LLC
440 PARK AVE. SOUTH, 3RD FLOOR
NEW YORK, NY 10016

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LEGEND:

COMMON ELEMENT

LIMITED COMMON ELEMENT

KEY PLAN

09/25/2024

BKSK

BULKHEAD ROOF

118 W 13 STREET
NEW YORK, NY 10011

1/16" = 1"

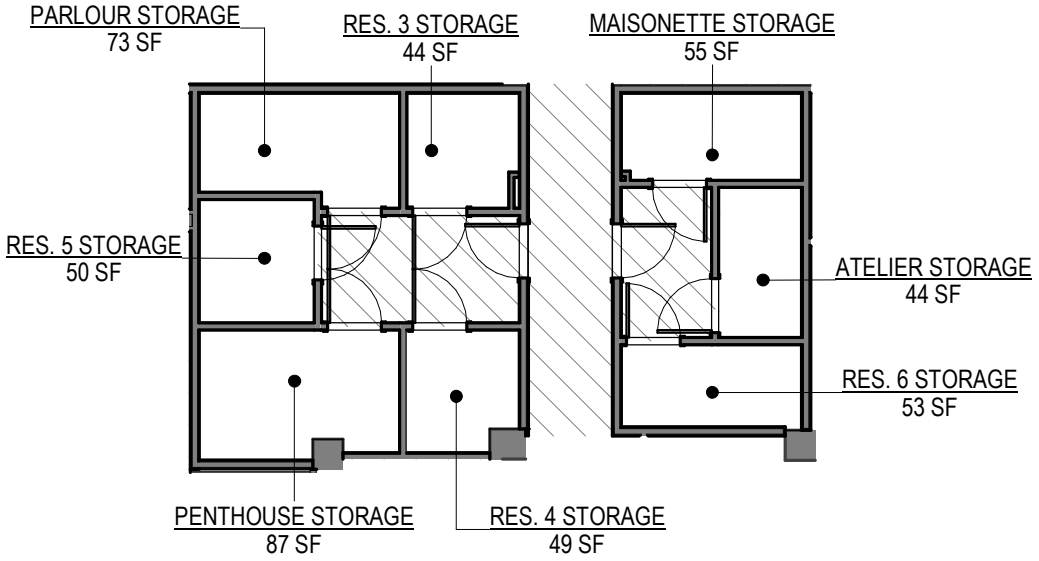
0' 5' 10' 30'

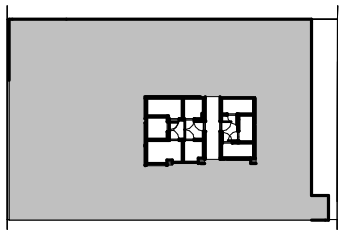
SHEET NUMBER:

AG FP9

UNIT STORAGE	
ATELIER STORAGE	44 SF
MAISONETTE STORAGE	55 SF
PARLOUR STORAGE	73 SF
PENTHOUSE STORAGE	87 SF
RES. 3 STORAGE	44 SF
RES. 4 STORAGE	49 SF
RES. 5 STORAGE	50 SF
RES. 6 STORAGE	53 SF

TOTAL AREA: 455 SF





SPONSORS
118 WEST 13TH STREET OWNER LLC
440 PARK AVE. SOUTH, 3RD FLOOR
NEW YORK, NY 10016

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LEGEND:
COMMON ELEMENT
LIMITED COMMON ELEMENT

KEY PLAN

09/25/2024

RESIDENTIAL STORAGE ROOMS - CELLAR

118 W 13 STREET
NEW YORK, NY 10011

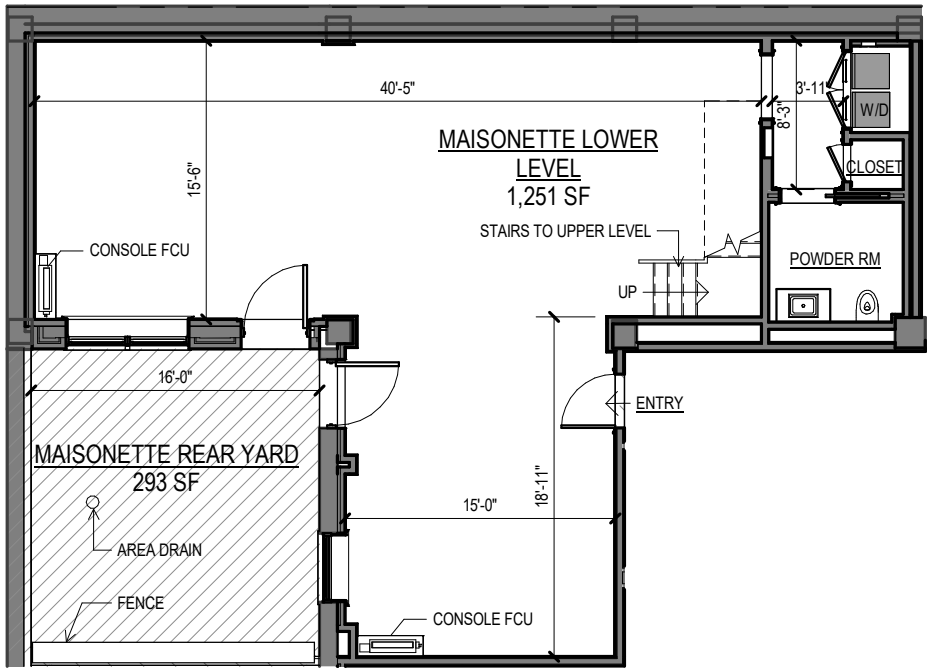
BKSK

3/32"= 1"

0' 5' 10' 20'

SHEET NUMBER:

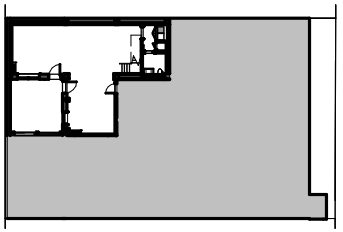
AG UP0.A



MAISONETTE LOWER LEVEL	1,251 SF
MAISONETTE REAR YARD	293 SF
MAISONETTE UPPER LEVEL	2,744 SF
OUTDOOR TERRACE - MAISONETTE	395 SF

APPLIANCES	
R	COOKING RANGE
RH	RANGE HOOD
REF	REFRIGERATOR
FR	COLUMN FREEZER
WI	UNDER-COUNTER REFRIG.
DW	DISHWASHER
MI	BUILT-IN MICROWAVE
SK	KITCHEN SINK W/ FAUCET
W/D	WASHER AND DRYER
FCU	MECH. FAN COIL UNIT

NOTE: THE CELLAR LEVEL IS NON-HABITABLE WITH ACCESSORY USES ONLY, NOT FOR LIVING, SLEEPING OR COOKING



KEY PLAN

SPONSORS
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LEGEND:
RESIDENTIAL LIMITED COMMON ELEMENT

09/25/2024

BKSK

MAISONETTE - LOWER LEVEL

118 W 13 STREET
NEW YORK, NY 10011

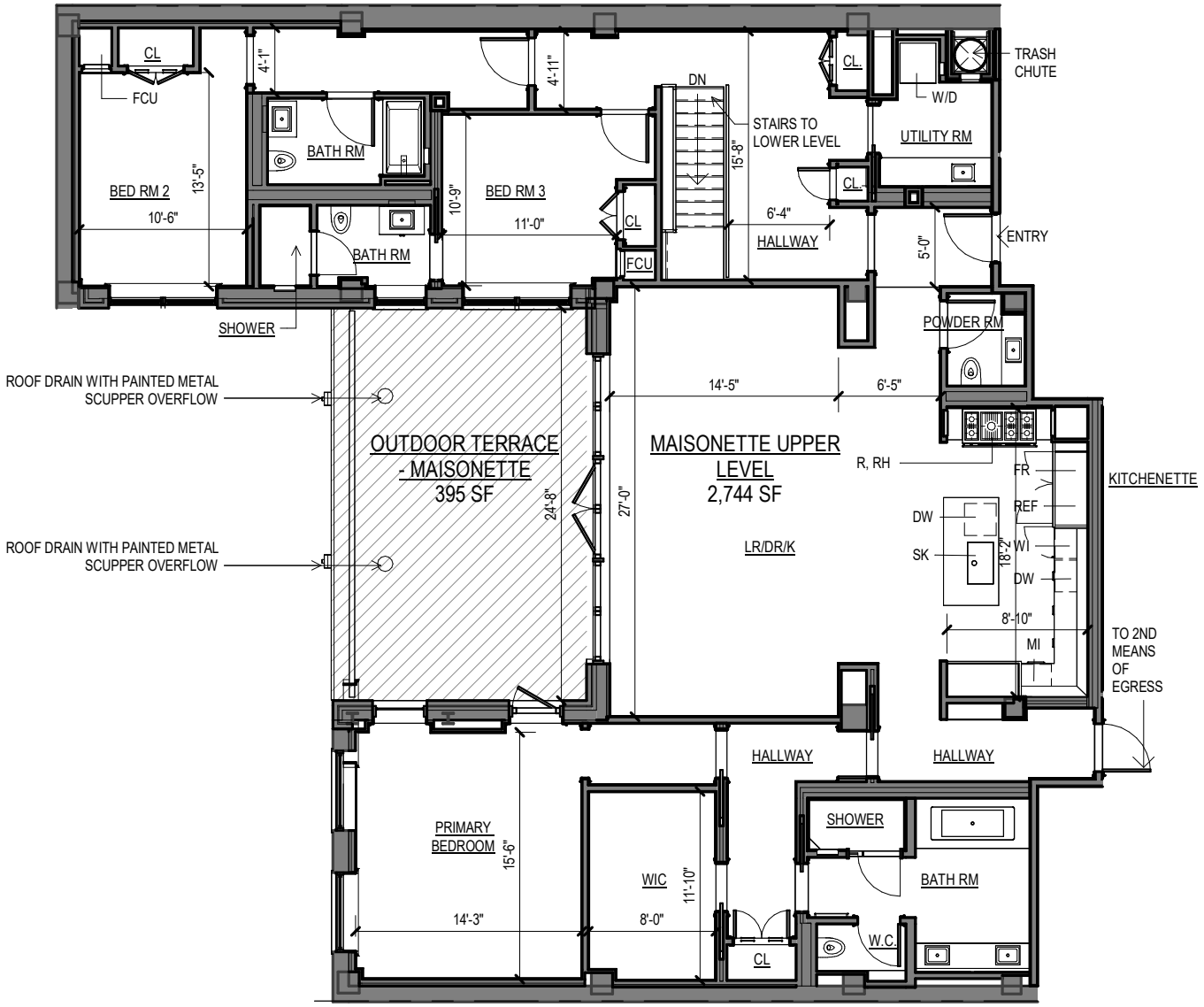
THREE (3) BEDROOM / THREE (3) BATHROOM /TWO (2) HALF BATHROOM

3/32"= 1"

0' 5' 10' 20'

SHEET NUMBER:

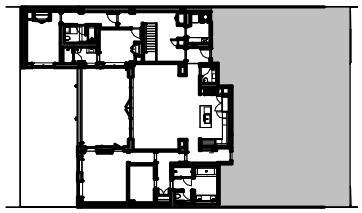
AG UP0.B



MAISONETTE LOWER LEVEL	1,251 SF
MAISONETTE REAR YARD	293 SF
MAISONETTE UPPER LEVEL	2,744 SF
OUTDOOR TERRACE - MAISONETTE	395 SF

APPLIANCES

R	COOKING RANGE
RH	RANGE HOOD
REF	REFRIGERATOR
FR	COLUMN FREEZER
WI	UNDER-COUNTER REFRIG.
DW	DISHWASHER
MI	BUILT-IN MICROWAVE
SK	KITCHEN SINK W/ FAUCET
W/D	WASHER AND DRYER
FCU	MECH. FAN COIL UNIT



KEY PLAN

SPONSORS
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440 PARK AVE. SOUTH, 3RD FLOOR
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LEGEND:

RESIDENTIAL LIMITED COMMON ELEMENT

09/25/2024

BKSK

MAISONETTE - UPPER LEVEL

118 W 13 STREET
NEW YORK, NY 10011

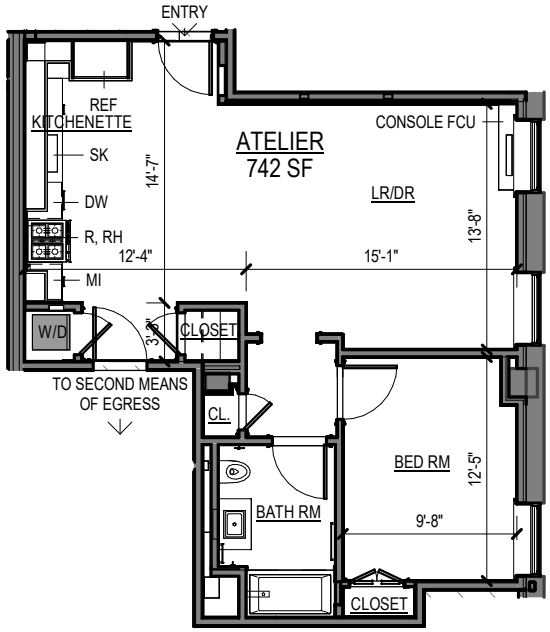
THREE (3) BEDROOM / THREE (3) BATHROOM /TWO (2) HALF BATHROOM

3/32"= 1"

0' 5' 10' 20'

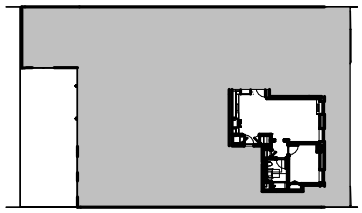
SHEET NUMBER:

AG UP1.A



ATELIER	742 SF

APPLIANCES	
R	COOKING RANGE
RH	RANGE HOOD
REF	REFRIGERATOR
FR	COLUMN FREEZER
WI	UNDER-COUNTER REFRIG.
DW	DISHWASHER
MI	BUILT-IN MICROWAVE
SK	KITCHEN SINK W/ FAUCET
W/D	WASHER AND DRYER
FCU	MECH. FAN COIL UNIT



KEY PLAN

SPONSORS
118 WEST 13TH STREET OWNER LLC
440 PARK AVE. SOUTH, 3RD FLOOR
NEW YORK, NY 10016

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09/25/2024

BKSK

ATELIER

118 W 13 STREET
NEW YORK, NY 10011

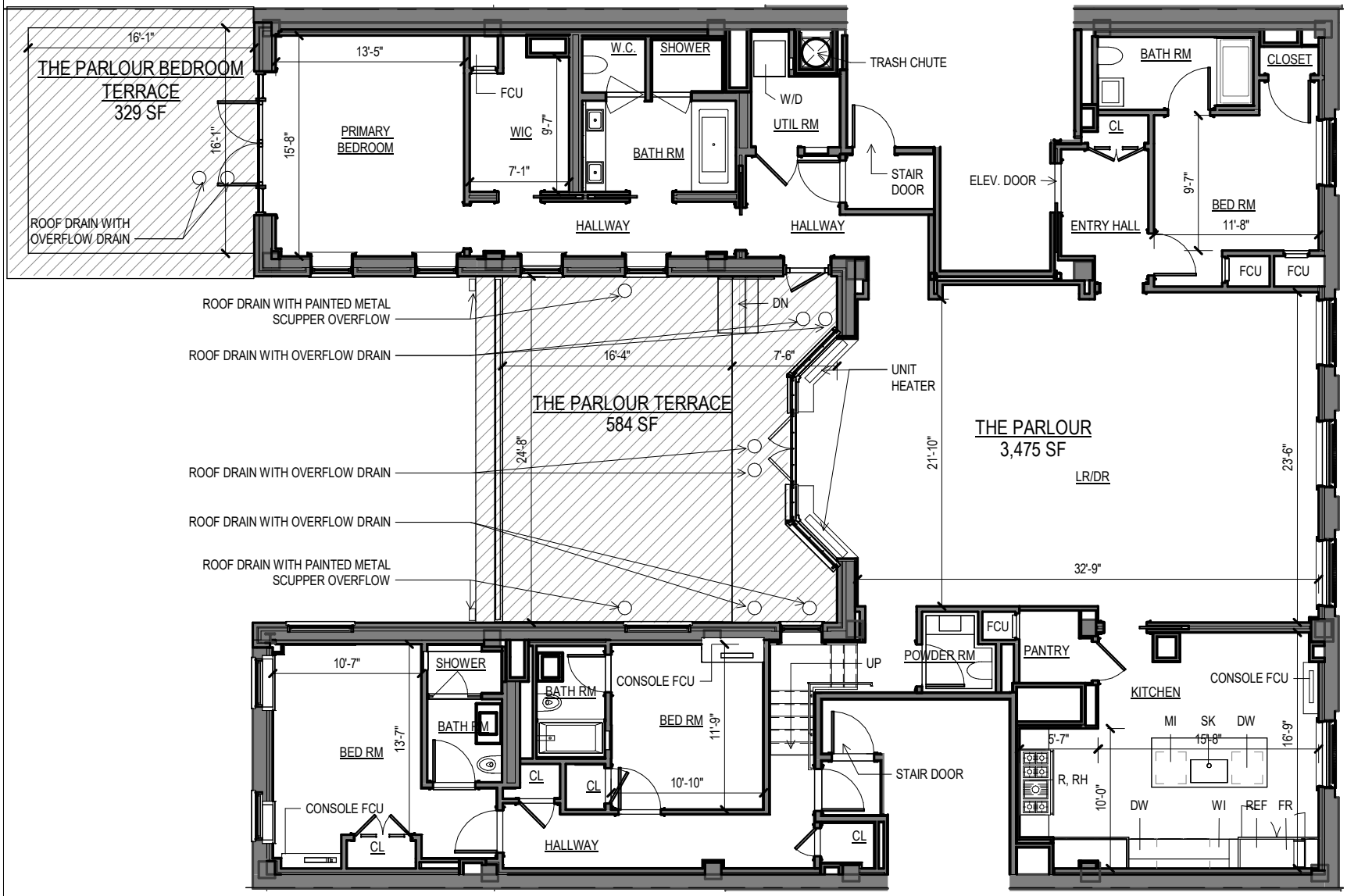
ONE (1) BEDROOM / ONE (1) BATHROOM

3/32"= 1"

0' 5' 10' 20'

SHEET NUMBER:

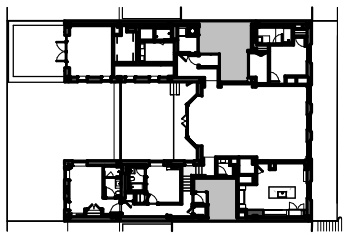
AG UP1.B



THE PARLOUR	3,475 SF
THE PARLOUR TERRACE	584 SF
THE PARLOUR BEDROOM TERRACE	329 SF

APPLIANCES

R	COOKING RANGE
RH	RANGE HOOD
REF	REFRIGERATOR
FR	COLUMN FREEZER
WI	UNDER-COUNTER REFRIG.
DW	DISHWASHER
MI	BUILT-IN MICROWAVE
SK	KITCHEN SINK W/ FAUCET
W/D	WASHER AND DRYER
FCU	MECH. FAN COIL UNIT



KEY PLAN

SPONSORS
118 WEST 13TH STREET OWNER LLC
440 PARK AVE. SOUTH, 3RD FLOOR
NEW YORK, NY 10016

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LEGEND:

RESIDENTIAL LIMITED COMMON ELEMENT

09/25/2024

BKSK

THE PARLOUR

118 W 13 STREET
NEW YORK, NY 10011

FOUR (4) BEDROOM / FOUR (4) BATHROOM / ONE (1) HALF BATHROOM

3/32"= 1"

0' 5' 10' 20'

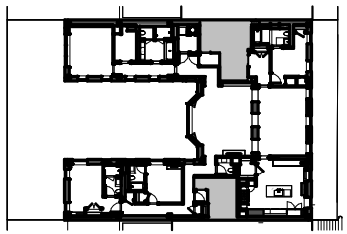
SHEET NUMBER:

AG UP2A



RESIDENCE 3	3,475 SF

APPLIANCES	
R	COOKING RANGE
RH	RANGE HOOD
REF	REFRIGERATOR
FR	COLUMN FREEZER
WI	UNDER-COUNTER REFRIG.
DW	DISHWASHER
MI	BUILT-IN MICROWAVE
SK	KITCHEN SINK W/ FAUCET
W/D	WASHER AND DRYER
FCU	MECH. FAN COIL UNIT



KEY PLAN

09/25/2024

SPONSORS
118 WEST 13TH STREET OWNER LLC
440 PARK AVE. SOUTH, 3RD FLOOR
NEW YORK, NY 10016

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BKSK

RESIDENCE 3

118 W 13 STREET
NEW YORK, NY 10011

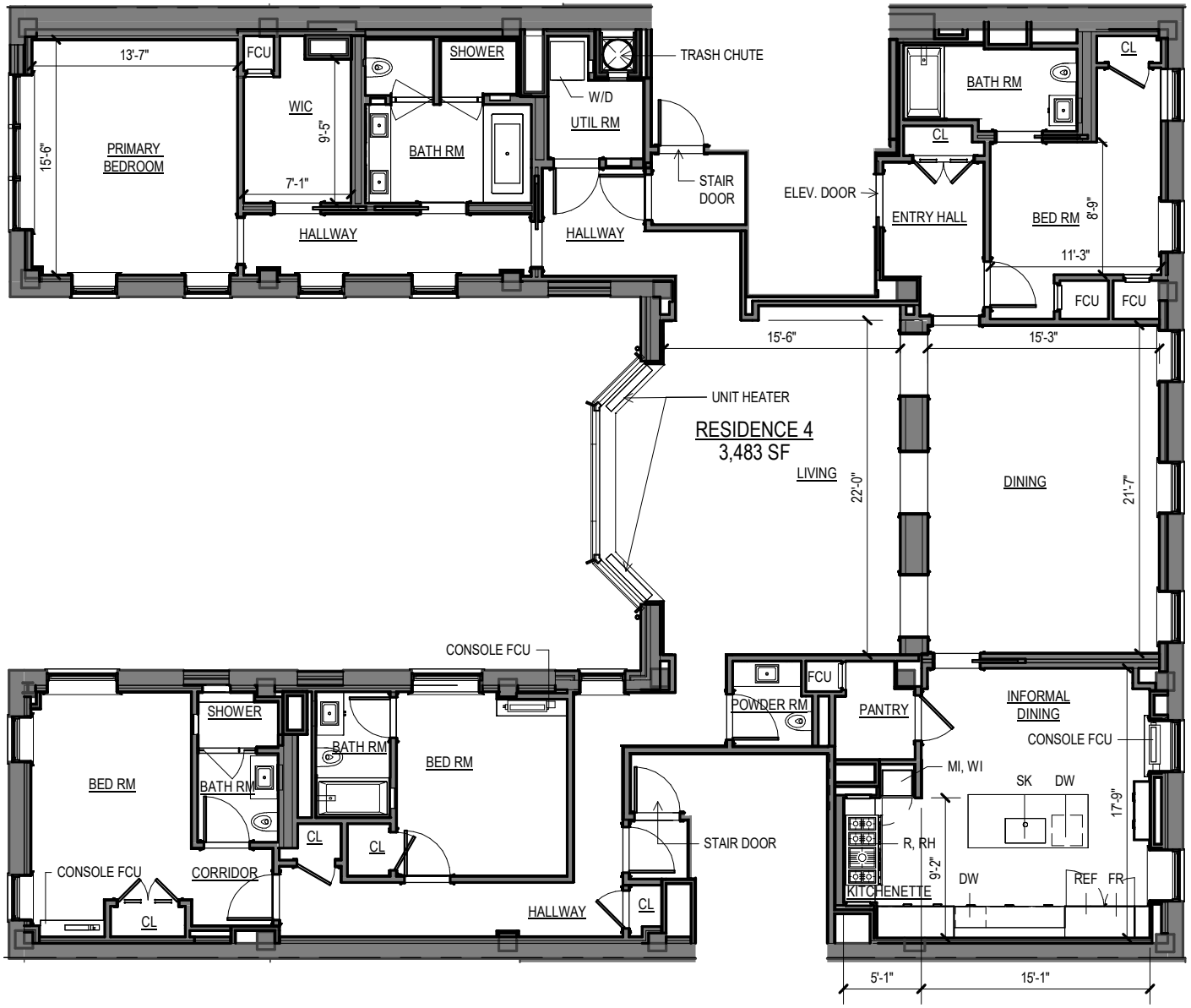
FOUR (4) BEDROOM / FOUR (4) BATHROOM / ONE (1) HALF BATHROOM

3/32"= 1"

0' 5' 10' 20'

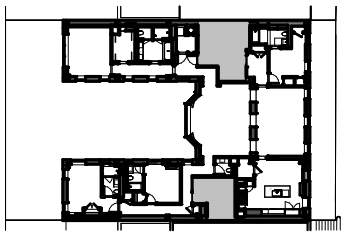
SHEET NUMBER:

AG UP3A



RESIDENCE 4	3,483 SF

APPLIANCES	
R	COOKING RANGE
RH	RANGE HOOD
REF	REFRIGERATOR
FR	COLUMN FREEZER
WI	UNDER-COUNTER REFRIG.
DW	DISHWASHER
MI	BUILT-IN MICROWAVE
SK	KITCHEN SINK W/ FAUCET
W/D	WASHER AND DRYER
FCU	MECH. FAN COIL UNIT



KEY PLAN

SPONSORS
118 WEST 13TH STREET OWNER LLC
440 PARK AVE. SOUTH, 3RD FLOOR
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09/25/2024

BKSK

RESIDENCE 4

118 W 13 STREET
NEW YORK, NY 10011

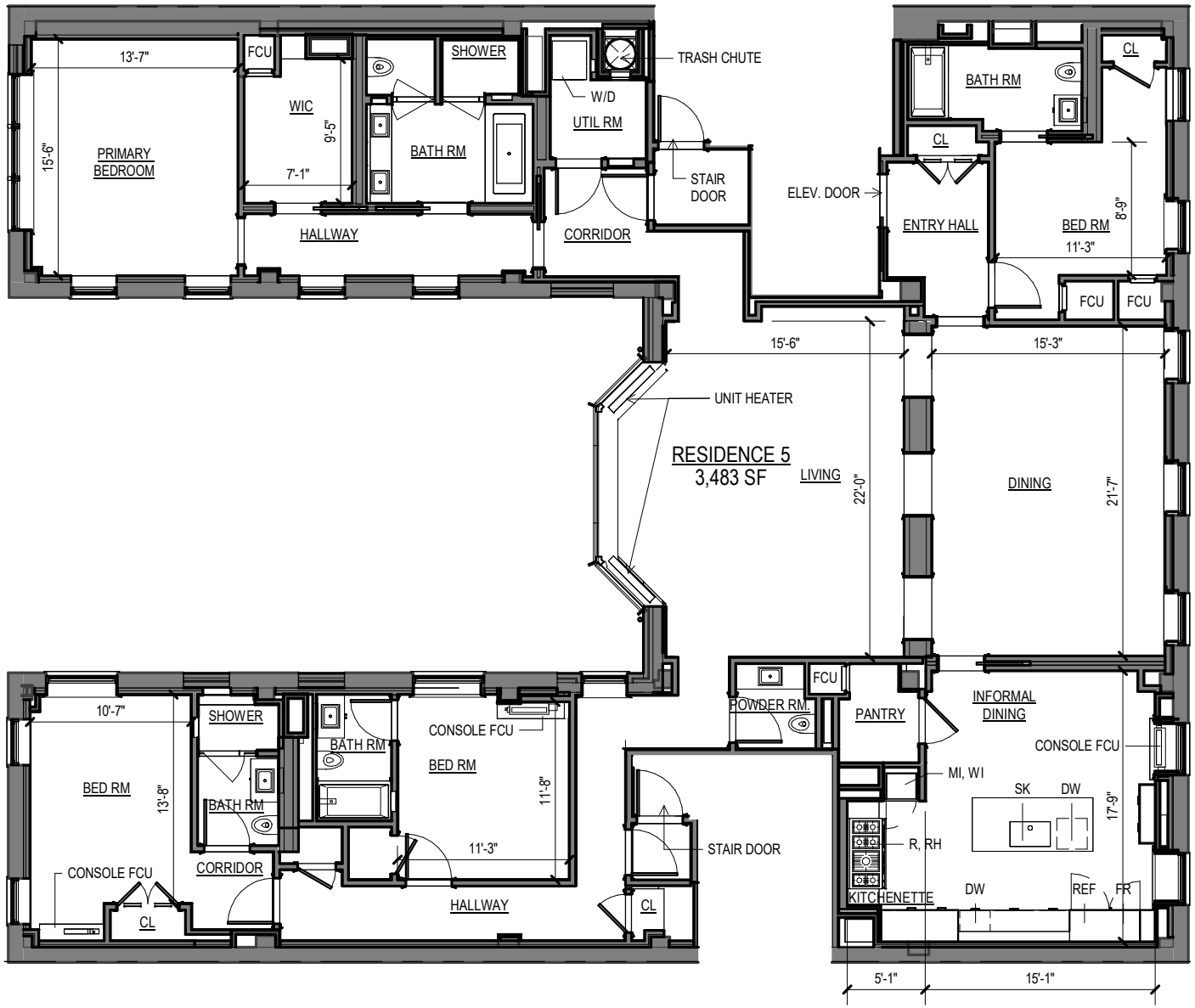
FOUR (4) BEDROOM / FOUR (4) BATHROOM / ONE (1) HALF BATHROOM

3/32"= 1"

0' 5' 10' 20'

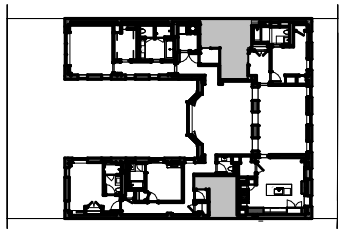
SHEET NUMBER:

AG UP4A



RESIDENCE 5	3,483 SF

APPLIANCES	
R	COOKING RANGE
RH	RANGE HOOD
REF	REFRIGERATOR
FR	COLUMN FREEZER
WI	UNDER-COUNTER REFRIG.
DW	DISHWASHER
MI	BUILT-IN MICROWAVE
SK	KITCHEN SINK W/ FAUCET
W/D	WASHER AND DRYER
FCU	MECH. FAN COIL UNIT



KEY PLAN

SPONSORS
118 WEST 13TH STREET OWNER LLC
440 PARK AVE. SOUTH, 3RD FLOOR
NEW YORK, NY 10016

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09/25/2024

BKSK

RESIDENCE 5

118 W 13 STREET
NEW YORK, NY 10011

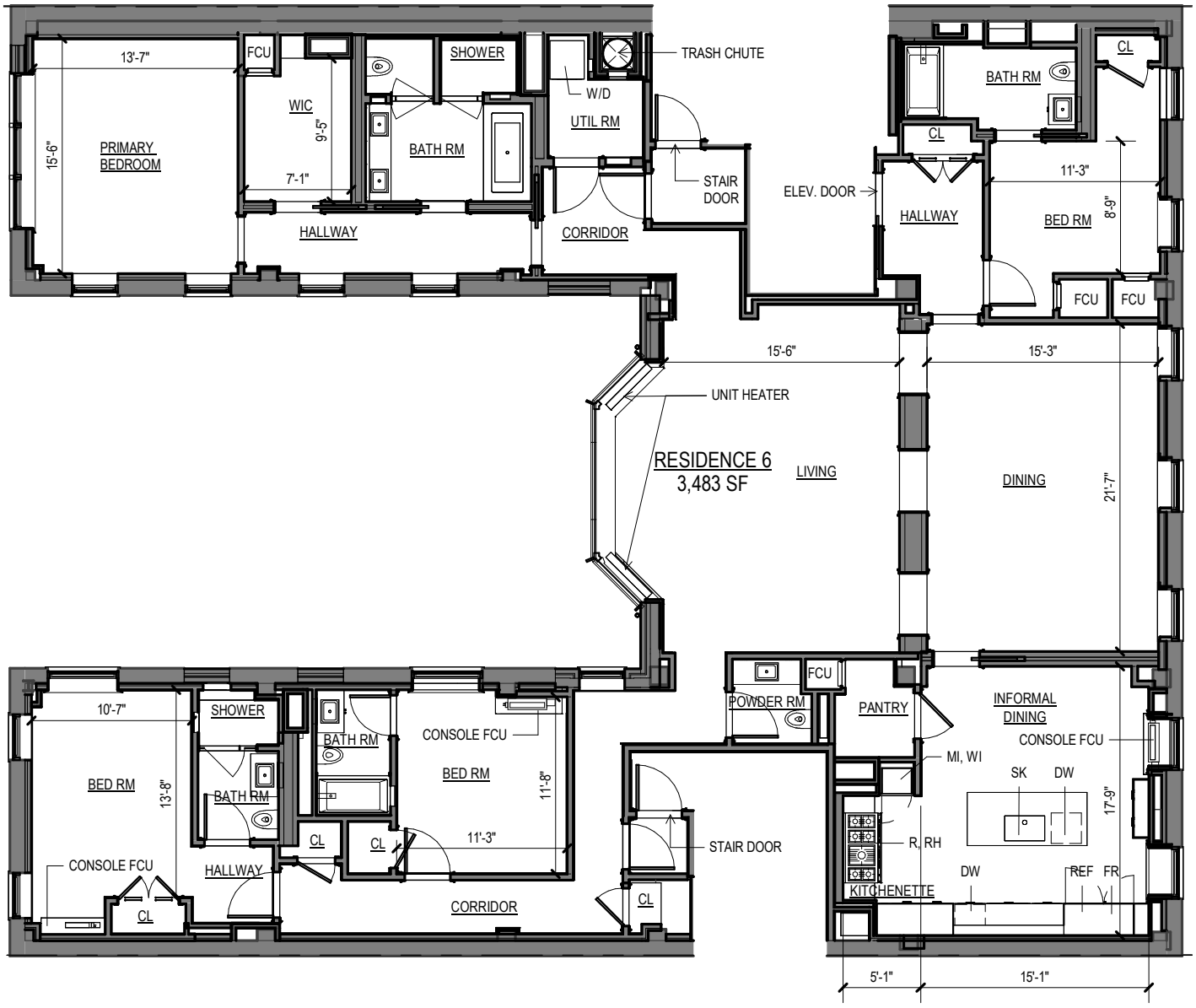
FOUR (4) BEDROOM / FOUR (4) BATHROOM / ONE (1) HALF BATHROOM

3/32"= 1"

0' 5' 10' 20'

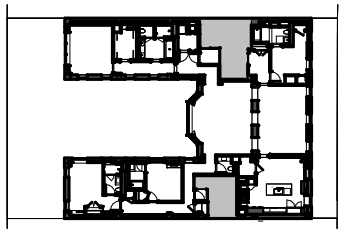
SHEET NUMBER:

AG UP5A



RESIDENCE 6	3,483 SF

APPLIANCES	
R	COOKING RANGE
RH	RANGE HOOD
REF	REFRIGERATOR
FR	COLUMN FREEZER
WI	UNDER-COUNTER REFRIG.
DW	DISHWASHER
MI	BUILT-IN MICROWAVE
SK	KITCHEN SINK W/ FAUCET
W/D	WASHER AND DRYER
FCU	MECH. FAN COIL UNIT



KEY PLAN

SPONSORS
118 WEST 13TH STREET OWNER LLC
440 PARK AVE. SOUTH, 3RD FLOOR
NEW YORK, NY 10016

SCALE AS NOTED
ALL DIMENSIONS AND SQUARE FOOTAGES ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. THE SQUARE FOOTAGE ON THIS FLOOR PLAN EXCEED THE USABLE FLOOR AREA. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN. ALL DIMENSIONS ROUNDED TO THE NEAREST INCH.

09/25/2024

BKSK

RESIDENCE 6

118 W 13 STREET
NEW YORK, NY 10011

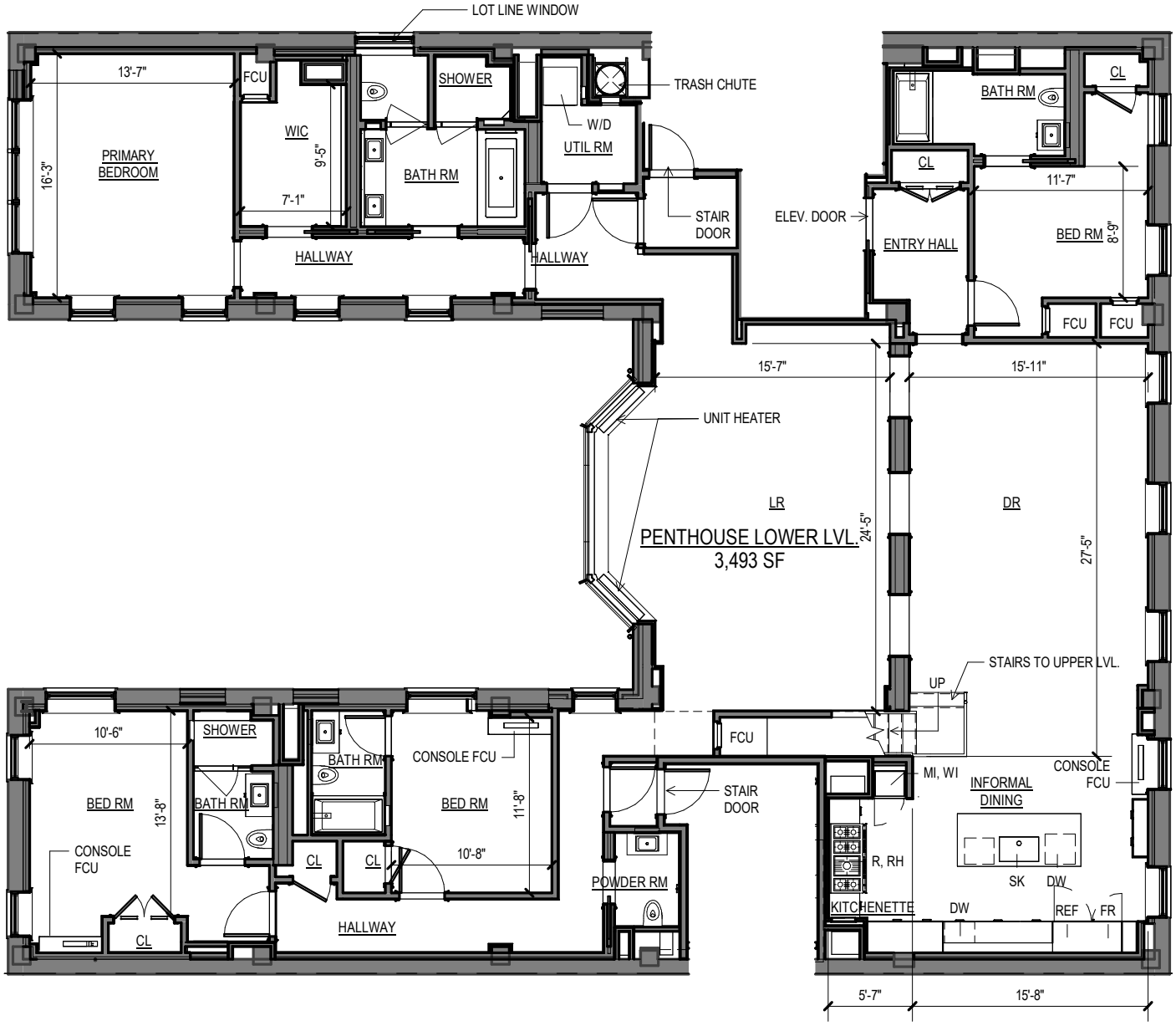
FOUR (4) BEDROOM / FOUR (4) BATHROOM / ONE (1) HALF BATHROOM

3/32"= 1"

0' 5' 10' 20'

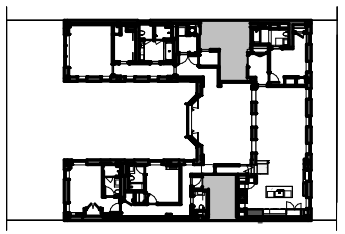
SHEET NUMBER:

AG UP6A



PENTHOUSE LOWER LVL.	3,493 SF
PENTHOUSE UPPER LVL.	488 SF
PENTHOUSE TERRACE	399 SF

APPLIANCES	
R	COOKING RANGE
RH	RANGE HOOD
REF	REFRIGERATOR
FR	COLUMN FREEZER
WI	UNDER-COUNTER REFRIG.
DW	DISHWASHER
MI	BUILT-IN MICROWAVE
SK	KITCHEN SINK W/ FAUCET
W/D	WASHER AND DRYER
FCU	MECH. FAN COIL UNIT



KEY PLAN

SPONSORS
118 WEST 13TH STREET OWNER LLC
440 PARK AVE. SOUTH, 3RD FLOOR
NEW YORK, NY 10016

SCALE AS NOTED
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09/25/2024

BKSK

PENTHOUSE LOWER LEVEL

118 W 13 STREET
NEW YORK, NY 10011

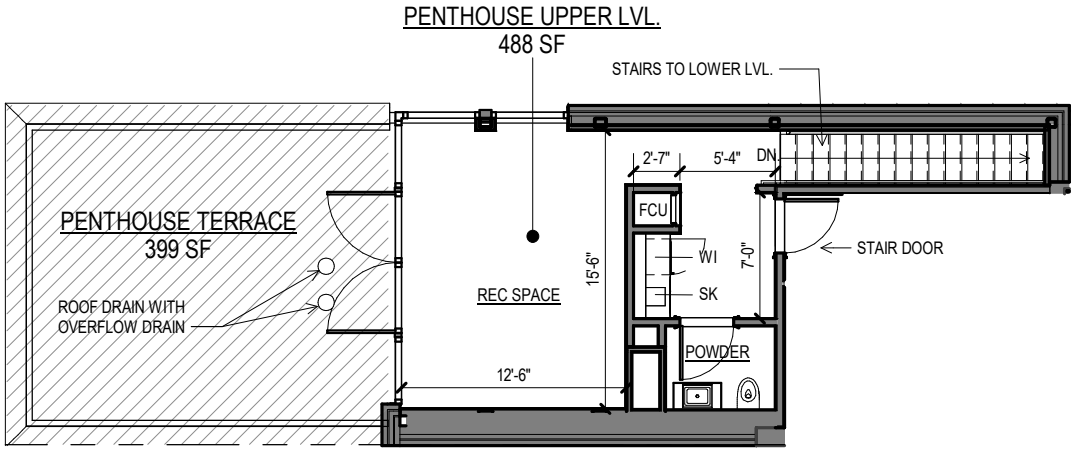
FOUR (4) BEDROOM / FOUR (4) BATHROOM / TWO (2) HALF BATHROOM

3/32"= 1"

0' 5' 10' 20'

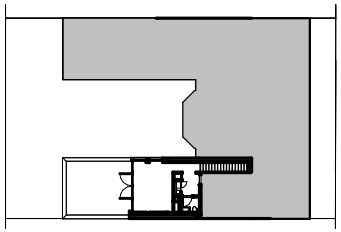
SHEET NUMBER:

AG UP7A



PENTHOUSE LOWER LVL.	3,493 SF
PENTHOUSE UPPER LVL.	488 SF
PENTHOUSE TERRACE	399 SF

APPLIANCES	
R	COOKING RANGE
RH	RANGE HOOD
REF	REFRIGERATOR
FR	COLUMN FREEZER
WI	UNDER-COUNTER REFRIG.
DW	DISHWASHER
MI	BUILT-IN MICROWAVE
SK	KITCHEN SINK W/ FAUCET
W/D	WASHER AND DRYER
FCU	MECH. FAN COIL UNIT



SPONSORS
118 WEST 13TH STREET OWNER LLC
440 PARK AVE. SOUTH, 3RD FLOOR
NEW YORK, NY 10016

SCALE AS NOTED
ALL DIMENSIONS AND SQUARE FOOTAGES ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. THE SQUARE FOOTAGE ON THIS FLOOR PLAN EXCEED THE USABLE FLOOR AREA. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN. ALL DIMENSIONS ROUNDED TO THE NEAREST INCH.

LEGEND:

RESIDENTIAL LIMITED COMMON ELEMENT

KEY PLAN

09/25/2024

BKSK

PENTHOUSE UPPER LEVEL

118 W 13 STREET
NEW YORK, NY 10011

FOUR (4) BEDROOM / FOUR (4) BATHROOM / TWO (2) HALF BATHROOM

0' 5' 10' 20'

3/32"= 1"

SHEET NUMBER:

AG UP8A

EXHIBIT "8"

DECLARATION OF CONDOMINIUM

DECLARATION
Establishing a Plan for Condominium Ownership
of the Premises located at
118 West 13th Street
New York, New York 10011

Pursuant to Article 9-B of the Real Property
Law of the State of New York

Name:
118 West 13th Street Condominium

Declarant:
118 West 13th Street Owner LLC
c/o Slate Property Group
440 Park Avenue South, 3rd Floor
New York, New York 10016

Date of Declaration:

_____

The land affected by the within instrument lies in
Tax Block 608
formerly known as Tax Lot 29
now known as Lots _____
on the Block Map of Taxes and Assessments
in the Borough of Manhattan, City of New York

Attorneys for Declarant
Holland & Knight LLP
787 Seventh Avenue
New York, New York 10019
(212) 513 - 3308
Attn: Stuart M. Saft, Esq.

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EXHIBIT C DEFINITIONS 1

DECLARATION
OF
118 WEST 13TH STREET CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law
of the State of New York)

118 West 13th Street Owner LLC, a Delaware limited liability company, having an office 440 Park Avenue South, 3rd Floor, New York, New York 10016 ("Declarant"), does hereby declare as follows:

ARTICLE 1
DEFINITIONS

All capitalized terms used in this Declaration (hereinafter referred to as the "Declaration") that are not otherwise defined in the Articles hereof will have the meanings set forth in Exhibit C annexed hereto, unless the context in which they are used will otherwise require.

ARTICLE 2
SUBMISSION OF THE PROPERTY

2.1 Declarant hereby submits the Land and Building (each as hereinafter defined), all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith (collectively, the "Property") to the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act") and pursuant thereto does hereby establish a condominium to be known as "118 West 13th Street Condominium" (the "Condominium").

2.2 Attached to this Declaration and made a part hereof are the By-Laws of the Condominium which set forth detailed provisions governing the operation, use and occupancy of the Condominium (said By-Laws, as they may be amended from time to time, are hereinafter referred to as the "By-Laws"). All capitalized terms which are not separately defined herein shall have the meanings given to those terms in the By-Laws.

2.3 The Property includes that portion of the unused floor area development rights that are subsequently acquired or that may become available under the Zoning Resolution of the City of New York (the "Development Rights"), all of which, however, are hereby assigned and reserved to and shall inure to the benefit of the Declarant, which Development Rights may be utilized by the Declarant or any other party acquiring the same from the Declarant (the "Development Rights Purchaser") and merged into a zoning lot pursuant to the terms of a zoning lot development agreement or similar agreement or instrument (a "ZLDA"). The Declarant has the sole right to transfer or sell such Development Rights, provided, they will not be used to increase the volume of the Building nor will be transferred to an entity where they would be used to impact the light or air appurtenant to the Building. None of the Unit Owners or the Condominium Board will have

any interest in the rents, profits or revenues from the sale or use of any of the Development Rights.

ARTICLE 3
THE LAND

Included in the Property described in Article 2 is all that certain tract, plot, piece and parcel of land (the "Land") situate, lying and being in the City, County and State of New York, and more particularly described in Exhibit A annexed hereto and made a part hereof. The Land is owned by Declarant in fee simple absolute. The Land has an area of approximately 6,453 square feet.

ARTICLE 4
THE PROPERTY

Included in the Property described in Article 2 is a seven (7) story building ("Building") consisting of eight (8) Residential Units (the "Residential Units") and eight (8) Storage Units (the "Storage Units", and collectively with the Residential Units, the "Units"). The owner of a Residential Unit is herein called a "Unit Owner" and all the owners of the Residential Units are herein collectively called the "Unit Owners."

ARTICLE 5
THE BUILDING

The Building is constructed of masonry bearing walls and concrete slabs with concrete beams. The exterior walls are constructed of masonry. The Building is seven (7) stories with one (1) cellar level. The floors in the Building are named (from bottom to top): Cellar, First Floor, Second through Seventh Floor, Roof and Bulkhead Roof. The Building has an entrance on West 13th Street.

ARTICLE 6
THE UNITS

6.1 Exhibit B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: unit designation; tax lot number; approximate unit area; approximate Limited Common Element area; location in Building; and percentage interest in the Common Elements appurtenant to such Unit. The location of each Unit is shown on the floor plans of the Building (the "Floor Plans") certified by and intended to be approved by the Tax Map Unit of the City of New York and filed in the New York County Office of the Register of the City of New York (the "City Register's Office") following the recording of this Declaration.

6.2 Each Unit includes, and each Unit Owner shall be responsible for all improvements and personal property within the Unit, including interior walls, wall coverings, flooring, finishes, window treatments, cabinetry, sinks, toilets, showers, bathtubs, appliances, interior doors, not including the front entrance door and any other doors to such Unit, smoke detectors, all interior glass (including, without limitation, their panes, casements and frames) within such Unit, all plumbing, gas and heating fixtures and equipment such as refrigerators, dishwashers, heating,

ventilating and air conditioning ("HVAC") units (including the fans inside the units), heating equipment, ranges and other appliances, as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment, and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors. Each Unit shall also include (i) all lighting and electrical fixtures and appliances within the Unit, and (ii) any special equipment, fixtures or Facilities (as hereinafter defined) affixed, attached or appurtenant to the Unit, to the extent located within a Unit from the panel and serving or benefiting only that Unit.

6.3 Notwithstanding anything contained in this Article 6 to the contrary, each Unit Owner will have the right, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, wall to wall carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity and mechanical and electrical systems of such Unit or of the Building.

6.4 Each Unit will include all related Facilities exclusively serving the Unit.

6.5 As of the date of the filing of this Declaration with the City Register's Office, fee simple absolute title shall automatically vest in Declarant to all Units, individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

6.6 Each of the Units is subject to the encroachments and easements described in this Declaration to the extent and on the terms and conditions provided for herein.

6.7 From the date hereof until the date on which a Unit is first conveyed or first distributed by Declarant to an unrelated Person, (i) Declarant shall have all the rights and obligations described herein and in the Condominium By-Laws with respect to such Unit as rights and obligations of the Unit Owner thereof and (ii) all references in this Declaration and in the Condominium By-Laws to the Unit Owner of such Unit shall be deemed to be references to Declarant.

ARTICLE 7
DIMENSIONS OF UNITS

7.1 The approximate indoor floor area of each Unit has been measured on each of one or more floors, horizontally from the exterior face of the exterior walls of the Building at 4'-0" above slab level to the centerline of the partitions separating one Unit from another Unit, and to the centerline of the partitions separating Units from corridors, and to the centerline of the partitions separating one Unit from stairs, elevators, and other mechanical spaces or any Common Elements. Structural elements such as columns, and mechanical elements such as pipes,

shaftways, chases, chaseways and conduits, are not deducted from the measurement of each Unit.

7.2 Measured vertically, each Unit will consist of the area from the top of the structural slab of the floor to the underside (of any fire protection) of the structural members above.

7.3 The floor area occupied by any Common Elements bordering or within a Unit (such as the Building's facade or exterior walls, vents, chase walls or areas, conduits, ducts, shafts or pipes) have been included in the computation of the floor area of the Residential Unit, but such Common Elements are not part of the Unit. As a result, the square footage shown are taken from points behind the walls enclosing the Unit and exceed the Unit's usable floor area. Minor inaccuracies in a Unit's square footage will not excuse a Purchaser from completing the purchase of a Unit without recourse against the Declarant or reduction in the price.

ARTICLE 8
COMMON ELEMENTS

8.1 Common Elements

8.1.1 The Common Elements of the Condominium (the "Common Elements") consist of the entire Property, including the Land and all parts of the Buildings and improvements thereon other than the Units. The Common Elements include, but are not limited to, those rooms, areas, corridors, spaces and other parts of the Buildings and all Facilities (defined below) therein for the common use of the Units and the Unit Owners or which are necessary or convenient for the existence, maintenance or safety of the Property. The Limited Common Elements of the Condominium (the "Limited Common Elements") consist of those Common Elements that serve or benefit exclusively one or more but not all of the Units or Unit Owners. The Common Elements are appurtenant to, serve and benefit each Unit to the extent of such Unit's percentage share of the Common Elements. The Common Elements are for the common use of all Unit Owners.

8.1.2 As used in this Declaration, the word "Facility" or "Facilities" includes, but is not limited to, the following items (grouped more or less functionally) which are set forth only for purposes of illustrating the broad scope of that term: system, equipment, apparatus, convertor, radiator, heater, heat exchanger, mechanism, device, machinery, motor, pump, control, tank or tank assembly, insulation, induction unit, condenser, compressor, fan, damper, blower, thermostat, thermometer, coil, vent, sensor, shut-off valve or other valve, gong, panel, receptacle, outlet, relay, alarm, sprinkler head, electric distribution facility, wiring, wireway, switch, switchboard, circuit breaker, transformer, fitting, siamese connection, hose, plumbing fixture, lighting fixture, other fixture, bulb, sign, telephone, meter, meter assembly, scaffolding, piping, line, duct, conduit, cable, riser, main shaft, pit, flue, lock or other hardware, rack, screen, strainer, trap, drain, catch basin, leader, filter, canopy, incinerator, closet, cabinet, door, railing, coping, step, furniture, mirror, furnishing, appurtenance, urn, basket, mail box, carpeting, tile or other floor covering, drapery, shade or other window covering, wallpaper or other wall covering, tree, shrubbery, flower or other planting and horticulture tub or box.

8.2 The Common Elements will remain undivided and no Unit Owner or other person will bring or will have the right to bring any action for partition or division thereof except as may

be specifically provided for herein and in the By-Laws.

8.3 The Common Elements consist of the following:

8.3.1 The Land (as more particularly described in Exhibit A attached to this Declaration), together with all easements, rights and privileges appurtenant thereto.

8.3.2 All of the following: all foundations, footings, columns, girders, floor slabs and ceilings, beams, and supports and interior load bearing walls, (except to the extent included in Sections 8.4 or 8.5), those portions of the exterior walls and any insulation or framing beyond the unexposed face of the dry wall at the exterior face of the Building, or where applicable, those portions of the exterior walls beyond the interior face of the exterior walls or the concealed blockwork, brickwork or masonry or concealed structural members of those walls; those portions of the walls and partitions dividing the Units from the corridors, the elevator shafts, mechanical equipment spaces, fire escapes which are not part of a Unit (which shall only be used for fire egress purposes), fire staircases, fire escapes and stairs located beyond the unexposed face of the dry walls enclosing the Units, or, where applicable, the blockwork, brickwork, masonry or concrete work of the interior walls of the Building separating one Unit from another Unit, or from corridors, the elevator shafts, fire staircases, fire escape, stairs, vestibules or lobbies not within a Unit; the subfloors and framing joists, if any, including any framing attached to such joists from which the dry wall ceiling of the Unit below is attached; roof bulkheads and roof areas which are not for the exclusive use of a particular Unit or Units, the use of which shall be at the sole discretion of the Condominium Board; skylights and/or glass enclosures, if any, other than those directly over Units; sprinkler systems, standpipe systems; service corridors, fire corridors, halls, stairs, and stairway areas located at all levels of the Building which are beyond the unexposed face of the dry walls or blockwork, brickwork, masonry or concrete work of the walls enclosing a Unit and are not specifically designated below as a Limited Common Element, storage and utility areas, if any, located at all levels of the Building and which are not part of a Unit or which are not specifically designated below as Limited Common Elements, and are located beyond the unexposed face of the drywalls or blockwork, brickwork, masonry or concrete work enclosing a Unit; all cellar areas which are not specifically designated below as a Limited Common Element and not part of a Unit; the sidewalks in front of the Building, including any tree, shrubbery, flower or other planting or horticulture tub or box located thereon; the service entrances to the Building, if any; the entrances to and exits from the Building, including any handicapped ramp adjacent thereto, together with any awnings or canopies, if any, which are not part of a particular Unit or which are not specifically designated as a Limited Common Element;

8.3.3 The boiler and gas room, mechanical storage or other rooms located at the cellar level of the Building, including, but not limited to, the elevator, the elevator pit, the elevator switch room, plumbing room, telecommunication room, the electrical room, closets, a half-bath powder room, a service room and the gas meters, water meters, electric meters, pumps and other equipment in the cellar; any and all cellar or other areas of the Building and Facilities which are not designated as part of a Unit or a Limited Common Element;

8.3.4 The trash room and chute together with any refuse room or rooms and compactor machinery and related Facilities, if any, located at the cellar level of the Building; the

trash chutes located on any floors of the Building, all of which shall be used in a manner to be determined by the Condominium Board in its sole discretion;

8.3.5 The elevator, elevator machinery, its shafts and pits; the elevator switch room, the elevator bulkhead and elevator machine room, if any, for the elevator, together with all Facilities related thereto, located on any floor or roof of the Building;

8.3.6 The elevator lobbies, together with any trash chute access room and/or trash room, mechanical rooms or equipment closets, if any, located on all floors of the Building and all Facilities related thereto;

8.3.7 The lobby to the Building together with the adjoining storage areas and mailboxes for all of the Residential Units;

8.3.8 All installations and Facilities on the Property outside the Units for services such as gas, power, light, cable television, heat, telephone and water, which service the Units and/or the Common Elements;

8.3.9 Any residential bike room(s), if any, which shall be for the use of all of the Unit Owners in a manner to be determined by the Condominium Board in its sole discretion;

8.3.10 All sewer pipes and drainage pipes;

8.3.11 Those portions of the roofs located at any level of the Building and those portions of the Land, if any, which have been designated for the installation of mechanical equipment, including, but not limited to, roof tanks, cooling towers, any ventilation or air-conditioning equipment or other related Facilities, if any, which service the Units and/or the Common Elements;

8.3.12 The heating equipment or hot water heaters or equipment, if any, ventilation and/or air-conditioning equipment, cooling towers and water tanks, if any, and related machinery or Facilities, wherever located in the Building, which service both the Units and/or the Common Elements;

8.3.13 Any piping and/or ductwork which is necessary for the functioning of the heating equipment or hot water heaters or equipment, if any, ventilation and/or air-conditioning equipment and cooling towers, if any, wherever located in the Building, which service both the Units and/or the Common Elements;

8.3.14 Any and all windows and skylights of the Building which are not part of a particular Unit;

8.3.15 The right to use all street vaults, if any. To the extent there are any charges for said vault areas, such charges shall be paid by all of the Unit Owners as a Common Expense;

8.3.16 All other Facilities of the Property (including but not limited to shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit or are necessary or

convenient for the existence, maintenance, operation or safety of the Property.

8.3.17 All other Facilities exclusively serving the Building, excluding the Units, and which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Property.

8.3.18 the Building amenity spaces (gym, shared rear yard amenity space, shared rooftop amenity space, package room, reception).

8.3.19 Notwithstanding anything to the contrary in this Article 8, if a Common Element benefits only certain Unit Owners regardless of whether they utilize the Common Element (the "Benefiting Unit Owners"), then the costs of alteration, addition, repair, replacement and restoration thereto shall be borne solely by the Benefiting Unit Owners in the proportion that the Common Interest of each Benefiting Unit Owner bears to the Common Interests of all Benefiting Unit Owners.

8.4 The Limited Common Elements consist of the following:

8.4.1 The skylights, if any, existing or installed at some future date, that are directly above any Unit which shall be for the exclusive use of such Unit Owner. The maintenance, repair and replacement of such skylights shall be the responsibility of the individual Unit Owners of such Units;

8.4.2 Any fireplace, together with any flue and/or ductwork attached thereto, whether gas-fired, wood-burning or ventless, existing or installed at some future date in any Residential Unit shall be for the exclusive use of such Unit Owner. The maintenance, repair and replacement of such fireplace, including any flue and/or duct work attached thereto, if any, shall be the responsibility of the individual Unit Owners of such Residential Units;

8.4.3 Any private Terrace or yard appurtenant to a specified Unit, together with any planter installed thereon and fences and rails, if any, enclosing said space, as delineated on the Floor Plans. Nonstructural, ordinary repairs and maintenance of such Terrace or yard, together with any fencing which delineates such area, and any appliances or equipment servicing such area, shall be the responsibility of the individual Unit Owner(s) who have the exclusive use thereof; and

8.4.4 Certain portions of the Common Elements are limited and further restricted in use to the owners of Units to which such Limited Common Elements are appurtenant, subject to the right of the Condominium Board to enter upon any such Limited Common Element to make structural repairs or structural replacements to said Limited Common Element or any Common Element contained therein, and subject to the Rules and Regulations of the Condominium.

8.4.5 Unit Owners shall be responsible for washing the interior side of any and all windows in their Unit, and replacing broken window glass in their Unit unless the glass was broken through the negligence of the Condominium Board or its agents, in which case the cost or replacement shall be borne by the Unit Owners as a Common Expense. Any Unit Owner having access to a Terrace or yard appurtenant to their Unit shall keep it free from ice, snow and water.

8.4.6 Intentionally Omitted.

8.4.7 Intentionally Omitted.

8.4.8 All normal and ordinary maintenance, repair and replacement of Limited Common Elements (i.e., cleaning surface areas, patching chipped concrete or pavers, repairing and/or replacing fencing or railing enclosures, etc.) shall be tended to and paid for by the Unit Owner(s) having the exclusive use thereof. Washing exteriors of windows will be borne by the Unit Owners as a Common Expense. The cost of repairing and/or replacing a divider separating two or more Terrace areas shall be shared equally by the Unit Owners whose Terraces are affected unless the need for repair or replacement was occasioned by the negligence of one of the Unit Owners or his or her guest(s) or agent(s), in which case the cost shall be borne exclusively by said Unit Owner. Structural or extraordinary repairs of the Limited Common Elements, including such items as complete replacement of concrete in rear yards, and the slab under Terraces, will be borne by the Unit Owners as a Common Expense.

8.4.9 That portion of equipment, fixtures or Facilities serving or benefiting one Unit, to the extent located within another Unit or within a Common Element to which there is direct and exclusive access from the interior of a Unit. Notwithstanding anything to the contrary contained in the By-Laws or this Declaration, the Unit Owner who is so served or benefited by such Limited Common Element shall have the exclusive right to use such Limited Common Element and shall be responsible for its normal operation, maintenance and repair at such Unit Owner's sole cost and expense.

8.4.10 All other Facilities exclusively serving one or more but not all Units, excluding the Units and the Common Elements, which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of one or more but not all of the Units.

ARTICLE 9
USE OF BUILDING AND UNITS

9.1 As more particularly set forth in the By-Laws, a Residential Unit may be used for any lawful purposes, subject, however, to (1) the terms and conditions of the then existing certificate of occupancy for such Residential Unit, (2) applicable governmental laws and regulations, (3) the use of such Residential Unit not adversely affecting the use and enjoyment of neighboring or adjacent Residential Units, and (4) the restrictions as described in Section 6.14 of the By-Laws. Residential Units may only be leased in accordance with the By-Laws and the Rules and Regulations.

9.2 The Storage Units may be used only by owners or occupants of the Residential Units and only for storage of the personal effects of the owners or tenants thereof, provided that no article or material that shall pose a threat to the health or safety of the Unit Owners or other occupants of the Building, or that shall cause the dissemination of noxious odors, dirt or other sanitary problems or otherwise create a nuisance, shall be permitted to be brought into or stored in any Storage Unit.

9.3 Notwithstanding the foregoing or anything contained herein, in the By-Laws or any Rules and Regulations to the contrary, Declarant (and its designees) may, without permission of the Board or any other person, use or grant permission for the use of any Unsold Unit for any lawful purpose, including, but not limited to, the use of any Unsold Residential Units as models and sales and/or promotion offices in connection with the sale or rental of the Units or for any other purpose, subject only to compliance with applicable laws.

9.4 Except as otherwise provided in the By-Laws, the Common Elements may be used only for the furnishing of the services and facilities and for the other uses permitted by the certificate of occupancy and for which they are reasonably suited.

9.5 Subject to any easements (exclusive or otherwise) and/or rights of access provided in this Declaration with respect to the Common Elements, neither the Board nor any Unit Owner shall impede the exercise of or encroach upon the rights of the other Unit Owners or anyone claiming, by, through or under them, including, but not limited to, the occupants of the Residential Units and their respective invitees, to use the same.

9.6 No nuisance shall be allowed in the Property nor shall any use or practice be allowed in the Property which interferes with the peaceful possession or proper use thereof by the Unit Owners or the occupants of their respective Residential Units. No improper, offensive or unlawful use shall be made of the Property or any portion thereof. All Legal Requirements relating to any portion of the Property shall be complied with at the sole expense of whichever of the Unit Owners or the Board shall have the obligation pursuant to the By-Laws or this Declaration to maintain or repair such portion of the Property.

ARTICLE 10
CHANGES IN THE CONDOMINIUM

10.1 Except to the extent prohibited by law, Declarant or its designee shall have the right, without the vote or consent of the Board, other Unit Owners or the Mortgage Representatives, if any, to: (a) make alterations, additions or improvements to any Unsold Units; (b) change the use or layout of, or number of rooms in, any Unsold Units from time to time; (c) change the size and/or number of Unsold Units by subdividing one or more Unsold Units into two (2) or more separate Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Units, converting a Unit or any portion thereof to a Common Element or a Limited Common Element, altering the boundary walls between any Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway used exclusively by the occupant(s) of such Unsold Unit) which exclusively benefit an Unsold Unit into such Unit; (d) designate a Common Element as part of a newly created Unit or Limited Common Element, or designate all or part of a Unit as a newly created Common Element or Limited Common Element; and (e) if appropriate, reapportion among the Unsold Units affected by such change in size, use or number pursuant to the preceding clauses (b) and (c) their percentage interests in the Common Elements; provided, however, that (i) the percentage interest in the Common Elements of any other Units (other than Unsold Units) shall not be changed by reason thereof unless the owners of such Units shall consent thereto; (ii) Declarant or its designee, as the case may be, shall comply with all laws, ordinances and regulations of all governmental authorities

having jurisdiction and shall agree to hold each Board and all other Unit Owners harmless from any liability arising therefrom. The provisions of this Article 10 may not be added to, amended, modified or deleted without the prior written consent of Declarant or its designee. By written permission of the Condominium Board, which permission, shall not be unreasonably withheld, any other Unit Owner may be given, with respect to his or her Unit, the same rights and be subject to the same limitations and conditions as are set forth in this Article 10 with respect to Unsold Units.

10.2 No reapportionment of the interests in the Common Elements appurtenant to any Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the percentage interests of the respective Units in the Common Elements, immediately after such reapportionment, will be based on Real Property Law §339-i. The certification referred to in the preceding sentence shall be delivered (i) at Declarant's election, by Declarant, the managing agent of the Condominium or any other person reasonably acceptable to the Condominium Board in the case of any Unsold Unit, and (ii) by either the managing agent of the Condominium or any other person reasonably acceptable to the Condominium Board in the case of any other Unit.

ARTICLE 11
PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York is hereby designated to receive service of process at One Commerce Place, 99 Washington Avenue, Albany, New York 12231 in any action which may be brought against the Condominium. After Sponsor relinquishes control of the Condominium Board, notice of process in any action which may be brought against the Condominium shall be served on the President of the Condominium at the Office of the Condominium, at 118 West 13th Street, New York, New York 10011.

ARTICLE 12
DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

The percentage of interest in the Common Elements applicable to each Unit, as shown on Exhibit B, was determined pursuant to Section 339-i(1)(iv) of the Condominium Act, and is based upon floor space, subject to the location of such space and 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 a particular Unit. The aggregate Common Interest for all Units is one-hundred percent (100%).

ARTICLE 13
ENCROACHMENTS

If (a) any portion of the Common Elements encroaches upon any Unit or upon any other Common Element, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements or (c) any such encroachments shall hereafter occur as a result of (i) 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 Declarant or its designee, or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand.

ARTICLE 14
ACCESS TO COMMON ELEMENTS

14.1 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 his or her Unit including an easement to connect to existing utilities including, but not limited to utilities for gas, electricity, steam and ventilation. Each Unit 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. In addition, the Condominium Board, or their agents, to the extent the Board is permitted to act by the By-Laws for such purposes, shall have a right of access to each Unit to inspect the same, to remove violations therefrom and to maintain, repair or replace the Common Elements contained therein or elsewhere in the Property. All easements and rights of access described in this Article 14 shall be exercised in such a manner as will not unreasonably interfere with use of the Units for their permitted purposes. Such entries shall be permitted on not less than one day's 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).

14.2 The Declarant or any of its affiliates or designees and their successors, assigns, invitees, licensees, contractors, employees and tenants, shall have an easement in, on, over and across all areas of the Property for ingress to and egress from all land areas of the Property and the use thereof (in common with the Unit Owners) for construction or renovation of the Building, or any part thereof, the inspection, maintenance and performance of alterations, replacements, and repairs in or about Units owned by the Declarant or its designees and for any other lawful purpose provided (i) Declarant or such other party repairs any resulting damage to the Unit or Common Elements, as the case may be, and restores the damaged portion to substantially the condition it was in prior to such entry, (ii) Declarant or such other party provides reasonable prior notice to the owners of the Unit to which access is required, or the Board in the case of the Common Elements, and (iii) the work will not unreasonably interfere with the other Units.

14.3 The Condominium Board shall, if any question arises, determine the purpose for which a Common Element is intended to be used. The Condominium Board shall have the right to regulate access to the Common Elements and to promulgate rules and regulations governing the use of the Common Elements. The Condominium Board may not enact rules or regulations or perform any act that would discriminate against any Unit Owner or the tenants of that Unit Owner's Residential Unit in connection with the same.

ARTICLE 15
EASEMENTS AND NAME OF CONDOMINIUM

15.1 Except as set forth in this Declaration, each Unit Owner shall have, in common with all other Unit Owners, (a) an easement for the use of the Common Elements; (b) an easement for ingress and egress through the Condominium and for the use of any Common Element, to the extent necessitated by an emergency; and (c) an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units and the Common Elements.

15.2 Each Unit Owner shall have, in common with all other Unit Owners, and each Unit shall be subject to, an easement (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements or Limited Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property; and (b) to maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the Units, the Common Elements or the Limited Common Elements; provided that access to any Unit or the Common Elements in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of an emergency.

15.3 Declarant or its designee and their successors and assigns shall, to the extent permitted by law and without the necessity of obtaining consent of the Condominium Board, have an easement to erect, maintain, repair and replace, from time to time, one or more signs on the Property (other than on the exterior walls of the Building surrounding Units not owned by the party erecting the sign) for the purposes of advertising the sale or lease of any Unsold Unit.

15.4 Declarant or its designee, for so long as it owns a Residential Unit, and the Condominium Board with respect to the Property, shall have the right to grant such additional electric, gas, steam, ventilation or other easements for utilities or otherwise, or relocate any easements in any portion of the Property, as the case may be, as Declarant or its designee 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 to complete the Building as described in the Plan or for the general health or welfare of the owners, tenants and occupants of the appropriate Units, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of the Units for their permitted purposes, and shall not result in the imposition of any mechanic's lien against any of the Units. Any utility company and its employees and agents shall have the right of access to any 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 use of the Units for their permitted purposes.

15.5 Declarant shall have, and the Units and Common Elements shall be subject to, an easement, (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace satellite dishes and similar equipment on the roof of the Building and the conduit and other Facilities relating thereto, other than those portions of the roof which constitute Common Elements or Limited Common Elements, and (b) to maintain any encroachment on any Unit, or any Common

Elements or elsewhere on the Property resulting from the installation, operation, maintenance, repair, alteration, rebuilding, restoration or replacement thereof; provided that access to any Unit or Common Element in furtherance of such easement shall be exercised in a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of an emergency.

15.6 Intentionally Omitted.

15.7 The Condominium shall be designated and known as "118 West 13th Street Condominium" and also known as "The Katharine." Declarant shall own and control all rights and interests, and shall be responsible for all obligations and liabilities, appurtenant to the name of the Condominium and/or the Building. For so long as Declarant owns any Residential Units in the Building, only Declarant shall have the right to change or assign the name of the Condominium and/or the Building, subject to the consent of the Condominium Board.

15.8 Declarant and its contractors, employees and agents for so long as Declarant shall own any Unsold Unit, shall have (a) an easement for ingress and egress through all of the Common Elements in order to make alterations, additions, or improvements, whether structural or nonstructural, interior or exterior, ordinary or extraordinary, in, to and upon Unsold Units; and (b) to use, without charge, portions of the Building, including the Common Elements, for events and/or promotional functions in connection with the sale and leasing of the Units.

15.9 All easements and rights of access described in this Article shall be exercised by the party or parties entitled to exercise such easements or rights of access (the "Exercising Party") in such manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Residential Units or with the use of the Units for their permitted purposes, and each Unit Owner whose Unit is subject to the easements and rights of access described in this Article shall be reimbursed for reasonable actual out-of-pocket costs to repair damage (but not consequential damage) incurred by said Unit Owner (the "Impacted Owner") to repair the Impacted Owner's Unit and any additional security measures incurred by the Impacted Owner as a result of the exercise of the easement and right of access hereunder (the "Access Costs"). All entries made pursuant to the easements granted in this Article shall be permitted on reasonable notice, but in no less event than five (5) business days' notice to the Unit Owner, 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) in which event, the Exercising Party shall give such notice (which may be verbal) as is practicable given the nature of the emergency. The Exercising Party shall reimburse the Impacted Owner within thirty (30) days of demand therefor, for the Impacted Owner's Access Costs, which demand shall be accompanied by reasonable evidence of such Access Costs. In the event the Exercising Party fails to pay the Access Costs within said thirty (30) day period, the Impacted Owner shall be entitled to interest on the Access Costs at the Default Rate, together with all rights at equity and at law. To the extent the Condominium Board is responsible for any costs and expenses, including, without limitation, under this Article, such costs shall be allocated to the Unit Owners as Common Expenses. Notwithstanding the foregoing, if the exercise of the easements and rights of access described in this Section is required in order to

remove or cure a violation or to cure a default hereunder or under the By-Laws caused by the Impacted Unit Owner or any rules and regulations adopted by the Condominium Board, or for the purpose of correcting any conditions originating in such Unit Owner's Unit and threatening another Unit or all or any part of the Common Elements, such Unit Owner shall be responsible for all costs and expenses in connection with such exercise and access and any work performed in connection therewith, and the Unit Owner shall not be entitled to reimbursement for Access Costs. Any dispute by and among any Unit Owners and/or the Condominium Board as to the nature, scope or interpretation of the costs contained in this Article shall be resolved by Arbitration.

ARTICLE 16
POWER OF ATTORNEY

16.1 Each Unit Owner shall grant to the persons who shall from time to time constitute the Condominium Board an irrevocable power of attorney, coupled with an interest (in such form and content as the Condominium Board shall determine) following due authorization (if required) from the Unit Owners (a) to acquire or lease any Unit, together with its Appurtenant Interests (as defined hereinafter), whose owner desires to sell, convey, transfer, assign, lease or surrender the same, or which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental, as the case may be, as the attorneys-in-fact deem proper, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Units so acquired, or to sublease any Unit so leased, without the necessity of further authorization by the Unit Owners, on such terms as the attorneys-in-fact may determine, (b) to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate and (c) to execute, acknowledge and deliver any declaration or other instrument affecting the entire Property which the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the entire Property or any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the entire Property or the Common Elements which the Condominium Board deems necessary or appropriate.

16.2 In addition, each Unit Owner shall grant to Declarant and its designees an irrevocable power of attorney coupled with an interest and granted for valuable consideration, to execute, acknowledge and deliver any application, declaration, document or other instrument affecting the Condominium that Declarant and/or its designees deems necessary or appropriate to comply with any Law, zoning resolution, or requirement of the Department of Buildings, or any other governmental authority applicable to the rehabilitation, maintenance, demolition, alteration, restoration, or repair of the Property or any part thereof.

16.3 Each Unit Owner shall grant to Declarant a power of attorney to amend the Declaration and to effectuate the rights granted to the Declarant under the Declaration and By-Laws including the power to execute the Required Documentation.

16.4 In addition, until the permanent certificate of occupancy is issued, each Unit Owner shall grant to Declarant and its designees an irrevocable power of attorney coupled with an interest and granted for valuable consideration, to execute, acknowledge and deliver any application, declaration, document or other instrument affecting the Condominium that Declarant and/or its designees deems necessary or appropriate to comply with any law, zoning resolution, or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority or governmental authority applicable to the rehabilitation, Maintenance, demolition, alteration, restoration, or repair of the Property or any part thereof.

ARTICLE 17
ACQUISITION OF UNITS BY THE BOARD

17.1 If (a) any Unit Owner surrenders his or her Unit, together with (i) the undivided interest in the Common Elements and Limited Common Elements appurtenant thereto, (ii) the interest of such Unit Owner in any other Units theretofore acquired by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners or the proceeds of the sale or lease thereof, if any, and (iii) the interest of such Unit Owner in any other assets of the Condominium (such interests in (i), (ii) and (iii) being hereinafter collectively called the "Appurtenant Interests"), pursuant to the provisions of Section 339-x of the Condominium Act, (b) the Condominium Board, pursuant to Article 8 of the By-Laws, acquires or leases a Unit, together with the Appurtenant Interests, or (c) the Condominium Board purchases, at a foreclosure or other similar sale, a Unit, together with the Appurtenant Interests, then, in any such event, title to any such Unit, together with the 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 interests in the Common Elements. The lease or sublease covering 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 interest in the Common Elements.

17.2 The Condominium Board shall have the authority to purchase, on behalf of all Unit Owners, a Residential Unit to be used as the residence of the Superintendent of the Building and, in such event, title to all or any such portion of the Residential Unit, together with its 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 interests in the Common Elements.

ARTICLE 18
COVENANTS RUNNING WITH THE LAND

All provisions of this Declaration, the By-Laws and the Rules and Regulations which are annexed hereto and made a part hereof, including, without limitation, the provisions of this Article 18, 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 his or her 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 the Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or use and occupancy agreement thereof.

ARTICLE 19
AMENDMENTS OF DECLARATION

19.1 Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Units, any provision of this Declaration may be added to, amended, modified or deleted by the vote of at least 66-2/3% in number and in Common Interest of all Unit Owners taken in accordance with the provisions of the By-Laws. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Units, no amendment, modification, addition or deletion shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives (as defined in the By-Laws), if any, if such amendment has a materially adverse impact on the mortgagees. No such amendment, modification, addition or deletion shall be effective until recorded in the City Register's Office. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Units, any such amendment, modification, addition or deletion shall be executed by the Condominium Board as attorney-in-fact for the Unit Owners, coupled with an interest, which Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact.

19.2 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 adopted which would: (a) unreasonably interfere with the sale, lease or other disposition of an Unsold Unit: (i) abridge, modify, suspend, eliminate or otherwise affect any right, power, easement, privilege or benefit reserved to Declarant or its designee; or (ii) impose any discriminatory charge or fee against Declarant or its designee, unless Declarant or such designee, shall consent thereto, by joining in the execution of such Amendment; (b) abridge, modify, suspend, eliminate or otherwise affect any right, power, easement, privilege or benefit reserved to the Declarant, unless the Declarant, shall consent thereto by joining in the execution of such Amendment; (c) change the permitted use of any such Unit or such Unit's Common Interest, unless the owner of such affected Unit shall consent thereto by joining in the execution of such Amendment; or (d) until such time as the Construction Loan is paid in full, affect any Unsold Unit, unless Declarant's Construction Lender shall consent thereto by joining in the execution of such Amendment (such consent not to be unreasonably withheld, conditioned or

delayed, unless such Amendment is directly inconsistent with the terms of the Construction Loan documents, in which case Construction Lender may issue consent in its sole discretion).

19.3 If the number of rooms in an Unsold Unit is changed, or the use, size and/or number of Unsold Units is changed (whether as a result of a subdivision or combination of Unsold Units or alteration of boundary walls between Unsold Units, or otherwise) and the appurtenant percentage interests of Units in the Common Elements are reapportioned as a result thereof, all in accordance with Article 10 hereof, then Declarant or its designee causing such changes, shall have the right to execute, or (upon its request) to require any other Unit Owner or the Condominium Board to execute, and record in the City Register's Office and elsewhere, if required by law, an amendment to this Declaration (together with such other documents as Declarant or its designee causing such changes deems appropriate to effectuate the same) reflecting such change in the number of rooms in an Unsold Unit or in the use, size and/or number of Unsold Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the percentage interests of Units in the Common Elements resulting therefrom, all without the approval of the Condominium Board, the Unit Owners or the Mortgage Representatives, if any. In addition, if any Unit Owner other than Declarant or its designee causing such changes is given the right by the Condominium Board to make the changes described in this Section 19.3 with respect to such Unit Owner's Unit(s), all in accordance with Article 10 hereof, then such Unit Owner shall have the right to require the Condominium Board to execute, and record in the City Register's Office and elsewhere, if required by law, any amendment to this Declaration and other documents which are necessary or appropriate (in the reasonable judgment of the Condominium Board) to reflect the changes made by the Unit Owner, all without the approval of the Condominium Board, other Unit Owners or the Mortgage Representatives, if any. Nothing contained in this Section shall be construed to mean that the Common Interest appurtenant to any Unit not subject to any change may be reapportioned without the written consent of the Unit Owner of such Unit.

ARTICLE 20
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 withdrawal of the Property from the provisions of the Condominium Act is authorized by a vote of at least eighty percent (80%) in number and in Common Interest of all Unit Owners. No such vote shall be effective, however, (a) without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any, unless the mortgage is being satisfied with the proceeds of such mortgagor's termination; (b) without the written consent of Declarant, until such time as Declarant and its designees have conveyed title to all Residential Units; and (c) without the written consent of Declarant's Construction Lender, until such time as the Construction Loan is paid in full. In the event said withdrawal is authorized as aforesaid, 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 the relative fair market value of the Units based on an appraisal of the Building and all of the Units; provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of his or her share

of such net proceeds all liens on his or her Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

ARTICLE 21
WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 22
CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

ARTICLE 23
CERTAIN REFERENCES

23.1 A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural and vice versa, unless the context otherwise requires.

23.2 The terms "herein," "hereof" or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used, unless the context otherwise requires.

23.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

ARTICLE 24
SEVERABILITY

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 (i) 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 (ii) 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.

ARTICLE 25
COVENANT OF FURTHER ASSURANCES

25.1 Any party which is subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, a Permitted Mortgagee, an occupant of a Residential Unit, a member or officer of the Condominium Board or otherwise, shall, upon prior reasonable written request at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action as such other party may reasonably request to effectuate the provisions of 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 (the "Required Action").

25.2 A Unit Owner, or any other party which is subject to the terms of this Declaration must within ten (10) business days after its receipt of written request therefore, (a) take a Required Action or (b) object to taking a Required Action. In the event any Unit Owner or any other party (with the exception of the Construction Lender) does not take the Required Action or does not object to same within the aforementioned ten (10) business days then, the Condominium Board is hereby authorized as attorney-in-fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party. Any objection by a Unit Owner as to whether or not a request pursuant to this Section 25.2 involves a "Required Action" shall be resolved by Arbitration. In the event the arbitrator determines that the action in question is a Required Action, then, the Condominium Board is hereby authorized as attorney-in-fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party.

25.3 Each Unit Owner shall have the affirmative duty to maintain its respective Unit and its appurtenant Limited Common Elements in such a manner so as to reasonably prevent and avoid inflicting a deleterious effect upon the other Units, the Limited Common Elements, the Common Elements or the Building. In the event any Unit Owner fails to make any payments required under the terms of this Declaration and the By-Laws or causes or permits any condition, or fails to take any action to prevent a condition, that has a deleterious effect on another Unit, any Limited Common Elements, the Common Elements or the Building (the "Defaulting Unit Owner"), the Condominium Board shall give written notice to the Defaulting Unit Owner including a request that the Defaulting Unit Owner and to any Permitted Mortgagee in accordance with Article 7 of the By-Laws, take specific steps to ameliorate such a condition ("Remedy Notice"). If the Defaulting Unit Owner fails to remedy the condition within seven (7) days of the receipt of the Remedy Notice, or, if the condition is such that it cannot be remedied within seven days, fails to commence appropriate remedies, the Condominium Board may, upon ten (10) business days (or such shorter time that the Condominium Board reasonably determines is necessary to prevent

irreparable damage in the event of an emergency) additional notice to the Defaulting Unit Owner, enter into the Unit and effect a reasonable remedy, at the Unit Owner's sole cost and expense. In the event a Unit Owner reasonably believes another Unit Owner has caused, permitted, or failed to prevent a condition that has a deleterious effect on its Unit, the first Unit Owner may request that the Condominium Board send a Remedy Notice. If the Condominium Board fails or otherwise determines not to send the Remedy Notice, the Unit Owner shall have all rights to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such condition or breach and to seek reimbursement for any costs or expenses incurred in connection therewith. Any such costs or expenses or expenses expended by the Condominium Board or a Unit Owner as aforesaid shall be deemed an expense of such Unit Owner, as to which the Condominium Board will have the lien rights more particularly set forth in the By-Laws. Each Unit Owner and the Condominium Board shall indemnify, defend and hold harmless the other Unit Owners, Permitted Users and the Condominium Board (collectively, the "Indemnitees") from the gross negligence or willful misconduct of, or violations of the terms and conditions of the Declaration or the By-Laws by such Unit Owner or Condominium Board, however applicable, including, but not limited to, reasonable legal fees.

25.4 Notwithstanding anything to the contrary set forth herein, to the maximum extent permitted by Law, Declarant specifically disclaims all implied warranties of fitness for a particular purpose, merchantability and habitability, and all other implied or express warranties of any kind or character. To the extent any such additional warranties are imposed by statute and cannot be disclaimed, such warranties shall apply. However, to the extent such warranties can be disclaimed by Law, including implied or express warranties of any kind or character, the same are specifically disclaimed. Without limiting the generality of the foregoing, Declarant hereby disclaims any and all express or implied warranties as to design, construction, view, light quality, sound and/or odor transmission, furnishing and equipping of the Condominium, the existence of molds, mildews, spores, fungi and/or other toxins within the Condominium, to the extent applicable and to the extent that same have not expired by their terms. In no event will Declarant be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise). Without limiting the generality of the foregoing, Declarant hereby disclaims any and all express or implied warranties as to design, construction, view, light quality, sound and/or odor transmission, furnishing and equipping of the Condominium, the existence of molds, mildews, spores, fungi and/or other toxins within the Condominium, to the extent applicable and to the extent that same have not expired by their terms. Declarant has not given and no Board has relied on or bargained for any such warranties. In no event will Declarant be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty or otherwise).

ARTICLE 26
SUCCESSORS AND ASSIGNS

Except as set forth herein or in the By-Laws to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee, or, with the consent of Declarant or its designee, any transferee of some or all of the then Unsold Units then owned by Declarant or its designee, as the case may be.

ARTICLE 27
COVENANTS

Whenever the consent, approval, satisfaction or permission of Declarant or its designee is required under this Declaration or the By-Laws, such consent, approval, satisfaction or permission will not be required when Declarant or such designee no longer owns any Unsold Units.

ARTICLE 28
CONDOMINIUM GOVERNANCE

28.1 The affairs of the Condominium shall be governed and controlled by a Condominium Board, as described in the By-Laws. When in this Declaration or in the By-Laws an action is to be undertaken, or is authorized to be done by the Condominium, it shall mean the Condominium acting through its Condominium Board, unless the text clearly requires another interpretation (i.e., through a vote of the Unit Owners). When the Condominium Board is authorized or obligated to act, it shall be acting on behalf of all Unit Owners in the Condominium.

28.2 Notwithstanding anything to the contrary in the Condominium Documents, and to the extent permitted under applicable law, it is the intention of the Condominium Documents that while one party owns all the Units in the Condominium (either beneficially or in fee), or owns some of the Units in the Condominium (either beneficially or in fee) and controls the Owner of the remaining Unit(s) in the Condominium, such party shall operate the Property as if the Property were not subject to a condominium regime. During the period these circumstances apply, it is the intention of the Condominium Documents that such party shall be deemed to be the Condominium Board for purposes of operating the Condominium to the extent and whenever applicable law requires that there be a condominium board established to operate the Condominium, but that formal procedures for meetings and decision-making by and among Unit Owners and Board Members set forth in the By-Laws shall not be required. Notwithstanding the foregoing, each Unit is and shall remain a separate Unit for its own operational purposes, and each Unit Owner shall have all the economic and other rights and burdens of real property with respect to each Unit it owns. As such, a Unit Owner may and shall maintain separate accounting records, including, without limitation, separate profit and loss statements, for each Unit it owns.

ARTICLE 29
INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Unit Power of Attorney annexed hereto as Exhibit E; and (vi) the Floor Plans, are each incorporated herein by this reference and made a part of this Declaration as if set forth at length in the text hereof.

ARTICLE 30
NON RECOURSE

Except as otherwise expressly provided in the Declaration, the By-Laws or the Rules and Regulations, in no event shall Declarant nor any Unit Owner nor any member nor any partner, member, shareholder, employee, director, officer, beneficiary, trustee, manager, agent or Affiliate of Declarant, any Unit Owner or any member or any officer of the Condominium Board, nor any partner, member, shareholder, employee, director, officer, manager, agent or Affiliate, beneficiary, trustee or any heir, legal representative or successor or assign of the foregoing have any personal liability for the payment or performance of the duties or obligations contemplated by the Declaration, the By-Laws or the Rules and Regulations.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the ____ day of _____, ____.

118 WEST 13TH STREET OWNER LLC

By: _____
Name:
Title:

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 which the individual(s) acted, executed the instrument.

_____
Notary Public

EXHIBIT A
PROPERTY DESCRIPTION

EXHIBIT B
DESCRIPTION OF UNITS

EXHIBIT C
DEFINITIONS

"Adversely affect", or "adverse effect", as used in the Condominium Documents, shall mean, with respect to any action or proposed change and with respect to any Unit Owner or Owners, that such action or change could, if realized, (i) materially increase the Common Charges payable by such Unit Owner(s), (ii) materially interfere with such Unit Owner's access to its Unit(s), (iii) obstruct or degrade the view from the windows of such Unit Owner's Residential Unit or (iv) otherwise materially diminish such Unit Owner's use and enjoyment of its Unit(s).

"Arbitration" refers to the procedure described in Article 11 of the By-Laws.

"Benefiting Unit Owners" is described in 8.3.19 of the Declaration.

"Building" refers to the structures and improvements including above and below grade segments, known as 118 West 13th Street, New York, New York in which the Units of the Condominiums are located.

"By-Laws" refer to the By-Laws governing the operations of the Condominium, the form of which is set forth in Part II of the Plan.

"City Register's Office" refers to the New York County Office of the Register of The City of New York.

"Closing" refers to the time, place and procedure by which fee title to the Unit in question is conveyed to a Purchaser pursuant to a fully executed Purchase Agreement.

"Closing Date" refers to the date on which Closing occurs.

"Common Charges" shall have the meaning ascribed thereto in Section 6.1.1 of the By-Laws.

"Common Elements" refer to the Land and all parts of the Building, including its foundations, roofs and supports, other than the Units.

"Common Expenses" refer to costs and expenses incurred or projected in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements.

"Common Interest" refers to the proportionate undivided interest, expressed as a numerical percentage, in the Common Elements appertaining to each Unit determined in accordance with the Declaration.

"Condominium" refers to 118 West 13th Street Condominium.

"Condominium Act" refers to the New York Condominium Act, as amended from time to time and presently found in the New York Real Property Law, Article 9B.

"Condominium Board" refers to the condominium board of the Condominium.

"Declarant" refers to 118 West 13th Street Owner LLC, a Delaware limited liability company, and its successors and assigns.

"Declarant and/or its designee(s)", "Declarant or a designee of Declarant" or similar terms refers to Declarant and any designee of Declarant.

"Declaration" refers to this instrument, which creates the Condominium, as the same may be amended from time to time.

"Department of Law" refers to the New York State Department of Law.

"Facility" and "Facilities" have the meanings contained in Section 8.1.2 of the Declaration.

"First Closing", "First Residential Unit Conveyance" or words of similar import, refers to the date fee title to a Residential Unit is first conveyed to a Purchaser pursuant to the Plan.

"Floor Plans" refer to the floor plans of the Building, as the same may be amended from time to time, which are approved by the Tax Map Unit of The City of New York and filed with the City Register's Office.

"Initial Control Period" is defined in Section 3.9.3 of the By-Laws.

"Land" refers to the land beneath the Building and the appurtenances thereto.

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

"Limited Common Element" is defined in Section 8.1.1 of the Declaration.

"Managing Agent" refers to the managing agent or manager of the Building at the time in question.

"Mortgage Representatives" is defined in Section 7.5.1 of the By-Laws.

"Offeree" refers to (a) Purchasers who have executed and delivered Purchase Agreements for Residential Units and are not in default thereunder, (b) Unit Owners, and (c) any other person or entity who, pursuant to law, is an offeree of the Plan.

"Permitted Mortgage" refers to a mortgage permitted to be placed upon Unit(s) pursuant

to the provisions of the By-Laws.

"Permitted Mortgagee" refers to the holder of any Permitted Mortgage and shall include, without limitation, the Construction Lender.

"Plan" refers to the Offering Plan for the Condominium as the same may be amended from time to time.

"Plans and Specifications" refer to the plans and specifications for the Building which (to the extent required by law) are filed with, and approved by, the Department of Buildings of The City of New York, which plans and specifications may, from time to time, have been amended or changed, or may hereafter be amended or changed in accordance with the provisions of the Plan.

"Property" refers to the Land, the Building and the appurtenances thereto.

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

"Purchaser" refers to person(s) or entity(ies) named as Purchaser(s) in a Purchase Agreement which has been duly executed by such person(s) or entity(ies) and accepted by Declarant.

"Reserve Fund" refers to the reserve fund of the Condominium to which each Purchaser of a Unit is required to contribute one (1) month of Common Charges upon the purchase of such Unit.

"Residential Unit" or "Condominium Residential Unit" refers to space designated as a Residential Unit in the Declaration, consisting, generally, of either a specific residence, together with an appurtenant proportionate undivided interest in the Common Elements and, as the case may be, in the Common Elements or the Limited Common Elements. All of such Residential Units are collectively referred to as "Residential Units".

"Residents" refer to the people residing in the Building regardless of whether they are Unit Owners, renters, or other occupants of the Residential Units.

"Rules and Regulation" refer to the rules and regulations made in accordance with the By-Laws and attached thereto as Schedule A.

"Schedule A" refers to Schedule A, "Offering Prices and Related Information, Schedule A" set forth in Part I of the Plan.

"Schedule B" refers to Schedule B, "Budget for the First Year of Condominium Operation" set forth in Part I of the Plan.

"Selling Agent" refers to Sponsor or any successor selling agent at the time in question.

"Sponsor" refers to the sponsor under the Plan, 118 West 13th Street Owner LLC, and its successors and assigns.

"Storage Unit(s)" refers to the eight (8) Storage Units in the Cellar Floor, each one of which shall be owned by a Unit Owner.

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

"Terrace(s)" refers to terraces and/or balconies appurtenant to certain Residential Units and the roof terraces, if any, which are Limited Common Elements.

"Unavoidable Delays" refer to delays due to strike, lockout, or other labor or industrial disturbance (whether or not on the part of employees or contractors of Declarant), civil disturbance, future order of any government, court or regulatory body claiming jurisdiction, war, act of the public enemy, riot, sabotage, blockade, embargo, terrorist acts, shortage of or failure or inability to secure materials or labor by reason of priority or similar regulation or order of any government or regulatory body or weather, such as lightning, earthquake, fire, storm, hurricane, flood, explosion, act of God or any cause similar to any of the causes hereinabove state; provided, however, that for purposes of this definition, lack of funds or inability to obtain financing shall not be deemed to be a cause similar to the causes stated above.

"Unit Owner" refers to the owner of any Residential Unit, and all of such Unit Owners are collectively referred to as the "Unit Owners."

"Unsold Residential Unit" refers to (a) 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 its designee, or a Residential Unit that is acquired, individually or collectively, by a principal of Sponsor or a group of which Sponsor, or one or more of their principals, is a member or (b) any Residential Unit for which there is a signed Agreement but for which Closing has not yet occurred.

"Unsold Unit" refers to (a) any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Sponsor or its designee, or a Unit that is acquired, individually or collectively, by a principal of Sponsor or a group of which Sponsor, or one or more of their principals, is a member or (b) any Unit for which there is a signed Agreement but for which Closing has not yet occurred.

"Working Capital Fund" refers to the working capital fund of the Condominium to which each Purchaser of a Unit is required to contribute one (1) month of Common Charges upon the purchase of such Unit.

EXHIBIT D

BY-LAWS
OF

118 WEST 13TH STREET CONDOMINIUM
118 WEST 13TH STREET
NEW YORK, NEW YORK 10011

EXHIBIT E
UNIT POWER OF ATTORNEY

UNIT POWER OF ATTORNEY

TO

THE CONDOMINIUM BOARD OF 118 WEST 13TH STREET CONDOMINIUM

AND

118 WEST 13TH STREET OWNER LLC

118 WEST 13TH STREET CONDOMINIUM

118 WEST 13TH STREET , NEW YORK, NEW YORK 10011

UNIT _____

COUNTY: NEW YORK

BLOCK: 608

LOT:

UNIT POWER OF ATTORNEY

Terms used in this Unit Power of Attorney which are used (a) in the declaration (the "Declaration") submitted by 118 West 13th Street Owner LLC ("Declarant") establishing a plan for Condominium ownership of the premises known as 118 West 13th Street Condominium and by the street number 118 West 13th Street, New York, New York 10011 under Article 9-B of the Real Property Law of the State of New York, dated _____ __, 20__, and recorded in the New York County Office of the Register of The City of New York on _____, 20__, as City File Register Number _____, or (b) in the By-Laws of the Condominium (the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Unit Power of Attorney as in the Declaration or the By-Laws.

The undersigned (the "Principal"), the owner of the Unit (the "Unit") in 118 West 13th Street Condominium which is (are) designated and described as Unit No(s). _____ in the Declaration and also designated as Tax Lot(s) _____, in Block 608 of the Borough of Manhattan on the Tax Map of the Tax Map Unit of The City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute:

A. the Condominium Board of the Condominium (hereinafter collectively referred to as "**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, (1)(a) following due authorization by a Majority of Unit Owners, to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Unit, together with its Appurtenant Interests, from any Unit Owner who elects to surrender the same pursuant to the By-Laws, and (c) following due authorization by a Majority of Unit Owners, to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and, after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present; (2) upon determination by 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 Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate; and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Common Elements which the Condominium Board deems necessary or appropriate to comply with any ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition,

construction, alteration, repair or restoration of the Condominium, (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium which the Condominium Board deems necessary or appropriate or (c) following due authorization by any affected Unit Owner(s) to the extent required in the By-Laws and Declaration, any consent any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium, or any of the Common Elements, which the Condominium Board deems necessary or appropriate.

This Unit Power of Attorney shall be irrevocable; and

B. the **Declarant**, true and lawful attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, in the name of its designee (corporate or otherwise) but subject in all respects to the By-Laws and the Declaration then in effect, to execute an amendment to the Declaration, By-Laws and the Rules and Regulations of the Condominium or any permits, applications or documents required to undertake, perform or complete work to the Unsold Units or Common Elements by Declarant or obtain an amended certificate of occupancy therefor, or any of said documents when such amendment (i) shall be required to reflect any changes in Unsold Units, and/or the reapportionment of the Common Interests of the aforesaid Units resulting therefrom made by Declarant in accordance with the Declaration or (ii) shall be required by an (x) Institutional Lender designated by Declarant to make a mortgage loan secured by a mortgage on any Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Declarant to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of subdivision (i) or (ii) of this paragraph shall not (a) change the Common Interest of the Undersigned's Unit, (b) require a material or physical modification to the undersigned's Unit, or (c) adversely affect the priority or validity of the lien of any purchase money mortgage held by an Institutional Lender covering the undersigned's Unit unless the undersigned (in the event described in subdivision (a) or (b) of this paragraph) or the holder of such mortgage (in the event described in subdivision (c) of this paragraph) shall consent thereto by joining in the execution of such amendment.

This Unit Power of Attorney shall be irrevocable.

Each Agent may act SEPARATELY.

This Unit Power of Attorney does not revoke any prior powers of attorney executed by the Principal.

IN WITNESS WHEREOF, the undersigned has/have executed this Unit Power of Attorney as of the ___ day of _____, 20__.

PRINCIPAL signs here: =>_____

=>_____

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

EXHIBIT "9"

CONDOMINIUM BY-LAWS

BY-LAWS
OF

118 WEST 13TH STREET CONDOMINIUM
118 WEST 13TH STREET
NEW YORK, NEW YORK 10011

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BY-LAWS

OF

118 WEST 13TH STREET CONDOMINIUM

ARTICLE 1

GENERAL

1.1 Purpose. The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs the 118 West 13th Street Condominium (the "Condominium"). The Condominium covers the property (the "Property") consisting of approximately 6,453 square feet of land (the "Land") which comprises Block 608 of Lots _____ on the Tax Map of the Borough of Manhattan, City, County and State of New York, the building and other improvements now or hereafter to be constructed thereon or therein, as the case may be (hereinafter collectively called the "Building"), including, without limitation, the Units and the Common Elements, all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, all of which have been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York by the recording of a Declaration (which, as the same may be amended from time to time, is herein called the "Declaration") in the New York County Office of the Register of The City of New York ("City Register's Office"), together with these By-Laws. All terms used herein including, but not limited to, "Declarant or its designee" and "Declarant or a designee of Declarant," which are not separately defined herein, shall have the meanings given to those terms in the Declaration.

1.2 Applicability of By-Laws. These By-Laws are applicable to the Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees, sublessees and other occupants of Residential Units and employees and guests of Unit Owners, as well as all other persons who may use the facilities of the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations (as hereinafter defined). The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Storage or Residential Unit shall constitute an agreement that the provisions of these By-Laws, the Rules and Regulations and the Declaration are accepted, ratified, and will be complied with.

1.3 Principal Office of Condominium. The principal office of the Condominium shall be located within the Property or at such other place within the Borough of Manhattan reasonably convenient thereto, as may be designated from time to time by the Condominium Board (as hereinafter defined).

ARTICLE 2
CONDOMINIUM BOARD

2.1 Number, Term and Qualification.

2.1.1 As more particularly set forth in Section 2.2, the affairs of the Condominium shall be governed by a board of managers of the Condominium (the "Condominium Board"). From and after the first annual meetings of Unit Owners as provided in Section 3.1, the Condominium Board shall consist of three (3) persons elected by the Unit Owners, subject to Declarant's rights under Subsection 2.1.3 hereof. The Condominium Board is herein sometimes referred to collectively as the "Board".

2.1.2 Each member of the Condominium Board except for the first Board as provided in 2.4 and except as otherwise provided herein, shall be elected at the annual meetings of Unit Owners and shall serve until the next annual meeting thereof and until successors have been elected and qualified. There shall be no limit on the number of successive terms a Board member may serve.

2.1.3 Except for Board members elected or designated by Declarant or its designee, all members of the Condominium Board shall be either Unit Owners or officers, directors, shareholders, partners, principals, employees or beneficiaries of corporations, partnerships, fiduciaries or any other entities which own Residential Units, Permitted Mortgagees, or family members of any of the foregoing. Other than Board members elected or designated by Declarant or its designee, no Board member shall continue to serve after he ceases to be qualified as set forth above. As used herein the term "Permitted Mortgagee" means the holder of any mortgage of a Unit which is permitted to be placed thereon pursuant to these By-Laws.

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

2.2 Powers and Duties.

2.2.1 The Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium (except such powers and duties which by law, the Declaration or these By-Laws may not be delegated to the Board by the Unit Owners).

2.2.2 Subject to the provisions of Subsection 2.2.1 and without limiting the generality thereof, the Condominium Board shall be entitled to make determinations with respect to the following matters:

2.2.2.a. Operation, care, upkeep, maintenance, repair and replacement of the Common Elements, including contracts for utilities, services and supplies;

2.2.2.b. The amount of Common Charges (as hereinafter defined).

2.2.2.c. Employment and dismissal of the personnel necessary for the

maintenance and operation of the Common Elements.

2.2.2.d Adoption of, and amendments and additions to, the Rules and Regulations for the use of the Common Elements.

2.2.2.2.e. Making additions and improvements to, or alterations of, the Common Elements.

2.2.2.f. Making repairs and restorations of the Common Elements or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings.

2.2.2.g. Enforcing obligations of Unit Owners.

2.2.2.h. Levying fines against Unit Owners for violations of the Rules and Regulations, Declaration and/or By-Laws (any such fines shall constitute Common Charges payable by the Unit Owner against which they are levied).

2.2.2.i. Opening and maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these By-Laws) and designating signatories therefor.

2.2.2.j. Adjusting and settling insurance claims (and executing and delivering releases in connection therewith).

2.2.2.k. Borrowing money on behalf of the Condominium, when required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations or additions to or alterations of, the Common Elements; provided, however, that (i) the consent of at least fifty-one percent (51%) in Common Interest of all Unit Owners shall be required for any borrowings in excess of the aggregate amount of $250,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous years), and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the consent of the owner of such Unit. If any sum borrowed by the Condominium Board pursuant to the authority contained in this subparagraph 2.2.2(k) is not repaid by said Board, a Unit Owner who pays to the creditor such proportion thereof as his interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or has the right to file against such Unit Owner's Unit.

2.2.2.1. Organizing corporations to act as designees of the Condominium Board with respect to such matters as the Board may determine.

2.2.2.m. Execution, acknowledgment and delivery of (i) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the

Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Buildings, or (ii) any consent, covenant, restriction, easement or declaration affecting the Property which the Condominium Board deems necessary or appropriate.

2.2.2.n. Preparing, executing and recording, on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, a restatement of the Declaration and/or these By-Laws whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these By-Laws.

2.2.2.o. Obtaining and reviewing insurance for the Property, including the Units, pursuant to the provisions of Section 6.2.

2.2.2.p. Purchasing, leasing and otherwise acquiring in the name of the Board or its designee, on behalf of all Unit Owners, the Units or portions thereof offered for sale or lease or surrendered by their owners to the Board.

2.2.2.q. Purchasing the Units or portions thereof at foreclosure or other similar sales, in the name of the Board or its designee, on behalf of all Unit Owners.

2.2.2.r. Selling, leasing, subleasing, mortgaging and otherwise dealing with (but not voting the interests appurtenant to) the Units or portions thereof acquired by, and subleasing the Units or portions thereof leased by, the Board or its designee, on behalf of all Unit Owners.

2.2.2.s. Operation, maintenance and supervision of all Common Elements and the Limited Common Elements.

2.2.2.t Execution, acknowledgment and delivery of any documents or other instruments necessary to commence, pursue, compromise or settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Units for the benefit and on behalf of (i) all Unit Owners, or (ii) for individual Unit Owners, provided that each such Unit Owner indemnifies the Board from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

2.2.2.u Imposition of move in fees and charges, and transfer fees in connection with the sale or lease of a Unit, provided that no such fees or charges or any other conditions of transfer or lease may be imposed upon the Declarant.

2.2.2.v Executing, acknowledging and delivering: (a) any declaration (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.

2.2.2.w Commencement of summary eviction proceedings in the name of or on behalf of the Condominium Board and/or a Unit Owner or the 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 Rules and Regulations of the Condominium, annexed hereto as Schedule A, as said Rules and Regulations may at any time and from time to time, be modified, amended or added to in accordance with the terms of these By-Laws. All costs in connection with the removal of the authorized guest and/or Tenant, including reasonable attorney's fees, shall be borne by the Unit Owner.

2.2.2.x Licensing or leasing Common Elements that are not being used by the Unit Owners.

2.2.2.y Carrying out any other duties imposed upon the Condominium Board pursuant to the Declaration and these By-Laws.

2.2.2.z Leasing or purchasing an apartment for use as the residence of the Building Superintendent, either in the Building or elsewhere (in compliance with applicable law and regulation) and amending, modifying, extending, renewing, and otherwise dealing in any way with respect to any such lease.

2.2.3 Any act with respect to a matter determinable by the Board and deemed necessary or desirable by the Board in connection therewith shall be done or performed by the Board or shall be done on its behalf and at its direction by the agents, employees or designees of the Board.

2.2.4 Notwithstanding anything to the contrary contained in these By-Laws, so long as Declarant or its designee shall continue to own at least one Unsold Residential Unit but in no event later than five years from the First Closing of a sale made under an Offering Plan, the Condominium Board may not, without Declarant's prior written approval: (i) make any addition, alteration or improvement to the Common Elements or to the Limited Common Elements or to any Unit; (ii) increase or decrease the number, or change the kind of employees initially hired for the Condominium; (iii) enter into any service or maintenance contract for work not covered in the initial projected budget for the Condominium or otherwise provide services in excess of those contemplated by such projected budget, except as is required to reflect normal annual increases in operating services; (iv) borrow money on behalf of the Condominium; (v) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund; or (vi) exercise a right of first refusal to lease or purchase a Unit; provided that Declarant's written consent is not necessary to perform any function or take any action described in items (i) through (vi) above if and only if the performance of such function or the carrying out of such an action is necessary and no other alternative is available to enable the Condominium Board to comply with laws, rules or regulations of any governmental authority having jurisdiction over the Condominium.

2.2.5 Notwithstanding anything contained in the By-Laws to the contrary, the Condominium Board shall not have the right to commence any litigation or arbitration other than to collect common charges or assessments or enforce the provisions of the Declaration or By-Laws

without first obtaining the written consent of the owners of three-quarters of the Units and the Common Interests. This Section shall not be amended without the approval of three-quarters of the Unit Owners.

2.2.6 The Condominium Board, as to the Common Elements, and the Unit Owners, as to each Unit Owner's Unit, shall perform all routine inspections, maintenance, repairs and replacements required by the owner's manual and their professional advisors.

2.3 Managing Agents and Board Members. With respect to matters the determinations concerning which the Board is entitled to make, the Board may employ a managing agent and/or a manager at a compensation established by the Board to perform such duties and services as the Board shall authorize. The Board may delegate to such managing agent or manager other powers granted to the Board by these By-Laws, except the powers set forth in subparagraphs 2.2.2(b), (e), (g), (h), (1), (m), (n) and (o).

2.4 First Board. The Condominium Board shall initially consist of the three (3) persons designated by Declarant, who shall be deemed to have been "elected" as members of the Board for the purposes of these By-Laws. Within thirty (30) days after the earlier of five (5) years after the First Closing or the sale by Declarant of all of the Common Interests, the Condominium Board will call for the first annual meetings of Unit Owners for the purpose of electing a new Board in accordance with the provisions of Section 3.1. The terms of each such member of the Board shall expire annually. Notwithstanding the foregoing, for as long as Declarant has the voting power to elect all members of the Board, the Board shall consist of three (3) members. Members of the Condominium Board shall have the right but not the obligation to appoint representatives to attend Board meetings and vote on behalf of the Board members designating them and the representatives shall have the full power and authority of the Board members.

2.5 Resignation and Removal. A Board member may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Board. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Subject to the provisions of subsection 3.9.3, any Board member may be removed, with or without cause, by a majority vote of Unit Owners present in person or by proxy at a regular or special meeting of Unit Owners at which a quorum is present. The Board member whose removal has been proposed shall be given an opportunity to be heard at the meeting. Notwithstanding the above, Board members designated by Declarant or its designee may only be removed with cause and replaced as described in 2.6. In addition, any member of the Board who is designated as such by Declarant or its designee, may be removed by such designating party at any time, with or without cause, and the party making such removal shall have the right to designate the replacement for such member. A Board member, who fails to attend three (3) consecutive meetings of the Board or five (5) meetings in any twelve (12) month period or who ceases to be a Unit Owner or who is more than two (2) months in arrears in paying maintenance and assessments shall be deemed to have resigned from the Board.

2.6 Vacancies. Subject to the provisions of 3.9.3 hereof, any vacancy on the Board for whatever reason shall be filled by the members of the Board then in office, at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy even though

the members present at such meeting may constitute less than a quorum, and any person so elected shall be a member of the Board until the next annual meeting of the Unit Owners, when a successor shall be elected for the remainder of the term of the member creating such vacancy. Notwithstanding anything to the contrary contained in these By-Laws, in the case of a vacancy on the Board, created by the resignation, removal or any other cause which results in the Board member designated by (a) Declarant or its designee or (b) Construction Lender, as applicable, ceasing to be a member of the Board, Declarant or its designee or Construction Lender, as the case may be, shall have the sole right to designate a replacement for such member.

2.7 Organizational Meetings of the Board. The organizational meetings of the Condominium Board following each annual meeting of the Unit Owners shall be held immediately following each such annual meeting.

2.8 Regular Meetings of the Board. Regular meetings of the Board may be held at such time and place in the Borough of Manhattan as shall be determined from time to time by a majority of the members thereof, provided that at least four (4) such meetings shall be held during each fiscal year. Notice of regular meetings shall be given to each member thereof, by personal delivery, mail, e-mail or telegram, at least five (5) business days prior to the day named for such meeting. Board members may attend meeting by conference telephone call.

2.9 Special Meetings of the Board. Special meetings of the Board may be called by the President or Vice President of the Board by giving five (5) business days' prior notice to each member of the Board by personal delivery, mail, e-mail or telegram, which notice shall state the time, place (in the Borough of Manhattan) and purpose of the meeting. Special meetings of the Board shall be called in like manner and on like notice on the written request of at least two (2) members of the Board. Board members may attend meeting by conference telephone call.

2.10 Waiver of Notice. Any Board member may at any time waive notice of the Board meeting in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board at any meeting thereof shall constitute a waiver of notice by him of the time and place thereof. If all the members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

2.11 Determinations by the Board; Quorums.

2.11.1 Except as otherwise set forth in subparagraph 2.11.3, all determinations by the Board shall be made at a meeting of the Board at which a quorum thereof is present. At a Board meeting, a majority of the members thereof shall constitute a quorum, and the votes of a majority of the members present shall constitute the decision of the Board.

2.11.2 If at the Board meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

2.11.3 Members of the Board may participate in a meeting thereof by means of a

conference telephone, skype or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting. Notwithstanding anything to the contrary contained herein, action permitted or required to be taken at a meeting of the Board may be taken without a meeting if all members of the Board consent in writing to the adoption of a Resolution authorizing such action and the writing or writings are filed with the minutes of the Board.

2.12 Compensation. No member of the Board shall receive any compensation for acting as such.

2.13 Liability of the Board and Unit Owners.

2.13.1 To the extent permitted by applicable law, no member of the Board shall have any personal liability with respect to any contract, act or omission of the Board or of any managing agent or manager in connection with the affairs or operation of the Condominium or any Limited Common Element (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as hereinafter set forth. Every contract made by the Board or by any managing agent or manager thereof shall state that it is made by the Board, managing agent or manager only as agent for all Unit Owners, that the Board members or managing agent or manager shall have no personal liability thereon (except in their capacities as Unit Owners) and shall also state the applicable limitations of liability of Unit Owners provided for in the next sentence. The liability of any Unit Owner with respect to any contract, act or omission with respect to the Condominium or any Limited Common Element shall be limited to such proportionate share of the total liability as the interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners, and, unless expressly stated to the contrary in such contract (as determined by the Board in its sole and absolute discretion), to the extent permitted by applicable law, shall be limited to such Unit Owner's interest in his or her Unit and his or her appurtenant Common Interest so that such Unit Owner shall have no personal liability for such contract, act or omission. Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges. Any such contract or agreement may also provide that it covers the assets, if any, of the Board on whose behalf the contract or agreement is made. Board members shall have no liability to Unit Owners except that a Board member shall be liable for his or her own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Board member against any liability or claim except those arising out of such member's own bad faith or willful misconduct. The Board may contract or effect any transaction with the Board member, any Unit Owner, Declarant, Declarant's designee or any affiliate of any of them without, except in cases of bad faith or willful misconduct, incurring any liability for self-dealing.

2.13.2 Neither the Board nor any member thereof shall be liable for either (i) any failure or interruption of any utility or other service to be obtained by, or on behalf of, the Board or to be paid for as a Common Expense, except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of the Board or any member thereof or (ii) any injury, loss or damage to any individual or property, occurring in or about either a Unit or any Common or Limited Common Element.

2.13.3 The Condominium shall indemnify each Board member against all costs arising out of such Board member's serving in such capacity except those matters arising out of such Board member's own bad faith, gross negligence, fraud or willful misconduct.

2.13.4 The Condominium Board may contract or effect any other transaction with any Board member, Declarant and/or affiliates of any of the foregoing without incurring any liability of self-dealing or otherwise (except in the case of bad faith, gross negligence, fraud or willful misconduct which shall not be deemed presumed or established by the relationship between or among any such parties), but all such contracts or transactions shall be made only in accordance with the provisions hereof.

2.13.5 No Unit Owner, in its capacity as a Unit Owner, shall be personally liable for any contract with respect to any contract, act or omission of the Condominium. Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges or assessments.

2.13.6 If it is determined that the Condominium is deemed a "reporting company" under the Corporate Transparency Act ("CTA"), "beneficial owners" (as such term is defined under the CTA) may be required to provide certain disclosures to FinCen.

2.13.7 Business Corporation Law. The indemnification provisions of the New York Business Corporation Law ("BCL") for corporate directors and officers shall apply respectively to the members of the Condominium Board (the "Board Members") and officers of the Condominium (the "Officers") to the same effect as though the Condominium were a corporation and the Board Members and Officers were respectively a board of directors and officers of such corporation.

2.13.8 Indemnity. The Board on behalf and as agent of the Unit Owners shall indemnify to the fullest extent provided in the BCL, the Board Members and Officers made, or threatened to be made, a party to an action or proceeding, whether civil or criminal, including an action by or in the right of the Board or any corporation of any type or kind, or any partnership, limited liability partnership, limited liability company (a "Claim"), joint venture, trust, employee benefit plan or other enterprise, whether domestic or foreign (each an "Enterprise"), which such Board Member or Officer or other person on behalf of the Board heretofore or hereafter served in any capacity at the request of the Board, by reason of the fact that such person, whether testate or intestate, was a Board Member or Officer, or served such other Enterprise in any capacity, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees and disbursements actually and necessarily incurred as a result of the threat of, the commencement of and/or the continuation of such action or proceeding, or any appeal therein, if such Board Member or Officer acted, in good faith, for a purpose which such person reasonably believed to be in, or, in the case of service for any such Enterprise, not opposed to, the best interests of the Board and the Condominium and, in criminal proceedings, in addition, had no reasonable cause to believe that his or her conduct was unlawful.

2.13.9 No Presumption. The termination of any such civil or criminal proceeding by judgment, settlement, conviction or upon a plea of nolo contendere, or its equivalent, shall not

in itself create a presumption that any such Board Member or officer did not act in good faith, for a purpose which such person reasonably believed to be in, or, in the case of service for any such Enterprise, not opposed to, the best interests of the Board and the Condominium or that such person had reasonable cause to believe that his or her conduct was unlawful.

2.13.10 Expenses. Expenses incurred in defending a civil or criminal action or proceeding by a Board Member, Officer or other person to be indemnified under this Article shall be paid by the Board on behalf and as agent of the Unit Owners in advance of the final disposition of such action or proceeding upon receipt of an undertaking by or on behalf of such Board Member, Officer or other person to repay such amounts as, and to the extent, required by BCL Section 725(a). The indemnification provided by Section 2.13.8 shall not be deemed exclusive of any other rights to which a Board Member or Officer seeking indemnification or advancement of expenses may be entitled, whether contained in this Declaration or the By-Laws, or a resolution of Unit Owners, a resolution of disinterested Board Members, or an agreement providing for such indemnification or under any statute, provided that no indemnification may be made to or on behalf of any Board Member or Officer if a judgment or other final adjudication adverse to the Board Member or Officer establishes that such Board Member's or Officer's acts were committed in bad faith or were the result of active and deliberate dishonesty or willful misconduct and were material to the cause of action so adjudicated, or that such Board Member or Officer thereby personally gained a financial profit or other advantage to which he or she was not legally entitled.

2.13.11 Other Person. A person who has been successful, on the merits or otherwise, in the defense of a civil or criminal action or proceeding of the character described in BCL Section 722 shall be entitled to indemnification as authorized by such section.

2.13.12 Specific Case. Except as provided in BCL Section 723(a), any indemnification under BCL Section 721, unless ordered by a court under BCL Section 724, shall be made by the Board on behalf and as agent of the Unit Owners, only if authorized in the specific case set forth in BCL Section 723(b).

2.13.13 Standard of Conduct. Any determination as to whether a person has met an applicable standard of conduct shall be made in accordance with the provisions of BCL Section 723.

2.13.14 Employees Agents and Committee Members. The Board on behalf and as agent of the Unit Owners may, to the extent authorized from time to time by resolution of a majority of the Board Members, provide indemnification to employees or agents of the Board or members of committees appointed by the Board, with such scope and effect as determined by said majority of the Board Members, but in no event shall such indemnification be greater than would be available to such individual under this Declaration or the By-Laws, if such individual were a Board Member.

2.13.15 Remedies. If a claim for indemnification under this Article is not paid in full by the Board within thirty (30) days after a written claim has been received by the Board, the claimant may at any time thereafter bring suit against the Board to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the

reasonable expense of prosecuting such claim. It shall be a defense to any such action (other than action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the Board) that the claimant has not met the standards of conduct prescribed hereunder, but the burden of proving such defense shall be on the Board. Neither the failure of the Condominium Board (including its independent legal counsel or the Unit Owners) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper under the circumstances because he or she has met the applicable standard of conduct set forth herein or in the BCL, nor an actual determination by the Board (including its independent legal counsel or the Unit Owners) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

2.13.16 Insurance. The Board on behalf and as agent of the Unit Owners shall have the power to purchase and maintain insurance to indemnify: (a) the Condominium Board for any obligation which it incurs as a result of the indemnification of Board Members and Officers under the provisions of this Article; (b) the Board Members and Officers in instances in which they may be indemnified by the Board under the provisions of this Article; (c) the Condominium Board for any obligation which the Board incurs on behalf and as agent of the Unit Owners; and (d) Board Members and Officers under any indemnification provided in this Declaration or the By-Laws, a resolution of Unit Owners, a resolution of the Board, or any agreement.

2.13.17 Interpretation. The intent of the foregoing indemnification· provisions in this Article is both to provide and to expand upon the indemnification provided by the BCL, as the BCL may from time to time be amended, so as to maintain and continue to attract persons of high quality to serve on the Board as Board Members, officers or in similar capacities.

2.13.18 Notice of Claim or Lawsuit. Promptly after being notified of a Claim or served in a lawsuit for which indemnity is sought (a "Lawsuit"), the indemnified party shall give notice thereof to the Board.

2.13.19 Control of Defense. The Board on behalf and as agent of the Unit Owners, as a Common Expense, shall be entitled: (a) to control the defense, compromise and settlement of such Claim or Lawsuit, provided the indemnified party shall not be adversely affected by the proposed compromise or settlement and shall be fully and unconditionally released and discharged in writing from all liabilities and expenses with respect to such Claim by all claimants or with respect to such Lawsuit by all plaintiffs or petitioners or counter-claimants or cross-claimants (such release and discharge to be in form and content as shall be reasonably approved by the indemnified party); and (b) to choose the attorneys, who shall be reasonably satisfactory to the indemnified party.

2.13.20 Cooperation. The indemnified party shall cooperate fully and make available to the Condominium Board such information and documents under the control or in the possession of the indemnified party as are reasonably related to the defense of the Claim or Lawsuit.

2.13.21 Participation. The indemnified party shall have the right, but not the obligation, at such indemnified party's sole cost and expense, to participate and be represented by separate counsel (chosen by the indemnified party) in the defense, compromise and settlement of the Claim or Lawsuit.

2.14 Fidelity Bonds. The Board shall obtain or ensure maintenance of fidelity bonds, in amounts deemed appropriate by it, for all of its members, officers and employees and for the managing agent or manager, if any, employed by it and the premiums on such bonds shall constitute Common Expenses.

2.15 Committees. The Board may, subject to such limitations and exceptions as the Board may prescribe, appoint an Executive Committee and such other committees as the Board may deem appropriate, each to consist of as many members as the Board shall deem appropriate for the purpose of making such reports and studies as the Board deems appropriate. For so long as Declarant is entitled to designate members to the Board, any committee appointed by any the Board shall have as at least one of its members a member appointed by Declarant.

2.16 Principal Offices of the Board. The principal offices of the Board shall each be located within the Property or at such other place in the Borough of Manhattan reasonably convenient thereto as may be designated from time to time by the Board.

2.17 Status of the Board. In addition to the status conferred upon the Board under or pursuant to the provisions of the Condominium Act, the Board shall, to the extent permitted by applicable law, be deemed to constitute a separate unincorporated association for all purposes under and pursuant to the provisions of the General Associations Law of the State of New York. In the event of the incorporation of the Board pursuant to the provisions of Section 2.18, the provisions of this Section 2.17 shall no longer be applicable to the Board.

2.18 Incorporation of the Board. To the extent and in the manner provided in the Condominium Act, the Board may by action of the Board as provided in this Article 2, be incorporated under the applicable statutes of the State of New York. In the event that the Board so incorporates, it shall have, to the extent permitted by applicable law, the status conferred upon it under such statutes in addition to the status conferred upon the Board under or pursuant to the provisions of the Condominium Act. The certificate of incorporation and by-laws of any such resulting corporation shall conform as closely as practicable to the provisions of the Declaration and these By-Laws and the provisions of the Declaration and these By-Laws shall control in the event of any inconsistency or conflict between the provisions hereof and the provisions of such certificate of incorporation and by-laws.

2.19 The Board as Agent of the Unit Owners. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Board shall act in good faith as, and shall be, the agent of the Unit Owners the Board represents, subject to and in accordance with the provisions of the Declaration and these By-Laws.

2.20 Prohibited Transactions. Each member of the Board shall perform his or her duties, and shall exercise his or her powers, in good faith and with a view to the interests of the

Condominium. To the extent permitted by applicable law, no contract or other transaction between the Board and either: (i) any of its members; or (ii) any corporation, partnership, fiduciary, firm, limited liability company, association or other entity in which any of the members of the Board are officers, directors, shareholders, employees, partners, fiduciaries, beneficiaries, members or principals, or are otherwise interested, pecuniary or otherwise, shall be deemed either void or voidable because either: (a) any such member of the Board was present at the meeting or meetings of the Board during which such contract or transaction was discussed, authorized, approved or ratified, or (b) the vote of any such member was counted for such purpose; provided, however, that either: (1) the fact thereof is disclosed to, or known by, the Board or a majority of the members thereof and noted in the minutes thereof, and the Board shall authorize, approve or ratify such contract or transaction in good faith by a vote of a majority of the entire Board, less the number of such members involved in such contract or transaction; or (2) the fact thereof is disclosed to, or known by, a majority of Unit Owners and a majority of Unit Owners, present at a duly constituted meeting, shall in good faith authorize, approve or ratify such contract or transaction less the number of such Unit Owners who are also such members involved in such contract or transaction; and (3) the contract or transaction is commercially reasonable to the Board at the time the same is authorized, approved, ratified, executed or otherwise consummated. Any such members of the Board may be counted in determining the presence of a quorum of any meeting of the Board or of the Unit Owners which authorizes, approves or ratifies any such contract or transaction, but no such member shall be entitled to vote thereat in order to authorize, approve or ratify such contract or transaction.

ARTICLE 3
UNIT OWNERS

3.1 Annual Meetings. The First Annual Meeting of Unit Owners shall be called on or no more than thirty (30) days after the end of the Initial Control Period. Such meeting shall be held not less than ten (10) days nor more than forty (40) days after such date. At such meeting, the Unit Owners shall elect (in accordance with the provisions of Section 2.1 and as otherwise provided in these By-Laws) three (3) Board members. Thereafter, annual meetings of Unit Owners shall be held within approximately thirty (30) days of each anniversary of the First Annual Meeting. At such meetings, the members of the Condominium Board shall be elected and there shall also be transacted such other business as may properly come before such meetings.

3.2 Place of Meetings. Meetings of all or any Unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place in the Borough of Manhattan, as may be designated by the Board.

3.3 Special Meetings. The President of the Board shall call a special meeting of Unit Owners, if so directed by resolution of the Board or upon a petition signed and presented to the Secretary by not less than twenty-five percent (25%) in Common Interest of Unit Owners.

3.4 Notice of Meetings and Actions Taken. Notice of each annual or special meeting shall be given by the Secretary to all Unit Owners of record entitled to vote thereat. Each such notice shall state the purposes of the meeting and the time and place where it is to be held and no business shall be transacted thereat except as stated in the notice. All notices hereunder shall be

given by personal delivery, email, mail or telegram, at least ten (10) but no more than thirty (30) business days prior to the day named for the meeting and shall be given or sent to the Unit Owners entitled to receive same at their address at the Property or at such other address at the Property or elsewhere as any Unit Owner has designated by notice in writing to the Secretary at least ten (10) days prior to the giving of notice of the applicable meeting. However, if the business to be conducted at any meeting of the Unit Owners shall include consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be given to all Unit Owners as provided above at least thirty (30) days prior to the day fixed for such meeting, and such notice shall be accompanied by a copy of the text of such proposed amendment.

3.5 Adjournment of Meetings. If any joint or separate meeting of Unit Owners cannot be held because a quorum is not present, a majority of Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time fixed for the original meeting.

3.6 Order of Business. The order of business at all joint or separate meetings of Unit Owners shall be as follows:

(a) Call to order;

(b) Roll call;

(c) Proof of notice of meeting;

(d) Reading of minutes of preceding meeting;

(e) Reports of officers;

(f) Reports of members of the Board;

(g) Reports of committees;

(h) Election of inspectors of election (when so required);

(i) Election of members of the Board (when so required);

(j) Unfinished business;

(k) New business; and

(l) Adjournment.

3.7 Title to Units. Title to Units may be taken by any individual, corporation, partnership, association, trust or other entity, or any two (2) or more of such owners as joint tenants, tenants in common or tenants by the entirety, as may be appropriate, but not as owners in severalty.

3.8 Voting.

3.8.1 Each Unit Owner or a person designated by such Unit Owner to act as proxy on his or her behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to such Unit as set forth herein and in the Declaration at all meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary of the Board and shall be revocable at any time by written notice to the Secretary by the Unit Owner so designating; provided, however, that no designation to act as a proxy shall be effective for a period in excess of six months except a designation of a Permitted Mortgagee to act as the proxy of its mortgagor. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity. Neither the Board nor its designee shall be entitled to vote the interest appurtenant to any Unit owned by the Board and the Common Interest of such Unit shall be excluded from the total Common Interests when computing the interest of Unit Owners for voting purposes.

3.8.2 Except as otherwise set forth herein or in the Declaration, at all meetings of Unit Owners, each Unit Owner (or his or her proxy) entitled to vote thereat (including Declarant with respect to Units owned by Declarant or its designee) shall be entitled to cast one vote for each of his or her percentage interests in the Common Elements.

3.8.3 When ownership is in the names of two or more persons in the absence of written directions from the Unit Owners to the contrary, at any meeting of Unit Owners, anyone or more of such Unit Owners may cast, in person or by proxy, the vote to which such ownership is entitled. In the event an attempt is made to cast conflicting votes, in person or by proxy, by the persons in whose names the Unit is owned that Unit's one vote shall be split among the persons who own the Unit and are present in person or by proxy at such meeting.

3.8.4 Inspectors of Election. In advance of or at any meeting of Unit Owners, the Condominium Board may appoint any person, other than nominees for election to the Condominium Board or existing Board Members, as Inspectors of Election to act as such at the meeting or any adjournment. Any such appointments may be altered at the meeting. If Inspectors of Election are not so appointed, the President may, or on the request of not fewer than ten percent (10%) of the votes represented at the meeting, shall make such appointment at the meeting. In case any person appointed as an Inspector fails to appear or fails or refuses to act, the vacancy may be filled by appointment by the Condominium Board in advance of the meeting or at the meeting by the President. Unless otherwise prescribed, the duties of such Inspectors shall include: verifying the number of common interests, the Units represented at the meeting, the existence of a quorum, and the authenticity, validity and number of proxies, receiving votes, ballots, hearing and determining all challenges and questions in any way arising in connection with the rights to vote; counting and tabulation of all votes or consents; determining the result; and such acts as may be proper to conduct the election or vote with fairness to all Unit Owners.

3.9 Election of Board Members; Rights of Declarant.

3.9.1 All elections of Board members shall be determined by plurality vote.

3.9.2 When voting for members of the Board, the voting shall be by ballot and each ballot shall state the name of the Unit Owner voting and the percentage of Common Interests owned by such Unit Owner, and in addition, the name of the proxy if such ballot is cast by a proxy.

Each Unit Owner shall be entitled to cast the number of votes determined in accordance with subparagraph 3.8.2 for each member to be elected by the Unit Owners. Nothing contained in these By-Laws shall be deemed to permit cumulative voting.

3.9.3 Notwithstanding any other provision of this Section 3.9 or any other provision of these By-Laws to the contrary, commencing with the first annual meeting of Unit Owners, Declarant shall have the right to vote all of the Common Interests attributable to Unsold Units owned by it until Declarant has closed title to all of the Unsold Units owned by it (excluding Unsold Units purchased by Declarant or its designee). Declarant or Declarant's family or employees shall not hold a majority of seats on the Condominium Board after the earlier to occur of (i) five (5) years from the date of the First Closing or (ii) that date upon which the Declarant and its designees own none of the Residential Units (the "Initial Control Period"). Any vacancy created by removal of a Board member designated by Declarant, or by any other cause which results in a Board member designated by Declarant ceasing to be a member of the Board, shall be filled by a person designated by Declarant. After the Initial Control Period, a majority of the Condominium Board must be Unit Owners who are not employees or family members of the Declarant or its principals.

3.10 Majority of Unit Owners. Except as may otherwise be provided by law, as used in these By-Laws, the term "Majority of Unit Owners" means those Unit Owners having more than fifty percent (50%) of the total authorized votes of all Unit Owners, determined in accordance with the provisions of 3.8, who are present in person or by proxy and voting at any meeting at which a quorum is present.

3.11 Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of Unit Owners owning more than fifty percent (50%) of the Units shall constitute a quorum at all joint meetings of Unit Owners.

3.12 Majority Vote. Except where otherwise provided by law, the Declaration or these By-Laws, at all meetings of Unit Owners, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes. In addition, at elections of members to the Board held after the expiration of the Initial Control Period but while Declarant still owns at least one (1) Residential Unit, Declarant and/or its designee shall have the right to elect or designate not more than one (1) member of the Board, who may be a person related to or affiliated with Declarant, such designee or other Unsold Unit Owner; and such designee and all other Unit Owners shall have the right to elect the remaining members of the Board.

3.13 Meetings. Any action required or permitted to be taken at any meeting of the Condominium Board or any committee thereof may be taken without a meeting if all members of the Condominium Board or the committee, as the case may be, consent in writing to the adoption of a resolution authorizing the action and if the resolution and the written consents thereto are filed with the minutes of the proceedings of the Condominium Board or the committee.

3.14 Confidentiality. Information disclosed to Board Members should be kept in confidence and not disclosed under any circumstance until a decision is made by the Board to make the information public. Once determined, decisions of the Board are to be presented in their

final form, and any discussions leading up to such decisions are confidential. Board members should never disclose how other Board members voted.

3.15 New Business. Any new business to be taken up at the annual meeting shall be stated in writing and filed with the secretary of the Condominium at least five (5) days before the date of the annual meeting, and all business so stated, proposed, and filed shall be considered at the annual meeting; but no other proposal shall be acted upon at the annual meeting. Any Unit Owner may make any other proposal at the annual meeting and the same may be discussed and considered, but unless stated in writing and filed with the secretary at least five days before the meeting, such proposal shall be laid over for action at an adjourned, special, or annual meeting of the Unit Owners taking place thirty (30) days or more thereafter. This provision shall not prevent the consideration and approval or disapproval at the annual meeting of reports of officers, Board Members, and committees; but in connection with such reports, no new business shall be acted upon at such annual meeting unless stated and filed as herein provided.

3.16 Conflict Of Interest Policy.

3.16.1 Duties of Board Members and Officers

(a) The Board Members and Officers of the Condominium owe a duty of loyalty to the Condominium which requires that in serving the Condominium they act, not in their personal interests or in the interests of others, but rather solely in the interests of the Condominium. Board Members and Officers must have an undivided allegiance to the Condominium and may not use their position as Board Members or Officers, information they have about the Condominium, or the Condominium's property, in a manner that allows them to secure a pecuniary or other material benefit for themselves or their relatives. Accordingly, no Board Member or Officer may use his or her position at the Condominium for personal gain or to benefit another at the expense of the Condominium, its mission, or its reputation.

(b) Every Board Member and Officer must discharge his or her duties in good faith, with the degree of care that an ordinarily prudent person in a like position would exercise under similar circumstances. No Board Member or Officer may take personal advantage of a business opportunity that is offered to the Condominium unless the Condominium Board first determines not to pursue such opportunity.

(c) Each Board Member or Officer must protect the confidential information of the Condominium and must not use confidential information of the Condominium for his or her personal benefit, or use such confidential information or his or her position as a Board Member or Officer to the detriment of the Condominium. Confidential information is information obtained through the Board Member's or Officer's position that has not become public information.

3.16.2 Direct or Indirect Financial or Other Material Interest

(a) Contracts, transactions, or arrangements (a "Transaction") of the Condominium in which a Board Member or Officer has a direct or indirect financial or other material interest (an "Interest") shall not be prohibited, but they shall be subject to scrutiny. Any

such proposed Transaction is to be reviewed to determine that it is in the best interests of the Condominium.

(b) For the purposes of this policy, a Board Member or Officer an Interest in a proposed or existing contract, transaction or arrangement if he or she, or one of his or her relatives: (a) has interest directly in the proposed or existing contract, transaction or arrangement; or (b) holds a position as trustee, Board Member, officer, member, partner, or employee in any such party.

(c) A Board Member's or Officer's Interest will be considered substantial if it involves: (a) an ownership or investment interest representing more than one percent (1%) of the outstanding shares of a publicly traded company or five percent (5%) of the outstanding shares or comparable interest of a privately owned company with which the Condominium has or is negotiating a Transaction or that is an involved Condominium with respect to the Transaction; or (b) an ownership or investment interest, which produces a income for or constitutes a part of the net worth of the Board Member or Officer, or a relative of the Board Member or Officer, in any entity with which the Condominium has or is negotiating a contract, transaction, or arrangement or that is an involved Condominium with respect to the Transaction; or (c) a compensation arrangement of any kind with any entity or individual with which the Condominium has or is negotiating a Transaction, or with any involved Condominium with respect to the contract, transaction, or arrangement.

3.16.3 Disclosure of Interest and Participation in Meeting

(a) Each Board Member and each Officer of the Condominium shall promptly disclose in writing to the President with a copy to each member of the Board any Interest which he or she has or reasonably expects to have in any proposed or existing Transaction with the Condominium prior to the start of any negotiations with respect to such matter. Such disclosure shall include all material facts and supply any reasons why the Transaction might be or not be in the best interest of the Condominium. The President shall refer the issue to the full Board or Board Committee having decision-making authority over the substantive matter in question (the "Board or Committee").

(b) The Board Member or Officer who discloses an Interest in a Transaction may make a presentation and respond to questions by the Board or Committee, but after such presentation, he or she shall leave the meeting during the discussion of, and the vote on, the Transaction that results in the conflict of interest. As part of any such presentation, the Board Member or Officer shall provide to the Board or Committee any reasons why the Transaction might be or not be in the best interest of the Condominium. The Board or Committee shall determine whether the Condominium can obtain a more advantageous Transaction with reasonable efforts from a person or entity that would not give rise to a conflict of interest. The Board or Committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed contract, transaction, or arrangement. If a more advantageous Transaction is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Board or Committee shall determine by majority vote of the disinterested members of the Board or Committee whether the Transaction is in the Condominium's best interest and

whether it is fair and reasonable to the Condominium and shall make its decision as to whether to enter into the Transaction in conformity with such determination.

(c) The existence of a quorum shall not be broken by the non-participation of a Board Member or Officer who has disclosed a direct or indirect financial or other material interest in any substantive matter.

(d) The names of the Board Members and Officers who disclosed or otherwise were found to have a direct or indirect Interest in a proposed or existing Transaction of the Condominium, the nature of the Interest, and the extent of the Board Member's or Officer's participation in the relevant Board or Committee meeting on matters related to the financial or other material interest shall be recorded in the minutes for that meeting. The minutes also shall include a record of any determination as to whether the Transaction was in the best interest of and fair and reasonable to the Condominium. The names of the persons who were present for discussions and votes relating to the proposed or existing Transaction, the content of the discussion, and a record of any votes taken in connection therewith.

(e) *Co-Investment Interest*. Each Board Member and each Officer of the Condominium also shall disclose whether he or she, or one of his or her relatives, has personal funds invested with an investment manager providing, or expected to provide, investment management services to the Condominium or in a professionally managed investment fund in which the Condominium is invested or is considering investing.

(f) *Failure to Disclose*. If the Board or Committee has reasonable cause to believe that a Board Member or Officer has failed to disclose a direct or indirect financial or other material Interest, it shall inform the Board Member or Officer of the basis for such belief and afford the Board Member or Officer an opportunity to explain the alleged failure to disclose.

(g) *Managing Agent and Employees Covered by Policy*. This policy shall also apply to the Condominium's Managing Agent and employees of the Condominium.

(h) *Business Corporation Law § 713*. Every calendar year prior to December 31st, every Director shall receive a copy of the then current version of BCL § 713.

(i) *Annual Disclosure Statement*. Promptly following the adoption of this policy, and thereafter, on an annual basis, not later than the fifth (5th) day of January of the following year, each Board Member and Officer shall acknowledge his or her familiarity with this policy, will confirm the receipt of BCL § 713 and shall disclose in writing to the Board any existing financial or other material Interests subject to this policy by completing a Conflict Of Interest Disclosure Statement. The Conflict Of Interest Disclosure Statements shall be retained in the confidential files of the Board.

ARTICLE 4
OFFICERS

4.1 Designation. The principal officers of the Condominium shall be a President, Vice

President, Secretary and Treasurer thereof, all of whom shall be elected by the Condominium Board. The Condominium Board may appoint an Assistant Treasurer, Assistant Secretary and such other officers as in its judgment may be desirable. None of the officers of the Condominium need be Unit Owners or have any interest therein or be Board members until the first organizational meeting of the Condominium Board after the First Annual Meeting of Unit Owners. Thereafter, the President and Vice President must be members of the Condominium Board. Any one may hold multiple offices.

4.2 Election of Officers. The officers shall be elected annually by the Board at the organizational meetings thereof, except that the initial officers shall be elected by the initial Condominium Board and shall hold office at the pleasure of the Board and until their successors are elected.

4.3 Resignation and Removal of Officers. Any officer may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Board. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Upon the affirmative vote of a majority of the members of the Board, any officer may be removed, either with or without cause. A successor officer may be elected at any regular Board meeting or at any special Board meeting called for such purpose.

4.4 President. The President of the Condominium shall be the chief executive officer of the Condominium and shall preside at all joint meetings of Unit Owners and at all meetings of the Condominium Board. The President shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including, but not limited to, the power to appoint committees from among Unit Owners from time to time as he or she may in his or her discretion decide are appropriate to assist in the conduct of the affairs of the entire Condominium, except a) as limited by a vote of a majority of the Board or to remove the Corporation's accountant, managing agent, attorney, architect or engineer or spend more than $5,000 per annum without the approval of the majority of the members of the Board.

4.5 Vice President. The Vice President shall take the place of the President under whom he serves and perform his or her duties whenever the President shall be absent or unable to act. If both the President and the Vice President of the Condominium are unable to act, the Board shall appoint some member of the Board to act in the place of the President and Vice President on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him or her by the Board or by the President.

4.6 Secretary. The Secretary of the Condominium shall keep the minutes of all joint meetings of Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Board shall direct and shall in general perform all the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

4.7 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 Board (or in the name of the managing agent appointed by the Board) in such depositories as may from time to time be designated by the Board and shall in general perform all of the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

4.8 Execution of Documents. Unless otherwise delegated by the Board, all agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any officer thereof or by such other person or persons as may be designated by the Board. However, any expenditure in excess of $2,500 by the Condominium Board must be countersigned by two members of the Board. If for any reason whatsoever one member refuses to countersign such an expenditure which has been authorized, the Condominium Board shall designate and authorize another Board member to countersign the expenditure.

4.9 Compensation of Officers. Except as otherwise provided by the Board, no officer shall receive any compensation for acting as such.

ARTICLE 5
NOTICES

5.1 Notices. All notices required or desired to be given hereunder to the Board shall be personally delivered or sent by registered or certified mail to the office of the Board or to such other address as the Board may designate from time to time, by notice in writing to all Unit Owners, and if there is a managing agent of the Board, a duplicate shall be sent in like manner to such managing agent. All notices to any Unit Owner shall, except as otherwise provided herein, be personally delivered or sent by registered or certified mail to the Property address of such Unit Owner or to such other address as may have been designated by such Unit Owner from time to time, in writing, to the Condominium Board. All notices to Permitted Mortgagees shall be personally delivered or sent by mail to their respective addresses, as designated by them from time to time, in writing to the Condominium Board. All notices shall be deemed to have been given when personally delivered or mailed in a postage prepaid sealed wrapper, except notices of change of address which shall be deemed to have been given when received.

5.2 Waiver of Service of Notice. Whenever notice is required to be given by law, the Declaration or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 6
OPERATION OF THE PROPERTY

6.1 Determination of Common Expenses and Fixing of Common Charges.

6.1.1 Except as otherwise provided herein, all costs and expenses attributable to

the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements shall be determined by the Condominium Board as set forth below. Common Expenses shall include all items provided for in the Declaration or these By-Laws to be Common Expenses. Common Expenses shall also include such amounts as the Condominium Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Common Elements. The Condominium Board shall from time to time and at least annually prepare a budget to meet Common Expenses and shall allocate and assess to the Unit Owners, pro rata in accordance with the aggregate respective Common Interests of the Unit Owners (except as otherwise provided in the Declaration or these By-Laws or to the extent a different method of allocation is described in Schedule B, " Budget for First Year of Condominium Operation" in Part I of the Plan), charges as set forth in the Plan to meet Common Expenses ("Common Charges"). In addition to basing charges on Common Interests, the Condominium Board may also make allocations and assessments of Common Expenses in accordance with sub-metering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of law.

6.1.2 From time to time the Condominium Board may increase or decrease the amount of Common Charges payable for a fiscal year or any portion thereof to meet a revised estimate or determination of Common Expenses for such fiscal year or any portion thereof. During the Condominium's initial two fiscal years but not thereafter, the Condominium Board's authority shall include the right to base the amount of Common Charges on actual costs and expenditures and/or to make retroactive adjustments to the amount of Common Charges payable by Unit Owners for any period to reflect actual operating costs for such period. The Condominium Board shall advise all Unit Owners promptly in writing of the amount of Common Charges payable by each of them and shall furnish copies of each annual budget to all Unit Owners and Permitted Mortgagees thereof. In the event that the annual receipts levied against Unit Owners during the first year of Condominium operation commencing on the date of First Closing exceed the actual expenses less income from sources other than Unit Owners for that period accounted for on an accrual basis by an amount in excess of $100,000, the receipts from Unit Owners over and above such amount shall be rebated to the Unit Owners by the Condominium Board in proportion to each Unit's percentage of Common Interest. Rebates, if any, attributable to Units purchased from Declarant during the first year of Condominium operation will be distributed by the Condominium Board to Declarant and the Unit Owner(s) in proportion to the amount of time the Declarant and each Unit Owner owned such Unit.

6.1.3 Except as otherwise provided in the Declaration or these By-Laws, all alterations, additions, improvements, repairs, or replacements in or to any Common Element or Limited Common Element shall be made by the Board or Unit Owner(s) required to maintain such General or Limited Common Element and the cost and expense thereof shall be charged to the Unit Owners as a General Common Expense, to all Unit Owners as a Common Expense, or to the Unit Owner(s) responsible therefor, as the case may be. Whenever in the judgment of the Condominium Board the cost of any addition or improvement would exceed $250,000 in the aggregate in any fiscal year (except if such alteration, addition, or improvement is provided for in a duly approved budget or if required by Legal Requirements), then such proposed addition, or

improvement shall not be made unless first approved by a Majority of Unit Owners or a Majority of Unit Owners, as the case may be, who shall be required to bear the cost and expense thereof as aforesaid with respect to additions, or improvements made by the Condominium Board, as the case may be. Except as otherwise provided in the Declaration or these By-Laws, all such alterations, additions, or improvements costing in the aggregate $250,000 or less in any fiscal year may be made as aforesaid without the approval of the Unit Owners. Required repairs, alterations and replacements of existing Common Elements of the Building shall be made by the Board in their own discretion regardless of the cost.

6.1.4 Common Expenses shall include real estate taxes on the Property until the Units are separately assessed.

6.1.5 . Notwithstanding anything to the contrary herein, no part of the net earnings of the Condominium may inure (other than by acquiring, constructing, or providing management, maintenance, and care of association property, and other than by a rebate of excess membership dues, fees, or assessments) to the benefit of any Unit Owner or individual.

6.1.6 Sponsor reserves the right to delay the commencement of collection of Common Charges for an indeterminate period (the "Waiver Period"). During any such delay, Sponsor shall timely pay all expenses of the Condominium, including, but not limited to, insurance premiums and any Reserve Fund payments (the "Waiver Period Operating Expenses"). Such expenses shall not include individual Unit Owner expenses such as real estate taxes, utility charges, etc. During such delay in the collection of Common Charges, Sponsor shall remain obligated to update the Condominium Budget, and, if Sponsor controls the Board, to provide certified financial statements for the Condominium, as required by the regulations promulgated by the Department of Law. Sponsor shall provide written notice of the expiration of the Waiver Period to all Unit Owners and Purchasers in contract at least 30 days prior to the commencement of the collection of Common Charges. Thereafter, Sponsor shall disclose the expiration of the delay period in the next substantive amendment to the Plan. Upon commencement of the collection of Common Charges, Unit Owners will not be assessed for any items in the certified Budget for the Condominium. If Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose the anticipated period of delay in the collection of Common Charges in the initial post-closing amendment to the Plan.

6.2 Insurance.

6.2.1 The Condominium Board shall be required to obtain and maintain to the extent obtainable the following insurance: (a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements and increased cost of construction endorsements, insuring the entire Building (excluding each Unit's fixtures, furniture, furnishings or equipment other personal property) together with all service machinery contained therein and covering the interests of the Condominium, the Board and all Unit Owners and their Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings), said policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject

however, to the loss payment provisions hereinafter set forth; (b) rent insurance in an amount equal to Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board; (f) water damage insurance to the extent, if any, determined by the Condominium Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering the Board and all officers, directors, managing agents and employees of the Condominium; (i) directors and officers liability insurance; and (j) such other insurance as the Condominium Board may determine. The premiums for all insurance referred to above and for the liability insurance referred to below shall be a Common Expense and shall be borne by the Unit Owners in such proportions between them, with due consideration to their respective risks, liabilities and replacement values, as are equitable (as determined by the respective insurance carriers thereof or their agents, brokers or other such parties designated by the Condominium Board).

6.2.2 All such policies shall provide that adjustment of loss shall be made exclusively by the Condominium Board if the loss affects only the Common Elements. Insurance proceeds with respect to any loss shall be payable to the Board, except that the proceeds of all policies of physical damage insurance, if in excess of $1,000,000, shall be payable to a New York City bank or trust company designated by the Condominium Board as Insurance Trustee (as hereinafter defined) pursuant to the provisions of Section 12.5.

6.2.3 All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured, or (iv) pro rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least ten days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees. Duplicate originals or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees at least thirty (30) days prior to expiration of the then current policies.

6.2.4 The Condominium Board shall also be required to obtain and maintain, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as the Board may from time to time determine, covering (i) the Board, the managing agent or agents thereof, each Board member, and each officer and employee of the Condominium, (ii) the Unit Owners, all officers, directors and employees thereof, and its managing agent or agents, except that such policy will not cover liability of a Unit Owner arising from occurrences within his own Unit or within the Limited Common Elements, if any, exclusive to his Unit. The Condominium Board shall review such limits once each year. The insurance required in accordance with this Subsection 6.2.4 shall also cover cross-liability claims of one insured against another.

6.2.5 Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Board determines.

6.2.6 The Condominium Board is not required to obtain or maintain any

insurance with respect to any improvements or betterments within, and furniture, furnishings, equipment or personal property contained in, a Unit. A Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with minimum coverage as established by the Condominium Board from time to time 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 loss due to water damage) for an amount equal to the full insurable replacement cost of same. The limits of liability set forth in (a) and (b) above may be increased by the Condominium Board from time to time. The insurance required above shall be written in form reasonably satisfactory to the Condominium Board by good and solvent insurance companies of recognized standing, admitted to do business in the State of New York. Upon ten (10) days' written notice from the Condominium Board or the Managing Agent, the Unit Owner shall deliver to the Condominium Board a duplicate original of the aforesaid policies, certificates evidencing such insurance or such other confirmation satisfactory to the Condominium Board. The Condominium Board and the Managing Agent shall not be responsible for ensuring that Unit Owners are insured and shall have no liability for the failure of a Unit Owner to have insurance. To the extent either party is insured for loss or damage to property, each party will look to their own insurance policies for recovery.

6.2.7 If the use of any Unit causes an increase in the premium for the insurance which the Board is required to obtain and maintain, as set forth herein or otherwise, then the owner of such Unit shall be obligated to pay to the Board a sum equal to the amount of such increase attributable to such use.

6.2.8 Until payment of the debt held by Declarant's construction lender (the "Construction Lender") under the mortgage securing Declarant's construction loan (the "Construction Loan") is made in full, the Board shall comply with the obligations of the Construction Loan (which provisions set forth the Board's obligations with respect to the maintenance of insurance during such period).

6.2.9 The insurance required to be maintained under this Section 6.2 shall meet the following criteria:

(a) No Unit Owner shall (1) do or permit any act or thing to be done in or to its Unit which will invalidate or be in material conflict with any public liability, property or other policy of insurance at any time carried by the Condominium Board with respect to the Property, (2) keep anything in its Unit or in the Common Elements which is prohibited by the Fire Department, Board of Fire Underwriters, fire insurance rating organization or other authority having jurisdiction or (3) permit its Unit or the Common Elements to be used in any manner which will increase the insurance rate for the Property over that in effect as of the date of this Declaration, unless such Unit Owner pays the additional cost thereof as provided below.

(b) Any costs, expenses, fines, penalties or damages which shall be imposed upon the Condominium Board by reason of a default by a Unit Owner in performing its obligations

under this Section 6.2. or by reason of any increase in the premium charged for insurance carried by the Condominium Board resulting from a change in the insurance rate for the Property attributable to a particular use of such Unit Owner's Unit, shall be assessed against and payable by such Unit Owner. For all purposes hereunder, a schedule or "makeup" of rates for the Property issued by the New York Fire Insurance Rating Bureau or other body making fire insurance rates applicable to the Property shall be conclusive evidence of the facts therein stated and of the several items and charges in the fire insurance rate or rates then applicable to the Property.

(c) Any blanket insurance policy required or permitted hereunder shall specifically allocate to the Property the amount of coverage from time to time required hereunder and shall otherwise provide the same protection as would a separate policy insuring only the Property in compliance with the provisions of Section 6.2.1 above.

(d) All policies of physical damage insurance obtained by the Condominium Board and the Unit Owners shall contain, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured, or (iv) pro rata reduction of liability, and shall provide that such policies may not be canceled or materially or substantially modified without at least thirty (30) days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees. The Condominium Board and all Unit Owners hereby waive their subrogation rights as to each other.

(e) Except for workers compensation and New York Statutory Disability insurance coverages, all insurance maintained hereunder shall contain waivers of subrogation and the Condominium Board and the Unit Owners each hereby waive and agree that they shall make no claim for recovery against each other for damages to or loss of the Common Elements and/or any Unit, or any improvements and betterments thereon or therein, and injury or damage arising out of operations if such damage injury or loss is covered by valid and collectible insurance protecting the Condominium Board and the Unit Owners and which contains a clause permitting the insured to waive such rights prior to the occurrence of a loss. Such waiver of subrogation shall apply to all stated insurance coverages herein.

(f) All policies maintained by the Condominium Board shall acknowledge and provide that (a) all Unit Owners and Permitted Mortgagees are deemed additional insureds for any liability insurance except that Unit Owners shall not be considered additional insureds with respect to the operations of their own Unit, (b) the Condominium Board is deemed a loss payee for casualty to a General Common Element or a Limited Common Element appurtenant to more than one but not all Units and (c) each Unit Owner is deemed a loss payee for casualty to its respective Limited Common Element exclusively appurtenant to such Unit. The Condominium Board shall provide a copy of all insurance policies to all Unit Owners and Permitted Mortgagees, at no cost to any Permitted Mortgagee, evidencing all required Condominium Board policy coverages and additional insured, loss payee or mortgagee status.

(g) Liability coverage shall be endorsed with a severability of interest endorsement, if not otherwise included, stating that if a claim is brought by one insured against another insured under such policy, or by an employee of one insured against another insured under such policy, each insured shall be considered a separate insured for purposes of the insurance. The

policies shall be written with a contractual liability endorsement, if not otherwise included, providing coverage for bodily injury or property damage assumed under any type of "written agreement," as defined in the standard ISO liability policy, to the extent permitted by Law.

(h) The issuance of any insurance policy hereunder with respect to a Unit Owner's insurance coverage, shall not be deemed to limit or restrict in any way any Unit Owner's liability in connection with or arising out of its work and the indemnification obligations set forth in this Declaration.

6.3 Repair or Reconstruction after Fire or Other Casualty.

6.3.1 In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty (unless three-fourths or more of the Building is destroyed or substantially damaged and 75% or more in Common Interest of all Unit Owners do not duly and promptly resolve to proceed with repair or restoration), the Condominium Board with respect to any damage to or destruction of the Common Elements, will arrange for the prompt repair and restoration of the Common Elements (including the exterior walls of each Unit and bringing utilities to the Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit) and the Board or the Depository, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. If said damage or destruction, however, affects only the Common Elements, then any deficit or surplus in insurance proceeds shall be borne as a general Common Expense or profit, respectively, as provided in subsection 6.1.1 or shared by all Unit Owners in proportion to their Common Interests. Any surplus payable to any Unit Owner pursuant to this subsection 6.3.1 shall be lessened by such amounts as may be required to reduce unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Unit in the order or priority of such liens.

6.3.2 If three-fourths or more of the Building is destroyed or substantially damaged and if 75% or more in Common Interest of all Unit Owners do not promptly resolve to proceed with the repair or restoration thereof or if the Building cannot be restored to its original size, 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 by apportioning such proceeds in the aggregate among the Unit Owners pursuant to an appraisal of fair market values to be performed by a panel of three (3) independent appraisers; provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of his or her share of such funds, such amounts as may be necessary to discharge all unpaid liens on his or her Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

6.3.3 As used in this Section 6.3, the words "promptly resolve" shall mean not more than sixty (60) days after the date of the damage of destruction in question occurs.

6.3.4 Any dispute between the Board and a Unit Owner under this Section 6.3 shall be settled by Arbitration (as provided in Article 11).

6.4 Payment of Common Charges.

6.4.1 The Unit Owners shall be obligated to pay to the Condominium Board the Common Charges assessed to them by the Condominium Board pursuant to the provisions of Section 6.1 at such time or times as the Condominium Board determines. Unless otherwise determined by the Board, Common Charges shall be payable monthly, in advance, on the first (1st) day of each month.

6.4.2 No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against his or her Unit subsequent to a sale or other conveyance by him or her (made in accordance with these By-Laws) of such Unit together with its appurtenant Common Interests. Any Unit Owner may, subject to the terms and conditions of these By-Laws and provided that (a) such Unit is free and clear of liens and encumbrances other than Permitted Mortgages and the statutory lien for unpaid Common Charges, and (b) no violation of any provision of the Declaration, these By-Laws or the Rules and Regulations then existing with respect to such Unit, convey for no consideration such Unit together with its appurtenant Common Interests, to the Board or its designees, corporate or otherwise, and in such event (except as hereinafter set forth), be exempt from Common Charges, as the case may be, thereafter accruing. A purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by him or her of such Unit, and, to the extent permitted by law, a purchaser of a Unit at a foreclosure sale of a Permitted Mortgage shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by said purchaser of such Unit. In the event of a foreclosure sale of a Unit by a Permitted Mortgagee, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale. Except to the extent prohibited by law, the Condominium Board, on behalf of all Unit Owners, shall have a lien on each Unit for unpaid Common Charges, together with interest thereon, assessed against such Unit. All liens provided for in this subsection 6.4.2, to the extent permitted by applicable law, shall be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the Unit.

6.4.3 Notwithstanding subsection 6.4.2, neither the seller nor the purchaser of a Unit 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 a written statement from the Condominium Board.

6.4.4 In the event that prior to the Units being separately assessed for real estate tax purposes, the Board pays real estate taxes on behalf of a Unit Owner, the amount of such real estate taxes shall be deemed to be Common Charges, and the Board shall have a lien (as provided in Section 6.4.2) for any such accrued and unpaid amounts.

6.4.5 Any Unit Owner that is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by any foreign government (i.e. diplomatic or sovereign immunity) shall deposit with the Board an amount equal to the Common Charges for such Unit for a period of two (2) years as security for the faithful observance by such Unit Owner of the terms, provisions and conditions of

these By-Laws.

6.4.6 For the purposes of this subsection 6.4.6, "non-occupying owner" shall mean a Unit Owner who or which does not occupy its Residential Unit.

(a) If a non-occupying owner rents any Residential Unit to a rental tenant and then fails to make payments due for Common Charges or any other amounts payable by such Unit Owner to the Board, including, without limitation, assessments and/or late fees (all of the foregoing, collectively, "Payments") for such Residential Unit within sixty (60) days of the expiration of any grace period after the same are due, upon notice in accordance with subdivision (b) of this subsection, all rental payments from the tenant shall be directly payable to the Board.

(b) If the Payments for any Residential Unit have not been paid in full, within sixty (60) days after the expiration of any grace period of the earliest due date, the Board shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all Payments are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the Board at the address listed on the notice. Where a majority of the Board has been elected by and from among the Unit Owners who are in occupancy, the Board may elect not to require that rental payments be made payable to the Board. At such time as Payments from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the Board's claim to rental payments pursuant to this subsection shall be entitled to present facts supporting such Unit Owner's position at the next scheduled meeting of the Board, which must be held within thirty (30) days of the ate that such Board receives notice that such owner seeks to dispute such claim.

(c) Nothing in this subsection shall limit any rights of any Unit Owner or the Board existing under any other law or agreement.

6.4.7 Payment by a rental tenant to the Board made in connection with this subsection shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner against such tenant for such rent.

6.5 Collection of Common Charges. The Board shall take prompt action to collect any Common Charges due to the Board which remain unpaid for more than thirty (30) days after the due date for payment thereof.

6.6 Default in Payment of Common Charges. In the event any Unit Owner fails to make payment of Common Charges when due, such Unit Owner shall be obligated to pay (a) a "late charge" equal to the greater of $150.00 or one percent (1%) of such amounts which remain unpaid for more than ten days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid), and (b) interest at the rate of 1.5% per month (but in no event in excess of the maximum rate permitted by law) on such unpaid amounts computed from the due date, thereof, together with all expenses, including, without limitation, attorneys' fees paid or incurred by the Board or by any managing agent in any

proceeding brought to collect such unpaid Common Charges or in any action to foreclose the lien on such Unit arising from said unpaid Common Charges as provided in Section 339-z of the New York Condominium Act, in the manner provided in Section 339-aa thereof or in any other manner permitted by law. All such "late charges", interest and expenses shall be added to and shall constitute Common Charges payable by such Unit Owner. Notwithstanding the foregoing, the Board may establish its own alternate fees for late payments, whether such fees are more or less than the charges set forth herein.

6.7 Foreclosure of Liens for Unpaid Common Charges. In any action brought by the Board to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use and occupancy of his Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. The Condominium Board, acting on behalf of all Unit Owners, shall have the power to purchase any such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey or otherwise deal with such Unit or portion thereof (but not to vote the votes appurtenant to such Unit or portion thereof). A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on such foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit.

6.8 Statement of Common Charges. The Board shall promptly provide any Unit Owner who so requests, with a written statement of all unpaid Common Charges due to it from Unit Owners.

6.9 Maintenance and Repairs.

6.9.1 The Unit Owners shall take possession of their Units and their appurtenances and fixtures in "as is" condition. Except as otherwise provided in the Declaration or these By-Laws, all painting, decorating, maintenance, repairs and replacements, whether structural or nonstructural, ordinary or extraordinary, (a) in or to any Unit (excluding Common Elements included therein except as otherwise provided in these By-Laws and the entrance doors thereto) shall be made by the owner of such Unit at such Unit Owner's sole cost and expense, or (b) in or to the Common Elements shall be made by the Condominium Board and the cost and expense thereof shall be charged to the Unit Owners as a Common Expense.

6.9.2 Notwithstanding the provisions of 6.9.1:

6.9.2.1 In the event that any painting, decorating, maintenance, repairs or replacements to the Property, any Unit, or any part thereof is necessitated by the negligence, misuse or neglect of (a) any Unit Owner, or anyone visiting, residing or working in the Unit, the entire cost thereof shall be borne by such Unit Owner, or (b) the Condominium Board, the entire cost thereof shall be charged to the Unit Owners as a Common Expense, except in all such cases to the extent such cost is covered by the proceeds of any insurance maintained pursuant to the provisions hereof.

6.9.2.2 In the event of damage to the Unit by fire, casualty or a leak from outside of the Unit, unless the Unit Owner caused the casualty, the Board shall repair the Unit, but the Unit Owner shall be responsible for its furniture, fixtures, personal property, wall and floor covering and other decorations. In the event the casualty was caused by the negligence or misconduct of the Unit Owner or anyone residing, visiting or working in the Unit, the Unit Owner shall be responsible for repairing the damage caused by the casualty.

6.9.2.3 The interior and exterior glass surfaces of all windows located in any Residential Unit shall not be colored or painted and the windows may not be modified, altered or replaced without the consent of the Board. Terraces are Limited Common Elements. All normal maintenance, repairs and replacements of any Terrace shall be made by the Unit Owner having access to such Terrace at his or her own cost and expense, but any structural or extraordinary repairs or replacements to such Terrace (excluding any leaks which are not caused by the negligence of the Unit Owner having access to the same) shall be made by the Condominium Board and the cost and expense thereof shall be charged to all Unit Owners as a Common Expense. No plantings, structures or installations may be placed on Terraces without the prior written approval of the Condominium Board. The Condominium Board may require a Unit Owner to remove plantings and other installations placed on Terraces by said Unit Owners if the Condominium Board determines, in its reasonable discretion, that such plantings and other installations adversely affect the integrity of the surface beneath the Terrace. The Condominium Board may establish such other rules and regulations it deems necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health and safety of the occupants.

6.9.2.4 The exterior surface of all windows in the Condominium if so determined by the Condominium Board, shall be washed and cleaned by the Board and the cost and expense thereof shall be a Common Expense. Otherwise, the exterior of all windows in the Condominium shall be washed or cleaned at the cost and expense of the Unit Owner. The interior glass surfaces of all windows located in any Residential Unit and the exterior glass surfaces of all windows located in the Residential Unit shall be washed and cleaned by the Unit Owner or occupant thereof at his sole cost and expense.

6.9.2.5 The exterior of all front doors of Units shall not be painted or decorated other than in accordance with the standard for the Condominium.

6.9.3 Each Unit and all portions of the Common Elements shall be kept in first-class condition (and with respect to any Terrace, roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work, repairs and replacements necessary in connection therewith. In addition, the public areas of the Building and those areas exposed to public view shall be kept in good, clean and neat appearance, in conformity with the dignity and character of the Building, by (a) the Board with respect to such parts of the Building required to be maintained by it, and (b) each Unit Owner with respect to the windows and shades, venetian or other blinds, drapes, curtains or other window

decorations in or appurtenant to his Residential Unit. Drains and gratings on Terraces must be kept free of any material or covering that may cause obstruction for its proper functioning.

6.9.4 In the event the Unit Owner or the Unit Owner's predecessor in interest replaced the windows or doors or modified the plumbing, gas or electrical lines ("utility lines") servicing the Unit or made any other repairs or replacements affecting the Unit or the Building (collectively "Renovations") and such windows, doors or utility lines require repair, the Unit Owner shall be responsible for the cost of making such repairs including repairs to the utility lines running from the Unit to the riser in the event the Renovations or the item that was repaired or replaced require repair or replacement in the future or in the event any renovation adversely affect the Building.

6.9.5 With or without direction from the Board, Unit Owners are required to remove all items not affixed to Terraces, in instances of high winds. In extreme weather conditions and in the winter months (defined as the period of time commencing on December 1st and ending on March 31st), it could be hazardous for the occupants of a Residential Unit having a Terrace to use such outdoor space. Unit Owners with Terraces must employ their own licensed plumber, with prior approval from the Board, in order to winterize any and all drains, pipes and hose bibs prior to November 1st, which winterization work shall be at the Unit Owner's expense in order to prevent water damage from potential pipe bursts. All Unit Owners that have a Terrace appurtenant to their Residential Unit, shall indemnify and hold harmless Sponsor, the Board and the Managing Agent against any and all claims arising from such Unit Owner's use of such outdoor space.

6.10 Violations of Maintenance Obligations.

6.10.1 In the event that any Unit Owner, within a reasonable time after receipt of written notice from the Condominium Board, fails to perform any of its obligations with respect to the painting, decorating, maintenance, repair or replacement of its Unit as provided in this Article 6 or of any Limited Common Element for which such Unit Owner is responsible under the Declaration or these By-Laws, the Condominium Board may, but shall not be obligated to, perform or cause to be performed such painting, decorating, maintenance, repair or replacement unless such Unit Owner, within thirty (30) days after receiving notice of such default from 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 by the Condominium Board, together with interest thereon at the rate of 2% per month from the date on which the Board first incurs any cost or expense (but in no event in excess of the maximum rate permitted by law), shall be immediately payable by such Unit Owner to the Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

6.11 Structural Alterations, Additions, Improvements and Repairs of Units.

6.11.1 Alterations of any Unit shall not encroach or impinge on public areas of the Building. Any alterations of a common hallway by a Unit Owner shall only be made with the consent of the Board and each Unit Owner having a Unit adjacent to that hallway. Any consent to

proposed alterations shall be subject to such terms and conditions as the Condominium Board shall impose, including the Unit Owner's execution of an agreement in form and substance satisfactory to the Condominium Board setting forth the terms and conditions under which such alteration may be made, including, without limitation the hours and days during which any alteration work may be performed, a per diem penalty for delays in completion of work beyond the time specified in the alteration agreement and the delivery of a security deposit (in an amount determined by the Board) to ensure compliance with the terms of the alteration agreement.

6.11.2 The Board shall not consent to any alteration until the Unit Owner cures any defaults under the Declaration, By-Laws or Rules and Regulations and pays such sums, to be fixed by the Condominium Board, to cover reasonable legal, architectural, engineering and other expenses of the Board and its managing agent in connection with such proposed alterations.

6.11.3 Except as otherwise provided in the Declaration, no Unit Owner shall make any structural alteration, addition, improvement or repair in or to his or her Unit without the prior written approval of the Condominium Board. The Board shall have the obligation to answer any written request by Unit Owners for approval of a proposed structural alteration, addition, improvement or repair in or to such Unit Owner's Unit within thirty (30) days after such request is received, and the failure to do so within the stipulated time shall constitute the Board's consent to the proposed alteration, addition, improvement or repair. 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 Unit, the Board may exercise the right to reasonably approve the Unit Owner's contractors and suppliers, and may, at its option, require the Unit Owner to execute an agreement in form and substance satisfactory to the Board setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done. The Board may impose fees upon a Unit Owner to reimburse the Condominium for its costs incurred in reviewing or supervising the aforesaid work. Notwithstanding anything to the contrary contained in this subsection 6.11.3, neither Declarant or its designee nor a Permitted Mortgagee (or its designee) of Declarant or its assignee shall be required to obtain the approval of the Board for any structural alteration, addition, improvement or repair in or to Unsold Units or enter into any alteration agreement with respect thereto.

6.11.4 All structural alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with all laws, rules, ordinances and regulations of all governmental authorities having jurisdiction thereof. A Unit Owner making or causing to be made any structural alteration, addition, improvement or repair shall agree, and shall be deemed to have agreed, to hold the Board and all other Unit Owners harmless from any costs or liability arising therefrom.

6.11.5 Any application to any department of The City of New York or to any other governmental authority having jurisdiction thereof for a permit to make a structural alteration, addition, improvement or repair in or to any Unit so approved by the Board shall, if required by law or such department or authority, be executed by the Board or, provided that the Board shall incur any liability, cost or expense in connection with such application or to any contractor, subcontractor, materialman, architect or engineer on account of such alteration, addition,

improvement or repair or to any person having any claim for injury to person or damage to property arising therefrom. Notwithstanding anything to the contrary set forth above, Declarant is hereby authorized on behalf of the Board to execute such applications, permits or other documents as may be required to undertake, perform and complete such work to the Unsold Units and Common Elements as Declarant is entitled to perform in accordance with the terms of the Declaration and these By-Laws and to obtain such certificates of completion as may then be required by Law (collectively the "Required Documentation") and, the Board, if requested by Declarant, shall execute the Required Documentation.

6.11.6 In the event that any alterations, additions, improvements or repairs made by any Unit Owner materially delay, prevent or adversely affect, or create a significant risk of materially delaying, preventing or adversely affecting, whether directly or indirectly, the issuance or reissuance of a temporary or permanent certificate of occupancy for other Units or the Building, then upon the written request of Declarant or the Condominium Board, the Unit Owner shall restore the Unit, at such Unit Owner's sole cost and expense, to its original condition. If such Unit Owner fails to commence diligently and continuously restoring the Unit within fifteen (15) days of receipt of the written request, then the Declarant or the Board, as the case may be, requesting such restoration shall be entitled to enter and restore the Unit at the expense of the Unit Owner and to exercise any other remedies provided in these By-Laws.

6.11.7 Until such time as the initial construction of the building is complete, including the completion of "punch list" work, neither the Board nor the Unit Owner shall use or suffer to be used in any part of the Buildings any labor forces incompatible with the labor forces which are completing the construction of the Building on behalf of Declarant. In addition, the prosecution of the work necessary to complete initial construction of the Building, including the completion of "punch list" work by or on behalf of Declarant, shall take precedence over the prosecution of any other work at the Buildings.

6.12 Alterations, Additions, Improvements, Repairs or Replacements to Common Elements. Except as otherwise provided in the Declaration or these By-Laws, all alterations, additions, improvements, repairs or replacements in or to any Common Element or Limited Common Element shall be made by the Board or Unit Owner(s) required to maintain such Common Element or Limited Common Element and the cost and expense thereof shall be charged to the Unit Owners as a Common Expense. Whenever in the judgment of the Condominium Board, the cost of any alteration, addition, or improvement would exceed $250,000 in the aggregate in any fiscal year (except if such alteration, addition, or improvement is provided for in a duly approved budget), then such proposed alteration, addition, or improvement shall not be made unless first approved by a Majority of Unit Owners, who shall be required to bear the cost and expense thereof as aforesaid with respect to alterations, additions, or improvements made by the Board. Except as otherwise provided in the Declaration or these By-Laws, all such alterations, additions, or improvements costing in the aggregate $250,000 or less in any fiscal year may be made as aforesaid without the approval of the Unit Owners. Required repairs or replacements of all or part of the Common Elements shall be made by the Board in its own discretion regardless of the cost.

6.13 Alterations of Certain Common Elements.

6.13.1 In the event that pursuant to any of the provisions of these By-Laws, any consent by the Board or Unit Owner is required as a condition precedent to any alteration, addition or improvement to any Common Element (sometimes collectively referred to in this Section 6.13 as an "Alteration"), proposed to be made by Declarant or its designee, Unit Owners or the Board (sometimes collectively referred to herein as the "Proponent"), such consent shall not be unreasonably withheld or delayed by the Board or Unit Owner (referred to in this Section 6.13 as the "Opposing Party") whose consent is so required. The Proponent shall give to the Opposing Party notice setting forth in reasonable detail the material aspects of such proposed Alteration. If the Opposing Party does not give notice of any objection to the Proponent within 30 days after the Proponent gives its notice, then the Opposing Party shall be deemed to have consented to the making of the proposed Alteration. If the Opposing Party does give notice of objection (which notice of objection shall set forth in reasonable detail the specific objections of the Opposing Party) within such thirty (30) day period and the Proponent considers such objection unreasonable, then the Proponent may submit to Arbitration the question of whether or not the Opposing Party unreasonably withheld its consent. If in such Arbitration it is determined that the Opposing Party unreasonably withheld its consent, the Proponent, as its sole remedy, may make the proposed Alteration. In no event shall any arbitrator in such Arbitration determine that the Opposing Party reasonably withheld its consent to such proposal if (a) the Proponent makes or causes to be made reasonable provisions providing (i) for the costs and expenses of the Alteration to be paid by it, and (ii) that all costs and expenses for maintaining and repairing such Alteration after its completion will not be charged to Unit Owners represented by the Opposing Party as Common Expenses (b) the proposed Alteration would not materially interfere with the use and enjoyment of the owners, tenants and occupants of those Units represented by the Opposing Party; and (c) the proposed Alteration would not materially weaken the structure of the Building.

6.13.2 Nothing contained in subsection 6.13.1 shall in any way be deemed to limit (a) the Proponent's right to modify any proposal made by it thereunder in such a manner as such Proponent believes will meet the objections of the Opposing Party or of any arbitrator, or (b) any party's right, pursuant to the other applicable provisions of these By-Laws or the Declaration, to make any Alteration to a Common Element without the Opposing Party's approval.

6.14 Restrictions on Use of Units.

6.14.1 In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, each Unit shall be used as described below.

6.14.1.1 A Residential Unit may be used only as a residence and, subject to compliance with the By-Laws, for a lawful home occupation. Each such Residential Unit may only be occupied by: (i) any individual who is a Unit Owner or permitted lessee; (ii) any officer, director, shareholder or employee of any corporation which is a Unit Owner or permitted lessee; (iii) any partner or employee of any partnership which is a Unit Owner or permitted lessee; (iv) any member or employee of any limited liability company which is a Unit Owner or permitted lessee; (v) the fiduciary or beneficiary or employee of any fiduciary which is a Unit Owner or permitted lessee; (vi) any principal or employee of any other entity (including, but not limited to, embassies and consulates of foreign governments) which is a Unit Owner or permitted lessee; provided that in each instance in clauses (ii) through (vi) above; (A) the designated officer,

director, shareholder, partner, member, fiduciary, principal or employee is designated as the primary occupant of the Residential Unit and is not being designated to use the Residential Unit on a transient basis or as other than the primary occupant; and (B) such use is not, in fact or in effect, part of or in furtherance of a program, plan, entity, agreement or other arrangement providing for short-term, fractional or shared use and/or ownership of such Residential Unit; and (vii) family members, domestic partners, domestic employees and/or non-paying guests of any foregoing.

6.14.1.2 A Residential Unit may be used for any purpose permitted by law, provided such use (1) does not violate the then existing certificate of occupancy for such Residential Unit, (2) does not adversely affect the use and enjoyment of neighboring or adjacent Residential Units, and (3) complies with all applicable governmental regulations.

6.14.1.3 No portion of a Residential Unit (other than the entire Residential Unit) may be sold, conveyed, leased or subleased, and no transient occupant (other than a guest permitted under this Subsection 6.14.1) may be accommodated therein.

6.14.1.4 Each Unit Owner shall notify the Managing Agent in writing when a child or children under the age of ten (10) years lives or resides (even temporarily) in the Residential Unit. Each Unit Owner shall install at such Unit Owner's expense, the required window guards in all windows of the Residential Unit. The Unit Owner shall maintain all window guards installed in the Residential Unit and shall not remove same until permitted by applicable law and in any event, without full knowledge of the Managing Agent. Please see the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board" for further details.

6.14.1.5 The Building will be smoke free. Unit Owners and their guests shall not permit cigarette, cigar, pipe or cannabis/marijuana smoking in the Building, nor the use of vapes or JUULs. The Board shall have the right to obtain a court order enjoining the occupant of a Residential Unit from smoking in the Units or the Common Elements and the Board shall have the right to seek the eviction of a tenant who smokes in a Unit or the Common Elements. In addition to all other remedies available to the Board, violation of this policy shall subject the Unit Owner to (i) a fine in an amount to be determined from time to time by the Board and (ii) reimbursement of any fees or expenses incurred by the Condominium, including legal fees, in enforcing this provision.

6.14.2 Notwithstanding the provisions of subsection 6.14.1, Declarant or its designee may, without the permission of the Condominium Board, (a) grant permission for the use of any Unsold Residential Unit as a professional office or for any purpose, provided such use is permitted by law, does not violate the Deed Restrictions, does not violate the then existing certificate of occupancy for such Residential Unit and the user of such Residential Unit complies with all applicable governmental regulations and (b) use any Unsold Residential Units as models and sales and/or promotion offices in connection with the sale or rental of the Units or for any other purpose, subject only to the provisions of the Declaration and these By-Laws and in compliance with applicable governmental laws and regulations.

6.14.3 The Condominium Board may, in its sole discretion, consent to the use of a Residential Unit as a professional or business 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 covering the Building. Any such consent shall be in writing and shall be personal to such Unit Owner. Any lessee of, or successor in title to, such Unit Owner shall be required to obtain the prior written consent of the Condominium Board before using such Residential Unit for any purpose other than that set forth in paragraph 6.14.1.

6.14.1 Subject to the certificate of occupancy for the Building and applicable Legal Requirements, the Storage Units may only be used for storage purposes by a Unit Owner or tenant of a Residential Unit. In no event may any of the Storage Units be used as a dwelling space. To do so may result in a violation placed against the Building by DOB that will be the obligation of the Unit Owner to remove. Since the Storage Units are located in the Cellar of the Building, which is a below-grade area, neither the Board nor Declarant can make any representation that the Storage Units will remain dry or will not experience any water infiltration and neither the Board nor Declarant will be responsible for any damage to items stored within the Storage Units. Unit Owners who store items in the Storage Units do so entirely at their own risk and Unit Owners are advised to consult with their insurance brokers regarding appropriate coverage for such items. Those Rules and Regulations of the Condominium which are applicable to the Residential Units shall also be applicable to the Storage Units.

6.15 Use of Common Elements.

6.15.1 Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

6.15.2 No furniture, packages or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators or any other parts of the Common Elements or Limited Common Elements other than in (a) Limited Common Elements for the exclusive use of a particular Unit Owner or (b) in the areas designated as storage areas or Storage Units, without the prior consent of the Condominium Board as to the Common Elements. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them.

6.15.3 Unit Owners shall require their tradesmen to utilize exclusively the elevator and entrance designated by the Condominium Board for transporting packages, merchandise or other objects.

6.15.4 The owner of any two (2) or more Units, which Units are serviced or benefited by any Common Element adjacent or appurtenant to such Units (for example, that portion at the end of any residential hallway which is directly adjacent to any such Residential Units located on opposite sides of such hallway) shall, to the extent permitted by law and with the consent of the Condominium Board (which consent shall not be unreasonably withheld or delayed), have the exclusive right of use of such Common Element as if it were a part of such Units (including the right, in the above example of a portion of a hallway, to enclose such portion) and no amendment to the Declaration nor reallocation of Common Interests shall be made, provided such owner agrees, at its sole cost and expense, to (a) be responsible for the operation,

maintenance and repair of such Common Element for so long as such owner exercises such exclusive right of use, and (b) restore such Common Element to its original condition, reasonable wear and tear excepted, after such owner ceases to exercise such exclusive right of use. The owner of any such Units which are Unsold Units shall have the rights set forth in the preceding sentence without the necessity for obtaining the consent of the Board. Notwithstanding the above, if an owner transfers or conveys his or her Unit to a successor owner, the transferor need not comply with (b) above provided that the transferee agrees to abide by (a) and (b) above.

6.16 Other Provisions as to Use.

6.16.1 No nuisance shall be allowed in the Condominium nor shall any use or practice be allowed in the Condominium which is a source of annoyance to the residents or occupants of the Property or which interferes with the peaceful possession or proper use of the Property by its residents or occupants. No immoral, improper, offensive or unlawful use shall be made of the Condominium or any portion thereof. All valid laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof, relating to any portion of the Property shall be complied with at the full expense of the respective Unit Owners or the Board, whoever shall have the obligation to maintain or repair such part of the Property.

6.16.2 The Board may, in its discretion, grant permission for the use of a Unit for a use other than its original intended use, provided such use is permitted by law or court order, does not violate the then existing Certificate of Occupancy for such Unit, these By-Laws or the Declaration, and the Unit Owner thereof complies with all Legal Requirements. Such permission by the Board shall be in writing and shall be personal to the Unit Owner. Any successor in title to such Unit shall be required to obtain the prior written approval of the Board before using such Unit for any purpose other than those expressly set forth above.

6.16.3 Declarant or its designee, without the permission of the Board, may (a) use or grant permission for the use of any Unsold Unit for any purpose (including, without limitation, use for a home occupation), provided such use is permitted by law or court order, does not violate the then existing Certificate of Occupancy for such Unit, and the user of such Unit complies with all applicable Legal Requirements; (b) use any one or more Unsold Residential Units as models and sales and/or leasing offices in connection with the sale or rental of the Units or for any other purpose, subject only to compliance with applicable Legal Requirements; and (c) lease Unsold Units to any party(ies).

6.16.4 Each Unit Owner shall promptly comply with all Legal Requirements applicable to its Unit. No Unit Owner shall use or permit the use of hazardous materials on, about, under, or in its Unit or the Property. Each Unit Owner agrees to indemnify and hold harmless the Board and each other Unit Owner from and against any and all claims or demands, including any action or proceeding brought thereon, and all costs, losses, expenses and liabilities of any kind relating thereto, including, but not limited to, costs of investigation, remedial response, and reasonable attorneys' fees and cost of suit, arising out of or resulting from any Hazardous Material used or permitted to be used by such Unit Owner on, about, under or in his or her Unit or the Property. As used herein, the term "Hazardous Materials" means petroleum products, asbestos, polychlorinated biphenyls, radioactive materials and all other dangerous, toxic or hazardous

pollutants, contaminants, chemicals, materials or substances listed or identified in, or regulated by, any Environmental Law; and "Environmental Laws" means all federal, state and local laws, rules, regulations, ordinances, requirements and orders whether now existing or hereafter enacted, promulgated or issued, regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material and/or the protection of human health and the environment.

6.17 Right of Access.

6.17.1 A Unit Owner shall grant a right of access to his or her Unit to the Declarant for the completion of the Building including but not limited to any punch list work in such Unit Owner's Unit, and to the Board, the managing agents, managers, Superintendent and/or any other person authorized by any of the foregoing. A Unit Owner shall grant a right of access to his or her Unit, and the Board shall grant rights of access to the Common Elements and the Limited Common Elements to Declarant and its contractors, subcontractors, agents and employees, for the completion of punch list work, provided that access thereto shall be exercised upon reasonable notice during reasonable hours in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. In an emergency, in the event the Condominium incurs any expense as a result of a Unit Owner's failure to provide access to the Unit or if access is otherwise impeded or the Unit Owner has failed to leave a full set of the Unit's keys with the Condominium's personnel at the Building, the Unit Owner shall reimburse the Condominium for the Condominium's costs in obtaining access including without limitation the cost of a locksmith.

6.18 Rules and Regulations. Annexed hereto as Schedule A and made a part hereof are rules and regulations (the "Rules and Regulations") concerning the use of the Common Elements and Limited Common Elements. The Condominium Board may from time to time, modify, amend or add to the Rules and Regulations except that a Majority of Unit Owners may overrule the Board with respect to any such modification, amendment or addition. The Condominium Board shall also have the authority to promulgate special rules and regulations concerning the use of storage space, if any, for the personal property of the Unit Owners.

6.19 Real Estate Taxes, Water Charges and Sewer Rents.

6.19.1 Water and sewer services shall be supplied to and for all of the Residential Units and the Limited Common Elements through one or more building systems by the City of New York. Except to the extent Unit Owners are billed directly by the City Collector, the Condominium Board shall pay all such charges, together with all related sewer rents arising therefrom, promptly after the bills for the same shall have been rendered.

6.19.2 Until the Units are separately assessed and billed for real estate tax purposes, the Board will pay all real estate taxes with respect to the Property to the Department of Finance of the City of New York (or directly to Declarant if Declarant has paid such taxes) and allocate the cost thereof among the individual Units, in proportion to the Units' percentage interests in the Common Elements as set forth in Schedule A of the Offering Plan. Each Unit Owner will then reimburse the Board for his or her allocated share. Such reimbursement shall be payable as if it were a Common Charge. Such taxes will be paid in a timely manner so that no lien will be placed

on the Condominium or any Unit. If Declarant fails to pay real estate taxes attributable to any Unsold Unit in a timely manner and as a result of such failure a lien is placed on the Condominium and/or any other Unit, Declarant will immediately cause such lien to be removed at its sole cost and expense. A Unit Owner will not be responsible for the payment of, and will not be subject to any lien arising from, the nonpayment of real estate taxes assessed against any other Units.

6.19.3 In the event of a proposed sale of any Unit, the Board (so long as the Board is still collecting and paying such real estate taxes and/or water charges and sewer rents), upon the written request of the selling Unit Owner, shall execute and deliver to the purchaser of such Unit or to such purchaser's title company, a letter agreeing to promptly pay all such taxes, charges and rents affecting such Unit Owner's Unit to the date of the closing of title to such Unit.

6.19.4 The Board shall commence, pursue, compromise and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to any or all of the Units on behalf of and as agent for the respective Unit Owners thereof, but only with respect to such Units as to which the respective Unit Owners thereof have, in writing requested and authorized the Board to do so, and indemnified the Board from and against all claims, costs and expenses (including, without limitation, attorneys' fees) resulting from such proceedings. All Unit Owners making such request to the Board will share the costs in connection therewith in proportion to the benefits derived therefrom by such Unit Owners. In the event any Unit Owner individually seeks to have the assessed valuation of its Unit reduced by bringing a separate certiorari proceeding, the Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies, defends and holds the Board harmless from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) resulting from such proceedings.

6.20 Heat. Heat for the Building shall be supplied by electric forced air heat pump units and the charges therefor shall be included in the allocation of electricity costs due from each Unit Owner as set forth herein.

6.21 Gas. Gas for the Condominium will be supplied from the Con Edison gas distribution system and charges therefor shall be paid by the Condominium Board. The cost of gas consumed in the Condominium will be allocated among the Residential Units in accordance with each Unit Owner's percentage residential Common Interest.

6.22 Electricity.

6.22.1 Electricity for each Unit shall be supplied to the Condominium through one or more electrical meters and the cost thereof shall be borne by each Unit Owner based upon sub-metering. However, the Condominium Board, at its sole discretion, shall have the right to require that electricity be supplied to the Condominium through a separate electric meter for each Unit (or portion thereof). Each Unit Owner shall be required to pay the bills for electricity consumed or used in his or her Unit either to the Board or to the utility company as directed by the Board, or, in the event separate meters are installed for each Unit (or portion thereof), directly to the utility company.

6.22.2 In the event the Property is sub-metered, no Unit Owners will be charged an amount (including any charge for billing costs) which exceeds the rate contemporaneously paid by customers who are served directly by the utility company and who are in the service classification that would be applicable if the Unit Owners were served directly by the utility company.

6.22.3 A Unit Owner who has a complaint about his or her sub-metered electricity bill shall first attempt to resolve any dispute regarding electrical service or charges with the Managing Agent. If a satisfactory resolution is not obtained then a Unit Owner shall bring said complaint in writing before the Condominium Board and shall send a copy of the complaint to the Managing Agent. If the Condominium Board is unable to provide a satisfactory resolution to the Unit Owner within thirty (30) days after the Condominium Board receives the complaint, then the complainant will be provided written notice of the grievance procedure rules summarized below and the complaint shall be submitted to arbitration proceedings which shall be conducted in accordance with the rules of the American Arbitration Association. The cost of such arbitration shall be paid by the Condominium Board. The American Arbitration Association shall be asked to appoint the arbitrator.

6.22.4 The arbitrator shall be obliged to provide a full and fair hearing within fifteen (15) days of the filing of the compliant with the arbitrator, unless the Unit Owner requests a longer period to prepare his case. At the hearing both sides may be represented by counsel or other designated persons, produce witnesses, submit documentary evidence and cross-examine adverse witnesses. The arbitrator shall be obligated to issue a written decision specifying the grounds for its decision and evidence relied upon therein, within ten (10) days of the hearing. The decision of the arbitrator shall be binding on all parties to the proceeding, and shall not be appealable. Records on all such complaints and decisions shall be maintained by the Condominium Board for at least three (3) years from the date the complaint is first brought.

6.22.5 Notwithstanding the fact that a Unit Owner has filed a complaint about an electricity bill or that an arbitration is pending or proceeding, the complaining Unit Owner must continue to pay his or her electricity bill to the Condominium Board or its agent. Failure to make any payment when due may subject the Unit Owner to penalties and/or interest charges, as the same may be established, from time to time by the Condominium Board. Any refund due a complaining Unit Owner will be paid or credited to such Unit Owner by the Condominium Board or its agent promptly upon receipt by the Condominium Board or its agent of such payment or credit from the utility company.

6.22.6 Rates and charges to be paid by Unit Owners shall be based on the actual cost of the energy consumed. The Condominium Board or its agent may charge the Unit Owner the actual cost of providing an electricity billing statement charged by the Managing Agent or a sub-metering company.

6.22.7 Nothing contained herein shall preclude the Condominium Board, on behalf of Unit Owners, from filing a complaint concerning electricity provided to the Property with the Public Service Commission.

6.23 Utilities Serving the Common Elements. Except as otherwise provided in this Article 6 or in "Schedule B, Budget for First Year of Condominium Operation" in Part I of the Plan, the cost and expense of water, sewer facilities, electricity and gas serving or benefiting any Common Element shall be considered part of the expense of maintaining such Common Element.

6.24 Abatement and Enjoinment of Violations by Unit Owners.

6.24.1 The violation of any of the Rules and Regulations or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Condominium Board the right, in addition to such other rights set forth in these By-Laws, (i) to enter any Unit, Common Element or Limited Common Element in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Board shall not thereby be deemed guilty or liable in any manner of trespass, or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach; and/or (iii) to levy such fines and penalties as the Board may deem appropriate, and the Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges.

6.24.2 The violation or breach of any of the provisions of these By-Laws, any of the Rules and Regulations or the Declaration with respect to any rights, easements, privileges or licenses granted to Declarant or its designee shall give to Declarant and its designee the right, in addition to any other rights set forth in these By-Laws or the Declaration, to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach.

6.25 Reimbursement of Condominium Expenses. A Unit Owner shall reimburse the Condominium for all expenses incurred by the Condominium (including but not limited to legal fees, disbursements and the cost of collection) as a result of the Unit Owner's failure to comply with the Declaration, these By-Laws or the Rules and Regulations.

6.26 Use of Storage Units.

6.26.1 Permitted Owners; Transfer.

(a) To help protect the security of the Building, the owner of a Storage Unit (other than Declarant) must at all times be the owner of a Residential Unit, provided, however, that the foregoing restriction shall not apply: (i) to Declarant or its designee; (ii) to the Board or its designees; or (iii) to Declarant's Construction Lender.

(b) Upon the issuance of a Storage Unit to a Unit Owner, such Unit Owner may freely convey such Storage Unit without the consent of the Board; provided such grantee is also a Unit Owner; and provided further that the Board is provided written notice of such conveyance. Neither Sponsor nor the Board shall have any liability or obligation with respect to a private conveyance of a Storage Unit.

(c) The Board has the authority to promulgate additional rules regarding the use of and access to the Storage Units and the procedures for conveying such Storage Unit.

6.26.2 The Storage Units may be used only by owners or occupants of the Residential Units and only for storage of the personal effects of the owners or tenants thereof, provided that no article or material that shall pose a threat to the health or safety of the Unit Owners or other occupants of the Building, or that shall cause the dissemination of noxious odors, dirt or other sanitary problems or otherwise create a nuisance, shall be permitted to be brought into or stored in any Storage Unit. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use any unsold Storage Units for any lawful purpose or to change the permitted use of any unsold Storage Units, subject, however, to the provisions of the Declaration.

6.26.3 Owners of Storage Units will be required to pay Common Charges to the Condominium in the amount determined by the Board. The Common Charges are subject to change from time to time as the Board deems necessary.

6.26.4 Upon the issuance of a Storage Unit Deed, such Unit Owner shall provide the Managing Agent with a copy of same.

6.26.5 Sponsor (or its designee), in its own name, shall have the exclusive right to initially issue Storage Unit Deeds. Thereafter, if a Unit Owner surrenders a Storage Unit without conveying such Storage Unit to another Unit Owner, the Board shall have the right to issue a new Storage Unit Deed for the corresponding Storage Unit upon terms and conditions determined in its sole discretion.

ARTICLE 7
MORTGAGES

7.1 Notice to the Board. A Unit Owner who mortgages his or her Unit, or the holder of any mortgage encumbering such Unit, shall notify the Condominium Board of the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Board. Such Unit Owner shall, prior to making such mortgage, satisfy all unpaid liens against his or her Unit other than Permitted Mortgages. A Unit Owner who satisfies a mortgage covering his or her Unit shall so notify the Board and shall file a conformed copy of the satisfaction of mortgage with the Board. The Board shall maintain such information in a book entitled "Mortgages of Units."

7.2 Notice of Default and Unpaid Common Charges. Whenever so requested in writing by a Permitted Mortgagee, the Condominium Board shall promptly report to such Permitted Mortgagee any default in the payment of Common Charges or any other default by the Unit Owner of such Unit under the provisions of the Declaration or these By-Laws or the Rules and Regulations which may to the Board's knowledge then exist. The Board, when giving notice to a Unit Owner of any such default, shall, if requested, also send a copy of such notice to any Permitted Mortgagee thereof. Notwithstanding the foregoing, the Board shall deliver all notices described hereunder to Declarant's Construction Lender without the necessity of a formal written request.

7.3 Performance by Permitted Mortgagees. The Board shall accept, by any Permitted Mortgagee of a Unit Owner, payment of any sum or performance of any act required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration, these By-Laws or the Rules and Regulations, with the same force and effect as though paid or performed by such Unit Owner.

7.4 Examination of Books. Each Unit Owner and Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times, on business days, but not more than twice a year.

7.5 Representatives of Mortgagees.

7.5.1 In the manner more particularly set forth in subsection 7.5.2, the holders of Institutional Mortgages (as hereinafter defined) may, at their election, designate one (1) or more (but not more than three (3)) representatives ("Mortgage Representatives") who shall be empowered to act on behalf of all holders of Institutional Mortgages, with respect to any matter requiring their consent or approval under the Declaration or these By-Laws. Notwithstanding the foregoing, for as long as the Construction Loan is held by Construction Lender, the Construction Lender shall be designated as a Mortgage Representative. If any Mortgage Representatives are so designated and notice thereof is given to the Board, as appropriate, the act of any such Mortgage Representative (or a majority of such Mortgage Representatives if more than one is so designated) shall be deemed binding upon the holders of all Institutional Mortgages. As used herein the terms "Permitted Mortgage" and "Institutional Mortgage" means any first mortgage covering a Unit, the initial holder of which is (i) Declarant or its designee, (ii) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust or mortgage trust, or (iii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system. For avoidance of doubt, the Construction Loan is a Permitted Mortgage and Construction Lender is a Permitted Mortgagee.

7.5.2 Any designation of a Mortgage Representative made by the holders of Institutional Mortgages, constituting a majority in principal amount of all Institutional Mortgages, shall be binding upon the holders of all Institutional Mortgages. Any such designation of any Mortgage Representative shall remain effective until (a) any subsequent designation thereof is made pursuant to the provisions hereof, and (b) notice of such subsequent designation is given to the Board. Unless otherwise required by law, all Permitted Mortgagees other than holders of an Institutional Mortgage, shall have no right to participate in the selection of Mortgage Representatives, but such Permitted Mortgagees shall be subject to all determinations made by such Mortgage Representatives, pursuant to the Declaration or these By-Laws.

7.6 Consent of Mortgagees. Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Board, officer or Unit Owner; provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against his mortgagor.

7.7 Rights of Permitted Mortgagees and Rights of Guarantors of a Mortgage.

7.7.1 Each Permitted Mortgagee and the guarantor of the mortgage on any Unit (a "Mortgagee") in the Condominium shall be given written notice within ten (10) days of:

(a) Any condemnation or casualty loss that affects either a material portion of the Condominium or the Unit securing the Mortgagee's mortgage;

(b) Any sixty (60) day delinquency in the payment of assessments or common charges owed by the owner of any Unit on which the Mortgagee holds the mortgage;

(c) A lapse, cancellation, or material modification of any insurance policy maintained by the Condominium or the Board unless said policy is simultaneously replaced; and

(d) Any proposed action that requires the consent of the holders of a specified percentage of mortgages.

7.7.2 A Permitted Mortgagee who obtains title to a Unit pursuant to the remedies in the mortgage or through foreclosure will not be liable for more than six (6) months of the Unit's unpaid, regularly budgeted Common Charges accrued before the acquisition of title to the Unit by the Permitted Mortgagee (with the exception of the Construction Lender, which shall not be liable for any of the unpaid Common Charges accrued prior to the acquisition of the Unsold Units). If the Condominium Board's lien priority includes costs of collecting the unpaid Common Charges, the lender will be liable for any fees or costs related to the collection of the unpaid Common Charges.

7.7.3 No provision in these By-Laws shall give a Unit Owner or any other party priority over the rights of the first mortgagee of the Unit pursuant to its mortgage in the case of payment to the Unit Owner of insurance proceeds or condemnation awards for losses to or taking a Unit and/or Common Elements.

7.7.4 Any amendment to these By-Laws of a material nature to Permitted Mortgagees shall be agreed to by mortgagees that represent at least fifty-one percent (51%) of the common interests that are subject to mortgages.

7.7.5 Any action to terminate the legal status of the Condominium after substantial destruction or condemnation occurs or for other reasons must be agreed to by mortgagees that represent at least fifty-one percent (51%) of the common interests that are subject to mortgages, as well as Declarant's Construction Lender until such time as the Construction Loan is paid in full.

7.7.6 Implied approval shall be assumed when a Mortgagee fails to submit a response to any written proposal for an amendment within 60 days after the Mortgagee receives proper notice of the proposal, provided the notice was delivered by certified or registered mail, with a return receipt requested. The foregoing shall not apply to Construction Lender.

7.7.7 The right of first refusal contained in Article 8 hereof will not apply to the rights of a mortgagee or its assignee to: (a) foreclose or take title to a Unit pursuant to the remedies

in the mortgage; (b) accept a deed or assignment in lieu of foreclosure in the event of a default by a mortgagor; or (c) sell or lease a Unit acquired by the mortgagee or its assignee.

ARTICLE 8
SELLING, LEASING AND MORTGAGING OF UNITS

8.1 Selling and Leasing. No Unit Owner, other than Declarant or its designee may sell or lease his or her Unit except by complying with the following provisions:

8.1.1 (a) Any Unit Owner who receives a bona fide offer to (a) purchase his or her Unit together with its appurtenant Common Interest, or (b) lease his or her Unit (such offer to purchase or lease a Unit, as the case may be, is called an "Outside Offer", the party making any such Outside Offer is called an "Outside Offeror" and the Unit Owner to whom the Outside Offer is made is called an "Offeree Unit Owner"), which he or she has accepted, shall give notice by certified or registered mail, return receipt requested, to the Condominium Board of the acceptance of such Outside Offer. Said notice shall include the name and address of the Outside Offeror, the terms of the proposed transaction (including, but not limited to, the intended Closing Date in the event of a purchase or intended occupancy dates in the event of a lease), a copy of the fully executed purchase and sale agreement or other transfer agreement or the lease or other occupancy agreement, as the case may be, (the "Unit Lease" or "Transfer Agreement") the completed purchase or lease application in the Condominium's standard form, and such other information as the Board may reasonably require.

(b) The giving of such notice to the Condominium Board, on behalf of all the Unit Owners represented by the Board, shall constitute an offer by such Unit Owner to sell his or her Unit together with its appurtenant Common Interest or to lease his or her Unit to the Board, or its designee, corporate or otherwise, upon the same terms and conditions as contained in such Outside Offer and shall also constitute a representation and warranty by the Unit Owner to the Board acting on behalf of all Unit Owners that such Unit Owner believes the Outside Offer to be bona fide in all respects. The Offeree Unit Owner shall submit in writing such further information with respect thereto as the Board may reasonably request. Not later than twenty (20) days after receipt of such notice together with such information as may have been requested, the Board may elect, by sending written notice to such Offeree Unit Owner before the expiration of said twenty (20) day period, by hand delivery or by certified or registered mail, return receipt requested, to purchase such Unit together with its appurtenant Common Interest or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise), on behalf of all Unit Owners represented by the Board, upon the same terms and conditions as contained in the Outside Offer and as stated in the notice from the Offeree Unit Owner.

(c) Notwithstanding anything contained herein to the contrary, to the extent permitted by Law, the Board shall not be obligated to exercise the option herein contained and the sale or lease shall not proceed in the event the Board determines that the purchaser, lessee or anyone anticipated to be residing, the lessee or anyone residing with them has been convicted of a violent crime or child molestation in which event the Board shall not be required to exercise the right of first refusal and the Unit Lease or Transfer Agreement shall be void ab initio.

8.1.2 In the event the Condominium Board shall timely elect to purchase a Unit together with its appurtenant Common Interest or to lease such Unit or to cause the same to be purchased or leased by its designee, corporate or otherwise, then (a) with respect to a purchase, title shall close at the office of the attorneys for the Board, in accordance with the terms of the Outside Offer, within forty-five (45) days after the giving of notice by the Board of its election to accept such offer and (b) with respect to a lease, the lease, upon the terms set forth in the Outside Offer, shall be executed and deemed effective on the date the Board elects to accept such offer. Notwithstanding the foregoing, in the event that the Closing Date with respect to a purchase or the commencement date of the term of the lease, as the case may be, set forth in the Outside Offer, shall be later than forty-five (45) days after the giving of notice by the Board of its election to accept the aforesaid offer, the Board shall be required to perform or cause to be performed all of the terms of the Outside Offer (except as otherwise expressly set forth in this Article 8) including, but not limited to, payment of a downpayment or advance rentals and security deposits, as the case may be, and such closing of title or the commencement of the term of the lease shall be the date set forth in the notice to the Board referred to in subsection 8.1.1 as the intended closing date or commencement date, as the case may be. If pursuant to such Outside Offer, the Outside Offeror was to assume or take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, the Board may purchase the Unit and assume or take title to the Unit subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Unit Owner, if such Unit together with its appurtenant Common Interest is to be sold, shall convey the same to the Condominium Board, or to its designee, corporate or otherwise, on behalf of all Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York, with all tax and/or documentary stamps affixed at the expense of such Offeree Unit Owner, who shall also pay all other taxes arising out of such sale. Real estate taxes (including water charges and sewer rents if separately assessed), mortgage interest, if any, and Common Charges shall be apportioned between the Offeree Unit Owner and the Board, or its designee, corporate or otherwise, as of the Closing Date. In the event such Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Board, or to its designee, corporate or otherwise, a lease between the Offeree Unit Owner, as landlord, and the Board, or its designee, corporate or otherwise, as tenant, covering such Unit, for the rental and term contained in such Outside Offer.

8.1.3 In the event the Board or its designee shall fail to accept such offer within 20 days after receipt of notice, as aforesaid, the Offeree Unit Owner shall have an additional 60 days to accept the Outside Offer by executing and delivering a contract or lease, as the case may be. In the event the Offeree Unit Owner shall not, within such 60-day period, accept in writing the Outside Offer, or if the Offeree Unit Owner shall accept the Outside Offer within such sixty (60) day period but such sale or lease, as the case may be, shall not be consummated within an additional sixty (60) days following the expiration of such sixty (60)day period, then, should such Offeree Unit Owner thereafter elect to sell such Unit together with its appurtenant Common Interest or to lease such Unit, as the case may be, the Offeree Unit Owner shall be required to again comply with all the terms and provisions of this Section 8.1. Notwithstanding the foregoing, the Condominium Board, in its discretion, may waive the Offeree Unit Owner's obligation to comply with either or both of the sixty (60) day periods described herein or may extend either or both such periods, provided that such waiver or extension shall only be effective if in writing.

8.1.4 Any deed to an Outside Offeror shall be deemed to provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, these By-Laws and the Rules and Regulations, as the same may be amended from time to time.

8.1.5 Any lease executed in connection with the acceptance of any Outside Offer to lease a Unit shall be consistent with these By-Laws and shall provide that the lease may not be materially modified, amended or extended without the prior consent in writing of the Condominium Board, that the term of the lease shall not be shorter than thirty (30) days, that the tenant shall not assign his interest in such lease or sublet the demised premises or any part thereof without the prior consent in writing of the Board and that the Board, if permitted by applicable law, shall have power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of (i) a default by the tenant in the performance of its obligations under such lease, or (ii) a foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York.

8.1.6 Except as hereinbefore set forth, the form of any such lease executed by the Condominium Board or an Outside Offeror shall be a printed, reasonably applicable form of residential lease which is generally approved by the Board which governs the Unit to be leased and is accepted in New York City, such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, and shall contain such modifications as shall be approved in writing by the Board. Any lease executed by the Condominium Board as tenant shall provide that the Board may enter into a sublease of the premises without the consent of the landlord.

8.1.7 The foregoing restrictions of this Section 8.1 shall not apply to Unsold Units (including the lease of a Unit to Declarant or its designee). Declarant or its designee shall have the right to freely sell their respective Units, or to freely lease all or any part of the Unsold Units, as the case may be, without having to first offer the same for sale or lease to the Board.

8.1.8 On the closing of the transfer or sale of each Unit, the purchaser or transferee shall make a non-refundable contribution to the Condominium Working Capital Fund and Reserve Fund, each equal to one month's Common Charges. This provision shall not apply to the acquisition of Unsold Units by Construction Lender.

8.1.9 Purchasers who have diplomatic immunity will be required to expressly waive any and all immunity from suit by the Sponsor and the Board. In addition, any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) will be required at the time of closing of title to such Purchaser's Unit, to deposit with the Board an amount equal to two years' estimated Common Charges. Notwithstanding anything contained in this Article 8 to the contrary, to the extent permitted by Law, the Condominium Board shall have the right to reject the purchase or lease of a Unit without the necessity of exercising a right of first refusal if the Purchaser or lessee of a Unit or a person who will be residing in their Residential Unit has diplomatic immunity or has been convicted of a violent crime or child molestation.

8.1.10 In order to facilitate the Sponsor's sale of the Residential Units, prior to one (1) year after a Purchaser's Closing on its Residential Unit, a Purchaser will not be permitted to sell his or her Residential Unit(s), nor list, advertise, promote or publicize the availability of his or her Residential Unit for resale (with any broker or otherwise), without obtaining the Sponsor's prior written approval. In the event that Purchaser violates the foregoing prohibition, any sums received by Purchaser in excess of the Purchase Price paid by Purchaser shall be paid to the Sponsor as liquidated damages. In addition, any lease or conveyance in violation of the foregoing will be voidable by Sponsor. The foregoing limitations on sale will not be applicable after all Residential Units are sold.

8.1.11 Leases of Residential Units, other than Unsold Residential Units, may not be for terms shorter than one (1) year.

8.2 Consent of Unit Owners to Purchase or Lease of Units by Condominium Board. The Condominium Board shall not exercise any option hereinabove set forth to purchase or lease any Unit without the prior approval of a Majority of Unit Owners, unless the Board is assigning its rights to a third party including another Unit Owner or a member of the Board and the Condominium will not incur any expense as a result, in which event Unit Owner consent shall not be required. However, the Condominium Board shall have the right to release or waive such option without the prior approval of a Majority of Unit Owners.

8.3 No Severance of Ownership. No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his Unit without including therein its appurtenant Common Interest, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the Common Interest appurtenant to 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 interest is appurtenant or as part of a sale, conveyance or other disposition of such part of the appurtenant Common Interests of all Units. Nothing in this Section 8.3 shall permit the lease of any Unit without the simultaneous lease of its appurtenant Common Interest.

8.4 Release by Condominium Board of Right of First Refusal. The right of first refusal contained in 8.1 may be released or waived by the Condominium Board only in the manner provided in 8.5. In the event the Condominium Board shall release or waive its right of first refusal as to any Unit, such Unit together with its appurtenant Common Interest may be sold, conveyed or leased, free and clear of the provisions of subsection 8.1.1 and 8.1.2, provided that such sale, conveyance or lease occurs within any applicable time periods required pursuant to 8.1.3.

8.5 Certificate of Termination of Right of First Refusal. A certificate executed by an officer of the Condominium stating that the provisions of subsection 8.1.1 have been met by a Unit Owner or stating that the right of first refusal contained therein has been duly released or waived by the Condominium Board, and that as a result thereof the rights of the Board thereunder have terminated (provided that any sale, conveyance or lease occurs within any applicable time periods required pursuant to subsection 8.1.3), shall be conclusive upon the Board and the Unit

Owners in favor of all persons who rely on such certificate in good faith. The Condominium Board shall furnish such certificate upon request to any Unit Owner with respect to whom the provisions of subsection 8.1.1 have, in fact, terminated.

8.6 Financing of Purchase of Units by Condominium Board; Use of Proceeds Upon Sale. The purchase of any Unit by the Condominium Board or its designee, on behalf of all Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Board. If the funds in such accounts are insufficient to effectuate any such purchase, the Condominium Board may levy an assessment against each Unit Owner in proportion to his respective Common Interest, as a Common Charge, and/or the Board may, in its discretion, finance the acquisition of such Unit; provided, however, 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 (their) appurtenant Common Interest(s). In the event the Condominium Board sells a Unit, the proceeds of such sale shall be placed into a reserve fund established by, and used in the discretion of, the Condominium Board.

8.7 Exceptions. The provisions of Section 8.1 shall not apply with respect to any lease, sale or conveyance of any Unit together with its appurtenant Common Interest by (a) the Unit Owner thereof to his or her spouse, adult children or grandchildren, parents, grandparents, adult siblings or to any one or more of them or to any affiliate of the Unit Owner thereof, (b) Declarant, its designee or the owner of an Unsold Unit, (c) the Condominium Board, (d) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure, or (e) a Permitted Mortgagee or his nominee, who has acquired title to any Unit at any foreclosure sale of his Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction; provided, however, that each succeeding Unit Owner shall be bound by, and his Unit subject to, the provisions of this Article 8. The term "affiliate" shall be deemed to be an individual or entity which owns more than fifty percent (50%) of the legal and beneficial interest of such Unit Owner, or an entity with respect to which such Unit Owner owns more than fifty percent (50%) of the legal and beneficial interest.

8.8 Gifts and Devises, etc. Any Unit Owner shall be free to convey or transfer his or her Unit by gift, or may devise his or her Unit by will or have his or her Unit pass by intestacy, without being subject to the restrictions of Section 8.1; provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit subject to, the provisions of this Article 8.

8.9 Unauthorized Sales or Leases of Units. Any purported sale or lease of a Unit consummated in violation of Section 8.1 or 8.3 shall be voidable at the election of the Condominium Board and if the Board shall so elect, the Unit Owner shall be deemed to have authorized and empowered the Board to institute legal proceedings to eject the purported purchaser (in case of an unauthorized sale) or to evict the purported tenant (in case of an unauthorized leasing), in the name of the said Unit Owner as the owner or landlord, as the case may be. Said Unit Owner shall reimburse the Board for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings.

8.10 Charges Imposed on Sale or Lease of Units. The Condominium Board shall be entitled to fix by resolution and collect, before any sale or lease of a Unit is consummated, a

reasonable charge to cover its expenses, and any fees due the Managing Agent or any attorney retained by the Board, in connection with the sale or lease. If such charge is adopted, it shall be added to, and constitute a portion of, Common Charges payable by the selling or leasing Unit Owner. The aforementioned charge shall not apply to the lease of a Unit to or from Declarant or its designee, to the acquisition of Unsold Units by Construction Lender, to the sale or lease of Unsold Units by Declarant or its designee, or to the sale or lease of Unsold Units by a Permitted Mortgagee of Declarant that acquires title to Unsold Units. Upon the acquisition of a Unit, Purchasers of Units (that are not Unsold Units) shall also pay to the Condominium Board one month's Common Charges as a non-refundable contribution to the Working Capital Fund and one month's Common Charges as a non-refundable contribution to the Reserve Fund.

8.11 Power of Attorney. At the time of acquiring title to a Residential Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and make arrangements for recording in the New York City register's office, the Unit Power of Attorney required by Article 16 of the Declaration, in the form set forth as Exhibit E to the Declaration.

8.12 Notices Concerning Unit Occupancy. Within five (5) days following acquisition of a Unit or the commencement of a lease relating thereto, the new Unit Owner or lessor, as the case may be, shall notify the Managing Agent of the Unit involved, the name of the purchaser or lessee and the names of the individuals, as permitted by the By-Laws, who will be using or occupying the Unit. The individuals so designated may be changed by the purchaser or lessor, from time to time, by further notice to the Managing Agent.

8.13 Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common. In the event that any Unit shall be acquired by the Condominium Board, or its respective designees, corporate or otherwise, on behalf of all Unit Owners, as tenants-in-common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit as herein provided.

8.14 Payment of Assessments. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate or lease his Unit unless and until he shall have paid in full to the Board all unpaid Common Charges theretofore assessed by the Board against such Unit and until such Unit Owner shall have satisfied all unpaid liens against his Unit other than Permitted Mortgages.

8.15 Mortgage of Units. Subject to Article 7 and Section 8.14 hereof, each Unit Owner shall have the right to mortgage the Unit Owner's Unit without restriction, provided that, with respect to any mortgage covering a Unit, the Unit Owner making such mortgage shall notify in writing the Condominium Board of the making of such mortgage.

8.16 Transfer of Units to Trusts and Other Entities. No Unit shall be transferred to a trust or any other entity unless the Condominium Board receives, prior to or at the closing in a form determined by the Board (a) a written designation of the state and federal courts in New York City as a jurisdiction for any dispute between the owner and the Condominium, (b) a written designation by the purchaser of an agent for service of process in New York City, (c) a guaranty of the Common Charges and assessments signed by an individual on behalf of the entity purchasing the Unit and (d) an occupancy agreement identifying who will be residing in the Residential Unit.

8.17 Lease or Purchase of Residential Unit or Other Apartment for Superintendent's Residence. The Condominium Board shall have the right to lease or purchase a Residential Unit or other apartment for the Superintendent's use and shall have the right to amend, modify, extend, renew and otherwise deal in any way with respect to any such lease without the approval of a Majority of Unit Owners.

8.18 Transfer of Interests in Entities Owing Units. In the event a Unit is owned by an entity, a transfer of interest in the entity shall be considered a transfer of the Unit and the Board shall have the same right of first refusal to purchase the interests in the entity.

ARTICLE 9
CONDEMNATION

9.1 In the event of the taking in condemnation or by eminent domain of all or any part of the Common Elements ("Taking"), then, subject to the provisions set forth below, the Board will arrange for the prompt repair and restoration of the part of the Common Elements affected by such Taking. The award made for any such Taking shall be payable to the Board, provided, however, that if any such award exceeds $1,000,000, such award shall be payable to the Insurance Trustee (as hereinafter defined) and shall be disbursed to the contractors engaged in such repair and restoration, if any, in appropriate progress payments ("Condemnation Award"). If the net proceeds of any such Condemnation Award are insufficient to cover, or if such net proceeds exceed, the cost of any repairs and restorations, the deficit or surplus, as the case may be, will be borne and shared by all Unit Owners with respect to any Taking of the Common Elements and/or Limited Common Elements pro rata in accordance with their respective Common Interests percentages; provided, that the amount of any surplus payable to any Unit Owner shall be lessened by such amounts as may be necessary to reduce unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Unit in the order of the priority of such liens.

9.2 Notwithstanding any provisions contained herein to the contrary, if seventy-five percent (75%) or more of the Common Elements, in the aggregate, are so taken, such repairs or restorations shall not be made unless at least eighty percent (80%) or more of all affected Unit Owners (including Sponsor or its designee, if they shall then own any Units), in both number and aggregate Common Interests, promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the repairs and restoration shall be performed as set forth above. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the repairs and restoration shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the sale, and net proceeds of any Condemnation Award shall be divided among all Unit Owners by apportioning such proceeds in the aggregate among Unit Owners pursuant to an appraisal of fair market values to be performed by a panel of three (3) independent appraisers; provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of his or her share of such funds, such amounts as may be necessary to discharge all unpaid liens on its Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens. As used in this Article 9, the words "promptly resolve" shall mean not more than 60 days after the date notice is given of such Taking. Any dispute between the Board and a Unit Owner under this Article 9 shall be settled by Arbitration (as provided in Article 11).

ARTICLE 10
RECORDS AND AUDITS

10.1 Records. The Board or the Managing Agent for the Board, if any, shall keep detailed records of the actions of the Board, minutes of the meetings of the Board, minutes of the meetings of the Unit Owners and financial records and books of account with respect to the activities of the Board, including a listing of all receipts and expenditures. In addition, the Condominium Board shall keep a separate account for each Unit, which, among other things, shall contain the amount of each assessment of Common Charges made by the Condominium Board against each such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

10.2 Audits. Within four months after the end of each fiscal year, an annual report of receipts and expenditures prepared and certified by an independent certified public accountant shall be submitted by the Condominium Board to all Unit Owners and, if so requested, to any Permitted Mortgagee, as the case may be. The cost of such report submitted by the Board as a Common Expense.

10.3 Availability of Documents. Copies of the Declaration, these by-laws, the Rules and Regulations and the Floor Plans, as 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.

10.4 Unit Owner Privacy. Notwithstanding anything contained herein to the contrary, in order to maintain the privacy of the Unit Owners, in the event a Unit Owner provides the Managing Agent with the Unit Owner's email address, telephone number or an address other than the Building, neither the Board nor the Managing Agent shall disclose it without the prior written consent of the Unit Owner.

ARTICLE 11
ARBITRATION

11.1 General Procedure. All disputes between Unit Owners or, at the election of the Board between the Board and Unit Owners and any arbitration provided for in these By-Laws shall be conducted before one arbitrator in New York City by JAMS or any successor organization thereof, in accordance with its rules then in effect and the decision rendered in such arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. In the event that JAMS is not then in existence and has no successor, any arbitration hereunder shall be conducted in New York City before one arbitrator appointed, on application of any party, by any justice of the highest court of appellate jurisdiction located in the County of New York. The decision of the arbitrator so chosen shall be given within ten (10) days after his appointment. Any arbitrator appointed or selected in connection with any arbitration hereunder shall be a member of a law firm whose principal office is in the Borough of Manhattan and which has at least five members.

11.2 Costs and Expenses. The fees, costs and expenses of the arbitrator will be borne

by the losing party in the arbitration or, if the position of neither party to the dispute will be substantially upheld by the arbitrator, such fees, costs and expenses will be borne equally by the disputants. Each disputant will also bear the fees and expenses of his counsel and expert witnesses. 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, will constitute Common Expenses.

11.3 Agreement by Parties. The parties to any dispute required or permitted to be submitted to arbitration hereunder may, by mutual agreement between them, vary any of the provisions of 11.1 with respect to the arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Court Determination of Disputes."

11.4 JAMS. The Parties shall bear the costs of their own expenses and witness preparation. The Parties shall equally share the costs of the JAMS administrative fees, including the Arbitrator's compensation. The Arbitrator shall award to the prevailing Party, if any, the costs and attorneys' fees reasonably incurred by the prevailing party in connection with the Arbitration. The prevailing Party shall be reimbursed for their share of the JAMS administrative expenses.

11.5 Confidentiality. The Parties shall maintain the confidential nature of the Arbitration proceeding and the award, including the hearing, except as may be necessary to prepare for or conduct the arbitration hearing on the merits, or except as may be necessary in connection with a court application for a preliminary remedy, a judicial challenge to an award or its enforcement, or unless otherwise required by Law or judicial decision.

11.6 **Limitation on Litigation** Prior to bringing any lawsuit, arbitration or administrative proceeding other than to collect unpaid common charges or assessments, the Condominium Board shall obtain the written consent of at least three quarters of the Units and the common interests. At least ten days prior to seeking the consents from the Unit Owners, the Unit Owners shall receive (a) a description of the Claim that the Board intends to pursue, the relief sought, the anticipated duration of prosecuting the Claim, and the likelihood of success; (b) a copy of the engagement letter or retainer agreement between the Board and the attorney selected by the Board to assert or provide assistance with the Claim, which shall prevent the attorney from issuing any press releases or giving interviews with or otherwise communicating with the media without the specific permission of the Board; (c) a budget for the cost of bringing the Claim, whether incurred by the Board directly or for which the Board or the Unit Owners may be liable as a result of prosecuting the Claim; (d) a summary of the steps previously taken by the Board to resolve the Claim without litigation; (e) a statement that initiating the Proceeding may affect the market value, marketability, or refinancing of Units while the Claim is pending; (f) a description of the manner in which the Board proposes to fund the cost of prosecuting the Claim; and, (g) a letter from the attorney retained by the Board with an analysis of the Claim and the likelihood of success (the "Litigation Disclosure"). In the event an attempt is made to eliminate or modify this provision by amending the By-Laws, the Unit Owners who do not vote in favor of the amendment to the By-Laws, shall continue to receive the Litigation Disclosure prior to the Board commencing

a litigation. Amending the By-Laws to eliminate the dissenting or non-voting Unit Owners' right to receive the Litigation Disclosure shall require a unanimous consent of all Unit Owners.

ARTICLE 12
MISCELLANEOUS

12.1 Waiver. No provision contained in these By-Laws or the Rules and Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

12.2 Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws nor the intent of any provision hereof.

12.3 Certain References.

12.3.1 A reference in these By-Laws to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

12.3.2 The terms "herein," "hereof" or "hereunder" or similar terms used in these By-Laws refer to these entire By-Laws and not to the particular provision in which the terms are used, unless the context otherwise requires.

12.3.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of these By-Laws.

12.3.4 Unless otherwise expressly stated herein to the contrary all references herein to dollar amounts shall be adjusted from time to time, after the date this Declaration is entered into, to reflect any increase in the cost of living, as reflected by an increase in the CPI Increase Factor. The term "CPI Increase Factor" as used herein shall mean an increase proportionate to any increase in the cost of living from the date of the initial recording of the Declaration, as reflected by the change in the Consumer Price Index (CPI-U; All Items; 1982-84 = 100 standard reference base period) for New York, New York (or the smallest measured area including New York, New York), as published by the Bureau of Labor Statistics, United States Department of Labor or, if the same ceases to be published, a commonly used substitute therefore reasonably selected by the Board.

12.4 Severability. Subject to the provisions of the Declaration, if any provision of these By-Laws is invalid or unenforceable as against any person, party or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by law. In the event any provision of these By-Laws or the Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

12.5 Insurance Trustee. The Insurance Trustee shall be a bank or trust company in The City of New York, designated by the Condominium Board and having a capital surplus and undivided profits of $500,000,000 or more. In the event the Insurance Trustee resigns or the Condominium Board wishes to replace it, the Condominium Board shall promptly appoint a new Insurance Trustee. The Condominium Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense. The Insurance Trustee shall hold all such proceeds in accordance with Section 254(4) of the Real Property Law of the State of New York. Declarant's Construction Lender shall be the Insurance Trustee until its release of all Units from the lien of its mortgage.

12.6 Successors and Assigns. Except as set forth herein or in the Declaration to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee or, with the consent of Declarant or its designee, any transferee of some or all of the Unsold Units then owned by Declarant or its designee, as the case may be. Subject to the foregoing, Declarant, and/or its designee, as the case may be, shall have the right, at any time in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

12.7 Covenant of Further Assurances.

12.7.1 Any party which is subject to the terms of these By-Laws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Residential Unit, a member or officer of the Board, or otherwise, shall, upon prior reasonable written request at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of these By-Laws or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

12.7.2 If any Unit Owner, the Board or other party which is subject to the terms of these By-Laws fails, within ten (10) days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, the Board or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, or (ii) to deliver a written notice to the party requesting such execution, acknowledgment or delivery, and to the Board, stating the reasons why such Unit Owner, the Board or other party refuses to execute, acknowledge or deliver such instrument or take such action, then the Board or other party is hereby authorized, as attorney-in-fact for such Unit Owner, Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, the Board or other party and such document or action shall be binding on such Unit Owner, Board or other party.

12.7.3 If any Unit Owner, the Board or other party which is subject to the terms of these By-Laws fails, within ten (10) days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, the Board or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request

of Declarant or its designee, or (ii) to deliver a written notice to Declarant or its designee, as applicable, and to the Board representing such Unit Owners stating the reasons why such Unit Owner, the Board or other party refuses to execute, acknowledge or deliver such instrument or take such action, then Declarant or its designee is hereby authorized, as attorney-in-fact for such Unit Owner, the Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner, the Board or other party and such document or action shall be binding on such Unit Owner, the Board or other party, as the case may be.

12.8 Indemnity. In the event Unit Owner requests that the Board's employees perform services for the Unit Owner, which are not the Board's obligation to perform, including but not limited to repairs and alterations to the Unit Owner's Unit, the Unit Owner shall indemnify the Board and save the Board harmless from any liability, loss, damage and expense arising from injury to any person (including the employee) or property when occurring while the employee is performing such work.

ARTICLE 13
AMENDMENT TO BY-LAWS

13.1 Amendments by Unit Owners. Except as specifically provided herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its designee or any Unsold Units, any provision of these By-Laws may be added to, amended, modified or deleted by the vote of at least 66-2/3% in number and in Common Interest of all Unit Owners taken in accordance with the provisions of these by-laws, provided, however, that the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners directly affected. Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, Permitted Mortgagees, or any Unsold Units, any such amendment, modification, addition or deletion shall be executed by the Condominium Board, as attorney-in-fact for all Unit Owners, coupled with an interest, which Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact. Notwithstanding the foregoing and subject to the provisions contained herein or in the Declaration with respect to amendments affecting Declarant or its designee or any Unsold Units, no amendment, modification, addition or deletion pursuant to the provisions of clause (a) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any.

13.2 Scrivener Errors. Notwithstanding anything to the contrary contained herein or in the Declaration, the Condominium Board may amend these By-Laws without the consent of any Unit Owner or Permitted Mortgagee, but upon at least ten (10) days written notice to the Unit Owner and Permitted Mortgagee, to correct or supplement any patent mistakes, inconsistencies or scrivener errors.

13.3 Deemed Approval Provision. Notwithstanding anything to the contrary contained herein, if any Unit Owner is notified in writing that its consent to a proposed amendment or modification to the Declaration, these By-Laws or the Rules and Regulations is requested, then,

provided that such notice contains a copy of the proposed amendment or modification (and a statement in bold capital letters to the effect that if such Unit Owner does not notify the sending party in writing within ten (10) business days after such Unit Owner receives such notice (together with a copy of such amendment or modification), that such Unit Owner disapproves such proposed amendment or modification, then such Unit Owner shall be deemed to have approved such amendment or modification), if such Unit Owner does not notify the sending party in writing within ten (10) business days after such Unit Owner receives such notice (together with a copy of such amendment or modification), that such Unit Owner disapproves such proposed amendment or modification, then such Unit Owner shall be deemed to have approved such amendment or modification. The provisions of this Section 13.3 shall not apply to notices given to Sponsor or any other holder of Unsold Units requesting the Sponsor's or such holder's consent to a proposed amendment or modification.

ARTICLE 14
CERTAIN DAMAGES

14.1 Self Help. If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his part to be observed or performed, including, without limitation, any breach of his obligation to paint, decorate, maintain, repair, or replace his or her Unit or its appurtenant Limited Common Elements, if any, pursuant to the terms of Article 6 hereof, and shall fail to cure such violation or breach within five (5) days after receipt of written notice of the same from the Condominium Board, the Managing Agent, or any manager (or, with respect to any violation or breach of the same not reasonably susceptible to cure within such period, to commence such cure within such five (5) day period and, thereafter, to prosecute such cure with due diligence to completion), the Condominium Board shall have the right to enter such Unit Owner's Unit and/or its appurtenant Limited Common Elements, if any, and summarily to abate, remove, or cure such violation or breach without thereby being deemed guilty or liable in any manner of trespass. In addition, in the event that the Condominium Board shall determine that the abatement, removal, or cure of any such violation or breach is immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals or is required to avoid the suspension of any necessary service in the Building, the Condominium Board may take such action immediately, without prior notice and without allowing the said Unit Owner any period of time within which to cure or to commence to cure such violation or breach.

14.2 Abatement and Enjoinment.

(A) In the event that any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his part to be observed or performed, the Condominium Board shall have the right (i) to enter any Unit or Common Elements in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Condominium Board shall not thereby be deemed guilty or liable in any matter of trespass, and/or (ii) to enjoin, abate, or remedy the continuance or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity, provided that the Condominium Board gives the Unit Owner notice (which may be by telephone or in writing) that such violation exists, that repairs or replacements are necessary and that the Condominium Board will complete

such repairs or replacements in the event the Unit Owner does not promptly act or complete the repairs or replacements, and/or (iii) to levy such fines and penalties as the Condominium Board may deem appropriate, and the Condominium Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges.

(B) The violation or breach of any of the terms of the By-Laws with respect to any rights, easements, privileges, or licenses granted to Declarant shall give to Declarant the right to enjoin, abate, or remedy the continuation or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity.

14.3 Remedies Cumulative. The remedies specifically granted to the Condominium Board or to Declarant in this Article 14 or elsewhere in the By-Laws shall be cumulative, shall be in addition to all other remedies obtainable at law or in equity and may be exercised at one time or at different times, concurrently or in any order, in the sole discretion of the Condominium Board or Declarant as the case may be. Further, the exercise of any remedy shall not operate as a waiver, or preclude the exercise, of any other remedy.

14.4 Costs and Expenses. All sums of money expended, and all costs and expenses incurred, by (i) the Condominium Board in connection with the abatement, enjoinment, removal, or cure of any violation, breach, or default committed by a Unit Owner pursuant to the terms of Section 14.1 or paragraph (A) of Section 14.2 hereof or (ii) Declarant in connection with any abatement, enjoinment, or remedy of any violation or breach of the Condominium Documents pursuant to the terms of paragraph (B) of Section 14.2 hereof, shall be immediately payable by (a) in the event set forth in subparagraph (i) hereof, such Unit Owner to the Condominium Board or (b) in the event set forth in subparagraph (ii) hereof, the offending party (i.e., the Condominium Board or the Unit Owner) to Declarant, as the case may be, which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of two percent per month (but in no event in excess of the maximum rate chargeable to such Unit Owner pursuant to Law). All sums payable by a Unit Owner to the Condominium Board pursuant to the terms of this Section 14.4 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

14.5 Liability for Litigation Costs. If any Unit Owner, tenant, purchaser or an applicant to purchase or lease a Residential Unit, institutes any action or proceeding against the Condominium, its officers, Board Members, agents or employees, relating to the By-Laws, the Rules and Regulations or the affairs of the Condominium and if there is an adverse determination by the court against the Unit Owner, tenant, purchaser or applicant or the action or proceeding is dismissed, then on a determination by the court that such action or proceeding was not brought in good faith, (a) such Unit Owner, tenant, purchaser or applicant shall reimburse the Condominium for the attorneys' fees and disbursements incurred by the Condominium in such action or proceeding or in the enforcement of this provision, and (b) the Condominium shall have the right to collect the same as an assessment against the Unit Owner or rent against the subtenant. By applying to purchase or lease a Residential Unit, an applicant to purchase or lease a Residential Unit agrees to be bound by this provision. The effective date of this provision is the date that it is approved by two thirds of the Unit Owners and all actions and proceedings brought or new causes of action alleged in then existing actions or proceedings subsequent to such date shall be expressly subject to this provision.

SCHEDULE A
RULES AND REGULATIONS

(1) The sidewalks, entrances, passages, public halls, elevators, vestibules, corridors and stairways of the Condominium shall not be obstructed or used for any other purpose than ingress to and egress from the Building, Common Elements and/or Units.

(2) No article (including, but not limited to, garbage cans, bottles or mats) shall be placed in any of the passages, public halls, vestibules, corridors, stairways or fire tower landings of the Condominium, nor shall any fire exit thereof be obstructed in any manner. Nothing shall be hung or shaken from any doors, windows or roofs or placed upon the window sills of the Condominium.

(3) Neither occupants nor their guests shall play in the entrances, passages, public hails, elevators, vestibules, corridors, stairways or fire towers of the Condominium.

(4) No public hall or public elevator vestibule of the Condominium shall be decorated or furnished by any Condominium Unit Owner in any manner.

(5) Each Unit Owner shall keep his or her Unit and any Limited Common Elements appurtenant thereto (including the surface of any Terrace appurtenant to a Residential Unit) in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance. Any determination as to what constitutes a good state of preservation and cleanliness for any Unit Owner's Terrace shall be within the sole but reasonable discretion of the Condominium Board.

(6) No window guards or window decorations shall be used in or about any Residential Unit, unless otherwise required by law, except such as shall have been approved in writing by the Condominium Board or the Managing Agent of the Condominium, which approval shall not be unreasonably withheld or delayed. The portions of all curtains, drapes, blinds or other window treatments visible from the exterior of the Building must be white to give the Building a uniform exterior appearance.

(7) No radio, television aerial, satellite or similar device shall be attached to or hung from the exterior of the Condominium and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any door or window or other part of the Condominium except such as are permitted pursuant to the Declaration or the By-Laws or shall have been approved in writing by the Condominium Board or the Managing Agent of the Condominium, nor shall anything be projected from any door or window of the Condominium without similar approval.

(8) No ventilator or air conditioning device shall be installed in any Unit without the prior written approval of the Condominium Board, which approval may be granted or refused in the sole discretion of the Condominium Board.

(9) 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 in such Unit Owner's Unit.

(10) No bicycles, scooters or similar vehicles shall be allowed in any of the elevators other than the elevators designated by the Condominium Board or the Managing Agent of the Condominium for that purpose, and no baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the passages, public halls, vestibules, corridors or other public areas of the Condominium.

(11) No Unit Owner shall make or permit any disturbing noises or activity in the Condominium, or do or permit anything to be done therein, which will interfere with the rights, comfort or convenience of other Unit Owners or the tenants or occupants of the Condominium. No Unit Owner shall play or suffer to be played any musical instrument, or practice or suffer to be practiced vocal music, or operate or permit to be operated a phonograph or radio or television set or other loud speaker in such Unit Owner's Unit between 11:00 P.M. and the following 9:00 A.M., if the same shall disturb or annoy other occupants of the Building, unless the same shall have the prior written consent of the Condominium Board. No construction or repair work or other installation involving noise shall be conducted in any Unit except on weekdays (not including legal holidays) and only between the hours of 9:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency or unless such work is performed by Declarant.

(12) No more than (2) pets shall be permitted, kept or harbored in a Residential Unit without the same in each instance having been expressly permitted in writing by the Condominium Board or the Managing Agent of the Condominium and such consent, if given, shall be revocable by the Condominium Board or such Managing Agent in their sole discretion, at any time. Dogs may not be walked on the Property and all Unit Owners must clean-up after their pets. In no event shall any bird, reptile, or animal be permitted in any public elevator in the Condominium, other than the elevators designated by the Condominium Board or the Managing Agent of the Condominium for that purpose, or in any of the public portions of the Condominium, unless carried or on a leash. No pigeons or other birds or animals shall be fed from the window sills or other public portions of the Condominium or on the sidewalk or street adjacent to the Building. Each Unit Owner who keeps any type of pet in his Residential Unit shall be required to indemnify and hold harmless the Condominium, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet.

(13) Messengers and tradespeople visiting in the Condominium shall use the elevators designated by the Condominium Board or the Managing Agent of the Condominium for that purpose, for ingress and egress, and shall not use any of the other elevators for any purpose, except that nurses, caregivers, babysitters and cleaning personnel in the employ of Unit Owners or their guests or tenants may use any of the other elevators when accompanying said Unit Owners, guests or tenants. However, a guest or visitor of a Unit Owner may use any of the elevators freely, if authorized by such Unit Owner.

(14) All service and delivery persons will be required to use the service entrance. All

packages, whenever feasible, will be required to be delivered by outside personnel to the package room in the lobby where such packages will be held for pick-up by Unit Owners. Deliveries, if made, will be made from the package room to individual Residential Units only by building personnel. Such deliveries will be made only at such times as a Residential Unit is occupied by the resident thereof or an authorized person and said resident or authorized person is willing to accept delivery. If the Residential Unit is not so occupied or delivery is declined, the package will be held in the package room until the resident or authorized person returns or requests delivery. In the case of packages containing perishable food items, service or delivery persons who are registered with building personnel will be permitted to make deliveries directly to individual Residential Units after such service or delivery persons have received approval for such delivery from the Unit Owner.

(15) Trunks and heavy baggage shall be taken in or out of the Condominium by the elevators designated by the Condominium Board or the Managing Agent of the Condominium for that purpose, and through a designated entrance only.

(16) No refuse from the Units shall be sent to the below grade levels of the Building except at such times and in such manner as the Condominium Board or the Managing Agent of the Condominium may direct.

(17) Water-closets and other water apparatus in the Condominium and in any common area shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags or any other article be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Residential Unit shall be repaired and paid for by the Unit Owner of such Residential Unit.

(18) No occupant of the Condominium shall send any employee of the Condominium or of the Managing Agent thereof out of the Building on any private business.

(19) The agents of the Condominium Board or the Managing Agent, and any contractor or worker authorized by the Condominium Board or the Managing Agent of the Condominium, may enter any room or Unit at any reasonable hour of the day, on at least one (1) day's prior written notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests; however, such entry, inspection and extermination shall be done in a manner so as not to unreasonably interfere with the use of such Unit for its permitted purposes.

(20) Corridor doors shall be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

(21) The Condominium Board or the Managing Agent of the Condominium may retain a passkey to each Unit that has locks. If any lock is altered or a new lock is installed, the Condominium Board or the Managing Agent of the Condominium shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to his Unit at any time when an entry therein is necessary or permissible

under these Rules and Regulations or under the By-Laws and has not furnished a key to the Board or such Managing Agent, then the Condominium Board or such Managing Agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Board or an officer of the managing agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if during such entry reasonable care under the circumstances is given to such Unit Owner's property).

(22) No vehicle belonging to a Unit Owner or to a member of the family or guest, tenant or employee of a Unit Owner shall be parked in such manner as to impede or prevent ready access to any entrance to or exit from the Building by another vehicle.

(23) Complaints regarding the services of the Condominium shall be made in writing to the Condominium Board or to the Managing Agent of the Condominium.

(24) Any consent or approval given under these Rules and Regulations may be granted, refused, added to, amended or repealed, in the sole discretion of the Condominium Board, at any time by resolution of the Condominium Board. Further, any such consent or approval may, in the discretion of the Condominium Board, be conditional in nature.

(25) Unit Owners will faithfully observe the following procedures with respect to the use of the compactor; (a) wrap dust, floor and powdered waste in compact packages before depositing the same; (b) thoroughly drain and wrap in paper all garbage before depositing the same; (c) refrain from forcing large bundles into the chute; (d) crush into tight bundles all loose papers before placing the same in the hopper door; (e) deposit all bundles of waste into the hopper; and (f) refrain from depositing waste of an explosive nature therein.

(26) Except as permitted under the Declaration and By-Laws, Unit Owners, their families, guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the roof of the Building.

(27) Unit Owners, their guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not cause or permit any unusual or objectionable noise or odors to be produced upon or to emanate from their Units.

(28) No Unit Owner or any of his agents, servants, employees, licensees, tenants, sublessees or visitors shall at any time bring into or keep in his Unit any inflammable, combustible or explosive fluid, material, chemical or substance, except as shall be necessary and appropriate for the permitted uses of such Unit.

(29) If any key or keys are entrusted by a Unit Owner or by any member of his family or by his agent, servant, employee, tenant, sublessee, licensee or visitor to an employee of the Condominium Board or the Managing Agent of the Condominium, whether for such Unit Owner's Unit or an automobile, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Condominium Board nor the Managing Agent of the Condominium shall (except as provided in paragraph 21 above) be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected

therewith.

(30) Nothing shall be done or kept in any Unit or in the Common Elements or Limited Common Elements which will increase the rate of insurance of the Building or contents thereof without the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements or Limited Common Elements which will result in the cancellation of insurance on the Building or which would be in violation of any law. No waste shall be committed in the Common Elements or Limited Common Elements.

(31) The Board shall have the right from time to time to relocate any portion of the Common Elements devoted to storage or service purposes.

(32) No group tour or exhibition of any Unit or its contents shall be conducted, nor shall any auction sale be held in any Unit, without the prior consent of the Condominium Board or the Managing Agent of the Condominium.

(33) In the event that any Residential Unit is used for home occupation purposes which are permitted by law and the By-Laws, in no event shall any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

(34) Unless expressly authorized by the Condominium Board in each case, at least eighty percent (80%) of the floor area of each Residential Unit (excepting only kitchens, pantries, bathrooms and closets) must be covered with rugs, carpeting or equally effective noise-reducing material.

(35) There will be no barbecuing in the Residential Units, in their Limited Common Elements (including Terraces), or the Common Elements, except for those areas (if any) specifically designated for barbecuing by the Condominium Board.

(36) The Condominium Board reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed for the Condominium when, in the reasonable judgment of the Condominium Board, the Condominium Board deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Condominium, or the preservation of good order therein, or the operation or maintenance of the Condominium, or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Condominium. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Unit Owner or other occupant shall operate as a rescission, alteration or waiver in respect of any other Unit Owner or other occupant.

(37) No article, including, but not limited to, bicycles and similar vehicles, shall be stored or allowed to stand on Terraces other than furniture of the kind usually maintained in outdoor areas. All personal property, furnishings, equipment and furniture left on the Terraces or the Roof of the Building shall be anchored. No plantings, structures or installations may be placed on the Terraces without the prior written approval of the Condominium Board. Unit Owners shall not be permitted to exceed a weight load of 60 lbs. per square foot for the Terraces.

(38) No children may be left unattended in any common area of the Building, including but not limited to the hallways and lobby.

(39) No electric bicycles, scooters, or similar e-mobility devices or vehicles using lithium ion batteries (an "LI Vehicle") nor the Lithium-Ion Batteries ("LI Batteries") that power the LI Vehicles are permitted in the Units, in the Limited Common Elements (including terraces), or in the Common Elements (collectively, the "Property") unless they are in compliance with all laws, rules and regulations (the "Law"). The foregoing rule shall not apply to wheelchairs, and all wheelchairs are permitted in the Property. As such, no Unit Owner shall permit any LI Vehicles or LI Battery (whether belonging to the Unit Owner or to their guests, employees, agents, visitors, tenants, sub lessees or licensees) (collectively, "Guests") to be brought into, kept, charged or stored in the Property unless they are in compliance with the Law. In the event a violation of the foregoing policy results in a fire at the Property, the Unit Owner who brought the LI Vehicle or the LI Batteries onto the Property or whose Guests brought the LI Vehicle or the LI Vehicle, onto the Property, shall be responsible for the damage resulting from the fire and all costs incurred by the Condominium, its Unit Owner, tenants and Guests. The Board shall also have the right to impose fines in an amount not to exceed $1,000 per violation for the violation of this policy.

(40) Unit Owners shall refrain from engaging in any behavior that could reasonably constitute intentional assault or harassment of another Unit Owner, Building occupant, employee or agent of the Condominium, or a guest of any of the foregoing.

EXHIBIT "10"

CERTIFICATION OF SPONSOR AND PRINCIPALS

CERTIFICATION OF SPONSOR AND PRINCIPALS

July 10, 2024

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

Re: 118 WEST 13TH STREET CONDOMINIUM
118 West 13th Street, New York, New York 10011

The undersigned hereby certify as follows:

We are the sponsor and the principals of sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of article 23-A of the General Business Law, the regulations promulgated by the Department of Law in 13 NYCRR Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification.

We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where I/we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

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

SPONSOR:

118 WEST 13TH STREET OWNER LLC

By: _____
Name: David Schwartz
Title: Authorized Signatory

SPONSOR'S PRINCIPALS:

_____
David Schwartz

_____
Martin Nussbaum

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 10 day in July the year 2024 before me personally appeared **David Schwartz**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person on behalf of which the individual acted, executed the instrument.

Michele Campbell
Notary Public

MICHELE CAMPBELL
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 01CA6320440
Qualified in Kings County
Commission Expires March 2, 2027

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 10 day in July the year 2024 before me personally appeared **Martin Nussbaum**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person on behalf of which the individual acted, executed the instrument.

Michele Campbell
Notary Public

MICHELE CAMPBELL
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 01CA6320440
Qualified in Kings County
Commission Expires March 2, 2027

EXHIBIT "11"

CERTIFICATION OF SPONSOR'S ARCHITECT

CERTIFICATION BY ARCHITECT

BKSK

BKSK ARCHITECTS
230 West 38th street,
16th floor
New York, NY 10018
bksk.com

PARTNERS
George Schieferdecker
Julie Nelson
Todd Poisson
David Kubik

PRINCIPALS
Harpreet Dhaliwal

SENIOR ASSOCIATES
John Englund

ASSOCIATES
Joe Hogan
Cynthia Lordan
William Russell
Eban Singer

PARTNERS EMERITI
Stephen F. Byrns
Harry Kendall
Joan Krevlin

December 16th, 2024

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

Re: 118 WEST 13TH STREET CONDOMINIUM
118 West 13th Street, New York, New York 10011

The sponsor of the offering plan to convert the captioned property to condominium ownership retained our firm to prepare a report describing the construction of the property (the "Report"). We examined the building plans and specifications that were prepared by our firm and dated 9/25/24 and prepared the Report dated December 16th, 2024 a copy of which is intended to be incorporated into the offering plan so that prospective Purchasers may rely on the Report.

I am a registered architect licensed 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 the 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 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 have examined;

(ii) in our professional opinion, affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the 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;

BKSK

BKSK ARCHITECTS
230 west 38th street
16th floor
New York, NY 10018
bksk.com

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by and have no beneficial interest in the Sponsor and that our compensation for preparing the 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.

Very truly yours,

BKSK Architects, LLP

By: _____
Name: Julia Nelson, AIA
Title: Partner

REGISTERED ARCHITECT JULIA NELSON No. 033126 STATE OF NEW YORK

(Architect Seal)

RICH RICKABY
Notary Public - State of New York
NO. 01RI0014627
Qualified in New York County
My Commission Expires Oct 21, 2027

Sworn to before me this
16th day of December, 2024

_____
Notary Public

12/16/24

EXHIBIT "12"

CERTIFICATION OF SPONSOR'S BUDGET EXPERT

FirstService
RESIDENTIAL

CERTIFICATION OF SPONSOR'S EXPERT ON ADEQUACY OF CONDOMINIUM BUDGET PURSUANT TO SECTION 20.4(d) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A

December 12, 2024

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

Re: 118 West 13th Street Condominium
118 West 13th Street
New York, New York 10011

The undersigned, FirstService Residential New York, Inc., is a licensed real estate brokerage firm in the State of New York. FirstService Residential New York, Inc. has been engaged in the management of over 250 condominium, cooperative and residential rental properties for a period in excess of twenty-five (25) years, many which contain mixed-use properties.

The sponsor of the condominium Offering Plan for the above captioned property retained us to prepare Schedules B and B-1 (together with the notes thereto, the "Schedule") to the Offering Plan, containing projections of income and expenses of the Condominium for the projected first year of condominium operation.

We understand we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedules B and B-1.

We have reviewed the Schedule and investigated the facts set forth in the Schedule and the facts underlying them with due diligence in order to form a basis for this certification. We also have relied on our experience in managing mixed use and residential buildings in New York City.

We certify that the projections in Schedules B and B-1 appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses of the Condominium for the projected first year of condominium operation.

We certify that the Schedule:

(i) sets forth in detail the projection of income and expenses for the projected first year of condominium operation;

FirstService Residential New York, Inc.
575 Fifth Ave. | 9th Floor | New York, NY 10017
Tel 212.634.8900 | Fax 212.634.3946
www.fsresidential.com/new-york

(ii) affords potential investors, purchasers, and participants an adequate basis upon which to found their judgment concerning the projected first year of condominium operation;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the income and expenses for the projected first year of condominium operation.

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

Very truly yours,

FirstService Residential New York, Inc.

By: _____
Name: Marc Kotler
Title: President
New Development Group

Sworn to before me this
12th day of December, 2024

_____
Notary Public

ROSEMARY MERCADO
Notary Public, State of New York
No. 01ME6282869
Qualified in Westchester County
Commission Expires May 28, 2025

FirstService

EXHIBIT "13"

INTERIM OCCUPANCY AGREEMENT

INTERIM OCCUPANCY AGREEMENT

SPONSOR:

PURCHASER:

UNIT:

DATE:

WHEREAS, Purchaser has agreed to purchase Unit (the "Unit") at 118 West 13th Street Condominium, located at 118 West 13th Street, New York, New York 10011 (the "Condominium") pursuant to a Purchase Agreement between Purchaser and Sponsor of even date herewith (the "Contract").

WHEREAS, Purchaser wishes to occupy the Unit prior to the closing of title to the Unit (the "Closing") and, subject to the terms and conditions set forth herein, Sponsor has agreed to such occupancy.

NOW, THEREFORE, Purchaser and Sponsor hereby agree as follows:

1. Purchaser may occupy the Unit subject to the terms of this Interim Occupancy Agreement (this "Agreement") commencing as of _____ (the "Possession Date"); provided, however, that such occupancy shall not commence until Sponsor or Escrow Agent (as defined in the Contract) either: (a) receives a wire transfer from Purchaser in an amount equal to the Payment (as defined in the Contract), or (b) receives a check from Purchaser in an amount equal to the Payment and such check clears.

2. The term of this Agreement shall continue until _____, the presently anticipated Closing Date. Purchaser has no other interest in the Unit except as expressly set forth herein or in the Contract.

3. Purchaser shall pay Sponsor a monthly use and occupancy fee at the address set forth above, or at such other address as Sponsor may direct, in the amount of $_____ per month, subject to the terms of Section 9 below; provided, however, that the first month's fee is due and payable as of the date hereof and shall be paid to Sponsor together with the delivery of this Agreement as executed by Purchaser, or as Sponsor may otherwise direct. Any additional monthly fee payment shall be due and payable on or before the first day of each subsequent month. At Closing, Sponsor and Purchaser shall make adjustments for fee payments on a per diem basis.

4. In the event that Purchaser defaults under the Contract, the same shall constitute a default hereunder, and Purchaser shall surrender the Unit to Sponsor in the condition s/he received same within ten (10) days after Sponsor's notice of Purchaser's default under the Contract

(the "Vacate Date"), TIME BEING OF THE ESSENCE with respect to such Vacate Date.

5. In the event Purchaser remains in possession of the Unit beyond the Vacate Date, then Purchaser shall be immediately obligated to pay to Sponsor an amount equal to $_____ per day (the "Per Diem Charge") beginning on the day after the Vacate Date through and including the date that Purchaser vacates and surrenders the Unit in the condition required herein. In no event shall any provision hereof be construed as permitting Purchaser to hold over in possession of the Unit after the Vacate Date or as limiting Sponsor's rights and remedies in respect of same, all of which are expressly reserved.

6. Without limiting any of Sponsor's rights contained herein, in the event that Purchaser shall fail to vacate the Unit on or before the Vacate Date, Sponsor shall have any and all rights at law, in equity or otherwise, to evict and/or remove Purchaser and recover possession of the Unit, and Purchaser hereby waives any and all rights to interpose any counterclaims, defenses, or offsets to such eviction action or proceeding or to seek a stay of the warrant of eviction issued therein.

7. If Sponsor brings an action or proceeding relating to this Agreement, at law or in equity, Sponsor shall be entitled to collect from Purchaser and Purchaser shall be liable to Sponsor for any and all actual third party costs and/or expenses (including, without limitation, reasonable attorneys' fees and disbursements and reasonable expert fees).

8. Purchaser shall be responsible for obtaining and paying directly for all utilities costs including, without limitation, all electric, gas, telephone and cable charges attributable to Purchaser's usage of such services in the Unit during the term, and Purchaser shall indemnify Sponsor for all such costs. The provisions of this paragraph shall survive the Closing and Vacate Date, as applicable.

9. As set forth in Paragraph 4 above, any default by Purchaser hereunder shall constitute a default by Purchaser under the Contract; provided, however, that with respect to a default in the payment of the use and occupancy fee following the initial payment, Purchaser's shall have the right to cure same within five (5) business days following the due date therefor. Notwithstanding anything to the contrary, this Agreement shall automatically terminate upon the sooner to occur of: (i) the Closing or (ii) Purchaser's default hereunder (subject, with respect to a default in the payment of the use and occupancy fee following the initial rent payment, to Purchaser's right to cure same within five (5) business days following the due date therefor).

10. Purchaser shall not make any alterations, additions, installations or improvements to the Unit during the term of this Agreement, provided that the foregoing shall not be deemed to prohibit Purchaser from placing Purchaser's furniture and other personal property in the Unit during the term hereof. Upon the termination of this Agreement for any reason other than the Closing. Purchaser shall remove all such furniture and personal property, shall repair all damage caused thereby, and shall vacate the Unit in broom-clean condition. Any personal property not removed may, at Sponsor's election, be retained by Sponsor without compensation to Purchaser, or removed at Purchaser's expense. The provisions of this

paragraph shall survive any termination of this Agreement.

11. Sponsor shall not be responsible for any damages arising from any bodily injury to Purchaser or Purchaser's guests or invitees or any damage to or loss of any of the property of Purchaser or of Purchaser's guests or invitees occurring in the Unit. Purchaser agrees to indemnify and to hold Sponsor harmless from and against any and all claims, suits, demands, judgments, and costs (including attorneys' fees) that may be made against Sponsor arising from or connected with Purchaser's occupancy of the Unit. The provisions of this paragraph shall survive the termination of this Agreement.

12. Purchaser agrees to maintain at Purchaser's sole expense personal liability, property and hazard insurance throughout the term hereof in amounts reasonably acceptable to Sponsor and naming Sponsor and the Condominium as an additional insured. During the term hereof, Purchaser shall comply with all laws, rules, regulations and requirements of governmental authorities and the Condominium pertaining to the Unit and Purchaser's use and occupancy thereof. Purchaser shall deliver insurance certificates evidencing such coverage to Sponsor prior to Purchaser's taking occupancy of the Unit.

13. Purchaser hereby agrees to accept possession of the Unit in its "as-is, where-is" condition for purposes of this Agreement; provided, however, that Sponsor agrees to deliver the Unit in broom-clean condition. Purchaser shall be liable for any and all damage caused to the Unit during Purchaser's possession thereof.

14. The Building will be smoke free. Purchaser and their guests shall not permit cigarette, cigar, pipe or cannabis/marijuana smoking in the Building, nor the use of vapes or JUULs. The Board shall have the right to obtain a court order enjoining the occupant of a Residential Unit from smoking in the Units or the Common Elements and the Board shall have the right to seek the eviction of a tenant who smokes in a Unit or the Common Elements. In addition to all other remedies available to the Board, violation of this policy shall subject the Purchaser to (i) a fine in an amount to be determined from time to time by the Board and (ii) reimbursement of any fees or expenses incurred by the Condominium, including legal fees, in enforcing this provision.

15. Any notice hereunder shall be in writing and hand delivered or sent, postage prepaid, by registered or certified mail, or by reputable overnight courier, with receipt confirmed, to Purchaser at the address given at the beginning of this Agreement, with a copy sent in like manner to _____ in the same manner as notice is given to Purchaser, and to Sponsor, addressed to Sponsor’s Counsel at Holland & Knight LLP, 787 Seventh Avenue, New York, New York 10019, Attention Leanne Bernhard, Esq. or to such other address as either party may hereafter designate to the other in writing. Except as otherwise expressly provided herein, the date of hand delivery or mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself. A failure by Purchaser to acknowledge receipt of any notice, request, letter, consent or other communication hereunder shall not in any way invalidate such communication. Sponsor

hereby designates and empowers both Selling Agent and Sponsor's counsel) as Sponsor's agent to give any notice to Purchaser under this Agreement (including, without limitation, a notice of default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor itself.

16. Nothing in this Agreement shall be construed as creating a landlord/tenant relationship between Purchaser and Sponsor. Moreover, this Agreement is not subject to the New York City Rent Law (rent control), the Emergency Tenant Protection Act of 1974, the New York City Rent Stabilization Law, the New York City Rent Stabilization Code, any rent regulatory scheme or code, rule or regulation promulgated under any of the foregoing, or any other rental protection laws.

17. This Agreement may not be modified or its provisions waived except by a writing signed by the parties hereto.

18. Terms used in this Agreement and not otherwise defined herein shall have the meanings set forth in the Contract.

[NO FURTHER TEXT THIS PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

PURCHASER:

_____
Name:
Title:

SPONSOR:

118 WEST 13TH STREET OWNER LLC

_____
Name:
Title:

EXHIBIT "14"

STORAGE UNIT PURCHASE AGREEMENT

STORAGE UNIT PURCHASE AGREEMENT

This Storage Unit Purchase Agreement is made as of _____, 202__, between Sponsor and Purchaser.

Re: Unit No. ____ ("Unit")
118 West 13th Street Condominium (the "Condominium")
118 West 13th Street
New York, New York 10011

1. (a) Sponsor agrees to sell and grant, and Purchaser agrees to purchase Storage Unit ____ (the "Storage Unit") a purchase price of **$**_____.

(b) Upon execution of this Storage Unit Purchase Agreement, Purchaser has delivered a check to Sponsor (subject to collection) in the amount **$**_____ [15% of the purchase price] representing the Deposit due in connection with the purchase of the Storage Unit. The balance of the purchase price for the Storage Unit shall be payable by Purchaser to Sponsor upon conveyance of the Storage Unit to Purchaser.

2. If there is a fire or other casualty to the area in which the Storage Unit is located and Sponsor does not elect to repair or restore such area(s) following such fire or casualty, then this Storage Unit Purchase Agreement shall be deemed modified to provide only for the closing of title with respect to the Unit and any other unaffected storage units.

3. Purchasers are advised that the Board is not required to obtain or maintain any insurance with respect to a Storage Unit or any fixtures, furnishings, furniture, equipment or personal property contained in a Storage Unit. A Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect all insurance policies and limit liabilities as required by the Plan, the By-Laws and/or the Board. The Board and the Managing Agent shall not be responsible for ensuring that Unit Owners are insured and shall have no liability for the failure of a Unit Owner to have insurance. To the extent the Unit Owner is insured for loss or damage to property (including, but not limited to, loss due to water damage), the Unit Owner will look to its own insurance policies for recovery for any and all damage occurring in, upon, or from the Storage Unit or any part thereof. The provision shall survive the Closing of the Storage Unit.

4. A default by Purchaser under this Storage Unit Purchase Agreement shall constitute a default under the Purchase Agreement for the Unit and any other default by Purchaser under the Purchase Agreement for the Unit shall constitute a default under this Storage Bin Purchase Agreement entitling Sponsor to those remedies as more fully described in the Purchase Agreement and the Plan.

5. All capitalized terms used in this Storage Unit Purchase Agreement not defined herein shall have the same meanings ascribed to them in the Purchase Agreement to which this Storage Unit Purchase Agreement is annexed or in the Plan.

6. In the event of any inconsistency between the provisions of this Storage Unit Purchase Agreement and those contained in the Purchase Agreement to which this Storage Unit Purchase Agreement is annexed, the provisions of this Storage Unit Purchase Agreement shall govern and be binding.

7. Except as set forth in this Storage Unit Purchase Agreement, all of the terms and conditions of the Purchase Agreement remain unchanged and in full force and effect.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the parties have executed this Storage Unit Purchase Agreement as of the date written hereinbelow.

PURCHASER(S):

_____

SPONSOR:

118 West 13th Street Owner LLC

By: _____
Name:
Title:

EXHIBIT "15"

STORAGE UNIT DEED

STORAGE UNIT DEED

THIS INDENTURE, made the ____ day of _____, 20___, between 118 West 13th Street Owner LLC, a Delaware limited liability company, having an office at having an office at 440 Park Avenue South, 3rd Floor, New York, New York 10016 (the "Grantor") and _____ (the "Grantee"), having an address at _____.

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 storage unit (the "Unit") in the premises known as 118 West 13th Street Condominium (the "Condominium") and by the street number 118 West 13th Street, Borough of Manhattan, City, County and State of New York, said Unit being designated and described as Storage Unit No. _____ in the declaration ("Declaration") establishing a plan for condominium ownership of said premises under Article 9-B of the Real Property Law of the State of New York (the "Condominium Act"), dated _____, 20__ and recorded in the New York County Office of the Register of The City of New York (the "City Register's Office") on _____, 20___ as City Register File Number ("CRFN") _____, and also designated as Tax Lot(s) ____ in Block 608 of Section ____ of the Borough of Manhattan on the Tax Map of the Tax Map Unit of The City of New York and on the Floor Plans of said building, certified by _____, on _____, 20___, and filed in the Tax Map Unit of the City of New York on _____ as Condominium Plan No. _____ also filed in the City Register's Office on _____, 20__, as CRFN _____. The premises within which the Unit is (are) located are more particularly described in Schedule A attached hereto and made a part hereof. All capitalized terms herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or in the By-Laws of the Condominium. (Said By-Laws, as the same may be amended from time to time, are hereinafter referred to as the "By-Laws".)

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, all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest or estate in (any of) the Unit, as though recited and stipulated at length herein.

Subject also to such other liens, agreements, covenants, easements, restrictions and other matters as pertain to the Unit and/or to the Property as more particularly described in Schedule B attached hereto and made a part hereof.

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 By-Laws, the Unit is intended for storage use only.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has (have) been encumbered in any way whatever, except as aforesaid.

The Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purposes.

The Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this Indenture as of the day and year first above written.

GRANTOR:

118 WEST 13TH STREET OWNER LLC

By: _____
Name:
Title:

GRANTEE(S):

_____

_____

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____ the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____ the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____ the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____

SCHEDULE A

LEGAL DESCRIPTION

TO BE INSERTED PRIOR TO CLOSING

SCHEDULE B

REFER TO PERMITTED ENCUMBRANCES SET FORTH AS SCHEDULE A TO RESIDENTIAL UNIT PURCHASE AGREEMENT

TO BE INSERTED PRIOR TO CLOSING

EXHIBIT "16"

RESERVE STUDY

Reserve Study for New Construction and

Lender Property Analysis

of the

118 West 13th Street Condominium

118 West 13th Street

New York, NY 10011

February 1, 2025 - January 31, 2055

Prepared by:

STRATEGIC INSPECTIONS

150 Main Street, Suite 2

Port Washington, NY 11050

888-459-9555

Inspection: N/A

Report: May 10, 2024

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RESERVE STUDY EXECUTIVE SUMMARY

Strategic Inspections, LLC (SI) performed a reserve study for the 118 West 13th Street Condominium (hereinafter "property") located at 118 West 13th Street , New York, NY 10011. The property will have 8 Condominium residential units of various model types. The reserve study is for the fiscal year starting February 1, 2025, and ending January 31, 2026.

The property will be a seven (7) story building plus cellar, and bulkhead levels. The property will consist of a total of 8 residential Condominium units. The scope of this report is limited to assessing the common elements for the residential Condominium. This report does not include the cost of reserve items exclusive to the individual residential units. The building was originally constructed in 1931 and is undergoing a gut renovation. Construction completion is anticipated in 2025.

Amenities provided in the building will include, but may not be limited to, a lobby and reception, mailboxes, a fitness room, one passenger elevator, common area restroom private yards, common yards, private terraces, common roof terrace, and tenant storage rooms.

A Community Association typically has two major budgetary requirements: the general operating reserve and the capital repair and replacement reserve. The scope of this report is limited to the capital repair and replacement reserve criteria. It is assumed that the general operating reserve is accounted for in the general maintenance budget. Definitions for the industry-accepted interpretations for each of these budgets are included in the Definitions and Methods section below.

There are currently no ASTM, Fannie Mae, or FHA reserve study standards. The closest standards to review are ASTM E 2018-15 property condition assessment (PCA), and property condition report (PCR) standards or Fannie Mae Physical Needs Assessment Guidance to the Property Evaluator. Additionally, currently, there are three national organizations with a set of reserve study guidelines, the International Capital Budgeting Institute (ICBI), the Association of Professional Reserve Analysts (APRA), and the Community Association Institute (CAI). All of these sources, along with the experience and knowledge of industry experts and professional engineers, were used to create SI's guidelines for reserve studies.

SI guidelines require that a Reserve Study include a component inventory, a condition assessment, life valuation estimates, fund status, and a funding plan. The guideline also requires that a reserve study include recommended reserve contributions for a minimum of thirty years, projected expenses for a minimum of thirty years, and projected ending reserve fund expenses for a minimum of thirty years.

This report will project the capital repair and replacement reserve for thirty years, as required by SI guidelines. As such, some items with an estimated useful life greater than thirty years are not included in this report at this time. As the property ages, updating the schedule of components included within the reserve study will be required to ensure proper funding is provided for those longer-life items. An annual review of the reserve schedule is recommended as the age of those longer-life components encroach upon the 30-year evaluation period.

It should be noted that the projection for the first ten years of this study will be the most reliable. Further, circumstances with respect to regulatory and lending guidelines are prone to revision and/or change. Therefore, it is generally recommended that this study be updated every two to three years. Current reserve study and lending guideline expirations are included in the Report Expiration and Future Updates section below.

This report is intended to be used as a tool to determine reserve fund allocation requirements for the community, to manage future Association obligations, and to inform the community of future financial needs. The reserve plan, based on all the assumptions, assures that funds for major repairs and replacements will be available when needed. It also provides an equitable method for charging current owners, rather than future owners, the cost of

current use.

SUMMARY OF RESULTS

As of February 1, 2025, the current 'one-time' replacement and/or repair cost for all components identified in this reserve is $1,197,753.00 A future cost has also been calculated for all subsequent replacement/repair costs over the 30-year term subject to an annual compounded inflation rate of 2.94%. The future replacement cost is $2,727,007.12.

The annual contribution for the initial year of this reserve study is $19,500.00, or $1,625.00 on a monthly basis. This equates to an average of $203.12 per month, per unit. In order to meet obligations towards the reserve over the 30-year horizon while maintaining a realistic contribution schedule for condominium owners, this reserve study was performed utilizing an annual increase of 10.00% per year over the 30-year term.

FUNDING PLAN

The operating budget should include a line item to cover the 1st year's recommended reserve amount of $19,500.00, or $2,437.50 per unit, per year.

LENDER PROPERTY ANALYSIS

INSPECTION DATE:

N/A

RESERVE STUDY EXPIRATION DATE:

This Reserve Study should be updated upon completion of construction.

PROPERTY INFORMATION:

118 West 13th Street Condominium

118 West 13th Street

New York, NY, 10011

CAPITAL ANALYSIS SUMMARY:

Current Reserve Balance: $0.00

Date Reported: April, 10, 2024

Operating Budget Total: $750,000

Current Budget Allocation Towards Reserve: $75,000

Current Reserve Percentage of Operating Budget: 10%

Forecasted First Year Contribution Requirement: $19,500.00

Forecasted Reserve Percentage of Operating Budget: 2.60%

Forecasted Percent Funded (Year 1): 82.31%

SPECIAL ASSESSMENTS:

According to property representatives, the property is not subject to any special assessments

REGULATORY VIOLATIONS:

The following State or local regulatory violations were identified and/or reported:

- November 2023: LL-11 Cycle 9B facade inspection reported to be UNSAFE. Measures to correct filing status have been taken.

STRUCTURAL ANALYSIS SUMMARY:

With respect to the Structural Analysis, no unsafe conditions or items of significant deferred maintenance were observed during SI's inspection of the property, and/or review of the building drawings.

BUILDING EXTERIOR ANALYSIS SUMMARY:

With respect to the Building Exterior Analysis, SI observed the following unsafe conditions, and/or items of significant deferred maintenance during SI's inspection of the property, and/or review of the building drawings:

- November 2023: LL-11 Cycle 9B facade inspection reported the building to be UNSAFE. At the time of the filing, a sidewalk shed had already been installed on the street-facing elevation, and work was in progress. This Initial Cycle 9B FISP Report was filed as UNSAFE because the renovation is currently underway. Once renovation activities are complete it is assumed the property will be in compliance.

For a detailed discussion of these unsafe conditions, and/or items of significant deferred maintenance, refer to the Building Evaluation narrative below.

MECHANICAL ANALYSIS SUMMARY:

With respect to the Mechanical Analysis, no unsafe conditions or items of significant deferred maintenance were observed during SI's inspection of the property, and/or review of the building drawings.

BUILDING INTERIOR ANALYSIS SUMMARY:

With respect to the Building Interior Analysis, no unsafe conditions or items of significant deferred maintenance were observed during SI's inspection of the property, and/or review of the building drawings.

AMENITIES ANALYSIS SUMMARY:

With respect to the Amenities Analysis, no unsafe conditions or items of significant deferred maintenance were observed during SI's inspection of the property, and/or review of the building drawings.

BUILDING AND COMPONENT CONDITION SUMMARY:

Overall, the general condition of the property will be anticipated to be in good condition. Generally, individual components throughout the property will be anticipated to be in good condition. For a detailed list of individual component conditions, refer to the Component Details appendix below.

PURPOSE AND SCOPE

The Reserve Study serves to produce a funding plan that will project future contributions and expenditures to ensure that reserve funds are available as needed. A reserve study helps Community Associations anticipate large expenditures over an extended period of time. By using this structured process and analysis, the Association is able to meet financial requirements without increasing service fees above permitted maximums, borrowing funds, and/or levying special financial assessments to the property owners.

The scope of this reserve study is limited to the following:

- Developing component inventories based on inspection, partial drawings (if available), and mutually agreed-upon assumptions
- Providing condition assessments for all identified components
- Developing life and valuation estimates
- Providing a current funding status evaluation
- Providing a model for a funding plan

This report forecasts Community obligations for thirty (30) years into the future. Due to this forecast, it should be noted that events might occur that affect the cost and useful life assumptions used in this study. Specifically, inevitable market fluctuations and unexpected wear on materials can occur. Therefore, this study should be updated every two years in order to accurately reflect the needs and obligations of the community.

The Lender Property Analysis serves to highlight specific observations and recommendations as they apply to those concerns outlined within Fannie Mae and Freddie Mac's New Requirements. The site inspection performed at the property is subject to the scope and limitations of the corresponding reserve study. As such, observations are appropriate to the level necessary for the preparation of a reserve study which is limited to visual inspection only. No destructive testing or forensic-level investigation was completed in the preparation of this Analysis or corresponding reserve study. The Lender Property Analysis is intended to be used as a 'check-list' to satisfy these New Requirements, and/or provide the user with sound advice for the 'next step' reconciliation of any observed condition.

PROVIDED INFORMATION AND DOCUMENTS

This study has been performed according to the scope as generally defined and agreed upon by Strategic Inspections, LLC, and 118 West 13th Street Condominium.

The following documents were made available and were reviewed during the course of our study:

- Architecture plans - 118 W13, 118 W. 13th Street New York, New York 10011, provided by BKSK Architects LLP, provided for 118 West 13th Street Owner LLC., dated September 27, 2022.
- Mechanical plans - Bulletin 6 - HVAC Update - 118 W13, 118 W. 13th Street New York, New York 10011, provided by BKSK Architects LLP, provided by EP Engineering, provided for 118 West 13th Street Owner LLC., dated June 30, 2023
- Electrical plans - 118 W13, 118 W. 13th Street New York, New York 10011, provided by BKSK Architects LLP, provided by EP Engineering, provided for 118 West 13th Street Owner LLC., dated September 23, 2022.
- Plumbing plans - Bulletin 2 - 118 W13, 118 W. 13th Street New York, New York 10011, provided by BKSK Architects LLP, provided for 118 West 13th Street Owner LLC., dated December 16, 2022.
- Architect's Report - 118 West 13th Street New York, New York 10011, provided by BKSK Architects LLP,

provided for 118 West 13th Street Owner LLC., dated January 24, 2024.

- Draft Offering Plan Part I & II - The Katherine 118 West 13th Street Condominium - 118 West 13th Street New York, New York 10011, sponsored by 118 West 13th Street Owner LLC., provided for The Katherine 118 West 13th Street Condominium, dated April 4, 2024.
- Declaration of 118 West 13th Street Condominium - 118 West 13th Street New York, New York 10011, provided by 118 West 13th Street Owner LLC., provided for 118 West 13th Street Condominium, dated April 4, 2024.

BUILDING EVALUATION

A complete review and analysis of all available construction drawings for the subject property were performed. The following was observed and noted during this review. Cost projections within this reserve are predicated on the assumption that replacements will be for the components identified within the provided documentation listed above, which are discussed below. A site inspection was not performed on this site. However, it is recommended that an inspection be performed prior to completing an update on this report. As the property has not yet been completed, all component conditions are assumed to be in good condition and have been identified as such within the Component Details appendix, below.

STRUCTURAL ANALYSIS:

Observations

Foundation:

The existing foundation, major column footings, and foundation walls will remain. Small portions of two-column footings will be removed to make way for the new elevator pit. None of the below-grade structure of the building is visible and its construction is unknown. Similarly, the existence of any underpinning, subgrade drainage or foundation waterproofing is unknown. There is no sign of settlement or other structural distress in the visible portions of the foundation walls and no sign of water intrusion.

For the purposes of this study, it is assumed that the foundation consists, and will consist, of field stone or concrete masonry perimeter walls common to early turn-of-the-century construction, and reinforced concrete masonry in-fill walls typical of more modern construction practices, supported by reinforced concrete footings and/or piles.

Superstructure:

The original above-grade structure consists of cast-in-place concrete slabs with draped wire reinforcing, steel columns, and steel beams. The original steel beams and columns are fire-proofed with concrete. All new structural steel beams will be fire-proofed with sprayed-on fireproofing. All new above-grade floor slabs will be steel decks with concrete topping.

Analysis

With respect to the Structural Analysis, no unsafe conditions or items of significant deferred maintenance were observed during SI's inspection of the property, and/or review of the building drawings.

BUILDING EXTERIOR ANALYSIS:

Observations

Facade:

The exterior of the building will consist of a terra cotta backup with a dark brick veneer, with horizontal bands of limestone accents on the 2nd floor and a limestone cornice at the roof level. The ground-floor windows will have flat brick arches on top and the 2nd-floor windows have semi-circle brick arches with limestone inserts. The other windows will have steel lintels.

New York Facade Inspection and Safety Program, commonly referred to as Local Law 11 (LL-11), requires facade inspections every five years on all buildings with more than six stories, including buildings that are six stories above a basement and buildings that are six stories plus a 'penthouse' floor. The last LL-11 facade inspection on record with the New York Department of Buildings (NYDoB) is from Cycle 9B, filed in November 2023. The Cycle 8B FISP Report classified the property as Safe With A Repair and Maintenance Program (SWARMP) with two (2) conditions: weathered caulking around windows and a damaged sill. In December 2021, a work permit was filed to convert the property from a community facility dormitory into a residential building, which included exterior renovations. For the Cycle 9B filing, hands-on Inspections were not conducted because the sidewalk shed had already been installed on the street-facing elevation, and work was in progress. At least two (2) hands-on inspections will be performed on the properties north elevation before the amended Cycle 9 Report is filed. This Initial Cycle 9B FISP Report was filed as UNSAFE because the renovation is currently underway. Once renovation activities are complete it is assumed the property will be in compliance. Whereas it is anticipated that the cost for these inspections would be accommodated by the operations budget, the cost for any subsequent repairs resulting from those inspections generally falls upon the reserve fund.

Regardless of their age, or disposition with respect to LL-11, the average building typically requires at least one substantial facade repair event every 30 to 50 years. It is therefore prudent to anticipate that a building will require at least one major facade repair event within, or shortly after, a typical reserve term. SI therefore includes a standard line item for future facade repairs, to reoccur on a ten to fifteen-year estimated useful life. This line item is incorporated into the reserve fund as a modest ten to fifteen-year expense with the intent of accruing over a period of time, while also accommodating the occasional minor repairs. As the building ages beyond the horizon of this report, SI anticipates that the facade repairs allowance line item will require adjustment to accommodate more significant repair needs. SI has also included an allowance for periodic caulking sealing and painting of the exterior of the building.

Windows:

All the window openings except for the single window on the existing roof bulkhead, facing north, will be furnished with new insulated double-glazed windows with a thermally broken frame. The south-facing courtyard wall at the 3rd through 7th floors will have a bay window that will be a combination of fixed panels and casement windows. The bay window on the 2nd floor will be a combination of fixed panels and glazed terrace doors. All the other window openings will have double-hung windows.

Occasionally, window replacement costs can be significantly reduced by performing maintenance on the gaskets and seals, and the longevity of window units can be extended by utilizing a proactive reconditioning program. When applicable, the cost to recondition windows during the reserve period may be used in lieu of total replacement.

Entrance Doors:

The main building entrance doors will consist of a double swing wood door with full glass panes and a single wood door with a full glass pane. The doors from the gym and private residence to the rear yard will be metal-framed, single-doors with full glass panes. The stairway egress door will be a metal service door. The common roof terrace will have several metal service doors.

Roofing:

The various roof surfaces of the building will be covered with modified bituminous roof membranes. The majority of the roof surfaces will be covered by terraces, which will be finished with concrete pavers.

Often, roof membranes are finished with concrete pavers, and/or rock ballast. Concrete roofing pavers and rock ballast both have indeterminately long useful lives; however, damaged pavers and excessive silt from rock ballast erosion often require attention during roofing membrane replacement. Therefore, when applicable, roof membrane costs may be inflated to accommodate the occasional replacement of concrete pavers and the removal of excessive silt.

Parapets and/or Terraces:

Parapet walls are a continuation of the structure and brick facade. The existing terracotta coping at the roof is to remain, with repairs as required. At the North façade, the existing stone coping is to be maintained. New copings at bulkheads shall be cast stone. Roof membranes will be flashed at the parapets to ensure a secure building envelope. All Roofs and terraces will be enclosed with painted steel guardrails and mechanical equipment will be enclosed with painted metal acoustical screens and wood fencing.

Gutters and Downspouts:

Stormwater from roof surfaces collects in scuppers. Metal downspouts stairstep down the terraces discharging to a drain in the rear yard.

Yards:

The building will have two rear yards at the cellar level, both with new concrete slabs on grade construction, and sloped to area drains. The yards will both have 6-foot-high steel framed fencing with wood boards dividing them and privacy fencing surrounding both yards.

Analysis

With respect to the Building Exterior Analysis, no unsafe conditions or items of significant deferred maintenance were observed during SI's inspection of the property, and/or review of the building drawings.

MECHANICAL ANALYSIS:

Observations

Primary Heating & Cooling:

Primary heating and cooling throughout the tenant units will be provided by variable refrigerant volume (VRV - sometimes referred to as variable refrigerant flow VRF) split systems with outdoor heat pump units, indoor fan coil units, and the occasional branch controller for coolant delivery to multiple fan coil units. All systems such as fan coils, branch controllers, and outdoor heat pumps will be exclusively serving tenant units and will be the responsibility of the unit owner to maintain and/or replace.

Primary heating and cooling for common areas of the building, including the lobby, fitness room, and elevator machine room will be provided by conventional mini-split heat pump systems.

Supplemental Heating or Cooling:

Supplemental heating will be provided by small-capacity electric unit heaters and cabinet heaters in the cellar areas, vestibule, and stairwells.

Building Ventilation:

Building ventilation will be provided by a series of exhaust fans ranging in size.

Fresh make-up air will be provided using exhaust air via four Energy Recovery Ventilators (ERV). The ERVs will use exhaust air from residential toilets exhaust to pre-condition incoming fresh air.

Domestic Water Supply & Delivery:

Domestic water will be provided to the building from the municipal supply and a duplex booster pump system will be used to maintain adequate pressure throughout the building.

Domestic Water Heating & Delivery:

Heating for domestic water will be provided by two direct-vent gas-fired hot water heaters located in the water heater room on the roof.

Waste Water Disposal:

Storm and wastewater disposal will be provided by simplex sump pumps and duplex sewage ejector pumps.

Risers:

The domestic water distribution system piping will be copper. Drainage and vent piping will be cast iron piping. Natural gas piping throughout the building will be malleable steel. Riser piping will be in good condition with inherently long estimated useful lives. Routine maintenance is anticipated during the Reserve Study.

Electrical:

The electrical service to the building will come into the cellar level of the building. The building will have a three-phase service at 120/208 volts. The building will have three main panels all at a three-phase service, 4-wire, at 120/208 volts, the House panel at 800 amps, the fire pump panel at 600 amps, and the residential panel at 600 amps. The electrical equipment will be in good condition. Only routine maintenance is anticipated during the reserve period.

Lighting:

Common area lighting will generally include individual light fixtures at exterior entrances, and various fixtures in the interior common spaces, including the main entrance corridor accessing tenant units. Based on the estimated useful life, replacement of the light fixtures is anticipated during the reserve period, however, the cost to replace individual light fixtures is relatively insignificant and can be completed as part of the property's operations budget.

Fire Protection:

There will be a fire sprinkler system that covers the building. The sprinkler system will be supplied by the municipal water supply and pressure throughout the sprinkler piping will be maintained by the fire pump and jockey pump located in the cellar of the building. There will be a fire alarm system throughout the building with an alarm panel.

With respect to the Mechanical Analysis, no unsafe conditions or items of significant deferred maintenance were observed during SI's inspection of the property, and/or review of the building drawings.

BUILDING INTERIOR ANALYSIS:

Observations

Lobby & Appurtenant Spaces:

First-floor amenities will include the lobby or reception, a walkway to the 1st-floor elevator lobby, and the elevator lobby itself. Finishes throughout these areas will include stone tile flooring with stone border, custom-painted wall murals, and painted ceilings.

Amenity Rooms:

The fitness center will have cork flooring and painted walls and ceilings.

Common Corridors:

The 1st floor will have the only common corridor which will be finished with engineered wood flooring, stone borders, wall covering, and a painted ceiling.

Back-of-House (BoH) areas:

BoH areas such as service corridors, egress hallways, mechanical areas, and storage spaces will have concrete floors and ceilings, and painted walls.

Egress Stairs:

The main egress stairs in the building will be painted and have painted steel handrails.

Certain finishes, such as terrazzo flooring, marble or stone flooring or walls, higher-end ceramic or porcelain tiling, hardwood flooring and paneling, metal, glass, etc. have what is referred to as "indeterminately long estimated useful lives." These types of finishes typically do not *require* replacement during a reserve term, and instead only require polishing, occasional buffing, and/or minor repairs as part of a property's routine maintenance budget. As such, indeterminately long estimated useful life finishes are often left out of reserve schedules. In anticipation of renovations for the sake of aesthetics, some communities prefer to capture allowances for future upgrades to these types of finishes. Allowances for the replacement of higher-end finishes have been included in this reserve. It is important to note that the cost to replace or renovate higher-end finishes is extremely variable. Therefore, these allowances should be periodically reviewed per any future renovation plans or contractor bids to ensure proper funding is available.

Further, the costs for renovation design and finish selections can vary significantly. The budgeting for any interior renovation costs should be reviewed as the need for finish replacements arises, in accordance with any contractor bids or proposals.

Analysis

With respect to the Building Interior Analysis, no unsafe conditions or items of significant deferred maintenance were observed during SI's inspection of the property, and/or review of the building drawings.

AMENITIES ANALYSIS:

Observations

Lobby & Appurtenant Spaces:

The lobby will have a concierge/reception desk, a package closet, and wall-mounted, recessed mailboxes.

Amenity Rooms:

The gym will be equipped with various pieces of cardio and strength training equipment and have access to a common restroom.

Common Terraces:

The building will have a common rooftop terrace with a wood-framed pergola and presumably will have various outdoor furniture and landscaping features.

Elevators:

The building will have one machine-room-less elevator for residential use.

Due to technological advancement and estimated useful life, some elevator components, such as controller equipment and machinery, lend themselves to refurbishment or retrofit, while others, such as cab interiors and doors, are generally budgeted for total replacement. When considering an elevator as a singular system cost, this is commonly referred to as 'modernization,' or 'partial modernization.'

Renovation of the building will be completed in 2025, and it is anticipated that future capital planning will include at least partial modernization. SI has therefore included costs for the modernization of the controller equipment and machinery with subsequent replacement costs to follow after 20 and 30 years, respectively. With respect to the controller and machinery equipment, whereas the line items have been included in the reserve schedule, post-modernization replacements may fall outside the 30-year term defined for this report. The intention behind their inclusion is therefore to ensure consideration for future budgeting requirements.

There are dozens of components involved with the operation of elevator systems, which are not practical to outline individually within the scope of reserve budgeting. SI, therefore, generalizes elevator costs into six main categories - Controllers, Machinery, Cables, Cabs, Cab Doors, and Shaft Doors. On occasion, additional categories may be incorporated to more accurately convey the service histories of the elevator systems.

Each elevator category has an estimated useful life representative of the components referenced within, and baseline costs provided in the reserve schedule are representative of the mean pricing established from numerous proposals and bids provided to SI. However, because the scope for elevator modernization can vary significantly, future adjustments to the costs for elevator components within this reserve study may be required.

Compactors & Incinerators:

There will be a trash compactor located in the cellar.

Communication and Security Systems:

It is presumed there will be an intercom system and a security camera system installed throughout the building. The intercom system would connect visitors to the concierge, and/or to the individual tenant units, and security cameras would be located throughout the common areas.

Resident Storage Facilities:

There will be resident storage closets on the cellar level, accessible from the common corridor. The storage closets will presumably be in good condition. Only routine maintenance is anticipated.

Analysis

With respect to the Amenities Analysis, no unsafe conditions or items of significant deferred maintenance were observed during SI's inspection of the property, and/or review of the building drawings.

LIMITATIONS

The observations described in this study are valid as to the date of the investigation, if one was performed, and have been made under the conditions noted in the report. This study is limited to the documentation provided to us, and the provided budget is for existing conditions. This reserve study is a budgetary tool, and no implication is made as to its uses as an engineering study.

This report does not render an opinion on un-evaluated portions of the project. SI did not evaluate the following areas, and this report makes no representations or conclusions regarding:

- Unit interior finishes
- Interior unit systems and equipment
- All non-common elements
- Any common areas/components that were inaccessible to the inspector or otherwise undisclosed by the site representative.

SI has provided an evaluation for the budgeting of the capital repairs and replacements fund. Unless otherwise stated, SI has not provided budgeting for capital improvements. It should be assumed that the total amount of funding available for repairs and replacements, as prescribed in this study, will be insufficient to cover costs for capital improvements which would include the design development of upgraded or reconfigured amenities, and/or upgraded systems, components, or materials.

SI did not include reserve funding for any items with an estimated life beyond 30 years such as structural components. Some of these replacement costs are high-dollar items and may need to be replaced between year 30 and year 40. A yearly review of the reserve study should be performed to ensure proper funding is provided as the longer-life items move within the 30-year evaluation period as the property ages.

SI did not perform any computations or other engineering analysis as part of this evaluation, nor did SI conduct a comprehensive code compliance investigation. This report should not be construed as providing any engineering or code compliance information. The appendices are an integral part of this report and must be included in any review.

In our Reserve Fund Analysis, SI has provided estimated costs and useful lives. These metrics are based on our general knowledge of building systems as well as the contracting and construction industry. When appropriate, SI has relied on standard sources, such as RSMeans Building Construction Cost Data, to develop estimates. However, for some items for which SI has developed costs, or estimated useful lives, (e.g.: structural repairs), no standard guide for estimating such metrics exists. The actual costs and useful lives can vary, sometimes significantly, based on the availability of qualified contractors to do the work, advancements in technology, as well as other variables. SI assumes no liability and makes no warranties, expressed or implied, as to the specific cost estimates provided, or the estimated useful lives expressed.

SI has performed no design work as a part of this study, nor has SI obtained competitive quotations or estimates from contractors, as this is beyond the scope of this project. The actual cost to replace components and maintain items that SI has identified may vary significantly from estimates and competitive quotations from contractors.

DEFINITIONS AND METHODS

Relevant definitions include:

General Operating Reserve - The general operating reserve, also referred to as the 'Operating Budget,' is primarily used for expenses incurred in the day-to-day operations of the community. These are expenses that happen daily, weekly, or monthly, and include items such as service provider contracts, utilities, management fees, insurance, legal fees, etc. The operating budget also typically includes a 'contingencies' line item to accommodate the occasional unforeseen expense, such as emergency inspections or regulatory compliance initiatives. The general operating reserve may also cover insignificant component repairs/replacements, such as those that do not exceed the 'cost threshold' established for the capital repair and replacement reserve (see below for 'cost threshold').

Capital Repair and Replacement Reserve - The capital repair and replacement reserve, also referred to as the 'Reserve Fund,' is used for large-scale repairs and replacements, as well as unexpected expenses or emergencies, as they relate to common components. 'Common components' refer to those in which all occupants have a common interest. The reserve fund should not be used for operating expenses which, according to industry standard, include such considerations as contractor mobilization, or professional service inspections/evaluations. Further, with some exceptions, the classic interpretation of acceptable reserve fund expenditures provides for the repair/replacement of 'like-kind' equipment. That is - equipment and materials that generally match the function and quality of currently installed components. Exceptions include any required replacements due to changing regulatory standards or the discontinuation of obsolete components. Additionally, the capital *repair and replacement* reserve is not intended to be used as a capital *improvements* fund. Renovations intended to increase the value, configuration, utility, etc. of existing systems or amenities constitute capital improvements. Whereas it is not uncommon to supplement financing for capital improvements by using the capital repairs and replacements fund, however, it should be noted that the total amount of funding available for repairs and replacements of any given component or system is very often insufficient to cover costs for design development and/or upgraded systems and components.

Reserve Study - The art and science of anticipating and preparing for major common area repair and replacement expenses. It is a budgetary planning tool that identifies the current status of the reserve fund and recommends a stable, equitable funding plan to offset the major anticipated common area expenditures.

Estimated Useful Life - The longevity of any given component identified in this reserve analysis is represented by an 'estimated useful life.' These estimates are typically established by the construction industry in five-year intervals, with the majority estimated at 15, 20, or 25 years.

Remaining Useful Life - An estimate of the number of remaining years that a system or component can be expected to function before replacement should be considered. Remaining Useful Life can generally be determined by subjecting a system or components' initial service date to its corresponding anticipated estimated useful life. Remaining Useful Life is also subject to the opinions of the professionals conducting in-field observations or preparing component schedules and is therefore sometimes referred to as the Adjusted Remaining Useful Life.

Repair/Replacement Reserves - Non-annual maintenance items that will require significant expenditure over the life of the building. Included are items that will reach the end of their estimated useful life during the course of this forecast, or, in the opinion of the investigator, will require attention during that time.

Life and Valuation Estimates - The task of estimating Useful Life, Remaining Useful Life, and Repair or Replacement Costs for the Reserve components. As noted, the Estimated Useful Life is typically established by the construction industry in five-year intervals, with the majority estimated at 15, 20, and 25 years. As a result, when initially performing a reserve analysis, the bulk of components will often show up in specific years (often years 15, 20, and 25) within the reserve schedule. To avoid the over-accumulation of expenditures in any given year, it is not uncommon to adjust the timing for component replacement budgeting in a reserve study (adjusted remaining useful life).

Functional Obsolescence - refers to a decline in value due to its architectural design, building style, size, outdated amenities, local economic conditions, and/or changing technology. The reduction in usefulness or desirability is based on the presupposition that the feature cannot easily or cost-effectively be changed. One example would be a condominium or cooperative high-rise building that does not have an elevator.

Physical Obsolescence - refers to a decline in property value due to gross mismanagement and/or physical neglect resulting from deferred maintenance. All real property is subject to physical deterioration over time but the degree to which property actually deteriorates can be mitigated by the owner. Examples of physical obsolescence include leaking roofs, old HVAC units, old/non-energy efficient windows, etc.

Deferred Maintenance - the practice of postponing maintenance activities such as repairs on both real property (i.e. infrastructure) and personal property (i.e. machinery) in order to save costs, meet budget funding levels, or realign available budget monies. The failure to perform needed repairs often leads to asset deterioration and ultimately asset impairment. Generally, a policy of continued deferred maintenance typically results in higher replacement costs, asset failure, difficulty in mortgage lending, and in some cases, health and safety implications.

Construction Defect - a construction defect occurs when part of the work does not meet the specifications set out in the contract and/or construction law. There are many types of defects, but construction defects tend to result from faults in the architectural design, improper installation of building materials, or poor quality of construction work.

Patent Defect - a patent defect is an easily recognizable fault that is generally observed and corrected during construction, or early in the post-construction inspection process. Patent defects are generally obvious to the eye, and are quick to resolve before becoming more substantial.

Latent Defect - latent defects are not immediately detectable as they are usually concealed, and can take weeks, months, or even years to become apparent. Latent defects are more serious, as the issue tends to be severe by the time there are visible signs. Typically, latent defects are not identified during construction, or even the first few years after completion, which makes them more difficult to resolve. Depending on when the defect becomes known, the original developers and builders may no longer have a contractual obligation to rectify the deficiency.

Cost Threshold - no costs for items that have an estimated useful life of fewer than two years have been reserved. Further, components with a total cost of less than $1,000.00 have been excluded from the reserve. Whereas the 'cost per component' for considerations such as mechanical equipment are clear cut with respect to this cost threshold, other items, such as interior/exterior finishes, or complex systems such as elevators, run the risk of misrepresentation and/or underfunding. For the purposes of ensuring a comprehensive study, it is SI's policy to treat such materials or systems as the ‘component.' The measure by which a 'component' is considered is the ‘field’ in which it has been applied. For the sake of ensuring adequate funds are available for all future capital improvements, the ‘field’ is representative of the aggregate sum of all spaces sharing a 'component' (interior/ exterior finishes), or all sub-components required for the overall function of a system (elevators). It should be noted that certain fields will occasionally be subdivided into specific locations in order to establish all areas within the field. As such, certain costs within this report may present as less than $1,000.00. However, this is to more effectively track future improvements in subsequent updates to this report.

Funding Plan - An association's plan to provide income to a reserve fund to offset anticipated expenditures from that fund.

Funding Method - the method utilized to develop the Funding Plan. There are two most common methods by which a Funding Plan can be developed:

> *Component (Straight Line) Method* - establishes separate accounts for each reserve asset, all of which must be fully funded, every year. The straight-line funding method is more commonly known as the component funding method because each account is designated to a particular asset or component and any funds within that account can only be used for uses related to that component.
>
> *Cash Flow (Pooling) Method* - takes all reserve items in an association and puts them into one general use

account. Money from this account is used to pay for variable expenses when they occur. The Cash Flow method also takes into account interest on the money being put in the reserve account, taxes owed on the interest being gained, and inflation on all items, so their future cost can be forecasted. The reserve analysis uses a computer algorithm to determine reserve contributions needed to meet various funding goals.

Funding Goal - the parameters by which the Funding Method will be held accountable. There are four most common Funding Goals. The Funding Goal selected depends on the risk tolerance and best interests of the community.

Baseline Goal - The objective of baseline funding is to ensure that the balance for the reserve fund doesn't decrease to below zero. Because there is very little room for flexibility, baseline funding can be risky because early or unexpected expenses can increase the chance that a special assessment will be needed.

Threshold Goal - Threshold funding involves setting the reserve contribution rate as needed to obtain the desired reserve balance within the specified time period. Thresholds can be established in a number of ways, including a percent-funded goal (in lieu of fully (100%) funded), or a minimum reserve fund ending balance.

Full Funding Goal - With full funding, contributions are established to ensure that the reserve fund balance at the end of each year is equal to the deterioration value of the association at that time. The calculation for deterioration is a function of the remaining useful life of the components and their replacement costs, subject to the rate of inflation (if used). Reserve contributions calculated to achieve a full funding (100%) objective are significantly higher than those made with a baseline, or threshold funding goal. Note that because the goal for the Component (Straight Line) Method is to be fully funded at the end of each year, this is the only funding goal available to that chosen funding method.

Statutory Goal - The statutory funding goal is utilized by associations when the reserve fund balance is largely determined by local or state regulations.

SI has utilized the Cash Flow (Pooling) Method with a threshold goal in preparation of the funding plan with the intention that reserve funds would be available for required reserve assets. The following describes how the funding plan was produced:

- Reserve Item Data - for each reserve item the following was determined: description, category, basis cost, cost, quantity, estimated useful life, and estimated remaining life;
- Expenditures - the reserve item data above was used to project when the initial and recurring expenditures will be incurred over the next 30 years (the projection excludes taxes on interest earned);
- Interest – if used, calculated on the available funds within the reserve account(s) at the end of any given year;
- Inflation - if used, applied to reserve item costs annually;
- Contribution – determined based on the following: annual contribution increases, interest earned with related taxes, and inflation on reserve items.
- Reserve Fund Balance – projected from the date of the reserve study to the beginning of the fiscal year above utilizing the chosen funding method and subsequent funding goal.

REPORT EXPIRATION AND FUTURE UPDATES

Site Inspection Reserve Study (SIRS): Also known as a Type 1 or Level I (Full) Reserve Study. Expiration is 36 months after the initial site inspection.

Site Inspection Update (SIU): Also known as a Type 2 or Level II (Update with Site Visit). After an initial reserve study has been performed, subsequent updates governed by the aforementioned 36-month expiration are referred to as Reserve Study Updates. Expiration is 36 months after the last site inspection.

Non-Site Inspection Update (NSIU): Also known as Type 3 or Level III (Update No Site Visit). Focussed on providing updated financials for the operating budget. An NSIU can be completed within the 36-month period between SIRSs but does ***not*** affect or extend the 36-month expiration between SIRSs and/or SIUs.

Construction Plan Reserve Study (CPRS): Also known as Type 4 or Level IV (Preliminary - Not Yet Constructed). A CPRS is a reserve study completed from plans for the purposes of creating a compliant budget for the property's first year of operation. CPRSs should be updated with an SIU once the completion of construction has been achieved, and preferably after As-Built construction documents are available.

SIGNATURES

Attached please find a projected reserve fund analysis for non-annual repair/replacement items. This projection takes into consideration a reasonable return on invested money and inflation. Please review this thoroughly and advise us of any changes that may be necessary.

If you have any questions about this study or the reserve fund analysis, please feel free to contact us. Thank you for the opportunity to provide this service to you.

Respectfully submitted,



Dan Dormady, P.E.

Project Manager

Strategic Inspections, LLC

EXHIBIT "17"

LOCAL LAW 1 OF 2004

LOCAL LAWS
OF
THE CITY OF NEW YORK
FOR THE YEAR 2004

No. 1

Introduced by Council Members Perkins, Lopez, Quinn, Reed, Boyland, Rivera, Brewer, Jackson, Liu, Yassky, Barron, Reyna, Clarke, Sanders Jr., Recchia Jr., Vann, Katz, Gerson, Gioia, Baez, DeBlasio, Serrano, Foster, Monserrate, Jennings Jr., Seabrook, Addabbo Jr., Moskowitz, Koppell, Martinez, Gonzalez, Espada Jr., Gentile, Avella, Comrie Jr., Weprin, Nelson, James, the Speaker (Council Member Miller) and the Public Advocate (Ms. Gotbaum).

A LOCAL LAW

To amend the administrative code of the city of New York, in relation to childhood lead poisoning prevention, including the avoidance and remediation of lead-based paint hazards in housing and day care facilities, the repeal of local law number 38 for the year 1999 and the repeal of subdivision h of section 27-2013 and section 27-2126 of such code.

Be it enacted by the Council as follows:

Section 1. This local law shall be known and may be cited as the New York City Childhood Lead Poisoning Prevention Act of 2003.

§2. Local law number 38 for the year 1999 is hereby REPEALED.

§3. Local Law number 1 for the year 1982 is hereby REPEALED.

§4. Local law number 50 for the year 1972 is hereby REPEALED.

§5. Subchapter 2 of chapter 2 of title 27 of the administrative code of the city of New York is amended by adding a new article 14 to read as follows:

Article 14
Lead Poisoning Prevention and Control

§27-2056.1 Statement of Findings and Purposes.
§27-2056.2 Definitions.
§27-2056.3 Owners' Responsibility to Remediate.
§27-2056.4 Owners' Responsibility to Notify Occupants and Investigate.
§27-2056.5 Presumption.
§27-2056.6 Violation in a Dwelling Unit.
§27-2056.7 Audit and Inspection by Department following Commissioner's order to abate.
§27-2056.8 Violation in a Dwelling Unit Upon Turnover.
§27-2056.9 Department Inspections.
§27-2056.10 Department Implementation and Enforcement.
§27-2056.11 Work Practices.
§27-2056.12 Reporting.
§27-2056.13 Transmittal of Violations to the Department of Health and Mental Hygiene.
§27-2056.14 Request to the Department from the Department of Health and Mental Hygiene to Execute an Order Pursuant to § 17-147 of the Administrative Code.
§27-2056.15 Waiver of Benefit Void.
§27-2056.16 Exemption for Emergency Conditions.
§27-2056.17 Record Keeping Requirements.
§27-2056.18 Application of this article based on age of child.

§27-2056.1 Statement of findings and purposes. The council finds that lead poisoning from paint containing lead is a preventable childhood disease and a public health crisis. The council further finds that the hazard in

dwellings that may occur from paint containing lead is subject to many factors, such as the age of a building and its maintenance. The Council also finds and declares that City government must focus on primary prevention as the essential tool to combat childhood lead poisoning and to achieve the goal of preventing children from suffering the adverse health and other effects of exposure to lead-based paint. The pursuit of primary prevention, which means eliminating lead hazards before children are exposed, has been recommended by the United States Centers for Disease Control and Prevention and promoted by leading experts in the field as a critical course of action to protect the health of young children. The Council, therefore, declares that resources must be directed to primary prevention, including identifying children who are most at risk.

The council recognizes that it cannot legislate a single maintenance standard for all dwellings to eliminate this hazard. Instead, the council by enacting this article makes it the responsibility of every owner of a multiple dwelling to investigate dwelling units for lead-based paint hazards and to address such hazards on a case-by-case basis as the conditions may warrant, taking such actions as are necessary to prevent a child from becoming lead poisoned. Having established this responsibility, the council finds that sufficient information exists to guide owners in making determinations about the existence of lead-based paint hazards. See, e.g., United States environmental protection agency, "Identification of Dangerous Levels of Lead; Final Rule" Federal Register, Vol. 66, No. 4 (January 5, 2001); United States department of housing and urban development, "Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing" (June 1995, revised 1997).

The New York city department of health and mental hygiene has reported for the year 2001 that among children tested, 5,638 were newly identified with elevated blood lead levels of 10 micrograms per deciliter or above. The New York city department of health and mental hygiene has reported for the year 2001 that among children tested, 653 were newly identified at or above the department's environmental intervention blood lead level, which is a blood lead level equal to or exceeding 20 micrograms per deciliter in a single test or two reported blood lead levels between 15 and 19 micrograms per deciliter at least three months apart, and has also reported an overall incidence of 931 children tested with blood lead levels equal to or exceeding 20 micrograms per deciliter. When a child is identified with environmental intervention blood lead levels, the city is obligated to investigate potential sources of the lead poisoning, incurring the expense of an environmental investigation and often times also incurring the expense of medical treatment and remedial education, if necessary. The council finds that these blood lead levels among New York city children constitute a severe health crisis and has established as its goal the elimination of childhood lead poisoning by the year 2010.

In addition, the department of health and mental hygiene has reported for the year 2001 that only 29% of children in New York city are tested both at age one and age two for the disease of lead poisoning even though the testing of all children at age one and age two is mandatory under state law. The council finds that improved screening among these children is critical since children at these ages are at greatest risk for lead poisoning. The council declares that it is reasonable and necessary to increase the rate of blood-lead testing. This local law requires the department of health and mental hygiene to report to the council on progress toward increasing screening rates and reducing the incidence rates of children newly identified with elevated blood lead levels.

The council further finds that the administration and enforcement of the City's lead poisoning prevention programs can be better coordinated. While it is intended that the department of housing preservation and development remain the agency responsible for the implementation and enforcement of this article, it is also intended that the department of health and mental hygiene shall have a significant role in the promulgation and interpretation of rules and in the development of necessary procedures pursuant to this article.

§27-2056.2 Definitions. Whenever used in this article the following terms shall have the following meanings:

(1) "Chewable surface" shall mean a protruding interior window sill in a dwelling unit in a multiple dwelling where a child of applicable age resides and which is readily accessible to such child. "Chewable surface" shall also mean any other type of interior edge or protrusion in a dwelling unit in a multiple dwelling, such as a rail or stair, where there is evidence that such other edge or protrusion has been chewed or where an occupant has notified the owner that a child of applicable age who resides in that multiple dwelling has mouthed or chewed such edge or protrusion.

(2) "Common area" shall mean a portion of a multiple dwelling that is not within a dwelling unit and is regularly used by occupants for access to and egress from any dwelling unit within such multiple dwelling.

(3) "Deteriorated subsurface" shall mean an unstable or unsound painted subsurface, an indication of which can be observed through a visual inspection, including, but not limited to, rotted or decayed wood, or wood or plaster that has been subject to moisture or disturbance.

(4) "Friction Surface" shall mean any painted surface that touches or is in contact with another surface, such that the two surfaces are capable of relative motion and abrade, scrape, or bind when in relative motion. Friction surfaces shall include, but not be limited to, window frames and jambs, doors, and hinges.

(5) "Impact Surface" shall mean any interior painted surface that shows evidence, such as marking, denting, or chipping, that it is subject to damage by repeated sudden force, such as certain parts of door frames, moldings, or baseboards.

(6) "Lead-based paint hazard" shall mean any condition in a dwelling or dwelling unit that causes exposure to lead from lead-contaminated dust, from lead-based paint that is peeling, or from lead-based paint that is present on chewable surfaces, deteriorated subsurfaces, friction surfaces, or impact surfaces that would result in adverse human health effects.

(7) "Lead-based paint" shall mean paint or other similar surface coating material containing 1.0 milligrams of lead per square centimeter or greater, as determined by laboratory analysis, or by an x-ray fluorescence analyzer. If an x-ray fluorescence analyzer is used, readings shall be corrected for substrate bias when necessary as specified by the performance characteristic sheets released by the United States environmental protection agency and the United States department of housing and urban development for the specific x-ray fluorescence analyzer used. X-ray fluorescence readings shall be classified as positive, negative or inconclusive in accordance with the United States department of housing and urban development "Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing" (June 1995, revised 1997) and the performance characteristic sheets released by the United States environmental protection agency and the United States department of housing and urban development for the specific x-ray fluorescence analyzer used. X-ray fluorescence readings that fall within the inconclusive zone, as determined by the performance characteristic sheets, shall be confirmed by laboratory analysis of paint chips, results shall be reported in milligrams of lead per square centimeter and the measure of such laboratory analysis shall be definitive. If laboratory analysis is used to determine lead content, results shall be reported in milligrams of lead per square centimeter. Where the surface area of a paint chip sample cannot be accurately measured or if an accurately measured paint chip sample cannot be removed, a laboratory analysis may be reported in percent by weight. In such case, lead-based paint shall mean any paint or other similar surface-coating material containing more than 0.5% of metallic lead, based on the non-volatile content of the paint or other similar surface-coating material.

(8) "Lead-contaminated dust" shall mean dust containing lead at a mass per area concentration of 40 or more micrograms per square foot on a floor, 250 or more micrograms per square foot on window sills, and 400 or more micrograms per square foot on window wells, or such more stringent standards as may be adopted by the department of health and mental hygiene.

(9) "Lead-contaminated dust clearance test" shall mean a test for lead-contaminated dust on floors, window wells, and window sills in a dwelling, that is made in accordance with section 27-2056.11 of this article.

(10) "Peeling" shall mean that the paint or other surface-coating material is curling, cracking, scaling, flaking, blistering, chipping, chalking or loose in any manner, such that a space or pocket of air is behind a portion thereof or such that the paint is not completely adhered to the underlying surface.

(11) "Remediation" or "Remediate" shall mean the reduction or elimination of a lead-based paint hazard through the wet scraping and repainting, removal, encapsulation, enclosure, or replacement of lead-based paint, or other method approved by the commissioner of health and mental hygiene.

(12) "Rule" or "rules" shall mean a rule or rules promulgated pursuant to section 1043 of the New York city charter.

(13) "Turnover" shall mean the occupancy of a dwelling unit subsequent to the termination of a tenancy and the vacatur by a prior tenant of such dwelling unit.

(14) "Underlying defect" shall mean a physical condition in a dwelling or dwelling unit that is causing or has caused paint to peel or a painted surface to deteriorate or fail, such as a structural or plumbing failure that allows water to intrude into a dwelling or dwelling unit.

(15) "Window" shall mean the non-glass parts of a window, including but not limited to any window sash, window well, window jamb, window sill, or window molding.

§27-2056.3 Owners' Responsibility to Remediate. The existence of a lead-based paint hazard in any multiple dwelling where a child of applicable age resides is hereby declared to constitute a condition dangerous to life and health. An owner shall take action to prevent the reasonably foreseeable occurrence of such a condition and shall expeditiously remediate such condition and any underlying defect, when such underlying defect exists, consistent with the work practices established pursuant to section 27-2056.11 of this article, except where lead-contaminated

dust is present in such multiple dwelling and the department of health and mental hygiene has made a determination pursuant to paragraph six of subdivision c of section 27-2056.10 of this article.

§27-2056.4. Owners' Responsibility to Notify Occupants and to Investigate. a. In any dwelling unit in a multiple dwelling erected prior to January first, nineteen hundred sixty where a child of applicable age resides, and in any dwelling unit in a multiple dwelling erected on or after January first, nineteen hundred sixty and before January first, nineteen hundred seventy-eight where a child of applicable age resides and the owner has actual knowledge of the presence of lead-based paint, and in common areas of such multiple dwellings, the owner shall cause an investigation to be made for peeling paint, chewable surfaces, deteriorated subsurfaces, friction surfaces and impact surfaces. Such investigation shall be undertaken at least once a year and more often if necessary, such as when, in the exercise of reasonable care, an owner knows or should have known of a condition that is reasonably foreseeable to cause a lead-based paint hazard, or an occupant makes a complaint concerning a condition that is likely to cause a lead-based paint hazard or requests an inspection, or the department issues a notice of violation or orders the correction of a violation that is likely to cause a lead-based paint hazard. The owner shall ascertain whether a child resides therein pursuant to the requirements of this section.

b. No occupant in a dwelling unit in such multiple dwelling shall refuse or unreasonably fail to provide accurate and truthful information regarding the residency of a child of applicable age therein, nor shall an occupant refuse access to the owner at a reasonable time and upon reasonable prior notice to any part of the dwelling unit for the purpose of investigation and repair of lead-based paint hazards.

c. All leases offered to tenants or prospective tenants in such multiple dwellings must contain a notice, conspicuously set forth therein, which advises tenants of the obligations of the owner and tenant as set forth in this section. Such notice must be in a manner approved by the department, the content of which shall, at a minimum, be in English and Spanish. The owner of such multiple dwelling shall provide the occupant of such multiple dwelling with the pamphlet described in subdivision b of section 17-179 of this code.

d. (1) The owner of such a multiple dwelling shall provide to an occupant of a dwelling unit at the signing of a lease, including a renewal lease, if any, or upon any agreement to lease, or at the commencement of occupancy if there is no lease, a notice in English and Spanish, the form and content of which shall be approved by the department of health and mental hygiene, inquiring whether a child of applicable age resides or will reside therein. If there is a lease, such notice shall be included in such lease or be attached as a rider to such lease. Such notice shall be completed by the occupant at the time of such signing of a lease, including a renewal lease, if any, or such agreement to lease, or at such commencement of occupancy.

(2) Where an occupant has responded to the notice provided by the owner pursuant to paragraph one of subdivision d of this section by indicating that no child of applicable age resides therein, during the period between the date of such response and the delivery of the notice provided by the owner pursuant to subdivision e of this section during the immediately following year the occupant shall have the responsibility to inform the owner of any child of applicable age that comes to reside therein during such period. In the event such occupant fails to inform the owner of such child as required by this paragraph, and the owner does not otherwise have actual knowledge that such child is residing in the dwelling unit, the presumption provided for in section 27-2056.5 of this article shall not apply in any action to recover damages for personal injury caused by contact with or exposure to lead-based paint or lead-contaminated dust.

e. (1) Each year, an owner of a multiple dwelling erected prior to January first, nineteen hundred sixty shall, no earlier than January first and no later than January sixteenth, except as provided for in subparagraph iii of paragraph two of this subdivision, present to the occupant of each dwelling unit in such multiple dwelling a notice inquiring as to whether a child of applicable age resides therein. Such notice, the form and content of which shall be approved by the department of health and mental hygiene, shall be presented as provided for in paragraph two of this subdivision, and shall be in English and Spanish.

(2) The owner may present the notice required by paragraph one of this subdivision by delivering said notice by any one of the following methods:

(i) by first class mail, addressed to the occupant of the dwelling unit;

(ii) by hand delivery to the occupant of the dwelling unit;

(iii) by enclosure with the January rent bill, if such rent bill is delivered after December fifteenth but no later than January sixteenth; or

(iv) by delivering said notice in conjunction with the annual notice required pursuant to section 17-123 of this code and the rules of the department of health and mental hygiene pertaining to the installation of window guards.

(3) (i) Upon receipt of such notice the occupant shall have the responsibility to deliver by February fifteenth of that year, a written response to the owner indicating whether or not a child of applicable age resides therein. If, subsequent to delivery of such notice, the owner does not receive such written response by February fifteenth, and does not otherwise have actual knowledge as to whether a child of applicable age resides therein, then the owner shall at reasonable times and upon reasonable notice inspect that occupant's dwelling unit to ascertain the residency of a child of applicable age and, when necessary, conduct an investigation in order to make that determination. Where, between February sixteenth and March first of that year, the owner has made reasonable attempts to gain access to a dwelling unit to determine if a child of applicable age resides in that dwelling unit and was unable to gain access, the owner shall notify the department of health and mental hygiene of that circumstance.

(ii) Where an occupant has responded to the notice provided by the owner pursuant to subparagraph (i) of this paragraph by indicating that no child of applicable age resides therein, during the period between the date of such response and the delivery of the notice provided by the owner pursuant to this subdivision during the immediately following year the occupant shall have the responsibility to inform the owner of any child of applicable age that comes to reside therein during such period. In the event such occupant fails to inform the owner of such child as required by this paragraph, and the owner does not otherwise have actual knowledge that such child is residing in the dwelling unit, the presumption provided for in section 27-2056.5 of this article shall not apply in any action to recover damages for personal injury caused by contact with or exposure to lead-based paint or lead contaminated dust.

(4) For calendar year two thousand four, an owner shall be deemed to have satisfied the provisions of paragraphs one through three of this subdivision if such owner delivers or has already delivered to each dwelling unit where a child under six years of age resides a notice identical or substantially similar to that required to have been delivered in calendar year two thousand three, (i) in the same manner as was required in calendar year two thousand three, and (ii) during the same periods of time in calendar year two thousand four as such notice was required to have been delivered during calendar year two thousand three.

f. The owner shall inform the occupant in writing of the results of an investigation undertaken pursuant to this section and shall provide a copy of any such report received or generated by an investigation. The owner shall retain a copy of each investigation report, for ten years from the date of such report and such report shall be made available to the department on request and shall be transferred by the owner to the owner's successor in title.

g. Any owner who violates the provisions of this section, or the rules promulgated hereunder, shall be guilty of a misdemeanor punishable by a fine of up to five hundred dollars or imprisonment for up to six months or both. In addition, any violation of this section shall subject the owner to a civil penalty of not more than one thousand five hundred dollars per violation.

h. The department may, at its discretion, perform sample audits to determine compliance with the requirements of this section.

§27-2056.5 Presumption. a. In any multiple dwelling erected prior to January 1, 1960, it shall be presumed that the paint or other similar surface-coating material in any dwelling unit where a child of applicable age resides or in the common areas is lead-based paint. The presumption established by this section may be rebutted by the owner of the dwelling or dwelling unit by submitting to the department a sworn written statement by the owner supported by lead-based paint testing or sampling results, a sworn written statement by the person who performed the testing if performed by an employee or agent of the owner, and such other proof as the department may require. Testing performed to rebut the presumption may only be performed by a person who has been certified as an inspector or risk assessor in accordance with subparts L and Q of part 745 of title 40 of the code of federal regulations or any successor regulations. The determination as to whether such proof is adequate to rebut the presumption established by this section shall be made by the department.

b. The owner of a dwelling or a dwelling unit may apply to the department to have such dwelling or dwelling unit exempted from the presumption contained in subdivision a of this section when either (i) an inspection for lead-based paint in such dwelling or dwelling unit, performed in accordance with section 745.227 of title 40 of the code of federal regulations, or any successor regulation, has determined that there is no lead-based paint present in such dwelling or dwelling unit, or (ii) substantial alterations have been made to such dwelling or dwelling unit and such alterations have resulted in the removal or permanent covering of all lead-based paint in that dwelling or dwelling unit. The department shall by rule determine the requirements needed to qualify for such an exemption. Sections 27-2056.4, 27-2056.8 and 27-2056.9 of this article shall not apply to any dwelling or dwelling unit that has been granted an exemption by the department.

§27-2056.6 Violation in a Dwelling Unit. The existence of lead-based paint in any dwelling unit in a multiple dwelling where a child of applicable age resides shall constitute a class C immediately hazardous violation if such paint is peeling or is on a deteriorated subsurface.

§27-2056.7 Audit and inspection by department following commissioner's order to abate. a. When the department of health and mental hygiene issues a commissioner's order to abate pursuant to section 173.13 of the New York city health code or a successor rule that addresses lead-based paint hazards in a specific dwelling unit in a multiple dwelling, the department, within fifteen days of such order, shall notify the owner of the multiple dwelling where the dwelling unit is located that the owner shall, within forty-five days of the department's notice, provide to the department all records required to be maintained under this article. Upon the department's receipt of those records and a determination that there may exist uncorrected lead-based paint hazards in dwelling units where a child of applicable age resides, the department within ten days shall attempt to inspect such units to determine whether there are any violations of section 27-2056.6 of this article.

b. If the owner does not provide to the department the records as mandated by subdivision a of this section, the department shall within forty-five days of such failure attempt to inspect dwelling units where a child of applicable age resides to determine whether there are any violations of section 27-2056.6 of this article in such units.

c. The department is not required to undertake the procedures specified in this section in a particular multiple dwelling if it has done so in such building during the prior twelve month period.

d. Any owner who fails to comply with the provisions of this section in accordance with the rules of the department shall be liable for a class C immediately hazardous violation, and a civil penalty in an amount not to exceed one thousand dollars.

§27-2056.8 Violation in a Dwelling Unit Upon Turnover a. Upon turnover of any dwelling unit in a multiple dwelling erected prior to January 1, 1960 or a dwelling unit in a private dwelling erected prior to January 1, 1960 where each dwelling unit is to be occupied by persons other than the owner or the owner's family, the owner shall within such dwelling unit have the responsibility to:

(1) remediate all lead-based paint hazards and any underlying defects, when such underlying defects exist;

(2) make all bare floors, window sills, and window wells in the dwelling unit smooth and cleanable;

(3) provide for the removal or permanent covering of all lead-based paint on all friction surfaces on all doors and door frames; and

(4) provide for the removal or permanent covering of all lead-based paint on all friction surfaces on all windows, or provide for the installation of replacement window channels or slides on all lead-based painted friction surfaces on all windows.

b. All work performed pursuant to this section shall be performed pursuant to the safe work practices promulgated pursuant to section 27-2056.11(a)(3) of this article.

c. Any owner who fails to comply with the provisions of subdivision a of this section, or the rules of the department of health and mental hygiene or the department promulgated pursuant to section 27-2056.11(a)(3) shall be liable for a class C immediately hazardous violation.

§27-2056.9 Department Inspections. a. When entering a dwelling unit in a multiple dwelling constructed prior to January 1, 1960 for the purpose of investigating the existence of any violation of this code, the department shall make diligent efforts to ascertain whether a child of applicable age resides therein and shall request from the occupant an acknowledgement as to whether such a child resides in the dwelling unit. Whenever a child of applicable age resides in a dwelling unit, the department shall immediately perform a room-by-room inspection of the dwelling unit and record for each room in a report of such inspection whether the paint or other similar surface-coating material in each room is peeling or intact. For each room where peeling paint is found, the department shall also inspect for evidence of an underlying defect and shall indicate on the inspection report the peeling paint's location within the room, the condition of the subsurface below it, and the location of any underlying defect. When performing such inspection, the department need only inspect those portions of the dwelling unit where furniture or other furnishings do not obstruct the view of a surface, except when there is visible evidence that causes the department to believe that the obstructed surface has peeling paint. Where, upon conducting an inspection, the department determines the existence of a condition constituting a violation of this article, the department shall serve a notice of violation within ten additional days.

b. In any dwelling unit in a multiple dwelling erected prior to January 1, 1960 where a child of applicable age resides, the department shall conduct an inspection pursuant to subdivision a of this section no later than ten days after the department's receipt of a complaint describing peeling paint, or a deteriorated subsurface or underlying defect in the dwelling unit. The department shall make diligent efforts to ascertain whether a child of applicable

age resides therein. Where the department attempts to perform an inspection of a dwelling unit within the time period required by this subdivision but is unable to gain access, the department shall be required to make a reasonable attempt to gain access to such dwelling unit within five days of such attempt. If the department is unable to gain access to that dwelling unit during this additional time period, the department shall provide written notice to the occupant of such dwelling unit that no further attempts at access shall be made unless a new complaint is submitted.

c. Each inspector who performs an inspection pursuant to subdivision b of this section shall use an x-ray fluorescence analyzer during the course of that inspection to determine whether lead-based paint is present in such dwelling unit except that, for reasons beyond the control of the department, such x-ray fluorescence analysis is unable to be performed during such inspection, the department shall rely on the presumption set forth in subdivision a of section 27-2056.5 of this article. Where peeling paint is found during an inspection of a dwelling unit performed pursuant to subdivision a of this section, the department shall within ten days thereafter perform another inspection of such dwelling unit using an x-ray fluorescence analyzer to determine whether lead-based paint is present in such dwelling unit. Where, upon conducting an inspection, the department determines the existence of a condition constituting a violation of this article, the department shall serve a notice of violation within ten additional days.

d. The pamphlet developed by the department of health and mental hygiene pursuant to section 17-179 of this code shall be left at the premises of the dwelling unit at the time of an inspection made by the department pursuant to this section.

e. The department shall develop a pamphlet listing the work practices to be established pursuant to section 27-2056.11 of this article. Such pamphlet shall be delivered by the department in conjunction with all notices of violation issued pursuant to paragraph one of subdivision l of section 27-2115 of this code. Failure to include such pamphlet with such notices of violation shall not render null and void the service of such notices of violation. Such pamphlet shall also be made available to any member of the public upon request.

f. Notwithstanding any other provision of law, failure by the department or the department of health and mental hygiene to comply with any time period provided in this article or section 27-2115 of this chapter relating to responsibilities of the department and the department of health and mental hygiene, shall not render null and void any notice of violation issued by the department or the department of health and mental hygiene pursuant to such article or section, and shall not provide a basis for defense or mitigation of an owner's liability for civil penalties for violation of such article.

§27-2056.10 Department Implementation and Enforcement. a. The department shall provide appropriate training for lead-based paint inspection and supervisory personnel. Department personnel who conduct a visual inspection pursuant to this article shall receive training which at a minimum, shall be the training approved by the United States department of housing and urban development for performance of visual inspections. Department personnel who perform lead-based paint inspections using XRF machines shall receive training required by the United States environmental protection agency pursuant to section 745.226(b) of title 40 of the code of federal regulations or successor regulations. Training of all inspection and supervisory personnel shall also include background information pertaining to applicable state and local lead-based paint laws and guidance on identifying violations in a multiple dwelling, and require that the individual has successfully demonstrated knowledge of the requirements of this article. The department shall provide for the continuing education of inspection and supervisory personnel.

b. The department, with the approval of the department of health and mental hygiene, shall promulgate a comprehensive written procedure to guide department personnel in implementing and enforcing this article. Where feasible, such procedures shall establish a uniform method for the department of health and mental hygiene and the department, following the method implemented by the department of health and mental hygiene, to describe violations and identify their location in a dwelling or dwelling unit. Such procedures shall include a methodology and a form to be used by department personnel when conducting an inspection to carry out and record an inspection pursuant to section 27-2056.9 of this article.

c. The department shall promulgate rules for the implementation and enforcement of this article and to effect compliance with all applicable provisions of this article, rules promulgated thereunder, and all applicable city, state or federal laws, rules or regulations. Such rules shall be subject to the approval of the department of health and mental hygiene prior to their promulgation and shall include, but not be limited to, establishing:

(1) uniform specifications and procedures to govern testing, including a standardized format for reporting such testing results, whenever paint or a similar surface-coating material is tested for its lead content, whether by or on behalf of an owner or an agency of the city of New York;

(2) procedures by which an owner shall comply with section 27-2056.4 of this article, including the form and content of the annual notice;

(3) procedures by which an owner shall submit rebuttal documentation to the department pursuant to 27-2056.5 of this article;

(4) procedures by which an owner may apply to the department to postpone the date by which a violation shall be corrected pursuant to subdivision l of section 27-2115 of this code, including, but not limited to, the stabilization of the paint which is the subject of the violation where an owner requests a second postponement of time to correct a violation in accordance with subdivision l of section 27-2115 of this code; and

(5) procedures to implement and to enforce compliance with paragraph two of subdivision l of section 27-2115 of this code, which shall include, but not be limited to, the requirement that an owner certify to:

(i) the correction of a violation of this article of the code, and

(ii) compliance with the rules promulgated by the department pursuant to section 27-2056.11 of this code; and

(6) procedures to be established by the department of health and mental hygiene to order or provide for the expeditious cleanup and removal of lead-contaminated dust when the department of health and mental hygiene determines that there is lead-contaminated dust in a dwelling unit where a child of applicable age resides, such child has an elevated blood level, and the department of health and mental hygiene determines that the source of that lead-contaminated dust is not a condition of the dwelling in which such dwelling unit is located.

§27-2056.11 Work Practices.

a. The department shall promulgate rules, with the approval of the department of health and mental hygiene, establishing work practices to which an owner shall be subject in each of the following circumstances:

(1) where an owner is performing work in order to comply with a notice of violation or order to correct issued by the department pursuant to this article, which shall be no less stringent than the safety standards required by the commissioner of health and mental hygiene whenever such commissioner shall order the abatement of lead-based paint hazards pursuant to section 173.13 of the health code or a successor rule. Such rules shall provide for temporary relocation provided by the owner of the occupants of a dwelling or dwelling unit to appropriate housing when work cannot be performed safely. Such rules shall provide that all such work be performed only by firms which have received certification to perform lead abatement under the regulations issued by the United States environmental protection agency at subpart L of part 745 of title 40 of the code of federal regulations, or any successor regulations.

(2) where an owner, other than in response to an order to correct or notice of violation issued by the department or the department of health and mental hygiene, is performing work that will disturb lead-based paint or paint of unknown lead content in a dwelling unit where a child of applicable age resides or in the common area of the multiple dwelling in which such dwelling unit is located, where such multiple dwelling was erected prior to January first, nineteen hundred sixty, or where the owner has actual knowledge of the presence of lead-based paint and such multiple dwelling was erected on or after January first, nineteen hundred sixty and before January first, nineteen hundred seventy-eight.

(i) Except as provided in subparagraph (ii) of this paragraph, such rules shall incorporate work practices that are no less protective of public health than those set forth in subdivisions d and e of section 173.14 of the health code and those parts of subdivision b of such section applicable thereto or a successor rule, and shall include a requirement that lead-contaminated dust clearance testing be performed at the completion of such work. Such rules shall require that such work be performed by a person who has, at a minimum, successfully completed a course on lead-safe work practices given by or on behalf of the department or, by the United States environmental protection agency or an entity authorized by it to give such course, or by the United States department of housing and urban development or an entity authorized by it to give such course. Such rules shall require temporary relocation provided by the owner of the occupants of a dwelling or dwelling unit to appropriate housing when work cannot be performed safely.

(ii) Where such work will disturb more than one hundred square feet of lead-based paint or paint of unknown lead content in a room in a multiple dwelling, or will involve the removal of two or more windows with lead-based paint or paint of unknown lead content, such rules shall incorporate work practices that are no less protective of public health than those set forth in subdivisions d and e of section 173.14 of the health code and those parts of subdivision b of such section applicable thereto, or a successor rule, and shall include a requirement that lead-

contaminated dust clearance testing be performed at the completion of such work. Such rules shall also require temporary relocation provided by the owner of the occupants of a dwelling or dwelling unit to appropriate housing when work cannot be performed safely. Such rules shall require, in addition, that all such work be performed only by firms which have received certification to perform lead abatement under the regulations issued by the United States environmental protection agency at subpart L of part 745 of title 40 of the code of federal regulations for the abatement of lead hazards, or any successor regulations. Such rules shall also provide that not less than ten days prior to the commencement of such work the owner of the premises, or the firm, shall file with the department of health and mental hygiene a notice of commencement so that the department of health and mental hygiene may, at its discretion, perform sample audits of such notices to determine that the firms performing the work are properly certified. Such notice shall be signed by the owner or by a representative of the firm , and shall be in a form satisfactory to or prescribed by the department of health and mental hygiene, and shall set forth at a minimum the following information:

(a) The address of the multiple dwelling and the specific location of the work within the multiple dwelling.

(b) The name, address and telephone number of the owner of the multiple dwelling in which the work is to be performed.

(c) The name, address and telephone number of the firm which will be responsible for performing the work.

(d) The date and time of commencement of the work, working or shift hours, and the expected date of completion; and

(e) Identification of the surfaces and structures, and surface area, subject to the work.

The rules shall also provide that any changes in the information contained in the notice shall be filed with the department of health and mental hygiene prior to commencement of work, or if work has already commenced, within twenty-four hours of any change. The rules shall provide that a copy of the notice of commencement shall be posted at the work site.

(iii) The provisions of this paragraph shall not apply where such work disturbs surfaces of less than (a) two square feet of peeling lead-based paint per room or (b) ten percent of the total surface area of peeling paint on a type of component with a small surface area, such as a window sill or door frame.

(3) where an owner is performing work on turnover pursuant to 27-2056.8 of this article. Such rules shall include, but not be limited to, requiring lead-contaminated dust clearance tests at the completion of such work.

b. No person shall perform a lead-contaminated dust clearance test pursuant to this section unless such person is a third-party, who is independent of the owner and any individual or firm that performs the work, and has successfully completed a course approved or administered by the department of health and mental hygiene or by the United States environmental protection agency or the United States department of housing and urban development and obtained a certificate or other document issued by or acceptable to the department of health and mental hygiene.

c. The department, with the approval of the department of health and mental hygiene, shall promulgate rules requiring that all lead-contaminated dust clearance tests submitted to a laboratory for analysis include a sworn certification that such test was performed in compliance with all applicable rules and regulations and shall include any additional information that the department shall determine is necessary for the administration and enforcement of this section.

d. Where an owner is performing work pursuant to paragraph (1) of subdivision a of this section, all lead-contaminated dust clearance test results shall be filed with the department, and a copy shall be provided by the owner to the occupant of the dwelling unit. Where an owner is performing work pursuant to paragraphs (2) and (3) of subdivision a of this section, a copy of all lead-contaminated dust clearance test results shall be provided to the occupant of the dwelling unit. Copies of lead-contaminated dust clearance test results provided to the occupant of the dwelling unit pursuant to this subparagraph shall be in a form satisfactory to or prescribed by the department of health and mental hygiene that provides a sufficiently clear explanation of the meaning of such results.

§27-2056.12 Reporting. a. Within four months after the close of the first fiscal year after which this article takes effect and for every fiscal year thereafter, the commissioner shall provide to the council a written report on the department's implementation of this article during the preceding year. Such report shall include, at a minimum, an analysis of the department's program, a detailed statement of revenue and expenditures and statistical section designed to provide a detailed explanation of the department's enforcement including, but not limited to, the following:

(1) the number of complaints for peeling paint in pre-1960 dwelling units where a child of applicable age resides, disaggregated by city or non-city ownership of the building which is the subject of the complaint;

(2) the number of inspections by the department pursuant to this article, disaggregated by the city or non-city ownership of the building where the inspection occurred;

(3) the number of violations issued by the department pursuant to this article;

(4) the number of violations issued pursuant to this article that were certified as corrected by the owner, the number of such certifications that did not result in the removal of such violations, and the number of civil actions brought by the department against such owners; and

(5) the number of jobs performed in which violations issued pursuant to this article were corrected by the department, the total amount spent by the department to correct the conditions that resulted in the violations, and the average amount spent per dwelling unit to correct such conditions; and

(6) a statistical profile with geographic indexing, such as by community district, council district, and/or zip code, of multiple dwellings in which violations are placed, indicating the ages of the multiple dwellings and other factors relevant to the prevalence of lead-based paint hazards, which may include the prior lead poisoning of a child in the multiple dwelling, outstanding violations, and emergency repair charges.

b. The department of health and mental hygiene shall prepare a report on progress toward increasing screening rates and reducing the incidence rates of children newly identified with elevated blood lead levels. This report shall be utilized by the department in its implementation of this article. Such report shall be submitted to the council within nine months after the close of each calendar year.

c. The department shall maintain a central register of all department orders to correct a violation under this article. Such register shall indicate, if applicable, the date of the complaint, address of the premises, and the date of each inspection and reinspection.

§27-2056.13 Transmittal of Violations to the Department of Health and Mental Hygiene. The department shall send a notice which shall be addressed to the dwelling unit in the multiple dwelling, when a dwelling unit is identified, for which a violation of this article was issued. Such notice shall include a telephone number for the department of health and mental hygiene. The department shall also refer to the department of health and mental hygiene the address of the unit in the multiple dwelling for which such violation was issued, the name of the complainant, if any, and the complainant's telephone number, if available. The department of health and mental hygiene, pursuant to section 17-179 of this code, shall refer to appropriate medical providers any person who requests assistance in blood lead screening, testing, diagnosis or treatment, and upon the request of a parent or guardian, arrange for blood lead screening of any child who requires screening and whose parent or guardian is unable to obtain a lead test because the child is uninsured or the child's insurance does not cover such screening.

§27-2056.14 Inspections by Department of Health and Mental Hygiene and Removal of Health Code Violations by Department of Housing Preservation and Development. Whenever a report has been made to the department of health and mental hygiene of a person under eighteen years of age with an elevated blood lead level of fifteen micrograms per deciliter or higher residing in any dwelling unit, the department of health and mental hygiene shall conduct such investigation as may be necessary to identify potential sources of the elevated blood lead level, including but not limited to, an inspection of the dwelling unit where such person resides. If the department of health and mental hygiene issues an order to correct any violation, the department of health and mental hygiene shall notify the department of each dwelling unit in a dwelling for which the department of health and mental hygiene has issued an order to correct a violation. Where the owner of the dwelling or relevant dwelling unit within such dwelling fails to comply with an order of the department of health and mental hygiene to correct a violation placed by the department of health and mental hygiene, the department of health and mental hygiene shall certify such conditions to the department of housing preservation and development. The certification procedure shall be completed within sixteen days of the report of the elevated blood lead level. The conditions so certified shall be corrected within eighteen days of certification to the department.

§27-2056.15 Waiver of Benefit Void. a. No owner may seek to have an occupant of a dwelling unit waive the benefit or protection of any provision of this article. Any agreement by the occupant of a dwelling unit purporting to waive the benefit or protection of any provision of this article is void. Any owner who violates this section, or the rules promulgated hereunder, shall be guilty of a misdemeanor punishable by a fine of up to five hundred dollars or imprisonment for up to six months or both. In addition, any owner who violates this section shall be liable for a civil penalty of not more than five hundred dollars per violation.

b. Notwithstanding any other provision of this article, nothing herein shall be construed to alter existing or future agreements which allocate responsibility for compliance with the provisions of this article between a tenant shareholder and a cooperative corporation or between the owner of a condominium unit and the board of managers of such condominium.

c. The provisions of this article, other than section 27-2056.14, shall not apply to a dwelling unit in a multiple dwelling where (i) title to such multiple dwelling is held by a cooperative housing corporation or such dwelling unit is owned as a condominium unit, and (ii) such dwelling unit is occupied by the shareholder of record on the proprietary lease for such dwelling unit or the owner of record of such condominium unit, as is applicable, or the shareholder's or record owner's family.

§27-2056.16 Exemption for Emergency Conditions. For emergency actions immediately necessary to safeguard against imminent danger to human life, health or safety or to protect property from further major damage, such as when a property has been damaged by a natural disaster, fire, structural collapse, cascading water, lack of utilities or other emergency conditions, occupants shall be protected from exposure to lead in dust and debris generated by such emergency actions to the extent practicable and the requirements of this article shall not apply. This exemption applies only to repairs immediately necessary to respond to the emergency. The requirements of this article shall apply to any work undertaken subsequent to or above and beyond such emergency actions.

§27-2056.17 Record Keeping Requirements. The owner of any multiple dwelling or dwelling that performs any work pursuant to this article shall retain all records relating to such work for a period of no less than ten years from the completion date of such work. The owner shall make any such records required to be retained by this section available to the department upon the department's request, and shall transfer such records to the owner's successor in title.

§27-2056.18 Application of this article based on age of child. For the purposes of this article, the term "applicable age" shall mean "under seven years of age" for at least one calendar year from the effective date of this section. Upon the expiration of such one year period, in accordance with the procedures by which the health code is amended, the board of health may determine whether or not the provisions of this article should apply to children of age six, and based on this determination, may redefine "applicable age" for the purposes of some or all of the provisions of this article to mean "under six years of age," but no lower.

§6. Section 27-2115 of the administrative code of the city of New York is amended by adding a new subdivision l to read as follows:

(l)(1) Notwithstanding any other provision of law, when the department serves a notice of violation to correct and certify a condition that constitutes a violation of article fourteen of subchapter two of this chapter, the notice of violation shall specify the date by which the violation shall be corrected, which shall be twenty-one days after service of the notice of violation, and the procedure by which the owner, for good cause shown pursuant to this subdivision, may request a postponement. The notice of violation shall further specify that the violation shall be corrected in accordance with the work practices established in accordance with section 27-2056.11 of this code. The notice of violation shall be served by personal delivery to a person in charge of the premises or to the person last registered with the department as the owner or agent, or by registered or certified mail, return receipt requested, or by certified mail with proof of delivery, to the person in charge of the premises or to the person last registered with the department as the owner or agent; provided that where a managing agent has registered with the department, such notice of violation shall be served on the managing agent. Service of the notice of violation shall be deemed completed three days from the date of mailing. Notification, in a form to be determined by the department, of the issuance of such violation shall be sent simultaneously by regular mail to the occupant at the dwelling unit that is the subject of such notice of violation. The department may postpone the date by which a violation shall be corrected upon a showing, made within the time set for correction in the notice, that prompt action to correct the violation has been taken but that full correction cannot be completed within the time provided because of serious technical difficulties, inability to obtain necessary materials, funds or labor, inability to gain access to the dwelling unit wherein the violation exists, or such other portion of the building as may be necessary to make the required repair. Such postponement shall not exceed fourteen days from the date of correction set forth in the notice of violation. The department may require such other conditions as are deemed necessary to insure correction of the violations within the time set for the postponement. The department may grant one additional postponement of no more than fourteen days for the reasons authorized by this section so long as the paint or other condition which is the subject of the violation has been stabilized. The department is also authorized to promulgate rules establishing criteria for a postponement of the time to correct for a longer period of time where such postponement is requested because of one or more substantial capital improvements will be made that will, when completed, significantly reduce the presence of lead-based paint in such multiple dwelling or dwelling unit including, but not limited to, a requirement that the paint which is the subject of the violation is stabilized. The department shall provide to the owner and the occupant a written statement signed and dated by the person making

such decision setting forth the reasons for each postponement of the date by which a violation shall be corrected or the reason for the denial of such application for a postponement. Said written statement shall be part of the records of the department.

(2) Notwithstanding any other provision of law, the notice of violation shall direct that the correction of each violation cited therein shall be certified to the department. Such certification shall be made in writing, under oath by the registered owner, a registered officer or director of a corporate owner or by the registered managing agent. Such certification shall include a statement that the violation was corrected in compliance with paragraph one of subdivision a of section 27-2056.11 of this code and shall include a copy of the lead-contaminated dust clearance test results. All certifications shall be delivered to the department and acknowledgment of receipt therefor obtained or shall be mailed to the department by certified or registered mail, return receipt requested, no later than five days after the date set for correction, and shall include the date when each violation was corrected. Such certification of correction shall be supported by a sworn statement by the person who performed the work if performed by an employee or agent of the owner. A copy of such certification shall be mailed to the complainant by the department not more than twelve full calendar days from the date of receipt of such certification by the department. Failure to file such certification shall establish a prima facie case that such violation has not been corrected.

(3) Whenever the department shall issue a notice of violation to correct a condition that constitutes a violation of section 27-2056.6 of article fourteen of subchapter two of this chapter, the department shall within fourteen days after the date set for the correction of such violation conduct a final inspection to verify that the violation has been corrected. Where, upon conducting an inspection, the department determines that a violation has not been corrected, the department shall correct such violation within forty-five additional days of such inspection or in such shorter time as is practicable.

(4) Notwithstanding any other provision of law, the department shall not remove a violation from its records nor shall it be deemed that such violation has been corrected unless the records of the department contain written verification that the department has conducted a final inspection of the premises and that such inspection verifies that the violation has been corrected, and copies of lead-contaminated dust clearance test results whenever such tests are required by applicable law, rule or regulation. A copy of the report of the final inspection of a dwelling unit and the status of the violation shall be mailed or delivered to the occupant and the owner.

(5) Notwithstanding any other provision of law, a person making a false certification of correction of a violation issued pursuant to article 14 of subchapter 2 of this chapter, in addition to any other civil penalty, shall be subject to a civil penalty of not less than one thousand dollars nor more than three thousand dollars for each false certification made, recoverable by the department in a civil action brought in a court of competent jurisdiction. If the person making such false certification is an employee of the owner then such owner shall be responsible for such civil penalty. In addition, any such person making a false certification of correction shall be guilty of a misdemeanor punishable by a fine of up to one thousand dollars or imprisonment for up to one year or both.

(6) Notwithstanding any other provision of law, a person who violates article fourteen of subchapter two of this chapter by failing to correct such violation in accordance with paragraph one of subdivision a of section 27-2056.11 of this code shall be subject to a civil penalty of two hundred fifty dollars per day for each violation to a maximum of ten thousand dollars from the initial date set for correction in the notice of violation until the date the violation is corrected and certified to the department, and in addition to any civil penalty shall, whenever appropriate, be punished under the provisions of article three of subchapter five of this code. There shall be a presumption that the condition constituting a violation continues after the service of the notice of violation. The owner shall be responsible for the correction of all violations noticed pursuant to article fourteen of subchapter two of this chapter, but in an action for civil penalties pursuant to this subdivision may in defense or mitigation of such owner's liability for civil penalties show:

(i) That the condition which constitutes the violation did not exist at the time the violation was placed; or

(ii) That he or she began to correct the condition which constitutes the violation promptly upon discovering it but that full correction could not be completed expeditiously because of serious technical difficulties, inability to obtain necessary materials, funds or labor, or inability to gain access to the dwelling unit wherein the violation exists, or such other portion of the building as might be necessary to make the repair, provided that a postponement was granted pursuant to this subdivision; or

(iii) That he or she was unable to obtain a permit or license necessary to correct the violation, provided that diligent and prompt application was made therefor; or

(iv) That the violation giving rise to the action was caused by the act of negligence, neglect or abuse of another not in the employ or subject to the direction of the owner, except that the owner shall be precluded from showing in

defense or mitigation of such owner's liability for civil penalties evidence of any acts occurring, undertaken, or performed by any predecessor in title prior to the owner taking control of the premises. Where the aforesaid allegations are made by way of mitigation of penalties, the owner shall show, by competent proof, pertinent financial data and efforts made to obtain necessary materials, funds or labor or to gain access, or to obtain a permit or license and such other evidence as the court may require.

If the court finds that sufficient mitigating circumstances exist, it may remit all or part of any penalties arising from the violations, but may condition such remission upon a correction of the violation within a time period fixed by the court.

(7) Notwithstanding any other provision of law, failure by the department to comply with any time period provided in this section relating to responsibilities of the department shall not render null and void any notice of violation issued by the department or the department of health and mental hygiene pursuant to such article or section, and shall not provide a basis for defense or mitigation of an owner's liability for civil penalties for violation of such article

§7. Title 17 of the administrative code of the city of New York is amended by adding new sections 17-179, 17-180, 17-181, 17-185, and 17-186, to read as follows:

§17-179 Department Screening, Diagnosis, and Treatment. a. The department shall refer to appropriate medical providers any person who requests assistance in blood lead screening, testing, diagnosis or treatment, and upon the request of a parent or guardian, arrange for blood lead screening of any child who requires screening and whose parent or guardian is unable to obtain a lead test because the child is uninsured or the child's insurance does not cover such screening.

b. The department shall develop a pamphlet explaining the hazards associated with lead-based paint and describing the procedures to be used in order for a violation of sections 27-2056.6 and 27-2056.7 of this code to be corrected. The pamphlet shall include appropriate telephone numbers to obtain lead poisoning screening, diagnosis and treatment information and to report unsafe lead-based paint work practices. Such pamphlet shall be made available in accordance with section 27-2056.9 of this code. Such pamphlet shall also be made available to any member of the public upon request.

§17-180 Training of Department Personnel. The department, in conjunction with the department of housing preservation and development, shall provide training for lead-based paint inspection and supervisory personnel. No department personnel shall conduct an inspection for lead-based paint pursuant to the health code unless that individual has received such training. At a minimum, such training shall (1) be equivalent to the training required under regulations issued by the United States environmental protection agency for the certification of lead-based paint inspectors and supervisors, (2) include background information pertaining to applicable state and local lead-based paint laws and guidance on identifying violations in a multiple dwelling, and (3) require that the individual has successfully demonstrated knowledge of the responsibilities of a certified inspector or certified supervisor, as the case may be, and the requirements of sections 173.13 and 173.14 of the health code or successor rules. The department shall provide for the continuing education of inspection and supervisory personnel.

§17-181 Lead-based paint; dry scraping and dry sanding prohibited. The dry scraping or dry sanding of lead-based paint or paint of unknown lead content in any dwelling, day care center or school is hereby declared to constitute a public nuisance and a condition dangerous to life and health. For the purpose of this section, dry scraping and dry sanding shall mean the removal of paint or similar surface-coating material by scraping or sanding without using water misting to reduce dust levels or other method approved by the department. The department shall promulgate such additional rules as necessary for the enforcement of this section.

§17-185 Inspection by the Department of Unsafe Work Practices. The department shall promulgate rules requiring the department to respond to complaints regarding unsafe lead-based paint work practices.

§17-186 Lead poisoning prevention in children. a. The department shall develop a brochure which, at a minimum, advises all appropriate medical providers of their obligations to screen and test children for lead poisoning according to all relevant federal, state and local laws, rules and regulations. Such pamphlet shall be distributed to all appropriate medical providers on an annual basis, starting on September 15, 2004.

b. The department shall develop a pamphlet regarding lead poisoning prevention in children. Such pamphlet shall, at a minimum, be printed in English and Spanish and shall include, at a minimum: (i) the manner in which children are most likely poisoned by lead; (ii) the effects of lead poisoning on a child's health; (iii) the intervals at which a child is required by New York state law to be tested for blood lead levels; (iv) the appropriate telephone numbers to obtain lead poisoning screening, diagnosis and treatment information; (v) the steps a parent or

guardian may take to protect his or her child from lead poisoning; and (vi) the requirement of landlords to inspect and repair lead-based paint hazards.

c. At a minimum, the department shall distribute the pamphlet produced pursuant to paragraph b of this section with each birth certificate furnished to the parent or guardian of a child pursuant to section 17-168 of this title. Such pamphlet shall also be made available to any member of the public upon request.

§8. Subdivision 1 of subsection a of section § 11-243 of the administrative code of the city of New York is amended to read as follows:

1. "Alteration" and "improvement": a physical change in an existing dwelling other than painting, ordinary repairs, normal replacement of maintenance items, [except that painting or repairs designated to eliminate the lead-based paint poisoning hazard shall be eligible for tax exemption and tax abatement under this section and] provided, however, that ordinary repairs and normal replacement of maintenance items, as defined by [regulations] *rules* adopted by the department of housing preservation and development pursuant to subdivision m of this section, shall be eligible for tax exemption and tax abatement under this section provided that repairs and maintenance items:

(1) were started and completed within a twelve-month period,

(2) were made to any common area of the dwelling premises concurrently with a major capital improvement thereto, as defined by [regulations] *rules* adopted by the department of housing preservation and development pursuant to subdivision m of this section, and

(3) require the issuance of a permit for at least one item thereof by any city agency, and

(4) the amount of money expended thereon shall not exceed two times the amount expended on the major capital improvement performed concurrently therewith.

"Alteration" and "improvement" shall also mean "an abatement" of lead-based paint hazards, as defined in part 745 of title forty of the code of federal regulations or any successor regulations, and shall include an "inspection" and "risk assessment" for lead-based paint hazards, as defined in such part, in a dwelling unit occupied by a child of applicable age, as established in accordance with section 27-2056.18 of this code, regardless of whether a child is or has been lead poisoned but shall not include any work performed to comply with a notice of violation issued for a violation of article fourteen of subchapter two of chapter .

§9. Title 17 of the administrative code of the city of New York is amended by adding a new chapter nine to read as follows:

Chapter 9
Lead-Based Paint in Day Care Facilities
Subchapter 1
Definitions

§17-900 Definitions.

Subchapter 2
Remediation of Lead-Based Paint Hazards in Day Care Facilities

§17-910 Presumption.
§17-911 Remediation.
§17-912 Department Rules.
§17-913 Annual Inspection.

Subchapter 1
Definitions

§17-900 Definitions. For the purpose of this chapter the following terms shall have the following meanings:

1. " Chewable surface" shall mean a protruding interior window sill in a day care facility that is readily accessible to a child of applicable age. "Chewable surface" shall also mean any other type of interior edge or protrusion in a day care facility, such as a rail or stair, where there is evidence that such other edge or protrusion has been chewed or where the operator of such day care facility has observed that a child under six years of age has mouthed or chewed such edge or protrusion.

2. "Day care facility" shall mean any facility used to provide day care service.

3. "Day care service" shall mean any service which, during all or part of the day, regularly gives care to seven or more children under six years of age, not all of common parentage, which operates more than five hours per week for more than one month a year. Day care service shall not mean a kindergarten or higher grade in a facility operated by the board of education.

4. "Deteriorated subsurface" shall mean an unstable or unsound painted subsurface, an indication of which can be observed through a visual inspection, including but not limited to, rotted or decayed wood, or wood or

plaster that has been subject to moisture or disturbance.

5. "Friction Surface" shall mean any painted surface that touches or is in contact with another surface, such that the two surfaces are capable of relative motion, and abrade, scrape or bind when in motion. Friction surfaces shall include, but not be limited to, window frames and jambs, doors, and hinges.

6. "Impact Surface" shall mean any interior painted surface that shows evidence, such as marking, denting, or chipping, that it is subject to damage by repeated sudden force, such as certain parts of door frames, moldings, or baseboards.

7. "Lead-based paint" shall mean paint or other similar surface-coating material containing 1.0 milligrams of lead per square centimeter or greater, as determined by laboratory analysis, or by an x-ray fluorescence analyzer. If an x-ray fluorescence analyzer is used, readings shall be corrected for substrate bias when necessary as specified by the performance characteristic sheets released by the United States environmental protection agency and the United States department of housing and urban development for the specific x-ray fluorescence analyzer used. X-ray fluorescence readings shall be classified as positive, negative or inconclusive in accordance with the United States department of housing and urban development "Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing" (June 1995, revised 1997) and the PCS released by the United States environmental protection agency and the United States department of housing and urban development for the specific x-ray fluorescence analyzer used. X-ray fluorescence readings that fall within the inconclusive zone, as determined by the performance characteristic sheets, shall be confirmed by laboratory analysis of paint chips, results shall be reported in milligrams of lead per square centimeter and the measure of such laboratory analysis shall be definitive. If laboratory analysis is used to determine lead content, results shall be reported in milligrams of lead per square centimeter. Where the surface area of a paint chip sample cannot be accurately measured or if an accurately measured paint chip sample cannot be removed, laboratory analysis may be reported in percent by weight. In such case, lead-based paint shall mean any paint or other similar surface-coating material containing more than 0.5% of metallic lead, based on the non-volatile content of the paint or other similar surface-coating material.

8. "Lead-based paint hazard" shall mean any condition that causes exposure to lead from lead-contaminated dust, from lead-based paint that is peeling, or from lead-based paint that is present on chewable surfaces, deteriorated subsurfaces, friction surfaces, or impact surfaces that would result in adverse human health effects.

9. "Lead-contaminated dust" shall mean dust containing lead at 40 or more micrograms per square foot on a floor, 250 or more micrograms per square foot on window sills, and 400 or more micrograms per square foot on window wells, or such more stringent standards as may be adopted by the New York City board of health.

10. "Operator of such day care facility" shall mean any person who provides day care service and the owner of the premises where such day care facility is located. "Person" shall mean an individual, corporation, partnership, association or other for-profit or not-for-profit entity.

11. "Peeling" shall mean that the paint or other surface-coating material is curling, cracking, scaling, flaking, blistering, chipping, chalking, or loose in any manner, such that a space or pocket of air is behind a portion thereof or such that the paint is not completely adhered to the underlying surface.

12. "Remediation" or "Remediate" shall mean the reduction or elimination of a lead-based paint hazard through the wet scraping and repainting, removal, encapsulation, enclosure, or replacement of lead based paint, or other method approved by the commissioner of health and mental hygiene.

Subchapter 2

Remediation of Lead-Based Paint Hazards in Day Care Facilities

§17-910 Presumption. a. All paint or similar surface-coating material on the interior of any day care facility in a structure erected prior to January 1, 1978, shall be presumed to be lead-based paint.

b. The presumption established by this section may be rebutted by the operator or owner of the day care facility by submitting to the department a sworn written statement by the operator or owner of the day care facility supported by lead-based paint testing or sampling results, a sworn written statement by the person who performed the testing if performed by an employee or agent of the operator or owner of the day care facility, and such other proof as the department may require. Testing performed to rebut the presumption may only be performed by a person who has been certified as an inspector or risk assessor in accordance with subparts L and Q of part 745 of title 40 of the code of federal regulations or successor regulations. The determination as to whether such proof is adequate to rebut the presumption established by this section shall be made by the department.

§17-911 Remediation. a. There shall be no peeling lead-based paint in any portion of any day care facility.

b. Lead based paint or paint of unknown lead content that is peeling, or which is present on chewable surfaces, deteriorated subsurfaces, friction surfaces, or impact surfaces shall be immediately remediated in a manner authorized by the department.

c. Any equipment that is painted shall be painted with lead-free paint.

d. Whenever a condition prohibited by this section is found to exist, the department shall immediately serve an order on the operator or owner of such day care facility to remediate the condition. In the event such order is not complied with within forty-five days of service thereof, the department shall immediately request an agency of the city of New York to execute such order pursuant to the provisions of section 17-147 of this code. The agency shall execute the order within forty-five days of the department's request. The city of New York shall be entitled to enforce its rights for reimbursement of expenses incurred thereby, including as credits toward lease payments.

e. When lead-based paint hazards are remediated pursuant to this section such work shall be performed in compliance with work practices established by the department pursuant to section 17-912 of this subchapter.

§17-912 Department rules. The department shall promulgate such rules as may be necessary for the implementation of this chapter. Such rules shall incorporate work practices that are no less protective of public health than those set forth in section 173.14 (d) and (e) and those parts of subdivision b of the health code applicable thereto or a successor rule, and shall include a requirement that lead-contaminated dust clearance testing be performed at the completion of such work. Such rules shall require that such work be performed by a person who has, at a minimum, successfully completed a course on lead-safe work practices given by or on behalf of the department or, by the United States environmental protection agency or an entity authorized by it to give such course, or by the United States department of housing and urban development or an entity authorized by it to give such course. Such rules shall not apply where such work disturbs surfaces of less than (a) two square feet of peeling lead-based paint per room or (b) ten percent of the total surface area of peeling paint on a type of component with a small surface area, such as a window sill or door frame.

§17-913 Annual Survey. The operator of a day care facility shall conduct a survey of such facility annually, and more often if necessary, to determine the physical condition of surface-coating material throughout each such facility and shall provide a copy of the survey results to the department.

§10. All actions taken by the departments of housing preservation and development and health and mental hygiene pursuant to local law 38 of 1999 and local law 1 of 1982 shall be deemed valid to the extent that all violations written, and fines or penalties assessed, as well as any costs for repairs of such violations shall remain valid and enforceable, provided, however, that any such violations which remain uncorrected on the effective date of this local law shall be repaired using the work practices established pursuant to section 27-2056.11(a)(1) as added by section 5 of this local law, and the rules promulgated thereunder, and certified to the department of housing preservation and development in accordance with section 27-2056.10(c)(5) and subdivision (l) of section 27-2115 of the administrative code of the city of New York, as added by section five of this local law, and the rules promulgated thereunder pursuant to this local law.

§11. If any sentence, paragraph, section or part of this local law shall be adjudged invalid by a court of competent jurisdiction such judgment shall not impair or invalidate the remainder thereof but shall be confined to that part.

§12. Paragraph 4 of subdivision e of section 27-2056.4 of the administrative code of the city of New York, as added by section 5 of this local law, shall take effect immediately, and all other provisions of this local law shall take effect one hundred eighty days after its enactment, except that the commissioners of health and mental hygiene and housing preservation and development shall promulgate all rules and take all other actions necessary to implement this local law, other than paragraph 4 of subdivision e of section 27-2056.4, on or before the date upon which it shall take effect.

THE CITY OF NEW YORK, OFFICE OF THE CITY CLERK, s.s.:

I hereby certify that the foregoing is a true copy of a local law of the City of New York, passed by the Council on December 15, 2003, disapproved by the Mayor on December 17, 2003 and repassed by the Council Members on February 4, 2004 and said law is adopted notwithstanding the objection of the Mayor.

VICTOR L. ROBLES, City Clerk, Clerk of the Council

CERTIFICATION PURSUANT TO MUNICIPAL HOME RULE LAW §27

Pursuant to the provisions of Municipal Home Rule Law §27, I hereby certify that the enclosed Local Law (Local Law 1 of 2004, Council Int. No. 101-A) contains the correct text and:

Received the following vote at the meeting of the New York City Council on December 15, 2003: 44 for, 5 against, 1 not voting.

Was disapproved by the Mayor on December 17, 2003.

Was returned to the City Clerk on December 19, 2003.

Was reconsidered by the Council on February 4, 2004 and received the following vote of the Council members at a meeting of the Council on February 4, 2004: 44 for, 5 against, 1 not voting.

JEFFREY D. FRIEDLANDER, Acting Corporation Counsel