

EXHIBIT A
PURCHASE AGREEMENT

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PURCHASE AGREEMENT**RESIDENTIAL UNIT NO. ____****The Deuce Condominium**
(to be executed in triplicate)

THIS AGREEMENT is made as of _____, 200__, between Shao Lin Operating LLC (hereinafter, the "Sponsor" or "Seller"), having an office at 2025 Broadway, Suite 21JK, New York, New York 10023 and _____ (the "Purchaser"), having an address at _____.

W I T N E S S E T H:**1. Definitions**

The following terms shall have the meanings ascribed to them:

- (i) "Building" shall mean the building having a street address of 534 West 42nd Street, New York, New York, 10036 and any structures attached thereto.
- (ii) "Closing Date," "Closing," or "Closing of Title" shall mean the settle of the mutual obligations of Sponsor and Purchaser under this Purchase Agreement, including the payment to Sponsor of the Purchase Price and the delivery to Purchaser of the deed transferring full ownership to the Residential Unit.
- (iii) "Condominium" shall mean the Deuce Condominium.
- (iv) "Declaration" shall mean the declaration of the Deuce Condominium, establishing condominium ownership of the Property.

(v) "Plan" shall mean the Condominium Offering Plan dated _____, 2007 relating to the Property, as accepted for filing by the New York State Attorney General, Real Estate Financing Bureau, and any amendments thereto filed prior to the date upon which Purchaser signs this Agreement.

(vi) "Property" shall mean the Building and the land on which it is erected.

All other terms not defined elsewhere herein shall have the meanings ascribed to them in the Plan.

2. Plan

Purchaser acknowledges having received and read the Plan at least three (3) full business days prior to Purchaser's signing this Agreement. Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the proposed Condominium Documents contained in Part II of the Plan) and, subject to any right Purchaser may have or obtain to rescind, Purchaser agrees to abide and be bound by the terms and conditions thereof, as well as all amendments to the Plan duly filed by Sponsor. Any such amendments shall neither excuse Purchaser from performing Purchaser's obligations hereunder nor entitle Purchaser to any offset or credit against the Purchase Price and may be made by Sponsor without Purchaser's consent or approval. The Plan is hereby incorporated in this Agreement with the same force and effect as if set forth at length. In the event of any inconsistency or conflict between the provisions of this Agreement and those contained in the Plan, the provisions of the Plan shall govern and be binding. Purchaser acknowledges having had full opportunity to examine all documents, and investigate all statements made herein and in the Plan.

3. Agreement to Purchase and Sell

Purchaser agrees to purchase from Sponsor, and Sponsor agrees to sell to Purchaser, the residential unit designated as Residential Unit Number ____ (hereinafter called the "Unit") in the Declaration, together with its ____% undivided interest (hereinafter called the "Common Interest") in the Common Elements, on, and subject to, the terms and conditions set forth herein.

4. Purchase Price

The purchase price ("Purchase Price") for the Unit (exclusive of closing adjustments and costs referred to below) which Purchaser agrees to pay to Sponsor is as follows:

- | | | |
|-------|---|----|
| (i) | Purchase Price..... | \$ |
| (ii) | less 10% of the Purchase Price
("Downpayment") due on Purchaser's
signing and submitting this Agreement
by check subject to collection, receipt
of which is hereby acknowledged..... | \$ |
| (iii) | balance of Purchase Price ("Balance"),
due on delivery to Purchaser of the
deed to the Unit which must be paid
by Purchaser's unendorsed personal
certified check or official cashier's check,
in either event drawn on a bank that is
licensed to do business in the State
of New York..... | \$ |

Checks in payment of the Downpayment are to be made payable to the order of Rivkin Radler LLP, Special Account (the "Escrow Agent"). Checks in payment of the balance of the Purchase Price due at closing are to be made payable to the order of Shao Lin Operating LLC or as otherwise directed by the Sponsor.

5. Purchase Monies Held in Trust

The Escrow Agent, as defined in the Plan, will hold in trust any and all monies received by it directly or through its agents, until the Unit transferred to Purchaser or this Agreement is canceled in accordance with its terms. All monies received hereunder will be deposited in an account entitled Rivkin Radler LLP, Special Account with North Fork Bank, ("North Fork Bank"), at its branch office located at 424 Madison Avenue, New York, New York 10017, in a special interest bearing account and shall be held in escrow at such Bank. Interest shall be payable to the Purchaser upon closing. The funds so deposited will be disbursed only in accordance with the provisions of this Agreement and the Plan and released only on the authorized signature of the Escrow Agent. In the event the Plan is abandoned or withdrawn, such escrowed monies will be returned to Purchaser except as otherwise provided in the next sentence. If at the time the Plan is abandoned or with drawn Purchaser shall be in default hereunder and shall have failed to cure such default within the applicable grace period or if this Agreement had been previously canceled due to Purchaser's uncured default, then Sponsor shall retain as and for liquidated damages the Downpayment. Any sums in excess thereof shall be returned to Purchaser within forty-five (45) days after the date of such abandonment or withdrawal.

6. Closing Contingent on Plan Being Declared Effective

A. 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 form 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

Sections in the Plan entitled "Effective Date of the Plan" and "Closing of Title to Units" for full details). 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.

B. If the Plan is abandoned or does not become effective within fifteen (15) months from the date it is presented, or if after being declared effective the Plan shall not be consummated for any reason, this Agreement shall be deemed canceled and all monies paid by Purchaser hereunder, shall be disbursed in accordance with the provisions of Paragraph 5 above. After the funds are so disbursed, Purchaser and Sponsor shall be released and discharged from all liabilities and obligations hereunder and under the Plan.

7. Closing Date and Place

1. The closing of title shall occur at the offices of Sponsor's attorney on not less than thirty (30) days' prior written notice to Purchaser. Sponsor shall have the right, from time to time, to adjourn such date and time for Closing on written notice to Purchaser. If adjourned, Sponsor shall fix a new date and time for title closing and shall give Purchaser not less than five (5) business days' prior written notice of the new scheduled date and time for Closing.

2. The Closing of the Title shall occur only after or concurrently with compliance with the prerequisites set forth under the Section of the Plan entitled "Closing of Title to Units."

8. The Deed

At Closing, Sponsor shall deliver to Purchaser a Bargain and Sale Deed with covenants against grantor's acts transferring to Purchaser full ownership to the Unit. The deed shall

be substantially in the form reproduced in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Such executed deed shall be delivered immediately to the representative of the title company insuring Purchaser's title (or, if no such representative is present, then to Purchaser's attorney) for recording.

9. State of Title

Legal ownership to the Unit shall be transferred to Purchaser at Closing subject only to the liens, encumbrances and title conditions (hereafter called the "Permitted Encumbrances") enumerated in the Plan. Any other liens, encumbrances, or conditions shall not be an objective to title if: (i) the instrument required to remove it from the record is delivered to said representative of Purchaser's title insurance company (or, if none, to Sponsor's attorney) for recording in the proper office, together with the requisite recording or filing fees; or (ii) Purchaser's title insurance company will insure Purchaser against its collection or enforcement out of the Unit.

10. Title Company Approval

Sponsor shall give, and Purchaser shall accept, such title as LandAmerica Title Insurance Company of New York will approve and insure, provided the only liens, encumbrances and conditions affecting title shall be the Permitted Encumbrances.

11. Sponsor's Inability to Convey Title

In the event Sponsor is unable to deliver to Purchaser title to the Unit in accordance with the provisions of this Agreement, Sponsor will not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever except as provided in the Plan to render title marketable, and in such case, if Sponsor notifies Purchaser of its refusal to remedy the defect in title and if Purchaser is not in default hereunder, Purchaser shall have the option

to (i) take title subject to such title defect (without any abatement in, or credit against the Purchase Price, or claim or right of action against Sponsor for damages or otherwise) or (ii) terminate this Agreement. If Purchaser elects to terminate, Sponsor shall instruct the Escrow Agent to return to Purchaser, within ten (10) days after receipt of Purchaser's termination notice, all monies deposited hereunder. Upon making such refund, this Agreement shall be null and void and neither party shall have any further rights, obligations or liabilities with respect to the other hereunder or under the Plan. The foregoing option must be exercised by Purchaser in writing sent to Sponsor within ten (10) days after the giving of Sponsor's notice of refusal to remedy the title defect, failing which it shall be conclusively deemed that Purchaser elected the first option above to acquire title subject to the title defect.

12. Closing Adjustments

A. At Closing, Sponsor and Purchaser shall apportion, as of midnight of the day preceding the Closing.

(i) real estate taxes (including all prepaid real estate taxes) and assessments, if any, on the basis of the fiscal or calendar year for which assessed and any escrows for real estate taxes;

(ii) Common Charges for the month in which title closes; and

(iii) rent and other charges, if any, pursuant to a lease for, or tenancy of, the Unit.

The "Customs in Respect of Title Closings" recommended by New York State Real Estate Board, as amended to date, shall apply to the adjustments and other matters therein mentioned, except, as otherwise provided herein.

B. In the event the Unit has not been separately assessed for the then current fiscal tax year at the time of Closing Title, the apportionment of real estate taxes shall be based on the Unit's pro-rata share (in proportion to its Common Interest) of the then current real estate taxes assessed against the Property. If the Unit has been separately assessed but the Closing occurs before the tax rate is fixed, then the apportionment of real estate taxes shall be based upon the latest tax rate applied to the most recent assessed valuation.

C. Any errors or omissions in computing apportionments at Closing shall be corrected and payment made to the proper party promptly after discovery. This provision shall survive the Closing for a period of one hundred and eighty (180) days.

D. 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.

E. If through no fault of Sponsor, Purchaser fails for any reason to close on the date originally scheduled for the Closing of title to the Unit (the "Original Closing Date"), then (i) the closing adjustments shall be made as of midnight preceding the Original Closing Date, (ii) Purchaser shall pay to Sponsor an amount equal to 0.03% of the Purchase Price for each starting from (and including) the Original Closing Date to (and including) the day before the actual Closing Date; and (iii) Purchaser shall reimburse Sponsor for any shortfall between the Common Charges (including any special assessments) applicable to the Unit and the rent payable by any tenant of the Unit of Sponsor (as the holder of Unsold Units) for the period from the Original Closing date until the date of actual closing. (NOTE: If the Unit is vacant, the purchaser will be required to reimburse Sponsor for all Common Charges, real estate taxes and any special assessments payable during such interim period).

13. Purchaser's Closing Costs

At Closing, Purchaser will pay certain costs in connection with the purchase of the Unit, in addition to the legal fees of Purchaser's counsel (if any) and the amount of any net credit in favor of Sponsor that may result from the closing apportionments described in the preceding Paragraph 12. Such closing costs will include the following, the amounts of which are based on rates in effect on the date of the Plan and are subject to change without prior or amendment to the Plan:

(i) If Purchaser elects to obtain fee title insurance, Purchaser will pay a premium to the title company for such insurance which will vary depending upon the amount of insurance requested.

(ii) Purchaser will pay a fee for recording the deed, power of attorney and any applicable mortgage release applicable to the Unit. The current charge is approximately \$95.00 to record the deed and \$20.00 for each additional instrument plus \$5.00 per page, together with a service charge to the title company for such recording.

(iii) If Purchaser obtains a mortgage loan, Purchaser will pay:

a. a fee and service charge for recording the mortgage at the same rates given above for recording the deed.

b. a mortgage recording tax in the amount provided for by law (at the date of the plan, the tax is two (2%) percent for mortgages securing debts less than \$500,000 and two and one eighth (2.125%) percent for residential mortgages securing debts of \$500,000 or more);

c. the lender's attorney and appraisal fees, if any.

(iv) the fees to Sponsor's attorney as set forth in the portion of the Plan entitled "Closing Costs and Adjustments".

(v) if Purchaser obtains a mortgage loan, Purchaser will be responsible for paying all costs and expenses in connection with such loan in amounts determined by the lender. Sponsor makes no representation or warranty as to such closing costs or expenses or as to the availability or cost of such financing.

(vi) If Purchaser has dealt with any broker then Purchaser will be required to pay a commission to such broker unless Sponsor agrees otherwise in writing.

(vii) New York City Real Property Transfer Tax.

(viii) New York State Real Estate Transfer Tax.

(ix) New York State Special Additional Tax, commonly referred to as the "Mansion Tax."

(x) Two (2) months Common Charges, as provided in the Plan (working capital fund deposit).

14. Rent Security Deposit

If Purchaser is or hereafter becomes a tenant of the Unit, Purchaser's unapplied rent security deposit, if any, will be refunded to Purchaser, together with any interest earned thereon, within forty-five (45) days following the Closing, provided Purchaser is not in default under Purchaser's lease or tenancy obligations. If the Unit is occupied by other than Purchaser, then the unapplied security deposit (if any) of the tenant or occupant will be transferred at Closing to Purchaser, who will upon receipt, sign and deliver to Sponsor an agreement acknowledging the amount received, indemnifying Sponsor from all liability in connection therewith and agreeing to hold such security deposit in trust and to deposit same in an interest bearing bank account (such agreement to be in form and substance satisfactory to Sponsor). In either event,

Sponsor will have the right to deduct from any tenant's security deposit the amount of any rent arrearage owing to Sponsor and to sue the tenant to the extent such rent security is insufficient. Sponsor shall not close title with respect to any Unit where the Purchaser has rent arrearage.

15. Power of Attorney to Condominium Board and Sponsor

At Closing, Purchaser shall execute, acknowledge and deliver to the representative of the title insurance company insuring Purchaser's title to the Unit (or if no representative is present, then to Sponsor's attorney) for recording in the New York County Clerk's Office, a power of attorney in favor of the Condominium Board relative to purchasing or leasing of Units. The power of attorney shall be substantially in the form set forth in Part II of the Plan. After being recorded, the power of attorney shall be sent to the Condominium Board.

16. Events of Default

A. The following shall constitute "Events of Default" hereunder:

- (1) Purchaser's failure to pay the Balance on the Closing Date designated by Sponsor pursuant to Paragraph 7 herein; or
- (ii) Purchaser's failure to duly sign, notarize and deliver at Closing the power of attorney pursuant to Paragraph 15 above; or
- (iii) If Purchaser is or becomes a tenant of the Building, Purchaser's failure to pay rent or to otherwise comply with Purchaser's lease or tenancy obligations, which results in Purchaser's eviction from Purchaser's Unit (either by voluntary removal or by court order); or

(iv) The failure to pay, perform or observe any of Purchaser's other obligations hereunder, which is not cured within fifteen (15) days after the mailing of written notice specifying the nature of such default; or

(v) If Purchaser is or becomes a tenant of the Unit and Purchaser fails to pay rent or to otherwise comply with Purchaser's lease or tenancy obligations, or Purchaser vacates or abandons the Unit, then such failure, vacating or abandonment (as the case may be) shall constitute a default hereunder entitling Sponsor, at its sole option, to cancel this Agreement, even though Purchaser is not evicted from the Unit as a result thereof. In the event that this Agreement is canceled, Sponsor and Purchaser shall be released or excused from paying and performing Purchaser's lease or tenancy obligations provided Purchaser shall vacate the Unit.

B. Upon the occurrence of an Event of Default, Sponsor shall have the right to cancel this Agreement by sending Purchaser thirty (30) days' prior written notice of its intention so to do. If Sponsor elects to cancel, Purchaser shall have thirty (30) days from the giving of the cancellation notice within which Purchaser must cure the specified default. If the default is not timely cured, then Sponsor shall have the right to retain, as and for liquidated damages, the Downpayment and the amount deposited for any custom work ordered (the "Liquidated Sum"), and any sums in excess thereof shall be returned to Purchaser within forty-five (45) days thereafter. Upon cancellation of this Agreement and making such refund to Purchaser (if any), Purchaser, Sponsor and the Selling Agent will be released and discharged of all further liability and obligations hereunder and under the Plan. Thereafter, the Unit may be sold to another as though this Agreement had never been made, and without accounting to Purchaser for the proceeds of such sale.

17. Appliances and Equipment

At Closing, the Unit will contain only those appliances, countertops, cabinets, sinks, air conditioning unit (if any), hardware and other fixtures, equipment and appliances currently installed therein that are owned by Sponsor or otherwise set forth in the Plan. The Unit is being sold unfurnished.

18. Acceptance of Condition of Building and Unit

The signing of this Agreement by Purchaser signifies Purchaser's acceptance of the condition of the Property subsequent to the completion of the renovations including the Building, the Unit and all fixtures, machinery, equipment, furnishings, appliances, installation and other personal property contained therein (hereinafter collectively called "Installations"), in their respective existing conditions, ordinary wear and tear excepted, between the date Purchaser signs this Agreement and delivery of the deed to Purchaser.

Sponsor reserves the right, during the course of Construction, to amend the Plans and Specifications (described in the Plan) and to substitute material and equipment different from that described in the Architect's Report (described in the Plan), provided only that any such revision will not (a) preclude issuance of a certificate of occupancy; or (b) materially adversely affect the structural integrity of the Building; or vary, materially, the nature of the alterations described in the Plans and Specifications filed with the City of New York Department of Buildings.

19. Notices

All notices, elections, consents, demands and communication (collectively called "notices" or individually called "notice") shall be delivered personally or given in writing by registered or certified mail, return receipt requested, postage prepaid and, if to Purchaser, addressed

to Purchaser at Purchaser's address given in the preamble to this Agreement (with copies given to Purchaser's attorneys _____, Attn: _____, _____) and, if to Sponsor, addressed to Sponsor at Sponsor's address given in the preamble to this Agreement (with copies given to Sponsor's attorneys, Rivkin Radler LLP, 926 RexCorp Plaza, Uniondale, New York 11556.). Either party may, by written notice to the other, change the address to which notices are to be sent. Unless otherwise provided herein, all notices shall be deemed given when personal delivery is effected or when deposited in any branch, station or depository maintained by the U. S. Postal Service in the State of New York except that a notice of a change of address shall be deemed given when actually received.

20. Broker

Purchaser represents to Sponsor that the Purchaser has not dealt with a broker in connection with this transaction. Sponsor will pay the Commission due to _____, pursuant to a separate written agreement. Purchaser agrees that should any claim be made against Sponsor for commissions by any other broker other than those listed in this Paragraph 20, on account of any acts of Purchaser or of Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from any and all liabilities and expenses in connection therewith, including (without limitation) reasonable legal fees and disbursements. The provisions of this Paragraph 20 shall survive the Closing.

21. No Lien

No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any monies deposited hereunder. This agreement shall not be recorded.

22. Entire Agreement

This Agreement, together with the Plan, as the Plan may be amended from time to time, constitutes the entire agreement between the parties as to the subject matter hereof and supersedes all prior understanding and agreements.

23. Agreement May Not Be Assigned

Purchaser does not have the right to assign or transfer this Agreement except to a Permitted Assignee as that term is defined in the Plan. Any purported assignment or transfer by Purchaser in violation of this Agreement shall be voidable at the option of Sponsor.

24. Joint Purchaser

The term "Purchaser" shall be read as "Purchasers" if more than one person are purchaser, in which case their obligations shall be joint and several.

25. Liability of Sponsor

A. Sponsor shall not have any liability to Purchaser or others with respect to any of Sponsor's obligations under this Agreement or the Plan or otherwise in excess of the net proceeds paid to Sponsor from the sale of all Residential Units after payment of, or reserve for, any liabilities, costs or expenses of Sponsor arising out of the promulgation of the Plan, the offering of the Residential Units for sale and the consummation of the transactions contemplated in the Plan.

B. Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, terrorism, inability to procure or general shortage of energy, labor, equipment facilities, materials or supplies in the open market, failure of transportation, strike, lock-out, action of labor unions or any other cause (whether similar or

dissimilar y to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the period during which such performance was excused.

26. Strict Compliance

Any failure by Sponsor to insist upon strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and Sponsor, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

27. Governing Law

The provisions of this Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of New York.

28. Waiver of Jury Trial

Except as prohibited by Law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, 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 to 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.

29. Gender

A reference in this Agreement to any one gender, masculine or feminine, includes the other one, and the singular includes the plural, and vice versa, unless the context otherwise requires.

30. No Oral Changes

THIS AGREEMENT CANNOT BE CHANGED OR ANY PROVISIONS WAIVED ORALLY. ANY CHANGES OR ADDITIONAL PROVISIONS OR WAIVERS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES.

31. Purchaser's Right to Rescind

In the case of a material revision adversely affecting the rights, obligations or liabilities of Purchaser or reducing the undertakings or obligations of Sponsor, then Purchaser will be given the right to rescind this Agreement, for a period of fifteen (15) days after the presentation of the amendment containing the said material revision to Purchaser and be refunded the full Downpayment within forty-five (45) days after receipt by Sponsor of Purchaser's notice of rescission. However, if Purchaser first became a tenant of the Unit after the Plan was originally presented, then such rescission will be conditioned on the cancellation of any interim lease and surrender of possession of the Unit within sixty (60) days thereafter.

32. Escrow Agent

It is understood and agreed that the Escrow Agent's sole duties hereunder are as indicated herein and that the Escrow Agent in the performance of its duties hereunder shall incur no liability except for willful malfeasance and shall not be liable or responsible for anything done or omitted to be done in good faith as herein provided.

In the event that a dispute shall arise as to the disposition of all or any portion of the Downpayment held by the Escrow Agent, the Escrow Agent shall either (a) deposit the same with a court of competent jurisdiction, pending the decision of any such court with respect to the disposition

of the Downpayment, or (b) hold the same pending receipt of joint instructions from the Sponsor and the Purchaser and shall be entitled to rely upon such joint instructions with respect to the disposition of the Downpayment.

The Sponsor and Purchaser promise and agree to indemnify and save the Escrow Agent harmless except for its willful malfeasance, from any claims, liabilities, judgments, attorneys' fees and other expenses of every kind and nature, which may be incurred by the Escrow Agent by reason of its acceptance of, and its performance under this Agreement.

33. Lead Paint Inspection

Purchaser may, in the ten (10) day period following Purchaser's attorney's receipt (or if Purchaser does not have an attorney, Purchaser's receipt) of a fully executed original of this Contract, at Purchaser's sole cost and expense, have the Unit inspected for the presence of any lead-based paint or lead-based paint hazard. Purchaser shall promptly deliver to Seller a copy of the inspection report. If such report discloses the existence of lead-based paint or lead-based paint hazard, Seller shall have fourteen (14) days from delivery of said report to abate such lead-based paint hazard. If Seller does not cure within fourteen (14) days, Purchaser may cancel this contract upon notice given to Seller or Seller's attorney within two (2) days after the expiration of said period.

Time shall be of the essence with respect to the exercise of such cancellation right. If this Contract is so canceled, the Downpayment (less any deductions permitted below) shall be returned to Purchaser and this Contract shall be of no further force and effect except as set forth in Paragraph 20 (relating to brokerage indemnities). Seller agrees to afford Purchaser and its engineer or inspection company reasonable access to the Unit for the aforesaid inspection during normal business hours, upon at least twenty-four (24) hours' notice (which may be oral), and further agrees that if such

access is not promptly afforded, then the time within which said inspection is to be conducted shall be extended accordingly. Purchaser agrees to repair any damage to the Unit caused by such inspection, whether or not Purchaser exercises his or her right to cancel. If any such damage occurs and Purchaser cancels this Contract, Seller may, at his (her) option, deduct the cost of repairing such damage from the Downpayment prior to refunding the Downpayment to Purchaser, and if such cost exceeds the amount of the Downpayment, Purchaser shall pay any deficiency to Seller. If Purchaser fails to exercise Purchaser's right to cancel under this Paragraph, Seller may, at his or her option, either (a) require Purchaser to repair such damage (unless the damage is de minimis), in which event Purchaser shall promptly repair such damage, or (b) elect to have Purchaser take the Unit subject to such damage, or (c) repair the damage (unless the damage is de minimis), in which event Purchaser shall, promptly after receipt of documentation from Seller reasonably evidencing such cost, reimburse Seller for the reasonable cost of repair.

34. Agreement Subject to Mortgage

No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any monies deposited hereunder, except as hereinafter set forth. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of the Agreement are and shall be subject and subordinate to the lien of any mortgage heretofore or hereafter made, including, but not limited to, any advances heretofore or hereafter made thereon and any payments or expenses made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof, without the execution of any further legal documents by Purchaser. This subordination shall apply in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring

of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of Purchaser's other obligations hereunder or be the basis of any claim against, or liability of Sponsor, provided that any such mortgage(s) is subordinated to the Declaration.

35. Mortgage Tax Credit

In the event a mortgage recording tax credit becomes available pursuant to Section 339-ee(2) of the New York Condominium Act, it is specifically understood that such credit shall enure to the benefit to Sponsor. Accordingly, at closing, a Purchaser who elects mortgage financing will be responsible to pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. At the Closing of Title, Sponsor will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed.

36. 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 the Agreement.

37. Final Inspection of Unit

At least five (5) business days before the Balance is to be paid, Sponsor or Selling Agent shall notify Purchaser that the Unit is ready for final inspection before Closing. Upon receipt of the notice, Purchaser shall promptly arrange an appointment with the Sponsor or Selling Agent to inspect the Unit during such five (5) business day period. Purchaser or its duly authorized agent shall attend such inspection, accompanied by a representative of Sponsor or Selling Agent, and shall complete, date and sign an inspection report and deliver same to the Sponsor or Selling Agent at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the Unit within said five (5) day period or to so sign and deliver a completed inspection report, shall not excuse Purchaser from paying the Balance when due and shall constitute Purchaser's full acceptance of the Unit in the as-built condition existing on the day of Closing. Purchaser is obligated to pay the entire Balance of the Purchase Price, without provision for escrow, notwithstanding Sponsor's obligation to complete or correct the item noted on Purchaser's inspection report. However, nothing herein shall relieve Sponsor of its obligations as set forth in the "Rights and Obligations of Sponsor" Section of the Plan.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

Sponsor:
SHAO LIN OPERATING LLC

Purchaser(s):

By: _____
Name:
Title:

Purchaser(s) Social Security No:

LEGAL DESCRIPTION

ALL that certain plot, piece and parcel of land, situate and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at a point on the southerly side of West 42nd Street at the center of a party wall distant 396 feet 3 inches westerly from the southwesterly corner of West 42nd Street and 10th Avenue;

RUNNING THENCE southerly parallel with 10th Avenue and part of the way through a party wall, 98 feet 9 inches to the center line of the block between 41st and 42nd Streets;

THENCE westerly along said center line of the block and parallel with West 42nd Street, 19 feet and 7 inches;

THENCE northerly parallel with 10th Avenue, 98 feet 9 inches to the southerly side of West 42nd Street running in part through the center of a party wall of a house and lot adjoining said premises on the west;

THENCE easterly along the southerly side of West 42nd Street, 19 feet 7 inches to the point or place of **BEGINNING**.

TOGETHER WITH the benefit of the Grant of Right and Easement to Maintain an Encroachment on Adjoining Premises made between Federal Express Corporation and Shao Lin Operating LLC, dated December 7, 2007 and recorded February 14, 2008 CRFN 2008000063636.

STORAGE UNIT RIDER TO PURCHASE AGREEMENT

Re: Unit No. ____ ("Unit")
Storage Unit No.: ____ (the "Storage Unit")
Purchaser: ____ ("Purchaser")
The Deuce Condominium (the "Condominium")
534 West 42nd Street
New York, NY 10036 (the "Property")

This Rider (the "Rider") amends and modifies that certain Purchase Agreement (the "Agreement") by and between SHAO LIN OPERATING LLC ("Sponsor") and Purchaser with respect to the above referenced Unit in referenced Condominium.

WITNESSETH:

1. In case of any inconsistencies between any of the terms and conditions of the Purchase Agreement, including any handwritten modifications thereto, and the terms and conditions of this Rider, the terms and conditions of this Rider shall prevail. All of the paragraphs and provisions contained in this Rider are incorporated into the Purchase Agreement and made a part thereof with the same force and effect as if therein originally contained.
2. Upon and subject to the terms and conditions set forth in this Rider, Sponsor agrees to sell and grant, and Purchaser agrees to purchase a license to use a storage Unit designated as Storage Unit ____ (the "Storage Unit") simultaneously with the closing of title to the Unit. The license to use the Storage Unit (the "Storage Unit License") shall be substantially in the form set forth in Exhibit M of the Condominium Offering Plan. The Purchase Price for the Storage Unit License is \$ ____ ("Storage Unit Price") which is separate from and in addition to the Purchase Price for the Unit. The Storage Unit Price shall be paid at the closing of title to the Unit by Purchaser delivering a good certified check of Purchaser or official bank check payable to Sponsor or such other party as Sponsor may designate upon not less than two (2) days notice. **At closing, Sponsor shall deliver the original executed License Agreement and Sponsor and Purchaser shall execute and deliver to each other an Assignment and Assumption of License Agreement in the form annexed hereto.** Purchaser shall be responsible for the payment of transfer and other taxes, if any, that are associated with the Storage Unit License.
3. A default by Purchaser under this Rider shall constitute a default under the Purchase Agreement for the Unit and that any other default by Purchaser under the Purchase Agreement for the Unit shall constitute a default under this Rider entitling Sponsor to those remedies as more fully described in the Purchase Agreement and the Plan.
4. Purchaser acknowledges and agrees that the Storage Unit may not be ready for use and/or occupancy at the time of the closing of title to the Unit and that notwithstanding such event, Purchaser shall remain obligated to close title to the Unit and purchase the Storage Unit License. In such event the Storage Unit Price shall be paid to Escrow Agent and Storage Unit License shall be executed at Closing and the Storage Unit Price and Storage Unit License shall

be held in escrow by the Escrow Agent. Upon notification from Sponsor that the Storage Unit is available for use, Escrow Agent shall release the Storage Unit Price to Sponsor with interest earned thereon, if any, and shall deliver Storage Unit License to Purchaser.

5. The captions in this Rider and the Purchase Agreement are for convenience of reference only and in no way define, limit or describe the scope of this Rider or the Purchase Agreement or the intent of any provision hereof.

IN WITNESS WHEREOF, the parties have executed this Rider as of the date written hereinbelow.

DATE: _____

(To be inserted by Sponsor after countersignature by Sponsor)

SPONSOR:
SHAO LIN OPERATING LLC

By: _____

Name:

Title:

PURCHASER:

EXHIBIT B
UNIT OWNER'S POWER OF ATTORNEY

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UNIT OWNER'S POWER OF ATTORNEY

All terms used in this Unit Owner's Power of Attorney that are used (a) in the Declaration establishing a plan for condominium ownership of the premises known both as the Deuce Condominium (the "Condominium") and by the street number 534 West 42nd Street, New York, New York 10036, under Article 9-B of the Real Property Law of the State of New York, dated as of _____, 2008, and recorded in the New York County Office of the Register of the City of New York on _____, 2008, in Reel _____, Page _____ (hereinafter referred to as the "Declaration"), or (b) in the By-Laws of the Condominium (hereinafter referred to as the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Unit Owner's Power of Attorney as in the Declaration or the By-Laws.

The undersigned, _____ residing at 534 West 42nd Street, New York, New York 10036, the owner of the Condominium Unit (hereinafter referred to as the "Undersigned's Unit") known as Unit No. ____ at the Deuce Condominium, said Unit being designated and described as Unit No. ____ in the Declaration and also designated as Tax Lot ____ in Block 1070 of Section 49 of Borough of Manhattan on Tax Map of the Real Property Assessment Department of the City of New York and on the Floor Plans of the Condominium ("Floor Plans") filed with that department, (does) (do)* hereby irrevocably nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners in accordance with the Unit Owners' respective Common Interests, subject to the provisions of the By-Laws then in effect:

1. (a) to acquire any Unit, together with its Appurtenant Interest, who owner elects to surrender the same pursuant to the terms of paragraph (C) of Section 6.2 of the By-laws, (b) to acquire any Unit, together with its Appurtenant Interests, that becomes the subject of a foreclosure or other similar sale, (c) to acquire a Unit, together with its Appurtenant Interests, for the use and occupancy of a superintendent or otherwise, (d) to acquire or lease a Unit pursuant to the terms of Article 7 of the By-Laws, and (e) to acquire or lease any Unit, together with its Appurtenant Interest, in accordance with Section 2.4(xv) of Article 2 of the By-Laws, all on such terms, including (without limit) price or rental (with respect to any transfer pursuant to the terms of subdivision (b), (c), (d) or (e) of this paragraph) as said attorneys-in-fact shall deem proper, and thereafter to convey, sell, lease, mortgage, or otherwise deal with (but not vote the interest appurtenant to) any such Unit so acquired by them, or to sublease any Unit so leased by them, on such terms as said attorneys-in-fact may determine, granting to said attorney-in-fact the power to do all things in said premises that the undersigned could do if the undersigned were personally present; and

2. To execute, acknowledge and deliver, and, if necessary, to cause to be recorded in the Office of Register of New York County, (a) any declaration or other instrument affecting the Condominium that the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution, or requirement of the Department of Buildings, the Landmarks

Preservation Commission, 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 or (b) any agreement, consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium or the Common Elements that the Condominium Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Condominium Board shall constitute the acts of said attorneys-in-fact.

The undersigned (does) (do) * hereby irrevocably nominate, constitute and appoint SHAO LIN OPERATING LLC (hereinafter referred to as "Sponsor") as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to amend from time to time said Declaration, By-Laws, Rules and Regulations and Floor Plans of the said Condominium, or any of said documents, when such amendment (1) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the affected Unsold Units resulting therefrom made by Sponsor or its designee in accordance with Article 12 of the Declaration or (2) shall be required by (a) an Institutional Lender designated by Sponsor to make a mortgage loan secured by a mortgage on any Unit, (b) any governmental agency having regulatory jurisdiction over the Condominium, or (c) any title insurance company selected by Sponsor to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of subdivision (1) or (2) of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a physical modification to the Undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender covering the Undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment. The terms, covenants and conditions contained in, and the powers granted pursuant to, this paragraph shall remain in full force and effect until such time as the Sponsor and Sponsor's designee (if any) shall cease to own any of the Units in the Deuce Condominium.

IN WITNESS WHEREOF, the undersigned (has) (have)* executed this Unit Owner's Power of Attorney as of the _____ day _____, 20____.

* Delete whichever is inapplicable.

_____, Unit Owner

_____, Unit Owner

STATE OF NEW YORK }
 }
 COUNTY OF NEW YORK }

ss:

On the ____ day of _____ in the year 20__ before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their/signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Signature and Office of individual
taking acknowledgment

STATE OF NEW YORK }
 }
 COUNTY OF NEW YORK }

ss:

On the ____ day of _____ in the year 20__ before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their/ capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Signature and Office of individual
taking acknowledgment

EXHIBIT C

CONDOMINIUM UNIT DEED

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**CONDOMINIUM UNIT DEED
THE DEUCE CONDOMINIUM**

THIS INDENTURE, made the ____ day of _____, 20____ by and between SHAO LIN OPERATING LLC, having an address at 2025 Broadway, Suite 21JK, New York, New York 10023 (the "Grantor") and _____ (the "Grantee") having an address at _____.

WITNESSETH:

That the Grantor, in consideration of Ten (\$10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, and the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit (the "Unit") known as Unit No. ____ in the building (the "Building") known as the Deuce Condominium (the "Condominium") and by the street number 534 West 42nd Street, City of New York, County New York, State of New York, said Unit being designated and described as Unit No. ____ in a certain declaration dated _____, 2007, made by Grantor pursuant to Article 9-B of the Real Property Law of the State of New York (the "Condominium Act"), establishing a plan for condominium ownership of the Building and the land (the "Land") upon which the Building is situated (which Land is more particularly described in Exhibit A annexed hereto and by this reference made a part hereof), which declaration was recorded in the New York County Clerk's Office on _____, 2007, in Reel ____, Page ____, (which declaration is hereinafter referred to as the "Declaration"). Being part of the same premises conveyed to the Grantor from ____ by deed ____ and recorded on ____ in Reel ____, Page _____. This Unit is also designated as Lot ____, Block ____ of Section ____ on the Tax Map of New York County and on the Floor Plans of the Building, certified by _____, Architects, on _____, 2007 and filed with the Real Property Assessment Department of the City of New York on _____, 2007, as Condominium Plan No. ____, and also filed in the City Register's Office on _____, 2007, as Map No. _____.

Together with an undivided ____% interest in Common Elements (as such term is defined in the Declaration);

Together with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

Together with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws of the Deuce Condominium, as the same may be amended from time to time (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 the Unit, as though recited and stipulated at length herein;

Subject also to such other liens, agreement, covenants, easements, restrictions, consents and other matters of record as pertaining to the Unit, to the Land and/or to the Building (which Land and Building are hereinafter collectively referred to as the "Property").

TO HAVE AND TO HOLD the same unto the Grantee, and the heirs or successors and assigns of the grantee, forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision that is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are sufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of Article 17 of the Declaration shall control.

Except as otherwise specifically permitted by the Condominium Board or provided in the Declaration or in the By-Laws, the Unit is intended for **residential use only**.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatsoever, except as set forth in the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws). This covenant is for the personal benefit of Grantee only and cannot be assigned to, or exercised by, or inure to the benefit of any one else, including (without limitation) any insurer of Grantee's title or any successor of Grantee's interest.

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 costs of the improvements at the Unit and will apply the same first to the payment of the costs of such improvements before using any part of the same for any other purpose.

Grantee has examined the Unit and is purchasing the same in its existing condition. The Unit is to be used for residential purposes pursuant to all related zoning rules and regulations.

By executing this Deed, the Grantee accepts and ratifies the provisions of the Declaration and the By-Laws and the Rules and Regulations of the Condominium recorded simultaneously with and as part of the Declaration and agrees to comply with all the terms and provisions thereof, as the same may be amended from time to time by instruments recorded in the City Register's Office.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

All capitalized terms used herein which are not separately defined herein shall have all the meanings given to those terms in the Declaration or the By-Laws of the Condominium.

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this indenture as of the day and year first above written.

GRANTOR: ____

By: _____
 Name: Gary Schaeffer
 Title: President

GRANTEE:

STATE OF NEW YORK }
 }
 COUNTY OF NEW YORK }

ss:

On the ____ day of _____ in the year 20____ before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their/signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

 Signature and Office of individual
 taking acknowledgment

STATE OF NEW YORK }
 }
 COUNTY OF NEW YORK }

ss:

On the ____ day of _____ in the year 20____ before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

 Signature and Office of individual
 taking acknowledgment

EXHIBIT D
DESCRIPTION OF PROPERTY AND SPECIFICATIONS
OR BUILDING CONDITION

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BRIAN E. BOYLE, AIA

75 Spring Street 6th Floor
New York, NY 10012
212.334.7402
Fax 212.334.6112

February 22, 2008

Property Description

Introduction: The purpose of this report is to provide the information required for an offering plan for a new condominium building. The format utilized is based on the legal requirements that govern this type of project.

Exclusions and Limitations:

- The contents of this report reflect the Architect's professional opinion based on experience and training. Building codes are subject to interpretation by the person, firm, or agency using the Code; Differences of interpretation may occur. The Architect does not represent or guarantee that the Architect's interpretation will be the same as the relevant agency's interpretation.
- This report is not intended as an instrument to determine the value of the property nor is it intended to make any representation with regard to the advisability of a purchase.
- The report is not intended as a guarantee or warranty of the property and/or contained equipment or its fitness for use.

Location of Property:

Address: 534 West 42nd Street, New York, NY 10036
Block/Lot Number: Block 1070 Lot 49
Zoning District: C6-4 as indicated on Map 8d of the Zoning Resolution of the City of New York
Site is in the Perimeter Area of the Special Clinton District as defined in Article IX of the Zoning Resolution of the City of New York

Community District: 4

Use Group: Cellar Mechanical, Accessory to Use Group 2
First Floor Use Group 6C, egress, and Lobby accessory to Use Group 2
Floors 2- 9 Use Group 2, Residential

Permissible Use: An easement has been granted by FedEx Corporation, owner of the property to the west, as the former and current building encroach on their property by 7" +/-.

Handicap Accessibility: The building complies with Local Law 58 and the American with Disabilities Act Accessibility Guidelines.

Construction Status:

Class of Construction: Non-combustible class 1-C, 2-hr. protected structure fully sprinklered throughout. See the engineer's report below by M. A. Rubiano, P.C., for a full description of the sprinkler system.

Occupancy Group: J-2

Cert. of Occupancy: Certificate of Occupancy will be issued after construction is complete. The sponsor will obtain, at a minimum, a temporary Certificate of Occupancy by the NYC Department of Buildings prior to the first closing.

Building Permit: A Type II permit has been issued for demolition, #104241562. Approval from the NYC Department of Buildings has been received (Type I permit #104032949). The project is currently under review by the NYC Department of Buildings for a New Building permit.

Completion: Completion of construction is scheduled for September 30, 2008

Site Description:

- General:** The building site is located on 42nd Street west of Times Square. It was formerly occupied by a three story rowhouse type building of brick and brownstone, with a brick addition on the rear.
- Site:** Block 1070 Lot 49 is a rectangular site described as follows:
Beginning at a point on the southerly line of West 42nd Street, distant 384 feet 2 inches easterly from the corner formed by the intersection of the easterly line of Eleventh Avenue and the southerly line of 42nd Street; Running thence easterly along the said southerly line of 42nd Street, 19 feet 7 inches, to a point; Thence southerly at right angles to the preceding course, and parallel to Eleventh Avenue, 98 feet 9 inches to a point; Thence westerly at right angles to the preceding course, and parallel to 42nd Street, 19 feet 7 inches to a point; Thence northerly at right angle angles to the preceding course, 98 feet 9 inches to the southerly line of West 42nd Street, the point or place of beginning.
- Catch Basin:** There is no catch basin on the site. Existing catch basins at intersections of 42nd Street capture storm water and divert it to the City storm water disposal system located in the street.
- Lighting:** Street Lighting is existing and maintained by N.Y.C. Department of Highway Traffic and Lighting.
- Landscaping:** There are no landscaping elements or ground level plantings on the site.
- Road and Sidewalk:** West 42nd Street is an asphaltic roadway and the sidewalk is concrete with steel faced curbs. The sidewalk on the north side of the site will be new.
- Yards and Courts:** There is an existing 4'-1" rear yard which will be maintained. It will be gravel covered and have an area drain to the storm sewer. There will be some common mechanical equipment located in the rear yard. On the first floor the remainder of the required rear yard setback is occupied by a one story structure, the roof of which will be an outdoor terrace dedicated to the second floor unit.
- Utilities:** Water: New York City – Public Utility, metered collectively
Sewer: New York City, Department of Environmental Protection – Public Utility, unmetered
Electricity: Consolidated Edison, Regulated Company, metered for common areas and individually for each residential unit.
Gas: Consolidated Edison, Regulated Company, metered collectively
Telephone: Verizon, Regulated Company
Refuse Removal: New York City Department of Sanitation
Cable Television: Time Warner
- Sub-Soil Conditions:** A geotechnical investigation was performed to obtain subsurface data for the design of the new foundation. The report indicated bedrock exists at a depth of between 20 and 28 feet below the level of the existing cellar floor slab, and the soil between the cellar slab and bedrock consists of loose sandy fill, estuarine deposit, and glacial deposit. A copy of the report is attached.
The Foundation - Mini caissons have been drilled into bedrock. They are covered with cast concrete pile caps and strap beams. The foundation rests on the pile caps and is cast in place concrete with an interior applied crystalline waterproof coating.
- Landscaping:** There is one existing tree in a sidewalk tree well at the front of the building.
- Building Size:** Total Height - The overall building height is 105'-2" above mean curb, the main roof is 96'-2" above mean curb.
Proximity to Other Structures - The building is separated from a building owned by Con Ed to the east by a minimum of 2". It is separated from a masonry wall on the property line to the south by 4'-1", and there is not building to the west.
Cellar - There is a cellar the full footprint of the building containing mechanical spaces in the front, and storage rooms for the residential owners in the rear. Above these store rooms is a mechanical chase space which is approximately 3 feet tall.

Number of Floors – The building will be nine stories above the street level, with a cellar. There is no cornice on the building.

Equipment Rooms – In the cellar are: Boiler Room, Electric Meter Room, Gas and Water Meter Room, Fire Pump Room, Laundry Area, and Elevator Machine Room.

Parapets - Extend 42" above the roof paving.

Structural System: The proposed building is a new 9-story structure with a full cellar, approximately 100' high to the roof level. The structure has an earthquake-resistant cast-in-place concrete floor slabs and structural frame with infill of concrete masonry units (C.M.U.), all supported on mini caissons and reinforced concrete foundation. The one story section at the rear of the building has solid brick walls that were existing construction. The two buildings are pinned together in a manner that will allow them to move independent of each other. The exterior shell of the front 9-story portion of the building has exposed cast concrete frame and C.M.U. with metal frame doors and horizontal sliding double glass acoustical windows. The first floor has commercial space toward the street. The second floor has a terrace on the roof of the rear one-story building with dedicated use for the second floor unit. Floors 3 through 9 have balconies facing the rear. Floors 8 and 9 are setback at the front of the building forming a terrace at the 8th floor level, for the sole use of the duplex unit. The roof of the building has a terrace at the rear for the sole use of the duplex unit, and mechanical equipment and stair and elevator bulkheads in the center with open common space toward the front.

Exterior: **Walls** – The structural frame of the building will be cast in place architectural concrete with a smooth exterior finish and reveals creating a pattern on the face of the concrete. In between the frame will be concrete masonry units as infill. Both frame and infill will be backed up on the interior with metal frame interior walls. Within 6 months of the construction reaching the 7th floor, a professional engineer or architect will file the first Local Law 11/1998 report with the City of New York. Then commences the required 5 year cycle, every 5 years a new report will need to be filed with the city.

Windows and Exterior doors – All windows are thermally broken clear anodized aluminum windows in a horizontal sliding configuration. Windows are as manufactured by St. Cloud windows, and are from their Acoustical Series. They have a 7" deep frame and the windows have interior and exterior glass units separated by an air space to provide high sound attenuation.

There are fixed lot line windows on the east façade, which are protected by sprinklers as per New York City Building Code. These windows are not counted in calculations of required legal light and air requirements. Being lot line windows, in the event that new construction takes place east of the site, these windows may be blocked and have to be infilled with masonry.

Landmark Status – This building is not a landmark building and is not located in a landmark district.

Parapets: Parapets are extensions of the exterior concrete wall construction on the main roof. On the second floor terrace they are existing and/or new brick with stucco finish on the inside face, and have cast stone copings.

Chimneys: There is a metal boiler flue that exits the rear of the building on the first floor. There are no fireplaces.

Terraces & Balconies: The roof over the rear cellar/mechanical level will be a dedicated terrace accessed from the second floor residential unit. There is a setback terrace in the front of the eighth floor dedicated to the duplex unit. There is a roof terrace at the south end of the main roof, dedicated to the eighth/ninth floor duplex unit. It is separated from the remaining roof by a metal fence with a gate. This remaining portion of roof is partly occupied by mechanical equipment, and partly left available for common use.

Traffic Surface Finish - Finish walking surface on roof three terraces will be precast concrete pavers on pedestals to provide a level surface and proper drainage. Balconies are

- provided at the rear of the third through ninth floors, these will have a Urethane based traffic surface with a sand finish.
- Railings - Terraces have parapet enclosures and balconies have 42" high metal railings.
- Exterior Entrances:** Doors and Frames - There are separate aluminum and insulated glass entrances into the residential elevator lobby, and the retail space, as well as the second residential egress door.
- The residential entrance has an airlock vestibule with access security through a combined video/intercom system. Door locks are electrically operated and interface with the security system.
- Vestibule Doors - Are aluminum and single pane glass doors similar to the entrances.
- Entrance and Security System - There will be an entrance call station on the front of the building to alert unit owner of guest arrivals. This station will include a video camera which can be viewed at individual intercom stations in each of the residential units. Intercom stations also include a handset to speak to guest at the exterior door and a release for the entry doors. The system will also include card reader access for the outer and inner entrance doors to the residential lobby for residential owners. There will be additional video cameras in the interior lobby, the elevator, and the laundry room in the cellar. These can all be viewed from intercom stations in the residential units. The entire system is as supplied by Siedle from their iDor series of products. In each apartment will be a Deluxe iDor video intercom station.
- Mailboxes - There are metal front loading mailboxes approved for use by the U.S.P.S. for the residential tenants of the building in the airlock vestibule.
- Public Lighting - There will be two exterior lights on the front face of the building, 48" tall Aliante Exterior Scones from Ivalo Lighting. Lobby lighting will be recessed lighting by RSA Lighting #QCT-2075WH-QCT900 and #QCT-1975WH/QCT900. Lighting in egress stair will be #2050-14-226-WA-EMB by Brownlee lighting.
- Service Entrance:** There is no dedicated service entrance or service elevator.
- Roof and Roof Structures:** Roofing - The resin based roof membrane throughout the project is a 20 year guaranteed product from Kemper Systems, Inc. (MEA # 39-93-M Vols 2 + 3) with a 5 year installation guaranty from the installer. It is a two component unsaturated polyester resin and polyester fleece product over tapered concrete slab, sloped to roof drains. Roof insulation is rigid board type with a minimum thickness of 1" yielding an average R-value of 5. The surface of the roof is covered in cast concrete roof pavers on pedestals creating a level surface.
- Parapet walls protect all around the ninth floor roof, and 42" high brick parapets protect the terrace on the second floor rear terrace at the south side of the building. There is an asphalt shingle roof covering the rear 6'-0" full width at the cellar level. These are shingles by CertainTeed with a 30 year warranty. Flashing is a resin based flashing, and counter flashing is copper metal, or alloy copper (zinc coated) metal flashing.
- Drains, gutters and leaders - Scuppers and leaders conduct water from the bulkhead roof onto the ninth floor roof. Ninth floor roof water is collected through three area drains into internal leaders dedicated to storm water. The eighth floor terrace as well as the second floor terrace, and all the rear balconies have roof drains connected to these internal leaders. The storm drain water is conducted through its own piping to the front wall of the cellar where it is joined to the sanitary waste line before exiting the building. The 6' section of asphalt shingle roof at the rear of the first floor has a metal gutter and leader directed into the storm drainage system.
- Skylights - There is a metal and glass skylight over each of the two egress stairs as per Multiple Dwelling Law and NYC code, and a metal and glass skylight over the interior convenience stair that provides private access to the roof for the duplex apartment.
- Bulkheads - There are two bulkheads on the roof, one contains both exist stairs, which are in a scissors configuration, and the top of the elevator shaft. The other contains a convenience stair from the duplex unit to a private roof terrace. These bulkheads are cast

in place concrete construction. Their roofing is resin roofing as described above with loose stone ballast instead of pavers.

Metalwork at Roof Level – There is a metal access ladder from the finish roof surface to the door at the elevator penthouse for service use. There is also a painted open grate metal fence with gate separating the private duplex roof area from the common area.

Equipment – There are two ventilating fans that serve bathrooms, one fan serving all kitchens, one fan serving all dryers (except the duplex), and two condensers serving the duplex unit.

Fire Escapes: Interior Stairs – There are two interior fire stairs, in a scissors configuration on the west wall of the building, serving all floors. These exit through separate doors at street level on the north side of the building.

Floors Served – Cellar through Roof

Materials – The stairs are concrete filled painted steel pan stairs with painted steel handrails. Handrails are anchored to the cast concrete and/or gypsum board walls and are painted steel.

Yards and Courts: There is a courtyard at the rear of the property, 4 feet deep by the full width of the property. It has a concrete surface with one area drain which is piped into the storm drainage system. It is accessed through a metal door from the cellar, and is used as the location for air conditioning condensers for the cellar and first floor.

Interior Stairs: There is one interior convenience stair in the duplex unit, connecting the eighth floor, to the ninth floor and to the roof terrace. This stair will be steel construction with an open stringer design, open risers and wood finish on the treads. It will have painted metal handrails and straight metal balusters and guardrails at the stair openings on the ninth floor.

**Interior Doors
And Frames:**

Entrance Doors – Entry to residential units is directly from the elevator, which has a 1-1/2 hour rated sliding painted metal elevator door in painted metal frame.

Stairwell Doors and Frames – All stairwell doors and frames are painted hollow metal with 1-1/2 hour rating.

Interior Doors and Frames – All interior doors in the apartments will be flush wood doors in hollow metal frames, painted finish on both

Roof and Cellar Doors and Frames – Doors from stairs to roof, and from roof to elevator mechanical penthouse and all cellar doors to rooms, are painted hollow metal doors in painted hollow metal frames.

Elevator: There is one traction type elevator serving the building, from cellar to ninth floor. Freight will be handled in the passenger elevator. The elevator opens directly into units on floors two through eight, with keyed access, and into a common vestibule on the ninth floor to allow access to the roof through the fire stair. The interior finish will be metal panels with stone tile flooring. The elevator equipment will be as manufactured by Hollister-Whitney with a custom cab as noted above manufactured by Columbia Elevator Products. It will come equipped with a #54 O.D. basement set traction motor.. The elevator has a capacity of 2000 lbs and a travel speed of 200 feet per minute. The safety system includes #480 Type 'B' flexible guide clamps, and a phone in the cab.

Auxiliary Facilities:

Laundry Facilities – In the cellar there will be a laundry facility including one coin operated washing machine, Frigidaire Model #FCCW3000FS, and one coin operated dryer, Frigidaire Model #FCGD3000ES. Also included will be a utility sink in a separate location, also intended for building maintenance use. Dryer exhaust is through rigid metal duct with in-line assist blower, to the rear yard.

Refuse Disposal – Refuse may be left by the condo owners in a refuse storage room in the cellar. It is to be set at the curb for municipal collection on days designated by the City of New York by the building superintendent. There is a separate room for waste to be recycled. There is no refuse compaction or incineration on the property. Containers for refuse to storage until time of collection to be provided by the Board of Managers.

Storage Lockers – Each residential unit will have access to a locked storage room in the basement of approximately 50 gross square feet.

Information below as provided by M. A. Rubiano, P.C. Consulting Engineer.

**Plumbing &
Drainage:**

Water Supply - To the building is supplied by a new 6" combined water service to serve the fire protection and the domestic water service. The domestic water service is protected by a 2½" double check valve, the fire service is 6" and protected by a double check detector valve assembly, as required by EPA. Water consumption is measured by the use of a New York City approved meter. The water usage charges will be included in the common service charges.

Fire Protection System - The building is protected by a system of sprinklers consisting of a fire pump manufactured by Peerless Co. model 4x4x8A-PV, with a capacity of 500 GPM at 207 ft of pressure with a 40 HP motor. The pump raises the pressure to the code mandated pressures. A jockey pump maintains the pressure in the system without use of the main fire pump. The jockey pump is manufactured by Peerless Co. model BR-2-40. The sprinkler protection covers the entire building except bathrooms and small closets as permitted by the NYC Code. The sprinkler system is combined with the standpipe system in the main stair with hoses at the basement and first floors and hose valves at the other floors. There is also a roof manifold as required by code and a box with wrenches and hoses located in the first floor. There is a Siamese connection on the front of the building.

The sprinkler system is supervised by a sprinkler and smoke detectors alarm system connected to a central station that contacts the fire department in the event of an emergency.

Water Storage Tank – There are no water storage tanks in this project.

Water Pressure - Available water pressure from the street main is about 51 PSIG. Due to requirements of EPA, a DCV assembly is required. It reduces the water pressure available by about 8 to 10 pounds. Thus a water booster pump is needed to supply adequate pressure to the top floor. The pump is manufactured by Federal Pump Corp. Model SP-4030-2 with a cushion tank, pressure reducing valve, and controls. The capacity of the pump system is 40 GPM at 70 Ft of developed pressure with (2) 1½ HP motors.

Sanitary Drainage System - The system consists of cast iron piping with neoprene gaskets and mechanical joints for the waste, soil, and vent piping above ground. Bell and spigot piping is used below the floor. The sanitary piping connects to the city sewer system via a house trap with fresh air inlet grille. Storm piping is also cast iron, similar to the sanitary piping and connects to the sanitary with a running trap. The combined sanitary and storm system connects to a combined system in 42nd Street. There are no sewage ejectors but there are two sump pumps. One pump is for the elevator pit and the other sump pump for fixtures below the sewer line. The pumps are manufactured by Federal Pump Co. models 1 1/2-P-1/3-4, each with a capacity of 30 GPM at 17 head of lift. Domestic water piping is made of copper tubing with soldered joints. Both cold water and hot water are insulated. Domestic water as mentioned before is supplied by the city and the building distribution system connects to the city main via backflow preventors and city-approved meters.

Storm Drainage System - The building has internal leader to pick up the storm water from the roof of the building by means of roof drains. The upper roofs of the stair and elevator bulkheads are drained to the main roof by means of downspouts.

Heating:

Central gas fired boilers supply heat to the entire building using baseboard radiation to distribute heat to the various areas. They also connect to the water heater to supply domestic hot water to the building. The boilers are located in the basement of the building. The boilers are manufactured by Laars Co., Summit Model SMB250, M.E.A. # 179-97-E VOL. IV. They consist of three modules with a capacity of 250 MBH each and a combined input of 750 MBH. The combined output is 694 MBH. The boilers provide heat to the space and to the domestic water heater. The boilers connect to gas piping and they are vented to the exterior at the back of the building. The heating charges are part of the house gas meter; charges for heating are part of the common charges.

A central domestic water heater will supply hot water to each apartment. The heater is manufactured by Turbomax Model Turbomax 45 with 500 gallons of storage capacity and 460 GPH of recovery at 100 degrees F rise. Charges for heating of domestic water are measured by the house gas meter and the charges included in the common charges. Hot water is re-circulated throughout the building by means of a return pipe and a circulating pump manufactured by Bell & Gossett Model Little Red pump with a capacity of 5 GPM at 15 Ft of developed pressure. Pump uses a 1/6 HP motor.

Gas Supply: Consolidated Edison, the utility company, provides gas service to the building. A new 3" gas service connects to the street main and to the distribution system of the building with meters to measure consumption by each user. Gas is used to fire the boilers for space heating and domestic water heaters; it is also used for cooking, and for the gas dryers in the laundry area of the basement. There are two gas meters in the building. Gas usage is part of the common charges. Gas usage for the dryers will be part of a concession where users will pay for the use of the dryers and the monies will be reimbursed to pay for the utility costs.

Air Conditioning: The building is supplied by a combination of thru-the-wall air conditioners at the north and south side of the building and split systems. The typical apartment will have two thru-the-wall units with a combined capacity of 2.25 tons of air conditioning and a central unit located in the ceiling of the central area of the apartment with a condensing unit at the exterior wall. The duplex apartment will have the condensing units located on the roof. Split systems provide cooling to the common lobby, for the laundry area in the basement, and for the small commercial space in the first floor. A small split system provides cooling for the elevator machine room and for the trash room area.

The cost of electrical for running the thru-the-wall units and the apartments split systems will be paid by each apartment owner thru their electric meters; the cost of running the split systems for the lobby area, the laundry, and the split system for the elevator and trash rooms, will be part of the common charges.

The systems are designed to maintain at least the temperatures required by the New York State Energy Code. Design inside conditions are 72 degrees F for heating, and 78 degrees F for cooling, when the outside air temperatures are 15 degrees F for winter and 89 degrees F dry bulb and 73 degrees F wet bulb in summer.

Ventilation: Most of the bathrooms and kitchens do not have natural ventilation provided by windows. All the kitchens will have ventilation provided by means of local fans controlled by local switches and connected to a central exhaust duct terminating at the roof. The kitchen exhaust fan is manufactured by Greenheck model CUE-181. Bathrooms without windows will be vented to central exhaust ducts connected to roof exhaust fans. The toilets are ventilated by two roof fans manufactured by Greenheck models GB-081. There are provisions made for future dryer exhaust with a roof fan manufactured by Greenheck model GB-081.

The cost of electrical for running the thru-the-wall units and the apartments split systems will be paid by each apartment owner thru their electric meters; the cost of running the split systems for the lobby area, the laundry, and the split system for the elevator and trash rooms, will be part of the common charges.

The systems are designed to maintain at least the temperatures required by the New York State Energy Code. Design inside conditions are 72 degrees F for heating, and 78 degrees F for cooling, when the outside air temperatures are 15 degrees F for winter and 89 degrees F dry bulb and 73 degrees F wet bulb in summer.

Electrical System: 208 Volt, 3 phase, 60 cycles, 4 wire electric service is supplied by the utility company to a service end box. The house service consists of two switches connected to a single meter. One 600 Amp switch, three phase, fused at 500 Amps, to power the elevator, the chiller, boiler, pumps and related equipment for cooling and space heating, and the public lighting. The second switch powers the fire pump and jockey pump. Each apartment, except 8/9 floors apartment, has a 125 Amp circuit breaker at the meter bank, the feed is single phase, 3-wire connected to a panel. The 8/9 floors apartment has a separate meter connected to a 200 Amps disconnect switch, three (3) phase, 4-wire, fused at 125 Amps. It is connected to

the apartment panel. The tenant space at the first floor has a 60 Amps panel, single-phase, 3-wire. There are 10 meters, one for each apartment plus the house meter. The charges for the house are part of the common charges.

End of M. A. Rubiano, P.C. supplied information.

Facilities Summary: The building has a single one-bedroom apartment with one and a half bathrooms on each of floors two through seven, and a duplex unit with two bedrooms and two and a half bathrooms, on the eighth and ninth floors. The bathrooms will have high-end fittings and finishes, as will the powder rooms. The kitchens will be furnished with cabinets by Pedini with a plastic laminate finish on the exterior. Kitchens will be provided with sink and faucet, dishwasher, gas range, refrigerator/freezer and mechanical ventilation. There is a closet in the kitchen area that can be used for pantry storage, or has hook-ups for washer and dryer. Washer and dryers are not supplied on the second through 7th floors. Space allows for European style stacking washer and dryer, 24" wide; electric dryer. Connection is provided for dryer exhaust to the roof.

Building services include a gas-fired boiler for heat and hot water shared between the apartment units, the retail unit, and common facilities. Heating will be provided through perimeter fin-tube hot water radiation. Air conditioning will be provided by through wall units in the front and rear of the building. In addition there will be a through wall condenser at the front of each unit connected to an air handler in the ceiling of the kitchen or stair hall to cool the central spaces. Condensers for the two duplex floors will be on the main roof. See mechanical engineer's report (above) for further description of heating and air conditioning systems. The building is fully sprinklered. Wiring for voice and data connections are provided throughout each apartment.

The apartment elevator lobby is accessed at street level on 42nd Street. The lobby has stone floor tile and plaster on concrete masonry and/or gypsum board walls and ceiling.

Emergency lighting is provided throughout the fire stair and egress halls to allow for safe egress.

Unit Information: See above for partial description. Interior surface of exterior walls, and all interior partitions are finished with painted gypsum wallboard over metal studs. Exterior wall to include a combination of fiberglass and rigid foam insulation. Floors are hardwood on a resilient membrane to reduce sound transmission between floors. Ceilings are either plaster on concrete slab or hung gypsum board, and there will be gypsum board soffits to conceal mechanical and other piping runs.

The following is a schedule of the sellable areas for each of the residential units, see also floor plans attached herein:

Unit	Interior Square Footage	Exterior S.F.	Storage S.F.	Total
2 nd Flr.	1,148	405	50	1,603 s.f.
3 rd Flr.	1,148	57	50	1,255 s.f.
4 th Flr.	1,148	57	50	1,255 s.f.
5 th Flr.	1,148	57	50	1,255 s.f.
6 th Flr.	1,148	57	50	1,255 s.f.
7 th Flr.	1,148	57	50	1,255 s.f.
8 th / 9 th Flrs.	2,157	579	58	2,794 s.f.

Areas are approximate. Interior areas are the gross area (from the outside face of the building) less the elevator and stair interiors. Exterior areas are from the outside face of building to the outer edges of the balcony or roof spaces. Storage rooms are from center of wall to exterior face of building.

Finishes for Typ.

Residential Unit:	Space	Floor	Walls	Base	Ceiling
	Foyer	Wood	Paint	Ptd. Wood	Paint
	Powder Room	Ceramic or Stone Tile	Paint	Ptd. Wood	Paint
	Living/Dining	Wood	Paint	Ptd. Wood	Paint

Kitchen	Wood	Paint	Ptd. Wood	Paint
Hall	Wood	Paint	Ptd. Wood	Paint
Bedroom	Wood	Paint	Ptd. Wood	Paint
Bathroom	Ceramic or Stone Tile	Paint and Tile	Stone	Paint
Closets	Wood	Paint	Ptd. Wood	Paint
Stairs (Convenience)	Wood + Steel			
Stairs (Egress)	Cement	Paint and Raw Concrete	None	Paint

**Bathroom and
Kitchen Fixtures:**

Full Bathrooms:	Tub:	Zuma, White 32" X 60"	or of equivalent or better quality
	Tub Set:	DaVinci Series Thermostatic valve From AF Supply, Pol. Chrome	or of equivalent or better quality
	Lavatory:	Kohler Ladena undermount, white 21" X 14" O.A.	or of equivalent or better quality
	Lav. Set:	DaVinci Series 3 hole Lav Faucet, AF Supply, Pol. Chrome	or of equivalent or better quality
	Countertop:	Stone Countertop	or man-made Quartz product
	Base Cabinet:	Custom Wood Cabinet	
	Toilet:	Duravit – Stark 2, white	or of equivalent or better quality
	Accessories:	DaVinci Series from AF Supply, Pol. Chrome	or of equivalent or better quality
	Medicine Cab:	Robern 16" X 30"	or of equivalent or better quality
	Lavatory:	Duravit Vero Washbasin, White	or of equivalent or better quality
Powder Room:	Lav. Set:	DaVinci Series 3 hole Lav Faucet, AF Supply, Pol. Chrome	or of equivalent or better quality
	Toilet:	Duravit – Stark 2, white	or of equivalent or better quality
	Kitchen:	Sink:	Blanco – Model 512-749, Stainless
		Faucet:	Hansgrohe – Model 06694XX0
Appliances:	Cooktop:	G.E. Monogram ZGU384NSMSS, Stainless Steel	or of equivalent or better quality
	Hood:	G.E. Monogram ZV800SJ/BJ – Stainless Steel	or of equivalent or better quality
	Ref./Freezer:	G.E. Monogram ZICP360S – Stainless Steel	or of equivalent or better quality
	Double Oven:	G.E. Monogram ZET2SL – Stainless Steel	or of equivalent or better quality
	Dishwasher	Bosch – SHV46C13UC, Integrated	or of equivalent or better quality
	Washer:	Frigidaire FTF2140E – White	or of equivalent or better quality Duplex only
	Dryer:	Frigidaire FQG1442E - White	or of equivalent or better quality Duplex only

General Common

Elements: The following is a list of general common elements:

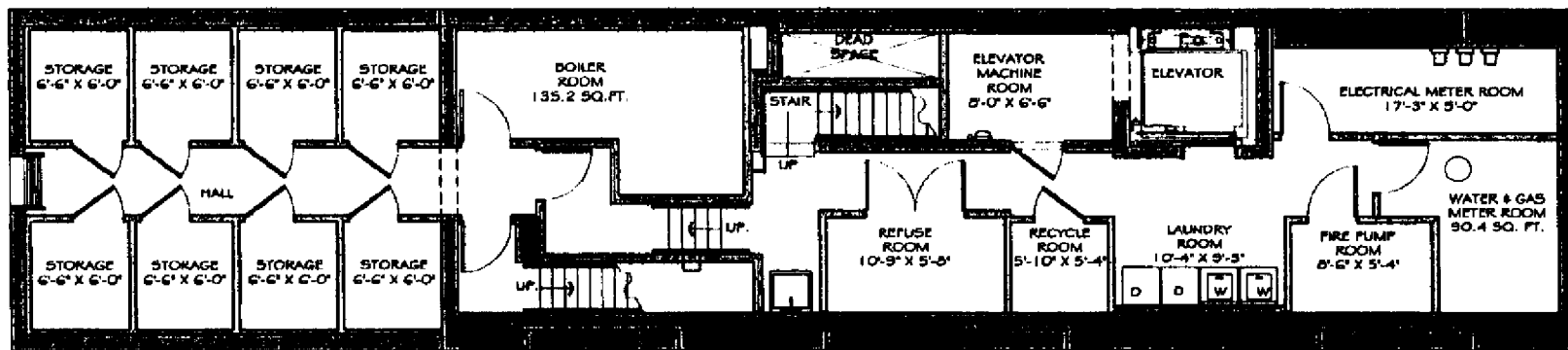
- A. Electric Meter Room
- B. Water and Gas Meter Room
- C. Fire Pump Room
- D. Cellar Laundry Room
- E. Recycle Room
- F. Refuse Room
- G. Boiler Room

- H. Cellar Corridors and Stairs
- I. Vestibule
- J. Lobby
- K. Egress Hall
- L. Exit Stairs
- M. Elevator
- N. That portion of the roof not dedicated to duplex terrace
- O. Lighting, Heating, Air Conditioning and/or Plumbing in all common element spaces

Safety Devices: Each residential unit will be provided with smoke/carbon monoxide detectors; BRK First Alert Model SC9120B.

Additional

Information: On the rear portion of the building, the pre-existing brick section: one half story of brick wall, roof framing and material, finish floor material, mechanical equipment, and stair bulkhead were all removed. A concrete deck on steel beams, with concrete pavers was added. It is the opinion of the structural and geotechnical consulting engineers that the new load is the same or less than the former loads, therefore no remedial foundation work was required for the existing rear addition.



Architect

Brian E. Boyle, AIA

75 Spring St. 6th. Flr.
New York, New York 10012

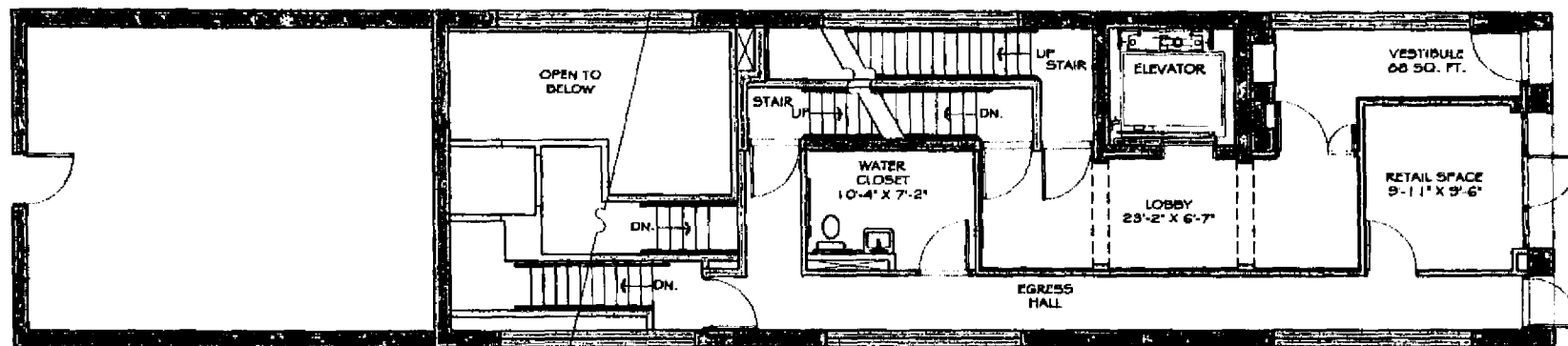
Tel. 212-334-7402 Fax 212-334-6112

CELLAR / BASEMENT PLAN

Project:

The Deuce Condominium

534 W. 42nd Street
New York, NY 10036



Architect:

Brian E. Boyle, AIA

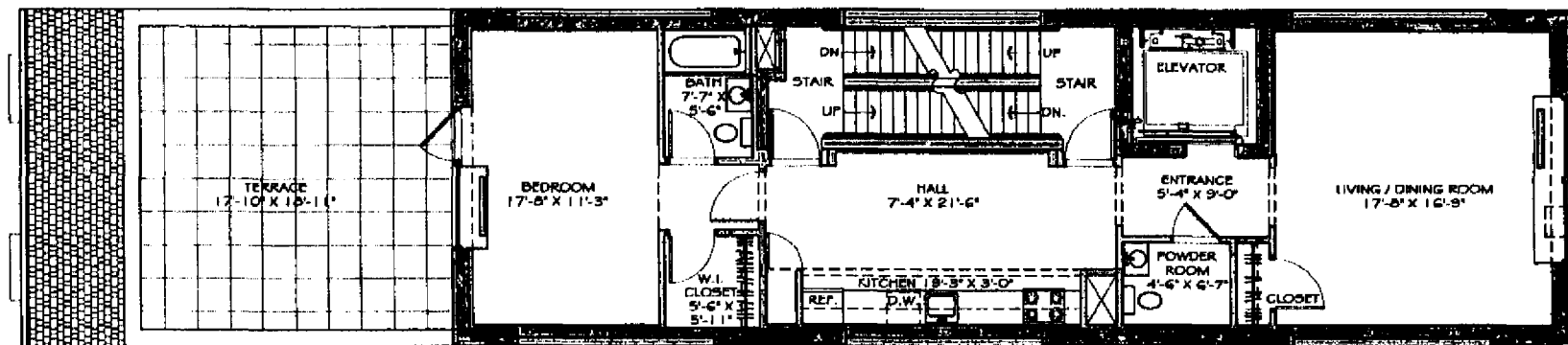
75 Spring St. 6th. Flr.
New York, New York 10012
Tel. 212-334-7402 Fax 212-334-6112

FIRST FLOOR PLAN

Project:

The Deuce Condominium

534 W. 42nd Street
New York, NY 10036



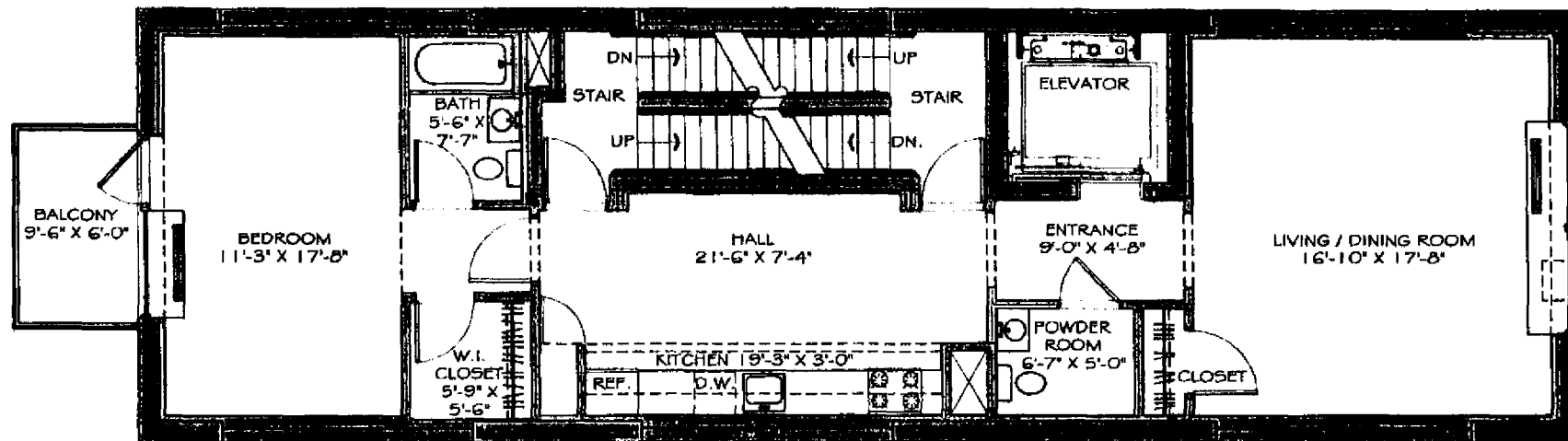
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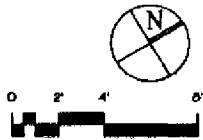
Brian E. Boyle, AIA
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SECOND FLOOR PLAN

Project:

The Deuce Condominium
534 W. 42nd Street
New York, NY 10036




 NOTE: ALL DIMENSIONS
 ARE APPROXIMATE

Architect:

Brian E. Boyle, AIA

75 Spring St. 6th. Flr.

New York, New York 10012

Tel. 212-334-7402 Fax 212-334-6112

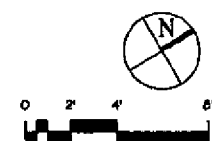
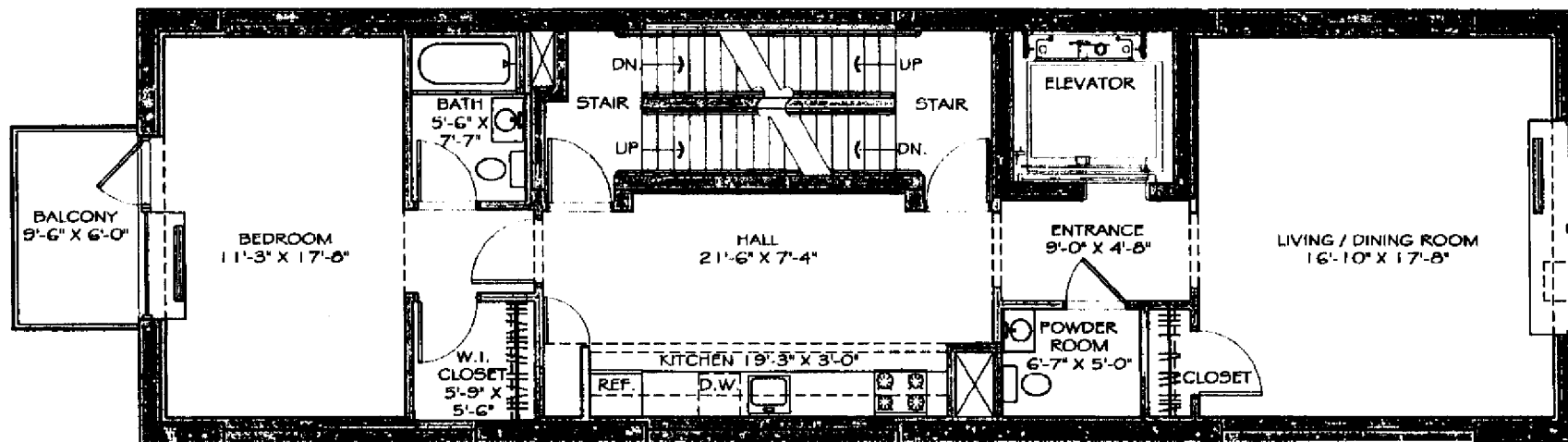
THIRD FLOOR PLAN

Project:

The Deuce Condominium

534 W. 42nd Street

New York, NY 10036



NOTE: ALL DIMENSIONS
ARE APPROXIMATE

Architect:

Brian E. Boyle, AIA

75 Spring St. 6th. Flr.
New York, New York 10012

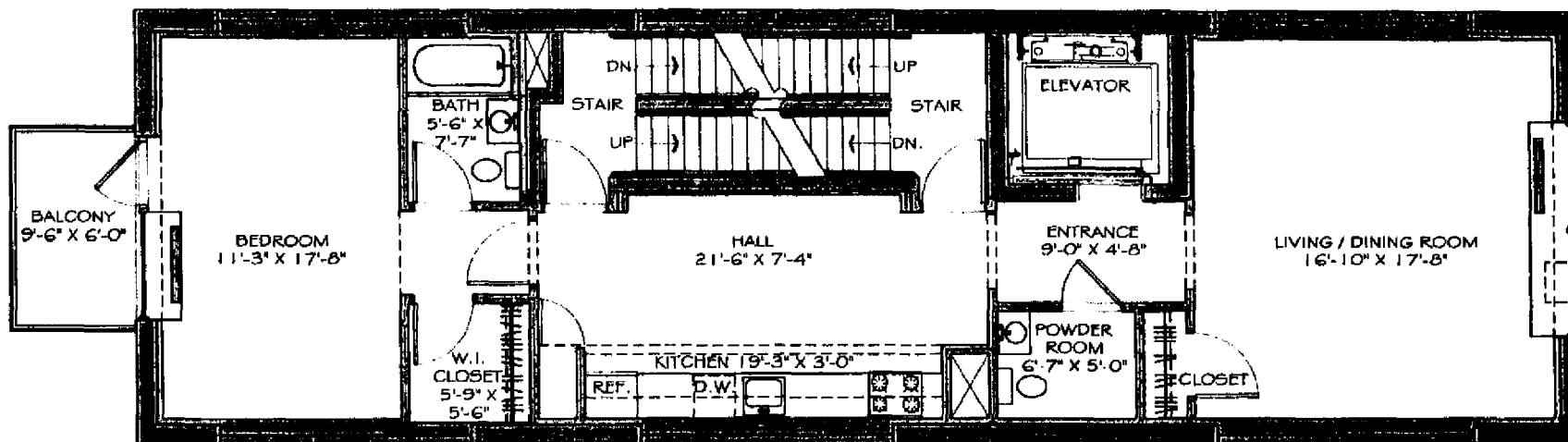
Tel. 212-334-7402 Fax 212-334-6112

FOURTH FLOOR PLAN

Project:

The Deuce Condominium

534 W. 42nd Street
New York, NY 10036



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NOTE: ALL DIMENSIONS
ARE APPROXIMATE

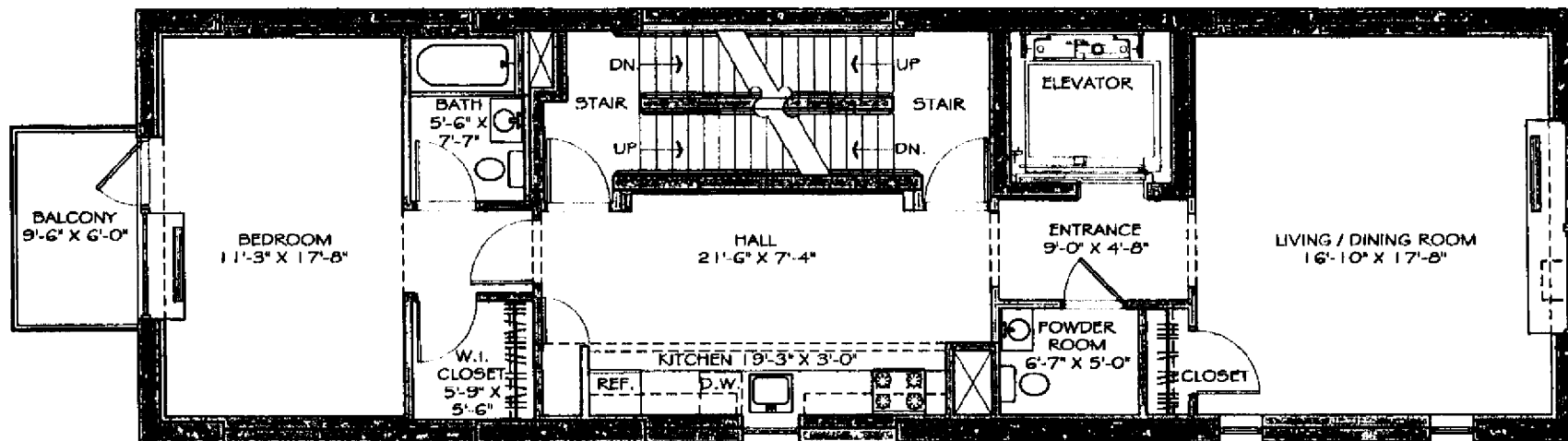
Architect:

Brian E. Boyle, AIA
75 Spring St. 6th. Flr.
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FIFTH FLOOR PLAN

Project:

The Deuce Condominium
534 W. 42nd Street
New York, NY 10036



NOTE: ALL DIMENSIONS
ARE APPROXIMATE

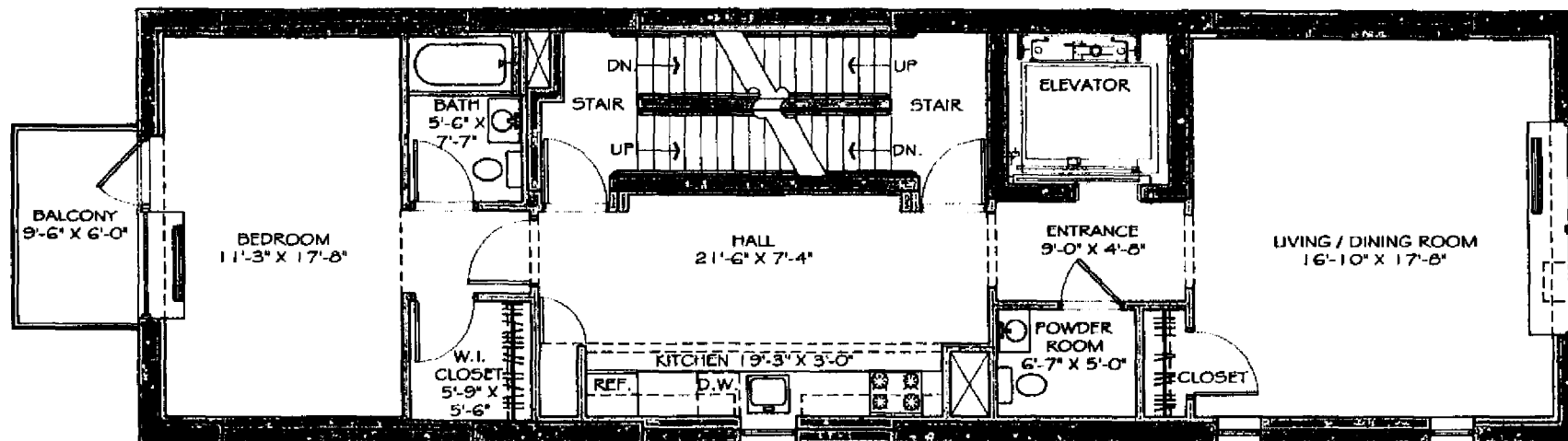
Architect:

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SIXTH FLOOR PLAN

Project:

The Deuce Condominium
534 W. 42nd Street
New York, NY 10036



NOTE: ALL DIMENSIONS
ARE APPROXIMATE

Architect:

Brian E. Boyle, AIA

75 Spring St. 6th. Flr.

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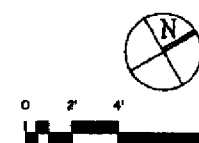
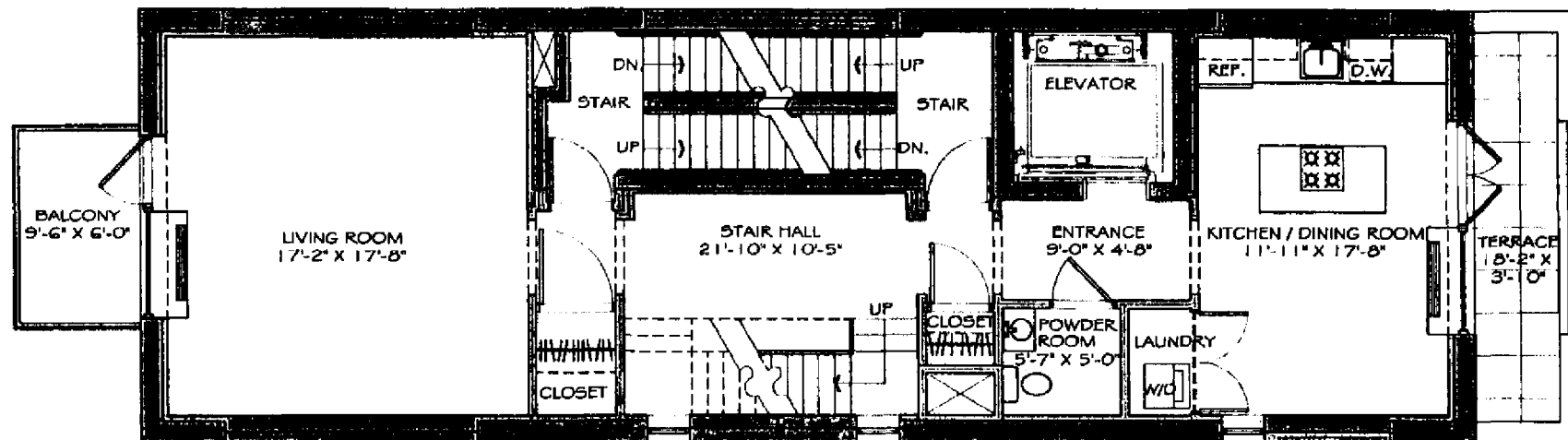
SEVENTH FLOOR PLAN

Project:

The Deuce Condominium

534 W. 42nd Street

New York, NY 10036



NOTE: ALL DIMENSIONS
ARE APPROXIMATE

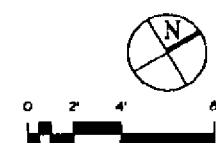
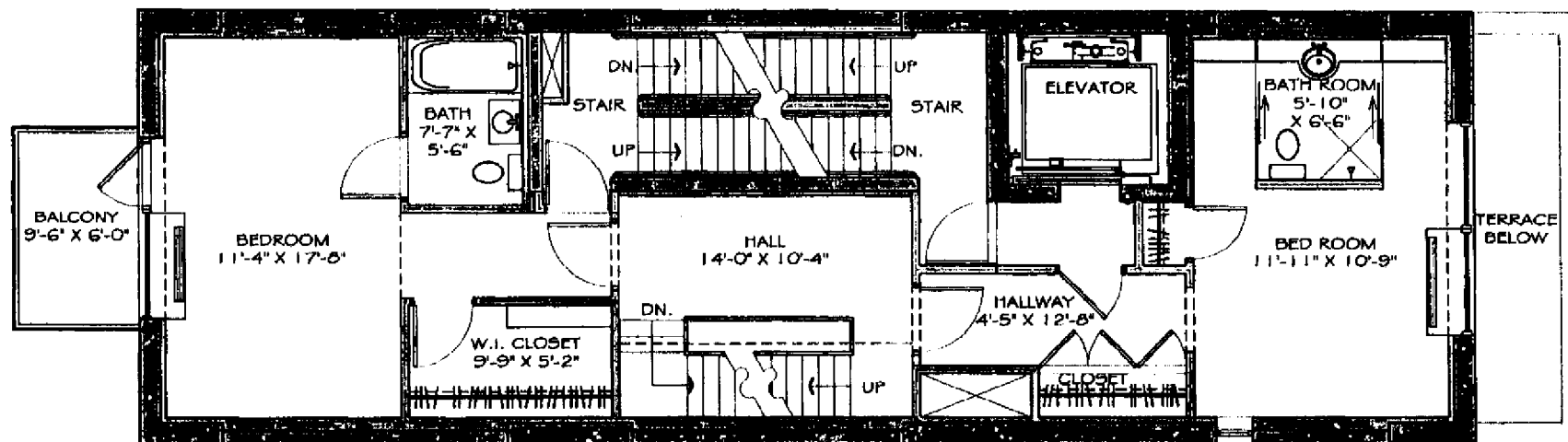
Architect:

Brian E. Boyle, AIA
75 Spring St. 6th. Fl.
New York, New York 10012
Tel. 212-334-7402 Fax 212-334-6112

EIGHTH FLOOR PLAN

Project:

The Deuce Condominium
534 W. 42nd Street
New York, NY 10036



NOTE: ALL DIMENSIONS
ARE APPROXIMATE

Architect:

Brian E. Boyle, AIA

75 Spring St. 6th. Flr.
New York, New York 10012

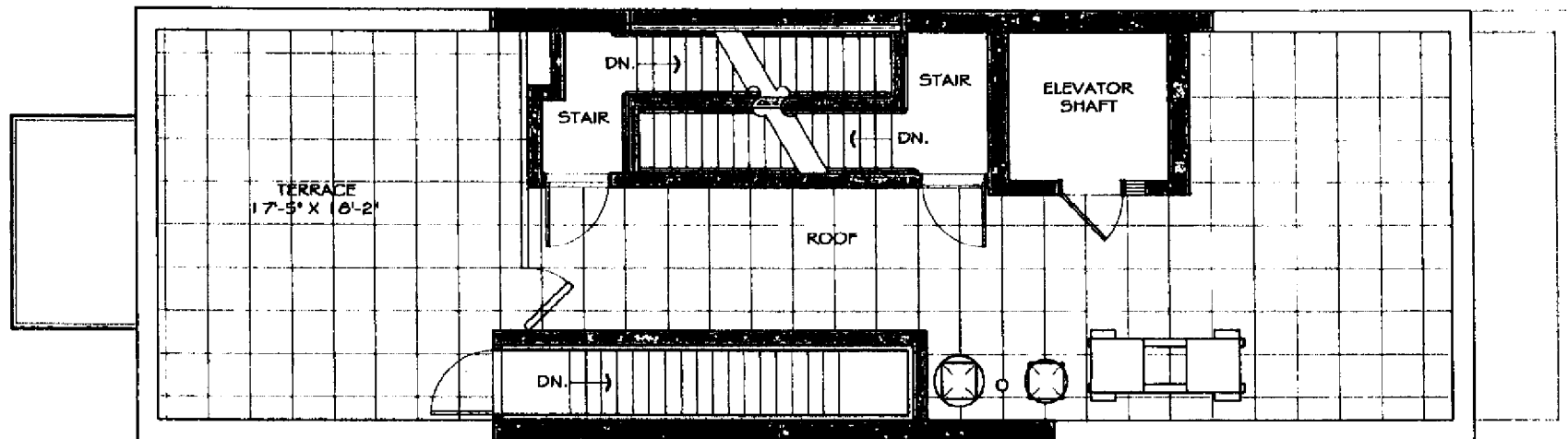
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NINTH FLOOR PLAN

Project:

The Deuce Condominium

534 W. 42nd Street
New York, NY 10036



NOTE: ALL DIMENSIONS
ARE APPROXIMATE

Architect:

Brian E. Boyle, AIA
75 Spring St. 8th. Flr.
New York, New York 10012
Tel. 212-334-7402 Fax 212-334-6112

ROOF / TERRACE PLAN

Project:

The Deuce Condominium
534 W. 42nd Street
New York, NY 10036

EXHIBIT E
DECLARATION OF CONDOMINIUM

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DECLARATION OF CONDOMINIUM

Establishing a Plan for Condominium Ownership
of the Premises known as
The Deuce Condominium
534 West 42nd Street
New York, New York 10036
Pursuant to Article 9-B of the Real Property
Law of the State of New York

Name: The Deuce Condominium

Declarant: Shao Lin Operating LLC
2025 Broadway
Suite 21 JK
New York, New York 10023

Date of Declaration: _____, 2008.

Prepared by: Jeffrey S. Greener, Esq.
Rivkin Radler LLP
926 RexCorp Plaza
Uniondale, New York 11556

The land affected by the within instrument
lies in Block 1070 and Lot 49 on the Tax Map of the
Borough of Manhattan, City, County and State of New York.

Record and Return to:

Jeffrey S. Greener, Esq.
Rivkin Radler LLP
Attorney for Sponsor
926 RexCorp Plaza
Uniondale, New York 11556

PLAN OF CONDOMINIUM UNIT OWNERSHIP

**Declaration of SHAO LIN OPERATING LLC.
Pursuant to Article 9-B of the
Real Property Law of the State of New York**

In the Borough of Manhattan, County, City and State of New York, on this ____ day of _____, 2008, SHAO LIN OPERATING LLC, organized and existing under the Laws of State of New York, with an office address c/o Rivkin Radler LLP, 926 Reckson Plaza, Uniondale, New York 11556, hereinafter referred to as the "Sponsor," represented in the Declaration by Gary B. Schaeffer, Manager, who is fully empowered and qualified to execute this Declaration on behalf of the Sponsor, does hereby state:

**Article 1
Definitions**

Exhibit C annexed hereto contains the definitions for the capitalized terms contained in this Declaration.

**Article 2
Submission of the Property**

By this Declaration, the Sponsor submits the property described in this Declaration to the provisions of Article 9-B of the Real Property Law of the State of New York.

**Article 3
Name of the Condominium**

The name of the Condominium shall be the Deuce Condominium.

**Article 4
The Land**

The Land, which is located in the Borough of Manhattan in the City, County and State of New York and is more particularly described in Exhibit A annexed hereto and made part hereof, is owned by Declarant in fee simple absolute and has an area of approximately 2,000 square feet.

Article 5 The Building

The Building is being constructed on property owned by the Sponsor which was known by the street addresses of 534 West 42nd Street, New York, New York 10036 as Lot 49 of Block 1070 on the official tax map of the City of New York. In order to develop the Condominium, Sponsor intends to construct a new building, resulting in 7 residential units (the "Residential Units"), containing approximately 10,000 square feet of residential condominium space and 8 Storage Units. The Residential Units will be located on floors 2 through 9. 1 Residential Unit per floor will be built on floors 2, 3, 4, 5, 6, 7 and a duplex unit will be built on floors 8 and 9. The residential lobby and elevator ("Residential Lobby") will be located on street level. The Condominium shall also include a commercial unit (the "Commercial Unit.") The Commercial Unit will be located on Floor 1.

The Building will be a Class 1-C Fire Protected Structure. The Building will have a concrete foundation and footings, a superstructure of precast concrete slabs on masonry load bearing walls. Access to the Residential Units is through a single lobby containing one passenger elevator. The Commercial Unit will have direct access to the street.

Article 6 The Units

(a) Exhibit B annexed hereto sets forth the following data with respect to each Unit necessary for the proper identification thereof: (i) its designation number; (ii) its tax lot number; (iii) its approximate location in the Building; (iv) its approximate area; (v) the portions of the Common Elements, Residential Common Elements or Limited Residential Common Elements to which such Unit has immediate access; and (vi) the Common Interest appurtenant to such Unit. The precise location of each Unit within the Building is shown on the Floor Plans.

(b) Residential Units. The approximate physical dimensions of each Residential Unit shall consist of the area measured from the exterior side of the exterior walls (mechanical pipes/ducts/shafts have not been deducted from the calculation) to the midpoint of the interior walls and partitions separating one Unit from another Unit, or separating a Unit from public corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements, Residential Common Elements or Limited Residential Common Elements. Any Common Elements or Residential Common Elements located within a Unit shall not be considered a part of such Unit. As is customary in New York City, these square foot areas exceed the usable floor area of each Unit.

Measured vertically, each Residential Unit will consist of the volume of the top of the composite concrete on metal deck (located under the finished flooring and sub-floor material) to the underside of the pre-cast concrete plank of the floor above.

Each Residential Unit includes: (i) all doors located within the Unit, except all doors opening from the Unit to exit stairs, the elevator door; (ii) any interior walls, partitions, floors and floor

coverings and gypsum board ceilings affixed, attached or appurtenant to such Unit, except where designated as a Common Element; (iii) all windows (including, without limitation, their panes, sashes hardware and frames) located within, or opening from such Unit; (iv) all branch piping, wiring, conduits or ducts serving only that Unit; (v) any and all equipment, fixtures and appliances affixed, attached, appurtenant to or exclusively serving such Unit regardless of the location of such equipment, fixtures and appliances; and (vi) all other facilities affixed, attached, appurtenant to such Unit and benefitting only that Unit.

However, any Common Element located within a Unit shall not be part of such Unit.

(c) **Commercial Unit.** The approximate physical dimensions of the Commercial Unit shall consist of the area measured from the exterior side of the exterior walls (mechanical pipes/ducts/shafts have not been deducted from the calculation) to the midpoint of the interior walls and partitions separating one Unit from another Unit, or separating a Unit from public corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements, Residential Common Elements or Limited Residential Common Elements. Any Common Elements located within a Unit shall not be considered a part of such Unit. As is customary in New York City, these square foot areas exceed the usable floor area of the Unit.

Measured vertically, the Commercial Unit will consist of the volume from the top of the existing concrete foundation mat to the Unit side of the pre-cast concrete plank of the second floor.

The Commercial Unit includes: (i) the front entrance and any other doors located within or opening from such Unit, except doors providing access to stairs and lobbies; (ii) any interior walls, partitions, floors and floor covering and gypsum board ceilings affixed, attached or appurtenant to such Unit, except where designated as a Common Element, Residential Common Element or a Limited Commercial Common Elements; (iii) all windows (including, without limitation, their panes, sashes, hardware and frames) located within, or opening from such Unit; (iv) all branch piping, wiring, conduits, or ducts serving only that Unit; (v) any and all equipment, fixtures and appliances affixed, attached, appurtenant to or exclusively serving such Unit regardless of the location of such equipment, fixtures, and appliances; and (vi) all other facilities affixed, attached, appurtenant to the Unit.

(d) Notwithstanding anything contained in this Article 6 to the contrary, each Unit Owner shall have the right, exercisable at any time and from time to time, to install, at such Unit Owner's sole cost and expense, such decorations, fixtures and coverings (including, without limitation, painting, finishing, wall papering, 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, and to install pipes and wiring within the walls enclosing the Unit provided that no such installation shall impair the structural integrity of the Unit or of the Building or any Common Element in terms of structure or compliance with applicable Codes, Laws, or regulatory requirements.

Article 7
Common Elements

(a) The Common Elements shall remain undivided and no Unit Owner or any other Person shall bring, or shall have the right to bring, any action for partition or division thereof, except as is expressly permitted pursuant to the terms of Article 15 hereof and Section 5.5 of the By-Laws.

(b) Generally, the Common Elements consist of all Common Elements, other than any Residential Common Elements, Limited Residential Common Elements and Limited Commercial Common Elements, if any, and include the following:

(i) the Land (as more particularly described in Exhibit A hereto), together with all consents, rights and privileges appurtenant thereto;

(ii) all foundations, footings, columns, concrete floor slabs and ceilings (except to the extent included as Residential Common Elements or Limited Residential Common Elements, Limited Commercial Common Elements or part of any Unit), beams, supports, and any load bearing walls, together with those portions of the exterior walls of the Building beyond the Unit side face of the gypsum board and the Unit side face of the glass or concealed block work or concealed steel structural members of those walls;

(iii) corridors and all fire staircases, landings and stairs which are not Residential Common Elements, Limited Residential Common Elements, Limited Commercial Common Elements or part of any Unit;

(iv) boiler room, electrical room, telephone room, gas meter room and fire pump room;

(v) general illumination fixtures and security systems;

(vi) all passages, hallways, stairs, corridors, mechanical and other rooms, areas and spaces located in the Building serving both the Residential Units and the Commercial Unit, which are not Residential Common Elements, Limited Residential Common Elements or part of any Unit.

(vii) the roof over the floor of the Building (except to the extent that a portion of the roof is comprised of a Residential Common Element or Limited Residential Common Element); and

(viii) all other parts of the Building and the apparatus, installations, systems, equipment and facilities in the Building (including pipes, shafts, wires, ducts,

vents, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance of safety of both the Commercial Unit and the Residential Units and which are not owned by another entity such as a supplier, servicer or installer of the systems.

(c) The Residential Common Elements include following:

(i) the passenger elevator (including the elevator shafts, pits, machinery and appurtenant facilities);

(ii) the residential lobby and entrance on the first floor of the Building;

(iii) passages, hallways, stairs and corridors to the extent any of same are for the exclusive use of the Residential Unit Owners;

(iv) the laundry and refuse room;

(v) electric panels, closets, feeders and risers serving the Residential Units exclusively;

(vii) all mechanical space and other rooms, areas and spaces located in the Building serving exclusively the Residential Units, the Residential Common Elements and the Limited Residential Common Elements and which are not Common Elements, Limited Residential Common Elements or a part of any Unit; and

(viii) all other apparatus, installations, systems, equipment and facilities in the Building (including pipes, shafts, wires, ducts, vents, cables, conduits and lines) which serve or benefit exclusively the Residential Units and which are not owned by another entity such as a supplier, servicer or installer of the systems.

(d) The Limited Residential Common Elements include those portions of the Building available for the exclusive use of some but not all Residential Unit Owners and include the following:

(i) balconies appurtenant to Units 3, 4, 5, 6, 7 and Duplex 8/9.

(ii) terraces appurtenant to Unit 2 and Duplex 8/9.

(iii) roof appurtenant to the Duplex.

(iv) stairway to roof appurtenant to the Duplex.

- (e) The Limited Commercial Common Elements serve the Commercial Unit collectively and indivisibly and consist of the following:

(i) All facilities which may in the future be located in or on the Property to serve or benefit the Commercial Unit exclusively.

Article 8

Determination of Common Interests

The percentage interest in the Common Elements of each Unit has been determined based upon the approximate proportion that the floor area of the Unit bears to the aggregate floor area of all Units, but reflecting the substantially exclusive advantages enjoyed by one or more but not all Units in a part or parts of the Common Elements on the date of filing the Declaration, the overall dimensions of such Unit, its uniqueness and location.

Article 9

Use of Units

- (a) Each Unit may be used subject to the following limitations:

(i) Sponsor or its designee shall have the right, without permission of the Board or payment of a fee, to use any one or more of its Unsold Units as model units and offices for selling, renting, management, operation and promotion of the Unsold Units owned by it or for any other lawful purpose, subject only to compliance with the Law, which right includes changing the use of a Unit (i.e. residential to commercial and vice-versa) as long as the zoning for the Property and the then existing certificate of occupancy permit the proposed use or Sponsor or its designee obtains a zoning variance or other zoning relief and/or a new or amended certificate of occupancy to authorize such proposed use. However, no Unsold Unit shall be used as an adult entertainment establishment as defined in the New York City Zoning Resolution or for illegal, noxious or immoral purposes.

(b) (i) Within thirty (30) days after a person, other than natural person, becomes the owner of a Residential Unit, such non-individual owner shall notify the Managing Agent, in writing, of the name of the officer, director, stockholder, partner or individual designated by such owner to occupy its Residential Unit. The non-individual owner may change such designee from time to time by similar written notice to the Managing Agent. All designees must be bona fide officers, directors, stockholders, partners or employees of such owner and, under no circumstance, may more than one family occupy a Residential Unit at one time.

(ii) The limitations contained in this paragraph (b) do not apply to Unsold Units or to the Commercial Unit or the owners thereof. Such units may be leased to any persons (whether individuals, corporation, partnerships, fiduciaries, sovereign government, consulates or other

entities) and, in the case of Unsold Units, occupied by any person authorized by such lessee and approved by the owner of such Unsold Units, who is not required to comply with the designation notice requirement set forth in the preceding paragraph.

(c) The Commercial Unit may be used for any purpose permitted under the Law, provided such use is not an adult entertainment, discotheque or dance club use or is not illegal, noxious or immoral. The owner(s) of the Commercial Unit shall have the right to change the use thereof as long as the zoning for the Property and the then existing certificate of occupancy permit the proposed use or a zoning variance, other zoning approval, and/or a new or amended certificate of occupancy is obtained at the Commercial Unit Owner's sole cost and expense to permit the proposed use.

Article 10

Easements for the Enjoyment of the Common Elements

(a) Subject to the terms of the By-Laws and the Rules and Regulations, the Unit Owners (including Sponsor or its designee, as long as it owns any Unit), all other permitted tenants and occupants of the Building, the Selling Agent, the Managing Agent, the Condominium Board, and all officers, partners, employees, agents, guests, invitees and licensees of the foregoing, shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the Common Elements, and the Common Elements shall be subject to such easement. Notwithstanding the foregoing, no person shall use or enjoy the Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other persons to do so.

(b) Notwithstanding anything to the contrary contained in paragraph (a) hereof, Sponsor and its successors, assignees, invitees, licensees, contractors, employees, agents and tenants shall have an easement in, over, under, through and upon the Common Elements to use the same, without being subject to any fee or charge, for all purposes and activities in connection with the sale of renting of the Unsold Units. In addition, Sponsor shall have the right, to the extent not prohibited by Law, to use one or more portions of the Common Elements, as designated by Sponsor, in its sole discretion, for sales, rental, or display purposes which right shall include, without limitation, the right to place "for sale," "for rent" and other signs and promotional materials, of such size and content as Sponsor shall determine, in, on, about and adjacent to the Building (including on the exterior walls thereof) and the Property.

(c) The Commercial Unit Owner (including the Sponsor or its designee) shall have an easement, to the extent permitted by Law, to erect, maintain, repair and replace, from time to time, one or more signs and/or canopies, of such size and content as the Commercial Unit Owner shall determine, on, about, or adjacent to the Property (including on the exterior walls of the Building) for the purpose of advertising the name of the tenant or occupant or the business conducted in the

Commercial Unit and/or any portion thereof, provided all necessary approvals for signage have been obtained.

(d) The Owners of Units PHA, PHB and 3-A shall have an exclusive easement to use and enjoy those portions of the Building roof surface that are designated for such use on the Floor Plans.

Article 11 Other Easements

(a) Subject to the terms of the By-Laws and the Rules and Regulations and to the terms of this Declaration, each Unit Owners shall have, in common with all other Unit Owners, an easement to use any of the Common Elements and all pipes, wires, ducts, cables, conduits, public utility lines and all other utility distribution systems, whether or not Common Elements, located in, over, under, through, adjacent to, or upon any other Unit or the Common Elements to the extent that such Common Elements and utility distribution system serves, or is necessary to the service of, such owner's Unit, and each Unit and all of the Common Elements shall be subject to such easement. In addition, the Condominium Board shall have an easement and a right of access to each Unit and to the Common Elements to inspect the same, to remove violations therefrom and to install, operate, maintain, repair, alter, rebuild, restore and replace any of the Common Elements located in, over, under, through, adjacent to, or upon the same, and each Unit and the Common Elements shall be subject to such easement and right of access. The easements and the rights of access granted in this paragraph shall be exercised in such a manner as will not unreasonably interfere with the use of the Unit for their permitted purposes or the business of any tenants or occupants of the Commercial Unit. Such entry shall be permitted on not less than one day's notice, except that no such notice shall be necessary in the event of repairs or replacements immediately necessary or required for the preservation or safety of the Building, for the safety of the occupants of the Building or other Persons, or to avoid the suspension of any necessary service in the Building.

(b) Subject to the terms of the By-Laws and the Rules and Regulations and to the terms of this Declaration, each Unit Owner shall have, in common with all other Unit Owners, an easement to use any of the Residential Common Elements and all pipes, wires, ducts, cables, conduits, public utility lines and all other utility distribution systems, whether or not the Residential Common Elements, are located in, over, under, through, adjacent to, or upon any other Unit or the Residential Common Elements to the extent that such Residential Common Elements and utility distribution systems serves, or is necessary to the service of, such owner's Unit, and each Residential Unit and all of the Residential Common Elements shall be subject to such easement. In addition, the Condominium Board shall have an easement and a right of access to each Residential Unit and to the Residential Common Elements to inspect the same, to remove violations therefrom and to install, operate, maintain, repair, alter, rebuild, restore and replace any of the Residential Common Elements located in, over, under, through, adjacent to, or upon the same, and each Residential Unit and the Residential Common Elements shall be subject to such easement and right of access. The easements and the rights of access granted in this paragraph shall be exercised in such a manner as will not

unreasonably interfere with the use of the Residential Units for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no such notice shall be necessary in the event of repairs or replacements immediately necessary or required for the preservation or safety of the Building, for the safety of the occupants of the Building or other Persons, or to avoid the suspension of any necessary service in the Building.

(c) Sponsor or its designee (for so long as either owns any Unit) reserves for itself and to the Commercial Unit Owner (as to the Commercial Unit), and grants to the Condominium Board, on behalf of all Unit Owners, the right to grant such additional electric, gas, telephone, water, storm drainage, sewer and other utility easements in, or to relocate any existing utility easements to, any portion of the Property as Sponsor or its designee, the Commercial Unit Owner, or the Condominium Board, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof including (as to the Commercial Unit Owner) the Commercial Unit or for the general health or welfare of the owners, tenants and occupants of the appropriate Units, provided, however, that the grant of such additional utility easements, or the relocation of existing utility easements, shall not unreasonably interfere with the use of the Units for their permitted purposes. Any utility company, as well as its officers, employees and agents, shall have a right of access to each Unit and to the Common Elements in furtherance of such easement. However, such right of access shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes.

(d) Each Unit, the Common Elements and the Residential Common Elements shall have easements of subagency, support and necessity, and the same shall be subject to such easements in favor of all of the other Units, the Common Elements and the Residential Common Elements.

(e) If (i) any portion of the Common Elements or Residential Common Elements now encroaches upon any Unit or upon any other portion of the Common Elements or the Residential Common Elements, (ii) any Unit now encroaches upon any other Unit or upon any portion of the Common Elements or the Residential Common Elements, or (iii) any such encroachment shall hereafter occur as a result of (x) the settling or shifting of the Building, (y) any repair or alteration made to the Common Elements or the Residential Common Elements in accordance with the terms of this Declaration and the By-Laws by, or with the consent of, the Condominium Board, by Sponsor or Sponsor's designee or by the Commercial Unit Owner or (z) any repair or restoration made to the Building or any portion thereof, to any Unit, or the Common Elements or to the Residential Common Elements, in accordance with the terms of this Declaration and the By-Laws after damage by fire or other casualty or after any taking by condemnation or eminent domain proceedings, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same for so long as the Building, the affected Unit, the Common Elements or the Residential Common Elements, shall stand.

(f) In addition to the specific easements set forth in Article 10 and in this Article 11 hereof, the Property and every portion thereof shall be subject to all easements and rights of access prescribed in the Condominium Act.

Article 12 Changes in Units

(a) Sponsor or its designee shall have the right, to the extent not prohibited by Law, without obtaining the consent or approval of the Condominium Board, the Unit Owners, or mortgage representatives (if any):

(i) to make alterations, additions and/or improvements (whether structural or nonstructural, interior or exterior, ordinary or extraordinary) in, to and upon the Unsold Units, provided and on condition that:

(A) no physical modification shall be made to any other Units and Common Interests and interior dimensions of any other Units shall not be changed by reason thereof, unless the owner of any such other affected Unit shall consent thereto;

(B) Sponsor or its designee (as the case may be) shall comply with the Law;

(C) Sponsor or such designee (as the case may be) shall indemnify and hold harmless the Condominium Board and all other Unit Owners from any liability arising therefrom; and

(D) such alteration, addition or improvement shall not jeopardize the soundness or structural integrity of any part of the Building or the safety of any tenant or other Persons at the Property;

(ii) to change the layout, or number of rooms in, any Unsold Unit, provided and on condition that:

(A) Sponsor or its designee (as the case may be) shall comply with the Law; and

(B) Sponsor or its designee (as the case may be) shall indemnify and hold harmless the Condominium Board and all other Unit Owners from any liability arising therefrom; and

(iii) to change the size and/or number of Unsold Units by (w) further subdividing

one or more Unsold Units into two or more Unsold Units, (x) combining two or more separate Unsold Units (including, without limitation, those resulting from such subdivision or otherwise) into one or more Unsold Units, (y) altering the boundary walls of any Unsold Unit (including, without limitation, incorporating in the Unsold Unit a wall, space, hallway or other area forming a part of the Common Elements or the Residential Common Elements which services or benefits only such Unsold Unit and does not affect access to or egress any other Unit), or (z) otherwise, provided and on condition that the Plan is amended and:

(A) the Common Interest of any Unsold Unit affected by a change in size or number as a result of a combination of Unsold Units or subdivision of an Unsold Unit shall be appropriately reapportioned in accordance with the formula set forth in this Declaration (however, the Common Interest shall not change if any Unsold Unit's size is changed by altering its boundary walls);

(B) the Declaration and Floor Plans shall be appropriately amended to reflect the changes made to such affected Unsold Units and the reapportionment of the Common Interest for each, all in accordance with the Condominium Act;

(C) Sponsor or its designees (as the case may be) shall comply with the Law;

(D) Sponsor or its designee (as the case may be) shall indemnify and hold harmless the Condominium Board and all other Unit Owners from any liability arising therefrom;

(E) if required by Section 339-(i) of the Condominium Act, the consent of all Unit Owners affected by such changes is obtained; and

(F) the total Common Interests of all Unsold Units shall remain unchanged, the Common Interest of any other Unit not owned by Sponsor or its designee shall not be changed without such Unit Owner's consent and the Common Interests of all Unit shall total 100%.

(b) the Commercial Unit Owner (including Sponsor or its designee) shall have the right, to the extent not prohibited by Law, without obtaining the consent or approval of the Condominium Board, other Unit Owners, or Mortgage Representatives (if any),

(i) to make alterations, additions and/or improvements (whether structural or nonstructural, interior or exterior, ordinary or extraordinary) in and to the Commercial Unit, provided and on condition that:

(A) no physical modification shall be made to any other Units and the

Common Interests and interior dimensions of any other Unit shall not be changed by reason thereof, unless the owner of any such other affected Unit shall consent thereto:

(B) the owner of the subject Commercial Unit shall comply with the Law;

(C) the owner of the subject Commercial Unit shall indemnify and hold harmless the Condominium Board and all other Unit Owners from any liability arising therefrom;

(D) such alteration, addition or improvement shall not jeopardize the soundness or structural integrity of any part of the Building or the safety of any tenant or other Persons at the Property; and

(E) no such alterations shall affect the exterior of the Building;

(ii) to change the layout of, or number of rooms in, the Commercial Unit, provided and on condition that:

(A) the owner of the subject Commercial Unit shall comply with the Law; and

(B) the owner of the subject Commercial Unit shall indemnify and hold harmless the Condominium Board and all other Unit Owners from any liability arising therefrom; and

(iii) to change the size and/or number of the Commercial Unit by (a) subdividing such Commercial Unit into additional Commercial Units, (b) altering the boundary walls of the Commercial Unit (including, without limitation, incorporating in such Commercial Unit a wall, space, hallway or other area forming a part of the Common Elements if such incorporation does not affect access to any other Unit), or otherwise, provided and on condition that:

(A) the Common Interest of any Commercial Unit affected by such change in size or number shall be appropriately reapportioned in accordance with the formula set forth in this Declaration; however, the Common Interest shall not change if such Commercial Unit's size is changed by altering its boundary walls as described above;

(B) the Common Interests of all newly established Commercial Units shall equal the Common Interest of the original Commercial Unit being so subdivided;

(C) the Common Interest of the other Units shall not be changed by reason thereof without the consent of the affected other Unit Owners;

(D) the Common Interest of all Units shall equal 100%;

(E) the Declaration and Floor Plans shall be appropriately amended to reflect the changes made to such affected Commercial Unit and the reapportionment of the Common Interest for each, all in accordance with the Condominium Act;

(F) the subject Commercial Unit Owner shall comply with the Law;

(G) the subject Commercial Unit Owner shall indemnify and hold harmless the Condominium Board and all other Unit Owner from any liability arising therefrom; and

(H) if required by Section 339-(i) of the Condominium Act, the consent of all Unit Owners affected by such changes is obtained.

Article 13

Acquisition of Units by the Condominium Board

If (i) any Unit Owner surrenders his Unit, together with its undivided interest in the Common Elements appurtenant thereto, the interest of such Unit Owner in any Unit therefore acquired by the Condominium Board or the proceeds of the sale or lease hereof and such Unit Owner's interest, if any, in a Limited Residential Common Element, to the Condominium Board pursuant to the terms of the By-laws or of Section 339-x of the Condominium Act (collectively, the "Appurtenant Interests") or (ii) the Condominium Board, pursuant to the terms of the By-Laws or otherwise, either (x) acquires a Unit, together with its Appurtenant Interests, or (y) purchases a Unit, together with its Appurtenant Interests, at a foreclosure or other similar sale, then, in any such event, title to such Unit and such Appurtenant Interests shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests. Any lease or sublease of any Unit owned or leased by the Condominium Board or its designee, corporate or otherwise, shall be held by the Condominium Board or such designee on behalf of all Unit Owners, in proportion to their respective Common Interests.

Article 14

Power of Attorney to Sponsor and the Condominium Board

(a) Each Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Unit Owner's attorney-in-fact, coupled with an interest and with power of substitution, (i) Sponsor or its designee, to amend the Condominium Documents pursuant to the terms of Article 18 hereof and (ii) the Persons who shall from time to time constitute the Condominium Board, jointly:

(i) (a) to acquire any Unit, together with its Appurtenant Interests, whose owner elects to surrender the same pursuant to the terms of paragraph (C) of Section 6.2 of the By-Laws, (b) to acquire any Unit, together with its Appurtenant Interests, that becomes the subject of a foreclosure or other similar sale, (c) to acquire a Unit, together with its Appurtenant Interests, for the use and

occupancy of a superintendent or otherwise, (d) to acquire or lease a Unit pursuant to the terms of Article 7 of the By-Laws, and (e) to acquire or lease any Unit, together with its Appurtenant Interest, in accordance with Section 2.4(xv) of Article 2 of the By-Laws, all on such terms, including (without limit) price or rental (with respect to any transfer pursuant to the terms of subdivision (b), (c), (d) or (e) of this paragraph) as said attorneys-in-fact shall deem proper, and thereafter to convey, sell, lease, mortgage, or otherwise deal with (but not vote the interest appurtenant to) any such Unit so acquired by them, or to sublease any Unit so leased by them, on such terms as said attorneys-on-fact may determine, granting to said attorneys-in-fact the power to do all things in said premises that the undersigned could do if the undersigned were personally present; and

(ii) to execute, acknowledge and deliver, and, if necessary, to cause to be recorded in the Office of the Register of New York County, (a) any declaration or other instrument affecting the Condominium that the Condominium Board deems necessary appropriate to comply with any law, ordinance, regulation, zoning resolution, or requirement of the Department of Buildings, the City Planing Commission, the Board of Standard and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Condominium or (b) any agreement, consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium or the Common Elements that the Condominium Board deems necessary or appropriate.

The acts of a majority of the Persons constituting the Condominium Board shall constitute the acts of such attorneys-in-fact.

(b) In confirmation of the foregoing power of attorney, each Unit Owner, upon the request of either Sponsor or the Condominium Board, shall duly execute, acknowledge and deliver to the requesting party, for recording in the Register's Office, a Unit Owner's Power of Attorney in the form set forth as Exhibit E to this Declaration.

Article 15

Termination of Condominium

The Condominium shall continue until terminated by (i) casualty, loss, condemnation, or eminent domain, as more particularly provided in the By-Laws or (ii) withdrawal of the Property from the provisions of the Condominium Act by a vote of at least eighty percent (80%) of all Unit Owners, both in number and in aggregate Common Interests. No such vote under clause (ii) in the preceding sentence shall be effective without the written consent of the Mortgage Representatives, if any, which consent shall not be unreasonably withheld or delayed. Sponsor will not vote the aggregate Common Interest appurtenant to the Unsold Units for such withdrawal unless at least eighty percent (80%), both in number and in aggregate Common Interests, of all other Unit Owners so elect for such withdrawal, at which time Sponsor may choose to vote either in favor of, or against, withdrawal from condominium ownership, as it sees fit. In the event that said withdrawal is authorized as aforesaid, but only in such event, the Property shall be subject to an action for partition

by an Unit Owner or lienor as if owned in common, in which event the new proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid, out of such Unit Owner's share of such net proceeds, all liens on the Unit Owner's Unit, in the order of priority of such liens.

Article 16 **Covenant of Further Assurance**

(a) Any Person subject to the terms of this Declaration, whether such Person is a Unit Owner, a lessee or a sublessee of a Unit Owner, an occupant of a Unit, a member of the Condominium Board, an officer of the Condominium, the Sponsor or otherwise, shall, at the expense of any such other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action, as such other Person may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

(b) If any Unit Owner or any other Person who is subject to the terms of this Declaration fails or refuses to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten days after request therefor, to take any action that such Unit Owner or Person is required to take pursuant to this Declaration, then the Condominium Board is hereby authorized as attorney-in-fact for such Unit Owner or other Person, which power shall be deemed to be coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit Owner or other Person.

(c) If any Unit Owner or the Condominium Board or any other Person who is subject to the terms of this Declaration fails or refuses to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten days after request therefor, to take any action that the Condominium Board, Unit Owner, or other Person is required to take pursuant to this Declaration at the request of Sponsor or its designee, then Sponsor or its designee is hereby authorized as attorney-in-fact for the Condominium Board, such Unit Owner, or other Person, which power shall be deemed to be coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Condominium Board, such Unit Owner, or other Person, and such document or action shall be binding on the Condominium Board, such Unit Owner, or other Person, as the case may be.

(d) Nothing contained in this Article 16 shall be in derogation of Section 339-(i) of the Condominium Act.

Article 17
Covenants to Run With the Land

(a) All provisions of this Declaration, the By-Laws and the Rules and Regulations, including, without limitation, the provisions of this Article 17, 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 and interest therein, and all of the provisions thereof shall be binding upon and shall inure to the benefit of, the owner of all or any part thereof, or interest therein, and his heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in, or for the benefit of, the general public. All present and future owners, tenants and occupants of Units shall be subject to, and shall comply with, the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the succeeding to title, the entering into a lease, or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant, or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having, at any time, any interest or estate in such Unit as though such provisions were recited and stipulated at length in each and every deed, conveyance, or lease.

(b) If any provision of this Declaration or of the By-laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act, but shall nevertheless be valid and binding upon, and shall 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 that 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 a 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.

(c) Subject to the terms of paragraph (b) of this Article 17, if this Declaration and the By-laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall be nevertheless be valid and binding upon, and shall 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 herein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

Article 18 **Amendments to this Declaration**

(a) Subject to the provision contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Sponsor or its designee or any Unsold Units, or the Commercial Unit Owner, (a) 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, (b) any provision of this Declaration affecting only the Unit Owners other than the Commercial Unit Owner may be added to, amended, modified or deleted by vote of at least 66 2/3% in number and in Common Interest of all Unit Owners other than the Commercial Unit Owner taken in accordance with the provisions of the By-Laws, provided, however, that the Common Interest appurtenant to each Unit as expressed in this Declaration shall not be altered without the written consent of all Unit Owners affected and (c) any provision of this Declaration affecting only the Commercial Unit or the Commercial Unit Owner may be added to, amended, modified or deleted by the Commercial Unit Owner. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions 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; no amendment, modification, addition or deletion pursuant to the provisions of clause (b) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any; and no amendment, modification, addition or deletion pursuant to the provision of clause (c) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Commercial Unit Mortgage Representatives, if any. 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 Sponsor or its designee or any Unsold Units or the Commercial Unit Owner, any such amendment, modification, addition or deletion shall be executed by either (1) a member of the Board, (other than the members designated by the Commercial Unit Owner, hereinafter the "Residential Board") as attorney-in-fact for the Unit Owners, coupled with an interest, which Residential Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact or (2) the members of the Board representing the Commercial Unit Owner (the "Commercial Board"), as the case may be. Subject to the rights of Sponsor or its designee under Articles 9, 10, 11, 12, 14, 15 and 16 of this Declaration and the Commercial Unit Owner under Articles 9, 10 and 12 of this Declaration, and subject further to obtaining the consent of Sponsor or its designee or the Commercial Unit Owner as provided in subparagraph (d) of this Article, Article 9, 10, 11, 12, 14, 15 and 16 of this Declaration may not be amended, modified, added to, or deleted unless (in addition to

the consent, if required, of the Mortgage Representatives, if any, as set forth above) eighty (80%) percent, both in number and in aggregate Common Interests, of all Unit Owners affected thereby approve such amendment, modification, addition, or deletion.

(b) If the number of rooms in an Unsold Residential Unit is changed, or the size and/or number of Unsold Residential Units is changed (whether as a result of a subdivision or combination of Unsold Residential Units or alteration of boundary walls between Unsold Residential Units, or otherwise) and the appurtenant percentage interest in the Common Elements is reapportioned as a result thereof, all in accordance with Article 12 hereof, the Sponsor or its designee shall have the right to execute, or (upon request) to require any other Unit Owner or any 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 order documents as Sponsor or its designee deems appropriate to effectuate the same) reflecting such change in the number of rooms in an Unsold Residential Unit or in the size and/or number of Unsold Residential Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the percentage interests in the Common Elements resulting therefrom, all without the approval of the Residential Board or the Condominium Board, the Unit Owners or the Mortgage Representatives, if any.

(c) If (a) the number of rooms in or the size of the Commercial Unit is changed and the percentage interest in the Common Elements appurtenant to the Commercial Unit is reapportioned among newly created commercial condominium Units resulting from any subdivision of the Commercial Unit (or any combining of newly created Commercial Unit) or (b) a Limited Commercial Common Element is designated as part of a newly created Commercial Unit or part of a Commercial Unit is designated as a newly created Limited Commercial Common Element, all in accordance with Article 12 hereof, then the Commercial Unit Owner shall have the right execute, or (upon their request) to require any other unit Owner or wither 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 the subject Commercial Unit Owner deems appropriate to effectuate the same) reflecting (i) such change in the number of rooms in the Commercial Unit, the size of the Commercial Unit or the subdivision of the Commercial Unit into separate commercial condominium units (or the subsequent combination of such newly created commercial condominium units) and the reapportionment of the percentage interest in the Common Elements among such newly created commercial condominium units or (ii) such designation of a Commercial Limited Common Element as a newly created commercial condominium unit or such designation of part of a Commercial Unit as a newly created Commercial Limited Common Element, all without the approval of the Condominium Board, the Unit Owners or the Mortgage Representative, if any.

(d) Amendments, modifications, additions or deletions of or to this Declaration, the By-Laws and the Rules and Regulations may be necessary, appropriate or desirable in connection with the operation of the Commercial Unit or the subdivision of the Commercial Unit into separate commercial condominium units and/or the offering for sale or lease of all or any portion of the Commercial Units and it is contemplated that in connection therewith the Commercial Unit Owner

will cause this Declaration, the By-Laws and the Rules and Regulations to be so amended, modified, added to or deleted from and that the resulting provision thereof may be similar or dissimilar to those affecting the other Units or other Unit Owners. In the case of any such amendment, modification, addition or deletion which does not adversely affect the other Units or the other Unit Owners, the Commercial Unit Owner shall be the attorney-in-fact for the other Unit Owners, coupled with an interest, for the purpose of approving and executing any instrument affecting such amendment, modification, addition or deletion.

(e) The provisions of (a) and (b) may not be modified, amended, added to or deleted, in whole or in part, without the consent of Sponsor or its designee, and the provisions of (a), (b) and (d) may not be modified, amended, added to or deleted, in whole or in part, without the consent of the Commercial Unit Owner.

Article 19 Consent of Sponsor

Wherever the consent, approval, satisfaction, or permission of Sponsor or its designee is required under this Declaration or the By-Laws, such consent, approval, satisfaction, or permission shall not be required when Sponsor or such designee no longer owns any Units.

Article 20 Designation of Agent to Receive service

The Secretary of State, as agent of the Board of Managers, and any successor to the jurisdiction thereof, is hereby designated to receive service of process in any action that may be brought against the Condominium.

Article 21 Incorporation by Reference

The terms, covenants, conditions, descriptions and other information contained in (i) the Property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the table of definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Unit Owner's Power of Attorney annexed hereto as Exhibit E; and (vi) the Floor Plans are, by this reference, each incorporated herein and made a part of this Declaration as if the same were set forth at length in the text hereof.

Article 22 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, regardless of the number of violations or breached that may occur.

Article 23 Severability

Subject to the provisions of paragraphs (b) and (c) of article 17 hereof, if any provision of the Condominium Documents is invalid or unenforceable as against any Person or under certain circumstances, the remainder of the Condominium Documents and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of the Condominium Documents shall, except as otherwise provided herein, be valid and enforced to the fullest extent permitted by Law. Any conflict between any provision of the Condominium Documents and the Condominium Act, or any questions regarding the interpretation of any of the Condominium Documents, shall be governed by the Condominium Act.

Article 24 Successors and Assigns

The rights and/or obligations of, and limitations imposed on, Sponsor or its designee as set forth herein shall inure to the benefit of, and shall be binding upon, the respective successors and assigns shall inure to the benefit of, and shall be binding upon, the respective successors and assigns of Sponsor or its designee (as the case may be), but a Unit Owner who is not so designated by Sponsor or its designee in writing shall not exercise any of the special rights, powers or privileges reserved to Sponsor or its designee in this Declaration or the By-Laws. The rights and/or obligations of the Commercial Unit Owner as set forth herein shall inure to the benefit of and be binding upon and successor assign of such Commercial Unit Owner. Subject to the foregoing, Sponsor or its designee (as the case may be) shall each have the right, at any time, in its sole discretion, to assign or otherwise transfer its interest herein, whether by merger, consolidation, lease, assignment, or otherwise. Notwithstanding the foregoing, any Permitted Mortgagee of a Unit or a purchaser at a foreclosure sale of a Permitted Mortgagee who succeeds to the interest of a Unit Owner shall be responsible only for the obligations of such Unit Owner arising from or after the effective date of succession to title to such Unit and shall not be liable for any unpaid Common Charges or Special Assessments owing prior thereto.

Article 25
Certain References

(a) 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.

(b) 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.

(c) Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

Article 26
Captions

The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of this Declaration or the intent of any provision hereof.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the ____ day of _____, 20____.

SHAO LIN OPERATING LLC

By: _____
Name: GARY B. SCHAEFFER
Title: Manager

STATE OF NEW YORK }
 }
COUNTY OF NEW YORK }

ss:

On the ____ day of _____ in the year 200__ before me, the undersigned, personally appeared GARY B. SCHAEFFER, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Signature and Office of individual
taking acknowledgment

**SCHEDULE A TO THE
DECLARATION OF CONDOMINIUM**

DESCRIPTION OF LAND

ALL that certain plot, piece and parcel of land, situate and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at a point on the southerly side of West 42nd Street at the center of a party wall distant 396 feet 3 inches westerly from the southwesterly corner of West 42nd Street and 10th Avenue;

RUNNING THENCE southerly parallel with 10th Avenue and part of the way through a party wall, 98 feet 9 inches to the center line of the block between 41st and 42nd Streets;

THENCE westerly along said center line of the block and parallel with West 42nd Street, 19 feet and 7 inches;

THENCE northerly parallel with 10th Avenue, 98 feet 9 inches to the southerly side of West 42nd Street running in part through the center of a party wall of a house and lot adjoining said premises on the west;

THENCE easterly along the southerly side of West 42nd Street, 19 feet 7 inches to the point or place of **BEGINNING**.

TOGETHER WITH the benefit of the Grant of Right and Easement to Maintain an Encroachment on Adjoining Premises made between Federal Express Corporation and Shao Lin Operating LLC, dated December 7, 2007 and recorded February 14, 2008 CRFN 2008000063636.

SCHEDULE B
TO THE DECLARATION OF CONDOMINIUM

DESCRIPTION OF UNITS

DESCRIPTION OF UNITS

Facilities Summary:

The building has a single one-bedroom apartment with one and a half bathrooms on each of floors two through seven, and a duplex unit with two bedrooms and two and a half bathrooms, on the eighth and ninth floors. The bathrooms will have high-end fittings and finishes, as will the powder rooms. The kitchens will be furnished with cabinets by Pedini with a plastic laminate finish on the exterior. Kitchens will be provided with sink and faucet, dishwasher, gas range, refrigerator/freezer and mechanical ventilation. There is a closet in the kitchen area that can be used for pantry storage, or has hook-ups for washer and dryer. Washer and dryers are not supplied on the second through 7th floors. Space allows for European style stacking washer and dryer, 24" wide; electric dryer. Connection is provided for dryer exhaust to the roof.

Building services include a gas-fired boiler for heat and hot water shared between the apartment units, the retail unit, and common facilities. Heating will be provided through perimeter fin-tube hot water radiation. Air conditioning will be provided by through wall units in the front and rear of the building. In addition there will be a through wall condenser at the front of each unit connected to an air handler in the ceiling of the kitchen or stair hall to cool the central spaces. Condensers for the two duplex floors will be on the main roof. See mechanical engineer's report (above) for further description of heating and air conditioning systems. The building is fully sprinklered. Wiring for voice and data connections are provided throughout each apartment.

The apartment elevator lobby is accessed at street level on 42nd Street. The lobby has stone floor tile and plaster on concrete masonry and/or gypsum board walls and ceiling.

Emergency lighting is provided throughout the fire stair and egress halls to allow for safe egress.

Unit Information:

See above for partial description. Interior surface of exterior walls, and all interior partitions are finished with painted gypsum wallboard over metal studs. Exterior wall to include a combination of fiberglass and rigid foam insulation. Floors are hardwood on a resilient membrane to reduce sound transmission between floors. Ceilings are either plaster on concrete slab or hung gypsum board, and there will be gypsum board soffits to conceal mechanical and other piping runs.

The following is a schedule of the sellable areas for each of the residential units, see also floor plans attached herein:

Unit	Interior Square Footage	Exterior S.F.	Storage S.F.	
Total				
2 nd Flr.	1,148	405	50	1,603 s
3 rd Flr.	1,148	57	50	1,255 s
4 th Flr.	1,148	57	50	1,255 s
5 th Flr.	1,148	57	50	1,255 s
6 th Flr.	1,148	57	50	1,255 s
7 th Flr.	1,148	57	50	1,255 s
8 th / 9 th Flrs.	2,157	579	58	2,794 s

Areas are approximate. Interior areas are the gross area (from the outside face of the building) less the elevator and stair interiors. Exterior areas are from the outside face of building to the outer edges of the balcony or roof spaces. Storage rooms are from center of wall to exterior face of building.

SCHEDULE C
TO THE DECLARATION OF CONDOMINIUM

DEFINITIONS

DEFINITIONS USED IN THE DECLARATION OF CONDOMINIUM

The following words when use in this Plan or any amendment thereto shall, unless the context otherwise requires, have the meanings set forth below:

1. "Board of Managers" and the "Board" - The governing body of the Condominium responsible for its operation.
2. "Building" - The Building and other improvements located on the Land.
3. "By-Laws" - The By-Laws which govern the Condominium, the form of which is set forth in Part II of this Plan.
4. "Commercial Unit" - The Unit located at the street level of the Building designated as such in the Declaration, together with its appurtenant Common Interest. The Commercial Unit is more specifically known as Commercial Unit.
5. "Common Charges" - The charges assessed by the Board from time to time to all Unit Owners for, among other things, the cost and expense of operating, maintaining and repairing the Common Elements (that is, including, but not limited to, all salaries, wages, payroll taxes and benefits, heating, services and supplies, insurance and management fees in connection therewith).
6. "Common Elements" or "General Common Elements" - The Common Elements of the Condominium will consist of all of the Condominium (except the Units) including, but without limitation, hallways, staircases, outside walls and roofs of the Building, the Land and improvements (other than the Units) comprising the Condominium (including the land under the Units and under the improvements) and all utility or other pipes and material located outside of the Units. Windows shall be part of each Residential Unit (and are not Common Elements) and each Unit Owner shall be responsible for the windows in their Unit. The term Common Elements as used herein is equivalent in meaning to the term "Common Elements" as used in Article 9-B of the Real Property Law.
7. "Common Interest" - The undivided percentage interest of each Unit in the Common Elements, which has been determined based upon the approximate proportion the floor area of the Unit bears to the then aggregate floor area of all Units, but reflecting the substantially exclusive advantages enjoyed by one or more, but not all, Units in a part of parts of the Common Elements, in accordance with such formulae as may be permitted under Section 339(i) of the Real Property Law. The aggregate Common Interests of all of the Residential and the Commercial Units equal 100%.

8. "Community" - As used herein is equivalent in meaning to the term "Condominium" as same is used in Article 9-B of the Real Property Law.
9. "Condominium" - The Deuce Condominium which consists of the Residential Units and Commercial Unit.
10. "Condominium Documents" - The Declaration, together with the By-Laws, the Rules and Regulations and Floor Plans, each of which will be recorded or filed simultaneously with the recording of the Declaration.
11. "Declaration" or "Declaration of Condominium" - The instrument by which the Property is submitted to the provisions of the Condominium Act, as such instrument is from time to time amended, consistent with the provision of the Condominium Act and of the By-Laws.
12. "Land" or "Property" - All of that certain tract, plot, piece of and parcel of land commonly known as 534 West 42nd Street, situate, lying and being in the City, County, and State of New York.
13. "Limited Residential Common Elements" - Those Common Elements, if any, which are appurtenant to and for the exclusive use of one Residential Unit.
14. "Plans" or "Plans and Specifications" - The floor plans to be filed in the New York County Office of the Register of City of New York.
15. "Purchaser" - Each Purchaser purchasing a Unit from Sponsor pursuant to the Plan.
16. "Residential Unit" - A Residential Unit is each residential apartment now or hereafter situate on the Property.
17. "Selling Agent" - The initial Selling Agent in connection with this offering is the Sponsor.
18. "Sponsor" - Shao Lin Operating LLC and its successors and assigns.
19. "Unit" - A Unit is equivalent to the term "Unit" as used in Article 9-B of the Real Property Law. Each Unit is measured horizontally from and including the exterior side of the exterior walls as further described in Declaration of Condominium included in Part II as Exhibit E.

20. "Unit Owner" - The owner of each Unit. A Unit Owner is equivalent to the term "Unit Owner" as used in Article 9-B of the Real Property Law. Every Unit Owner shall be treated for all purposes as a single owner, irrespective of whether such ownership is joint, in common, or tenancy by the entirety. Where such ownership is joint, in common or tenancy by the entirety, majority vote of such owners shall be necessary to cast the Unit Owner's vote referred to in the Declaration.
21. "Unsold Unit" - A Unit In respect which title has not passed to a Purchaser but has been retained by Sponsor or has been transferred to Sponsor's designee.
22. "Storage Unit(s) refers to the storage units in the cellar of the Building for use of the Residential Unit Owners pursuant to license agreements between the Board and Residential Unit Owners.

SCHEDULE D
TO THE DECLARATION OF CONDOMINIUM
BY-LAWS

**BY-LAWS
OF
THE DEUCE CONDOMINIUM**

ARTICLE 1

GENERAL

Section 1.1 Purpose. The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the Deuce Condominium (the "Condominium"). The Condominium covers the Property, which consists of : (i) the Land, which lies in Block 1070, Lot 49 on the Tax Map of the Borough of Manhattan, City, County and State of New York; (ii) the Building, which includes, without limitation, the Units, the Common Elements, the Limited Common Elements and all easements, rights and appurtenances belonging thereto; and (iii) all other property, real, personal, or mixed, intended for use in connection therewith. The Property has been submitted to the provisions of the Condominium Act by the recording of the Declaration in the Register's Office, of which Declaration these By-Laws form a part.

Section 1.2 Definitions. All capitalized terms used in these By-Laws that are not otherwise defined in any of the Articles hereof shall have the meanings set forth in Exhibit C to the Declaration, unless the context in which the same are used otherwise requires. All capitalized terms used in these By-Laws that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used otherwise requires. Each of the aforescribed capitalized terms shall be applicable to singular and plural nouns, as well as to verbs of any tense.

Section 1.3 Applicability of By-Laws. These By-Laws are applicable to the Property and to the use and occupancy thereof.

Section 1.4 Application of By-Laws. All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units, and employees and guests of Unit Owners, as well as all other Persons who may use the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations annexed hereto, as each of the same may be amended from time to time. The acceptance of a deed or other instrument of conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of the Declaration, these By-Laws and the Rules Regulations, as each of the same may be amended from time to time, are accepted, ratified and will be complied with.

Section 1.5 Principal Office of the Condominium. The principal office of the Condominium shall be located either at the Property or at such other place in the Borough of Manhattan reasonably convenient thereto as may be designated from time to time by the Board (as hereinafter defined).

ARTICLE 2

THE BOARD OF MANAGERS

Section 2.1 General. As more particularly set forth in Section 2.4, 2.5 and 2.6 hereof, the affairs of the Condominium shall be managed by the Board of Managers (the "Board") as provided in Section 2.17 hereof. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Condominium Board shall act as, and shall be, the agent of all the Unit Owners.

Section 2.2 Status of the Board. Unless and until the Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Board shall have, to the extent permitted by Law, the status conferred upon unincorporated associations under, or pursuant to, the terms of the General Association Law of the State of New York. If the Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Board shall have, to the extent permitted by Law, the status conferred upon it under, or pursuant to, the terms of the applicable statutes of the State of New York. In either event, however, the Board shall also have the status conferred upon it under, or pursuant to, the terms of the Condominium Act.

Section 2.3 Principal Office of the Board. The principal office of the Board shall be located either at 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.

Section 2.4 Powers and Duties of the Board. The Board shall have all of the powers and duties necessary for, or incidental to, the administration of the affairs of the Condominium, provided, however, that the Board shall not have such powers and duties that by Law, or pursuant to the terms of the Declaration and these By-Laws, may not be delegated to the Board by the Unit Owners. Without intention to limit the generality of the foregoing in any respect, the Board shall have the following specific powers and duties:

(i) to operate, maintain, repair, restore, add to, improve, alter and replace the Common Elements, including, without limitation, as the Board shall deem necessary or proper in connection therewith: (a) the purchaser and leasing of supplies, equipment and material and (b) the employment, compensation and dismissal of personnel (including the Managing Agent);

(ii) to acquire, in the name of the Board or its designee, corporate or otherwise, and on behalf of the Unit Owners, all rights, titles and interests in real and personal property deemed necessary or proper by the Board for use in connection with the ownership and operation of the Property as a mixed use condominium including a Unit for a superintendent if the Board believes such acquisition is necessary;

(iii) to maintain complete and accurate books and records with respect to the finances and operation of the Condominium, including, without limitation: (a) detailed accounts, in

chronological order, or receipts and expenditures affecting the Property; (b) detailed books of account of the Board; (c) other financial records, as well as other books of account of the Condominium, as may be required to be kept pursuant to the terms of these By-Laws; and (d) minutes and other records of all meetings held pursuant to the terms of these By-Laws;

(iv) to prepare and adopt a budget for the Condominium for each fiscal year thereof, setting forth, without limitation: (a) a detailed accounting of the anticipated Common Expenses for the ensuing fiscal year and (b) a detailed projection of all sources and amounts of income necessary to discharge the same;

(v) to determine the amount and establish the means and methods of payment of, and to collect, the Common Charges and Special Assessments from the Unit Owners;

(vi) to borrow money and to incur debt on behalf of the Condominium in connection with any of the powers enumerated in this Article. provided, however, that:

(a) when such debt is to be incurred in connection with (1) major and minor maintenance, repairs, additions, restorations, improvements, alterations and replacements in and to the Property, including the Common Elements and the Units, of the Building; or (2) providing for working capital, bad debts and unpaid common charges or for depreciation, obsolescence or other similar purposes: (A) such debt may not be incurred until no earlier than the fifth anniversary of the First Closing; and (B) the affirmative consent of a majority of the members of the Board shall be required for the borrowing of any sum; and (C) the affirmative consent of a Majority of all Unit Owners (in case of maintenance, repairs, alterations, additions, improvements, restorations and replacements of the Common Elements only) shall be required for the borrowing of any sum in excess of \$50,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal year); and (D) in all other cases, the affirmative vote of a Majority of all Unit Owners shall be required; and

(b) with respect to any debt incurred by the Board on behalf of all the Unit Owners: (1) no lien to secure repayment of any sum borrowed under this subparagraph (vi) may be created on any Unit or its Appurtenant Interests without the consent of the Unit Owner of such Unit; (2) the documentation executed in connection with any borrowing hereunder shall provide that, if any sum borrowed by the Board pursuant to this subparagraph (vi) shall not be repaid by the Board in accordance with the terms of the loan agreement, any Unit Owner who pays the creditor thereunder such proportion of the then outstanding indebtedness represented or secured thereby as such Unit Owner's Common Interest bears to the aggregate Common Interests of all Unit Owners shall be entitled and authorized by the Board to obtain from the creditor a release of any judgment or other lien that the said creditor shall have filed, or shall have the right to file, against such Unit Owner's Unit; (3) the Board may assign its rights in and to receive future income and common charges; (4) the Board may create a security interest in, assign, pledge, mortgage or otherwise encumber funds or other real or personal property that it holds; (5) The Board may agree that to the extent of the amount of any indebtedness incurred hereunder, all common charges

received and to be received by such Board, and the right to receive such funds, shall constitute trust funds for the purpose of paying such debt and shall be used for the purpose of paying such debt before expending any part of the same for any other purpose, except that to the extent that such indebtedness relates to any labor performed on or materials furnished to the Common Elements, performed or furnished at the express request of the Managing Agent or the Board, all common charges received and to be received by the Board, and the right to receive such funds, shall constitute trust funds for the purpose of paying the cost of such labor or materials performed or furnished and the same shall be expended first for such purpose before expending any part of the same for any other purpose; and (6) the Board may agree that, if required by the lender and at the lender's direction, it will increase the amount of the Common Charges to the extent necessary to pay any amount when due pursuant to the loan agreement;

(vii) to open and maintain bank accounts on behalf of the Condominium and to designate the signatories required therefor;

(viii) to use the Common Charges and Special Assessments collected from Unit Owners, as well as all other funds held by the Board or received in connection with the operation of the Property, for the administration of the Condominium, including, without limitation: (a) the payment of Common Expenses, and (b) the making or restorations, additions, alterations and improvements, repairs and maintenance to the Common Elements; provided, however, that the Common Charges and Special Assessments collected from the Commercial Unit Owners, as well as any income earned thereon and other funds (if any) received by the Board in connection with the operation of the Common Elements, shall be used only for the administration, operation, restoration, addition, alteration, improvement, repair and maintenance of the Common Elements;

(ix) to obtain insurance for the Property, including the Units, pursuant to the terms of Section 5.4 hereof;

(x) to adjust and settle claims under insurance policies obtained pursuant to the terms of Section 5.4 hereof or in connection with any other litigation, and to execute and deliver releases upon such adjustment and settlement on behalf of: (a) all Unit Owners; (b) all holders of mortgages and other liens on Units; and (c) all holders of any other interest in the Property;

(xi) to make, or to contract with others for the making of, repairs, maintenance, additions and improvements to, and alterations, restorations and replacements of, the Property after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings, all in accordance with the terms of these By-Laws;

(xii) to obtain and keep in force fidelity bonds, in amounts deemed appropriate by the Board, but in no event less than \$100,000, for: (a) all members of the Board; (b) all officers and employees of the Condominium; and (c) the Managing Agent, and the premiums on all such fidelity bonds shall constitute a part of the Common Expenses;

(xiii) to accept the surrender of any Unit pursuant to the terms of paragraph (C) of Section 6.2 hereof, in the name of the Board or its designee, corporate or otherwise, and on behalf of all Unit Owners;

(xiv) to purchase Units at foreclosure or other judicial sales or for the use of a superintendent or otherwise, in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners and, in connection therewith, to borrow money on behalf of all Unit Owners; provided that, except for Units purchased in connection with a foreclosure of a lien for unpaid Common Charges pursuant to Section 6.4 hereof or the purchase of a superintendent's unit and any note and mortgage given by the Board to Sponsor or other lender in payment of the purchase price thereof, any other purchase and/or borrowing is first approved by a Majority of Unit Owners, and provided further that the borrowing for this purpose shall require the affirmative consent of at least two-thirds of the members of the Board (in the case of a sum in excess of \$10,000) or at least a Majority, both in number and in aggregate Common Interests, of all Unit Owners (in the case of a sum in excess of \$50,000);

(xv) to purchase, lease, or otherwise acquire Units offered for sale or lease by their owners, in the name of the Board or its designee, corporate or otherwise, and on behalf of all Unit Owners and, in connection therewith, to borrow money on behalf of all Unit Owners; provided, however that as to each such Unit so purchased, leased, or otherwise acquired (a) the affirmative consent of at least a majority of the members of the Board shall be required for the borrowing of any sum in excess of \$10,000 in connection with such purchase, lease or acquisition and (b) the affirmative consent of at least a majority, both in number and in aggregate Common Interests, of all Unit Owners shall be required for the borrowing of any sum in excess of \$50,000 in connection with such purchase, lease or acquisition;

(xvi) to sell, lease, mortgage and otherwise deal with units acquired by, and to sublease Units leased by, the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, provided, however, that the Board or its designees shall in no event be entitled to vote the votes appurtenant to any such Unit;

(xvii) to adopt and amend the Rules and Regulations and to levy and collect fines against Unit Owners for violations of the same, provided, however, that in no event shall the amount of such fines exceed \$100.00 per day each such violation continues;

(xiii) to enforce by legal means the terms, covenants and conditions contained in the Condominium Documents and to bring or defend against any proceedings that may be instituted on behalf of, or against, the Unit Owners;

(xix) to incorporate, to the extent and in the manner provided in the Condominium Act, provided, however, that: (a) the certificate of incorporation and by-laws of any such resulting corporation shall conform as closely as practical to the terms of the Declaration and these By-laws and (b) the terms of the Declaration and these By-Laws shall prevail in the event of any

inconsistency or conflict between the terms thereof and the terms of such certificate of incorporation and by-laws;

(xx) to organize corporations to act as the designees of the Board in acquiring title to, or leasing of, Units and in acquitting rights, titles and interests in real and personal property for use in connection with the ownership and operation of the Property as a mixed use condominium;

(xxi) to execute, acknowledge and deliver: (a) any declaration or other instrument affecting the Property that the Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Building; (b) any consent, covenant, restriction, easement, or declaration affecting the Property that the Board deems necessary or appropriate; and (c) any modification, amendment or cancellation of the Restrictive Declaration; and

(xxii) to employ and dismiss such personnel as the Condominium Board determines, from time to time may be necessary to assist the Board in the performance of its functions, including a managing agent.

The Board shall be responsible for carrying out the duties imposed upon it under the Condominium Documents regardless of whether a Unit is vacant or occupied by the owner thereof or by a permitted lessee or other permitted occupant.

Section 2.5 Intentionally omitted.

Section 2.6 Exercise and Delegation of Powers and Duties. (A) Any act within the power of the Board to perform, and deemed necessary or desirable to be performed by the Board, shall be performed by the Board or shall be performed on its behalf and at its direction by the agents, employees, or designees of the Board.

(B) The Board may appoint an Executive Committee by duly adopted resolution, which Executive Committee shall have, and may exercise, all of the powers of the Board, subject to both the exceptions and limitations contained in paragraph (D) of this Section 2.6 and elsewhere in these By-Laws and such additional exceptions and limitations as the Board may from time to time deem appropriate, during the intervals between the meetings of the Board. In addition, the Board may from time to time appoint, by duly adopted resolutions, such other committees as the Board may deem appropriate to perform such duties and services as the Board shall direct, each of which committees shall have, and may exercise, all of the powers delegated to it in its enabling resolution, subject, however, to the exceptions and limitations contained in paragraph (D) of this Section 2.6 and elsewhere in these By-Laws. The Executive Committee and each other committee shall consist of three or more members of the Board, at least one of whom shall be a member designated by Sponsor for so long as Sponsor shall have the right to designate or elect one or more members of the Board.

(C) The Board may employ a managing agent to serve at a compensation to be established by the Board and to perform such duties and services as the Board shall direct. Subject to the exceptions and limitations contained in paragraph (D) of this Section 2.6 and elsewhere in these By-Laws, the Board may delegate to a managing agent any of the powers granted to the Board in these By-Laws.

(D) Notwithstanding anything to the contrary contained in this Section 2.6, the Executive Committee, any other committee appointed by the Board and the Managing Agent shall neither have nor be entitled to exercise, and the Board shall not delegate to either of them or to any other committee, the powers or duties described in subparagraphs (ii), (iv), (v), (vi), (vii), (x), (xiii), (xiv), (xv), (xvi), (xvii), (xix), (xx), (xxi), (xxii), (xxv) and (xxvi) of paragraph (A) of Section 2.4 hereof or duties affecting directly or indirectly the Commercial Units unless the Commercial Unit Owners consent thereto. In addition, neither the Managing Agent nor any of the committees described in paragraph (B) of this Section 2.6 shall have, or be entitled to exercise, any of the powers that may be delegated to either of them by the Board to the extent such delegation is prohibited by Law.

Section 2.7 Number, Election and Qualification of Members. (A) Until the first annual meeting of the Unit Owners held pursuant to the terms of Section 4.1 hereof, the Board shall consist of three (3) individuals to be designated from time to time by Sponsor. From and after the first annual meeting of the Unit Owners, the Board shall consist of five (5) individuals, of whom four (4) shall be elected pursuant to the terms of Section 4.9 hereof at the annual meeting of the Unit Owners, and one (1) individual shall be designated by the Owner of the Commercial Unit. If the Owner of the Commercial Unit fails to designate a Board member at or prior to an annual meeting at which the election of the Board is on the agenda, the fifth Board member shall be elected by the Unit Owners at such annual meeting.

(B) Except for members of the Board designated or elected by Sponsor, its designee or by the Commercial Unit Owner pursuant to the terms of this Section 2.7 or of Sections 2.10 or 4.9 hereof (who may serve without qualification), all other members of the Board shall be either: (i) Unit Owners; (ii) individual Permitted Mortgagees; (iii) officers, directors, shareholders, partners, principals, employees, or beneficiaries of corporations, partnerships, fiduciaries, or any other entities that are Unit Owners or Permitted Mortgagees; or (iv) adult Family Members of any of the foregoing (herein defined as "interested party"). No Unit Owner or "interested party" may be elected to serve on the Board if the Board has perfected a lien against such Unit Owner's or "interested party's" Unit and the amount necessary to release such lien has not been paid at the time of such election.

(C) Members elected or designated by Sponsor or a Commercial Unit Owner or their designees need not be Unit Owners and need not reside in the Building. Other than members elected or designated by Sponsor, a Commercial Unit Owner or their designees, no member shall continue to serve on the Board after he ceases to be a Unit Owner or an "interested party," as specified in paragraph (B) of this Section 2.7.

Section 2.8 Term of Office Members. The term of office of each of the five (5) individuals elected (or designated as the case may be) and qualified at the first annual meeting of the Unit Owners shall be one (1) year. Each member of the Board shall serve until his or her successor shall be elected and qualified. There shall be no limit on the number of terms of office, successive or otherwise, that a member of the Board may serve.

Section 2.9 Removal and Resignation of Members. (A) Any member of the Board who was elected thereto either by the Unit Owners, pursuant to the terms of Section 4.9 hereof, or by the Board, pursuant to the terms of Section 2.10 hereof, may be removed from office, with or without cause, by a vote of a Majority of Unit Owners. Any member of the Board who was designated as such or elected by Sponsor (or its designee) or by the Commercial Unit Owner pursuant to the terms of Section 2.7, 2.10, or 4.9 hereof, may be removed (i) with cause by a Majority of Unit Owners or (ii) without cause, only by Sponsor (or the said designee) or the Commercial Unit Owner who designated the Board member, respectively. Any member of the Board whose proposed removal is to be acted upon at a meeting of the Unit Owners shall be given prior written notice thereof and an opportunity to be present and heard.

(B) Any member of the Board may resign his membership at any time by giving written notice thereof to the Board and, with respect to members of the Board designated as such or elected by Sponsor (or its designee) or the Commercial Unit Owner, by giving written notice thereof to Sponsor (or such designee) or the Commercial Unit Owner, respectively. In addition, any member of the Board who shall cease to be qualified for membership pursuant to the terms of Section 2.7 hereof shall be deemed to have resigned his membership effective as of the date upon which such qualification shall cease.

(C) The Board member designated by the Owner of the Commercial Unit may not be removed from office without cause, except by the Commercial Unit Owner who designated the Board member.

Section 2.10 Vacancies. (A) Any vacancy on the Board that is caused by the removal, resignation, or death of a member who was elected thereto by the Unit Owners (other than Sponsor, its designee or the Commercial Unit Owner) shall be filled by an individual who is qualified to be a member pursuant to the terms of Section 2.7 hereof and who is elected by a vote of the majority of the members of the Board then in office. A special meeting of the Board shall be held for the purpose of filling any such vacancy promptly after the occurrence thereof, and the election held thereat shall be effective to fill such vacancy at a meeting where a quorum is present.

(B) Any vacancy on the Board that is caused by the removal, resignation, or death of a member who was designated as such or elected by Sponsor, its designee or other Unsold Unit Owner, or the Commercial Unit Owner, shall be filled by an individual designated by Sponsor or such designee or other Unsold Unit Owner or the Commercial Unit Owner who designated the Board member, respectively.

(C) Each member of the Board who is elected thereto or designated as such to fill a vacancy pursuant to the terms of paragraph (A) or (B), respectively, of this Section 2.10 shall serve as a member of the Board for the remainder of the term of the member he replaced and until his successor shall be elected and qualified at the appropriate annual meeting of the Unit Owners pursuant to the terms of Section 4.9 hereof.

Section 2.11 Organizational Meeting of the Board. The first meeting of the Board following each annual meeting of the Unit Owners shall be held within approximately thirty (30) days of such annual meeting, at such time and place in the Borough of Manhattan as shall be both fixed informally by a majority of the members of the Board and designated in a written notice given to all members thereof by personal delivery, mail, overnight delivery or facsimile transmission not later than five (5) business days prior to such date.

Section 2.12 Regular Meetings of the Board. (A) 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 respective members thereof, provided that at least four (4) such meetings of the Board shall be held during each fiscal year.

(B) Written notice of all regular meetings of the Board shall be given to each member by personal delivery, mail, overnight delivery or facsimile transmission at least five (5) days prior to the day named for such meeting.

Section 2.13 Special Meetings of the Board. (A) The President may call a special meeting of the Board whenever he deems the same to be necessary or desirable. However, the President shall call such a meeting: (i) upon the written request of three (3) or more members of the Board; or (ii) upon the request of a non-occupying Unit Owner who has received notice that rents payable with respect to his Unit shall hereafter be paid directly to the Condominium, as provided in Section 6.4(D) of these By-Laws.

(B) Written notice of all special meetings shall be given to each member of the Board by personal delivery, mail, overnight delivery or facsimile transmission at least five (5) days prior to the day named for such meeting, which notice shall state the time, place (in the Borough of Manhattan) and purpose of the meeting.

Section 2.14 Waiver of Notice of Meetings. Any member of the Board may, at any time waive notice of any meeting thereof in writing, and such waiver shall be deemed equivalent to the giving of notice. Attendance by a member of the Board at any meeting thereof shall constitute a waiver by him of notice of the time and place thereof. If all of the members of the Board are present at any meeting thereof, no notice of such meeting shall be required and any business authorized pursuant to these By-Laws may be transacted at such meeting.

Section 2.15 Quorum of the Board. For purpose of all meeting of the board, a majority of such Board shall constitute a quorum for the transaction of business by that Board. In connection therewith, one or more members of the Board may participate in any meeting by means of a conference telephone call or similar communications equipment permitting all individuals participating in the meeting to hear each other at the same time, and such participation shall constitute presence at a meeting for all purposes. If, at any meeting of the Board there shall be less than a quorum present, a majority of the Board members in attendance may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business that might have been transacted at the meeting originally called but for the lack of a quorum may be transacted without further notice.

Section 2.16 Conduct of Meetings. (A) The President, or in his absence, the Vice-President, shall preside at all meetings of the Board and the Secretary shall faithfully record the minutes thereof. The minutes shall include the full text of all resolutions duly adopted by the Board and a record of all transactions and proceeding occurring thereat.

(B) The then current edition of Robert's Rules of Order, or any other rules or procedure from time to time acceptable to a majority of the members of the Board shall govern the conduct of the meetings of each such Board unless the same shall be in conflict with the terms of the Declaration, these By-Laws, or the Condominium Act.

Section 2.17 Decisions by the Board. (A) Except as otherwise expressly provided in the Declaration or these By-Laws, the vote of majority of the members of the Board present at a meeting thereof at which a quorum is present shall constitute the decision of the Board. Alternatively, any decision that is required or permitted to be made by the Board may be made without a meeting thereof if all of the members of the Board shall individually or collectively consent in writing to such decision, and all such written consents shall be duly filed by the Secretary of the Condominium in the minutes of the Board.

(B) Notwithstanding the above, the following decision cannot be made by the Board without the consent of the Board members designated by the Commercial Unit Owners;

- (i) A voluntary discontinuation of the Condominium;
- (ii) Amendment of the Declaration or By-Laws which would affect the rights of the Commercial Unit Owners (or Sponsor or Sponsor designee) to lease the Commercial Units or increase or decrease the percentage of Common Elements allocated to the Commercial Units;
- (iii) Reallocation or alteration of the Common Elements, which would affect or interfere with rights of access to the Commercial Units;
- (iv) Amendment of the Declaration or By-Laws which would change the uses permitted in the Commercial Units; and

(v) Amendments of the Declaration or By-Laws which would deprive the Commercial Unit Owners of the right to designate a member of the Board.

Section 2.18 Compensation of Members. No member of the Board or any Committee shall receive any compensation from the Condominium for acting in his or her capacity as a member of the Board.

Section 2.19 Common Interested Members of the Board. Each member of the Board shall perform his duties, and shall exercise his powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by Law, no contract or other transaction between the Board and either (i) any of its members or (ii) any corporation, partnership, fiduciary, firm, association, or other entity in which any of the members of the Board are officers, directors, employees, partners, fiduciaries, beneficiaries, or principals, or are otherwise interested, pecuniarily or otherwise, shall be deemed either void or voidable because either (a) any such member of the Board was present at the meeting or meetings of said Board during which such contract or transaction was discussed, authorized, approved, or ratified, or (b) the vote of any such member was counted for such purpose, provided, however, that either:

(x) the fact thereof is disclosed to, or known by, such Board or a majority of the members thereof or 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;

(y) the fact thereof is disclosed to, or known by, a Majority of Unit Owners, and a Majority of Unit Owners shall authorize, approve, or ratify such contract or transaction; or

(z) the contract or transaction is commercially reasonable to the Board at the time that the same is authorized, approved, ratified, executed, or otherwise consummated.

Any such member of the Board may be counted in determining the presence of a quorum of any meeting of the Board that authorizes, approves, or ratifies any such contract or transaction, but no such member shall be entitled to vote thereat to authorize, approve, or ratify such contract or transaction.

Section 2.20 Liability of the Board. (A) The members of the Board shall have no liability to the Unit Owners for errors of judgment, negligence, otherwise, except that each member of the Board shall be liable thereto for his own bad faith or willful misconduct. In connection therewith, members of the Board designated as such by Sponsor shall not be deemed either to have acted in bad faith or to have committed willful misconduct by reason of any self-dealing in connection with any contract made, or other transaction entered into, between the Board and Sponsor or its agents, provided that any compensation paid, or to be paid, to Sponsor or its agents in connection with any

such contract or transaction is disclosed in the Plan in an amendment thereto or is at competitive rates for goods sold or services rendered in the Borough of Manhattan.

(B) Every contract made, and other document executed, by or on behalf of the Board or the Managing Agent shall expressly state (if obtainable and in addition to the limitation of liability of the officers of the Condominium and the Unit Owners pursuant to the terms of Sections 3.10 and 4.12 hereof, respectively) that the same is made or executed by or on behalf of such Board or the Managing Agent solely as agent for the Unit Owners and the members of the Board or the Managing Agent shall have no liability thereon, except to the extent of their liability, if any, as Unit Owners pursuant to the terms of Section 4.12 hereof.

(C) Neither the Board nor any member thereof, nor the Managing Agent shall be liable for either:

(i) any failure or interruption of any utility or otherwise to be obtained by, or on behalf of, the Board or to be aid for as a Common Expense; or

(ii) any injury, loss, or damage to any individual or property, occurring in or upon either a Unit, or the Common Elements which: (a) was caused by the elements, by any Unit Owner, or by any other Person; (b) resulted from electricity, water, snow, or ice that may leak or flow from a Unit, or any portion of the Common Elements; or (c) arising out of theft or otherwise.

(D) The Unit Owners shall jointly and severally indemnify and hold each member of the Board harmless from and against any claim or liability to others arising from his acts or omissions as, or by reason of the fact that such individual is or was, a member of the Board to the extent permitted under the Business Corporation Law of the State of New York, (hereinafter referred to as, the "BCL"), except, however, to the extent that such claim or liability shall be due to, or shall arise out of, the bad faith or willful misconduct of such member.

ARTICLE 3

OFFICERS

Section 3.1 General. The principal officers of the Condominium shall be the President, the Vice President, the Secretary and the Treasurer. The Board may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its discretion may be necessary or desirable. All agreements, contracts, deeds, mortgages, leases, checks and other instruments of the Condominium shall be executed, upon the direction of the Board, by any two officers of the Condominium or by such lesser number of officers or by such other Person or Persons as may be designated from time to time by the Board.

Section 3.2 President. The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Unit Owners and of the Board. The

President shall have all of the general powers and duties that are incident to the office of president of a stock corporation organized under the BCL, including, but not limited to, the power to appoint the members of all committees created by the Board from amongst the Unit Owners from time to time as he may decide, in his discretion, are appropriate to assist in the conduct of the affairs of the Condominium.

Section 3.3 Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If both the President and the Vice President are unable to act, the Board shall appoint some other member of the Board to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall be imposed upon him from time to time by the Board or by the President.

Section 3.4 Secretary. The Secretary shall keep the minutes of all meeting of the Unit Owners, and of the Board. The Secretary shall have charge of such books and papers as the Board shall direct and, in general, shall perform all of the duties that are incident to the office of secretary of a stock corporation organized under BCL.

Section 3.5 Treasurer. The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof, showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Board or in the name of the Managing Agent in such depositories as may from time to time be designated by the Board and, in general, shall perform all of the duties incident to the office of treasurer of a stock corporation organized under the BCL.

Section 3.6 Election, Term of Office and Qualifications of Officers. Each of the officers of the Board shall be elected annually by a majority vote of the Board taken at the organizational meeting of each new Board or at the first meeting of the Board first succeeding the annual meeting of the Unit Owners, and shall serve at the pleasure of the Board. The President and the Vice President shall be elected from amongst the members of the Board. The other officers of the Condominium, however, need not be Unit Owners or members of the Board and need not have any interest in the Condominium.

Section 3.7 Removal and Resignation of Officers. Any officer of the Condominium may be removed from office, with or without cause, by an affirmative vote of a Majority of the Unit Owners. In addition, any officer may resign at any time by giving written notice to the Board. Finally, if the President or the Vice President of the Condominium shall cease to be a member of the Board during his term of office, such officer shall be deemed to have resigned his office effective upon the date upon which his membership cease.

Section 3.8 Vacancies. Any vacancy in an office shall be filled by a majority vote of the Board at any regular meeting of the Board or at a special meeting thereof called for such purpose.

Section 3.9 Compensation of Officers. No officer of the Condominium shall receive any compensation from the Condominium for acting as such.

Section 3.10 Liability of the Officers of the Condominium. (A) The officers of the Condominium shall have no liability to the Unit Owners for errors of judgment, negligence, or otherwise, except that each officer of the Condominium shall be liable thereto for his own bad faith or willful misconduct. In addition, every contract made, and other document executed, by one or more officers or other Persons on behalf of the Condominium shall expressly state (if obtainable and in addition to the limitation of liability of the members of the Board and the Unit Owners pursuant to the terms of Section 2.20 and 4.12 hereof, respectively) that the same is made or executed by such officers or Persons on behalf of the Condominium solely as agent for the Unit Owners and that such officers or Persons shall have no liability thereon, except to the extent of their liability, if any, as Unit Owner pursuant to the terms of Section 4.12 hereof.

(B) None of the officers of the Condominium shall be liable for either:

(i) any failure or interruption of any utility or other service to be obtained by any such officer on behalf of the Condominium or to be paid for as a Common Expense; or

(ii) any injury, loss, or damage to any individual or property, occurring in or upon either a Unit, or the Common Elements, which is (a) caused by the elements, by any Unit Owner, or by and other Person; (b) results from electricity, water, snow or ice that may leak or flow from a Unit, or any portion of the Common Elements; or (c) arises out of theft or otherwise.

(C) The Unit Owners shall jointly and severally indemnify and hold each officer of the Condominium harmless from and against any claim or liability to others arising from his acts or omissions as, or by reason of the fact that such individual is or was, an officer of the Condominium, except, however, to the extent that such claim or liability shall be due to, or shall arise out of, the bad faith or willful misconduct of such officer.

ARTICLE 4

UNIT OWNERS

Section 4.1 Annual Meetings of the Unit Owners. (A) The first annual meeting of the Owners shall be held within the first sixty (60) days after the First Closing, at which meeting the incumbent three (3) member Board shall resign and a successor five (5) member Board shall be elected and shall consist of one (1) member elected by the owner of the Commercial Unit and four (4) members elected by the Unit Owners as provided both in this Article 4 and in Article 2 hereof. Thereafter, annual meetings of the Unit Owners shall be held within approximately thirty (30) days after the anniversary of the first meeting of Unit Owners in each year. At each such subsequent meeting, the Unit Owners shall elect successors to the members of the Board whose term of office

expires on the day of such meeting and shall transact such other business as may properly come before such meeting.

(B) The provisions of the preceding paragraph (A) and any other provisions of these By-Laws to the contrary notwithstanding, so long as the Sponsor (or its designees) owns the Commercial Unit, the Sponsor (or its designees), may elect its/his member by written designation given to the Managing Agent or the President or Secretary of the Condominium at, or in advance of, the annual meeting of such Unit Owners. In such event, the Owner of the Commercial Unit need not attend said annual meeting and, if not present, the Common Interests of the Commercial Unit shall be excluded when computing the aggregate Common Interests of all Unit Owners for quorum or voting purposes.

Section 4.2 Special Meetings of the Unit Owners. The President shall call a special meeting of the Unit Owners whenever so directed by a duly adopted resolution of the Board or upon receipt by the Secretary of a petition calling for such a meeting signed by Unit Owners having, in the aggregate, not less than twenty-five (25%) percent of the Common Interests of all Unit Owners. Each such resolution or petition shall set forth, in reasonable detail, the purposes for calling such a meeting, and no business shall be transacted at such special meeting except business reasonably related to the stated purposes.

Section 4.3 Place of Meetings. Meetings of the unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place in the Borough of Manhattan as may be designated by the Board.

Section 4.4 Notice of Meetings. The Secretary of the Condominium shall give notice of each annual or special meeting of the Unit Owners to all Unit Owners then of record entitled to vote at such meeting, which notice shall set forth the purpose, time and place of such meeting. Such notice may be given to any Unit Owner by personal delivery, mail, overnight delivery or facsimile transmission not later than ten (10) not earlier than forty (40) days prior to the day fixed for the meeting. Any Unit Owner may designate an address for the giving of notice other than such Unit Owner's address at the Property by giving written notice thereof to the Secretary of the Condominium not less than ten (10) days prior to the giving of notice of the applicable meeting.

Section 4.5 Quorum of the Unit Owners. Except as otherwise provided in these By-Laws, the presence, in person or by proxy, of Unit Owners owning Units to which fifty (50%) percent or more of the aggregate Common Interests appertain shall constitute a quorum at all meetings of the Unit Owners. If, at any meeting of the Unit Owners, there shall be less than a quorum present, a majority of the Unit Owners present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time fixed for the original meeting.

Section 4.6 Conduct of Meetings. The President shall preside at all meetings of the Unit Owner and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Unit Owners and a record of all transactions and

proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure acceptable to a Majority of the Unit Owner present at any meeting, in person or by proxy, shall govern the conduct of the meetings of the Unit Owners unless the same shall be in conflict with the terms of the Declaration, these By-Laws, or the Condominium Act. All votes of the Unit Owners shall be tallied by the persons appointed for such purpose by the presiding officer of the meeting.

Section 4.7 Order of Business. The order of business at all meetings of the Unit Owners shall be as follows:

- (i) Roll call and presentation of proxies;
- (ii) Proof of notice of meeting;
- (iii) Reading of the minutes of the preceding meeting (unless waived);
- (iv) Reports of officers of the Condominium;
- (v) Reports of members of the Board;
- (vi) Reports of committees;
- (vii) Election of inspectors of election (when so required);
- (viii) Election of members of the Board (when so required);
- (ix) Unfinished business; and
- (x) New Business;

Section 4.8 Voting. (A) Subject to the terms of Section 4.9 hereof, each Unit Owner (including Sponsor or its designee, for so long as Sponsor or such designee shall own Unsold Units) shall be entitled to cast one (1) vote at all meetings of the Unit Owners for each .001 of the percentage of Common Interest attributable to his Unit(s).

(B) Notwithstanding the terms contained in paragraph (A) hereof, no Unit Owner may vote at any meeting of the Unit Owners if the Board has perfected a lien against such Unit Owner's Unit and the amount necessary to release such lien has not been paid at the time of such meeting. In addition, neither the Board nor any designee thereof shall be entitled to vote the Common Interest appurtenant to any Unit owned by the Board or such designee. The Common Interests of all Units whose owners are precluded from voting pursuant to the terms of this paragraph (B) will be excluded when computing the aggregate Common Interests of all Unit Owners for quorum and voting purposes.

(C) A fiduciary shall be the voting member with respect to a Unit owned in a fiduciary capacity. In addition, if two (2) or more Persons own a Unit, they shall designate one (1) Person amongst them to vote the Common Interest appurtenant to their Unit a writing given to the Secretary of the Condominium, and the vote of such designee shall be binding upon all of such Persons. Failing such a designation, all of such Persons shall mutually vote such Common Interest under one ballot without division, and the concurrence of all such Persons shall be conclusively presumed if any one of them purports to vote such Common Interest without protest being contemporaneously made to the individual presiding over the meeting at which such vote is taken. If protest is made, the Common Interest appurtenant to such Unit shall be counted solely for the purpose of determining whether a quorum is present for such voting.

(D) The owner of any Unit may designate any Person to act as a proxy on his behalf. The designation of any such proxy shall be made in writing both signed and dated by the designor and delivered to the Secretary of the Condominium at or before the appointed time for the meeting(s) during which the same is to be effective. Any such designation shall be revocable at any time upon written notice given to the Secretary of the Condominium; however, no revocation of such a designation shall be effective with respect to any votes cast by such proxy prior to the receipt of such revocation notice by the Secretary of the Condominium or, if such revocation is made at a meeting of the Unit Owners during which the Secretary of the Condominium is not in attendance, by the individual acting as the secretary of such meeting. Except with respect to the designation of a Permitted Mortgagee to act as the proxy of its mortgagor(s), no designation to act as a proxy shall be effective for a period in excess of six (6) months after the date thereof.

(E) Except when otherwise required by Law or otherwise provided in the Declaration or in these By-Laws, the affirmative vote of a Majority of the Unit Owners at a meeting at which a quorum is present shall be binding upon all such Unit Owners for all purposes.

Section 4.9 Election of Members of the Board. (A) The Board of Managers shall be elected by the Unit Owners at the annual meeting of Unit Owners. Subject to the terms of Section 2.7 hereof, when voting for members of the Board, each Unit Owner (including Sponsor or its designee, for so long as Sponsor or such designee shall own Unsold Units) shall be entitled to cast one vote for each .001 of the percentage of Common Interest attributable to this Units per member to be elected. However, nothing contained herein shall be deemed to permit any Unit Owner to cumulate the votes attributable to the ownership of any one Unit in favor of any one or more members to be elected. In addition, the terms of paragraphs (B), (C), (D) and (E) of Section 4.8 hereof shall apply to all elections of members of the Board.

(B) Subject to the terms of Section 4.1 hereof, all election of members of the Board shall be by written ballot, and each ballot cast shall state: (i) the name of the voting Unit Owner and, if such ballot is cast by proxy, the name of the proxy; (ii) the designation number(s) of the Unit(s) owned by the voting Unit Owner, (iii) the amount of the Common Interest(s) appurtenant to such Unit(s); and (iv) the names of the candidates for whom such ballot is cast (the number of which

names shall not exceed the number of members to be elected). Any ballot that is not cast in conformity with this paragraph (B) shall be discounted. All election ballots shall be retained in the records of the Condominium, appropriately segregated by election.

(C) Subject to the terms of paragraph (D) of this Section 4.9, all elections of members of the Board shall be determined by plurality vote.

(D) Within thirty (30) days after the earlier of (i) five (5) years after the First Closing, or (ii) conveyance of title to Units representing ninety (90%) percent of the Residential Common Interest (the "Initial Control Period"), the Sponsor will call an annual meeting of the Unit Owners, at which time a new Board of Managers will be elected. During the Initial Control Period, Sponsor its designees, as owner of Unsold Units, shall have the right to designate four (4) members to be elected (regardless of the number of votes Sponsors has the right to cast). Thereafter, Sponsor or its designee shall have the right to designate three (3) members for so long as the Common Interests attribute to any Unsold Units owned by Sponsor or its designee equals, in the aggregate, thirty-five (35%) percent or more of the Residential Common Interests; and Sponsor or its designee shall have the right to designate two (2) members for so long as the Common Interests attributable to any Unsold Units owned by Sponsor or its designee equals in the aggregate fifteen (15%) percent or more of the Residential Common Interests; and Sponsor to its designee shall have the right to designate one (1) member, for so long as Sponsor or its designee is the Owner of Unit with any Residential Common Interest attributable thereto. The owner of the Commercial Unit shall be entitled to designate one (1) member of the Board of Managers unless the Commercial Unit is owned by the Sponsor and the Sponsor is then entitled to designate a majority of the members of the Board of Managers, in which case Sponsor or its designee will not exercise its designation rights to designate a majority of the Board Members after the Initial Control Period has expired. Notwithstanding the foregoing, the owner of the Unsold Units and the owner of the Commercial Unit shall be entitled to vote all of the Common Interests attributable thereto in its sole discretion.

Section 4.10 Action Without a Meeting. Any action required or permitted to be taken by the Unit Owners at a duly constituted meeting may be taken without such a meeting if Unit Owners sufficient in number (both in absolute number and in aggregate Common Interests) to approve such an action at a duly constituted meeting of such Unit Owners pursuant to the Declaration or to these By-Laws, consent in writing to the adoption of a resolution approving such action. All written consents given by such Unit Owners pursuant to this Section 4.10 shall be retained in the records of the Condominium together with true copy of the resolutions to which they relate.

Section 4.11 Title to Units. Title to any Unit may be taken by any Person or by any two or more Persons as joint tenants, tenants in common, or tenants by the entirety, as may be appropriate, but not as owners in severalty.

Section 4.12 Contractual Liability of Unit Owners. Every contract made by the Board, by any officer of the Condominium, or by any superintendent or Managing Agent of the Building shall state (if obtainable and in addition to the limitation of liability of the members of the Board and the

officers of the Condominium pursuant to the terms of Section 2.20 and 3.10 hereof, respectively) that the liability of any Unit Owner with respect thereto shall be limited to: (i) such proportionate shares of the total liability thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners and (ii) such Unit Owner's interest in his Unit and its Appurtenant Interests, unless otherwise provided by Law.

ARTICLE 5

OPERATION OF THE PROPERTY

Section 5.1 Maintenance and Repairs. (A) Except as otherwise provided in the Declaration or in these By-Laws, all painting, decorating, maintenance, repairs, and replacements, whether structural or non-structural, ordinary or extraordinary:

(i) in or to any Unit, other than the Commercial Unit, any Limited Residential Common Element related thereto and all portions thereof (including, but not limited to, the walls, ceilings and floors in the Unit, kitchen and bathroom fixtures and appliances, windows and their frames, sills and sashes, all doors (entrance and terrace, if any) and their frames and saddles, exposed plumbing, gas and heating fixtures, any Common Elements and any Residential Common Elements incorporated therein pursuant to paragraph (B) of Section 5.8 hereof, but excluding any other Common Elements contained therein) shall be performed by the owner of the Unit at his cost and expense;

(ii) in or to the Common Elements (other than any Common Elements incorporated into one or more Units pursuant to the terms of paragraph (B) of Section 5.8 hereof) shall be performed by the Board as a Common Expense;

(iii) in or to the Residential Common Elements shall be performed by the Board as an expense to the owners of the Residential Units; and

(iv) in or to the Commercial Unit and all portion thereof, any Limited Commercial Common Elements and any Common Elements incorporated therein pursuant to the terms of paragraph (B) of Section 5.8 hereof, but excluding any other Common Elements contained therein, shall be performed by the owner of the Commercial Unit, at that Commercial Unit Owner's sole cost and expense.

Promptly upon obtaining knowledge thereof, each Unit Owner shall use reasonable efforts to report promptly to the Board or to the Managing Agent any defect or need for repairs for which the Board is responsible pursuant to the terms hereof. All painting, decorating, maintenance, repairs and replacements performed hereunder or otherwise, whether by or at the behest of a Unit Owner or the Board, shall be performed in such a manner as shall not unreasonably disturb or interfere with any Unit Owners or the tenants and occupants of any Units.

(B) Notwithstanding anything to the contrary provided in paragraph (A) of this Section 5.1, however, the exterior glass surfaces of all windows of each Unit are to be washed and cleaned by the owner of such Unit at such Unit Owner's sole cost and expense. In addition, if any painting, decorating, maintenance, repairs, or replacements to the Property or any part thereof, whether structural or non-structural, ordinary or extraordinary, is necessitated by the negligence, misuse, or abuse of (i) any Unit Owner, the entire cost and expense thereof shall be borne by such Unit Owner, or (ii) the Board, the entire cost and expense thereof shall be borne (a) by all Unit Owners other than the Commercial Unit Owner as a Common Expense, if involving only a Unit other than the Commercial Unit, or (b) by all Unit Owners (including the Commercial Unit Owner) as a Common Expense, if involving the Common Elements of both Commercial Unit and the Residential Units or (c) by the Commercial Unit Owner alone if involving only the Commercial Unit, except, in all events, to the extent that such cost and expense is covered by the proceeds of any insurance maintained pursuant to the terms of these By-Laws. Similarly, each Unit Owner shall be responsible for any and all damage to any Unit or to the Common Elements resulting from such Unit Owner's failure to maintain, repair, or replace his Unit or any portion thereof as required herein.

(C) Each Unit and all portions of the Common Elements shall be kept in first-class condition, order and repair (and free of snow, ice, and accumulation of water and all drains kept clear and unclogged with respect to any roof terrace, roof, or other part of the Property exposed to the elements) by the Unit Owner or the Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Board shall promptly make or perform, or cause to be made or performed, all maintenance work (including, without limitation, painting, repairs and replacements) that is necessary in connection therewith. In addition, the public areas of the Building and those areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by (i) the Board with respect to such parts of the Building required to be maintained by such Board, and (ii) each Unit Owner, with respect to such parts of the Building required to be maintained by such Unit Owner.

Section 5.2 Alterations, Additions, Improvements or Repairs in and to Units and the Limited Residential Common Elements. (A) Subject to the terms of paragraph (B) of this Section 5.2, no Residential Unit Owner shall make any structural alteration, addition, improvement or repair in or to its Unit or a Limited Residential Common Element without the prior written approval of the Board in each instance, which approval shall not be unreasonably withheld. No Unit Owner shall paint, decorate or enclose any portion thereof which is visible from the ground or street surrounding the Building without the prior written approval of the Board. In the event, however, that the Board shall fail to answer any written, reasonable detailed request for such approval within sixty (60) days after such request is received, such failure to respond shall constitute the Board's consent thereto. Prior to, and as a condition of, the granting of any such approval, the Board may, at its sole option, require the Residential Unit Owner to procure and agree to maintain during the course of such work such insurance as the Board may reasonably prescribe and 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 indemnity referred to in paragraph (D) hereof and the days and hours during which any such work may be done.

(B) Notwithstanding anything to the contrary contained in paragraph (A) of this Section 5.2, however, Sponsor (or its designee) (as to Unsold Units) and the Commercial Unit Owner (as to the Commercial Unit) shall have the right pursuant (and subject) to the terms of Article 12 of the Declaration, without the approach of the Board to (i) make any alterations, additions, improvements, or repairs in or to any Unsold Units and the Commercial Unit respectively, whether structural or nonstructural, interior or exterior, ordinary or extraordinary, and (ii) subdivide, combine and change the boundary walls of the Unsold Units or the Commercial Unit.

(C) All alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with Law. In connection therewith, the Board shall execute applications to any departments of the City of New York, or to any other governmental agencies having jurisdiction thereof, for any and all permits required in connection with the making of alterations, additions, improvements, or repairs in or to a Unit, provided that, with respect to all such work of a structural nature (other than of the nature described in paragraph (B) hereof), the same was approved by the Board if such approval is required pursuant to the terms of paragraph (A) hereof.

(D) Neither the Board nor any Unit Owner (other than the Unit Owner(s) making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to his or their Units(s) or a Limited Common Element and appurtenant Common Elements) shall incur any liability, cost, or expense either (i) in connection with the preparation, execution, or submission of the applications referred to in paragraph (C) hereof; (ii) to any contractor, subcontractor, materialman, architect, or engineer on account of any alterations, improvements, additions, or repairs made or caused to be made by a Unit Owner; or (iii) to any Person asserting any claim for personal injury or property damage arising therefrom. Any Unit Owner(s) including the Sponsor (or its designee) making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to his or their Unit(s) and shall agree (in a writing executed and delivered to the Board, if the Board shall so request), and shall be deemed to agree (in the absence of such writing), to indemnify and hold the Board, the members of the Board, the officers of the Condominium, the Managing Agent and all other Unit Owners harmless from and against any such liability, cost and expense.

Section 5.3 Alterations, Additions, or Improvements to the Common Elements and the Residential Common Elements. Except as otherwise provided in the Declaration or in these By-Laws, all necessary or desirable alterations, additions, or improvements in or to any of the Common Elements shall be made by the Board, and the cost and expense thereof shall constitute a Common Expense to all Unit Owners. Except as otherwise provided in the Declaration or in these By-Laws, all necessary or desirable alterations, additions, or improvements in or to any of the Residential Common Elements shall be made by the Board, and the cost and expense thereof shall constitute a Common Expense to the Residential Unit Owners. Notwithstanding the foregoing, however, whenever the cost and expense of any such alterations, additions or improvements would, in the

judgement of the Board, exceed \$50,000 in the aggregate in any calendar year, such proposed alterations, additions, or improvements shall not be made unless first approved by a Majority of all Unit Owners (if involving the Common Elements) at a duly constituted meeting of the Unit Owners and by the Mortgage Representatives, if any, or approved by a Majority of all Residential Unit Owners (if involving the Residential Common Elements) at a duly constituted meeting of the Residential Unit Owners and by the Mortgage Representatives, if any. Except as otherwise provided in the Declaration and in these By-Laws, all such alterations, additions, or improvements costing \$50,000 or less in the aggregate in any calendar year may be made as aforesaid without the approval of either the Unit Owners or any Mortgage Representatives, and the cost thereof shall constitute a Common Expense to be paid by all Unit Owners, as with regard to the Common Elements and the cost thereof shall constitute a Common Expense to the Residential Unit Owners as to the Residential Common Elements. Notwithstanding anything herein to the contrary, any alterations, additions or improvements (regardless of the cost thereof) that will necessitate an increase in the Common Charges or require the imposition of a special assessment greater than five (5%) percent of the previous year's Common Charges shall not be undertaken unless approved by a Majority of all Unit Owners (in number and in Common Interest) in accordance with Section 2.5 (A) of these By-Laws.

Section 5.4 Insurance. (A) If the same shall be obtainable, the Board shall obtain, and shall maintain in full force and effect, fire insurance policies with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the Building (including all Unit and the bathroom and kitchen fixtures installed therein on the date of recoding the Declaration and all service machinery contained therein, but not including appliances or any furniture, furnishings, decorations, belongings, or other personal property supplied or installed by Unit Owners or the tenants of Unit Owners) and covering the interests of the Condominium, the Board, all of the Unit Owners and all Permitted Mortgagees, as their interests may appear. Each of the said policies shall contain, if available:

(i) waivers of (a) subrogation, (b) any defense based upon co-insurance or other insurance, (c) invalidity arising out of any acts of the insured and (d) pro-rata reduction of liability;

(ii) a provision that any adjustment of loss will be made by the Board and that all proceeds thereof shall be paid either the Board or the Insurance Trustee, as provided in Section 5.5 hereof;

(iii) a New York standard mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the proceeds thereof shall be paid to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board and the Insurance Trustee set forth in subparagraph (ii) above and in Section 5.5 hereof; and

(iv) a provision that such policy may not be either canceled or substantially modified except upon at least ten (10) days' prior written notice to all of the insureds, including all Permitted Mortgagees.

Duplicate originals or certificates of all such policies and of all renewals thereof, together with proof of payment of premiums, shall be sent to those Unit Owners and Permitted Mortgagees who request same. Renewals of such policies shall be obtained at least ten (10) days prior to the expiration of the then current term.

(B) The Board shall also obtain and maintain, to the extent practicable:

(i) commercial general liability insurance, including, in the discretion of the Board, umbrella liability, covering all claims for personal injury or property damage arising out of any occurrence on the Property and listings as co-insureds (a) the Board and each member thereof, (b) the Managing Agent or manager (if any), (c) each officer and employee of the Condominium and (d) each Unit Owner (except, however, that such insurance shall not cover any liability of a Unit Owner arising from occurrences within his own Unit);

(ii) workmen's compensation and New York State disability benefits insurance;

(iii) boiler and machinery insurance;

(iv) water damage legal liability insurance;

(v) elevator liability and collision insurance; and

(vi) such other insurance as the Board shall from time to time determine.

Each of the aforementioned policies of insurance to be maintained by the Board shall contain such limits as the Board shall from time to time determine, provided, however, that:

(C) All policies of insurance to be maintained by the Board shall contain such limits as the Board shall from time to time determine, provided, however, that:

(i) with respect to insurance policies maintained by the Board pursuant to paragraph (A) hereof, the coverage shall be not less than an amount which is sufficient for the insurance company providing the insurance company to waive any co-insurance requirement or is based on an "agreed amount replacement cost" (or comparable term) and, until the first regular meeting of the first Condominium Board elected by the Unit Owners, such coverage shall be at least in the amount of \$10,000,000; and

(ii) with respect to insurance policies maintained by the Board pursuant to subparagraph (i) of paragraph (B) hereof, such policies shall contain single limits of not less than \$2,000,000 in the aggregate until the first regular meeting of the first seven (7) member Condominium Board elected by the Unit Owners.

Any insurance policies maintained by the Board may also provide for such deductible amounts as the Board shall determine. The Board shall review the limits of each insurance policy, as well as the amount of any deductible sum thereunder, at least once each year.

(D) The cost of all insurance maintained by the Board pursuant to this Section 5.4, together with the fees and disbursements of any Insurance Trustee appointed by the Board pursuant to the terms of these By-Laws, shall be borne by the Unit Owners as a common Expense.

(E) Unit Owners shall not be prohibited from carrying other insurance for their own benefit, provided that all such policies shall contain waivers of subrogation and further provided that the liability of the carriers issuing the insurance maintained by the Board shall not be affected or diminished by reason of any such additional insurance carried by an Unit Owner.

Section 5.5 Casualty or Condemnation. (A) In the event that either (i) the Building or any part thereof is damaged or destroyed by fire or other casualty (hereinafter referred to as a "Casualty Loss") or (ii) the Common Elements or any part thereof is taken in condemnation or by eminent domain (hereinafter referred to as a "Taking"), the net insurance proceeds payable under the insurance policies maintained by the Board pursuant to the terms of Section 5.4 hereof by reason of such Casualty Loss or the net condemnation awards receivable by reason of such Taking, as the case may be, shall be payable either to the Board, if the same shall be \$100,000 or less in the aggregate, or to the Insurance Trustee, if one is appointed, if the same shall exceed \$100,000 in the aggregate. In either instance, all such monies actually received (hereinafter referred to as the "Funds") shall be held in trust for the benefit of all Unit Owners and their Permitted Mortgagees and shall be disbursed pursuant to the terms of this Section 5.5. Notwithstanding anything to the contrary contained either in this paragraph (A) or elsewhere in this Section 5.5, however, no Unit Owner whose Unit, or any portion thereof are taken in condemnation or by eminent domain (whether or not all or a part of the Common Elements are contemporaneously taken) shall be deemed to have waived whatever rights that he may have to pursue a separate claim against the condemning authority by reason thereof, provided that the award to other Unit Owners or Condominium Board, or any other Unit Owner is not reduced thereby.

(B) Subject to the terms of paragraph (D) hereof, the Board (as to all parts of the Property other than the Commercial Unit) and the Commercial Unit Owner (as to the Commercial Unit and Commercial Limited Common Elements, if any) shall arrange for the prompt repair or restoration (hereinafter referred to as the "Work") of: (i) in the event of a Casualty Loss, the portion(s) of the Building (including all Units and the bathroom and kitchen fixtures initially installed therein on or about the date of recording the Declaration and all service machinery contained therein, but not including appliances or any furniture, furnishings, decorations, belongings, or other personal property supplied or installed by a Unit Owner or the tenant of a Unit Owner) affected by such Casualty Loss or pursuant to the immediately preceding sentence, Work is to be performed in or to Units, Common Elements that service or enclose Units and other Common Elements or any combination of the foregoing, the Work shall be performed, to the extent practicable, first in or to the Units, next in or to the Common Elements that service or enclose Units

and then in or to the balance of the Common Elements. In addition, each Unit Owner whose Unit, or any portion thereof shall be the subject of all or part of any Work shall have the right, subject to the terms of Section 5.2 hereof, to supervise any redecorating of his Unit.

(C) In the event that Work shall be performed pursuant to the terms of paragraphs (B) and (D) of this Section 5.5, the Board or the Insurance Trustee or the Commercial Unit Owners as the case may be, shall disburse the Trust Funds to the contractors engaged in the Work in appropriate progress payments. If the Trust Funds shall be less than sufficient for the Board to discharge the cost and expense of performing the Work, the Board shall levy a Special Assessment as a Common Expense against all Unit Owners for the amount of such deficiency in proportion to their respective Common Interest (if involving the Common Elements or both the Units or the Commercial Units) or shall levy a Special Assessment against the Commercial Unit Owners alone (if involving only the Commercial Units and the Commercial Unit Owners shall fail to repair and restore same), and all proceeds of such Special Assessment shall become part of the Trust Funds. If, conversely, the Trust Funds shall prove to be more than sufficient to discharge the cost and expense of performing the Work, such excess shall be paid to all Unit Owner in proportion to their respective Common Interests, except that no payment shall be made to a Unit Owner until there has first been paid, out of such Unit Owner's share of excess, such amount as may be necessary to reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Montages) in the order of priority of such liens. Notwithstanding the foregoing, however, in the event that the Unit Owners are assessed pursuant to the terms of the second sentence of this paragraph (C) for any projected deficiency in the amount of the Trust Funds available to the Board and, after the payment of all costs and expenses incurred in connection with the Work, any portion of the Trust Funds remains unspent, such excess Trust Funds shall, to the extent of such Special Assessment, be deemed to be, and shall constitute, an unspent Special Assessment and shall be paid to the Unit Owners so assessed in proportion to their respective Common Interests, free of any claim of any lienor (including, without limitation, any Permitted Mortgagee).

(D) If either seventy-five (75%) percent or more of the Building is destroyed or substantially damaged by fire or other casualty or seventy-five (75%) percent or more of the Common Elements are taken in a Taking, the Work shall not be performed unless seventy-five (75%) percent or more of all Unit Owners including Sponsor or its designee (if Sponsor or such designee shall then own any Units), both in number and in aggregate Common Interests, shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the Work shall be performed pursuant to the terms of paragraphs (B) and (C) hereof. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the Work shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the resulting sale, together with any Trust Funds, shall be paid to all Unit Owners in proportion to their respective Common Interests, except that no payment shall be made to a Unit Owner until there first has been paid, out of such Unit Owner's share of such funds, such amounts as may be necessary to reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens.

(E) In the event that the damage resulting from Casualty Loss shall (i) render one or more Units wholly or partially unusable for the purposes permitted herein and in the Declaration or (ii) destroy the means of access to one or more Units, the installments of Common Charges otherwise payable by the owner of any Unit so affected thereby shall proportionately abate until such Unit shall again be rendered useable for such purposes and/or until the means of access thereto shall be restored, as the case may be. Notwithstanding the foregoing, however, if such Casualty Loss shall be caused by the act, the omission to act, or the negligence of the owner of a Unit so affected thereby, by a Family Member of such Unit Owner, or by a tenant or licensees, invitees and/or workmen or other occupant of such Unit, such installments of Common Charges shall abate only to the extent of any proceeds of rent insurance actually collected by the Board with the respect to such Unit.

(F) If (i) a portion of any Unit shall be taken in condemnation or by eminent domain and (ii) the Condominium shall not be terminated by reason of a simultaneous Taking pursuant to the terms of paragraph (D) hereof, the Common Interest appurtenant to such Unit shall be adjusted in the proportion that the total floor area of such Unit prior to such taking bears to the total floor area of such Unit after the taking. The Board shall promptly prepare and record an amendment to the Declaration reflecting the new Common Interest appurtenant to such Unit, which amendment shall be executed by the owner of such Unit together with the holders of record of any liens thereon (or, in lieu of execution by such Unit Owner and lienors, the same may execute a consent to such amendment in recordable form). Following the taking of a portion of a Unit and the recording of the aforementioned amendment to the Declaration or said consent to such amendment, the votes appurtenant to such Unit shall be based upon the new Common Interest of such Unit, and, in the event of taking an entire Unit, the right to vote appurtenant to such Unit shall wholly terminate. In either event, the Common Interests of the other or remaining Units shall be adjusted accordingly and reflected in an amendment to the Declaration duly executed and acknowledged by the Board and the owners of, together with the holders of record of all liens upon, all of the other remaining Units, or a consent to such amendment in recordable form.

(G) As used in this Section 5.5, the terms:

(i) "prompt repair or restoration" shall mean that the work is to be commenced not more than either: (a) sixty (60) days after the date upon which the Insurance Trustee, if any, notifies the Board and the Unit Owners that it has received Trust Funds sufficient to discharge the estimated cost and expense of the Work, or (b) ninety (90) days after the date upon which the Insurance Trustee, if any, notifies the Board and the Unit Owners that it has received Trust Funds insufficient to discharge the estimated cost and expense of the Work, or (c) in the event that the Trust Funds are payable to the Board pursuant to the terms of paragraph (A) of this Section 5.5, sixty (60) days after the date upon which the Board notifies the Unit Owners that it has received the Trust Funds, whether or not the same are sufficient to discharge the cost and expense of the Work; and

(ii) "promptly resolve" shall mean that a resolution shall be duly made not more than sixty (60) days after the date upon which the Board or the Insurance Trustee, as the case may be, notifies the Unit Owners that it has received the Trust Funds and that the same are or are not sufficient to discharge the estimated cost and expense of the Work, as the case may be.

(H) Any dispute that may arise under this Section 5.5 between Unit Owners or between any Unit Owners(s) and the Board shall be resolved by arbitration pursuant to the terms of Article 10 hereof.

Section 5.6 Use of The Property. (A) No nuisance shall be allowed on the Property, nor shall any use or practice be allowed in any Residential Unit that either is a source of annoyance to its residents or interferes with the peaceful possession or proper use of the Property by its residents of occupants. The Unsold Units and the Commercial Unit may be used for any purpose permitted by Law provided that no illegal, noxious, immoral, improper, offensive, or unlawful use shall be made of any portion thereof. Neither the Unsold Units nor the Commercial Unit nor any portion thereof may be used as an adult entertainment establishment as defined in the New York City Zoning Resolution or for use as a discotheque or dance club. All valid Laws, zoning, ordinances, restrictive declarations and regulations of all governmental bodies with jurisdiction, relating to any portion of the Property shall be complied with at the full cost and expense of the respective Unit owners or the Board, whoever shall have the obligation to maintain or repair such part of the Property.

(B) Nothing shall be done or kept in any unit or in any of Common Elements that would increase the rate of insurance for the Property, except upon the prior written consent of the Board. The foregoing shall not apply to the Commercial Unit, provided, however, the owner of the Commercial Unit pays for any such increase in insurance rates. No Unit Owner shall permit anything to be done or kept in a Unit or in the Common Elements that will result in the cancellation of insurance on the Property or the contents thereof, or that would be in violation of any Law. No waste shall be committed in the Common Elements.

(C) Nothing shall be done in any Unit or in, or to the Common Elements that will impair the structural integrity of the Property or that will structurally change the Building, except as is otherwise provided in the Declaration or in these By-Laws. In no event shall interior partitions contributing to the support of any Unit or the Common Elements be altered or removed.

Section 5.7 Use of the Units. (A) In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of Units shall be restricted to, and shall be in accordance with, the terms contained in the balance of this Section 5.7. The Residential Units may be used only for joint-living work quarters for artists, except that qualifying Residential Unit Owner may use a Residential Unit for any home occupation use permitted under applicable zoning law and ordinances, building code or other rules and regulations of governmental authorities having jurisdiction.

(B) Subject to the terms of paragraph (D) and (E) of this Section 5.7, the Board may, in its sole discretion, consent to the use of a Unit 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 such Unit or the Rules and Regulations of the Condominium. Any such consent shall be in writing and shall be personal to such Unit Owner. Any lessee of, or successor in title to, such Residential Unit owner shall be required to obtain the prior written consent of the Board before using such Unit for any purpose other than that set forth in the first sentence of this paragraph (B).

(C) A Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary, sovereign government, consulate or any other entity may be occupied only by said individual, or by an officer, director, stockholder, or employee of such corporation, or by a partner or employee of such partnership, or by a member of such limited liability company, or by said fiduciary (including directors, officers, stockholders, or employees of corporate fiduciaries and partners or employees of partnership fiduciaries), or by the beneficiary of said fiduciary, or by a principal or individual designee of such sovereign government, consulate or other entity, respectively, or by Family Members or guests of any of the foregoing or a tenant named in a lease of the Unit entered into in accordance with Article 7 of the By-Laws or, in the case of an individual Unit Owner only, one additional occupant who is not a Family Member and his dependent children (however, nothing contained in this sentence shall be deemed to prohibit the exclusive occupancy of any Unit by such Family Members or guests). Additionally, in no event shall a portion of a Unit (as opposed to the entire Unit) be sold, conveyed, leased, or subleased, and no transient occupant (other than a guest permitted under this paragraph (C)) may be accommodated therein.

The foregoing restrictions in subparagraphs (B) and (C) (except as to lawful uses) shall not apply to the Commercial Units or any Unsold Unit owned by Sponsor or its designee.

(D) Notwithstanding anything to the contrary contained in this Section 5.7, Sponsor may, without the consent of either the Board or the Unit Owners, use any one or more Unsold Units as model units and offices for the sale, promotion, rental, management and operation of the Unsold Units or for any other purpose, subject only to compliance with Law.

(E) The Commercial Unit may be used for any purpose permitted by Law and any existing certificate of occupancy, provided such use is not an adult entertainment use as defined in the New York City Zoning Resolution or as a discotheque or dance club, or is not illegal, noxious or immoral.

Section 5.8 Use of the Common Elements and Residential Limited Common Elements. (A) Subject to the terms of paragraph (B) of this Section 5.8, the Common Elements (including, without limitation, the electrical, heating, cooling, venting, gas, plumbing and other mechanical systems and equipment of the Building and the Facilities) and Limited Common Elements may be used only for the furnishing of the services and facilities, and for the other uses, for which they are reasonably suited and capable. In addition, no furniture, packages, or objects of any kind shall be

placed in the lobbies, vestibules, public halls, stairways, public elevators, or any other part of the Common Areas (except for those areas designated as storage areas) without the prior written consent of the Board. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them. Accordingly, all Residential Unit Owners shall require their tradesmen to utilize exclusively the elevator and entrance in the manner designated by the Board for transporting packages, merchandise, or other objects.

(B) The terms of paragraph (A) of this Section 5.8 shall not apply to Sponsor or its designee for so long as there are any Unsold Units. Sponsor or its designee shall have the right, without charge or limitation, to: (i) have its employees, contractors, subcontractors and sales agents present on the Property; and (ii) do all things necessary or appropriate, including the use of the Common Elements and Limited Common Elements, to sell, lease, manage, or operate Unsold Units, to complete any work or repairs to the Building expressly undertaken by Sponsor and to comply with Sponsor's obligations under the Plan and the Condominium Documents. In no event, however, shall Sponsor or such designee be entitled to use any Common Elements or Limited Common Elements in such a manner as will unreasonably interfere with the use of any Unit for its permitted purposes.

Section 5.9 Rights of Access. (A) Subject to the rights of existing tenants and other occupants of Unsold Units, each Unit Owner shall grant to the Board, to the Managing Agent or manager (if any), to the superintendent and/or to any other Person authorized by any of the foregoing a right of access to his Unit for the purpose of:

(i) making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or Limited Common Elements, or any other part of the Property;

(ii) curing defaults hereunder or under the Declaration or violations of the Rules and Regulations committed by such Unit Owner or correcting any conditions originating in his Unit and threatening another Unit or all or a portion of the Common Elements or Limited Common Elements;

(iii) performing maintenance, installations, alterations, repairs, or replacements to the mechanical or electrical services, or other portions of the Common Elements or Limited Common Elements within his Unit or elsewhere in the Building;

(iv) reading, maintaining, or replacing utility meters relating to the Common Elements or Limited Common Elements to his Unit, or to any other Unit; or

(v) correcting any condition that violated the provisions of any Permitted Mortgage encumbering another Unit.

Except in cases of any emergency (that is, a condition requiring repairs or replacements immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals, or required to avoid the suspension of any necessary service in the Building), the foregoing rights of access shall be exercised only upon not less than one day's advance notice and only in such a manner as will not unreasonably interfere with the business of any tenants or occupants of the Units or the use or operation of the Units for their permitted purposes. In cases of emergency, however, such rights of access may be exercised immediately, without advance notice and whether or not the Unit Owner is present.

Section 5.10 Modification of the Rules and Regulations. The Board shall have the right to amend, modify, add to, or delete any of the Rules and Regulations from time to time, provided, however, that any such amendment, modification, addition, or deletion may be overruled by a vote of a Majority of Unit Owners. Copies of the text of any amendments, modifications, additions, or deletions to the Rules and Regulation shall be furnished to all Unit Owners to whom same relate not less than thirty (30) days prior to the effective date thereof.

Section 5.11 Water Charges and Sewer Rents. (A) Water for the Building shall be supplied by the City of New York and consumption thereof shall be measured by one meter for the Building. Meter charges to the Commercial Unit shall be paid by the Commercial Unit Owner, and meter charges to the Residential Units shall be paid by the Residential Unit Owners in proportion to their respective interest in the Common Elements allocated to the Units.

(B) Each Unit Owner shall be deemed to have appointed the Board to act as his agent in connection with tax certiorari proceedings, and the Commercial Unit Owners may at their option so appoint the Board.

Section 5.12 Electricity and Gas. (A) Electric service in all Units is individually metered. Accordingly, all charges for electricity consumed or used in each Unit shall be paid by each Unit Owner directly to Con Edison as and when billed. Gas service provided to each Unit is measured by a single meter located in the Building's cellar. All gas charges shall be paid by the Board as a Common Charge billed to the Residential Unit Owners as a Common Charge in proportion to their respective Common Interests.

Section 5.13 Utilities Serving the Common Elements. The cost and expense of water, electricity and gas serving or benefitting any Common Element shall be (i) considered part of the expense of maintaining such Common Element, (ii) determined by the Board and (iii) charged as a Common Expense to all Unit Owners only in the proportion that each Unit's Common Interest bears to the aggregate Common Interest of all Units.

Section 5.14 Vault Charges. All license fees, and all periodic taxes and charges, for vaults or other protrusions beyond the Building line shall be paid by the Board as a Common Expense.

Section 5.15 Records and Audits. (A) The Treasurer of the Condominium, or the Managing Agent under the supervision of such Treasurer, shall keep full, detailed and accurate records and books of account with respect to the financial affairs of the Condominium, which records and books of account shall include, without limitation, (i) a listing of all receipt of and expenditures by the Board and the Managing Agent and (ii) a separate listing for each Unit, setting forth, among other things, the amount of each assessment of Common Charges, real estate taxes, if applicable, and, as the case may be, Special Assessments levied against such Unit, the date when due, the amounts paid thereon and the date thereof and the balance, if any, remaining unpaid.

(B) Within five (5) months after the end of each fiscal year of the Condominium, the Board shall submit to each Unit Owner, and, if so requested, to any Permitted Mortgagee, an annual report of the receipts and expenditures of the Condominium prepared and certified by an independent certified public accountant. The cost of preparing and distributing each such report shall be borne by the Board as a Common Expense to all Unit Owners.

ARTICLE 6

COMMON CHARGES; RESERVE FUND AND WORKING CAPITAL

Section 6.1 Determination of Common Expenses and Fixing of Common Charges.

(A) From time to time, but not less frequently than once a year, the Board shall: (i) prepare and adopt a budget for the Condominium, subject, in all respects, to the limitations set forth in these By-Laws; (ii) determine the aggregate amount of Common Charges necessary to be charged to all Unit Owners in order to meet the Common Expenses relative to the Common Elements and the Limited Common Elements, including the annual amount to be paid by the Commercial Units Owner. Common Expenses may also include such amounts as the Board may deem necessary and proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Common Elements; (iii) allocate and assess such Common Charges to be paid pro rata by the Unit Owners in accordance with their respective Common Interest and (iv) determine and assess the allocable shares of expenses for water, heating, gas and electricity payable by the Commercial Unit Owners (except as otherwise provided in the Declaration or in these By-Laws).

(B) (1) The annual amount to be paid by the Commercial Unit Owner in connection with shared expenses shall include all of the categories of expense set forth in "Schedule B - Projected Budget for First Year of Condominium Operation" in the Plan, or any different expenses which at some time in the future are established in lieu of the foregoing expenses. The allocable share of the foregoing categories of expenses paid by the Owner of the Commercial Unit shall be based upon the Common Interests of the Commercial Unit.

(2) If at any time after the first year of Condominium operation, either the Commercial Unit Owner or the Board shall dispute the foregoing basis for allocating the Common Charges payable by the Commercial Unit Owner, the parties shall select a licensed engineer, real estate broker or management firm with expertise in surveys or allocations pertinent to the Common

Expense in controversy to make such determination. If the Commercial Unit Owner and the Board are unable to agree on an expert or disagree with the expert's determination, the matter shall be submitted to arbitration in accordance with the provisions of Article 10.

(3) If the Commercial Unit is subdivided and such subdivision results in an increase in shared expenses attributable to the Commercial Unit or the use is changed so as to increase the extent to which the Commercial Unit uses any Common Elements or services which are paid for as Common Expenses, then, the Commercial Unit Owner shall pay any increase in share expenses resulting from such subdivision or change in use. Additionally, if insurance premiums are increased as a result of the use or a change in the use of the Commercial Unit or any portion thereof, then the Commercial Unit Owner responsible for such increase shall pay any increase in such premium attributable to such use or change in use of the Commercial Unit.

(4) If in the future, any categories of Common Expense other than those provided for at the date of recording of the Declaration are assessed by the Board as Common Charges, then the Commercial Units Owner will pay its allocable share of the expense fairly attributable to the Commercial Unit (based on its Common Interest). However, if the Commercial Unit Owner uses or incurs a disproportionate portion of the expense relative to its Common Interest (whether too low or too high), then the Commercial Unit Owner shall be required to pay its fair share of such expense as determined by a licensed engineer, real estate manager or management firm selected by the Commercial Unit Owner and the Board or in the event the Commercial Unit Owner and the Board cannot agree upon a real estate manager or management firm, as determined by arbitration in accordance with the provisions of Article 10.

(C) The Board may, in its sole discretion, from time to time increase or decrease the amount of Common Charges allocated to the Units and payable by the Unit Owner and may modify its prior determination of the Common Expenses for any fiscal year so as to increase or decrease the amount of Common Charges payable for such fiscal year or portion thereof. In the event of a change in the amount payable as Common Charges for each individual Unit Owner, the Board shall advise all such Unit Owner in writing promptly after same are determined of the amount of Common Charges payable by each of them. The Board shall, not later than ten (10) days next preceding the date upon which the first installment of newly determined Common Charges is due, furnish copies of the budget (in a reasonable itemized form) upon which such Common Charges are based to all Unit Owners and to their respective Permitted Mortgagees. Notwithstanding the above, no such revised determination of Common Expenses shall have a retroactive effect on the amount of Common Charges payable by Unit Owners for any period prior to the date of such new determination nor shall the Board reduce the Common Charges payable by the Unit Owners during any year occurring within the Initial Control Period solely as a result of a reduction in the number of employees of the Condominium below the number employed for the Property on the date of recording the Declaration, or eliminating or reducing any service or reducing the insurance coverage below that provided for the Property on such date, except with the concurrence of a majority of those members of the Board elected by Unit Owners other than Sponsor or its designee.

(D) The failure or delay of the Board to prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges. In such event, the Common Charges that were computed on the basis of the Common Expenses last determined for any fiscal year or portion thereof shall continue thereafter to be the Common Charges payable by the Unit Owners until a new determination of the Common Expenses shall be made.

(E) (1) In addition to the foregoing duty to determine the amount of and assess Common Charges, the Board shall have the right, subject, in all respects, to the limitations contained in Section 2.5 hereof, to levy Special Assessments to meet the Common Expenses. All Special Assessments shall be levied against all Unit Owner (if involving the Common Elements only), the Unit Owners other than the Commercial Unit Owner only (if involving the Commercial Unit only), in proportion to their respective Common Interests. Until such time as each Unit has a separate tax lot for purposes of real estate taxes, the Board shall collect such taxes (as the case may be) in the form of a Special Assessment or additional Common Charges for forwarding same to the appropriate taxing authority on behalf of Unit Owners (subject to Section 5.11).

(2) Special Assessments may be payable either in one lump sum or in installments, as the Board shall determine, provided, however that the Board shall give each Unit Owner not less than fifteen (15) days' written notice prior to the date upon which such Special Assessment, or the first installment thereof, shall be due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof. The Board shall have all rights and remedies for the collection of Special Assessments as are provided herein for the collection of Common Charges (including, without limitation, the provisions of Section 6.4 hereof).

(F) The excess of all rents, profits and revenues derived from the rental or use of any space forming a part of, or included in, any Common Element remaining after deduction of all expenses incurred in connection with generating the same shall constitute income of the Unit Owners and shall be collected on behalf of the Unit Owners by the Board and applied against the Common Expenses respectively, for the year in which the collected. In the event that such net rents, profits and revenues, together with the Common Charges and any Special Assessments collected from the Unit Owners (other than any Common Charges or Special Assessments segregated from other funds of the Condominium and earmarked for reserves to make capital repairs, replacements, improvements and/or additions to the Common Elements as provided in Section 6.5 hereof), for any year of operation shall exceed the Common Expenses for such year, then such excess shall be applied by the Board against the Common Expenses for the next succeeding year(s) of operation, and no Unit Owner shall be entitled to a distribution of any portion of such excess unless the Board shall determine to distribute all or part of such excess to all Unit Owners pro rata, in proportion to their respective Common Interests. Notwithstanding any provisions contained in these By-Laws or in the Declaration to the contrary, however, in no event shall any rent, profit, or revenue, derived from the rental or use of any space in the Building be deemed to be derived from the rental or use of any floors slabs, ceilings, or walls delineating or

enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

Section 6.2 Payment of Common Charges. (A) All Unit Owners (including Sponsor or its designee with respect to Unsold Units, for so long as the same are owned thereby), shall be obligated to pay Common Charges and Special Assessments assessed by the Board pursuant to the terms of Section 6.1 hereof at such time or times (but not less than annually) as the Board shall determine. Unless otherwise determined by the Board, Common Charges shall be payable in equal installments on the first day of every month in advance. To the extent permitted by Law, the Board shall have a lien on each Unit, on behalf of all Unit Owners, for unpaid Common Charges and Special Assessments assessed against such Unit. Such lien, however, shall be subordinate to any liens for unpaid real estate taxes assessed against such Unit (to the extent required by law) and to any lien of a prior recorded Permitted First Mortgage pursuant to the following subparagraph (B).

(B) No Unit Owner shall be liable for the payment of any part of the Common Charges and any Special Assessments assessed against its Unit subsequent to a sale, transfer, or other conveyance by him of such Unit, together with its Appurtenant Interests, made in compliance with the terms of Article 7 hereof. A purchaser or other successor-in-title to the owner of a Unit shall be liable for the payment of all Common Charges and any Special Assessments accrued and unpaid against such Unit prior to its acquisition thereof, except that, a Permitted First Mortgagee acquiring title to a mortgaged Unit or a purchaser at a mortgage foreclosure sale held with respect to a Permitted First Mortgage shall not be liable, and such mortgaged Unit shall not be subject to a lien, for the payment of any Common Charges and Special Assessments assessed subsequent to the recording of such Permitted First Mortgage and prior to the acquisition of title to such Unit by Permitted First Mortgagee or by such purchaser. However, in the event of a foreclosure of a Permitted First Mortgage (whether by sale, deed in lieu of foreclosure, or otherwise), the defaulting Unit Owner shall remain fully liable for the payment of all unpaid Common Charges and Special Assessments that accrued prior to such foreclosure. Any unpaid Common Charges and Special Assessments that are not collected from such defaulting Unit Owner shall be deemed a Common Expense, collectible from all those who are Unit Owners at the time that the same is levied.

(C) Subject to the terms and conditions contained in these By-Laws, any Unit Owner (except Sponsor or Sponsor's designee) may convey his unit, together with its Appurtenant Interests, to the Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, without being compensated therefor, and, in such event, be exempt from the payment of Common Charges and Special Assessments thereafter accruing, provided, however, that: (i) all Common Charges and any Special Assessments then due and payable with respect to such Unit have been paid; (ii) such Unit is free and clear of all liens and encumbrances other than a Permitted First Mortgage and the statutory lien for unpaid Common Charges and Special Assessments (provided no monies are then owing under such statutory lien); and (iii) no violation of any provision of the Condominium Documents then exists with respect to such Unit.

(D) No Unit Owner shall be exempted from liability for the payment of Common Charges or Special Assessments by waiving the use or enjoyment of any or all of the Common Elements or by abandoning his Unit (except with respect to a conveyance of the same to the Board, without compensation, pursuant to the terms of paragraph (C) hereof). Except as expressly provided to the contrary in paragraph (E) of Section 5.5 hereof, no Unit Owner shall be entitled to a diminution or abatement in the Common Charges or Special Assessments payable thereby for any inconvenience or discomfort arising from: (i) the failure or interruption of any utility or other services; (ii) the making of such repairs or improvements to the Common Elements, or any Unit (including, without limitation, such Unit Owner's Unit) pursuant to the terms of Section 5.1, 5.2, or 5.3 hereof; or (iii) any action taken by the Board or the officers of the Condominium to comply with Law.

Section 6.3 Statement of Common Charges. The Board shall promptly provide a written statement of all unpaid Common Charges due from any Unit Owner upon its receipt of a written request therefor from such Unit Owner. In addition, each Unit Owner shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 6.4 Default in Payment of Common Charges. (A) The Board shall take prompt action to collect any Common Charges and any Special Assessments due to the Board that remain unpaid for more than thirty (30) days after the due date. In connection therewith, the Board shall have the right and obligation to cause liens for all sums due and owing to the Board to be filed in the Register's Office pursuant to the terms of Section 339-z of the Condominium Act, to cause such liens to be foreclosed in the manner provided in Section 339-aa of the Condominium Act and/or to institute all other proceedings deemed necessary or desirable by the Board to recover all such unpaid Common Charges, together with all additional sums of money collectible by the Board by reason of such nonpayment pursuant to the terms of paragraph (B) hereof. A suit to recover a money judgment for unpaid Common Charges, however, shall be maintainable without foreclosing or waiving the lien securing such charges.

(B) In the event that any Unit Owner shall fail to make payment within fifteen (15) days from the due date of Common Charges or Special Assessments, such Unit Owner shall be obligated to pay (1) a late charge of \$.04 for each dollar of such amounts remaining unpaid for more than fifteen (15) days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid) and (2) interest thereon at the rate of 2% per month (but in no event in excess of the maximum rate permitted by law) on such unpaid amounts (less any late charges) computed from the due date thereof until paid in full, together with all costs and expenses paid or incurred by the Board, the Managing Agent, or the manager (if any) in connection with collecting such unpaid Common charges with said interest or late charge (as the case may be) and/or in foreclosing the aforementioned lien, including, without limitation, reasonable attorneys' fee, disbursements and court costs. In addition, if the Board shall bring an action to foreclose the aforementioned lien, the defaulting Unit Owner will be required to pay a reasonable rental for the use of his Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a

receiver to collect the same. All such late charges, interest, costs and expenses and rentals shall be added to and shall constitute Common Charges payable by Unit Owner.

(C) In any action brought by the Board to foreclosure a lien on a Unit because of unpaid Common Charges or Special Assessments on the Unit, the Board shall have, on behalf of all Unit Owners, the power to purchase such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey, or otherwise deal with such Unit (but not to vote appurtenant to the same). In the event that the new proceeds received on such foreclosure (after deduction of all legal fees and disbursements, advertising costs, brokerage commissions, court costs and other costs and expenses paid or incurred in connection therewith) shall be insufficient to satisfy the defaulting Unit Owner's obligations to the Condominium, such Unit Owner shall remain liable for the deficit. Any surplus on such foreclosure sale shall be paid to the defaulting Unit Owner after first paying all liens on such Unit Owner's Unit in the order or priority of such liens.

(D) If the Common Charges due with respect to any Unit which is not occupied by its owner and is leased to third parties, including Unsold Units owned by the Sponsor, shall remain due and unpaid for more than sixty (60) days after the same became due and, after the expiration of all applicable grace periods, then the Board may demand that the tenants of such Units pay their rent directly to the Board. The Board's demand shall be in a writing delivered to both the tenant of the Unit and the non-occupying Owner and shall state the date as of which such direct rent payments to the Board shall commence and the address at which such payments shall be made. Such direct payment shall continue for so long as any arrears of Common Charges, late fees and Special Assessments affecting the Unit shall remain unpaid. If the non-occupying Unit Owner disputes the basis upon which the Board exercises its rights hereunder, such non-occupying Unit Owner may request an opportunity to present the facts pertaining to his claim at a special meeting of the Board, which shall be held within thirty (30) days after such Unit Owner delivers a written request for such a meeting.

Section 6.5 Reserve Fund; Working Capital Fund. (A) The Board may, in its sole discretion, but subject to the provisions of the Declaration, these By-Laws and the Rules and Regulations, from time to time assess Common Charges for the creation of, addition to or replacement of all or any part of any reserve, working capital or similar fund.

(B) In the case of any reserve fund, the Common Charges so assessed and allocated shall be used solely for the purchase or performance of goods or services for the repair, replacement or improvement of the capital plant of the Building and no portion of such funds shall be used for the payment of expenses associated with the day-to-day maintenance, repair or operation of the Building.

ARTICLE 7

SELLING AND LEASING OF UNITS

Section 7.1 General. Subject to the terms of Section 7.5 hereof, no Unit Owner may sell or lease its Unit other than the Sponsor as to Unsold Units and the Commercial Unit Owner except in compliance with the applicable provisions of this Article 7. Any purported sale or lease consummated in breach of this Article shall be voidable at the election of the Board, and, if the Board shall so elect, the breaching Unit Owner shall be deemed to have authorized and empowered the Board to institute legal proceedings to eject the purported purchaser (in the event of any unauthorized sale) or to evict the purported tenant (in the event of an authorized leasing) in the name of the said Unit Owner as the owner or landlord, as the case may be. The said Unit Owner shall reimburse the Board for all costs and expenses paid or incurred in connection with such proceedings, including, without limitation, reasonable attorneys' fees and disbursements and courts costs.

Section 7.2 Right of First Refusal. Subject to the terms of Section 7.5 and 7.9, any contract to sell a Unit together with its Appurtenant Interests and any lease of a Unit (hereinafter collectively referred to as a "Sale or Lease Agreement"), other than the Unsold Units and the Commercial Units, shall contain the following language: "THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE HEREBY MADE EXPRESSLY SUBJECT TO THE RIGHT OF FIRST REFUSAL IN FAVOR OF THE CONDOMINIUM BOARD OF THE 88 WASHINGTON PLACE CONDOMINIUM WITH RESPECT TO THE TRANSACTION EMBODIED HEREIN, PURSUANT TO THE TERMS OF SECTION 7.2 AND 7.3 OF THE BY-LAWS OF THE 88 WASHINGTON PLACE CONDOMINIUM AS THE SAME MAY HAVE BEEN AMENDED". Promptly after any such Sale or Lease Agreement shall have been fully executed, the Unit Owner executing the same (hereinafter referred to as the "Offeree Unit Owner") shall send written notice thereof to the Board by certified or registered mail, return receipt requested, with a fully executed, original counterpart of the Sale or Lease Agreement, containing all of the terms offered in good faith by the prospective purchaser or tenant (hereinafter referred to as the "Outside Offeror").

(B) The sending of the notice referred to in paragraph (A) of this Section 7.2 shall constitute an offer by the Offeree Unit Owner to sell its Unit together with its Appurtenant Interests, or to lease its Unit, as the case may be, to the Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, upon the same terms and conditions as are contained in such Sale or Lease Agreement, subject, however, to any variance therefrom provided in Section 7.3 hereof. The giving of such notice shall further constitute a representation and warranty by the Offeree Unit Owner to the Board, on behalf of all Unit Owners, that such Offeree Unit Owner believes the Sale or Lease Agreement to be bona fide in all respects. Thereafter, upon the written demand of the Board the Offeree Unit Owner shall submit to the Board, in writing, such further information with respect to the Outside Offeror and the Sale or Lease Agreement as the Board may reasonably request.

(C) The Board may elect, by sending written notice thereof to the Offeree Unit Owner by certified or registered mail not later than thirty (30) business days after receipt of the notice referred to paragraph (A) hereof together with such further information as may have been requested pursuant to the terms of paragraph (B) hereof, to purchase such Unit together with its Appurtenant Interests (or to cause the same to be purchased by its designee, corporate or otherwise) on behalf of all Unit Owners upon the same terms and conditions as were contained in the Sale or Lease Agreement and stated in the response(s) by the Offeree Unit Owner to any requests for additional information pursuant to the terms of paragraph (B) hereof.

Section 7.3 Acceptance of Offer. (A) In the event that the Board shall elect, within the time and in the manner provided in Section 7.2 hereof, to purchase a Unit together with its Appurtenant interests, or to cause the same to be purchased by its designee, or to lease the Unit, title shall close or a lease shall be executed, in either event, in accordance with the terms of the Sale or Lease Agreement, at the office of the attorneys for the Condominium within ninety (90) days after the day upon which the Board shall give notice or its election to accept such offer.

(B) The purchase price and all costs and expenses incurred in connection therewith will be assessed to all Unit owner. If such Unit and its Appurtenant Interest are to be purchased by the Board or its designee on behalf of all Unit Owners, such purchase may be made from the funds deposited in the capital and/or expense, accounts of the Condominium. If the funds in such accounts are insufficient to effectuate such purchase, the Board may levy a Special Assessment against each Unit Owner (other than the Offeree Unit Owner), in accordance with the terms of paragraph (C) of Section 6.1 hereof 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 on or a hypothecation of any portion of the Property other than the Unit to be purchased together with its Appurtenant Interest. In addition, if the Outside Offeror was to assume or to take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, in the case of a sale, the Board may purchase the Unit and assume or take title thereto subject such mortgage or mortgages, as the case may be. At the closing of title, the Offeree Unit Owner shall convey the Unit, together with its Appurtenant Interest, to the Board or to its designee, on behalf of all Unit Owners, by deed in the form required by Section 339-o of the Condominium Act with all tax and/or documentary stamps affixed at the expense of the Offeree Unit Owner, who shall also pay all other transfer taxes arising out of such sale notwithstanding any terms of the Sale of Lease Agreement to the contrary. Real estate taxes (including water charges and sewer charges, if separately assessed) mortgage interest (if applicable) and Common Charges shall be apportioned between the Offeree Unit Owner and the Board or its designee as of the closing date, notwithstanding any terms of the Sale or Lease Agreement to the contrary. Thereafter, such Unit shall be held, so long as the same is owned by the Board or its designee, on behalf of all Unit Owners, and all such Unit Owners shall be deemed to have waived all rights of partition with respect to such Unit and the entire Property, as herein provided.

(C) In the event that such Unit to be leased by the Board or its designee, the Offeree Unit Owner shall execute and deliver to the Board or such designee a lease covering such Unit by and between the Offeree Unit Owner, as landlord, and the Board or such designee, as tenant. Such lease shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc. or the Bar Association of the City of New York, shall contain all of the terms and conditions of the Sale or Lease Agreement not in conflict with any such form of lease, including without limitation, the rental and term provided for therein. Notwithstanding anything to the contrary set forth hereinabove or in the Sale or Lease Agreement, however, such lease shall expressly provide that the Board or such designee may enter into a sublease of the premises demised thereunder without consent of the landlord.

(D) Until such Unit is no longer owned by the Board, all costs and expenses of owning, maintaining, repairing, altering, improving, operating, leasing and managing same (including, but not limited to, purchase price, finance payments and charges, brokerage commissions and legal fees) shall be assessed solely to all remaining Unit Owners as a Common Expenses. In the event such Unit is used by the Board, the aforesaid costs plus rent and additional rent, if any, shall be assessed to all Unit Owners as a Common Expense. Likewise, all income, revenue and profit derived from such Unit shall be collected in behalf of all Unit Owners and used to defray the Common Charges.

(E) All Units acquired by the Board or its designee in connection with the enforcement of its lien unpaid Common Charges shall be held by the Board or its designee on behalf of all Unit Owners. The purchase price and all costs and expenses incurred in connection therewith shall be assessed to all Unit Owners as a Common Expense. Such Units shall not be subject to partition or occupancy by other Unit Owners and until no longer owned or lease by the Board, all costs and expenses shall be assessed to all Unit Owners as a Common Expense.

Section 7.4 Failure to Accept Offer. (A) If the Board fails to accept an offer made pursuant to the terms of Section 7.2 hereof with the times set forth in paragraph (C), the Offeree Unit Owner shall be free to consummate the transaction embodied in the Sale or Lease Agreement within ninety (90) days after (i) notice of refusal is sent or the Offeree Unit Owner by the Board or (ii) the expiration of the period within which the Board or its designee might have accepted such offer, as the case may be. If the Offeree Unit Owner shall fail to consummate the transaction embodied in the Sale or Lease Agreement within such ninety (90) day period, then, should the Offeree Unit Owner thereafter elect to sell such Unit together with its Appurtenant Interests or to lease such Unit, the Offeree Unit Owner shall be required again to comply with all of the terms and provisions of Sections 7.2, 7.3, and 7.4 hereof.

(B) Any deed of a Unit and its Appurtenant Interests to an Outside Offeror shall expressly provide that the acceptance thereof by the grantee constitutes an assumption of all of the terms of the Condominium Documents, and, in the absence of such express language, the same shall be conclusively deemed to have been included therein.

(C) Each lease of a Unit to an Outside Offeror shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., subject to such modifications as may be approved in writing by the Board. Notwithstanding the foregoing, however, each such lease shall be consistent with the Condominium Documents and shall expressly provide, and be deemed to expressly provide, that:

(i) such lease may not be amended, modified, or extended without the prior written consent of the Board in each instance;

(ii) the tenant thereunder shall not assign his interest in such lease or sublet the premises demised thereunder or any part thereof without the prior written consent of the Board in each instance; and

(iii) the Board shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder in the event of (a) a default by the tenant in the performance of its obligations under such lease or (b) a foreclosure of the lien granted by Section 339-z of the Condominium Act.

Section 7.5 Termination of, and Exceptions to, the Right of First Refusal. (A) A certificate executed and acknowledged by an officer of the Condominium stating that the provisions of Section 7.2 hereof have been met by a Unit Owner or that the right of first refusal provided for therein has been duly released or waived by the Board and that, as a result thereof, the rights of the Board thereunder have terminated, shall be conclusive upon the Board and all Unit Owners in favor of all persons who rely upon such certificate in good faith. After the due issuance of such a certificate, the Unit to which the same shall relate, together with its Appurtenant Interests, may be sold, conveyed, or leased free and clear of the terms and conditions contained in Section 7.2 hereof.

The Board shall furnish or cause the Managing Agent to furnish, such certificate upon written request to any Unit Owner in respect to whom the provisions of Section 7.2 hereof have, in fact, been terminated. In no event, however, shall the right of first refusal described in Section 7.2 hereof be deemed released or waived by the Board (as opposed to satisfied pursuant to the express terms of Section 7.2, 7.3 and 7.4 hereof) in the absence of a certificate that has been duly executed, acknowledged and issued by the Board or the Managing Agent as aforesaid.

(B) The terms and conditions contained in Sections 7.2, 7.3 and 7.4 hereof shall not apply with respect to any sale, lease, or conveyance of a Unit, together with its Appurtenant Interests, by:

(i) the owner of such Unit to any of his adult Family Members, to any combination of the same, or to a trust for the benefit of any of them or, with respect to a Unit Owner that is not an individual, to any entity or individual that own more than fifty (50%) percent of the legal and beneficial interests of such Unit Owner or to any entity with respect to which such Unit Owner (individual or otherwise) owns more than fifty (50%) percent of the legal and beneficial interest thereof;

- (ii) Sponsor, or its designee, with respect to the Unsold Units;
- (iii) Commercial Unit Owners with respect to the Commercial Units;
- (iv) the Board;
- (v) 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
- (vi) any Permitted Mortgage, or his nominee, who has acquired title to any Unit at any foreclosure sale of his or her 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 shall continue to be subject to, all of the terms and conditions of this Article 7. In addition, the terms and conditions contained in Section 7.2 hereof shall in no event apply to a sale, lease, or conveyance of (i) a Unit to a Permitted Mortgagee or a purchaser at a foreclosure sale of a Permitted Mortgage in connection with a foreclosure or a sale in lieu of foreclosure or (ii) either all or a portion of the Commercial Units, together with this Appurtenant Interest.

Section 7.6 No Severance of Ownership. No Unit Owner shall execute any deed or other instrument conveying title to his Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of combined ownership. Any deed or other instrument purporting to affect one or more such interests shall be taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, conveyed, or otherwise disposed of, except as part of a sale, conveyance, or other disposition of the Unit to which such interests are appurtenant or as part of a sale, conveyance, or other disposition of such part of the Appurtenant Interests of all Units. Nothing contained in this Section 7.6, however, shall prohibit the lease of any Unit without the simultaneous lease of its Appurtenant Interests.

Section 7.7 Payment of Common Charges. No Unit Owner shall be permitted to convey or lease his Unit unless he shall have paid in full to the Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, other than that of Permitted Mortgages, levied against such Unit. A letter from an officer of the Board or the Condominium's Managing Agent stating the amount of any Common Charges and Special Assessments, if any, with respect to such Unit may be relied upon as conclusive evidence of such fact. Notwithstanding the foregoing, any conveyance or lease of an Unsold Unit without complying with the provisions of this Section 7.7 shall not affect the validity of such conveyance or lease.

Section 7.8 Power of Attorney. (A) At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and deliver to the

representative of his title insurance company (or, if no such representative is present, to Sponsor or its designee, or if Sponsor or its designee is not then the owner of any Unsold Unit, to the Board) for recording in the Register's Office, the Unit Owner's Power of Attorney required in Article 14 of the Declaration, in the form set forth as Exhibit E to the Declaration.

(B) In the case of Unit Owners who acquire Unit subject to the tenancies of Non-Purchasing Tenants, such Unit Owners shall also execute and deliver a power of attorney appointing the Board, or its duly selected Managing Agent, and their respective successors and assigns as such Unit Owner's agent for the provision of all goods and services required by law to be provided to such Non-Purchasing Tenant and/or the Unit they occupy.

Section 7.9 Gifts and Devises, Etc. Any Unit Owner shall be free to convey or transfer his Unit, together with its Appurtenant Interests, by gift, or to devise the same by will or to have the same pass by intestacy, provided, however, that each succeeding Unit Owner shall be bound by, and his Unit shall be subject to, the provisions of this Article 7.

Section 7.10 Charges Imposed on Sale or Lease of Units. If not prohibited by Law, the Board shall have the right and authority to fix by resolution and collect, before any sale or lease of a Unit (other than an Unsold Unit or the Commercial Units) 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 Common Charges payable by the transferor Unit Owner. Notwithstanding the foregoing, such charge shall not be collected from Sponsor or its designee, in the event Sponsor or its designee sells or leases an Unsold Unit, or from the Commercial Unit Owners in connection with a sale or lease of all or part of the Commercial Units.

ARTICLE 8

MANAGING OF UNITS

Section 8.1 General. Each Unit Owner shall have the right to mortgage his or her Unit, subject only to the terms and conditions contained in Section 8.2 hereof. Any Unit Owner who mortgages his Unit, or the holder of such mortgage, shall supply the Board with the name and address of his mortgagee and, if requested by the Board, shall file a conformed copy of the note and mortgage with the Board. Any Unit owner who satisfies a mortgage covering his Unit shall so notify the Board and, if requested by the Board, shall file a conformed copy of the satisfaction of mortgage with the Board.

Section 8.2 Restrictions on Mortgaging. (A) No Unit Owner (other than the owner of an Unsold Unit) shall be permitted to mortgage, pledge, or hypothecate his Unit unless and until he shall have paid in full to the Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, levied against such Unit except the liens of Permitted Mortgages. A letter from the Board or the Managing Agent

stating the amount of unpaid Common Charges and Special Assessments, if any, with respect to such Unit may be relied upon as conclusive evidence of payment to its date.

(B) No Unit Owner shall execute any mortgage or other document mortgaging, pledging, or hypothecating title to his Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein.

Section 8.3 Notice of Unpaid Common Charges and Default. Whenever requested in writing by a Permitted Mortgagee, the Board shall promptly report to such Permitted Mortgagee any default by his mortgagor(s) in the payment of Common Charges or Special Assessments or in the observance or performance of any of the provisions of the Condominium Documents as to which the Board has knowledge then exists. The Board shall, when giving notice to a Unit Owner of any such default, also send a copy of such notice to his Permitted Mortgagee if so requested. However, the Board shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of such default by his mortgagor, provided that (i) the Board shall advise such Permitted Mortgagee of the default promptly after discovering such failure and (ii) if the Board shall foreclose a lien on such mortgagor's Unit pursuant to the terms of Section 6.4 hereof by reason of such default, the Board shall pay to such Permitted Mortgagee any net proceeds of any foreclosure sale of such Unit (subject to and in accordance with the lien priority set forth in Article 6 above) or such lesser sum as shall be due and owing to such Permitted Mortgagee.

Section 8.4 Performance by Permitted Mortgagees. Any sum of money to be paid or any act to be performed by a Unit Owner pursuant to the terms of the Condominium Documents may be paid or performed by his Permitted Mortgagee, and the Board shall accept such Permitted Mortgagees payment or performance with the same force and effect as if the same were paid or performed by such Unit Owner.

Section 8.5 Examination of Books. Each Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 8.6 Consent of Mortgagees; Designation of Mortgage Representatives. (A) Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against his mortgagor. In the event that any such consent or approval shall be expressly required pursuant to the terms of the Declaration or there By-Laws, the decision of a majority of the Mortgage Representatives, if any are designated pursuant to the terms of paragraph (B) of this Section 8.6, shall be deemed binding upon the holders of all mortgages encumbering Units.

(B) The holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages may, if they so elect, designate not more than two (2) Mortgage Representatives by giving written notice thereof to the Board, which Mortgage Representative shall thereby be empowered to act as the representatives of the holders of all mortgages encumbering Units with respect to any matter requiring the consent or approval of mortgagees under the Declaration or these By-Laws. Any designation of a Mortgage Representative pursuant to the terms of this paragraph (B) shall be effective until any successor Mortgage Representative is designated pursuant to the terms hereof and written notice thereof is given to the Board. Unless otherwise required by Law, no holders of mortgages encumbering Units other than Permitted Mortgagees who hold Institutional Mortgages shall be entitled to participate in the designation of Mortgage Representatives, but all holders of mortgages encumbering Units shall be subject to all determinations made by the Mortgage Representatives pursuant to the terms of the Declaration or these By-Laws.

ARTICLE 9

CERTAIN REMEDIES

Section 9.1 Self Help. If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his part to be observed or performed, including, without limitation, any breach of his obligation to paint, decorate, maintain, repair, or replace his Unit or its appurtenant Limited Common Elements pursuant to the terms of Article 5 hereof, and shall fail to cure such violation or breach within five (5) days after receipt of written notice of the same from the 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 Board shall have the right to enter such Unit Owner's Unit and/or its appurtenant Limited Common Elements and summarily to abate, remove, or cure such violation or breach without thereby being deemed guilty or liable in any manner or trespass. In addition, in the event that the 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 Board may take such action immediately, without prior notice and without allowing the said Unit Owner any period of time within which to cure or to commence to cure such violation or breach.

Section 9.2 Abatement and Injunction. (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 Board shall have the right to seek to enjoin, abate, or otherwise remedy the continuance or repetition of any such violation or breach by appropriate proceeding brought either at law or in equity.

(B) The violation or breach of any of the terms of the Condominium Documents with respect to any of the rights, easements, privileges, or licenses granted to Sponsor or its designee shall give to Sponsor or such designee the right to enjoin, abate, or remedy the continuation or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity.

Section 9.3 Remedies Cumulative. The remedies specifically granted to the Board or to Sponsor or its designee in this Article 9 or elsewhere in the Condominium Documents shall be cumulative, shall be in addition to all other remedies obtainable at law or in equity and may be exercised at one time or at different times, concurrently or in any order, in the sole discretion of the Board or Sponsor or such designee, as the case may be. Further, the exercise of any remedy shall not operate as a waiver, or preclude the exercise, of any other remedy.

Section 9.4 Costs and Expenses. All sums of money expended, and all costs and expenses incurred, by (i) the Board in connection with the abatement, enjoinder, removal, or cure of any violation, breach, or default committed by a Unit Owner pursuant to the terms of Section 9.1 or paragraph (A) of Section 9.2 hereof or (ii) Sponsor in connection with any abatement, enjoinder, or remedy of any violation or breach of the Condominium Documents pursuant to the terms of paragraph (B) of Section 9.2 hereof, shall be immediately payable by (a) in the event set forth in subparagraph (i) hereof, such Unit Owner to the Board or (b) in the event set forth in subparagraph (ii) hereof, the offending party (i.e., the Board or the Unit Owner) to Sponsor, which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of two (2%) 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 Board pursuant to the terms of this Section 9.4 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner and the Board shall have such remedies with respect to their collection as are provided generally for Common Charges in Article 6.

ARTICLE 10

ARBITRATION

Section 10.1 Procedure. Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in the City of New York in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in the City of New York before one arbitrator appointed, upon the application of any party, by any Justice of the highest court of appellate jurisdiction then located in the City of New York. The decision of the arbitrator so chosen shall be given within ten (10) days after his selection or appointment. Any arbitrator appointed or selected in connection with any arbitration conducted hereunder shall be a member of a law firm having at least five (5) members and whose principal office is located in the City of New York.

Section 10.2 Variation by Agreement. The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of Section 10.1 hereof with respect to the arbitration of such dispute or may agree to resolve dispute in any alternative manner, including, without limitation, the manner set forth in Section 3031 of the New York Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes".

Section 10.3 Binding Effect. The decision in any proceeding conducted pursuant to the terms of Section 10.1 and/or 10.2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction. Notwithstanding the foregoing, however, any arbitration held pursuant to the terms of Condominium Documents with respect to a matter that arose prior to the first annual meeting of all Unit Owners held pursuant to the Section 4.1 hereof shall be non-binding.

Section 10.4 Costs and Expenses. (A) The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute be substantially upheld by the arbitrator, such fees, costs expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his counsel and expert witnesses.

(B) All costs and expenses paid or incurred by the Board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, shall constitute Common Expenses.

ARTICLE 11

NOTICES

Section 11.1 General. All notices required or desired to hereunder except for notice of meetings under Articles 2 and 4 shall be sent by registered or certified mail, return receipt requested, postage prepaid addressed:

- (i) if to the Board, at its principal office as set forth in Section 1.5 hereof, with a photocopy sent to the Managing Agent (if any) at its principal office address;
- (ii) if to a Unit Owner other than Sponsor or its designee, to such Unit Owner at his address at the Property;
- (iii) if to Sponsor or its designee, to Sponsor or such designee, care of Sponsor's attorney, Rivkin Radler LLP, 926 Rexcorp Plaza, Uniondale, NY 11556, Attn: Jeffrey S. Greener, Esq.; or
- (iv) if to a Permitted Mortgagee, to such Permitted Mortgagee at its latest address designated in writing to the Board.

Any of the foregoing parties may change the address to which notices are to be sent, or may designate additional addresses for the giving of notice, by sending written notice to the other parties as aforesaid. All notices sent pursuant to the terms of this Section 11.1 shall be deemed given five (5) days after deposited in a branch or general post office or depository maintained by the United States Postal Service located in State of New York enclosed in a sealed, postage prepaid wrapper, addressed as aforesaid.

Section 11.2 Waiver of Service of Notice. Whenever any notice is required to be given by Law pursuant to the terms of the Condominium Documents, 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 of the proper giving of notice, except for any notice required to be given pursuant to Section 7.11.

ARTICLE 12

AMENDMENTS TO BY-LAWS

Section 12.1 General. (A) Subject to the terms of paragraph (B) hereof and subject, further, to any provisions contained in the Declaration or these By-Laws with respect to any amendments (hereinafter referred to as "Special Amendments") affecting or in favor of Sponsor or its designee, any Unsold Unit(s), the Commercial Unit Owner, the Commercial Unit and/or any Permitted Mortgagee, any provision of these By-Laws may be amended, modified, to, or deleted by the

affirmative vote of not less than two thirds (66 2/3%) in number and aggregate Common Interest of all Unit Owners either taken at a duly constituted meeting thereof or give in either writing without a meeting as provided in Section 4.10 hereof. Each adopted amendment, modification, addition, or deletion hereof or hereto shall be effectuated in an instrument executed and recorded in the Register's Office by or on behalf of the Board as attorney-in-fact of all Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Secretary's Certification, certifying that the requisite number and percentage of Unit Owners approved the amendment, modification, addition, or deletion set forth therein either at a duly constituted meeting of Unit Owners or in writing without a meeting pursuant to the terms of Section 4.10 hereof, in which Secretary's Certification there shall be described the number and percentage of Unit Owners approving the same and, if voted at a meeting, the date, time and place of such meeting. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

(B) Notwithstanding anything to the contrary contained in a paragraph (A) hereof, but still subject to any provision contained in the Declaration or these By-Laws with respect to Special Amendments:

(i) the Common Interest appurtenant to any unit, as set forth in the Declaration, shall not be altered without the consent of the Unit Owner thereof, except as otherwise provided in paragraph (F) of Section 5.5 hereof;

(ii) no amendment, modification, addition, or deletion agreed to pursuant to the terms of paragraph (A) hereof shall be effective without the prior written consent of the Mortgage Representatives, if any, provided, however, that no such consent shall be unreasonably withheld or delayed; and

(iii) the terms of Section 5.7 hereof may not be amended, modified, added to, or deleted unless (in addition to the consent, if required, of the Mortgage Representatives as provided above) not less than eighty (80%) percent in number and in aggregate Common Interests of all Unit Owners affected thereby shall approve such amendment, modification, addition or deletion in writing.

Section 12.2 Special Amendments. (A) Any amendment, modification, addition, or deletion of or to any of the provisions of these By-Laws that, pursuant to the terms of the Declaration or these By-Laws, may be effected by Sponsor or its designee without the consent of the Board or the Unit Owners shall be embodied in an instrument executed and recorded in the Registers Office by Sponsor or such designee as attorney-in-fact of both the Board and all Unit Owners, which power-of-attorney shall be deemed to be irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Certification by Sponsor or such designee, certifying that the amendment, modification, addition, or deletion set forth therein was effectuated by Sponsor or such designee pursuant to the terms of the Declaration and/or these By-

Laws, in which Certification where shall be set forth the Article and/or Section of the Declaration or these By-Laws pursuant to which the same was effectuated. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

(B) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition, or deletion of or to these By-Laws shall be effective in any respect against Sponsor or its designee, any Unsold Unit, the Commercial Unit Owner, and/or the Commercial Unit unless and until Sponsor, such designee, Unsold Unit Owner and/or the Commercial Unit Owner shall consent to the same in writing.

(C) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition, or deletion of or to Section 5.4 or 5.5, paragraph (B) of Section 6.2, or Article 8 hereof shall be effective with respect to the holder of any Permitted Mortgage theretofore made unless and until such Permitted Mortgagee shall have given its written consent thereto.

ARTICLE 13

FURTHER ASSURANCES

Section 13.1 General. Any Person that is subject to the terms of these By-Laws, whether such Person is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member of the Board, an officer of the Condominium, or otherwise, shall, at the expense of any other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request in order either to effectuate the provisions of these By-Laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

Section 13.2 Failure to Deliver or Act. (A) If any Unit Owner or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action that such Unit Owner or Person is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, then the Board is hereby authorized, as attorney-in-fact for such Unit Owner or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit Owner or other Person.

(B) If the Board, any Unit Owner, or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action that the Board, such Unit owner, or Person is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Sponsor or its designee, then Sponsor or its designee is hereby authorized, as attorney-in-fact for

the Board, such Unit owner, or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Board, such Unit Owner, or other Person, and such document or action shall be binding on the Board, such Unit Owner, or other Person.

ARTICLE 14

MISCELLANEOUS

Section 14.1 Inspection of Documents. Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

Section 14.2 Waiver. No provisions contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breached that may occur.

Section 14.3 Conflicts. In the event that any provision of these By-Laws or of the Rules and Regulations shall be construed to be inconsistent with any provision of the Declaration or of the Condominium Act, the provision contained in the Declaration or in the Condominium Act shall control.

Section 14.4 Severability. If any provision of these By-Laws is invalid or unenforceable as against any Person or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise provided herein, be valid and enforced to the fullest extent provided by Law.

Section 14.5 Successors and Assigns. Except as otherwise expressly provided below or elsewhere in these By-Laws, the right and/or obligations of each Unit Owner as set forth herein shall inure to the benefit of, and shall be binding upon such Unit Owner's successors and assigns. The rights and/or obligations of Sponsor as set forth herein shall inure to the benefit of, and shall be binding upon, any successor or assignee of Sponsor or, with the consent of Sponsor, any transferee of all of then Unsold Units. Notwithstanding the foregoing, any Permitted Mortgagee of a Unit or a purchaser at a foreclosure sale of a Permitted Mortgage who succeeds to the interest of a Unit Owner shall be responsible only for the obligations of such Unit Owner arising from or after the effective date of succession to title to such Unit and shall not be liable for any unpaid Common Charges or Special Assessments accruing prior to the effective date of such succession.

Section 14.6 Gender. 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.

Section 14.7 Captions. The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws or the intent of any provision hereof.

**Addendum to the By-Laws of
The Deuce Condominium**

**RULES AND REGULATIONS
of
THE DEUCE CONDOMINIUM**

1. The sidewalks, entrances, passages, public halls, elevators, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose other than ingress to and egress from the Units. No vehicle belonging to a Unit Owner, to a Family Member or a Unit Owner, or to a guest, tenant, subtenant, licensee, invitee, employees, or agent of a Unit Owner shall be parked in such a manner as to impede or prevent ready access to any entrance to, or exit from, the Building. No occupant of a Unit shall permit any of its agents, employees, contractors, licensees or invitees to congregate or loiter in any of the public areas of the Building.
2. No velocipedes, bicycles, scooters or baby carriages shall be allowed to stand in the public halls, passageways, or other public areas of the Building.
3. No article (including, but not limited to, garage cans, bottles, mats, plants, vases, flower pots or flower boxes) shall be placed or stored in any of the halls, on any of the staircases or on any fire escape of the Building, nor shall any fire exit thereof be obstructed in any manner.
4. Any storage room for Unit Owners shall be used by all Owners, in common, only for the storage of such articles as the Board, in its sole discretion, may determine. Supervision, management and control of the moving in, storing and removal of a Unit Owner's property from the storage room is vested in the Board. The use of the storage rooms, if any, shall be at the sole risk of the Unit Owner or other person using the same, and the Board, its agents, or the Managing Agents shall not be liable for any injury to person, loss by theft or otherwise, or damage to property, whether due to the negligence of the Board, its agents, the Managing Agent, or otherwise.
5. No clothes, sheets, blankets, laundry, or other articles of any kind shall be hung on or out of a Unit or shall be dried or aired on any roof terrace in any manner visible from the street.
6. No awnings or other projections shall be attached to the outside walls or windows of the Condominium.
7. The Board or the Managing Agent shall have the right to prescribe the weight and position of safes and other objects of excessive weight and no safe or other object the weight of which exceeds the lawful load for the area upon which it would stand shall be brought into or kept upon the Unit. All removals, the carrying in or out of the Building and the movement from floor to

floor within the Building of any safes, freight, furniture, packages, boxes, crates or any other object or matter of any description, shall take place only during such hours, in such elevators and under such restrictions as the Board may from time to time reasonably determine, which may involve overtime work for the Board's employees. Each occupant shall reimburse the Board for extra costs incurred by the Board in connection therewith. The persons employed to move the same in and out of the Building shall be reasonably acceptable to the Board.

8. Trash and refuse from the Units (other than the Commercial Unit, whose owner shall be responsible for its own trash and refuse removal) shall be disposed of only at such times and in such manner as the Board or the Managing Agent may direct. Nothing shall be hung or shaken from any doors, windows, or roof terraces, or placed upon the window sills, of the Building, and no Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris other substance therefrom.

9. There shall be no playing or lounging in the entrances, passages, public halls, elevators, vestibules, corridors, or stairways, of the Building, except in areas designated as recreational, if any, in the Declaration or by the Board.

10. The Board or the Managing Agent may, from time to time, curtail or relocate any portion of the Common Elements devoted to storage, recreation, or service purposes in the Building.

11. Nothing shall be done or kept in any Unit or in the Common Elements that will increase the rate of insurance of the Building, or the contents thereof, without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in his Unit or in the common Elements, that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any Law. No unit Owner or any of his Family Members, agents, servants, employees, licensees, 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.

12. There shall be no barbecuing in the Units, or in the Common Elements, except for those areas (if any) specifically for barbecuing by the Board.

13. No Unit owner shall make, cause, or permit any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from his Unit or permit anything to be done therein that will interfere with the rights, comforts, or conveniences of the other Unit Owners. No Unit Owner shall play upon or suffer to be played upon any musical instruments or shall operate or permit to be operated a phonograph, radio, television or other loudspeaker in such Unit Owner's Unit between midnight and the following 8:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall any Unit Owner practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M.. No construction, repair works or other installation involving

noise shall be conducted in any Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency.

14. No bird, reptile, or animal shall be permitted, raised, bred, kept or harbored in the Units unless, in each instance, the same shall have been expressly permitted in writing by the Board or the Managing Agent. Any such consent, if given, shall be revocable at any time by the board or the Managing Agent in their sole discretion. In no event shall any bird, reptile, or animal be permitted in any public elevator of the Building, unless carried or on a leash. No pigeons or other birds or animals shall be fed from the window sills, terraces, or other public portions of the Building, or in the sidewalk or street adjacent to the Building.

15. No occupant of the Building shall send any employee of the Condominium or of the Managing Agent out of the Building on any private business.

16. 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 consent of the Board or the Managing Agent in each instance. In the event that any Unit shall be used for home occupation or other permitted purposes in conformance with Declaration and the By-Laws, no patients, clients, or other invitees shall be permitted to wait in any lobby, public hallway, or vestibule of the Building.

17. No window guards or other window decorations shall be used in or about any Unit, except such as shall have been approved in writing by the Board or the Managing Agent, which approval shall not be unreasonably withheld or delayed. In no event, however, shall any exterior glass surface of any window at the Property be colored or painted.

18. No ventilator or air conditioning device shall be installed in any Unit other than the Commercial Units without the prior written approval of the Board, which approval may be granted or refused in the sole discretion of the Board.

19. No radio or television aerial shall be attached to or hung from the exterior of the Building, and no sign, notice, advertisement, or illumination (including, without limitation, "For Sale," "For Lease," or "For Rent" signs) shall be inscribed or exposed or at any window or other part of the Building, except such as are permitted pursuant to the terms of the Declaration and/or the By-Laws or shall have been approved in writing by the Board or the Managing Agent. Nothing shall be projected from any window of a Unit without similar approval.

20. 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.

21. Water-closets and other water apparatus, in the Building shall not be used for any purpose other than those for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Unit shall be repaired and paid for by the owner of such Unit.

22. Each Unit Owner shall keep his or her Unit and its appurtenant Limited Common Element in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

23. The agents of the Board or the Managing Agent, and any contractor or workman authorized by the Board or the Managing Agent may enter any room in the Building or Unit at any reasonable hour of the day, on at least one day's prior notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects, or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects, or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Unit for its permitted purposes.

24. The Board or the Managing Agent may retain a pass-key to each Unit. If any lock is altered or a new lock is installed, the Board or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to his 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 the Managing Agent, then the Board or Managing Agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Condominium or an officer of the Managing Agent) may forcibly enter such Unit with out liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Unit Owner's property).

25. If any key or keys are entrusted by a Unit Owner, by any Family Member thereof, or by his agent, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, 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 Board nor the Managing Agent shall (except as provided in Rule 24 above) be liable for injury, loss, or damage of any nature whatsoever, directly resulting therefrom or connected therewith.

26. Any consent or approval given under these Rules and Regulations may be amended, modified, added to, or repealed at any time resolution of the Board. Further, any such consent or approval may, in the discretion of the Board or the Managing Agent, be conditional in nature.

27. Unless the Board shall have consented to the same, the Board shall have the right to prohibit any advertising or identifying sign by an Occupant, other than signage for the Commercial Units which shall be approved by the Board, in the reasonable judgment of the Board, tends to impair the appearance or reputation of the Building or the desirability of the Building, and upon

written notice from the Board, such occupant shall refrain from and/or discontinue such advertising or identifying sign, unless the Board previously shall have consented to the same.

28. Canvassing, soliciting and peddling in the Building are prohibited and each occupant shall cooperate to prevent the same.

29. Any persons employed by an occupant to perform any repair, maintenance or janitorial work within such occupant's premises shall, while in the Building and outside of such occupant's premises, be subject to and under the control and direction of the Board (but not as an agent, servant or employee of the Board) and such occupant shall be responsible for all acts of such persons.

30. Whenever any occupant shall submit to the Board any plan, agreement or other document for the consent or approval of the Board, such Occupant shall pay to the Board on demand, a processing fee in the amount of the reasonable fees for the review thereof, including the services of any architect, engineer or attorney employed by the Board to review such plan, agreement or documents.

31. Occupants shall not cause or permit any Hazardous Material (hereinafter defined) to be used, stored, transported, released, handled, produced or installed in, on or from the premises of the Building, except items that are customary in comparable buildings and households, provided that the quantity of such items in the premises shall not exceed the quantities customary for such use and provided further that the presence or use of such items shall not violate any legal requirements. "Hazardous Materials" means any flammables, explosives, radioactive materials, hazardous wastes, hazardous and toxic substances or related materials, asbestos, or any material containing asbestos, or any other substance or material defined as hazardous or toxic in any Federal, state or local environmental law, ordinance, rule or regulations including, without limitation, the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended, the Hazardous Materials Transportation Act, as amended, the Resource Conservation and Recovery Acts, as amended, and in the regulations adopted and publications promulgated pursuant to each of the foregoing. In the event of a breach of the provisions of this Rule 31, the Board shall have the right, in addition, to all other rights and remedies of the Board under the Declaration and By-Laws or at law, to require the occupant to remove any such Hazardous Materials from the premises.

32. No occupant shall employ any contractor for the supplying of goods or services in or to his Unit or premises which shall be the cause of labor disharmony at the Building or involving the Unit of any other Unit Owner. Each occupant shall indemnify and hold harmless each Unit Owner from and against any loss, cost or liability (including reasonable attorneys' fees) incurred by such Unit owner as a result of any labor disturbance caused by the failure of such Occupant to comply with the provisions of this rule.

33. Complaints regarding the service of the Condominium shall be made in writing to the Board or to the Managing Agent.

**SCHEDULE E
TO THE DECLARATION OF
CONDOMINIUM**

UNIT OWNER'S POWER OF ATTORNEY

UNIT OWNER'S POWER OF ATTORNEY

All terms used in this Unit Owner's Power of Attorney that are used (a) in the Declaration establishing a plan for condominium ownership of the premises known both as the Deuce Condominium (the "Condominium") and by the street number 534 West 42nd Street, New York, New York 10036, under Article 9-B of the Real Property Law of the State of New York, dated as of _____, 2008, and recorded in the New York County Office of the Register of the City of New York on _____, 2008, in Reel _____, Page _____ (hereinafter referred to as the "Declaration"), or (b) in the By-Laws of the Condominium (hereinafter referred to as the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Unit Owner's Power of Attorney as in the Declaration or the By-Laws.

The undersigned, _____ residing at 534 West 42nd Street, New York, New York 10036, the owner of the Condominium Unit (hereinafter referred to as the "Undersigned's Unit") known as Unit No. ____ at the Deuce Condominium, said Unit being designated and described as Unit No. ____ in the Declaration and also designated as Tax Lot ____ in Block 1070 of Section 49 of Borough of Manhattan on Tax Map of the Real Property Assessment Department of the City of New York and on the Floor Plans of the Condominium ("Floor Plans") filed with that department, (does) (do)* hereby irrevocably nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners in accordance with the Unit Owners' respective Common Interests, subject to the provisions of the By-Laws then in effect:

1. (a) to acquire any Unit, together with its Appurtenant Interest, who owner elects to surrender the same pursuant to the terms of paragraph (C) of Section 6.2 of the By-laws, (b) to acquire any Unit, together with its Appurtenant Interests, that becomes the subject of a foreclosure or other similar sale, (c) to acquire a Unit, together with its Appurtenant Interests, for the use and occupancy of a superintendent or otherwise, (d) to acquire or lease a Unit pursuant to the terms of Article 7 of the By-Laws, and (e) to acquire or lease any Unit, together with its Appurtenant Interest, in accordance with Section 2.4(xv) of Article 2 of the By-Laws, all on such terms, including (without limit) price or rental (with respect to any transfer pursuant to the terms of subdivision (b), (c), (d) or (e) of this paragraph) as said attorneys-in-fact shall deem proper, and thereafter to convey, sell, lease, mortgage, or otherwise deal with (but not vote the interest appurtenant to) any such Unit so acquired by them, or to sublease any Unit so leased by them, on such terms as said attorneys-in-fact may determine, granting to said attorney-in-fact the power to do all things in said premises that the undersigned could do if the undersigned were personally present; and

2. To execute, acknowledge and deliver, and, if necessary, to cause to be recorded in the Office of Register of New York County, (a) any declaration or other instrument affecting the Condominium that the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution, or requirement of the Department of Buildings, the Landmarks

Preservation Commission, 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 or (b) any agreement, consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium or the Common Elements that the Condominium Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Condominium Board shall constitute the acts of said attorneys-in-fact.

The undersigned (does) (do) * hereby irrevocably nominate, constitute and appoint SHAO LIN OPERATING LLC (hereinafter referred to as "Sponsor") as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to amend from time to time said Declaration, By-Laws, Rules and Regulations and Floor Plans of the said Condominium, or any of said documents, when such amendment (1) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the affected Unsold Units resulting therefrom made by Sponsor or its designee in accordance with Article 12 of the Declaration or (2) shall be required by (a) an Institutional Lender designated by Sponsor to make a mortgage loan secured by a mortgage on any Unit, (b) any governmental agency having regulatory jurisdiction over the Condominium, or (c) any title insurance company selected by Sponsor to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of subdivision (1) or (2) of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a physical modification to the Undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender covering the Undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment. The terms, covenants and conditions contained in, and the powers granted pursuant to, this paragraph shall remain in full force and effect until such time as the Sponsor and Sponsor's designee (if any) shall cease to own any of the Units in the Deuce Condominium.

IN WITNESS WHEREOF, the undersigned (has) (have)* executed this Unit Owner's Power of Attorney as of the _____ day _____, 20 ____.

* Delete whichever is inapplicable.

_____, Unit Owner

_____, Unit Owner

STATE OF NEW YORK }
 }
 COUNTY OF NEW YORK }

ss:

On the ____ day of _____ in the year 20__ before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their/signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Signature and Office of individual
taking acknowledgment

STATE OF NEW YORK }
 }
 COUNTY OF NEW YORK }

ss:

On the ____ day of _____ in the year 20__ before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their/ capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Signature and Office of individual
taking acknowledgment

EXHIBIT F
BY-LAWS OF THE DEUCE CONDOMINIUM

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**BY-LAWS
OF
THE DEUCE CONDOMINIUM**

ARTICLE I

GENERAL

Section 1.1 Purpose. The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the Deuce Condominium (the "Condominium"). The Condominium covers the Property, which consists of : (i) the Land, which lies in Block 1070, Lot 49 on the Tax Map of the Borough of Manhattan, City, County and State of New York; (ii) the Building, which includes, without limitation, the Units, the Common Elements, the Limited Common Elements and all easements, rights and appurtenances belonging thereto; and (iii) all other property, real, personal, or mixed, intended for use in connection therewith. The Property has been submitted to the provisions of the Condominium Act by the recording of the Declaration in the Register's Office, of which Declaration these By-Laws form a part.

Section 1.2 Definitions. All capitalized terms used in these By-Laws that are not otherwise defined in any of the Articles hereof shall have the meanings set forth in Exhibit C to the Declaration, unless the context in which the same are used otherwise requires. All capitalized terms used in these By-Laws that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used otherwise requires. Each of the aforescribed capitalized terms shall be applicable to singular and plural nouns, as well as to verbs of any tense.

Section 1.3 Applicability of By-Laws. These By-Laws are applicable to the Property and to the use and occupancy thereof.

Section 1.4 Application of By-Laws. All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units, and employees and guests of Unit Owners, as well as all other Persons who may use the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations annexed hereto, as each of the same may be amended from time to time. The acceptance of a deed or other instrument of conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of the Declaration, these By-Laws and the Rules Regulations, as each of the same may be amended from time to time, are accepted, ratified and will be compiled with.

Section 1.5 Principal Office of the Condominium. The principal office of the Condominium shall be located either at the Property or at such other place in the Borough of Manhattan reasonably convenient thereto as may be designated from time to time by the Board (as hereinafter defined).

ARTICLE 2

THE BOARD OF MANAGERS

Section 2.1 General. As more particularly set forth in Section 2.4, 2.5 and 2.6 hereof, the affairs of the Condominium shall be managed by the Board of Managers (the "Board") as provided in Section 2.17 hereof. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Condominium Board shall act as, and shall be, the agent of all the Unit Owners.

Section 2.2 Status of the Board. Unless and until the Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Board shall have, to the extent permitted by Law, the status conferred upon unincorporated associations under, or pursuant to, the terms of the General Association Law of the State of New York. If the Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Board shall have, to the extent permitted by Law, the status conferred upon it under, or pursuant to, the terms of the applicable statutes of the State of New York. In either event, however, the Board shall also have the status conferred upon it under, or pursuant to, the terms of the Condominium Act.

Section 2.3 Principal Office of the Board. The principal office of the Board shall be located either at 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.

Section 2.4 Powers and Duties of the Board. The Board shall have all of the powers and duties necessary for, or incidental to, the administration of the affairs of the Condominium, provided, however, that the Board shall not have such powers and duties that by Law, or pursuant to the terms of the Declaration and these By-Laws, may not be delegated to the Board by the Unit Owners. Without intention to limit the generality of the foregoing in any respect, the Board shall have the following specific powers and duties:

(i) to operate, maintain, repair, restore, add to, improve, alter and replace the Common Elements, including, without limitation, as the Board shall deem necessary or proper in connection therewith: (a) the purchaser and leasing of supplies, equipment and material and (b) the employment, compensation and dismissal of personnel (including the Managing Agent);

(ii) to acquire, in the name of the Board or its designee, corporate or otherwise, and on behalf of the Unit Owners, all rights, titles and interests in real and personal property deemed necessary or proper by the Board for use in connection with the ownership and operation of the Property as a mixed use condominium including a Unit for a superintendent if the Board believes such acquisition is necessary;

(iii) to maintain complete and accurate books and records with respect to the finances and operation of the Condominium, including, without limitation: (a) detailed accounts, in

chronological order, or receipts and expenditures affecting the Property; (b) detailed books of account of the Board; (c) other financial records, as well as other books of account of the Condominium, as may be required to be kept pursuant to the terms of these By-Laws; and (d) minutes and other records of all meetings held pursuant to the terms of these By-Laws;

(iv) to prepare and adopt a budget for the Condominium for each fiscal year thereof, setting forth, without limitation: (a) a detailed accounting of the anticipated Common Expenses for the ensuing fiscal year and (b) a detailed projection of all sources and amounts of income necessary to discharge the same;

(v) to determine the amount and establish the means and methods of payment of, and to collect, the Common Charges and Special Assessments from the Unit Owners;

(vi) to borrow money and to incur debt on behalf of the Condominium in connection with any of the powers enumerated in this Article. provided, however, that:

(a) when such debt is to be incurred in connection with (1) major and minor maintenance, repairs, additions, restorations, improvements, alterations and replacements in and to the Property, including the Common Elements and the Units, of the Building; or (2) providing for working capital, bad debts and unpaid common charges or for depreciation, obsolescence or other similar purposes: (A) such debt may not be incurred until no earlier than the fifth anniversary of the First Closing; and (B) the affirmative consent of a majority of the members of the Board shall be required for the borrowing of any sum; and (C) the affirmative consent of a Majority of all Unit Owners (in case of maintenance, repairs, alterations, additions, improvements, restorations and replacements of the Common Elements only) shall be required for the borrowing of any sum in excess of \$50,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal year); and (D) in all other cases, the affirmative vote of a Majority of all Unit Owners shall be required; and

(b) with respect to any debt incurred by the Board on behalf of all the Unit Owners: (1) no lien to secure repayment of any sum borrowed under this subparagraph (vi) may be created on any Unit or its Appurtenant Interests without the consent of the Unit Owner of such Unit; (2) the documentation executed in connection with any borrowing hereunder shall provide that, if any sum borrowed by the Board pursuant to this subparagraph (vi) shall not be repaid by the Board in accordance with the terms of the loan agreement, any Unit Owner who pays the creditor thereunder such proportion of the then outstanding indebtedness represented or secured thereby as such Unit Owner's Common Interest bears to the aggregate Common Interests of all Unit Owners shall be entitled and authorized by the Board to obtain from the creditor a release of any judgment or other lien that the said creditor shall have filed, or shall have the right to file, against such Unit Owner's Unit; (3) the Board may assign its rights in and to receive future income and common charges; (4) the Board may create a security interest in, assign, pledge, mortgage or otherwise encumber funds or other real or personal property that it holds; (5) The Board may agree that to the extent of the amount of any indebtedness incurred hereunder, all common charges

received and to be received by such Board, and the right to receive such funds, shall constitute trust funds for the purpose of paying such debt and shall be used for the purpose of paying such debt before expending any part of the same for any other purpose, except that to the extent that such indebtedness relates to any labor performed on or materials furnished to the Common Elements, performed or furnished at the express request of the Managing Agent or the Board, all common charges received and to be received by the Board, and the right to receive such funds, shall constitute trust funds for the purpose of paying the cost of such labor or materials performed or furnished and the same shall be expended first for such purpose before expending any part of the same for any other purpose; and (6) the Board may agree that, if required by the lender and at the lender's direction, it will increase the amount of the Common Charges to the extent necessary to pay any amount when due pursuant to the loan agreement;

(vii) to open and maintain bank accounts on behalf of the Condominium and to designate the signatories required therefor;

(viii) to use the Common Charges and Special Assessments collected from Unit Owners, as well as all other funds held by the Board or received in connection with the operation of the Property, for the administration of the Condominium, including, without limitation: (a) the payment of Common Expenses, and (b) the making or restorations, additions, alterations and improvements, repairs and maintenance to the Common Elements; provided, however, that the Common Charges and Special Assessments collected from the Commercial Unit Owners, as well as any income earned thereon and other funds (if any) received by the Board in connection with the operation of the Common Elements, shall be used only for the administration, operation, restoration, addition, alteration, improvement, repair and maintenance of the Common Elements;

(ix) to obtain insurance for the Property, including the Units, pursuant to the terms of Section 5.4 hereof;

(x) to adjust and settle claims under insurance policies obtained pursuant to the terms of Section 5.4 hereof or in connection with any other litigation, and to execute and deliver releases upon such adjustment and settlement on behalf of: (a) all Unit Owners; (b) all holders of mortgages and other liens on Units; and (c) all holders of any other interest in the Property;

(xi) to make, or to contract with others for the making of, repairs, maintenance, additions and improvements to, and alterations, restorations and replacements of, the Property after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings, all in accordance with the terms of these By-Laws;

(xii) to obtain and keep in force fidelity bonds, in amounts deemed appropriate by the Board, but in no event less than \$100,000, for: (a) all members of the Board; (b) all officers and employees of the Condominium; and (c) the Managing Agent, and the premiums on all such fidelity bonds shall constitute a part of the Common Expenses;

(xiii) to accept the surrender of any Unit pursuant to the terms of paragraph (C) of Section 6.2 hereof, in the name of the Board or its designee, corporate or otherwise, and on behalf of all Unit Owners;

(xiv) to purchase Units at foreclosure or other judicial sales or for the use of a superintendent or otherwise, in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners and, in connection therewith, to borrow money on behalf of all Unit Owners; provided that, except for Units purchased in connection with a foreclosure of a lien for unpaid Common Charges pursuant to Section 6.4 hereof or the purchase of a superintendent's unit and any note and mortgage given by the Board to Sponsor or other lender in payment of the purchase price thereof, any other purchase and/or borrowing is first approved by a Majority of Unit Owners, and provided further that the borrowing for this purpose shall require the affirmative consent of at least two-thirds of the members of the Board (in the case of a sum in excess of \$10,000) or at least a Majority, both in number and in aggregate Common Interests, of all Unit Owners (in the case of a sum in excess of \$50,000);

(xv) to purchase, lease, or otherwise acquire Units offered for sale or lease by their owners, in the name of the Board or its designee, corporate or otherwise, and on behalf of all Unit Owners and, in connection therewith, to borrow money on behalf of all Unit Owners; provided, however that as to each such Unit so purchased, leased, or otherwise acquired (a) the affirmative consent of at least a majority of the members of the Board shall be required for the borrowing of any sum in excess of \$10,000 in connection with such purchase, lease or acquisition and (b) the affirmative consent of at least a majority, both in number and in aggregate Common Interests, of all Unit Owners shall be required for the borrowing of any sum in excess of \$50,000 in connection with such purchase, lease or acquisition;

(xvi) to sell, lease, mortgage and otherwise deal with units acquired by, and to sublease Units leased by, the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, provided, however, that the Board or its designees shall in no event be entitled to vote the votes appurtenant to any such Unit;

(xvii) to adopt and amend the Rules and Regulations and to levy and collect fines against Unit Owners for violations of the same, provided, however, that in no event shall the amount of such fines exceed \$100.00 per day each such violation continues;

(xiii) to enforce by legal means the terms, covenants and conditions contained in the Condominium Documents and to bring or defend against any proceedings that may be instituted on behalf of, or against, the Unit Owners;

(xix) to incorporate, to the extent and in the manner provided in the Condominium Act, provided, however, that: (a) the certificate of incorporation and by-laws of any such resulting corporation shall conform as closely as practical to the terms of the Declaration and these By-laws and (b) the terms of the Declaration and these By-Laws shall prevail in the event of any

inconsistency or conflict between the terms thereof and the terms of such certificate of incorporation and by-laws;

(xx) to organize corporations to act as the designees of the Board in acquiring title to, or leasing of, Units and in acquitting rights, titles and interests in real and personal property for use in connection with the ownership and operation of the Property as a mixed use condominium;

(xxi) to execute, acknowledge and deliver: (a) any declaration or other instrument affecting the Property that the Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Building; (b) any consent, covenant, restriction, easement, or declaration affecting the Property that the Board deems necessary or appropriate; and (c) any modification, amendment or cancellation of the Restrictive Declaration; and

(xxii) to employ and dismiss such personnel as the Condominium Board determines, from time to time may be necessary to assist the Board in the performance of its functions, including a managing agent.

The Board shall be responsible for carrying out the duties imposed upon it under the Condominium Documents regardless of whether a Unit is vacant or occupied by the owner thereof or by a permitted lessee or other permitted occupant.

Section 2.5 Intentionally omitted.

Section 2.6 Exercise and Delegation of Powers and Duties. (A) Any act within the power of the Board to perform, and deemed necessary or desirable to be performed by the Board, shall be performed by the Board or shall be performed on its behalf and at its direction by the agents, employees, or designees of the Board.

(B) The Board may appoint an Executive Committee by duly adopted resolution, which Executive Committee shall have, and may exercise, all of the powers of the Board, subject to both the exceptions and limitations contained in paragraph (D) of this Section 2.6 and elsewhere in these By-Laws and such additional exceptions and limitations as the Board may from time to time deem appropriate, during the intervals between the meetings of the Board. In addition, the Board may from time to time appoint, by duly adopted resolutions, such other committees as the Board may deem appropriate to perform such duties and services as the Board shall direct, each of which committees shall have, and may exercise, all of the powers delegated to it in its enabling resolution, subject, however, to the exceptions and limitations contained in paragraph (D) of this Section 2.6 and elsewhere in these By-Laws. The Executive Committee and each other committee shall consist of three or more members of the Board, at least one of whom shall be a member designed by Sponsor for so long as Sponsor shall have the right to designate or elect one or more members of the Board.

(C) The Board may employ a managing agent to serve at a compensation to be established by the Board and to perform such duties and services as the Board shall direct. Subject to the exceptions and limitations contained in paragraph (D) of this Section 2.6 and elsewhere in these By-Laws, the Board may delegate to a managing agent any of the powers granted to the Board in these By-Laws.

(D) Notwithstanding anything to the contrary contained in this Section 2.6, the Executive Committee, any other committee appointed by the Board and the Managing Agent shall neither have nor be entitled to exercise, and the Board shall not delegate to either of them or to any other committee, the powers or duties described in subparagraphs (ii), (iv), (v), (vi), (vii), (x), (xiii), (xiv), (xv), (xvi), (xvii), (xix), (xx), (xxi), (xxii), (xxv) and (xxvi) of paragraph (A) of Section 2.4 hereof or duties affecting directly or indirectly the Commercial Units unless the Commercial Unit Owners consent thereto. In addition, neither the Managing Agent nor any of the committees described in paragraph (B) of this Section 2.6 shall have, or be entitled to exercise, any of the powers that may be delegated to either of them by the Board to the extent such delegation is prohibited by Law.

Section 2.7 Number, Election and Qualification of Members. (A) Until the first annual meeting of the Unit Owners held pursuant to the terms of Section 4.1 hereof, the Board shall consist of three (3) individuals to be designated from time to time by Sponsor. From and after the first annual meeting of the Unit Owners, the Board shall consist of five (5) individuals, of whom four (4) shall be elected pursuant to the terms of Section 4.9 hereof at the annual meeting of the Unit Owners, and one (1) individual shall be designated by the Owner of the Commercial Unit. If the Owner of the Commercial Unit fails to designate a Board member at or prior to an annual meeting at which the election of the Board is on the agenda, the fifth Board member shall be elected by the Unit Owners at such annual meeting.

(B) Except for members of the Board designated or elected by Sponsor, its designee or by the Commercial Unit Owner pursuant to the terms of this Section 2.7 or of Sections 2.10 or 4.9 hereof (who may serve without qualification), all other members of the Board shall be either: (i) Unit Owners; (ii) individual Permitted Mortgagees; (iii) officers, directors, shareholders, partners, principals, employees, or beneficiaries of corporations, partnerships, fiduciaries, or any other entities that are Unit Owners or Permitted Mortgagees; or (iv) adult Family Members of any of the foregoing (herein defined as "interested party"). No Unit Owner or "interested party" may be elected to serve on the Board if the Board has perfected a lien against such Unit Owner's or "interested party's" Unit and the amount necessary to release such lien has not been paid at the time of such election.

(C) Members elected or designated by Sponsor or a Commercial Unit Owner or their designees need not be Unit Owners and need not reside in the Building. Other than members elected or designated by Sponsor, a Commercial Unit Owner or their designees, no member shall continue to serve on the Board after he ceases to be a Unit Owner or an "interested party," as specified in paragraph (B) of this Section 2.7.

Section 2.8 Term of Office Members. The term of office of each of the five (5) individuals elected (or designated as the case may be) and qualified at the first annual meeting of the Unit Owners shall be one (1) year. Each member of the Board shall serve until his or her successor shall be elected and qualified. There shall be no limit on the number of terms of office, successive or otherwise, that a member of the Board may serve.

Section 2.9 Removal and Resignation of Members. (A) Any member of the Board who was elected thereto either by the Unit Owners, pursuant to the terms of Section 4.9 hereof, or by the Board, pursuant to the terms of Section 2.10 hereof, may be removed from office, with or without cause, by a vote of a Majority of Unit Owners. Any member of the Board who was designated as such or elected by Sponsor (or its designee) or by the Commercial Unit Owner pursuant to the terms of Section 2.7, 2.10, or 4.9 hereof, may be removed (i) with cause by a Majority of Unit Owners or (ii) without cause, only by Sponsor (or the said designee) or the Commercial Unit Owner who designated the Board member, respectively. Any member of the Board whose proposed removal is to be acted upon at a meeting of the Unit Owners shall be given prior written notice thereof and an opportunity to be present and heard.

(B) Any member of the Board may resign his membership at any time by giving written notice thereof to the Board and, with respect to members of the Board designated as such or elected by Sponsor (or its designee) or the Commercial Unit Owner, by giving written notice thereof to Sponsor (or such designee) or the Commercial Unit Owner, respectively. In addition, any member of the Board who shall cease to be qualified for membership pursuant to the terms of Section 2.7 hereof shall be deemed to have resigned his membership effective as of the date upon which such qualification shall cease.

(C) The Board member designated by the Owner of the Commercial Unit may not be removed from office without cause, except by the Commercial Unit Owner who designated the Board member.

Section 2.10 Vacancies. (A) Any vacancy on the Board that is caused by the removal, resignation, or death of a member who was elected thereto by the Unit Owners (other than Sponsor, its designee or the Commercial Unit Owner) shall be filled by an individual who is qualified to be a member pursuant to the terms of Section 2.7 hereof and who is elected by a vote of the majority of the members of the Board then in office. A special meeting of the Board shall be held for the purpose of filling any such vacancy promptly after the occurrence thereof, and the election held thereat shall be effective to fill such vacancy at a meeting where a quorum is present.

(B) Any vacancy on the Board that is caused by the removal, resignation, or death of a member who was designated as such or elected by Sponsor, its designee or other Unsold Unit Owner, or the Commercial Unit Owner, shall be filled by an individual designated by Sponsor or such designee or other Unsold Unit Owner or the Commercial Unit Owner who designated the Board member, respectively.

(C) Each member of the Board who is elected thereto or designated as such to fill a vacancy pursuant to the terms of paragraph (A) or (B), respectively, of this Section 2.10 shall serve as a member of the Board for the remainder of the term of the member he replaced and until his successor shall be elected and qualified at the appropriate annual meeting of the Unit Owners pursuant to the terms of Section 4.9 hereof.

Section 2.11 Organizational Meeting of the Board. The first meeting of the Board following each annual meeting of the Unit Owners shall be held within approximately thirty (30) days of such annual meeting, at such time and place in the Borough of Manhattan as shall be both fixed informally by a majority of the members of the Board and designated in a written notice given to all members thereof by personal delivery, mail, overnight delivery or facsimile transmission not later than five (5) business days prior to such date.

Section 2.12 Regular Meetings of the Board. (A) 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 respective members thereof, provided that at least four (4) such meetings of the Board shall be held during each fiscal year.

(B) Written notice of all regular meetings of the Board shall be given to each member by personal delivery, mail, overnight delivery or facsimile transmission at least five (5) days prior to the day named for such meeting.

Section 2.13 Special Meetings of the Board. (A) The President may call a special meeting of the Board whenever he deems the same to be necessary or desirable. However, the President shall call such a meeting: (i) upon the written request of three (3) or more members of the Board; or (ii) upon the request of a non-occupying Unit Owner who has received notice that rents payable with respect to his Unit shall hereafter be paid directly to the Condominium, as provided in Section 6.4(D) of these By-Laws.

(B) Written notice of all special meetings shall be given to each member of the Board by personal delivery, mail, overnight delivery or facsimile transmission at least five (5) days prior to the day named for such meeting, which notice shall state the time, place (in the Borough of Manhattan) and purpose of the meeting.

Section 2.14 Waiver of Notice of Meetings. Any member of the Board may, at any time waive notice of any meeting thereof in writing, and such waiver shall be deemed equivalent to the giving of notice. Attendance by a member of the Board at any meeting thereof shall constitute a waiver by him of notice of the time and place thereof. If all of the members of the Board are present at any meeting thereof, no notice of such meeting shall be required and any business authorized pursuant to these By-Laws may be transacted at such meeting.

Section 2.15 Quorum of the Board. For purpose of all meeting of the board, a majority of such Board shall constitute a quorum for the transaction of business by that Board. In connection therewith, one or more members of the Board may participate in any meeting by means of a conference telephone call or similar communications equipment permitting all individuals participating in the meeting to hear each other at the same time, and such participation shall constitute presence at a meeting for all purposes. If, at any meeting of the Board there shall be less than a quorum present, a majority of the Board members in attendance may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business that might have been transacted at the meeting originally called but for the lack of a quorum may be transacted without further notice.

Section 2.16 Conduct of Meetings. (A) The President, or in his absence, the Vice-President, shall preside at all meetings of the Board and the Secretary shall faithfully record the minutes thereof. The minutes shall include the full text of all resolutions duly adopted by the Board and a record of all transactions and proceeding occurring thereat.

(B) The then current edition of Robert's Rules of Order, or any other rules or procedure from time to time acceptable to a majority of the members of the Board shall govern the conduct of the meetings of each such Board unless the same shall be in conflict with the terms of the Declaration, these By-Laws, or the Condominium Act.

Section 2.17 Decisions by the Board. (A) Except as otherwise expressly provided in the Declaration or these By-Laws, the vote of majority of the members of the Board present at a meeting thereof at which a quorum is present shall constitute the decision of the Board. Alternatively, any decision that is required or permitted to be made by the Board may be made without a meeting thereof if all of the members of the Board shall individually or collectively consent in writing to such decision, and all such written consents shall be duly filed by the Secretary of the Condominium in the minutes of the Board.

(B) Notwithstanding the above, the following decision cannot be made by the Board without the consent of the Board members designated by the Commercial Unit Owners;

- (i) A voluntary discontinuation of the Condominium;
- (ii) Amendment of the Declaration or By-Laws which would affect the rights of the Commercial Unit Owners (or Sponsor or Sponsor designee) to lease the Commercial Units or increase or decrease the percentage of Common Elements allocated to the Commercial Units;
- (iii) Reallocation or alteration of the Common Elements, which would affect or interfere with rights of access to the Commercial Units;
- (iv) Amendment of the Declaration or By-Laws which would change the uses permitted in the Commercial Units; and

(v) Amendments of the Declaration or By-Laws which would deprive the Commercial Unit Owners of the right to designate a member of the Board.

Section 2.18 Compensation of Members. No member of the Board or any Committee shall receive any compensation from the Condominium for acting in his or her capacity as a member of the Board.

Section 2.19 Common Interested Members of the Board. Each member of the Board shall perform his duties, and shall exercise his powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by Law, no contract or other transaction between the Board and either (i) any of its members or (ii) any corporation, partnership, fiduciary, firm, association, or other entity in which any of the members of the Board are officers, directors, employees, partners, fiduciaries, beneficiaries, or principals, or are otherwise interested, pecuniarily or otherwise, shall be deemed either void or voidable because either (a) any such member of the Board was present at the meeting or meetings of said Board during which such contract or transaction was discussed, authorized, approved, or ratified, or (b) the vote of any such member was counted for such purpose, provided, however, that either:

(x) the fact thereof is disclosed to, or known by, such Board or a majority of the members thereof or 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;

(y) the fact thereof is disclosed to, or known by, a Majority of Unit Owners, and a Majority of Unit Owners shall authorize, approve, or ratify such contract or transaction; or

(z) the contract or transaction is commercially reasonable to the Board at the time that the same is authorized, approved, ratified, executed, or otherwise consummated.

Any such member of the Board may be counted in determining the presence of a quorum of any meeting of the Board that authorizes, approves, or ratifies any such contract or transaction, but no such member shall be entitled to vote thereat to authorize, approve, or ratify such contract or transaction.

Section 2.20 Liability of the Board. (A) The members of the Board shall have no liability to the Unit Owners for errors of judgment, negligence, otherwise, except that each member of the Board shall be liable thereto for his own bad faith or willful misconduct. In connection therewith, members of the Board designated as such by Sponsor shall not be deemed either to have acted in bad faith or to have committed willful misconduct by reason of any self-dealing in connection with any contract made, or other transaction entered into, between the Board and Sponsor or its agents, provided that any compensation paid, or to be paid, to Sponsor or its agents in connection with any

such contract or transaction is disclosed in the Plan in an amendment thereto or is at competitive rates for goods sold or services rendered in the Borough of Manhattan.

(B) Every contract made, and other document executed, by or on behalf of the Board or the Managing Agent shall expressly state (if obtainable and in addition to the limitation of liability of the officers of the Condominium and the Unit Owners pursuant to the terms of Sections 3.10 and 4.12 hereof, respectively) that the same is made or executed by or on behalf of such Board or the Managing Agent solely as agent for the Unit Owners and the members of the Board or the Managing Agent shall have no liability thereon, except to the extent of their liability, if any, as Unit Owners pursuant to the terms of Section 4.12 hereof.

(C) Neither the Board nor any member thereof, nor the Managing Agent shall be liable for either:

(i) any failure or interruption of any utility or otherwise to be obtained by, or on behalf of, the Board or to be aid for as a Common Expense; or

(ii) any injury, loss, or damage to any individual or property, occurring in or upon either a Unit, or the Common Elements which: (a) was caused by the elements, by any Unit Owner, or by any other Person; (b) resulted from electricity, water, snow, or ice that may leak or flow from a Unit, or any portion of the Common Elements; or (c) arising out of theft or otherwise.

(D) The Unit Owners shall jointly and severally indemnify and hold each member of the Board harmless from and against any claim or liability to others arising from his acts or omissions as, or by reason of the fact that such individual is or was, a member of the Board to the extent permitted under the Business Corporation Law of the State of New York, (hereinafter referred to as, the "BCL"), except, however, to the extent that such claim or liability shall be due to, or shall arise out of, the bad faith or willful misconduct of such member.

ARTICLE 3

OFFICERS

Section 3.1 General. The principal officers of the Condominium shall be the President, the Vice President, the Secretary and the Treasurer. The Board may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its discretion may be necessary or desirable. All agreements, contracts, deeds, mortgages, leases, checks and other instruments of the Condominium shall be executed, upon the direction of the Board, by any two officers of the Condominium or by such lesser number of officers or by such other Person or Persons as may be designated from time to time by the Board.

Section 3.2 President. The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Unit Owners and of the Board. The

President shall have all of the general powers and duties that are incident to the office of president of a stock corporation organized under the BCL, including, but not limited to, the power to appoint the members of all committees created by the Board from amongst the Unit Owners from time to time as he may decide, in his discretion, are appropriate to assist in the conduct of the affairs of the Condominium.

Section 3.3 Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If both the President and the Vice President are unable to act, the Board shall appoint some other member of the Board to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall be imposed upon him from time to time by the Board or by the President.

Section 3.4 Secretary. The Secretary shall keep the minutes of all meeting of the Unit Owners, and of the Board. The Secretary shall have charge of such books and papers as the Board shall direct and, in general, shall perform all of the duties that are incident to the office of secretary of a stock corporation organized under BCL.

Section 3.5 Treasurer. The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof, showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Board or in the name of the Managing Agent in such depositories as may from time to time be designated by the Board and, in general, shall perform all of the duties incident to the office of treasurer of a stock corporation organized under the BCL.

Section 3.6 Election, Term of Office and Qualifications of Officers. Each of the officers of the Board shall be elected annually by a majority vote of the Board taken at the organizational meeting of each new Board or at the first meeting of the Board first succeeding the annual meeting of the Unit Owners, and shall serve at the pleasure of the Board. The President and the Vice President shall be elected from amongst the members of the Board. The other officers of the Condominium, however, need not be Unit Owners or members of the Board and need not have any interest in the Condominium.

Section 3.7 Removal and Resignation of Officers. Any officer of the Condominium may be removed from office, with or without cause, by an affirmative vote of a Majority of the Unit Owners. In addition, any officer may resign at any time by giving written notice to the Board. Finally, if the President or the Vice President of the Condominium shall cease to be a member of the Board during his term of office, such officer shall be deemed to have resigned his office effective upon the date upon which his membership cease.

Section 3.8 Vacancies. Any vacancy in an office shall be filled by a majority vote of the Board at any regular meeting of the Board or at a special meeting thereof called for such purpose.

Section 3.9 Compensation of Officers. No officer of the Condominium shall receive any compensation from the Condominium for acting as such.

Section 3.10 Liability of the Officers of the Condominium. (A) The officers of the Condominium shall have no liability to the Unit Owners for errors of judgment, negligence, or otherwise, except that each officer of the Condominium shall be liable thereto for his own bad faith or willful misconduct. In addition, every contract made, and other document executed, by one or more officers or other Persons on behalf of the Condominium shall expressly state (if obtainable and in addition to the limitation of liability of the members of the Board and the Unit Owners pursuant to the terms of Section 2.20 and 4.12 hereof, respectively) that the same is made or executed by such officers or Persons on behalf of the Condominium solely as agent for the Unit Owners and that such officers or Persons shall have no liability thereon, except to the extent of their liability, if any, as Unit Owner pursuant to the terms of Section 4.12 hereof.

(B) None of the officers of the Condominium shall be liable for either:

(i) any failure or interruption of any utility or other service to be obtained by any such officer on behalf of the Condominium or to be paid for as a Common Expense; or

(ii) any injury, loss, or damage to any individual or property, occurring in or upon either a Unit, or the Common Elements, which is (a) caused by the elements, by any Unit Owner, or by and other Person; (b) results from electricity, water, snow or ice that may leak or flow from a Unit, or any portion of the Common Elements; or (c) arises out of theft or otherwise.

(C) The Unit Owners shall jointly and severally indemnify and hold each officer of the Condominium harmless from and against any claim or liability to others arising from his acts or omissions as, or by reason of the fact that such individual is or was, an officer of the Condominium, except, however, to the extent that such claim or liability shall be due to, or shall arise out of, the bad faith or willful misconduct of such officer.

ARTICLE 4

UNIT OWNERS

Section 4.1 Annual Meetings of the Unit Owners. (A) The first annual meeting of the Owners shall be held within the first sixty (60) days after the First Closing, at which meeting the incumbent three (3) member Board shall resign and a successor five (5) member Board shall be elected and shall consist of one (1) member elected by the owner of the Commercial Unit and four (4) members elected by the Unit Owners as provided both in this Article 4 and in Article 2 hereof. Thereafter, annual meetings of the Unit Owners shall be held within approximately thirty (30) days after the anniversary of the first meeting of Unit Owners in each year. At each such subsequent meeting, the Unit Owners shall elect successors to the members of the Board whose term of office

expires on the day of such meeting and shall transact such other business as may properly come before such meeting.

(B) The provisions of the preceding paragraph (A) and any other provisions of these By-Laws to the contrary notwithstanding, so long as the Sponsor (or its designees) owns the Commercial Unit, the Sponsor (or its designees), may elect its/his member by written designation given to the Managing Agent or the President or Secretary of the Condominium at, or in advance of, the annual meeting of such Unit Owners. In such event, the Owner of the Commercial Unit need not attend said annual meeting and, if not present, the Common Interests of the Commercial Unit shall be excluded when computing the aggregate Common Interests of all Unit Owners for quorum or voting purposes.

Section 4.2 Special Meetings of the Unit Owners. The President shall call a special meeting of the Unit Owners whenever so directed by a duly adopted resolution of the Board or upon receipt by the Secretary of a petition calling for such a meeting signed by Unit Owners having, in the aggregate, not less than twenty-five (25%) percent of the Common Interests of all Unit Owners. Each such resolution or petition shall set forth, in reasonable detail, the purposes for calling such a meeting, and no business shall be transacted at such special meeting except business reasonably related to the stated purposes.

Section 4.3 Place of Meetings. Meetings of the unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place in the Borough of Manhattan as may be designated by the Board.

Section 4.4 Notice of Meetings. The Secretary of the Condominium shall give notice of each annual or special meeting of the Unit Owners to all Unit Owners then of record entitled to vote at such meeting, which notice shall set forth the purpose, time and place of such meeting. Such notice may be given to any Unit Owner by personal delivery, mail, overnight delivery or facsimile transmission not later than ten (10) not earlier than forty (40) days prior to the day fixed for the meeting. Any Unit Owner may designate an address for the giving of notice other than such Unit Owner's address at the Property by giving written notice thereof to the Secretary of the Condominium not less than ten (10) days prior to the giving of notice of the applicable meeting.

Section 4.5 Quorum of the Unit Owners. Except as otherwise provided in these By-Laws, the presence, in person or by proxy, of Unit Owners owning Units to which fifty (50%) percent or more of the aggregate Common Interests appertain shall constitute a quorum at all meetings of the Unit Owners. If, at any meeting of the Unit Owners, there shall be less than a quorum present, a majority of the Unit Owners present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time fixed for the original meeting.

Section 4.6 Conduct of Meetings. The President shall preside at all meetings of the Unit Owner and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Unit Owners and a record of all transactions and

proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure acceptable to a Majority of the Unit Owner present at any meeting, in person or by proxy, shall govern the conduct of the meetings of the Unit Owners unless the same shall be in conflict with the terms of the Declaration, these By-Laws, or the Condominium Act. All votes of the Unit Owners shall be tallied by the persons appointed for such purpose by the presiding officer of the meeting.

Section 4.7 Order of Business. The order of business at all meetings of the Unit Owners shall be as follows:

- (i) Roll call and presentation of proxies;
- (ii) Proof of notice of meeting;
- (iii) Reading of the minutes of the preceding meeting (unless waived);
- (iv) Reports of officers of the Condominium;
- (v) Reports of members of the Board;
- (vi) Reports of committees;
- (vii) Election of inspectors of election (when so required);
- (viii) Election of members of the Board (when so required);
- (ix) Unfinished business; and
- (x) New Business;

Section 4.8 Voting. (A) Subject to the terms of Section 4.9 hereof, each Unit Owner (including Sponsor or its designee, for so long as Sponsor or such designee shall own Unsold Units) shall be entitled to cast one (1) vote at all meetings of the Unit Owners for each .001 of the percentage of Common Interest attributable to his Unit(s).

(B) Notwithstanding the terms contained in paragraph (A) hereof, no Unit Owner may vote at any meeting of the Unit Owners if the Board has perfected a lien against such Unit Owner's Unit and the amount necessary to release such lien has not been paid at the time of such meeting. In addition, neither the Board nor any designee thereof shall be entitled to vote the Common Interest appurtenant to any Unit owned by the Board or such designee. The Common Interests of all Units whose owners are precluded from voting pursuant to the terms of this paragraph (B) will be excluded when computing the aggregate Common Interests of all Unit Owners for quorum and voting purposes.

(C) A fiduciary shall be the voting member with respect to a Unit owned in a fiduciary capacity. In addition, if two (2) or more Persons own a Unit, they shall designate one (1) Person amongst them to vote the Common Interest appurtenant to their Unit a writing given to the Secretary of the Condominium, and the vote of such designee shall be binding upon all of such Persons. Failing such a designation, all of such Persons shall mutually vote such Common Interest under one ballot without division, and the concurrence of all such Persons shall be conclusively presumed if any one of them purports to vote such Common Interest without protest being contemporaneously made to the individual presiding over the meeting at which such vote is taken. If protest is made, the Common Interest appurtenant to such Unit shall be counted solely for the purpose of determining whether a quorum is present for such voting.

(D) The owner of any Unit may designate any Person to act as a proxy on his behalf. The designation of any such proxy shall be made in writing both signed and dated by the designor and delivered to the Secretary of the Condominium at or before the appointed time for the meeting(s) during which the same is to be effective. Any such designation shall be revocable at any time upon written notice given to the Secretary of the Condominium; however, no revocation of such a designation shall be effective with respect to any votes cast by such proxy prior to the receipt of such revocation notice by the Secretary of the Condominium or, if such revocation is made at a meeting of the Unit Owners during which the Secretary of the Condominium is not in attendance, by the individual acting as the secretary of such meeting. Except with respect to the designation of a Permitted Mortgagee to act as the proxy of its mortgagor(s), no designation to act as a proxy shall be effective for a period in excess of six (6) months after the date thereof.

(E) Except when otherwise required by Law or otherwise provided in the Declaration or in these By-Laws, the affirmative vote of a Majority of the Unit Owners at a meeting at which a quorum is present shall be binding upon all such Unit Owners for all purposes.

Section 4.9 Election of Members of the Board. (A) The Board of Managers shall be elected by the Unit Owners at the annual meeting of Unit Owners. Subject to the terms of Section 2.7 hereof, when voting for members of the Board, each Unit Owner (including Sponsor or its designee, for so long as Sponsor or such designee shall own Unsold Units) shall be entitled to cast one vote for each .001 of the percentage of Common Interest attributable to this Units per member to be elected. However, nothing contained herein shall be deemed to permit any Unit Owner to cumulate the votes attributable to the ownership of any one Unit in favor of any one or more members to be elected. In addition, the terms of paragraphs (B), (C), (D) and (E) of Section 4.8 hereof shall apply to all elections of members of the Board.

(B) Subject to the terms of Section 4.1 hereof, all election of members of the Board shall be by written ballot, and each ballot cast shall state: (i) the name of the voting Unit Owner and, if such ballot is cast by proxy, the name of the proxy; (ii) the designation number(s) of the Unit(s) owned by the voting Unit Owner; (iii) the amount of the Common Interest(s) appurtenant to such Unit(s); and (iv) the names of the candidates for whom such ballot is cast (the number of which

names shall not exceed the number of members to be elected). Any ballot that is not cast in conformity with this paragraph (B) shall be discounted. All election ballots shall be retained in the records of the Condominium, appropriately segregated by election.

(C) Subject to the terms of paragraph (D) of this Section 4.9, all elections of members of the Board shall be determined by plurality vote.

(D) Within thirty (30) days after the earlier of (i) five (5) years after the First Closing, or (ii) conveyance of title to Units representing ninety (90%) percent of the Residential Common Interest (the "Initial Control Period"), the Sponsor will call an annual meeting of the Unit Owners, at which time a new Board of Managers will be elected. During the Initial Control Period, Sponsor or its designees, as owner of Unsold Units, shall have the right to designate four (4) members to be elected (regardless of the number of votes Sponsors has the right to cast). Thereafter, Sponsor or its designee shall have the right to designate three (3) members for so long as the Common Interests attribute to any Unsold Units owned by Sponsor or its designee equals, in the aggregate, thirty-five (35%) percent or more of the Residential Common Interests; and Sponsor or its designee shall have the right to designate two (2) members for so long as the Common Interests attributable to any Unsold Units owned by Sponsor or its designee equals in the aggregate fifteen (15%) percent or more of the Residential Common Interests; and Sponsor or its designee shall have the right to designate one (1) member, for so long as Sponsor or its designee is the Owner of Unit with any Residential Common Interest attributable thereto. The owner of the Commercial Unit shall be entitled to designate one (1) member of the Board of Managers unless the Commercial Unit is owned by the Sponsor and the Sponsor is then entitled to designate a majority of the members of the Board of Managers, in which case Sponsor or its designee will not exercise its designation rights to designate a majority of the Board Members after the Initial Control Period has expired. Notwithstanding the foregoing, the owner of the Unsold Units and the owner of the Commercial Unit shall be entitled to vote all of the Common Interests attributable thereto in its sole discretion.

Section 4.10 Action Without a Meeting. Any action required or permitted to be taken by the Unit Owners at a duly constituted meeting may be taken without such a meeting if Unit Owners sufficient in number (both in absolute number and in aggregate Common Interests) to approve such an action at a duly constituted meeting of such Unit Owners pursuant to the Declaration or to these By-Laws, consent in writing to the adoption of a resolution approving such action. All written consents given by such Unit Owners pursuant to this Section 4.10 shall be retained in the records of the Condominium together with true copy of the resolutions to which they relate.

Section 4.11 Title to Units. Title to any Unit may be taken by any Person or by any two or more Persons as joint tenants, tenants in common, or tenants by the entirety, as may be appropriate, but not as owners in severalty.

Section 4.12 Contractual Liability of Unit Owners. Every contract made by the Board, by any officer of the Condominium, or by any superintendent or Managing Agent of the Building shall state (if obtainable and in addition to the limitation of liability of the members of the Board and the

officers of the Condominium pursuant to the terms of Section 2.20 and 3.10 hereof, respectively) that the liability of any Unit Owner with respect thereto shall be limited to: (i) such proportionate shares of the total liability thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners and (ii) such Unit Owner's interest in his Unit and its Appurtenant Interests, unless otherwise provided by Law.

ARTICLE 5

OPERATION OF THE PROPERTY

Section 5.1 Maintenance and Repairs. (A) Except as otherwise provided in the Declaration or in these By-Laws, all painting, decorating, maintenance, repairs, and replacements, whether structural or non-structural, ordinary or extraordinary:

(i) in or to any Unit, other than the Commercial Unit, any Limited Residential Common Element related thereto and all portions thereof (including, but not limited to, the walls, ceilings and floors in the Unit, kitchen and bathroom fixtures and appliances, windows and their frames, sills and sashes, all doors (entrance and terrace, if any) and their frames and saddles, exposed plumbing, gas and heating fixtures, any Common Elements and any Residential Common Elements incorporated therein pursuant to paragraph (B) of Section 5.8 hereof, but excluding any other Common Elements contained therein) shall be performed by the owner of the Unit at his cost and expense;

(ii) in or to the Common Elements (other than any Common Elements incorporated into one or more Units pursuant to the terms of paragraph (B) of Section 5.8 hereof) shall be performed by the Board as a Common Expense;

(iii) in or to the Residential Common Elements shall be performed by the Board as an expense to the owners of the Residential Units; and

(iv) in or to the Commercial Unit and all portion thereof, any Limited Commercial Common Elements and any Common Elements incorporated therein pursuant to the terms of paragraph (B) of Section 5.8 hereof, but excluding any other Common Elements contained therein, shall be performed by the owner of the Commercial Unit, at that Commercial Unit Owner's sole cost and expense.

Promptly upon obtaining knowledge thereof, each Unit Owner shall use reasonable efforts to report promptly to the Board or to the Managing Agent any defect or need for repairs for which the Board is responsible pursuant to the terms hereof. All painting, decorating, maintenance, repairs and replacements performed hereunder or otherwise, whether by or at the behest of a Unit Owner or the Board, shall be performed in such a manner as shall not unreasonably disturb or interfere with any Unit Owners or the tenants and occupants of any Units.

(B) Notwithstanding anything to the contrary provided in paragraph (A) of this Section 5.1, however, the exterior glass surfaces of all windows of each Unit are to be washed and cleaned by the owner of such Unit at such Unit Owner's sole cost and expense. In addition, if any painting, decorating, maintenance, repairs, or replacements to the Property or any part thereof, whether structural or non-structural, ordinary or extraordinary, is necessitated by the negligence, misuse, or abuse of (i) any Unit Owner, the entire cost and expense thereof shall be borne by such Unit Owner, or (ii) the Board, the entire cost and expense thereof shall be borne (a) by all Unit Owners other than the Commercial Unit Owner as a Common Expense, if involving only a Unit other than the Commercial Unit, or (b) by all Unit Owners (including the Commercial Unit Owner) as a Common Expense, if involving the Common Elements of both Commercial Unit and the Residential Units or (c) by the Commercial Unit Owner alone if involving only the Commercial Unit, except, in all events, to the extent that such cost and expense is covered by the proceeds of any insurance maintained pursuant to the terms of these By-Laws. Similarly, each Unit Owner shall be responsible for any and all damage to any Unit or to the Common Elements resulting from such Unit Owner's failure to maintain, repair, or replace his Unit or any portion thereof as required herein.

(C) Each Unit and all portions of the Common Elements shall be kept in first-class condition, order and repair (and free of snow, ice, and accumulation of water and all drains kept clear and unclogged with respect to any roof terrace, roof, or other part of the Property exposed to the elements) by the Unit Owner or the Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Board shall promptly make or perform, or cause to be made or performed, all maintenance work (including, without limitation, painting, repairs and replacements) that is necessary in connection therewith. In addition, the public areas of the Building and those areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by (i) the Board with respect to such parts of the Building required to be maintained by such Board, and (ii) each Unit Owner, with respect to such parts of the Building required to be maintained by such Unit Owner.

Section 5.2 Alterations, Additions, Improvements or Repairs in and to Units and the Limited Residential Common Elements. (A) Subject to the terms of paragraph (B) of this Section 5.2, no Residential Unit Owner shall make any structural alteration, addition, improvement or repair in or to its Unit or a Limited Residential Common Element without the prior written approval of the Board in each instance, which approval shall not be unreasonably withheld. No Unit Owner shall paint, decorate or enclose any portion thereof which is visible from the ground or street surrounding the Building without the prior written approval of the Board. In the event, however, that the Board shall fail to answer any written, reasonable detailed request for such approval within sixty (60) days after such request is received, such failure to respond shall constitute the Board's consent thereto. Prior to, and as a condition of, the granting of any such approval, the Board may, at its sole option, require the Residential Unit Owner to procure and agree to maintain during the course of such work such insurance as the Board may reasonably prescribe and 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 indemnity referred to in paragraph (D) hereof and the days and hours during which any such work may be done.

(B) Notwithstanding anything to the contrary contained in paragraph (A) of this Section 5.2, however, Sponsor (or its designee) (as to Unsold Units) and the Commercial Unit Owner (as to the Commercial Unit) shall have the right pursuant (and subject) to the terms of Article 12 of the Declaration, without the approach of the Board to (i) make any alterations, additions, improvements, or repairs in or to any Unsold Units and the Commercial Unit respectively, whether structural or nonstructural, interior or exterior, ordinary or extraordinary, and (ii) subdivide, combine and change the boundary walls of the Unsold Units or the Commercial Unit.

(C) All alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with Law. In connection therewith, the Board shall execute applications to any departments of the City of New York, or to any other governmental agencies having jurisdiction thereof, for any and all permits required in connection with the making of alterations, additions, improvements, or repairs in or to a Unit, provided that, with respect to all such work of a structural nature (other than of the nature described in paragraph (B) hereof), the same was approved by the Board if such approval is required pursuant to the terms of paragraph (A) hereof.

(D) Neither the Board nor any Unit Owner (other than the Unit Owner(s) making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to his or their Units(s) or a Limited Common Element and appurtenant Common Elements) shall incur any liability, cost, or expense either (i) in connection with the preparation, execution, or submission of the applications referred to in paragraph (C) hereof; (ii) to any contractor, subcontractor, materialman, architect, or engineer on account of any alterations, improvements, additions, or repairs made or caused to be made by a Unit Owner; or (iii) to any Person asserting any claim for personal injury or property damage arising therefrom. Any Unit Owner(s) including the Sponsor (or its designee) making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to his or their Unit(s) and shall agree (in a writing executed and delivered to the Board, if the Board shall so request), and shall be deemed to agree (in the absence of such writing), to indemnify and hold the Board, the members of the Board, the officers of the Condominium, the Managing Agent and all other Unit Owners harmless from and against any such liability, cost and expense.

Section 5.3 Alterations, Additions, or Improvements to the Common Elements and the Residential Common Elements. Except as otherwise provided in the Declaration or in these By-Laws, all necessary or desirable alterations, additions, or improvements in or to any of the Common Elements shall be made by the Board, and the cost and expense thereof shall constitute a Common Expense to all Unit Owners. Except as otherwise provided in the Declaration or in these By-Laws, all necessary or desirable alterations, additions, or improvements in or to any of the Residential Common Elements shall be made by the Board, and the cost and expense thereof shall constitute a Common Expense to the Residential Unit Owners. Notwithstanding the foregoing, however, whenever the cost and expense of any such alterations, additions or improvements would, in the

judgement of the Board, exceed \$50,000 in the aggregate in any calendar year, such proposed alterations, additions, or improvements shall not be made unless first approved by a Majority of all Unit Owners (if involving the Common Elements) at a duly constituted meeting of the Unit Owners and by the Mortgage Representatives, if any, or approved by a Majority of all Residential Unit Owners (if involving the Residential Common Elements) at a duly constituted meeting of the Residential Unit Owners and by the Mortgage Representatives, if any. Except as otherwise provided in the Declaration and in these By-Laws, all such alterations, additions, or improvements costing \$50,000 or less in the aggregate in any calendar year may be made as aforesaid without the approval of either the Unit Owners or any Mortgage Representatives, and the cost thereof shall constitute a Common Expense to be paid by all Unit Owners, as with regard to the Common Elements and the cost thereof shall constitute a Common Expense to the Residential Unit Owners as to the Residential Common Elements. Notwithstanding anything herein to the contrary, any alterations, additions or improvements (regardless of the cost thereof) that will necessitate an increase in the Common Charges or require the imposition of a special assessment greater than five (5%) percent of the previous year's Common Charges shall not be undertaken unless approved by a Majority of all Unit Owners (in number and in Common Interest) in accordance with Section 2.5 (A) of these By-Laws.

Section 5.4 Insurance. (A) If the same shall be obtainable, the Board shall obtain, and shall maintain in full force and effect, fire insurance policies with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the Building (including all Unit and the bathroom and kitchen fixtures installed therein on the date of recoding the Declaration and all service machinery contained therein, but not including appliances or any furniture, furnishings, decorations, belongings, or other personal property supplied or installed by Unit Owners or the tenants of Unit Owners) and covering the interests of the Condominium, the Board, all of the Unit Owners and all Permitted Mortgagees, as their interests may appear. Each of the said policies shall contain, if available:

(i) waivers of (a) subrogation, (b) any defense based upon co-insurance or other insurance, (c) invalidity arising out of any acts of the insured and (d) pro-rata reduction of liability;

(ii) a provision that any adjustment of loss will be made by the Board and that all proceeds thereof shall be paid either the Board or the Insurance Trustee, as provided in Section 5.5 hereof;

(iii) a New York standard mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the proceeds thereof shall be paid to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board and the Insurance Trustee set forth in subparagraph (ii) above and in Section 5.5 hereof; and

(iv) a provision that such policy may not be either canceled or substantially modified except upon at least ten (10) days' prior written notice to all of the insureds, including all Permitted Mortgagees.

Duplicate originals or certificates of all such policies and of all renewals thereof, together with proof of payment of premiums, shall be sent to those Unit Owners and Permitted Mortgagees who request same. Renewals of such policies shall be obtained at least ten (10) days prior to the expiration of the then current term.

(B) The Board shall also obtain and maintain, to the extent practicable:

(i) commercial general liability insurance, including, in the discretion of the Board, umbrella liability, covering all claims for personal injury or property damage arising out of any occurrence on the Property and listings as co-insureds (a) the Board and each member thereof, (b) the Managing Agent or manager (if any), (c) each officer and employee of the Condominium and (d) each Unit Owner (except, however, that such insurance shall not cover any liability of a Unit Owner arising from occurrences within his own Unit);

(ii) workmen's compensation and New York State disability benefits insurance;

(iii) boiler and machinery insurance;

(iv) water damage legal liability insurance;

(v) elevator liability and collision insurance; and

(vi) such other insurance as the Board shall from time to time determine.

Each of the aforementioned policies of insurance to be maintained by the Board shall contain such limits as the Board shall from time to time determine, provided, however, that:

(C) All policies of insurance to be maintained by the Board shall contain such limits as the Board shall from time to time determine, provided, however, that:

(i) with respect to insurance policies maintained by the Board pursuant to paragraph (A) hereof, the coverage shall be not less than an amount which is sufficient for the insurance company providing the insurance company to waive any co-insurance requirement or is based on an "agreed amount replacement cost" (or comparable term) and, until the first regular meeting of the first Condominium Board elected by the Unit Owners, such coverage shall be at least in the amount of \$10,000,000; and

(ii) with respect to insurance policies maintained by the Board pursuant to subparagraph (i) of paragraph (B) hereof, such policies shall contain single limits of not less than \$2,000,000 in the aggregate until the first regular meeting of the first seven (7) member Condominium Board elected by the Unit Owners.

Any insurance policies maintained by the Board may also provide for such deductible amounts as the Board shall determine. The Board shall review the limits of each insurance policy, as well as the amount of any deductible sum thereunder, at least once each year.

(D) The cost of all insurance maintained by the Board pursuant to this Section 5.4, together with the fees and disbursements of any Insurance Trustee appointed by the Board pursuant to the terms of these By-Laws, shall be borne by the Unit Owners as a common Expense.

(E) Unit Owners shall not be prohibited from carrying other insurance for their own benefit, provided that all such policies shall contain waivers of subrogation and further provided that the liability of the carriers issuing the insurance maintained by the Board shall not be affected or diminished by reason of any such additional insurance carried by an Unit Owner.

Section 5.5 Casualty or Condemnation. (A) In the event that either (i) the Building or any part thereof is damaged or destroyed by fire or other casualty (hereinafter referred to as a "Casualty Loss") or (ii) the Common Elements or any part thereof is taken in condemnation or by eminent domain (hereinafter referred to as a "Taking"), the net insurance proceeds payable under the insurance policies maintained by the Board pursuant to the terms of Section 5.4 hereof by reason of such Casualty Loss or the net condemnation awards receivable by reason of such Taking, as the case may be, shall be payable either to the Board, if the same shall be \$100,000 or less in the aggregate, or to the Insurance Trustee, if one is appointed, if the same shall exceed \$100,000 in the aggregate. In either instance, all such monies actually received (hereinafter referred to as the "Funds") shall be held in trust for the benefit of all Unit Owners and their Permitted Mortgagees and shall be disbursed pursuant to the terms of this Section 5.5. Notwithstanding anything to the contrary contained either in this paragraph (A) or elsewhere in this Section 5.5, however, no Unit Owner whose Unit, or any portion thereof are taken in condemnation or by eminent domain (whether or not all or a part of the Common Elements are contemporaneously taken) shall be deemed to have waived whatever rights that he may have to pursue a separate claim against the condemning authority by reason thereof, provided that the award to other Unit Owners or Condominium Board, or any other Unit Owner is not reduced thereby.

(B) Subject to the terms of paragraph (D) hereof, the Board (as to all parts of the Property other than the Commercial Unit) and the Commercial Unit Owner (as to the Commercial Unit and Commercial Limited Common Elements, if any) shall arrange for the prompt repair or restoration (hereinafter referred to as the "Work") of: (i) in the event of a Casualty Loss, the portion(s) of the Building (including all Units and the bathroom and kitchen fixtures initially installed therein on or about the date of recording the Declaration and all service machinery contained therein, but not including appliances or any furniture, furnishings, decorations, belongings, or other personal property supplied or installed by a Unit Owner or the tenant of a Unit Owner) affected by such Casualty Loss or pursuant to the immediately preceding sentence, Work is to be performed in or to Units, Common Elements that service or enclose Units and other Common Elements or any combination of the foregoing, the Work shall be performed, to the extent practicable, first in or to the Units, next in or to the Common Elements that service or enclose Units

and then in or to the balance of the Common Elements. In addition, each Unit Owner whose Unit, or any portion thereof shall be the subject of all or part of any Work shall have the right, subject to the terms of Section 5.2 hereof, to supervise any redecorating of his Unit.

(C) In the event that Work shall be performed pursuant to the terms of paragraphs (B) and (D) of this Section 5.5, the Board or the Insurance Trustee or the Commercial Unit Owners as the case may be, shall disburse the Trust Funds to the contractors engaged in the Work in appropriate progress payments. If the Trust Funds shall be less than sufficient for the Board to discharge the cost and expense of performing the Work, the Board shall levy a Special Assessment as a Common Expense against all Unit Owners for the amount of such deficiency in proportion to their respective Common Interest (if involving the Common Elements or both the Units or the Commercial Units) or shall levy a Special Assessment against the Commercial Unit Owners alone (if involving only the Commercial Units and the Commercial Unit Owners shall fail to repair and restore same), and all proceeds of such Special Assessment shall become part of the Trust Funds. If, conversely, the Trust Funds shall prove to be more than sufficient to discharge the cost and expense of performing the Work, such excess shall be paid to all Unit Owner in proportion to their respective Common Interests, except that no payment shall be made to a Unit Owner until there has first been paid, out of such Unit Owner's share of excess, such amount as may be necessary to reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Montages) in the order of priority of such liens. Notwithstanding the foregoing, however, in the event that the Unit Owners are assessed pursuant to the terms of the second sentence of this paragraph (C) for any projected deficiency in the amount of the Trust Funds available to the Board and, after the payment of all costs and expenses incurred in connection with the Work, any portion of the Trust Funds remains unspent, such excess Trust Funds shall, to the extent of such Special Assessment, be deemed to be, and shall constitute, an unspent Special Assessment and shall be paid to the Unit Owners so assessed in proportion to their respective Common Interests, free of any claim of any lienor (including, without limitation, any Permitted Mortgagee).

(D) If either seventy-five (75%) percent or more of the Building is destroyed or substantially damaged by fire or other casualty or seventy-five (75%) percent or more of the Common Elements are taken in a Taking, the Work shall not be performed unless seventy-five (75%) percent or more of all Unit Owners including Sponsor or its designee (if Sponsor or such designee shall then own any Units), both in number and in aggregate Common Interests, shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the Work shall be performed pursuant to the terms of paragraphs (B) and (C) hereof. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the Work shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the resulting sale, together with any Trust Funds, shall be paid to all Unit Owners in proportion to their respective Common Interests, except that no payment shall be made to a Unit Owner until there first has been paid, out of such Unit Owner's share of such funds, such amounts as may be necessary to reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens.

(E) In the event that the damage resulting from Casualty Loss shall (i) render one or more Units wholly or partially unusable for the purposes permitted herein and in the Declaration or (ii) destroy the means of access to one or more Units, the installments of Common Charges otherwise payable by the owner of any Unit so affected thereby shall proportionately abate until such Unit shall again be rendered useable for such purposes and/or until the means of access thereto shall be restored, as the case may be. Notwithstanding the foregoing, however, if such Casualty Loss shall be caused by the act, the omission to act, or the negligence of the owner of a Unit so affected thereby, by a Family Member of such Unit Owner, or by a tenant or licensees, invitees and/or workmen or other occupant of such Unit, such installments of Common Charges shall abate only to the extent of any proceeds of rent insurance actually collected by the Board with the respect to such Unit.

(F) If (i) a portion of any Unit shall be taken in condemnation or by eminent domain and (ii) the Condominium shall not be terminated by reason of a simultaneous Taking pursuant to the terms of paragraph (D) hereof, the Common Interest appurtenant to such Unit shall be adjusted in the proportion that the total floor area of such Unit prior to such taking bears to the total floor area of such Unit after the taking. The Board shall promptly prepare and record an amendment to the Declaration reflecting the new Common Interest appurtenant to such Unit, which amendment shall be executed by the owner of such Unit together with the holders of record of any liens thereon (or, in lieu of execution by such Unit Owner and lienors, the same may execute a consent to such amendment in recordable form). Following the taking of a portion of a Unit and the recording of the aforementioned amendment to the Declaration or said consent to such amendment, the votes appurtenant to such Unit shall be based upon the new Common Interest of such Unit, and, in the event of taking an entire Unit, the right to vote appurtenant to such Unit shall wholly terminate. In either event, the Common Interests of the other or remaining Units shall be adjusted accordingly and reflected in an amendment to the Declaration duly executed and acknowledged by the Board and the owners of, together with the holders of record of all liens upon, all of the other remaining Units, or a consent to such amendment in recordable form.

(G) As used in this Section 5.5, the terms:

(i) "prompt repair or restoration" shall mean that the work is to be commenced not more than either: (a) sixty (60) days after the date upon which the Insurance Trustee, if any, notifies the Board and the Unit Owners that it has received Trust Funds sufficient to discharge the estimated cost and expense of the Work, or (b) ninety (90) days after the date upon which the Insurance Trustee, if any, notifies the Board and the Unit Owners that it has received Trust Funds insufficient to discharge the estimated cost and expense of the Work, or (c) in the event that the Trust Funds are payable to the Board pursuant to the terms of paragraph (A) of this Section 5.5, sixty (60) days after the date upon which the Board notifies the Unit Owners that it has received the Trust Funds, whether or not the same are sufficient to discharge the cost and expense of the Work; and

(ii) "promptly resolve" shall mean that a resolution shall be duly made not more than sixty (60) days after the date upon which the Board or the Insurance Trustee, as the case may be, notifies the Unit Owners that it has received the Trust Funds and that the same are or are not sufficient to discharge the estimated cost and expense of the Work, as the case may be.

(H) Any dispute that may arise under this Section 5.5 between Unit Owners or between any Unit Owners(s) and the Board shall be resolved by arbitration pursuant to the terms of Article 10 hereof.

Section 5.6 Use of The Property. (A) No nuisance shall be allowed on the Property, nor shall any use or practice be allowed in any Residential Unit that either is a source of annoyance to its residents or interferes with the peaceful possession or proper use of the Property by its residents of occupants. The Unsold Units and the Commercial Unit may be used for any purpose permitted by Law provided that no illegal, noxious, immoral, improper, offensive, or unlawful use shall be made of any portion thereof. Neither the Unsold Units nor the Commercial Unit nor any portion thereof may be used as an adult entertainment establishment as defined in the New York City Zoning Resolution or for use as a discotheque or dance club. All valid Laws, zoning, ordinances, restrictive declarations and regulations of all governmental bodies with jurisdiction, relating to any portion of the Property shall be complied with at the full cost and expense of the respective Unit owners or the Board, whoever shall have the obligation to maintain or repair such part of the Property.

(B) Nothing shall be done or kept in any unit or in any of Common Elements that would increase the rate of insurance for the Property, except upon the prior written consent of the Board. The foregoing shall not apply to the Commercial Unit, provided, however, the owner of the Commercial Unit pays for any such increase in insurance rates. No Unit Owner shall permit anything to be done or kept in a Unit or in the Common Elements that will result in the cancellation of insurance on the Property or the contents thereof, or that would be in violation of any Law. No waste shall be committed in the Common Elements.

(C) Nothing shall be done in any Unit or in, or to the Common Elements that will impair the structural integrity of the Property or that will structurally change the Building, except as is otherwise provided in the Declaration or in these By-Laws. In no event shall interior partitions contributing to the support of any Unit or the Common Elements be altered or removed.

Section 5.7 Use of the Units. (A) In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of Units shall be restricted to, and shall be in accordance with, the terms contained in the balance of this Section 5.7. The Residential Units may be used only for joint-living work quarters for artists, except that qualifying Residential Unit Owner may use a Residential Unit for any home occupation use permitted under applicable zoning law and ordinances, building code or other rules and regulations of governmental authorities having jurisdiction.

(B) Subject to the terms of paragraph (D) and (E) of this Section 5.7, the Board may, in its sole discretion, consent to the use of a Unit 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 such Unit or the Rules and Regulations of the Condominium. Any such consent shall be in writing and shall be personal to such Unit Owner. Any lessee of, or successor in title to, such Residential Unit owner shall be required to obtain the prior written consent of the Board before using such Unit for any purpose other than that set forth in the first sentence of this paragraph (B).

(C) A Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary, sovereign government, consulate or any other entity may be occupied only by said individual, or by an officer, director, stockholder, or employee of such corporation, or by a partner or employee of such partnership, or by a member of such limited liability company, or by said fiduciary (including directors, officers, stockholders, or employees of corporate fiduciaries and partners or employees of partnership fiduciaries), or by the beneficiary of said fiduciary, or by a principal or individual designee of such sovereign government, consulate or other entity, respectively, or by Family Members or guests of any of the foregoing or a tenant named in a lease of the Unit entered into in accordance with Article 7 of the By-Laws or, in the case of an individual Unit Owner only, one additional occupant who is not a Family Member and his dependent children (however, nothing contained in this sentence shall be deemed to prohibit the exclusive occupancy of any Unit by such Family Members or guests). Additionally, in no event shall a portion of a Unit (as opposed to the entire Unit) be sold, conveyed, leased, or subleased, and no transient occupant (other than a guest permitted under this paragraph (C)) may be accommodated therein.

The foregoing restrictions in subparagraphs (B) and (C) (except as to lawful uses) shall not apply to the Commercial Units or any Unsold Unit owned by Sponsor or its designee.

(D) Notwithstanding anything to the contrary contained in this Section 5.7, Sponsor may, without the consent of either the Board or the Unit Owners, use any one or more Unsold Units as model units and offices for the sale, promotion, rental, management and operation of the Unsold Units or for any other purpose, subject only to compliance with Law.

(E) The Commercial Unit may be used for any purpose permitted by Law and any existing certificate of occupancy, provided such use is not an adult entertainment use as defined in the New York City Zoning Resolution or as a discotheque or dance club, or is not illegal, noxious or immoral.

Section 5.8 Use of the Common Elements and Residential Limited Common Elements. (A) Subject to the terms of paragraph (B) of this Section 5.8, the Common Elements (including, without limitation, the electrical, heating, cooling, venting, gas, plumbing and other mechanical systems and equipment of the Building and the Facilities) and Limited Common Elements may be used only for the furnishing of the services and facilities, and for the other uses, for which they are reasonably suited and capable. In addition, no furniture, packages, or objects of any kind shall be

placed in the lobbies, vestibules, public halls, stairways, public elevators, or any other part of the Common Areas (except for those areas designated as storage areas) without the prior written consent of the Board. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them. Accordingly, all Residential Unit Owners shall require their tradesmen to utilize exclusively the elevator and entrance in the manner designated by the Board for transporting packages, merchandise, or other objects.

(B) The terms of paragraph (A) of this Section 5.8 shall not apply to Sponsor or its designee for so long as there are any Unsold Units. Sponsor or its designee shall have the right, without charge or limitation, to: (i) have its employees, contractors, subcontractors and sales agents present on the Property; and (ii) do all things necessary or appropriate, including the use of the Common Elements and Limited Common Elements, to sell, lease, manage, or operate Unsold Units, to complete any work or repairs to the Building expressly undertaken by Sponsor and to comply with Sponsor's obligations under the Plan and the Condominium Documents. In no event, however, shall Sponsor or such designee be entitled to use any Common Elements or Limited Common Elements in such a manner as will unreasonably interfere with the use of any Unit for its permitted purposes.

Section 5.9 Rights of Access. (A) Subject to the rights of existing tenants and other occupants of Unsold Units, each Unit Owner shall grant to the Board, to the Managing Agent or manager (if any), to the superintendent and/or to any other Person authorized by any of the foregoing a right of access to his Unit for the purpose of:

(i) making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or Limited Common Elements, or any other part of the Property;

(ii) curing defaults hereunder or under the Declaration or violations of the Rules and Regulations committed by such Unit Owner or correcting any conditions originating in his Unit and threatening another Unit or all or a portion of the Common Elements or Limited Common Elements;

(iii) performing maintenance, installations, alterations, repairs, or replacements to the mechanical or electrical services, or other portions of the Common Elements or Limited Common Elements within his Unit or elsewhere in the Building;

(iv) reading, maintaining, or replacing utility meters relating to the Common Elements or Limited Common Elements to his Unit, or to any other Unit; or

(v) correcting any condition that violated the provisions of any Permitted Mortgage encumbering another Unit.

Except in cases of any emergency (that is, a condition requiring repairs or replacements immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals, or required to avoid the suspension of any necessary service in the Building), the foregoing rights of access shall be exercised only upon not less than one day's advance notice and only in such a manner as will not unreasonably interfere with the business of any tenants or occupants of the Units or the use or operation of the Units for their permitted purposes. In cases of emergency, however, such rights of access may be exercised immediately, without advance notice and whether or not the Unit Owner is present.

Section 5.10 Modification of the Rules and Regulations. The Board shall have the right to amend, modify, add to, or delete any of the Rules and Regulations from time to time, provided, however, that any such amendment, modification, addition, or deletion may be overruled by a vote of a Majority of Unit Owners. Copies of the text of any amendments, modifications, additions, or deletions to the Rules and Regulation shall be furnished to all Unit Owners to whom same relate not less than thirty (30) days prior to the effective date thereof.

Section 5.11 Water Charges and Sewer Rents. (A) Water for the Building shall be supplied by the City of New York and consumption thereof shall be measured by one meter for the Building. Meter charges to the Commercial Unit shall be paid by the Commercial Unit Owner, and meter charges to the Residential Units shall be paid by the Residential Unit Owners in proportion to their respective interest in the Common Elements allocated to the Units.

(B) Each Unit Owner shall be deemed to have appointed the Board to act as his agent in connection with tax certiorari proceedings, and the Commercial Unit Owners may at their option so appoint the Board.

Section 5.12 Electricity and Gas. (A) Electric service in all Units is individually metered. Accordingly, all charges for electricity consumed or used in each Unit shall be paid by each Unit Owner directly to Con Edison as and when billed. Gas service provided to each Unit is measured by a single meter located in the Building's cellar. All gas charges shall be paid by the Board as a Common Charge billed to the Residential Unit Owners as a Common Charge in proportion to their respective Common Interests.

Section 5.13 Utilities Serving the Common Elements. The cost and expense of water, electricity and gas serving or benefitting any Common Element shall be (i) considered part of the expense of maintaining such Common Element, (ii) determined by the Board and (iii) charged as a Common Expense to all Unit Owners only in the proportion that each Unit's Common Interest bears to the aggregate Common Interest of all Units.

Section 5.14 Vault Charges. All license fees, and all periodic taxes and charges, for vaults or other protrusions beyond the Building line shall be paid by the Board as a Common Expense.

Section 5.15 Records and Audits. (A) The Treasurer of the Condominium, or the Managing Agent under the supervision of such Treasurer, shall keep full, detailed and accurate records and books of account with respect to the financial affairs of the Condominium, which records and books of account shall include, without limitation, (i) a listing of all receipt of and expenditures by the Board and the Managing Agent and (ii) a separate listing for each Unit, setting forth, among other things, the amount of each assessment of Common Charges, real estate taxes, if applicable, and, as the case may be, Special Assessments levied against such Unit, the date when due, the amounts paid thereon and the date thereof and the balance, if any, remaining unpaid.

(B) Within five (5) months after the end of each fiscal year of the Condominium, the Board shall submit to each Unit Owner, and, if so requested, to any Permitted Mortgagee, an annual report of the receipts and expenditures of the Condominium prepared and certified by an independent certified public accountant. The cost of preparing and distributing each such report shall be borne by the Board as a Common Expense to all Unit Owners.

ARTICLE 6

COMMON CHARGES; RESERVE FUND AND WORKING CAPITAL

Section 6.1 Determination of Common Expenses and Fixing of Common Charges.

(A) From time to time, but not less frequently than once a year, the Board shall: (i) prepare and adopt a budget for the Condominium, subject, in all respects, to the limitations set forth in these By-Laws; (ii) determine the aggregate amount of Common Charges necessary to be charged to all Unit Owners in order to meet the Common Expenses relative to the Common Elements and the Limited Common Elements, including the annual amount to be paid by the Commercial Units Owner. Common Expenses may also include such amounts as the Board may deem necessary and proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Common Elements; (iii) allocate and assess such Common Charges to be paid pro rata by the Unit Owners in accordance with their respective Common Interest and (iv) determine and assess the allocable shares of expenses for water, heating, gas and electricity payable by the Commercial Unit Owners (except as otherwise provided in the Declaration or in these By-Laws).

(B) (1) The annual amount to be paid by the Commercial Unit Owner in connection with shared expenses shall include all of the categories of expense set forth in "Schedule B - Projected Budget for First Year of Condominium Operation" in the Plan, or any different expenses which at some time in the future are established in lieu of the foregoing expenses. The allocable share of the foregoing categories of expenses paid by the Owner of the Commercial Unit shall be based upon the Common Interests of the Commercial Unit.

(2) If at any time after the first year of Condominium operation, either the Commercial Unit Owner or the Board shall dispute the foregoing basis for allocating the Common Charges payable by the Commercial Unit Owner, the parties shall select a licensed engineer, real estate broker or management firm with expertise in surveys or allocations pertinent to the Common

Expense in controversy to make such determination. If the Commercial Unit Owner and the Board are unable to agree on an expert or disagree with the expert's determination, the matter shall be submitted to arbitration in accordance with the provisions of Article 10.

(3) If the Commercial Unit is subdivided and such subdivision results in an increase in shared expenses attributable to the Commercial Unit or the use is changed so as to increase the extent to which the Commercial Unit uses any Common Elements or services which are paid for as Common Expenses, then, the Commercial Unit Owner shall pay any increase in share expenses resulting from such subdivision or change in use. Additionally, if insurance premiums are increased as a result of the use or a change in the use of the Commercial Unit or any portion thereof, then the Commercial Unit Owner responsible for such increase shall pay any increase in such premium attributable to such use or change in use of the Commercial Unit.

(4) If in the future, any categories of Common Expense other than those provided for at the date of recording of the Declaration are assessed by the Board as Common Charges, then the Commercial Units Owner will pay its allocable share of the expense fairly attributable to the Commercial Unit (based on its Common Interest). However, if the Commercial Unit Owner uses or incurs a disproportionate portion of the expense relative to its Common Interest (whether too low or too high), then the Commercial Unit Owner shall be required to pay its fair share of such expense as determined by a licensed engineer, real estate manager or management firm selected by the Commercial Unit Owner and the Board or in the event the Commercial Unit Owner and the Board cannot agree upon a real estate manager or management firm, as determined by arbitration in accordance with the provisions of Article 10.

(C) The Board may, in its sole discretion, from time to time increase or decrease the amount of Common Charges allocated to the Units and payable by the Unit Owner and may modify its prior determination of the Common Expenses for any fiscal year so as to increase or decrease the amount of Common Charges payable for such fiscal year or portion thereof. In the event of a change in the amount payable as Common Charges for each individual Unit Owner, the Board shall advise all such Unit Owner in writing promptly after same are determined of the amount of Common Charges payable by each of them. The Board shall, not later than ten (10) days next preceding the date upon which the first installment of newly determined Common Charges is due, furnish copies of the budget (in a reasonable itemized form) upon which such Common Charges are based to all Unit Owners and to their respective Permitted Mortgagees. Notwithstanding the above, no such revised determination of Common Expenses shall have a retroactive effect on the amount of Common Charges payable by Unit Owners for any period prior to the date of such new determination nor shall the Board reduce the Common Charges payable by the Unit Owners during any year occurring within the Initial Control Period solely as a result of a reduction in the number of employees of the Condominium below the number employed for the Property on the date of recording the Declaration, or eliminating or reducing any service or reducing the insurance coverage below that provided for the Property on such date, except with the concurrence of a majority of those members of the Board elected by Unit Owners other than Sponsor or its designee.

(D) The failure or delay of the Board to prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges. In such event, the Common Charges that were computed on the basis of the Common Expenses last determined for any fiscal year or portion thereof shall continue thereafter to be the Common Charges payable by the Unit Owners until a new determination of the Common Expenses shall be made.

(E) (1) In addition to the foregoing duty to determine the amount of and assess Common Charges, the Board shall have the right, subject, in all respects, to the limitations contained in Section 2.5 hereof, to levy Special Assessments to meet the Common Expenses. All Special Assessments shall be levied against all Unit Owner (if involving the Common Elements only), the Unit Owners other than the Commercial Unit Owner only (if involving the Commercial Unit only), in proportion to their respective Common Interests. Until such time as each Unit has a separate tax lot for purposes of real estate taxes, the Board shall collect such taxes (as the case may be) in the form of a Special Assessment or additional Common Charges for forwarding same to the appropriate taxing authority on behalf of Unit Owners (subject to Section 5.11).

(2) Special Assessments may be payable either in one lump sum or in installments, as the Board shall determine, provided, however that the Board shall give each Unit Owner not less than fifteen (15) days' written notice prior to the date upon which such Special Assessment, or the first installment thereof, shall be due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof. The Board shall have all rights and remedies for the collection of Special Assessments as are provided herein for the collection of Common Charges (including, without limitation, the provisions of Section 6.4 hereof).

(F) The excess of all rents, profits and revenues derived from the rental or use of any space forming a part of, or included in, any Common Element remaining after deduction of all expenses incurred in connection with generating the same shall constitute income of the Unit Owners and shall be collected on behalf of the Unit Owners by the Board and applied against the Common Expenses respectively, for the year in which the collected. In the event that such net rents, profits and revenues, together with the Common Charges and any Special Assessments collected from the Unit Owners (other than any Common Charges or Special Assessments segregated from other funds of the Condominium and earmarked for reserves to make capital repairs, replacements, improvements and/or additions to the Common Elements as provided in Section 6.5 hereof), for any year of operation shall exceed the Common Expenses for such year, then such excess shall be applied by the Board against the Common Expenses for the next succeeding year(s) of operation, and no Unit Owner shall be entitled to a distribution of any portion of such excess unless the Board shall determine to distribute all or part of such excess to all Unit Owners pro rata, in proportion to their respective Common Interests. Notwithstanding any provisions contained in these By-Laws or in the Declaration to the contrary, however, in no event shall any rent, profit, or revenue, derived from the rental or use of any space in the Building be deemed to be derived from the rental or use of any floors slabs, ceilings, or walls delineating or

enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

Section 6.2 Payment of Common Charges. (A) All Unit Owners (including Sponsor or its designee with respect to Unsold Units, for so long as the same are owned thereby), shall be obligated to pay Common Charges and Special Assessments assessed by the Board pursuant to the terms of Section 6.1 hereof at such time or times (but not less than annually) as the Board shall determine. Unless otherwise determined by the Board, Common Charges shall be payable in equal installments on the first day of every month in advance. To the extent permitted by Law, the Board shall have a lien on each Unit, on behalf of all Unit Owners, for unpaid Common Charges and Special Assessments assessed against such Unit. Such lien, however, shall be subordinate to any liens for unpaid real estate taxes assessed against such Unit (to the extent required by law) and to any lien of a prior recorded Permitted First Mortgage pursuant to the following subparagraph (B).

(B) No Unit Owner shall be liable for the payment of any part of the Common Charges and any Special Assessments assessed against its Unit subsequent to a sale, transfer, or other conveyance by him of such Unit, together with its Appurtenant Interests, made in compliance with the terms of Article 7 hereof. A purchaser or other successor-in-title to the owner of a Unit shall be liable for the payment of all Common Charges and any Special Assessments accrued and unpaid against such Unit prior to its acquisition thereof, except that, a Permitted First Mortgagee acquiring title to a mortgaged Unit or a purchaser at a mortgage foreclosure sale held with respect to a Permitted First Mortgage shall not be liable, and such mortgaged Unit shall not be subject to a lien, for the payment of any Common Charges and Special Assessments assessed subsequent to the recording of such Permitted First Mortgage and prior to the acquisition of title to such Unit by Permitted First Mortgagee or by such purchaser. However, in the event of a foreclosure of a Permitted First Mortgage (whether by sale, deed in lieu of foreclosure, or otherwise), the defaulting Unit Owner shall remain fully liable for the payment of all unpaid Common Charges and Special Assessments that accrued prior to such foreclosure. Any unpaid Common Charges and Special Assessments that are not collected from such defaulting Unit Owner shall be deemed a Common Expense, collectible from all those who are Unit Owners at the time that the same is levied.

(C) Subject to the terms and conditions contained in these By-Laws, any Unit Owner (except Sponsor or Sponsor's designee) may convey his unit, together with its Appurtenant Interests, to the Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, without being compensated therefor, and, in such event, be exempt from the payment of Common Charges and Special Assessments thereafter accruing, provided, however, that: (i) all Common Charges and any Special Assessments then due and payable with respect to such Unit have been paid; (ii) such Unit is free and clear of all liens and encumbrances other than a Permitted First Mortgage and the statutory lien for unpaid Common Charges and Special Assessments (provided no monies are then owing under such statutory lien); and (iii) no violation of any provision of the Condominium Documents then exists with respect to such Unit.

(D) No Unit Owner shall be exempted from liability for the payment of Common Charges or Special Assessments by waiving the use or enjoyment of any or all of the Common Elements or by abandoning his Unit (except with respect to a conveyance of the same to the Board, without compensation, pursuant to the terms of paragraph (C) hereof). Except as expressly provided to the contrary in paragraph (E) of Section 5.5 hereof, no Unit Owner shall be entitled to a diminution or abatement in the Common Charges or Special Assessments payable thereby for any inconvenience or discomfort arising from: (i) the failure or interruption of any utility or other services; (ii) the making of such repairs or improvements to the Common Elements, or any Unit (including, without limitation, such Unit Owner's Unit) pursuant to the terms of Section 5.1, 5.2, or 5.3 hereof; or (iii) any action taken by the Board or the officers of the Condominium to comply with Law.

Section 6.3 Statement of Common Charges. The Board shall promptly provide a written statement of all unpaid Common Charges due from any Unit Owner upon its receipt of a written request therefor from such Unit Owner. In addition, each Unit Owner shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 6.4 Default in Payment of Common Charges. (A) The Board shall take prompt action to collect any Common Charges and any Special Assessments due to the Board that remain unpaid for more than thirty (30) days after the due date. In connection therewith, the Board shall have the right and obligation to cause liens for all sums due and owing to the Board to be filed in the Register's Office pursuant to the terms of Section 339-z of the Condominium Act, to cause such liens to be foreclosed in the manner provided in Section 339-aa of the Condominium Act and/or to institute all other proceedings deemed necessary or desirable by the Board to recover all such unpaid Common Charges, together with all additional sums of money collectible by the Board by reason of such nonpayment pursuant to the terms of paragraph (B) hereof. A suit to recover a money judgment for unpaid Common Charges, however, shall be maintainable without foreclosing or waiving the lien securing such charges.

(B) In the event that any Unit Owner shall fail to make payment within fifteen (15) days from the due date of Common Charges or Special Assessments, such Unit Owner shall be obligated to pay (1) a late charge of \$.04 for each dollar of such amounts remaining unpaid for more than fifteen (15) days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid) and (2) interest thereon at the rate of 2% per month (but in no event in excess of the maximum rate permitted by law) on such unpaid amounts (less any late charges) computed from the due date thereof until paid in full, together with all costs and expenses paid or incurred by the Board, the Managing Agent, or the manager (if any) in connection with collecting such unpaid Common charges with said interest or late charge (as the case may be) and/or in foreclosing the aforementioned lien, including, without limitation, reasonable attorneys' fee, disbursements and court costs. In addition, if the Board shall bring an action to foreclose the aforementioned lien, the defaulting Unit Owner will be required to pay a reasonable rental for the use of his Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a

receiver to collect the same. All such late charges, interest, costs and expenses and rentals shall be added to and shall constitute Common Charges payable by Unit Owner.

(C) In any action brought by the Board to foreclose a lien on a Unit because of unpaid Common Charges or Special Assessments on the Unit, the Board shall have, on behalf of all Unit Owners, the power to purchase such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey, or otherwise deal with such Unit (but not to vote appurtenant to the same). In the event that the new proceeds received on such foreclosure (after deduction of all legal fees and disbursements, advertising costs, brokerage commissions, court costs and other costs and expenses paid or incurred in connection therewith) shall be insufficient to satisfy the defaulting Unit Owner's obligations to the Condominium, such Unit Owner shall remain liable for the deficit. Any surplus on such foreclosure sale shall be paid to the defaulting Unit Owner after first paying all liens on such Unit Owner's Unit in the order or priority of such liens.

(D) If the Common Charges due with respect to any Unit which is not occupied by its owner and is leased to third parties, including Unsold Units owned by the Sponsor, shall remain due and unpaid for more than sixty (60) days after the same became due and, after the expiration of all applicable grace periods, then the Board may demand that the tenants of such Units pay their rent directly to the Board. The Board's demand shall be in a writing delivered to both the tenant of the Unit and the non-occupying Owner and shall state the date as of which such direct rent payments to the Board shall commence and the address at which such payments shall be made. Such direct payment shall continue for so long as any arrears of Common Charges, late fees and Special Assessments affecting the Unit shall remain unpaid. If the non-occupying Unit Owner disputes the basis upon which the Board exercises its rights hereunder, such non-occupying Unit Owner may request an opportunity to present the facts pertaining to his claim at a special meeting of the Board, which shall be held within thirty (30) days after such Unit Owner delivers a written request for such a meeting.

Section 6.5 Reserve Fund; Working Capital Fund. (A) The Board may, in its sole discretion, but subject to the provisions of the Declaration, these By-Laws and the Rules and Regulations, from time to time assess Common Charges for the creation of, addition to or replacement of all or any part of any reserve, working capital or similar fund.

(B) In the case of any reserve fund, the Common Charges so assessed and allocated shall be used solely for the purchase or performance of goods or services for the repair, replacement or improvement of the capital plant of the Building and no portion of such funds shall be used for the payment of expenses associated with the day-to-day maintenance, repair or operation of the Building.

ARTICLE 7

SELLING AND LEASING OF UNITS

Section 7.1 General. Subject to the terms of Section 7.5 hereof, no Unit Owner may sell or lease its Unit other than the Sponsor as to Unsold Units and the Commercial Unit Owner except in compliance with the applicable provisions of this Article 7. Any purported sale or lease consummated in breach of this Article shall be voidable at the election of the Board, and, if the Board shall so elect, the breaching Unit Owner shall be deemed to have authorized and empowered the Board to institute legal proceedings to eject the purported purchaser (in the event of any unauthorized sale) or to evict the purported tenant (in the event of an authorized leasing) in the name of the said Unit Owner as the owner or landlord, as the case may be. The said Unit Owner shall reimburse the Board for all costs and expenses paid or incurred in connection with such proceedings, including, without limitation, reasonable attorneys' fees and disbursements and courts costs.

Section 7.2 Right of First Refusal. Subject to the terms of Section 7.5 and 7.9, any contract to sell a Unit together with its Appurtenant Interests and any lease of a Unit (hereinafter collectively referred to as a "Sale or Lease Agreement"), other than the Unsold Units and the Commercial Units, shall contain the following language: "THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE HEREBY MADE EXPRESSLY SUBJECT TO THE RIGHT OF FIRST REFUSAL IN FAVOR OF THE CONDOMINIUM BOARD OF THE 88 WASHINGTON PLACE CONDOMINIUM WITH RESPECT TO THE TRANSACTION EMBODIED HEREIN, PURSUANT TO THE TERMS OF SECTION 7.2 AND 7.3 OF THE BY-LAWS OF THE 88 WASHINGTON PLACE CONDOMINIUM AS THE SAME MAY HAVE BEEN AMENDED". Promptly after any such Sale or Lease Agreement shall have been fully executed, the Unit Owner executing the same (hereinafter referred to as the "Offeree Unit Owner") shall send written notice thereof to the Board by certified or registered mail, return receipt requested, with a fully executed, original counterpart of the Sale or Lease Agreement, containing all of the terms offered in good faith by the prospective purchaser or tenant (hereinafter referred to as the "Outside Offeror").

(B) The sending of the notice referred to in paragraph (A) of this Section 7.2 shall constitute an offer by the Offeree Unit Owner to sell its Unit together with its Appurtenant Interests, or to lease its Unit, as the case may be, to the Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, upon the same terms and conditions as are contained in such Sale or Lease Agreement, subject, however, to any variance therefrom provided in Section 7.3 hereof. The giving of such notice shall further constitute a representation and warranty by the Offeree Unit Owner to the Board, on behalf of all Unit Owners, that such Offeree Unit Owner believes the Sale or Lease Agreement to be bona fide in all respects. Thereafter, upon the written demand of the Board the Offeree Unit Owner shall submit to the Board, in writing, such further information with respect to the Outside Offeror and the Sale or Lease Agreement as the Board may reasonably request.

(C) The Board may elect, by sending written notice thereof to the Offeree Unit Owner by certified or registered mail not later than thirty (30) business days after receipt of the notice referred to paragraph (A) hereof together with such further information as may have been requested pursuant to the terms of paragraph (B) hereof, to purchase such Unit together with its Appurtenant Interests (or to cause the same to be purchased by its designee, corporate or otherwise) on behalf of all Unit Owners upon the same terms and conditions as were contained in the Sale or Lease Agreement and stated in the response(s) by the Offeree Unit Owner to any requests for additional information pursuant to the terms of paragraph (B) hereof.

Section 7.3 Acceptance of Offer. (A) In the event that the Board shall elect, within the time and in the manner provided in Section 7.2 hereof, to purchase a Unit together with its Appurtenant interests, or to cause the same to be purchased by its designee, or to lease the Unit, title shall close or a lease shall be executed, in either event, in accordance with the terms of the Sale or Lease Agreement, at the office of the attorneys for the Condominium within ninety (90) days after the day upon which the Board shall give notice or its election to accept such offer.

(B) The purchase price and all costs and expenses incurred in connection therewith will be assessed to all Unit owner. If such Unit and its Appurtenant Interest are to be purchased by the Board or its designee on behalf of all Unit Owners, such purchase may be made from the funds deposited in the capital and/or expense, accounts of the Condominium. If the funds in such accounts are insufficient to effectuate such purchase, the Board may levy a Special Assessment against each Unit Owner (other than the Offeree Unit Owner), in accordance with the terms of paragraph (C) of Section 6.1 hereof 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 on or a hypothecation of any portion of the Property other than the Unit to be purchased together with its Appurtenant Interest. In addition, if the Outside Offeror was to assume or to take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, in the case of a sale, the Board may purchase the Unit and assume or take title thereto subject such mortgage or mortgages, as the case may be. At the closing of title, the Offeree Unit Owner shall convey the Unit, together with its Appurtenant Interest, to the Board or to its designee, on behalf of all Unit Owners, by deed in the form required by Section 339-o of the Condominium Act with all tax and/or documentary stamps affixed at the expense of the Offeree Unit Owner, who shall also pay all other transfer taxes arising out of such sale notwithstanding any terms of the Sale or Lease Agreement to the contrary. Real estate taxes (including water charges and sewer charges, if separately assessed) mortgage interest (if applicable) and Common Charges shall be apportioned between the Offeree Unit Owner and the Board or its designee as of the closing date, notwithstanding any terms of the Sale or Lease Agreement to the contrary. Thereafter, such Unit shall be held, so long as the same is owned by the Board or its designee, on behalf of all Unit Owners, and all such Unit Owners shall be deemed to have waived all rights of partition with respect to such Unit and the entire Property, as herein provided.

(C) In the event that such Unit to be leased by the Board or its designee, the Offeree Unit Owner shall execute and deliver to the Board or such designee a lease covering such Unit by and between the Offeree Unit Owner, as landlord, and the Board or such designee, as tenant. Such lease shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc. or the Bar Association of the City of New York, shall contain all of the terms and conditions of the Sale or Lease Agreement not in conflict with any such form of lease, including without limitation, the rental and term provided for therein. Notwithstanding anything to the contrary set forth hereinabove or in the Sale or Lease Agreement, however, such lease shall expressly provide that the Board or such designee may enter into a sublease of the premises demised thereunder without consent of the landlord.

(D) Until such Unit is no longer owned by the Board, all costs and expenses of owning, maintaining, repairing, altering, improving, operating, leasing and managing same (including, but not limited to, purchase price, finance payments and charges, brokerage commissions and legal fees) shall be assessed solely to all remaining Unit Owners as a Common Expenses. In the event such Unit is used by the Board, the aforesaid costs plus rent and additional rent, if any, shall be assessed to all Unit Owners as a Common Expense. Likewise, all income, revenue and profit derived from such Unit shall be collected in behalf of all Unit Owners and used to defray the Common Charges.

(E) All Units acquired by the Board or its designee in connection with the enforcement of its lien unpaid Common Charges shall be held by the Board or its designee on behalf of all Unit Owners. The purchase price and all costs and expenses incurred in connection therewith shall be assessed to all Unit Owners as a Common Expense. Such Units shall not be subject to partition or occupancy by other Unit Owners and until no longer owned or lease by the Board, all costs and expenses shall be assessed to all Unit Owners as a Common Expense.

Section 7.4 Failure to Accept Offer. (A) If the Board fails to accept an offer made pursuant to the terms of Section 7.2 hereof with the times set forth in paragraph (C), the Offeree Unit Owner shall be free to consummate the transaction embodied in the Sale or Lease Agreement within ninety (90) days after (i) notice of refusal is sent or the Offeree Unit Owner by the Board or (ii) the expiration of the period within which the Board or its designee might have accepted such offer, as the case may be. If the Offeree Unit Owner shall fail to consummate the transaction embodied in the Sale or Lease Agreement within such ninety (90) day period, then, should the Offeree Unit Owner thereafter elect to sell such Unit together with its Appurtenant Interests or to lease such Unit, the Offeree Unit Owner shall be required again to comply with all of the terms and provisions of Sections 7.2, 7.3, and 7.4 hereof.

(B) Any deed of a Unit and its Appurtenant Interests to an Outside Offeror shall expressly provide that the acceptance thereof by the grantee constitutes an assumption of all of the terms of the Condominium Documents, and, in the absence of such express language, the same shall be conclusively deemed to have been included therein.

(C) Each lease of a Unit to an Outside Offeror shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., subject to such modifications as may be approved in writing by the Board. Notwithstanding the foregoing, however, each such lease shall be consistent with the Condominium Documents and shall expressly provide, and be deemed to expressly provide, that:

(i) such lease may not be amended, modified, or extended without the prior written consent of the Board in each instance;

(ii) the tenant thereunder shall not assign his interest in such lease or sublet the premises demised thereunder or any part thereof without the prior written consent of the Board in each instance; and

(iii) the Board shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder in the event of (a) a default by the tenant in the performance of its obligations under such lease or (b) a foreclosure of the lien granted by Section 339-z of the Condominium Act.

Section 7.5 Termination of, and Exceptions to, the Right of First Refusal. (A) A certificate executed and acknowledged by an officer of the Condominium stating that the provisions of Section 7.2 hereof have been met by a Unit Owner or that the right of first refusal provided for therein has been duly released or waived by the Board and that, as a result thereof, the rights of the Board thereunder have terminated, shall be conclusive upon the Board and all Unit Owners in favor of all persons who rely upon such certificate in good faith. After the due issuance of such a certificate, the Unit to which the same shall relate, together with its Appurtenant Interests, may be sold, conveyed, or leased free and clear of the terms and conditions contained in Section 7.2 hereof. The Board shall furnish or cause the Managing Agent to furnish, such certificate upon written request to any Unit Owner in respect to whom the provisions of Section 7.2 hereof have, in fact, been terminated. In no event, however, shall the right of first refusal described in Section 7.2 hereof be deemed released or waived by the Board (as opposed to satisfied pursuant to the express terms of Section 7.2, 7.3 and 7.4 hereof) in the absence of a certificate that has been duly executed, acknowledged and issued by the Board or the Managing Agent as aforesaid.

(B) The terms and conditions contained in Sections 7.2, 7.3 and 7.4 hereof shall not apply with respect to any sale, lease, or conveyance of a Unit, together with its Appurtenant Interests, by:

(i) the owner of such Unit to any of his adult Family Members, to any combination of the same, or to a trust for the benefit of any of them or, with respect to a Unit Owner that is not an individual, to any entity or individual that own more than fifty (50%) percent of the legal and beneficial interests of such Unit Owner or to any entity with respect to which such Unit Owner (individual or otherwise) owns more than fifty (50%) percent of the legal and beneficial interest thereof;

- (ii) Sponsor, or its designee, with respect to the Unsold Units;
- (iii) Commercial Unit Owners with respect to the Commercial Units;
- (iv) the Board;
- (v) 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
- (vi) any Permitted Mortgage, or his nominee, who has acquired title to any Unit at any foreclosure sale of his or her 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 shall continue to be subject to, all of the terms and conditions of this Article 7. In addition, the terms and conditions contained in Section 7.2 hereof shall in no event apply to a sale, lease, or conveyance of (i) a Unit to a Permitted Mortgagee or a purchaser at a foreclosure sale of a Permitted Mortgage in connection with a foreclosure or a sale in lieu of foreclosure or (ii) either all or a portion of the Commercial Units, together with this Appurtenant Interest.

Section 7.6 No Severance of Ownership. No Unit Owner shall execute any deed or other instrument conveying title to his Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of combined ownership. Any deed or other instrument purporting to affect one or more such interests shall be taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, conveyed, or otherwise disposed of, except as part of a sale, conveyance, or other disposition of the Unit to which such interests are appurtenant or as part of a sale, conveyance, or other disposition of such part of the Appurtenant Interests of all Units. Nothing contained in this Section 7.6, however, shall prohibit the lease of any Unit without the simultaneous lease of its Appurtenant Interests.

Section 7.7 Payment of Common Charges. No Unit Owner shall be permitted to convey or lease his Unit unless he shall have paid in full to the Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, other than that of Permitted Mortgages, levied against such Unit. A letter from an officer of the Board or the Condominium's Managing Agent stating the amount of any Common Charges and Special Assessments, if any, with respect to such Unit may be relied upon as conclusive evidence of such fact. Notwithstanding the foregoing, any conveyance or lease of an Unsold Unit without complying with the provisions of this Section 7.7 shall not affect the validity of such conveyance or lease.

Section 7.8 Power of Attorney. (A) At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and deliver to the

representative of his title insurance company (or, if no such representative is present, to Sponsor or its designee, or if Sponsor or its designee is not then the owner of any Unsold Unit, to the Board) for recording in the Register's Office, the Unit Owner's Power of Attorney required in Article 14 of the Declaration, in the form set forth as Exhibit E to the Declaration.

(B) In the case of Unit Owners who acquire Unit subject to the tenancies of Non-Purchasing Tenants, such Unit Owners shall also execute and deliver a power of attorney appointing the Board, or its duly selected Managing Agent, and their respective successors and assigns as such Unit Owner's agent for the provision of all goods and services required by law to be provided to such Non-Purchasing Tenant and/or the Unit they occupy.

Section 7.9 Gifts and Devises, Etc. Any Unit Owner shall be free to convey or transfer his Unit, together with its Appurtenant Interests, by gift, or to devise the same by will or to have the same pass by intestacy, provided, however, that each succeeding Unit Owner shall be bound by, and his Unit shall be subject to, the provisions of this Article 7.

Section 7.10 Charges Imposed on Sale or Lease of Units. If not prohibited by Law, the Board shall have the right and authority to fix by resolution and collect, before any sale or lease of a Unit (other than an Unsold Unit or the Commercial Units) 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 Common Charges payable by the transferor Unit Owner. Notwithstanding the foregoing, such charge shall not be collected from Sponsor or its designee, in the event Sponsor or its designee sells or leases an Unsold Unit, or from the Commercial Unit Owners in connection with a sale or lease of all or part of the Commercial Units.

ARTICLE 8

MANAGING OF UNITS

Section 8.1 General. Each Unit Owner shall have the right to mortgage his or her Unit, subject only to the terms and conditions contained in Section 8.2 hereof. Any Unit Owner who mortgages his Unit, or the holder of such mortgage, shall supply the Board with the name and address of his mortgagee and, if requested by the Board, shall file a conformed copy of the note and mortgage with the Board. Any Unit owner who satisfies a mortgage covering his Unit shall so notify the Board and, if requested by the Board, shall file a conformed copy of the satisfaction of mortgage with the Board.

Section 8.2 Restrictions on Mortgaging. (A) No Unit Owner (other than the owner of an Unsold Unit) shall be permitted to mortgage, pledge, or hypothecate his Unit unless and until he shall have paid in full to the Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, levied against such Unit except the liens of Permitted Mortgages. A letter from the Board or the Managing Agent

stating the amount of unpaid Common Charges and Special Assessments, if any, with respect to such Unit may be relied upon as conclusive evidence of payment to its date.

(B) No Unit Owner shall execute any mortgage or other document mortgaging, pledging, or hypothecating title to his Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein.

Section 8.3 Notice of Unpaid Common Charges and Default. Whenever requested in writing by a Permitted Mortgagee, the Board shall promptly report to such Permitted Mortgagee any default by his mortgagor(s) in the payment of Common Charges or Special Assessments or in the observance or performance of any of the provisions of the Condominium Documents as to which the Board has knowledge then exists. The Board shall, when giving notice to a Unit Owner of any such default, also send a copy of such notice to his Permitted Mortgagee if so requested. However, the Board shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of such default by his mortgagor, provided that (i) the Board shall advise such Permitted Mortgagee of the default promptly after discovering such failure and (ii) if the Board shall foreclose a lien on such mortgagor's Unit pursuant to the terms of Section 6.4 hereof by reason of such default, the Board shall pay to such Permitted Mortgagee any net proceeds of any foreclosure sale of such Unit (subject to and in accordance with the lien priority set forth in Article 6 above) or such lesser sum as shall be due and owing to such Permitted Mortgagee.

Section 8.4 Performance by Permitted Mortgagees. Any sum of money to be paid or any act to be performed by a Unit Owner pursuant to the terms of the Condominium Documents may be paid or performed by his Permitted Mortgagee, and the Board shall accept such Permitted Mortgagees payment or performance with the same force and effect as if the same were paid or performed by such Unit Owner.

Section 8.5 Examination of Books. Each Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 8.6 Consent of Mortgagees; Designation of Mortgage Representatives. (A) Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against his mortgagor. In the event that any such consent or approval shall be expressly required pursuant to the terms of the Declaration or there By-Laws, the decision of a majority of the Mortgage Representatives, if any are designated pursuant to the terms of paragraph (B) of this Section 8.6, shall be deemed binding upon the holders of all mortgages encumbering Units.

(B) The holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages may, if they so elect, designate not more than two (2) Mortgage Representatives by giving written notice thereof to the Board, which Mortgage Representative shall thereby be empowered to act as the representatives of the holders of all mortgages encumbering Units with respect to any matter requiring the consent or approval of mortgagees under the Declaration or these By-Laws. Any designation of a Mortgage Representative pursuant to the terms of this paragraph (B) shall be effective until any successor Mortgage Representative is designated pursuant to the terms hereof and written notice thereof is given to the Board. Unless otherwise required by Law, no holders of mortgages encumbering Units other than Permitted Mortgagees who hold Institutional Mortgages shall be entitled to participate in the designation of Mortgage Representatives, but all holders of mortgages encumbering Units shall be subject to all determinations made by the Mortgage Representatives pursuant to the terms of the Declaration or these By-Laws.

ARTICLE 9

CERTAIN REMEDIES

Section 9.1 Self Help. If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his part to be observed or performed, including, without limitation, any breach of his obligation to paint, decorate, maintain, repair, or replace his Unit or its appurtenant Limited Common Elements pursuant to the terms of Article 5 hereof, and shall fail to cure such violation or breach within five (5) days after receipt of written notice of the same from the 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 Board shall have the right to enter such Unit Owner's Unit and/or its appurtenant Limited Common Elements and summarily to abate, remove, or cure such violation or breach without thereby being deemed guilty or liable in any manner or trespass. In addition, in the event that the 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 Board may take such action immediately, without prior notice and without allowing the said Unit Owner any period of time within which to cure or to commence to cure such violation or breach.

Section 9.2 Abatement and Injunction. (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 Board shall have the right to seek to enjoin, abate, or otherwise remedy the continuance or repetition of any such violation or breach by appropriate proceeding brought either at law or in equity.

(B) The violation or breach of any of the terms of the Condominium Documents with respect to any of the rights, easements, privileges, or licenses granted to Sponsor or its designee shall give to Sponsor or such designee the right to enjoin, abate, or remedy the continuation or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity.

Section 9.3 Remedies Cumulative. The remedies specifically granted to the Board or to Sponsor or its designee in this Article 9 or elsewhere in the Condominium Documents shall be cumulative, shall be in addition to all other remedies obtainable at law or in equity and may be exercised at one time or at different times, concurrently or in any order, in the sole discretion of the Board or Sponsor or such designee, as the case may be. Further, the exercise of any remedy shall not operate as a waiver, or preclude the exercise, of any other remedy.

Section 9.4 Costs and Expenses. All sums of money expended, and all costs and expenses incurred, by (i) the Board in connection with the abatement, enjoinder, removal, or cure of any violation, breach, or default committed by a Unit Owner pursuant to the terms of Section 9.1 or paragraph (A) of Section 9.2 hereof or (ii) Sponsor in connection with any abatement, enjoinder, or remedy of any violation or breach of the Condominium Documents pursuant to the terms of paragraph (B) of Section 9.2 hereof, shall be immediately payable y (a) in the event set forth in subparagraph (i) hereof, such Unit Owner to the Board or (b) in the event set forth in subparagraph (ii) hereof, the offending party (i.e., the Board or the Unit Owner) to Sponsor, which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of two (2%) 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 Board pursuant to the terms of this Section 9.4 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner and the Board shall have such remedies with respect to their collection as are provided generally for Common Charges in Article 6.

ARTICLE 10

ARBITRATION

Section 10.1 Procedure. Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in the City of New York in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in the City of New York before one arbitrator appointed, upon the application of any party, by any Justice of the highest court of appellate jurisdiction then located in the City of New York. The decision of the arbitrator so chosen shall be given within ten (10) days after his selection or appointment. Any arbitrator appointed or selected in connection with any arbitration conducted hereunder shall be a member of a law firm having at least five (5) members and whose principal office is located in the City of New York.

Section 10.2 Variation by Agreement. The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of Section 10.1 hereof with respect to the arbitration of such dispute or may agree to resolve dispute in any alternative manner, including, without limitation, the manner set forth in Section 3031 of the New York Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes".

Section 10.3 Binding Effect. The decision in any proceeding conducted pursuant to the terms of Section 10.1 and/or 10.2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction. Notwithstanding the foregoing, however, any arbitration held pursuant to the terms of Condominium Documents with respect to a matter that arose prior to the first annual meeting of all Unit Owners held pursuant to the Section 4.1 hereof shall be non-binding.

Section 10.4 Costs and Expenses. (A) The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute be substantially upheld by the arbitrator, such fees, costs expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his counsel and expert witnesses.

(B) All costs and expenses paid or incurred by the Board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, shall constitute Common Expenses.

ARTICLE 11

NOTICES

Section 11.1 General. All notices required or desired to hereunder except for notice of meetings under Articles 2 and 4 shall be sent by registered or certified mail, return receipt requested, postage prepaid addressed:

(i) if to the Board, at its principal office as set forth in Section 1.5 hereof, with a photocopy sent to the Managing Agent (if any) at its principal office address;

(ii) if to a Unit Owner other than Sponsor or its designee, to such Unit Owner at his address at the Property;

(iii) if to Sponsor or its designee, to Sponsor or such designee, care of Sponsor's attorney, Rivkin Radler LLP, 926 REXCORP PLAZA, UNIONDALE, NY 11556, Attn: Jeffrey S. Greener, Esq.; or

(iv) if to a Permitted Mortgagee, to such Permitted Mortgagee at its latest address designated in writing to the Board.

Any of the foregoing parties may change the address to which notices are to be sent, or may designate additional addresses for the giving of notice, by sending written notice to the other parties as aforesaid. All notices sent pursuant to the terms of this Section 11.1 shall be deemed given five (5) days after deposited in a branch or general post office or depository maintained by the United States Postal Service located in State of New York enclosed in a sealed, postage prepaid wrapper, addressed as aforesaid.

Section 11.2 Waiver of Service of Notice. Whenever any notice is required to be given by Law pursuant to the terms of the Condominium Documents, 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 of the proper giving of notice, except for any notice required to be given pursuant to Section 7.11.

ARTICLE 12

AMENDMENTS TO BY-LAWS

Section 12.1 General. (A) Subject to the terms of paragraph (B) hereof and subject, further, to any provisions contained in the Declaration or these By-Laws with respect to any amendments (hereinafter referred to as "Special Amendments") affecting or in favor of Sponsor or its designee, any Unsold Unit(s), the Commercial Unit Owner, the Commercial Unit and/or any Permitted Mortgagee, any provision of these By-Laws may be amended, modified, to, or deleted by the

affirmative vote of not less than two thirds (66 2/3%) in number and aggregate Common Interest of all Unit Owners either taken at a duly constituted meeting thereof or give in either writing without a meeting as provided in Section 4.10 hereof. Each adopted amendment, modification, addition, or deletion hereof or hereto shall be effectuated in an instrument executed and recorded in the Register's Office by or on behalf of the Board as attorney-in-fact of all Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Secretary's Certification, certifying that the requisite number and percentage of Unit Owners approved the amendment, modification, addition, or deletion set forth therein either at a duly constituted meeting of Unit Owners or in writing without a meeting pursuant to the terms of Section 4.10 hereof, in which Secretary's Certification there shall be described the number and percentage of Unit Owners approving the same and, if voted at a meeting, the date, time and place of such meeting. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

(B) Notwithstanding anything to the contrary contained in a paragraph (A) hereof, but still subject to any provision contained in the Declaration or these By-Laws with respect to Special Amendments:

(i) the Common Interest appurtenant to any unit, as set forth in the Declaration, shall not be altered without the consent of the Unit Owner thereof, except as otherwise provided in paragraph (F) of Section 5.5 hereof;

(ii) no amendment, modification, addition, or deletion agreed to pursuant to the terms of paragraph (A) hereof shall be effective without the prior written consent of the Mortgage Representatives, if any, provided, however, that no such consent shall be unreasonably withheld or delayed; and

(iii) the terms of Section 5.7 hereof may not be amended, modified, added to, or deleted unless (in addition to the consent, if required, of the Mortgage Representatives as provided above) not less than eighty (80%) percent in number and in aggregate Common Interests of all Unit Owners affected thereby shall approve such amendment, modification, addition or deletion in writing.

Section 12.2 Special Amendments. (A) Any amendment, modification, addition, or deletion of or to any of the provisions of these By-Laws that, pursuant to the terms of the Declaration or these By-Laws, may be effected by Sponsor or its designee without the consent of the Board or the Unit Owners shall be embodied in an instrument executed and recorded in the Registers Office by Sponsor or such designee as attorney-in-fact of both the Board and all Unit Owners, which power-of-attorney shall be deemed to be irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Certification by Sponsor or such designee, certifying that the amendment, modification, addition, or deletion set forth therein was effectuated by Sponsor or such designee pursuant to the terms of the Declaration and/or these By-

Laws, in which Certification where shall be set forth the Article and/or Section of the Declaration or these By-Laws pursuant to which the same was effectuated. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

(B) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition, or deletion of or to these By-Laws shall be effective in any respect against Sponsor or its designee, any Unsold Unit, the Commercial Unit Owner, and/or the Commercial Unit unless and until Sponsor, such designee, Unsold Unit Owner and/or the Commercial Unit Owner shall consent to the same in writing.

(C) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition, or deletion of or to Section 5.4 or 5.5, paragraph (B) of Section 6.2, or Article 8 hereof shall be effective with respect to the holder of any Permitted Mortgage theretofore made unless and until such Permitted Mortgagee shall have given its written consent thereto.

ARTICLE 13

FURTHER ASSURANCES

Section 13.1 General. Any Person that is subject to the terms of these By-Laws, whether such Person is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member of the Board, an officer of the Condominium, or otherwise, shall, at the expense of any other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request in order either to effectuate the provisions of these By-Laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

Section 13.2 Failure to Deliver or Act. (A) If any Unit Owner or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action that such Unit Owner or Person is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, then the Board is hereby authorized, as attorney-in-fact for such Unit Owner or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit Owner or other Person.

(B) If the Board, any Unit Owner, or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action that the Board, such Unit owner, or Person is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Sponsor or its designee, then Sponsor or its designee is hereby authorized, as attorney-in-fact for

the Board, such Unit owner, or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Board, such Unit Owner, or other Person, and such document or action shall be binding on the Board, such Unit Owner, or other Person.

ARTICLE 14

MISCELLANEOUS

Section 14.1 Inspection of Documents. Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

Section 14.2 Waiver. No provisions contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breached that may occur.

Section 14.3 Conflicts. In the event that any provision of these By-Laws or of the Rules and Regulations shall be construed to be inconsistent with any provision of the Declaration or of the Condominium Act, the provision contained in the Declaration or in the Condominium Act shall control.

Section 14.4 Severability. If any provision of these By-Laws is invalid or unenforceable as against any Person or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise provided herein, be valid and enforced to the fullest extent provided by Law.

Section 14.5 Successors and Assigns. Except as otherwise expressly provided below or elsewhere in these By-Laws, the right and/or obligations of each Unit Owner as set forth herein shall inure to the benefit of, and shall be binding upon such Unit Owner's successors and assigns. The rights and/or obligations of Sponsor as set forth herein shall inure to the benefit of, and shall be binding upon, any successor or assignee of Sponsor or, with the consent of Sponsor, any transferee of all of then Unsold Units. Notwithstanding the foregoing, any Permitted Mortgagee of a Unit or a purchaser at a foreclosure sale of a Permitted Mortgage who succeeds to the interest of a Unit Owner shall be responsible only for the obligations of such Unit Owner arising from or after the effective date of succession to title to such Unit and shall not be liable for any unpaid Common Charges or Special Assessments accruing prior to the effective date of such succession.

Section 14.6 Gender. 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.

Section 14.7 Captions. The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws or the intent of any provision hereof.

**Addendum to the By-Laws of
The Deuce Condominium**

**RULES AND REGULATIONS
of
THE DEUCE CONDOMINIUM**

1. The sidewalks, entrances, passages, public halls, elevators, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose other than ingress to and egress from the Units. No vehicle belonging to a Unit Owner, to a Family Member or a Unit Owner, or to a guest, tenant, subtenant, licensee, invitee, employees, or agent of a Unit Owner shall be parked in such a manner as to impede or prevent ready access to any entrance to, or exit from, the Building. No occupant of a Unit shall permit any of its agents, employees, contractors, licensees or invitees to congregate or loiter in any of the public areas of the Building.

2. No velocipedes, bicycles, scooters or baby carriages shall be allowed to stand in the public halls, passageways, or other public areas of the Building.

3. No article (including, but not limited to, garage cans, bottles, mats, plants, vases, flower pots or flower boxes) shall be placed or stored in any of the halls, on any of the staircases or on any fire escape of the Building, nor shall any fire exit thereof be obstructed in any manner.

4. Any storage room for Unit Owners shall be used by all Owners, in common, only for the storage of such articles as the Board, in its sole discretion, may determine. Supervision, management and control of the moving in, storing and removal of a Unit Owner's property from the storage room is vested in the Board. The use of the storage rooms, if any, shall be at the sole risk of the Unit Owner or other person using the same, and the Board, its agents, or the Managing Agents shall not be liable for any injury to person, loss by theft or otherwise, or damage to property, whether due to the negligence of the Board, its agents, the Managing Agent, or otherwise.

5. No clothes, sheets, blankets, laundry, or other articles of any kind shall be hung on or out of a Unit or shall be dried or aired on any roof terrace in any manner visible from the street.

6. No awnings or other projections shall be attached to the outside walls or windows of the Condominium.

7. The Board or the Managing Agent shall have the right to prescribe the weight and position of safes and other objects of excessive weight and no safe or other object the weight of which exceeds the lawful load for the area upon which it would stand shall be brought into or kept upon the Unit. All removals, the carrying in or out of the Building and the movement from floor to

floor within the Building of any safes, freight, furniture, packages, boxes, crates or any other object or matter of any description, shall take place only during such hours, in such elevators and under such restrictions as the Board may from time to time reasonably determine, which may involve overtime work for the Board's employees. Each occupant shall reimburse the Board for extra costs incurred by the Board in connection therewith. The persons employed to move the same in and out of the Building shall be reasonably acceptable to the Board.

8. Trash and refuse from the Units (other than the Commercial Unit, whose owner shall be responsible for its own trash and refuse removal) shall be disposed of only at such times and in such manner as the Board or the Managing Agent may direct. Nothing shall be hung or shaken from any doors, windows, or roof terraces, or placed upon the window sills, of the Building, and no Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris other substance therefrom.

9. There shall be no playing or lounging in the entrances, passages, public halls, elevators, vestibules, corridors, or stairways, of the Building, except in areas designated as recreational, if any, in the Declaration or by the Board.

10. The Board or the Managing Agent may, from time to time, curtail or relocate any portion of the Common Elements devoted to storage, recreation, or service purposes in the Building.

11. Nothing shall be done or kept in any Unit or in the Common Elements that will increase the rate of insurance of the Building, or the contents thereof, without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in his Unit or in the common Elements, that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any Law. No unit Owner or any of his Family Members, agents, servants, employees, licensees, 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.

12. There shall be no barbecuing in the Units, or in the Common Elements, except for those areas (if any) specifically for barbecuing by the Board.

13. No Unit owner shall make, cause, or permit any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from his Unit or permit anything to be done therein that will interfere with the rights, comforts, or comforts, or conveniences of the other Unit Owners. No Unit Owner shall play upon or suffer to be played upon any musical instruments or shall operate or permit to be operated a phonograph, radio, television or other loudspeaker in such Unit Owner's Unit between midnight and the following 8:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall any Unit Owner practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M.. No construction, repair works or other installation involving

noise shall be conducted in any Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency.

14. No bird, reptile, or animal shall be permitted, raised, bred, kept or harbored in the Units unless, in each instance, the same shall have been expressly permitted in writing by the Board or the Managing Agent. Any such consent, if given, shall be revocable at any time by the board or the Managing Agent in their sole discretion. In no event shall any bird, reptile, or animal be permitted in any public elevator of the Building, unless carried or on a leash. No pigeons or other birds or animals shall be fed from the window sills, terraces, or other public portions of the Building, or in the sidewalk or street adjacent to the Building.

15. No occupant of the Building shall send any employee of the Condominium or of the Managing Agent out of the Building on any private business.

16. 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 consent of the Board or the Managing Agent in each instance. In the event that any Unit shall be used for home occupation or other permitted purposes in conformance with Declaration and the By-Laws, no patients, clients, or other invitees shall be permitted to wait in any lobby, public hallway, or vestibule of the Building.

17. No window guards or other window decorations shall be used in or about any Unit, except such as shall have been approved in writing by the Board or the Managing Agent, which approval shall not be unreasonably withheld or delayed. In no event, however, shall any exterior glass surface of any window at the Property be colored or painted.

18. No ventilator or air conditioning device shall be installed in any Unit other than the Commercial Units without the prior written approval of the Board, which approval may be granted or refused in the sole discretion of the Board.

19. No radio or television aerial shall be attached to or hung from the exterior of the Building, and no sign, notice, advertisement, or illumination (including, without limitation, "For Sale," "For Lease," or "For Rent" signs) shall be inscribed or exposed or at any window or other part of the Building, except such as are permitted pursuant to the terms of the Declaration and/or the By-Laws or shall have been approved in writing by the Board or the Managing Agent. Nothing shall be projected from any window of a Unit without similar approval.

20. 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.

21. Water-closets and other water apparatus, in the Building shall not be used for any purpose other than those for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Unit shall be repaired and paid for by the owner of such Unit.

22. Each Unit Owner shall keep his or her Unit and its appurtenant Limited Common Element in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

23. The agents of the Board or the Managing Agent, and any contractor or workman authorized by the Board or the Managing Agent may enter any room in the Building or Unit at any reasonable hour of the day, on at least one day's prior notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects, or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects, or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Unit for its permitted purposes.

24. The Board or the Managing Agent may retain a pass-key to each Unit. If any lock is altered or a new lock is installed, the Board or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to his 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 the Managing Agent, then the Board or Managing Agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Condominium or an officer of the Managing Agent) may forcibly enter such Unit with out liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Unit Owner's property).

25. If any key or keys are entrusted by a Unit Owner, by any Family Member thereof, or by his agent, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, 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 Board nor the Managing Agent shall (except as provided in Rule 24 above) be liable for injury, loss, or damage of any nature whatsoever, directly resulting therefrom or connected therewith.

26. Any consent or approval given under these Rules and Regulations may be amended, modified, added to, or repealed at any time resolution of the Board. Further, any such consent or approval may, in the discretion of the Board or the Managing Agent, be conditional in nature.

27. Unless the Board shall have consented to the same, the Board shall have the right to prohibit any advertising or identifying sign by an Occupant, other than signage for the Commercial Units which shall be approved by the Board, in the reasonable judgment of the Board, tends to impair the appearance or reputation of the Building or the desirability of the Building, and upon

written notice from the Board, such occupant shall refrain from and/or discontinue such advertising or identifying sign, unless the Board previously shall have consented to the same.

28. Canvassing, soliciting and peddling in the Building are prohibited and each occupant shall cooperate to prevent the same.

29. Any persons employed by an occupant to perform any repair, maintenance or janitorial work within such occupant's premises shall, while in the Building and outside of such occupant's premises, be subject to and under the control and direction of the Board (but not as an agent, servant or employee of the Board) and such occupant shall be responsible for all acts of such persons.

30. Whenever any occupant shall submit to the Board any plan, agreement or other document for the consent or approval of the Board, such Occupant shall pay to the Board on demand, a processing fee in the amount of the reasonable fees for the review thereof, including the services of any architect, engineer or attorney employed by the Board to review such plan, agreement or documents.

31. Occupants shall not cause or permit any Hazardous Material (hereinafter defined) to be used, stored, transported, released, handled, produced or installed in, on or from the premises of the Building, except items that are customary in comparable buildings and households, provided that the quantity of such items in the premises shall not exceed the quantities customary for such use and provided further that the presence or use of such items shall not violate any legal requirements. "Hazardous Materials" means any flammables, explosives, radioactive materials, hazardous wastes, hazardous and toxic substances or related materials, asbestos, or any material containing asbestos, or any other substance or material defined as hazardous or toxic in any Federal, state or local environmental law, ordinance, rule or regulations including, without limitation, the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended, the Hazardous Materials Transportation Act, as amended, the Resource Conservation and Recovery Acts, as amended, and in the regulations adopted and publications promulgated pursuant to each of the foregoing. In the event of a breach of the provisions of this Rule 31, the Board shall have the right, in addition, to all other rights and remedies of the Board under the Declaration and By-Laws or at law, to require the occupant to remove any such Hazardous Materials from the premises.

32. No occupant shall employ any contractor for the supplying of goods or services in or to his Unit or premises which shall be the cause of labor disharmony at the Building or involving the Unit of any other Unit Owner. Each occupant shall indemnify and hold harmless each Unit Owner from and against any loss, cost or liability (including reasonable attorneys' fees) incurred by such Unit owner as a result of any labor disturbance caused by the failure of such Occupant to comply with the provisions of this rule.

33. Complaints regarding the service of the Condominium shall be made in writing to the Board or to the Managing Agent.

EXHIBIT G

**MODEL ESCROW AGREEMENT AND FORM FOR DISPUTES
REGARDING TRUST FUNDS**

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**ATTORNEY GENERAL
OF THE STATE OF NEW YORK
MODEL FORM
FOR ESCROW AGREEMENT**

AGREEMENT made this ____ day of _____, 20____, between SHAO LIN OPERATING LLC (the "Sponsor") as the sponsor of the offering plan and RIVKIN RADLER LLP ("Escrow Agent") as escrow agent.

WHEREAS, SHAO LIN OPERATING LLC is the Sponsor of an offering plan to convert to condominium ownership the premises located 534 West 42nd Street, New York, New York, which premises are know as the DEUCE CONDOMINIUM; and

WHEREAS, Rivkin Radler LLP is authorized to act as an escrow agent hereunder in accordance with General Business Law ("GBL") Section 352-e(2-b) and the Attorney General's regulations promulgated thereunder; and

WHEREAS, Sponsor desires that ESCROW AGENT act as escrow agent for deposits and payments by purchasers pursuant to the terms of this agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT

- 1.1 Sponsor and ESCROW AGENT hereby establish an escrow account with Escrow Agent for the purpose of holding or payments made by purchasers. The escrow account has been opened with North Fork Bank at its branch located at 424 Madison Avenue, New York, New York 10017.
- 1.2 The name of the account will be "Rivkin Radler LLP, as Escrowee".
- 1.3 Escrow Agent is the sole signatory on the account.
- 1.4 The escrow account shall be an interest-bearing account as disclosed in the offering plan.

- 1.5 The escrow account is not an IOLA established pursuant to Judiciary Law Section 497.

2. DEPOSITS INTO THE ESCROW ACCOUNT

- 2.1 All funds received from prospective or subscribers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited in the escrow account. All instruments to be deposited into the escrow account shall be made payable to, or endorsed by the purchaser to the order of Rivkin Radler LLP, as Escrow Agent of 534 West 42nd Street Condominium offering plan. Any instrument payable or endorsed other than as required hereby, and which cannot be deposited into such escrow account, shall be returned to the prospective purchaser or subscriber promptly, but in no event more than five business days following receipt of such instrument by Escrow Agent. In the event of such return of funds, the instrument shall be deemed not to have been delivered to Escrow Agent pursuant to the terms of this Agreement.
- 2.2 Within ten (10) business days after tender of the deposit submitted with a purchase agreement, Escrow Agent shall notify the purchaser of the deposit of such funds in the bank indicated in the offering plan, provide the account number, and disclose the initial interest rate. If the purchaser does not receive notification of such deposit within fifteen (15) business days after tender of the deposit, the purchaser may cancel the purchase and rescind within ninety (90) days after tender of the deposit, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were timely deposited in accordance with these regulations and requisite notice was timely mailed to the purchaser.

3. RELEASE OF FUNDS

- 3.1 Escrow Agent shall not release the escrowed funds of a defaulting purchaser until after consummation of the plan as defined in the Attorney General's regulations. Consummation of the plan shall not relieve Sponsor of its fiduciary obligations pursuant to GBL Section 352-h.
- 3.2 Escrow Agent shall continue to hold the funds in escrow until otherwise directed in (a) a writing signed by the Sponsor and purchaser or (b) a determination of the Attorney General or (c) a judgment or order of a court of competent jurisdiction or until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds.

- 3.3 Sponsor shall not object to the release of the escrowed funds to (a) a purchaser who timely rescinds in accordance with an order or rescission contained in the plan or an amendment to the plan or (b) all purchasers after an amendment abandoning the plan is accepted for filing by the Department of Law.
- 3.4 If there is no written agreement between the parties to release the escrowed funds, Escrow Agent shall not pay the funds to the Sponsor until Escrow Agent has given the purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to Sponsor unless the purchaser has made application to the Department of Law pursuant to the dispute resolution provisions contained in the Attorney General's regulations and has so notified Escrow Agent in accordance with such provisions.

4. RECORD KEEPING

- 4.1 Escrow Agent shall maintain all records concerning the escrow account for seven years after release of the funds.
- 4.2 Upon dissolution of a law firm which was Escrow Agent, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.
- 4.3 Escrow Agent shall make available to the Attorney General, upon his request, all books and records of Escrow Agent relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT

- 5.1 Escrow Agent shall maintain the accounts called for this Agreement under the direct supervision and control of Escrow Agent.
- 5.2 A fiduciary relationship shall exist between Escrow Agent and Purchasers, and Escrow Agent acknowledges its fiduciary obligations.

6. RESPONSIBILITIES OF SPONSOR

- 6.1 Sponsor agrees that Sponsor and its agents, including any selling agents, shall immediately deliver all deposits and payments received by them prior to closing of an individual transaction to Escrow Agent.
- 6.2 Sponsor agrees that it shall not interfere with Escrow Agent's performance of its fiduciary duties and compliance with the Attorney General's regulations.

7. TERMINATION OF AGREEMENT

- 7.1 The Agreement shall remain in effect unless and until it is canceled, by either:
1. Written notice by Sponsor or Escrow Agent of cancellation of designation of Escrow Agent to act in said capacity, which cancellation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor Escrow Agent; or
 2. The resignation of Escrow Agent upon giving notice to Sponsor of its desire to so resign, which resignation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor Escrow Agent; or
 1. All shares or units offered pursuant to the plan have been sold and all sales transactions have been consummated.
- 7.2 Upon termination of the duties of Escrow Agent as described in paragraph 7.1 above, Escrow Agent shall deliver any and all funds held by it in escrow and any and all contracts or documents maintained by Escrow Agent to the new escrow agent.

8. SUCCESSORS AND ASSIGNS

- 8.1 This Agreement shall be binding upon Sponsor and Escrow Agent and their successors and assigns.

9. GOVERNING LAW

- 9.1 This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. ESCROW AGENT'S COMPENSATION

- 10.1 Sponsor agrees that Escrow Agent's compensation shall not be paid from escrowed principal nor from any interest accruing thereon and that compensation to Escrow Agent, if any, shall not be deducted from escrowed funds by any financial institution under any circumstances.

11. SEVERABILITY

- 11.1 If any provisions of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. ENTIRE AGREEMENT

- 12.1 This Agreement, read together with GBL Section 352-c(2-b) and the Attorney General's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT:

RIVKIN RADLER LLP

By: _____

SPONSOR:

SHAO LIN OPERATING LLC

By: _____
Name: _____
Title: _____

**APPLICATION TO THE ATTORNEY GENERAL
FOR A DETERMINATION ON THE
DISPOSITION OF DOWNPAYMENTS**

[Send this application to the reviewing attorney assigned to the subject plan.]

Re: _____
Address of Building or Name of Project

File Number: _____

Application is made to the Attorney General to consider and determine the disposition of downpayments held pursuant to GBL Sections 352-e(2-b) and 352-h. The following information is submitted in support of this application:

1. Name of Applicant _____
2. Address of Applicant _____
3. Name, Address, and Telephone Number of Applicant's Attorney (if any) _____

4. This is an application for

☐ return of downpayment.
☐ forfeiture of downpayment.
☐ other: _____
5. The project is

☐ a conversion of occupied premises.
☐ newly constructed or rehabilitated.
☐ vacant (as is).
6. The project is structured as

☐ a cooperative.
☐ a condominium.
☐ a homeowners association.
☐ a timeshare.
☐ other: _____

7. Name and Address of Sponsor: _____

8. Name and Address of Escrow Agent: _____

9. If downpayments are maintained in an escrow account:
- (a) Name of account _____
 - (b) Name and address of bank _____
 - (c) Account number (if known) _____
 - (d) Initial interest rate (if known) _____
10. If downpayments have been secured by bonds:
- (a) Name and address of bond issuer or surety: _____

 - (b) Copy of bond included in this application. (DO NOT SEND ORIGINAL BOND).
If not included, explain:

11. If downpayments have been secured by a letter of credit:
- (a) Name and address of bank which issued the letter of credit: _____

 - (b) Date of expiration of the letter of credit, if known: _____

12. Plan information:

(a) Date of filing of plan: _____

(b) Plan

☐ has been declared effective. Approximate date:☐ has not been declared effective.

(c) If effective, the plan

☐ has closed or the first unit has closed. Approximate date:☐ has not closed.☐ don't know.

(d) Downpayments are secured by

☐ escrow account.☐ bonds.☐ letter of credit.

13. Contract information:

(a) Copy of contract and of all riders or modification letters are attached. (DO NOT
SEND ORIGINALS.)

(b) Date on which subscription or purchase agreement was signed: _____

(c) Date(s) of downpayment(s): _____

(d) Total amount of downpayment(s): _____

(e) Names and addresses of subscribers or purchasers affected by this application:

14. State the basis for your claim. Please be as specific as possible. You may add additional sheets. Attach copies of any relevant documents.

15. I am contemporaneously sending a copy of this application to the following persons:

Note: You are required to mail a copy of this Application to all other affected parties.

In filing this application, I understand that the Attorney General is not my private attorney, but represents the public in enforcing laws designed to protect the public from unlawful business practices. I also understand that if I have any questions concerning my legal rights or responsibilities I may contact a private attorney. The above application is true and accurate to the best of my knowledge. False statements made herein are punishable as a Class A Misdemeanor under Section 175.30 and/or Section 210.45 of the Penal Law.

Signature: _____ Date: _____

Name (Printed): _____

Telephone: (Home) (Business): _____

Mailing Address: _____

EXHIBIT G
CERTIFICATIONS

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**CERTIFICATION BY SPONSOR AND SPONSOR'S PRINCIPALS
PURSUANT TO 13 NYCRR 20.4(b)**

November 9, 2007

**Investment Protection Bureau
Real Estate Financing Section
Office of the Attorney General
120 Broadway, 23rd Floor
New York, New York 10271**

**RE: The Deuce Condominium
 534 West 42nd Street, New York, New York**

Gentlemen:

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 Office of the Attorney General in Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

- (i) set forth the detailed terms of the transaction and be complete, current and accurate;**
- (ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;**
- (iii) not omit any material fact;**
- (iv) not contain any untrue statement of a material fact;**
- (v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;**

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where we:

1. knew the truth;
2. with reasonable effort could have known the truth;
3. made no reasonable effort to ascertain the truth; or
4. 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.

Very truly yours,

SHAO LIN OPERATING LLC

By: 

Name: GARY SCHAEFFER

Title: President

By: 

Name: CYRIL MONTOYA

Title: Vice President

By: 

Name: SHANNON SHAE SPALTEN

Title: Vice President


GARY SCHAEFFER


CYRIL MONTOYA


SHANNON SHAE SPALTEN

Sworn to before me this
13 day of December, 2007


Notary Public

ROSLYNE HAHN
Notary Public, State of New York
No. 49-51004
Qualified in New York County
Commission Expires May 15, 2011

BRIAN E. BOYLE, AIA

75 Spring Street 6th Floor
New York, NY 10012
212.334.7402
Fax 212.334.6112

August 30, 2007

CERTIFICATION OF SPONSOR'S ARCHITECT
PURSUANT TO PART 20
OF THE REGULATIONS ISSUED
PURSUANT TO GENERAL BUSINESS LAW
ARTICLE 23-A AS AMENDED

The sponsor of the offering plan to convert the captioned property to condominium ownership retained my firm to prepare a report describing the construction of the property (the "Report. I have examined the building plans dated January 26, 2007 and specifications that were prepared by my firm dated June 22, 2007, and prepared the Report dated August 30, 2007, 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 in which the property is located.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Office of the Attorney General in Part 20 insofar as they are applicable to this Report (addendum).

I have read the entire Report (addendum) and reviewed the facts set forth in the Report (addendum) 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.

I certify that the Report (addendum):

- (i) sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that I examined;
- (ii) in my professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that I have examined;
- (iii) does not omit any material facts;
- (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;

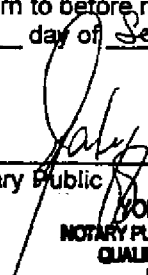
(vii) does not contain any representation or statement which is false, where I

- (a) knew the truth;
- (b) with reasonable effort could have known the truth;
- (c) made no reasonable effort to ascertain the truth; or
- (d) did not have knowledge concerning the representation or statement made.

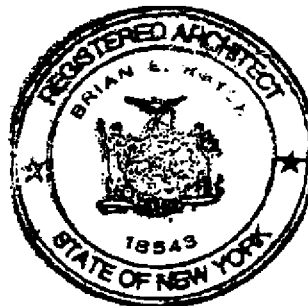
I further certify that I am not owned or controlled by and have no beneficial interest in the sponsor and that my compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.


 Brian E. Boyle, A.I.A.

Sworn to before me this
7 day of Sept, 2007


 Notary Public

YOLANDA B. LATIFF
 NOTARY PUBLIC, STATE OF NEW YORK
 QUALIFIED IN KINGS COUNTY
 NO. 01LA6152333
 MY COMMISSION EXPIRES 09-05-2010





"Company Letterhead"

GENERAL PROPERTY MANAGEMENT ASSOCIATES, INC.
250 W. 57th St., Suite 2332, New York, N.Y. 10107-2332
Telephone 212-757-5180 Facsimile 212-713-0907
www.generalproperty.com

**CERTIFICATION BY SPONSOR'S EXPERT AS TO ADEQUACY OF BUDGET
PURSUANT TO PART 20 OF THE REGULATIONS ISSUED UNDER
GENERAL BUSINESS LAW ARTICLE 23-A, AS AMENDED**

July 28, 2008

New York State Department of Law
Investment Protection Bureau
120 Broadway, 23rd Floor
New York, NY 10271

Re: Condominium Offering Plan – The Deuce Condominium (the "Condominium"),
located at 534 West 42nd Street, New York, New York (the "Property")

Dear Sir/Madam:

The Deuce Condominium, the Sponsor ("Sponsor") of the Condominium Offering Plan ("Offering Plan") for the Property, retained General Property Management to review Schedule B, with the footnotes thereto, containing projections of income and expenses for the first year of condominium operations. Our experience in this field includes more than 26 years in the real estate management business. We have managed more than 300 apartment houses in Manhattan and most of which are tenant-owned as cooperatives or condominiums. Jeff Brown, the President of this company, has been involved actively in the operation, management, and conversion of residential buildings to tenant-ownership since 1982.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law (Attorney General) in Part 20 insofar as they are applicable to Schedule B.

I reviewed Schedule B and investigated the facts set forth in the Schedule and the facts underlying it with due diligence in order to form a basis for this certification. I also relied upon my experience in managing residential buildings. I certify that the projections in Schedule B appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses for the projected first year of condominium operation.

I certify that Schedule B and accompanying notes thereto:

- (i) set forth in detail the projected income and expenses for the first year of condominium operation;

"Company Letterhead"

- (ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;
- (iii) do not omit any material fact;
- (iv) do not contain any untrue statement of a material fact;
- (v) do not contain any fraud, deception, concealment or suppression;
- (vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (vii) do not contain any representation of statement which is false, where I:
 - (a) knew the truth;
 - (b) with reasonable effort could have known the truth;
 - (c) made no reasonable effort to ascertain the truth; or
 - (d) did not have knowledge concerning the representation or statement made.

I further certify that I am not owned or controlled by the Sponsor. I understand that a copy of this certification is intended to be incorporated into the offering plan. This letter is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. I understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Sincerely,

Jeff Brown

By: _____



Sworn before me this 28th
day of July, 2008

Ruth Shoenthal
Notary Public

2171695 v1

RUTH SHOENTHAL
Notary Public, State of New York
No. 01SH6035760
Qualified in New York County
Commission Expires Jan. 3, ~~2008~~
2010



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www.generalproperty.com

**CERTIFICATION BY EXPERT ON ADEQUACY
OF COMMON CHARGES**

August 5, 2008

New York State Department of Law
120 Broadway
New York, New York 10271

Re: The Deuce Condominium
534 West 42'd Street, New York, New York

The undersigned hereby certifies:

The Sponsor of the Condominium Offering Plan for the captioned property (the "Plan") retained our firm to prepare Schedule B ("Schedule B") which includes, among other things, projections of common charges payable by the Condominium/Commercial Unit Owner during the anticipated first year of condominium operation. Our certification is based on our experience in the management of residential and mixed-use cooperatives, condominiums, and rental properties.

General Property Management, a licensed Real Estate Broker, began operations approximately 27 years ago. We manage over fifty condominium and cooperative properties in New York City.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Attorney General in Part 20 insofar as they are applicable to the Commercial Unit identified in Schedule B.

We have reviewed Schedule B as it impacts on the Condominium/Commercial Unit and investigated the facts set forth in Schedule B and the facts underlying it with due diligence in order to form a basis for this Certification. We also have relied on our experience in managing residential and mixed-use buildings.

We certify that the projections in Schedule B for common charges payable by the Owner of the Condominium/Commercial Unit appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to the Commercial Unit during the projected first year of condominium operation, and that the allocation of common charges attributable to the Condominium/Commercial Unit also reflects special or exclusive use or availability or exclusive control of particular common areas.

- (i) sets forth in detail the projected common charges for the Condominium/Commercial Unit for the first year of condominium operation;
- (ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning common charges payable by the Owner of the Condominium/Commercial Unit during the 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 representations or statements 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 so that potential purchasers may rely on it. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the Condominium/Commercial Unit for the first year of condominium operation.

This Certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

General Property Management

By: 
Jeffrey Brown, President

Sworn to before me this
4th day of August 2008

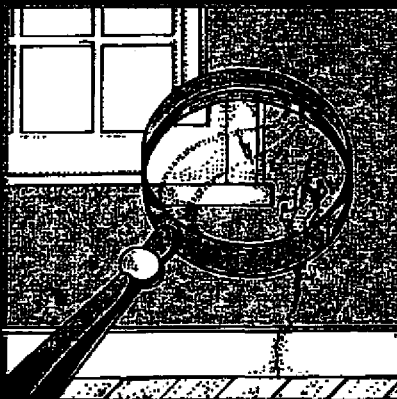


Notary Public

RUTH SHOENTHAL
Notary Public, State of New York
No. 01SH6035780
Qualified in New York County
Commission Expires Jan. 3, 2010
2010

EXHIBIT I
LEAD PAINT INFORMATION

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Protect Your Family From Lead In Your Home



United States
Environmental
Protection Agency



United States
Consumer Product
Safety Commission



United States
Department of Housing
and Urban Development

Are You Planning To Buy, Rent, or Renovate a Home Built Before 1978?

Many houses and apartments built before 1978 have paint that contains high levels of lead (called lead-based paint). Lead from paint, chips, and dust can pose serious health hazards if not taken care of properly.



OWNERS, BUYERS, and RENTERS are encouraged to check for lead (see page 6) before renting, buying or renovating pre-1978 housing.

Federal law requires that individuals receive certain information before renting, buying, or renovating pre-1978 housing:



LANDLORDS have to disclose known information on lead-based paint and lead-based paint hazards before leases take effect. Leases must include a disclosure about lead-based paint.



SELLERS have to disclose known information on lead-based paint and lead-based paint hazards before selling a house. Sales contracts must include a disclosure about lead-based paint. Buyers have up to 10 days to check for lead.



RENOVATORS disturbing more than 2 square feet of painted surfaces have to give you this pamphlet before starting work.

IMPORTANT!

Lead From Paint, Dust, and Soil Can Be Dangerous If Not Managed Properly

FACT: Lead exposure can harm young children and babies even before they are born.

FACT: Even children who seem healthy can have high levels of lead in their bodies.

FACT: People can get lead in their bodies by breathing or swallowing lead dust, or by eating soil or paint chips containing lead.

FACT: People have many options for reducing lead hazards. In most cases, lead-based paint that is in good condition is not a hazard.

FACT: Removing lead-based paint improperly can increase the danger to your family.

If you think your home might have lead hazards, read this pamphlet to learn some simple steps to protect your family.

Lead Gets in the Body in Many Ways

Childhood lead poisoning remains a major environmental health problem in the U.S.

Even children who appear healthy can have dangerous levels of lead in their bodies.

People can get lead in their body if they:

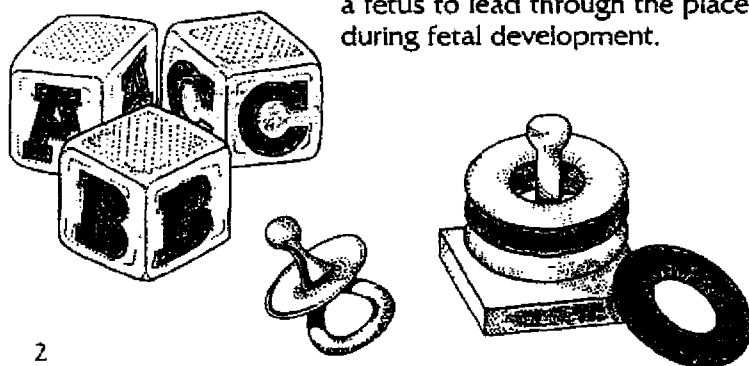
- ◆ Breathe in lead dust (especially during renovations that disturb painted surfaces).
- ◆ Put their hands or other objects covered with lead dust in their mouths.
- ◆ Eat paint chips or soil that contains lead.

Lead is even more dangerous to children under the age of 6:

- ◆ At this age children's brains and nervous systems are more sensitive to the damaging effects of lead.
- ◆ Children's growing bodies absorb more lead.
- ◆ Babies and young children often put their hands and other objects in their mouths. These objects can have lead dust on them.

Lead is also dangerous to women of childbearing age:

- ◆ Women with a high lead level in their system prior to pregnancy would expose a fetus to lead through the placenta during fetal development.



Lead's Effects

It is important to know that even exposure to low levels of lead can severely harm children.

In children, lead can cause:

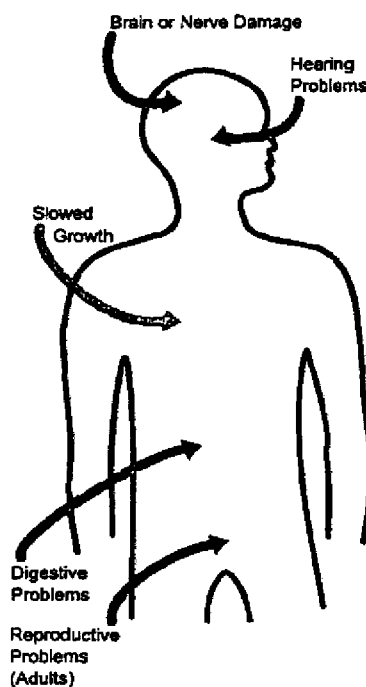
- ◆ Nervous system and kidney damage.
- ◆ Learning disabilities, attention deficit disorder, and decreased intelligence.
- ◆ Speech, language, and behavior problems.
- ◆ Poor muscle coordination.
- ◆ Decreased muscle and bone growth.
- ◆ Hearing damage.

While low-lead exposure is most common, exposure to high levels of lead can have devastating effects on children, including seizures, unconsciousness, and, in some cases, death.

Although children are especially susceptible to lead exposure, lead can be dangerous for adults too.

In adults, lead can cause:

- ◆ Increased chance of illness during pregnancy.
- ◆ Harm to a fetus, including brain damage or death.
- ◆ Fertility problems (in men and women).
- ◆ High blood pressure.
- ◆ Digestive problems.
- ◆ Nerve disorders.
- ◆ Memory and concentration problems.
- ◆ Muscle and joint pain.



**Lead affects
the body in
many ways.**

Where Lead-Based Paint Is Found

In general, the older your home, the more likely it has lead-based paint.

Many homes built before 1978 have lead-based paint. The federal government banned lead-based paint from housing in 1978. Some states stopped its use even earlier. Lead can be found:

- ◆ In homes in the city, country, or suburbs.
- ◆ In apartments, single-family homes, and both private and public housing.
- ◆ Inside and outside of the house.
- ◆ In soil around a home. (Soil can pick up lead from exterior paint or other sources such as past use of leaded gas in cars.)

Checking Your Family for Lead

Get your children and home tested if you think your home has high levels of lead.

To reduce your child's exposure to lead, get your child checked, have your home tested (especially if your home has paint in poor condition and was built before 1978), and fix any hazards you may have. Children's blood lead levels tend to increase rapidly from 6 to 12 months of age, and tend to peak at 18 to 24 months of age.

Consult your doctor for advice on testing your children. A simple blood test can detect high levels of lead. Blood tests are usually recommended for:

- ◆ Children at ages 1 and 2.
- ◆ Children or other family members who have been exposed to high levels of lead.
- ◆ Children who should be tested under your state or local health screening plan.

Your doctor can explain what the test results mean and if more testing will be needed.

Identifying Lead Hazards

Lead-based paint is usually not a hazard if it is in good condition, and it is not on an impact or friction surface, like a window. It is defined by the federal government as paint with lead levels greater than or equal to 1.0 milligram per square centimeter, or more than 0.5% by weight.

Deteriorating lead-based paint (peeling, chipping, chalking, cracking or damaged) is a hazard and needs immediate attention. It may also be a hazard when found on surfaces that children can chew or that get a lot of wear-and-tear, such as:

- ◆ Windows and window sills.
- ◆ Doors and door frames.
- ◆ Stairs, railings, banisters, and porches.

Lead dust can form when lead-based paint is scraped, sanded, or heated. Dust also forms when painted surfaces bump or rub together. Lead chips and dust can get on surfaces and objects that people touch. Settled lead dust can re-enter the air when people vacuum, sweep, or walk through it. The following two federal standards have been set for lead hazards in dust:

- ◆ 40 micrograms per square foot ($\mu\text{g}/\text{ft}^2$) and higher for floors, including carpeted floors.
- ◆ 250 $\mu\text{g}/\text{ft}^2$ and higher for interior window sills.

Lead in soil can be a hazard when children play in bare soil or when people bring soil into the house on their shoes. The following two federal standards have been set for lead hazards in residential soil:

- ◆ 400 parts per million (ppm) and higher in play areas of bare soil.
- ◆ 1,200 ppm (average) and higher in bare soil in the remainder of the yard.

The only way to find out if paint, dust and soil lead hazards exist is to test for them. The next page describes the most common methods used.

Lead from paint chips, which you can see, and lead dust, which you can't always see, can both be serious hazards.

Checking Your Home for Lead

Just knowing that a home has lead-based paint may not tell you if there is a hazard.



You can get your home tested for lead in several different ways:

- ◆ A paint **inspection** tells you whether your home has lead-based paint and where it is located. It won't tell you whether or not your home currently has lead hazards.
- ◆ A **risk assessment** tells you if your home currently has any lead hazards from lead in paint, dust, or soil. It also tells you what actions to take to address any hazards.
- ◆ A combination risk assessment and inspection tells you if your home has any lead hazards and if your home has any lead-based paint, and where the lead-based paint is located.

Hire a trained and certified testing professional who will use a range of reliable methods when testing your home.

- ◆ Visual inspection of paint condition and location.
- ◆ A portable x-ray fluorescence (XRF) machine.
- ◆ Lab tests of paint, dust, and soil samples.

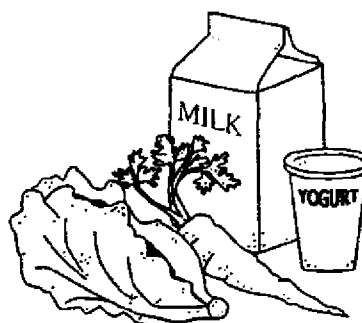
There are state and federal programs in place to ensure that testing is done safely, reliably, and effectively. Contact your state or local agency (see bottom of page 11) for more information, or call **1-800-424-LEAD (5323)** for a list of contacts in your area.

Home test kits for lead are available, but may not always be accurate. Consumers should not rely on these kits before doing renovations or to assure safety.

What You Can Do Now To Protect Your Family

If you suspect that your house has lead hazards, you can take some immediate steps to reduce your family's risk:

- ◆ If you rent, notify your landlord of peeling or chipping paint.
- ◆ Clean up paint chips immediately.
- ◆ Clean floors, window frames, window sills, and other surfaces weekly. Use a mop or sponge with warm water and a general all-purpose cleaner or a cleaner made specifically for lead. REMEMBER: NEVER MIX AMMONIA AND BLEACH PRODUCTS TOGETHER SINCE THEY CAN FORM A DANGEROUS GAS.
- ◆ Thoroughly rinse sponges and mop heads after cleaning dirty or dusty areas.
- ◆ Wash children's hands often, especially before they eat and before nap time and bed time.
- ◆ Keep play areas clean. Wash bottles, pacifiers, toys, and stuffed animals regularly.
- ◆ Keep children from chewing window sills or other painted surfaces.
- ◆ Clean or remove shoes before entering your home to avoid tracking in lead from soil.
- ◆ Make sure children eat nutritious, low-fat meals high in iron and calcium, such as spinach and dairy products. Children with good diets absorb less lead.



Reducing Lead Hazards In The Home

Removing lead improperly can increase the hazard to your family by spreading even more lead dust around the house.

Always use a professional who is trained to remove lead hazards safely.



In addition to day-to-day cleaning and good nutrition:

- ◆ You can **temporarily** reduce lead hazards by taking actions such as repairing damaged painted surfaces and planting grass to cover soil with high lead levels. These actions (called "interim controls") are not permanent solutions and will need ongoing attention.
- ◆ To **permanently** remove lead hazards, you should hire a certified lead "abatement" contractor. Abatement (or permanent hazard elimination) methods include removing, sealing, or enclosing lead-based paint with special materials. Just painting over the hazard with regular paint is not permanent removal.

Always hire a person with special training for correcting lead problems—someone who knows how to do this work safely and has the proper equipment to clean up thoroughly. Certified contractors will employ qualified workers and follow strict safety rules as set by their state or by the federal government.

Once the work is completed, dust cleanup activities must be repeated until testing indicates that lead dust levels are below the following:

- ◆ 40 micrograms per square foot ($\mu\text{g}/\text{ft}^2$) for floors, including carpeted floors;
- ◆ 250 $\mu\text{g}/\text{ft}^2$ for interior windowsills; and
- ◆ 400 $\mu\text{g}/\text{ft}^2$ for window troughs.

Call your state or local agency (see bottom of page 11) for help in locating certified professionals in your area and to see if financial assistance is available.

Remodeling or Renovating a Home With Lead-Based Paint

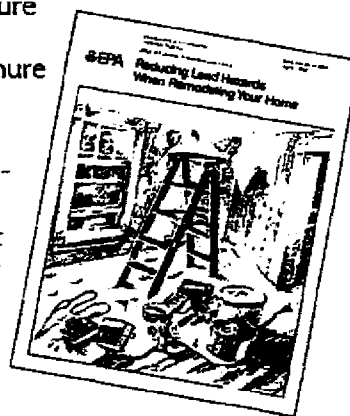
Take precautions before your contractor or you begin remodeling or renovating anything that disturbs painted surfaces (such as scraping off paint or tearing out walls):

- ◆ **Have the area tested for lead-based paint.**
- ◆ **Do not use a belt-sander, propane torch, high temperature heat gun, dry scraper, or dry sandpaper** to remove lead-based paint. These actions create large amounts of lead dust and fumes. Lead dust can remain in your home long after the work is done.
- ◆ **Temporarily move your family** (especially children and pregnant women) out of the apartment or house until the work is done and the area is properly cleaned. If you can't move your family, at least completely seal off the work area.
- ◆ **Follow other safety measures to reduce lead hazards.** You can find out about other safety measures by calling 1-800-424-LEAD. Ask for the brochure "Reducing Lead Hazards When Remodeling Your Home." This brochure explains what to do before, during, and after renovations.

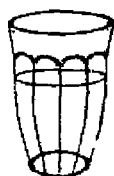
If you have already completed renovations or remodeling that could have released lead-based paint or dust, get your young children tested and follow the steps outlined on page 7 of this brochure.



If not conducted properly, certain types of renovations can release lead from paint and dust into the air.



Other Sources of Lead



While paint, dust, and soil are the most common sources of lead, other lead sources also exist.

◆ **Drinking water.** Your home might have plumbing with lead or lead solder. Call your local health department or water supplier to find out about testing your water. You cannot see, smell, or taste lead, and boiling your water will not get rid of lead. If you think your plumbing might have lead in it:

- Use only cold water for drinking and cooking.
- Run water for 15 to 30 seconds before drinking it, especially if you have not used your water for a few hours.

◆ **The job.** If you work with lead, you could bring it home on your hands or clothes. Shower and change clothes before coming home. Launder your work clothes separately from the rest of your family's clothes.



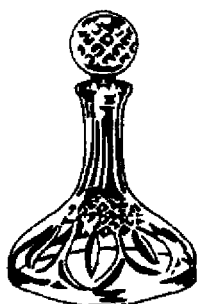
◆ **Old painted toys and furniture.**

◆ **Food and liquids stored in lead crystal or lead-glazed pottery or porcelain.**

◆ **Lead smelters** or other industries that release lead into the air.

◆ **Hobbies** that use lead, such as making pottery or stained glass, or refinishing furniture.

◆ **Folk remedies** that contain lead, such as "greta" and "azarcon" used to treat an upset stomach.



Simple Steps To Protect Your Family From Lead Hazards

If you think your home has high levels of lead:

- ◆ Get your young children tested for lead, even if they seem healthy.
- ◆ Wash children's hands, bottles, pacifiers, and toys often.
- ◆ Make sure children eat healthy, low-fat foods.
- ◆ Get your home checked for lead hazards.
- ◆ Regularly clean floors, window sills, and other surfaces.
- ◆ Wipe soil off shoes before entering house.
- ◆ Talk to your landlord about fixing surfaces with peeling or chipping paint.
- ◆ Take precautions to avoid exposure to lead dust when remodeling or renovating (call 1-800-424-LEAD for guidelines).
- ◆ Don't use a belt-sander, propane torch, high temperature heat gun, scraper, or sandpaper on painted surfaces that may contain lead.
- ◆ Don't try to remove lead-based paint yourself.



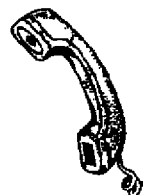
Recycled/Recyclable

Printed with vegetable oil based inks on recycled paper
(minimum 50% postconsumer) process chlorine free

For More Information

The National Lead Information Center

Call **1-800-424-LEAD (424-5323)** to learn how to protect children from lead poisoning and for other information on lead hazards. To access lead information via the web, visit **www.epa.gov/lead** and **www.hud.gov/offices/lead/**.

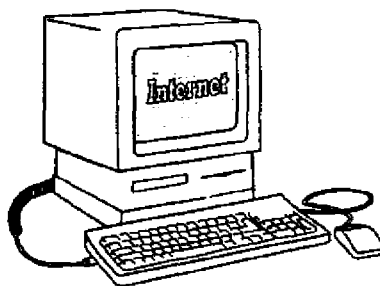


EPA's Safe Drinking Water Hotline

Call **1-800-426-4791** for information about lead in drinking water.

Consumer Product Safety Commission (CPSC) Hotline

To request information on lead in consumer products, or to report an unsafe consumer product or a product-related injury call **1-800-638-2772**, or visit CPSC's Web site at: **www.cpsc.gov**.



Health and Environmental Agencies

Some cities, states, and tribes have their own rules for lead-based paint activities. Check with your local agency to see which laws apply to you. Most agencies can also provide information on finding a lead abatement firm in your area, and on possible sources of financial aid for reducing lead hazards. Receive up-to-date address and phone information for your local contacts on the Internet at **www.epa.gov/lead** or contact the National Lead Information Center at **1-800-424-LEAD**.

For the hearing impaired, call the Federal Information Relay Service at **1-800-877-8339** to access any of the phone numbers in this brochure.

EPA Regional Offices

Your Regional EPA Office can provide further information regarding regulations and lead protection programs.

EPA Regional Offices

Region 1 (Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island, Vermont)

Regional Lead Contact
U.S. EPA Region 1
Suite 1100 (CPT)
One Congress Street
Boston, MA 02114-2023
(888) 372-7341

Region 2 (New Jersey, New York, Puerto Rico, Virgin Islands)

Regional Lead Contact
U.S. EPA Region 2
2890 Woodbridge Avenue
Building 209, Mail Stop 225
Edison, NJ 08837-3679
(732) 321-6671

Region 3 (Delaware, Maryland, Pennsylvania, Virginia, Washington DC, West Virginia)

Regional Lead Contact
U.S. EPA Region 3 (3WC33)
1650 Arch Street
Philadelphia, PA 19103
(215) 814-5000

Region 4 (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)

Regional Lead Contact
U.S. EPA Region 4
61 Forsyth Street, SW
Atlanta, GA 30303
(404) 562-8998

Region 5 (Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)

Regional Lead Contact
U.S. EPA Region 5 (DT-8J)
77 West Jackson Boulevard
Chicago, IL 60604-3666
(312) 886-6003

Region 6 (Arkansas, Louisiana, New Mexico, Oklahoma, Texas)

Regional Lead Contact
U.S. EPA Region 6
1445 Ross Avenue, 12th Floor
Dallas, TX 75202-2733
(214) 665-7577

Region 7 (Iowa, Kansas, Missouri, Nebraska)

Regional Lead Contact
U.S. EPA Region 7
(ARTD-RALI)
901 N. 5th Street
Kansas City, KS 66101
(913) 551-7020

Region 8 (Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming)

Regional Lead Contact
U.S. EPA Region 8
999 18th Street, Suite 500
Denver, CO 80202-2466
(303) 312-6021

Region 9 (Arizona, California, Hawaii, Nevada)

Regional Lead Contact
U.S. Region 9
75 Hawthorne Street
San Francisco, CA 94105
(415) 947-4164

Region 10 (Alaska, Idaho, Oregon, Washington)

Regional Lead Contact
U.S. EPA Region 10
Toxics Section WCM-128
1200 Sixth Avenue
Seattle, WA 98101-1128
(206) 553-1985

**DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT
AND LEAD-BASED PAINT HAZARDS**

360

Lead Warning Statement

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

Seller's Disclosure (initial)

- _____ (a) Presence of lead-based paint and/or lead-based paint hazards (check one below):
[] Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).

[] Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.
_____ (b) Records and reports available to the seller (check one below):
[] Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

[] Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Purchaser's Acknowledgment (initial)

- _____ (c) Purchaser has received copies of all information listed above.
_____ (d) Purchaser has received the pamphlet *Protect Your Family from Lead in Your Home*.
_____ (e) Purchaser has (check one below):
[] Received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or
[] Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

Agent's Acknowledgment (initial)

- _____ (f) Agent has informed the seller of the seller's obligations under 42 U.S.C. 4852(d) and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information provided by the signatory is true and accurate.

_____ Seller	_____ Date	_____ Seller	_____ Date
_____ Agent	_____ Date	_____ Agent	_____ Date
_____ Purchaser	_____ Date	_____ Purchaser	_____ Date

EXHIBIT J

SECTION 339-~~kk~~ OF THE REAL PROPERTY LAW

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Section 339-kk.

Rents. (a) For the purposes of this section, "non-occupying owner" shall mean a unit owner in a condominium association who does not occupy the dwelling unit. (b) If a non-occupying owner rents any dwelling unit to a rental tenant and then fails to make payments due for common charges, assessments or late fees for such unit within sixty days of the expiration of any grace period after they are due, upon notice in accordance with subdivision (c) of this section, all rental payments from the tenant shall be directly payable to the condominium association. (c) If the common charges, assessments or late fees due for any unit have not been paid in full, within sixty days after the expiration of any grace period of the earliest due date, the board of managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for common charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the board of managers has been elected by and from among the unit owners who are in occupancy, the board may elect not to require that rental payments be made payable to the condominium association. At such time as payments for common charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the board of managers, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim. (d) Nothing in this section shall limit any rights of unit owners or of the board of managers existing under any other law or agreement. (e) Payment by a rental tenant to the condominium association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

EXHIBIT K
DESCRIPTION OF LAND

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LEGAL DESCRIPTION

ALL that certain plot, piece and parcel of land, situate and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at a point on the southerly side of West 42nd Street at the center of a party wall distant 396 feet 3 inches westerly from the southwesterly corner of West 42nd Street and 10th Avenue;

RUNNING THENCE southerly parallel with 10th Avenue and part of the way through a party wall, 98 feet 9 inches to the center line of the block between 41st and 42nd Streets;

THENCE westerly along said center line of the block and parallel with West 42nd Street, 19 feet and 7 inches;

THENCE northerly parallel with 10th Avenue, 98 feet 9 inches to the southerly side of West 42nd Street running in part through the center of a party wall of a house and lot adjoining said premises on the west;

THENCE easterly along the southerly side of West 42nd Street, 19 feet 7 inches to the point or place of **BEGINNING**.

TOGETHER WITH the benefit of the Grant of Right and Easement to Maintain an Encroachment on Adjoining Premises made between Federal Express Corporation and Shao Lin Operating LLC, dated December 7, 2007 and recorded February 14, 2008 CRFN 2008000063636.

EXHIBIT L**LIST OF PROPERTIES/DEVELOPMENTS
MANAGED BY GENERAL PROPERTY MANAGEMENT**

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General Property Management

250 W. 57th St
New York, NY 10107

Prince Lower Fifth
1804 Third
79 Washington
255 Cabrini A.Anc
244 W. 56th St
211 W. 19th St
735 9th Ave
1527 York
4 St. Marks
142 E. 33
29 E. 37th St
39 W. 71
231 W. 96
255 Cab. Low
423 E. 75th
Dorie Miller
Wakefield Coop

301 E. 85th
420 W. 46
323 E. 8th
2 Grove
604 Riverside
151 W. 28th St
228 Ave B
17-19 W. 108
9 E. 97th St
345 e. 19
127 W. 28
1154 1
705 9
231 W. 96th
109 E. 29
71 Wash
311/311 E. 60th St
23-25 Greene
69 Washington
210 E. 17th St
124 Thompson
Dance Condo
32-34 Greene
85 Washington
126 E. 28th
255 Cabrini Condo

2611 Fredrick Douglas/Bradhurst
124 W. 93rd. /Westerly
606 St Nick
330 W. 141st
32 W. 128th St
319 W. 116th St
India St.
69 E. 130th St
803 W. 180th St
331 E. 8th St
313 W. 88th St

EXHIBIT M
ASSIGNMENT AND ASSUMPTION OF
STORAGE UNIT LICENSE

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ASSIGNMENT AND ASSUMPTION OF LICENSE

ASSIGNMENT AND ASSUMPTION OF LICENSE (the "Assignment") dated as of this ____ day of _____, 200__ between SHAO LIN OPERATING LLC ("Assignor") and _____ ("Assignee").

Recitals

Assignor is the Licensee under that certain license (the "License") dated _____ by and between The Deuce Condominium ("Condominium") for a Storage Unit number _____, all as more particularly described in the License.

KNOW ALL MEN BY THESE PRESENTS THAT:

For and in consideration of the payment of the sum of \$ _____ and other good and valuable consideration given by Assignee, Assignor hereby assigns to the Assignee all of Assignor's right, title and interest in and to the License.

TO HAVE AND TO HOLD the same unto the Assignee, its heirs, executors, successors and assigns from this day forward for all of the rest of the term (and any renewals or extensions) mentioned in the License, subject to rents, covenants, conditions and provisions therein also mentioned. The foregoing assignment is expressly made without representation or warranty (either expressed or implied) of any nature or kind, or recourse against Assignor in any event.

AND the Assignee hereby assumes the obligations and performance of all of the terms, covenants and conditions contained in the License on the tenant's part to be performed thereunder, including the payment of license fees relating to the period after the date hereof, from and after the date hereof, with the same force and effect as if Assignee had executed the License originally as an original signatory.

Assignee shall indemnify, hold harmless and defend Assignor, its members, officers, agents and their respective successors and permitted assigns (each, an "Assignor Party"), from any and all demands, actions, damages or losses, liabilities, costs and expenses, including reasonable attorneys' fees, of any nature whatsoever, directly or indirectly asserted against, imposed upon or incurred by any Assignor Party on or subsequent to the date hereof, arising out of or in any way related to the obligations, duties and liabilities under the License arising on or subsequent to the date hereof. The burden of this indemnity provision shall not be assigned by Assignee without the prior consent of Assignor.

This Assignment shall be governed in accordance with the laws of the State of New York. Neither this Amendment nor any term or provision hereof may be amended, modified or terminated, and no obligation, duty or liability of any party hereto may be released, discharged or waived, except in writing signed by all parties hereto.

IN WITNESS WHEREOF, the Assignor and Assignee have set their hands and seals on the date first above written.

ASSIGNOR:

SHAO LIN OPERATING LLC

BY: _____

ASSIGNEE:

STATE OF NEW YORK)
 : SS.:
COUNTY OF)

On the _____ day of _____, in the year __, before me, the undersigned, a notary public in and for said state, 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

STATE OF NEW YORK)
 : SS.:
COUNTY OF)

On the _____ day of _____, in the year __, before me, the undersigned, a notary public in and for said state, 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

