



STATE OF NEW YORK
OFFICE OF THE ATTORNEY GENERAL

ERIC T. SCHNEIDERMAN
ATTORNEY GENERAL

(212) 416-8176

DIVISION OF ECONOMIC JUSTICE
REAL ESTATE FINANCE BUREAU

534 West 42nd Street LLC
c/o Caller & Lebovits, P.C.
Attention: Alan Lebovits
266 Broadway, Suite 304
Brooklyn, NY 11211

RE: Deuce Condominium (The)
File Number: CD070572
Date Amendment Filed: 12/29/2010
Receipt Number: 110205

Amendment No: 3
Filing Fee: \$225.00

Dear Sponsor:

The referenced amendment to the offering plan for the subject premises is hereby accepted and filed. This filing is effective for the greater of six months from the date of filing this amendment or twelve months from the acceptance of the original offering literature. However, any material change of fact or circumstance affecting the property or offering requires an immediate amendment, including amending the plan to disclose the most recent certified financial statement and budget, which should be done as soon as either of these documents is available.

Any misstatement or concealment of material fact in the material submitted as part of this amendment renders this filing void ab initio. This office has relied on the truth of the certifications of sponsor, sponsor's principals, and sponsor's experts, as well as the transmittal letter of sponsor's attorney.

Filing this amendment shall not be construed as approval of the contents or terms thereof by the Attorney General of the State of New York, or any waiver of or limitation on the Attorney General's authority to take enforcement action for violation of Article 23-A of the General Business Law or other applicable law. The issuance of this letter is conditioned upon the collection of all fees imposed by law. This letter is your receipt for the filing fee.

Very truly yours,

Nancy Haber/c8
Nancy Haber
Assistant Attorney General

**THIRD AMENDMENT
TO THE CONDOMINIUM OFFERING PLAN
FOR THE 534 WEST 42ND STREET CONDOMINIUM, LOCATED AT
534 WEST 42ND STREET, NEW YORK, NEW YORK**

The Offering Plan dated August 15, 2008 for condominium ownership of premises located at 534 West 42nd Street, New York, New York, (the "Plan") is hereby further amended by this third Amendment as follows:

I. The primary purpose of this amendment is as follows:

A. To disclose that 534 West 42nd Street LLC will be the "Substitute Sponsor" and set forth pertinent disclosure.

B. The Condominium shall herewith be known as "The 534 West 42nd Street Condominium", any reference or mention in the Offering Plan of "The Deuce Condominium" shall be replaced with "The 534 West 42nd Street Condominium".

II. The following provisions shall be highlighted as a SPECIAL RISK in Part I of the Plan:

The Substitute Sponsor at its option may require any purchaser who is obtaining a mortgage to have his lender accept an assignment of a portion of Substitute Sponsor's existing mortgage. In such event, Purchaser shall pay to the Substitute Sponsor such amount that the Purchaser is saving with respect to the mortgage that the Purchaser would have paid if there was no assignment of mortgage. Accordingly, Purchaser shall apply for a mortgage with a lending institution that will accept an assignment of mortgage. Even if Purchaser's lending institution does not accept an assignment of mortgage, Purchaser shall still be obligated to pay to the Substitute Sponsor the amount that would have been saved had the lending institution accepted an assignment of mortgage. In the event the Substitute Sponsor exercises such option, the mortgage tax credit will be inapplicable and the Purchaser will not be required to make any payments to the Substitute Sponsor in respect to the mortgage tax credit.

III. The Plan is amended as follows:

A. 534 West 42nd Street LLC, located at 825 Third Ave, 37th Floor, NY, NY 10022 (hereinafter the "Substitute Sponsor") is offering condominium units at 534 West 42nd Street, New York, New York. The Substitute Sponsor will continue the offering in accordance with the representations of the Plan as amended. The manager of the Substitute Sponsor is Brian Shatz. Attached hereto as Exhibit I is the Certification by the Substitute Sponsor.

B. Identity of Parties.

(a) 534 West 42nd Street LLC is a New York Limited Liability Company formed on December 8, 2009, with an address at 825 Third Ave, 37th Floor, New York, New York 10022. Brian Shatz is the manager of the Substitute Sponsor and is an investor in real estate. Neither the

Substitute Sponsor, nor any of its member(s) has any outstanding prior felony convictions, or any convictions, injunctions, or judgments against them that may be material to the offering or an offering of securities generally.

Brian Shatz is a co-founder of Madison Realty Capital Advisors, LLC. He is responsible for raising institutional capital, risk management, overseeing the debt portfolio and asset management. Prior to co-founding MRC, he established Bluegrass Growth Fund Partners, LLC, a private investment fund which focused on investing in structured equity and debt investments for U.S. public companies. Mr. Shatz began his career at BlackRock where he worked closely with fixed income portfolio managers and developed institutional client relationships with some of the country's largest pension funds. He graduated cum laude from Brandeis University with a Bachelor of Arts degree in economics in 1998.

(b) Neither the Substitute Sponsor, nor its manager Brian Shatz have any prior offerings, nor do they have an interest of 10% or greater in other cooperatives or condominiums in the state of New York.

C. The offering prices for the following units are hereby amended to be as follows:

<u>Unit</u>	<u>Price</u>
1	\$300,000.00
2	\$918,400.00
3	\$925,000.00
4	\$935,000.00
5	\$975,000.00
6	\$985,000.00
7	\$995,000.00
PH	\$2,250,000.00

D. Annexed hereto as Exhibit II is a revised architects report with the changes to the report highlighted, together with new cellar/basement floor plans, and a new eighth floor plan.

E. The following section shall replace disclosure contained in the Section or Sections of the Plan that pertained to Unit Closing Costs and Adjustments;

At the time of closing of title to a condominium unit, each Purchaser of a Unit will pay certain closing costs in addition to the legal fees of such Purchaser's counsel and the amount of any net credit in favor of the Substitute Sponsor resulting from the closing apportionments described above. Such closing costs will include the following, the amounts of which are based on rates in effect as of the date of this amendment.

(i) If such Purchaser elects to obtain fee title insurance, he or she will pay a premium therefore to his or her title insurance company which will vary depending upon the amount of insurance requested. The premium for fee title insurance, if ordered through Kensington Vanguard National Land Services of New York, LLC 39 West 37th Street, 7th floor New York, NY 10018 or similar title insurance

companies (the Purchaser is free to choose any title company), should be \$773.00 for the first \$100,000.00 of fee insurance plus \$4.36 for each \$1,000.00 or fraction thereof of additional fee insurance up to \$500,000.00. The premium for mortgage title insurance should be \$654.00 for the first \$100,000.00 of insurance plus \$3.64 for each \$1,000.00 or fraction thereof of additional insurance up to \$500,000.00. Kensington Vanguard National Land Services of NY: a) has updated the title search; and b) has been retained by the Substitute Sponsor to clear any title issues affecting the premises, and c) has been retained by the Substitute Sponsor to record the condominium declaration and any other documents requiring recording with respect to this offering plan. A copy of the title report will be furnished to the purchaser upon request.

(ii) A fee for recording the deed and Unit Owner's Power of Attorney of \$32.00 for each instrument plus \$5.00 per page, together with a service charge to the title company for such recording of approximately \$185.00;

(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) Purchasers will pay a portion of the mortgage recording tax in the amount provided for by law, currently 2.05% (1.8% paid by the purchaser, 0.25% paid by the Lending Bank) of the face amount of the mortgage for mortgages under \$500,000.00 and 2.175% (1.925% paid by the purchaser, 0.25% paid by the Lending Bank) for mortgages over \$500,000.00;

(c) (1) Purchasers will pay a premium through the title company for the mortgage title insurance policy. In addition, such Purchaser shall pay Substitute Sponsor a sum equal to the partial mortgage tax credit to which Purchaser is entitled under Section 339-ee(2) of the Condominium Act. All such payments shall be made upon execution of the loan documents.

(2) The Substitute Sponsor at its option may require any purchaser who is obtaining a mortgage to have his lender accept an assignment of a portion of Substitute Sponsor's existing mortgage. In such event, Purchaser shall pay to the Substitute Sponsor such amount that the Purchaser is saving with respect to the mortgage that the Purchaser would have paid if there was no assignment of mortgage. Accordingly, Purchaser shall apply for a mortgage with a lending institution that will accept an assignment of mortgage. Even if Purchaser's lending institution does not accept an assignment of mortgage, Purchaser shall still be obligated to pay to the Substitute Sponsor the amount that would have been saved had the lending institution accepted an assignment of mortgage. In the event the Substitute Sponsor exercises such option, the above paragraph (section "c" subsection 1) regarding the mortgage tax credit will be inapplicable and the Purchaser will not be required to make any payments to the Substitute Sponsor in respect to the mortgage tax credit.

(d) all costs and expenses in connection with such loan in amounts determined by the lender, *i.e.*, application, points, credit report, survey, appraisal, bank's attorney's fees, Residential and Condominium Endorsements (title insurance forms required by banks) and any other fees required by lender. Substitute Sponsor makes no representation or warranty as to such closing costs or expenses or as to the availability of such financing.

(iv) Although usually Seller's expense, purchaser shall pay the Real Property Transfer Tax due to The City of New York. This tax is in the amount of 1.425% of the total purchase price of the Unit for units \$500,000.00 and over and 1% of the total purchase price for units up to \$500,000.00. The Purchaser shall also pay for the New York State Real Estate Transfer Tax (currently \$2.00 per \$500.00, or fractional portion thereof of the purchase price) imposed by statute on transferors of property. There is an additional 1% mansion tax for transfers of \$1,000,000.00 and over, which is imposed on the Purchaser. For purposes of calculating the transfer taxes to be paid, consideration includes the transfer taxes paid by the purchaser.

(v) Purchaser will be required to deposit with the Board of Managers two (2) months' estimated monthly common charges for his unit.

(vi) Purchaser shall be obligated to pay the following fees to Substitute Sponsor's attorney: \$2,000.00 for services rendered in connection with the preparation of documents. In addition, there shall be an additional fee of \$250.00 if the closing is held at any location other than Substitute Sponsor's attorney's office. A \$500.00 fee shall be due and payable to the Substitute Sponsor's attorney in the event the Purchaser elects to obtain a mortgage.

F. Part I of the Offering Plan "Identity of Parties" on is hereby amended as follows:

(i) Paragraph entitled Counsel is amended to read as follows:

The Substitute Sponsor will be represented by Caller & Lebovits, P.C., having an address at 266 Broadway Suite 304, Brooklyn, New York, 11211, in connection with the amendments to the Plan and the condominium unit sales and closings. Persons desiring to purchase condominium units will be required to execute a purchase agreement in the form annexed hereto and return it to the Sponsor's attorney, together with a check in the amount of 10% of the purchase price as down payment or such lesser amount if agreed to by Substitute Sponsor so long as is not less than \$5,000.00, to Caller & Lebovits Attorney Trust Account. The signatory on this account authorized to withdraw funds is Allan Lebovits, Esq. and/or Carl Caller, Esq. All deposits, down payments, or advances made by purchasers prior to closing of each individual transaction, whether received before or after the date of consummation of the plan, will be placed, within five (5) business days after the agreement is signed by all necessary parties, in a segregated special escrow account of Caller & Lebovits Attorney Trust Account, the Escrow Agent, whose address is 266 Broadway Suite 304, Brooklyn, New York, 11211, and whose telephone number is (718) 387-4400. The name of the account is "Caller & Lebovits Attorney Trust Account", located at

Chase Manhattan Bank NA, at its branch at 225 Havemeyer Street, Brooklyn, New York 11211. The bank is covered by federal bank deposit insurance to a maximum of \$250,000.00 per individual deposit individual deposit until December 31, 2013. Any deposit in excess of \$250,000.00 will not be insured to the extent such amount exceeds \$250,000.00.

The account will be interest-bearing and, unless the purchaser defaults, interest will be credited to the purchaser at closing. The interest rate to be earned will be the prevailing rate for these accounts, which currently is one-twentieth of one percent (.05%). Interest will begin to accrue within five (5) business days of tender of the down payment. No fees of any kind may be deducted from the account principal or any interest earned thereon. Substitute Sponsor shall bear any administrative cost for maintenance of the account.

The disclosure contained in this amendment replaces and supersedes the former section of the offering plan, as amended, dealing with the placing of down payments in escrow (except that Sponsor's Attorney's Fees as amended shall be paid to Caller & Lebovits, P.C.). The Substitute Sponsor will comply with the escrow and trust fund requirements of General Business Law Sections 352-e(2-b) and 352-h and the Attorney General's regulations promulgated pursuant thereto.

Attached as Exhibit III to this amendment is a copy of the escrow agreement which incorporates the terms of the Attorney General's regulations.

G. ii) Attached as Exhibit IV is the form of Purchase Agreement, to be used in all sales of apartments by the Substitute Sponsor. The Purchase Agreement replaces the previous purchase agreement contained in the offering plan, including but not limited to the financing contingency, the placing of down payments in escrow, the Substitute Sponsor's attorney, the Substitute Sponsor, and the mortgage assignment clause.

H. The By-Laws, shall heretofore be amended by adding the following section to the By-Laws:

Article 8.7 "Additional Rights of Mortgagee"

A. If the Declaration and the By-Laws of the Condominium are to be amended and such amendment would materially interfere with any right or interest of any mortgagee such amendment may only be filed upon approval of 51% of all mortgagees.

B. Any first mortgagee who obtains title to a condominium unit pursuant to the legal remedies in the mortgage or through foreclosure will not be liable for more than six months of the units unpaid regularly budgeted charges accrued before the acquisition of title to the unit by mortgagee.

C. The right of first refusal held by the Board Managers of the condominium shall materially impact the rights of a mortgagee with a lien on any part of the Property. In furtherance of such the right of first refusal shall not be available to, or may not be exercised by the Board,

and will not apply to a first mortgagee who attempts to either:

- (i) Foreclose or take title to a Unit pursuant to the term of a mortgage;
- (ii) Accept a deed or assignment in lieu of foreclosure, in the event of a default by a mortgagor;
- (iii) Sell or lease a Unit acquired by a Mortgagee or its assignee.

D. In addition to any other notices provided for in the Declaration and By-Laws, Notices will be sent to any mortgagee, by certified or registered mail return receipt requested, upon the happening of any of the following circumstances to either the building or to a mortgaged unit:

1) 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"), as described and in accordance with the By-Laws; (iii) In addition to the notice thereto provided for herein, in the event of Taking or a Casualty Loss referred to in this subsection as described in elsewhere in the declaration and or the By-Laws, when applicable, no termination of condominium shall occur without the written consent and approval of 51% of all mortgagees.

2) In the event that any party whose unit or interest is mortgaged to a mortgagee defaults in performing any act or making any payment which is that party's responsibility hereunder, including common charges and or special assessments, for a period of sixty days after the obligation to pay, and said default is not cured within fifteen (15) days of written notice of said default.

3) If any insurance policies insuring the Building and all service machinery contained therein covering the interest of the Condominium, the Condominium Board, all of the Unit Owners and all Permitted Mortgagees, as their interests may appear may not be either cancelled, or be allowed to lapse, or substantially modified except upon at least ten days' prior written notice to all of the insureds, including all Permitted Mortgagees.

4) If the Declaration and the By-Laws of the Condominium are to be amended and such amendment would materially interfere with any right or interest of any mortgagee.

E. Notwithstanding the foregoing provisions in the event a mortgagee fails to respond to written notice within 60 days of said written notice, provided notice was delivered by certified or registered mail return receipt requested said silence shall be construed as an implied approval by an mortgagee.

I. Annexed hereto as Exhibit V is a revised Schedule B, first year of Condominium Operation Budget, with a budget certification. The budgeted year has been updated to be January 1, 2011. The budgeted item previously disclosed as a Contingency has been replaced with a

Reserve Fund, which has been added to the budget with this amendment. The Reserve Fund is to be in the amount of \$13,500.00. The Sections of the budget as amended which are included in the amended Section H1 - "Notes to Schedule B" are as follows:

7. Service Contracts:

The projected amount does not include repairs, painting, maintenance, or supplies for the interior of the Units, all of which are the responsibility of the individual Unit Owners.

The budgeted figure is based upon estimates for service contracts, to be entered into prior to unit closings for the maintenance of the building, between the condominium and outside parties for the following services; sprinkler inspection, elevator maintenance, building and fire alarm maintenance, and exterminating. Inasmuch as this is a new construction, repairs and maintenance should be minimal however, the Substitute Sponsor does not warrant that this will be the case. The following is a breakdown of proposed service contracts:

Sprinkler System	\$1,200
Elevator Maintenance	\$3,180
Alarm Maintenance	\$1,581
Exterminating	\$960
Miscellaneous	<u>\$1,100</u>
 TOTAL:	 \$8,021

10. The building will be managed by Silverstone Property Group LLC, for the first year of condominium operation, for a fee of \$21,600.00. Silverstone Property Group LLC will be responsible for providing required staffing and labor and for any applicable salaries, wages, payroll taxes and benefits. After the first year, the fee charged may be higher and the unit owners may choose to manage the condominium themselves, or enter into a contract with an independent managing agent which may result in increased common charges is currently the managing agent of, among others, the following Condominium properties:

13. Reserve Fund:

The basis of the figure projected for this item is approximately eleven percent (11%) of the entire budget. The budget may be modified from time to time prior to the commencement of, or during, condominium operation to add new items of expense or to increase one or more items of operating expense. The funds for such modifications may be provided by decreasing this budget item or by decreasing one or more items of expense, or both. This fund shall be used as a reserve to pay for periodic capital replacements or repairs, as so required by the Board of Managers of the Condominium. The reserve fund has been allocated at greater than 10% of the operating budget to include in the reserve fund if necessary a sufficient amount to pay for insurance deductibles in the event the building collects on an insurance policy and is short in the

amount of the insurance deductible. For a list of insurance deductibles see Note 9 to Schedule B. At this time, the Substitute Sponsor has no knowledge of any capital improvements and/or capital replacements that may have to be made during the first five years of condominium operation.

J. Annexed hereto as Exhibit VI is a revised Schedule A which reflects the above changes, including changes to the prices, common charges, and projected Real Estate taxes.

K. Other than as set forth above, there are no other material changes in the terms of this Offering Plan.

Dated: December 29, 2010

Substitute Sponsor:
534 West 42nd Street LLC
825 Third Ave, 37th Floor
New York, New York 10022

EXHIBIT I

SPONSOR CERTIFICATIONS

CERTIFICATION BY SPONSOR AND SPONSOR'S PRINCIPALS

The Department of Law of the State of New York
120 Broadway, 23rd Floor
New York, New York 10271

Attention: Real Estate Financing Bureau

Re: The 534 West 42nd Street Condominium
534 West 42nd Street
New York, New York

Substitute Sponsor: 534 West 42nd Street LLC
To whom it may concern;

We are the Substitute Sponsor and the principal of the Substitute Sponsor of the Condominium Offering Plan for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

We have read the entire Offering Plan. We have investigated the facts set forth in the Offering Plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We certify that the Offering Plan does, and that documents submitted hereinafter by us which amend or supplement the Offering Plan will:

- (i) set forth the detailed terms of the transaction and be complete, current and accurate;
- (ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;
- (iii) not omit any material fact;
- (iv) not contain any untrue statement of a material fact;
- (v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;
- (vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (vii) not contain any representation or statement which is false, where I/we:

- (a) knew the truth;
- (b) with reasonable effort could have known the truth;
- (c) made no reasonable effort to ascertain the truth; or
- (d) did not have knowledge concerning the representations or statements made.

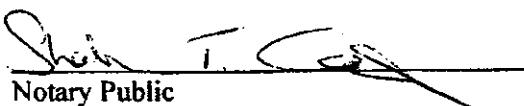
This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. I understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

SUBSTITUTE SPONSOR: 534 West 42nd Street LLC



By: Brian Shatz, Manager

Affirmed before me this
20 day of October, 2010



Notary Public

SHOSHANA T. CARMEL
Notary Public, State of New York
No. 01CA6153506
Qualified in New York County
Commission Expires October 10, 2014

EXHIBIT II

REVISED ARCHITECTS REPORT WITH REVISED PLANS

BRIAN E. BOYLE, AIA

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

March 16, 2010

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. The plans were submitted for full plan review and zoning review with the NYC Department of Buildings. The building was built under NB permit #104929482.

Completion: Completion of construction is scheduled for August 2010

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 and FIOS Data Services: 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 are PVC boiler flues that exit 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 modified bitumen roofing throughout the project is the Terranap system with a 20 year guarantee from Siplast, Inc. The system is covered with rigid insulation board 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. Bulkhead roofs are covered with resin based roofing, Terrapro also by Siplast, and stone ballast, which also carries a 20 year guarantee.

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 new 6" and 3" water mains for fire protection and domestic water supply respectively. The domestic water service is protected by a 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 meters. 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 AC Fire Pumps model 4x4x9.5F, with a capacity of 500 GPM at 208 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 Grundfos Model CR-13 A-FGJ-A-E-HQQE. 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 his 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
Powder Room:	Lavatory:	Duravit Vero Washbasin, White	or of equivalent or better quality
	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	or of equivalent or better quality
	Faucet:	Hansgrohe – Model 06694XX0	or of equivalent or better quality
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 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

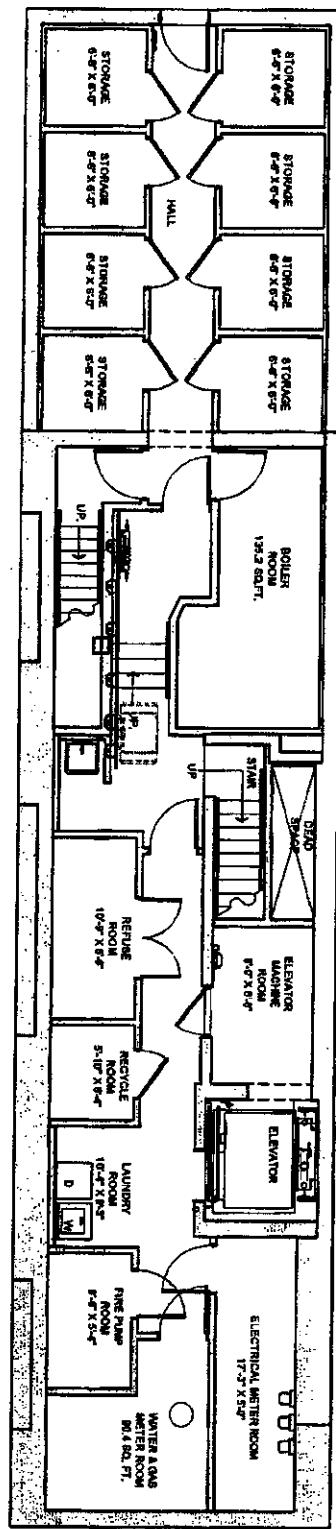
CELLAR / BASEMENT PLAN

Project:

The Deuce Condominium

534 W. 42nd Street
New York, NY 10036

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

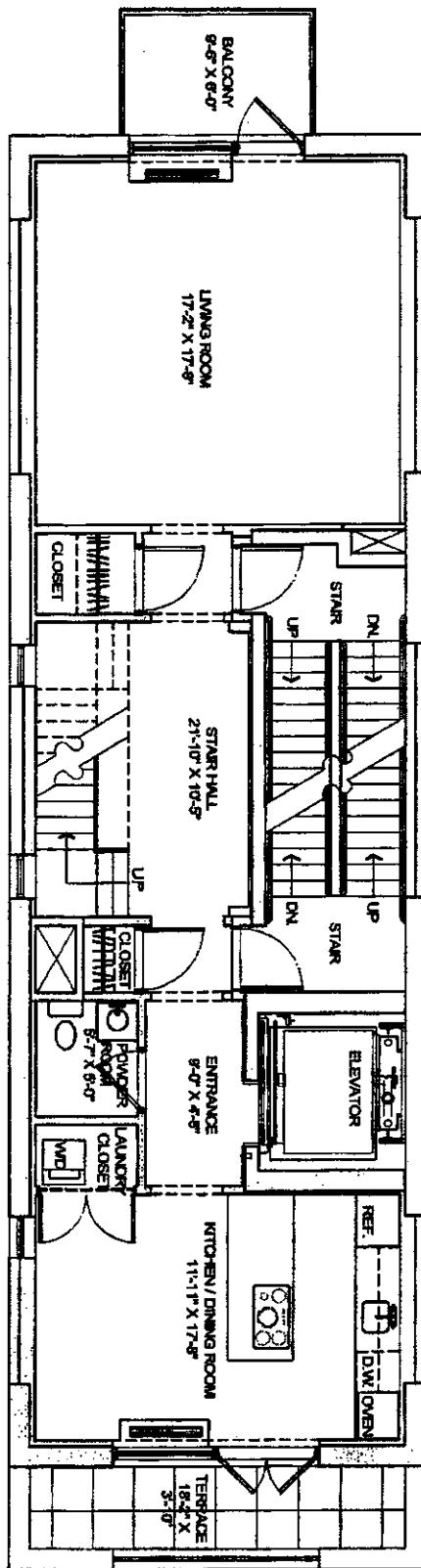
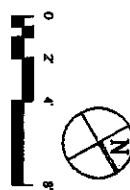


EXHIBIT III

NEW ATTORNEY ESCROW AGREEMENT

EXHIBIT III
ESCROW AGREEMENT

AGREEMENT made as of the 3rd day of July, 2010 between: 534 West 42nd Street LLC ("SUBSTITUTE SPONSOR") as Substitute Sponsor of the offering plan and CALLER & LEOVITS, P.C., ("ESCROW AGENT") as escrow agent.

WHEREAS, 534 West 42nd Street LLC is the SUBSTITUTE SPONSOR of an offering plan to convert to condominium ownership the premises located at 534 West 42nd Street, New York, New York (the "Offering Plan"); and

WHEREAS, CALLER & LEOVITS, P.C. 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, SUBSTITUTE SPONSOR desires that ESCROW AGENT act as escrow agent for deposits and payments by purchasers and subscribers, 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 SUBSTITUTE SPONSOR and ESCROW AGENT hereby establish an escrow account with ESCROW AGENT for the purpose of holding deposits or payments made by purchasers or subscribers. The escrow account has been opened with Chase Manhattan Bank, N.A. at its branch located at 225 Havemeyer Street, Brooklyn, New York 11211.

1.2 The name of the account is "Caller & Leovits Attorney Trust Account"

1.3 Allan Leovits, Esq. and/or Carl Caller, Esq. are the signatories on the account.

1.4 The escrow account shall be an interest-bearing account as disclosed in the amendment to 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 purchasers 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 or subscriber to the order of "CALLER & LEOVITS ATTORNEY TRUST ACCOUNT" as escrow agent for the 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 the subscription or 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 subscriber or 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 SUBSTITUTE 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 both SUBSTITUTE 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 SUBSTITUTE SPONSOR shall not object to the release of the escrowed funds to (a) a purchaser who timely rescinds in accordance with an offer of rescission contained in the plan or an amendment to the plan or (b) all purchasers after an amendment abandoning the plan is accepted for filing by the Department of Law.

3.4 If there is no written agreement between the parties to release the escrowed funds, ESCROW AGENT shall not pay the funds to SUBSTITUTE 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 SUBSTITUTE 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 the 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 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 in 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 SUBSTITUTE SPONSOR

6.1 SUBSTITUTE SPONSOR agrees that SUBSTITUTE 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 SUBSTITUTE 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 This Agreement shall remain in effect unless and until it is cancelled, by either:

- (a) Written notice given by SUBSTITUTE SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor ESCROW AGENT; or
- (b) The resignation of ESCROW AGENT upon giving notice to SUBSTITUTE 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

(c) 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 SUBSTITUTE 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 SUBSTITUTE SPONSOR agrees that compensation owed by SUBSTITUTE SPONSOR to ESCROW AGENT shall not be paid from escrowed principal nor from any interest accruing thereon and that compensation owed by SUBSTITUTE SPONSOR to ESCROW AGENT, if any, shall not be deducted from escrowed funds by any financial institution under any circumstance.

11. SEVERABILITY.

11.1 If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. INDEMNIFICATION.

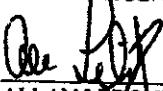
The SUBSTITUTE SPONSOR agrees to defend, indemnify and hold ESCROW AGENT harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of this Agreement or the performance or non-performance of ESCROW AGENT's duties under this Agreement, except with respect to actions or omissions taken or suffered by ESCROW AGENT in bad faith or in willful disregard of this Agreement or involving gross negligence of ESCROW AGENT. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by ESCROW AGENT to itself.

13. ENTIRE AGREEMENT.

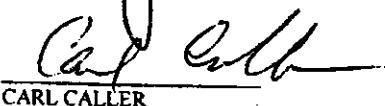
13.1 This Agreement, read together with GBL Section 352-e(2-b) and the Attorney General's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT:



ALLAN LEBOVITS


CARL CALLER

SUBSTITUTE SPONSOR:
534 West 42nd Street LLC

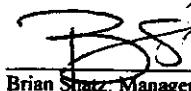

Brian Spatz, Manager

EXHIBIT IV

PURCHASE AGREEMENT

PURCHASE AGREEMENT

between

and

For Unit Number in
THE 534 WEST 42ND STREET CONDOMINIUM
New York, New York

TABLE OF CONTENTS

1.	<u>Definitions</u>	1
2.	<u>Plan</u>	2
3.	<u>Agreement to Purchase and Sell</u>	2
4.	<u>Purchase Price</u>	2
5.	<u>Purchase Monies Held in Trust</u>	3
6.	<u>Closing Contingent on Plan Being Declared Effective</u>	4
7.	<u>Closing Date and Place</u>	4
8.	<u>The Deed</u>	5
9.	<u>State of Title</u>	5
10.	<u>Title Company Approval</u>	5
11.	<u>Sponsor's Inability to Convey Title</u>	5
12.	<u>Purchaser's Remedies</u>	6
13.	<u>Closing Adjustments</u>	6
14.	<u>Purchaser's Closing Costs</u>	7
15.	<u>Rent Security Deposit</u>	8
16.	<u>Power of Attorney to Board of Managers and Sponsor</u>	9
17.	<u>Transfer Tax Return</u>	9
18.	<u>Events of Default</u>	9
19.	<u>Appliances and Equipment</u>	11
20.	<u>Construction</u>	11
21.	<u>Inspection of Unit</u>	12
22.	<u>Possession; Risk of Loss</u>	12
23.	<u>No Representation</u>	13
24.	<u>Notices</u>	14
25.	<u>Broker</u>	14
26.	<u>No Lien; Agreement Subject to Mortgage</u>	14
27.	<u>Entire Agreement</u>	15
28.	<u>Joint Purchasers</u>	15
29.	<u>Liability of Sponsor</u>	15
30.	<u>Further Assurances</u>	15
31.	<u>Severability</u>	16
32.	<u>Strict Compliance</u>	16
33.	<u>Governing Law</u>	16
34.	<u>Arbitration</u>	16
35.	<u>Gender</u>	17
36.	<u>Certain References</u>	17
37.	<u>Captions</u>	17
38.	<u>Successors and Assigns</u>	17
39.	<u>No Oral Changes</u>	17
40.	<u>Acceptance of Purchase Agreement</u>	17
41.	<u>Purchase Agreement Not Conditioned on Financing</u>	18
42.	<u>Agreement Not Assignable; Binding Effect</u>	19
	EXHIBIT A	
	Permitted Encumbrances	20
	EXHIBIT B	
	TERMS OF SECURED LOAN CONDITION RIDER	22

PURCHASE AGREEMENT

For Unit Number in
THE 534 WEST 42ND STREET CONDOMINIUM
534 West 42nd Street
New York, New York

(Please execute in triplicate)

THIS AGREEMENT is made as of , 20 between 534 West 42nd Street LLC (hereinafter collectively called the "Sponsors"), having an address at 825 Thrid ave., 37th Floor, New York, New York 10022 and (hereinafter called the "Purchaser"), having an address at

WITNESSETH:

1. Definitions.

The following terms shall have the meanings ascribed to them:

- (i) "Building" or "buildings" shall mean the structures known as 534 West 42nd Street, New York, New York.
- (ii) "Closing Date", "closing", "closing of title" and words of similar import are used synonymously and mean the settlement of the mutual obligations of the 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 (fee simple title) to the Unit on the terms set forth in this Agreement.
- (iii) "Condominium" shall mean THE 534 WEST 42ND STREET CONDOMINIUM.
- (iv) "Declaration" shall mean the Restated and Amended Declaration of THE 534 WEST 42ND STREET CONDOMINIUM establishing ownership of the Property.
- (v) "Plan" shall mean the Offering Plan to convert the Property to condominium ownership 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.
- (vii) "Notice" to Purchaser shall include facsimile transmission to Purchaser or Purchaser's attorney. Seller's attorney may send all notices to Purchaser's attorney and/or Purchaser via facsimile. A facsimile confirmation printout by Seller's attorney showing transmission was complete is sufficient evidence that the facsimile has been transmitted and the notice has been served.

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 Purchase Agreement. Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the proposed Condominium Documents contained in Part II of the Plan) and agrees to abide and be bound by the terms and conditions thereof, as well as all amendments to the Plan duly filed by Sponsor (including, without limitation, amendments involving any changes, modifications, or updating of the estimated Common Charges, the estimated real estate taxes to be paid by Purchaser, or the "Schedule B-Budget for First Year of Condominium Operation" of THE 534 WEST 42ND STREET CONDOMINIUM. 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 unit designated as 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

A. The purchase price for the Unit (exclusive of closing adjustments and costs referred to in Paragraphs 13 and 14 below) is \$ _____ (hereinafter called the "Purchase Price"), which Purchaser agrees to pay to the Sponsor, as follows:

(i) \$ _____ (hereinafter called the "Down Payment") is due on Purchaser's signing and submitting of this Agreement and is to be paid by Purchaser's personal check, receipt of which (subject to collection) is hereby acknowledged by Sponsor;

(ii) \$ _____ (hereinafter called the "Balance"), constituting the balance of the Purchase Price, is due on the delivery to Purchaser of the deed to the Unit and must be paid by Purchaser's personal certified check or official cashier's check, in either event drawn on a bank that is a member of the New York Clearing House Association.

B. The payment of the Balance and acceptance of deed to the Unit by Purchaser shall constitute Purchaser's recognition that Sponsor has satisfactorily performed those obligations stated in the Plan and this Agreement to be performed by Sponsor prior to closing. However, nothing herein contained shall excuse Sponsor from performing those obligations (if any) expressly stated herein or in the Plan to be performed subsequent to the closing.

C. Purchaser is not required to pay the Balance or accept title to the Unit unless concurrently with, or prior to, closing all the prerequisites set forth under "Closing and Terms of Sale" in Part I of the Plan are met.

THIS PURCHASE AGREEMENT IS NOT CONDITIONED UPON A PURCHASER SECURING SATISFACTORY FINANCING. THE SPONSOR MAY, AT ITS OPTION, CONDITION THE CONTRACT UPON FINANCING, PROVIDED THAT PURCHASER AND SPONSOR BOTH PROPERLY COMPLETE AND INITIAL A SECURED LOAN CONDITION RIDER, THE FORM OF WHICH IS ANNEXED HERETO AS EXHIBIT "B".

SPONSOR IS NOT OBLIGATED TO EXTEND OR ARRANGE FINANCING. NO REPRESENTATION IS MADE THAT BANK FINANCING WILL BE AVAILABLE TO PURCHASER OR AS TO THE AMOUNT, TERMS AND CONDITIONS UPON WHICH SUCH FINANCING MAY BE GRANTED OR THE COST TO OBTAIN SAME.

5. Purchase Monies Held in Trust

Sponsor will hold in trust any and monies received by it directly or through its agents, employees or Escrow Agent until the Unit is transferred to Purchaser or the Purchase Agreement is cancelled in accordance with its terms. In accordance with Section "Procedure to Purchase" in the Plan, all monies received hereunder will be deposited at JP Morgan Chase Bank, N.A., 225 Havemeyer Street, Brooklyn, New York 11211 in a segregated special escrow account entitled "Caller & Lebovits Attorney Escrow Account." The funds so deposited will be disbursed only in accordance with the provisions of this Agreement and the Plan. In the event the Plan is abandoned or withdrawn, such funds will be returned to purchaser without interest (unless interest is earned), except as otherwise provided in the next sentence. If at the time the Plan is abandoned or withdrawn the 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 Down Payment (but in no event to exceed ten percent (10%) of the Purchase Price) plus any additional sums expended on account of any special work in the Unit ordered by Purchaser, and any sums in excess thereof shall be returned to Purchaser within thirty (30) days after the date of such abandonment or withdrawal without interest (unless interest is earned). All funds received under this Purchase Agreement will be handled in accordance with Sections 352-e(2)(b) and 352-h of the New York General Business Law and the Offering Plan.

Until such time as completion of the sale and consummation of the Plan, funds deposited in trust as Down Payment or as the Purchase Price for Units, will be disbursed only upon the signature of Allan Lebovits, Esq. and/or Carl Caller, Esq., 266 Broadway, Suite 304, Brooklyn, New York 11211 to be used for purchase of the Unit if the Plan is declared effective and title closes, or returned to the Purchaser if the Plan is abandoned or withdrawn or if title does not close as herein provided or disbursed to Sponsor if Purchaser defaults.

6. Closing Contingent on Plan Being Declared Effective

The respective obligations of Purchaser and Sponsor hereunder are contingent upon the Plan being declared effective. The Plan shall not be declared effective except in accordance with the prerequisites set forth in the Plan, as same may be amended from time to time. Purchaser understands and agrees that the Sponsor shall have the right to abandon the Plan at any time prior to its being declared effective or thereafter, in certain limited cases set forth in the Plan (see the section in the Plan entitled "Effective Date" for full details). The Plan will be abandoned or deemed abandoned if it has not been declared effective within the time limits prescribed in the Plan. The Sponsor shall notify Purchaser, in writing or by a duly filed Amendment to the Plan, when the Plan becomes effective or is abandoned.

7. Closing Date and Place

The closing of title shall occur on the date and at the time and place in the State of New York as Sponsor shall designate to Purchaser on not less than thirty (30) days' prior written notice. Sponsor shall have the right, from time to time, to adjourn such date and time for closing written notice to Purchaser. If adjourned, Sponsor shall fix a new date and time for title closing and shall give Purchaser not less than ten (10) business days' prior written notice of the new scheduled date and time for closing. Purchaser may waive this thirty (30) day provision by initialing below.

I hereby waive the provision requiring thirty (30) days Notice of
Closing _____

8. The Deed

At closing, Sponsor shall deliver to Purchaser a Bargain and Sale Deed with covenant against grantor's acts transferring to Purchaser full ownership (fee simple title) to the Unit. The deed shall be substantially in the form reproduced as Document Number 5 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, to Purchaser or Purchaser's attorney).

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 (hereinafter called the "Permitted Encumbrances") enumerated in Exhibit A to this Agreement. Any other liens, encumbrances, or conditions shall not be an objection 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 any member of the New York Board of Title Underwriters, will approve and insure, provided only the liens, encumbrances and conditions affecting title shall be the Permitted Encumbrances. Sponsor shall not be obligated to satisfy any exceptions to title raised by any other title insurance company.

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 in excess of one half of one percent of the total offering amount to render title marketable or to remove, cure or comply with any violations of record issued prior to the First Closing, and in such case, Sponsor may abandon the Plan. In no event shall Sponsor be obligated to cure violations of record which are the obligations of tenants to cure or which result from the acts or omissions of tenants, or violations noted with respect to radio or television antennae.

12. Purchaser's Remedies

In the event that the Sponsor shall for any reason (except for willful default) be unable to convey and deliver the apartments in accordance with the terms of the Purchase Agreement, (except for any failure to perform any obligation imposed by applicable statute or regulation, or a failure to perform Sponsor's obligations under the Offering Plan) the sole remedy of the purchaser shall be to rescind the Purchase Agreement and be refunded the entire down payment with interest plus the cost of title searches, if any.

Any conflict between the Plan and the Purchase Agreement shall be resolved according to the terms of the Plan.

Nothing contained in the Purchase Agreement or in the Plan shall be construed to waive a purchaser's rights or abrogate Sponsor's obligations under Article 23-A of the GBL.

13. 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, including water charges and sewer rents (if separately 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.
- (iv) insurance apportioned to unit until the policy expiration date.

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

B. In the event the Unit has not been separately assessed for the then current fiscal tax year at the time of title closing, 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.

D. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by the Purchaser and shall not be considered a defect in title.

14. Purchaser's Closing Costs

At the time of title closing, each Purchaser of a Unit will pay certain closing costs in addition to the legal fees of such Purchaser's counsel and the amount of any net credit in favor of Sponsor resulting from the closing apportionments described above. 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 notice or amendment:

(i) If such Purchaser elects to obtain fee title insurance, he or she will pay a premium therefor to his or her title insurance company which will vary depending upon the amount of insurance requested. The premium for fee title insurance, if ordered through Kensington Vanguard National Land Services of NY, LLC 39 West 37th Street, 7th floor New York, NY 10018 or similar title insurance companies (the Purchaser is free to choose any title company), should be \$773.00 for the first \$100,000.00 of fee insurance plus \$4.36 for each \$1,000.00 or fraction thereof of additional fee insurance up to \$500,000.00. The premium for mortgage title insurance should be \$654.00 for the first \$100,000.00 of insurance plus \$3.64 for each \$1,000.00 or fraction thereof of additional insurance up to \$500,000.00. Kensington Vanguard National Land Services of NY: a) has updated the title search; and b) has been retained by the Sponsor to clear any title issues affecting the premises, and c) has been retained by the Sponsor to record the condominium declaration and any other documents requiring recording with respect to this offering plan. A copy of the title report will be furnished to the purchaser.

(ii) A fee for recording the deed and Unit Owner's Power of Attorney of \$32.00 for each instrument plus \$5.00 per page, together with a service charge to the title company for such recording of approximately \$185.00;

(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) Purchasers will pay a portion of the mortgage recording tax in the amount provided for by law, currently 2.05% (1.8% paid by the purchaser, 0.25% paid by the Lending Bank) of the face amount of the mortgage for mortgages under \$500,000.00 and 2.175% (1.925% paid by the purchaser, 0.25% paid by the Lending Bank) for mortgages over \$500,000.00);

(c) (1) Purchasers will pay a premium through the title company for the mortgage title insurance policy. In addition, such Purchaser shall pay Sponsor a sum equal to the partial mortgage tax credit to which Purchaser is entitled under Section 339-ee(2) of the Condominium Act. All such payments shall be made upon execution of the loan documents.

(2) The Sponsor at its option may require any purchaser who is obtaining a mortgage to have his lender accept an assignment of a portion of Sponsor's existing mortgage. In such event, Purchaser shall pay to the Sponsor such amount that the Purchaser is saving with respect to the mortgage that the Purchaser would have paid if there was no assignment of mortgage. Accordingly, Purchaser shall apply for a mortgage with a lending institution that will accept an assignment of mortgage. Even if Purchaser's lending institution does not accept an assignment of mortgage, Purchaser shall still be obligated to pay to the Sponsor the amount that would have been saved had the lending institution accepted an assignment of mortgage. In the event the Sponsor exercises such option, the above paragraph (section "c" subsection 1) regarding the mortgage tax credit will be inapplicable and the Purchaser will not be required to make any payments to the Sponsor in respect to the mortgage tax credit.

(d) all costs and expenses in connection with such loan in amounts determined by the lender, i.e., application, points, credit report, survey, appraisal, bank's attorney's fees, Residential and Condominium Endorsements (title insurance forms required by banks) and any other fees required by lender. Sponsor makes no representation or warranty as to such closing costs or expenses or as to the availability of such financing.

(iv) Although usually Seller's expense, purchaser shall pay the Real Property Transfer Tax due to The City of New York. This tax is in the amount of 1.425% of the total purchase price of the Unit for units \$500,000.00 and over and 1% of the total purchase price for units up to \$500,000.00. The Purchaser shall also pay for the New York State Real Estate Transfer Tax (currently \$2.00 per \$500.00, or fractional portion thereof of the purchase price) imposed by statute on transferors of property. There is an additional 1% mansion tax for transfers of \$1,000,000.00 and over, which is imposed on the Purchaser. For purposes of calculating the transfer taxes to be paid, consideration includes the transfer taxes paid by the purchaser.

(v) Purchaser will be required to deposit with the Board of Managers two (2) months' estimated monthly common charges for his unit.

(vi) Purchaser shall be obligated to pay the following fees to sponsor's attorney: \$2,000.00 for services rendered in connection with the recording of the Declaration of the Condominium and the preparation of documents. In addition, there shall be an additional fee of \$250.00 if the closing is held at any location other than Sponsor's attorney's office. In addition, there shall be a fee of \$200.00 per hour payable to Sponsor's counsel if the duration of the closing exceeds two (2) hours. There shall be a fee of \$250.00 payable to sponsor or sponsor's attorney if e-forms for New York City Real Property Transfer Tax are prepared by the Sponsor's attorney. A \$500.00 fee shall be made payable to the Sponsor's Attorney in the event the Purchaser elects to obtain a mortgage.

(vii) At closing, each purchaser shall pay to the Sponsor the sum of \$2,000.00 to defray the Sponsor's costs of creating the condominium, e.g., architectural costs, filing fees, legal fees and other costs incurred in creating the condominium.

15. 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 thirty (30) 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 occupancy 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 pursuant to the provisions of Section 7-103 of the New York General Obligations Law (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.

The Purchaser may not occupy the Unit or perform any work in the Unit prior to closing without the prior consent of the Sponsor. In the event the Purchaser occupies the Unit or performs any work in

the Unit prior to closing without the prior consent of the Sponsor, such event shall constitute a default under Section 18 of this Agreement.

16. Power of Attorney to Board of Managers 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 Kings County Clerk's Office, a power of attorney in favor of the Board of Managers relative to purchasing or leasing of Units and in favor of Sponsor relative to amending the Condominium Documents to the extent permitted in the power of attorney. The power of attorney shall be substantially in the form set forth in Document Number 4 in Part II of the Plan. After being recorded, the power of attorney shall be sent to the Condominium Board.

17. Transfer Tax Return

At closing, Sponsor and Purchaser shall each duly complete and sign before a Notary Public the transfer tax return required to be filed with The State of New York. The transfer tax return shall be delivered at closing to the representative of Purchaser's title insurance company (or, if none, to Sponsor's attorney) for filing with the proper governmental officer. Purchaser shall be responsible for payment of such tax.

18. Events of Default

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

(i) Purchaser's failure to pay the Balance on the Closing Date designated by Sponsor pursuant to paragraph 8 herein;

(ii) Purchaser's failure to duly sign, notarize and deliver at closing the power of attorney pursuant to paragraph 16 above or the New York State transfer tax return pursuant to Paragraph 17 above;

(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) If Purchaser occupies the unit or performs any work in the unit prior to closing without the prior consent of the Sponsor;

(v) The failure to pay, perform or observe any of the 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.

B. Upon the occurrence of an Event of Default, the Sponsor's sole remedy shall be to cancel the Purchase Agreement by sending Purchaser thirty (30) days' prior written notice of its intention to do so. If Sponsor elects to cancel, Purchaser shall have thirty (30) days from the giving of the cancellation notice within which time 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 Down Payment (but in no event to exceed ten percent (10%) of the Purchase Price of the it) plus the cost of any special work in the

Unit ordered by Purchaser, (hereinafter called the "Liquidated Sum") and any sums in excess thereof (together with any interest earned thereon) shall be returned to Purchaser promptly thereafter. Upon cancellation of this Agreement and making such refund to Purchaser (if any), Purchaser, Sponsor and 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.

Upon cancellation of this Agreement and making such refund to Purchaser (if any), Purchaser, Sponsor and 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.

C. In the event that a purchaser does not close on the Closing Date set forth in the Notice of Closing, and Sponsor elects not to cancel the Purchase Agreement or if the Sponsor approves the Purchaser's request to adjourn the Purchaser's closing to his apartment, interest shall accrue on the unpaid amount of the purchase price from the Closing Date until such amount is paid. The interest rate shall be ten percent (10%) per annum. This rate shall be in effect for as long as there is any unpaid amounts owing towards the full purchase price.

D. Notwithstanding the occurrence of an Event of Default Sponsor may, in its sole discretion, keep this Agreement in effect and proceed to close title without prejudicing Sponsor's right to recover from Purchaser's damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled (including, but not limited to, legal fees and costs of collection).

E. If Purchaser is or becomes a tenant of the Building and Purchaser fails to pay rent or otherwise comply with Purchaser's lease or tenancy obligations, or Purchaser vacates or abandons the leased premises, 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 leased premises as a result thereof. However, in the event Sponsor elects to so cancel, unless Purchaser is evicted, Sponsor shall refund to Purchaser all monies deposited hereunder together with any interest earned thereon. Upon such refund being made, Sponsor and Purchaser will be released and discharged of all further liability and obligations under this Agreement and the Plan. However, in no event shall Purchaser be released or excused from paying and performing Purchaser's lease or tenancy obligations.

19. Appliances and Equipment

A. The Unit is being sold unfurnished, without window blinds or shades and will contain only the appliances and equipment described above and in the Plan. Furniture, wall coverings, furnishings, decorations, and the like in or about any model Unit are for display purposes only and are not included in this sale. Any floor plans or sketches shown to Purchaser (including those contained in the Plan) are only approximations of the Unit's dimensions and arrangement, and Purchaser should not rely thereon. Sponsor shall not be liable for minor variations from any floor plans or sketches.

B. There will be no modifications or extras unless agreed to in writing by the parties. All modifications and alterations must be approved by Sponsor in writing and, if approved, shall be performed by Sponsor at Purchaser's expenses (payable in the manner to be set forth in an addendum to this Agreement or separate agreement).

20. Construction

A. The construction of the Building and the Unit, including the materials, equipment and fixtures to be installed therein, shall be substantially in accordance with the Plan and the architectural "plans and specifications" (defined in the Plan), subject to the right reserved by Sponsor to modify and amend the Plan and the "plans and specifications" in order to substitute materials, equipment or fixtures of equal or better quality and design, provided only that the approval of any governmental authorities having jurisdiction thereover and the construction lender are first obtained (if required). The issuance of a Certificate of Occupancy for the Building shall be deemed presumptive evidence that the Building and the Unit have been fully completed in accordance with the Plan and the "plans and specifications". However, nothing herein contained shall excuse Sponsor from its obligations to correct any defects in construction in accordance with the conditions set forth in the Plan in the section entitled "Rights and Obligations of the Sponsor."

B. The construction of the Building and the Unit and the correction of any defects in construction to the extent required under the Plan are the sole responsibility of the Sponsor. Purchaser acknowledges and agrees that Sponsor will not be liable for, and will have no obligation to correct, certain variations from the Plan and "plans and specifications" as indicated in the Plan and will only be responsible to correct any construction defects to the extent, and on the terms and conditions, set forth in the Plan

21. Inspection of Unit

At least ten (10) days before the Balance is to be paid, the Selling Agent shall notify the Purchaser that the Unit is ready for inspection. Upon receipt of the notice, Purchaser shall promptly arrange an appointment with the Selling Agent to inspect the Unit before the lapse of such ten (10) day period. Purchaser or his duly authorized agent shall attend such inspection and shall complete, date and sign the Inspection Statement and deliver same to the Selling Agent at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the Unit within ten (10) days of receipt of said notice or to so sign and deliver the completed Inspection Statement, shall not excuse Purchaser from paying the Balance when due and shall constitute Purchaser's full acceptance of the Unit. However, nothing herein shall relieve Sponsor of its obligations as set forth in the "Rights and Obligations of Sponsor -- Construction Obligations" as set forth in the offering plan.

22. Possession: Risk of Loss

A. Unless Purchaser now resides in the Unit, Purchaser shall not be entitled to occupy the Unit until the deed is delivered to Purchaser at closing. Sponsor may, in its discretion, grant Purchaser possession of the Unit prior to the closing under an interim lease, if the Unit is currently, or hereafter becomes, vacant.

B. If Purchaser is given possession of the Unit prior to Closing under an interim lease or otherwise, the Purchaser shall be solely responsible for any damage to, or loss or other condition in the Unit resulting from Purchaser's use or occupancy, and Sponsor shall not be obligated to make any repairs to the Unit or its installations. However, until closing Sponsor will remain responsible to make those

repairs required of it as a landlord under any existing or interim lease and, after closing, the Condominium Board will be responsible to make those repairs required of it under the Condominium Documents.

C. If during Purchaser's occupancy the Unit is damaged by casualty or otherwise, the Purchaser shall assume the risk of loss and the obligation to repair the damage, unless the cause thereof originated outside the Unit and did not result from the acts of Purchaser or other occupants of the Unit or Purchaser's guests, invitees or workmen. If Purchaser is obligated to repair the damage, then Purchaser's failure to make such repair shall not excuse Purchaser from paying the Balance and accepting delivery of the deed.

D. Except as provided in the preceding subparagraph C, all other risk of loss prior to closing has been assumed by Sponsor, but without any obligation or liability of Sponsor to repair the damage or restore the Unit. If Sponsor or (in the event the Declaration is filed) the Unit Owners elect to repair or replace the loss or damage, this agreement shall continue in full force and effect, Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement in, the Purchase Price, and Sponsor shall be entitled to a reasonable period of time to complete or to permit the Condominium Board to complete such repairs or replacements. Purchaser shall not be required to pay the Balance unless and until (i) the Unit has been substantially repaired to as near as reasonably possible to its condition immediately prior to the casualty and (ii) its essential services (such as gas, electricity, and heat) and a reasonable means of ingress and egress to the street have been restored. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss, shall belong entirely to Sponsor (subject to the rights, if any, of the Condominium Board or other Unit Owners) and if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt turn them over to Sponsor. The provisions of the preceding sentence shall survive the closing.

E. In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit or if the Unit Owners do not resolve to make such repairs or restoration pursuant to the Condominium's By-Laws, this Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited hereunder, without interest (unless interest is earned), whereupon the parties shall be released and discharged from all obligations and liability hereunder and under the Plan, except that if Purchaser is then in default hereunder (beyond the applicable grace period, if any), Sponsor shall retain the Liquidated Sum pursuant to Paragraph 19 above. Sponsor will notify Purchaser within fifteen (15) days of its decision with respect to repairing the unit.

23. No Representation

Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or others, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners or the estimated Common Charges and estimated real estate taxes for the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, or any other data, except as may be specifically represented herein or in the Plan; Purchaser having relied on Purchaser's own examination and investigation thereof. No person has been authorized to make any representations on behalf of Sponsor. No oral representations or statements shall be considered a part of this Agreement. Purchaser agrees (a) to purchase the Unit, without offset

or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans, is accurate or correct, provided the layouts and dimensions conform substantially to such Floor Plans and (b) that Purchaser shall not be relieved of any of Purchaser's obligations hereunder by reason of any minor inaccuracy or error. The provisions of this Paragraph 23 shall survive the closing of title.

24. Notices

All notices, elections, consents, demands and communications (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 sent to Purchaser, addressed to Purchaser at Purchaser's address given in the preamble to this Agreement and, if sent to Sponsor, addressed to the Sponsor.

Notice to Purchaser shall include facsimile transmission to Purchaser or Purchaser's attorney. Seller's attorney may send all notices to Purchaser's attorney and/or Purchaser via facsimile at the following number(s): _____ A facsimile confirmation printout by Seller's attorney showing transmission was complete is sufficient evidence that the facsimile has been transmitted and the notice has been served.

25. Broker

Purchaser represents to Sponsor that the Selling Agent is the only broker or sales agent with whom Purchaser has dealt in connection with this transaction. Sponsor agrees to pay the commission due the Selling Agent pursuant to separate agreement. Purchaser agrees that should any claim be made against Sponsor for commissions by any broker, other than the Selling Agent, 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 26 shall survive the closing.

26. No Lien; Agreement Subject to Mortgage

A. 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 and any purported recordation hereof by Purchaser shall constitute an Event of Default.

B. In furtherance and not in limitation of the provisions of the preceding subparagraph A, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgages heretofore or hereafter made and any payments or expenses already made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent without the execution of any further legal documents by Purchaser. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date unless Purchaser assumes such mortgages. 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

basis of any claim against, or liability of, Sponsor, provided that any such mortgage is subordinated to the Declaration and the Unit is released from the lien of such mortgage at closing.

27. Entire Agreement

This Purchase 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 understandings and agreements.

28. Joint Purchasers

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

29. 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 Unsold 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 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, 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 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.

30. Further Assurances

Either party shall execute, acknowledge and deliver to the other party such instruments and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

31. Severability

If any provision of this Agreement or the Plan is invalid or unenforceable as against person or under certain circumstances, the remainder of this Agreement or the Plan and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Agreement or the Plan, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by law.

32. Strict Compliance

Any failure by 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 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.

33. 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.

34. Arbitration

In order to resolve any dispute, controversy, claim or question arising with respect to this Agreement, the parties shall consult with _____ in order to resolve the issue. In the event that after such consultation, the issue is still unresolved, then the parties shall submit such dispute or question to arbitration. If the parties cannot agree on the arbitrators, then such dispute or question shall be submitted to the American Arbitration Association, which will give any party the rights he is entitled to under New York law. The decision of the arbitrators so chosen shall be given within thirty (30) days after their selection or appointment. The fees, costs and expenses of the arbitrators shall be shared equally by the parties. Each party shall also bear the fees and expenses of his or her counsel and expert witnesses. Nothing contained in this paragraph shall be construed to preclude any purchaser's rights under Article 23-A of the GBL.

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 not to assert any claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived.

35. Gender

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.

36. Certain References

The term "herein", "hereof" or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used. Unless otherwise stated, all references herein to Paragraphs, subparagraphs or other provisions are references to Paragraph, subparagraphs or other provisions of this Agreement.

37. Captions

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

38. Successors and Assigns

The provisions of this Agreement shall bind and inure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

39. No Oral Changes

This Agreement cannot be changed nor any provision 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.

40. Acceptance of Purchase Agreement

A. On or prior to Purchaser's signing and delivering this Purchase Agreement, Purchaser agrees (if requested) to complete, sign and deliver to the Selling Agent an application form furnished by Sponsor. Such application shall be used to determine Purchaser's qualification to purchase and own the Unit, but does not constitute a reservation or binding obligation on either the applicant or Sponsor.

B. The submission of such application or this Purchase Agreement to Purchaser does not constitute a binding obligation on either Purchaser or Sponsor. No such binding obligation shall arise until duplicates of this Purchase Agreement are executed by, and delivered to, both Purchaser and Sponsor (or Sponsor's duly authorized agent). If, within twenty (20) days after the Selling Agent receives this Purchase Agreement signed by Purchaser, a duplicate of this Agreement signed by Sponsor or its authorized agent is not sent or delivered to Purchaser, then it shall be deemed rejected and of no force or effect, and all monies paid by Purchaser shall be promptly refunded, without interest. Upon such refund being made, neither party shall have any further rights, obligations or liabilities hereunder with respect to the other. Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's sex, race, creed, color, national origin, ancestry, disability, marital status or other ground proscribed by law.

41. Purchase Agreement Not Conditioned on Financing

Purchaser may partially finance the purchase of this unit by obtaining a mortgage loan for the purchase price. However, the obligations of purchaser under this Purchase Agreement are not conditional on the purchaser's obtaining financing.

42. Agreement Not Assignable; Binding Effect

This Purchase Agreement is not assignable without the consent of the Sponsor.

This Purchase Agreement shall bind and apply to Purchaser and Purchaser's executors, administrators, legal representatives, heirs, successors and permitted assigns.

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

Purchaser:

L.S.

L.S.

Purchaser's Address:

Accepted and Agreed to:

By: _____

Date Accepted:

EXHIBIT A

Permitted Encumbrances

1. Building restrictions and zoning laws and other regulations, resolutions and ordinances and any amendments thereto now or hereafter adopted by any governmental or quasi-governmental authority having jurisdiction.

2. State of facts which an accurate survey or personal inspection of the Land would show, provided such facts would not prevent the use of the Unit for dwelling purposes.

3. The terms, burdens, covenants, restrictions, conditions, easements, and rules and regulations, all set forth in the Declaration, the By-Laws (and the Rules and Regulations made thereunder), the Power of Attorney from Purchaser to the Condominium Board and Sponsor and the Floor Plans, all as may be amended from time to time.

4. Consents by Seller or any former owner of the Land for the erection of any structure or structures on, under or above any street or street on which the Land may abut.

5. Any easement or right of use in favor of handicapped persons or any easement or right of use in favor of any utility company for electricity, steam, gas, telephone, water, or other service, and the right to construct, use, maintain, repair, and replace all utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles, connections and other equipment and facilities on, under and across the Land and Building.

6. Revocability of licenses for vault space, if any, under the sidewalks and streets and the lien of any unpaid vault tax (which is to be paid by the Condominium Board).

7. Encroachments of shrubbery, stoops, areas, steps, doors, ledges, window sills, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings, chutes, fuel oil lines, drainage and stand pipes, sewerage pipes, air-conditioning units, canopies, ramps, and similar projections, if any, on, over, or under the Property or the streets or sidewalks or property abutting the Property and the rights of governmental authorities and adjoining property owners to require the removal of any such projections and variations between record lines of the Property and retaining walls and the like, if any.

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

9. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, provided the same are adjusted at the closing of title.

10. The lien of any unpaid assessment payable in installments (other than assessments levied by the Condominium Board), except that Sponsor shall pay all such assessments due prior to the Closing Date and Purchaser shall pay all assessments due from and after such date (however, the then current installment shall be adjusted at closing).

11. Any encumbrance as to which the title insurance company which insures Purchaser's title to the Unit would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser that such

encumbrance (a) will not be collected out of the Unit if it is a lien and (b) will not prevent the use of the Unit for dwelling purposes.

12. Any lease covering the Unit.
13. Certificate of Occupancy to be issued covering the unit if required.
14. Any violations against the Property (other than the Unit) which are the obligation of the Condominium Board or another Unit Owner to correct.
15. Standard exceptions contained in the form of fee title insurance policy then issued by the title insurance company insuring the Purchaser's title to the Unit.

EXHIBIT B
TERMS OF SECURED LOAN CONDITION RIDER

THE TERMS SET FORTH IN THIS SECURED LOAN CONDITION RIDER SHALL APPLY, AT SELLER'S SOLE OPTION, ONLY IF AGREED TO BY THE SPONSOR IN THE SPACE PROVIDED BELOW. PURCHASER'S SIGNATURE ALONE DOES NOT EFFECTUATE THIS SECURED LOAN CONDITION RIDER.

THIS RIDER IS ANNEXED TO AND FORMS A PART OF THE PURCHASE AGREEMENT,
DATED , BETWEEN
, SELLER, AND , AS
PURCHASER, RELATIVE TO THE SALE OF UNIT _____ AT 534 West 42nd Street, New York,
NEW YORK.

A. The name of the proposed lending institution or mortgage broker shall be

B. Seller shall send notice to Purchaser that an application for a mortgage must be made by Purchaser. Within two (2) weeks of receipt of said notice, Purchaser must make a mortgage application. Within seven (7) days thereafter, the Purchaser must provide the Seller and/or Seller's attorney with the name and address of the bank or mortgage broker to which application has been made. Seller and/or Seller's attorney shall be permitted to deal directly with Purchaser's bank or mortgage broker. Failure to send such notice will be considered to be a waiver of the mortgage contingency.

C. The obligations of Purchaser hereunder are conditioned upon issuance on a date which is on or before forty-five (45) days from date of notice set forth in Paragraph A ("Mortgage Contingency Expiration Date"), of a written commitment from any Institutional Lender (which shall include a mortgage banker and broker) pursuant to which such Institutional Lender agrees to make a first mortgage loan to Purchaser, at Purchaser's sole cost and expense, of an amount equal to 75% of the purchase price or such lesser sum as Purchaser shall be willing to accept, at prevailing interest rates for a term of at least thirty (30) years and on other customary commitment terms, whether or not conditional upon any factors other than an appraisal satisfactory to the Institutional Lender.

D. Purchaser shall (a) make an application within two (2) weeks after receiving the notice referred to in Paragraph A above, (b) furnish accurate and complete information regarding Purchaser and members of Purchaser's family, as required, (c) pay all fees, points and charges required in connection with such application and loan, (d) pursue such application with diligence, (e) cooperate in good faith with such Institutional Lender to obtain such commitment and (f) give notice within three (3) weeks to Seller of the name and address of each Institutional Lender to which Purchaser has made such application. Purchaser shall comply with all requirements of such commitment (or of any other commitment accepted by Purchaser) and shall furnish Seller with a copy thereof promptly after receipt thereof.

E. If such commitment is not issued on or before the Mortgage Contingency Expiration Date, or a rejection is received, Purchaser shall within five (5) days of the Mortgage Contingency Expiration Date or rejection date, notify the Seller of the failure to receive a commitment or of the rejection and at such time, Purchaser may cancel this contract by giving notice to Seller, in which case this contract shall be deemed cancelled and thereafter neither party shall have any further rights against or obligations or liabilities to, the

other by reason of this contract and the downpayment shall be promptly refunded to Purchaser. Provided, however, that at such time, the Seller, at its option, shall within fifteen (15) days, cause the Purchaser to submit an application together with the required fees to an Institutional Lender and Purchaser shall be required to accept the commitment under terms equal to or better than the terms originally sought by the purchaser.

F. If such commitment is not issued on or before the forty five (45) days from the date of this agreement, or a rejection is received, Purchaser shall within five (5) days of the Expiration Date or rejection date, notify the Seller of the failure to receive a commitment or of the rejection and at such time, Purchaser must apply for a mortgage if he has not done so previously with Pan Am Mortgage & Financial Services, Inc., a licensed mortgage broker with an office at 261 Madison Avenue, 25th floor, New York, New York 10016. If such commitment is obtained from Pan Am Mortgage & Financial Services, Inc., then Purchaser shall notify Seller within five days of such commitment and the Purchaser will no longer be allowed to terminate the Purchase Agreement as a result of this Secured Loan Condition Rider. If Pan Am Mortgage & Financial Services, Inc. fail to issue a commitment within forty-five (45) days from the date that an application is made to either of them, then Purchaser may cancel this contract by giving notice to Seller, in which case this contract shall be deemed cancelled and thereafter neither party shall have any further rights against or obligations or liabilities to, the other by reason of this contract and the downpayment shall be promptly refunded to Purchaser. If Purchaser fails to give notice of cancellation then Purchaser shall be deemed to have waived Purchaser's right to cancel this contract and to receive a refund of the Downpayment by reason of the contingency contained in this Rider and the mortgage contingency will no longer apply.

In addition, if Purchaser fails to notify Seller within fifty (50) days of the date of the Mortgage Contingency Commencement Date set forth in Paragraph A that he has received a commitment, Seller may at its option cancel the contract and thereafter neither party shall have any further rights against or obligations or liabilities to, the other by reason of this contract, and upon cancellation the downpayment shall be promptly refunded to Purchaser.

Provided that the purchaser complies with all of the above terms, if the financing commitment lapses or expires prior to closing and the purchaser has made a good faith effort to extend the commitment, the Sponsor will grant to purchaser a right of rescission and a reasonable period of time to exercise such right.

A purchaser seeking financing will be responsible for all fees and costs imposed by the lender, including (but not limited to) appraisal and origination fees (if any).

In accordance with the Secured Loan Condition Rider, the purchaser will have the right to terminate the Purchase Agreement and be refunded all monies deposited thereunder, without interest, in the event:

an institutional lender fails, through no fault of the purchaser, to issue its commitment on the terms described above within 45 days (or such greater period as the Sponsor may permit, in Sponsor's sole discretion), provided the purchaser gives notice of termination not later than five (5) days after the expiration of the aforementioned period; or

the commitment issued by the lender is not funded by the closing through no fault of the purchaser, provided the purchaser gives notice of termination no later than ten (10) days before the closing.

In the event purchaser fails to exercise the right of termination within time periods set forth above or has failed to satisfy the conditions set forth in the Secured Loan Condition Rider, then, in either case, the Purchase Agreement shall remain in full force and effect.

SELLER:

By: _____

Purchaser

Purchaser

EXHIBIT V

REVISED BUDGET WITH CERTIFICATION

SCHEDULE BUDGET
PROJECTED BUDGET

THE 534 WEST 42ND STREET CONDOMINIUM
534 WEST 42ND STREET
NEW YORK, NY

Estimated Schedule of Receipt and Expenses
For First Full Year of Operation

Beginning January 1st 2011

Operating Expenses:

Wages & Benefits	\$ 17,490
Natural Gas	\$ 20,246
Electricity	\$ 8,751
Water & Sewer	\$ 6,481
Service Contract	\$ 8,021
Repairs, Maintenance & Supplies	\$ 5,000
Insurance	\$ 6,875
Management Fee	\$ 21,600
Legal & Accounting	\$ 8,450
Administrative	\$ 2,500
Reserve	\$ 14,000
Total Operating Expenses	\$ 119,414



CERTIFICATION BY EXPERT ON ADEQUACY OF BUDGET

The Department of Law of
The State of New York
120 Broadway, 23rd Floor
New York, New York 10271

Re: 534 West 42nd Street
534 West 42nd Street
New York, New York

To whom it may concern;

The sponsor of the condominium offering plan for the captioned property retained me to review Schedule B, containing projections of income and expenses for the first year of condominium operation. I have the following experience:

I have been engaged in the real estate business for over three (3) years in the State of New York, during which time I have been involved in the purchase, sale, and management of real property. My management experience includes the following residential/commercial buildings and/or condominiums/cooperatives: Mandala, LLC (230 East 27 Street); Hamilton Grange, LLC (605 West 141 Street); Arabara, LLC (29 West 26 Street); 906 East 180 Street, LLC (906 East 180 Street); 166 Suffolk Street, LLC (166 Suffolk St.)

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedules B.

I have reviewed the Schedule and investigated the facts set forth in the Schedule and the facts underlying them with due diligence in order to form a basis for this certification. I have also relied on my experience in managing buildings.

I certify that the projections in Schedule B appear reasonable and adequate under existing circumstances and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected year of condominium operation.



I certify that the Schedule:

- (i) sets forth in detail the projected income and expenses for the projected year of condominium operation;
- (ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;
- (iii) do not omit any material fact;
- (iv) does not contain any untrue statement of a material fact;
- (v) does 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) 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 representations 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 statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

This certification is made under penalty 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.

A handwritten signature of Martin Nussbaum.

Martin Nussbaum

Affirmed before me this
30th day of June, 2010

A handwritten signature of a Notary Public.

Notary Public

825 Third Avenue, 37th Floor - New York, NY 10022
Tel: 646.786.8900 * Fax: 646.219.5643
www.silverstonepg.com

DANNY SHATZ
Notary Public - State of New York
No. 01SH6210710
Qualified in Bronx County
My Commission Expires August 24, 2013



CERTIFICATION BY EXPERT ON ADEQUACY OF COMMON CHARGES PAYABLE BY COMMERCIAL UNIT OWNER

The Department of Law of
the State of New York
120 Broadway, 23rd Floor
New York, New York 10271

**Re: The 534 West 42nd Street Condominium
534 West 42nd Street
New York, NY
Condominium Offering Plan**

Gentlemen:

The sponsor of the condominium offering plan for the captioned property retained me to review or prepare Schedule B which includes projections of common charges payable by the owners of the commercial unit. I have the following experience.

I have been engaged in the real estate business for over three (3) years in the State of New York, During which time I have been involved in the purchase, sale and management of real property. My management experience includes the following residential/ commercial buildings and/or condominiums/cooperatives: Mandala, LLC (230 East 27 Street); Hamilton Grange, LLC (605 West 141 Street); Arabara, LLC (29 West 26 Street); 906 East 180 Street, LLC (906 East 180 Street); 166 Suffolk Street, LLC (166 Suffolk St.)

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the commercial units listed in Schedule B.

I have reviewed the Schedule as it impacts upon the commercial units and investigated the facts underlying it with due diligence in order to form a basis for this certification. I also have relied on my experience in managing buildings.

I certify that the projections in Schedule B for common charges payable by the owners of the commercial units appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such commercial units for the projected first year of condominium operation, and that the allocation of common charges attributable to the commercial units also reflects special or exclusive use or availability or exclusive control of particular common areas.

I certify that the estimates in Schedule B for the common charges payable by the owners of the commercial units:



- (a) set forth in detail the projected common charges for the commercial units for the first year of condominium operation;
- (b) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the common charges payable by the owners of the commercial units;
- (c) do not omit any material fact;
- (d) do not contain any untrue statement of a material fact;
- (e) do not contain any fraud, deception, concealment or suppression;
- (f) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (g) do not contain any representation or statement which is false, where 1:
 - (i) knew the truth;
 - (ii) with reasonable effort could have known the truth;
 - (iii) made no reasonable effort to ascertain the truth; or
 - (iv) did not have knowledge concerning the representations 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 statement is not intended as a guarantee or warranty of the common charges attributable to the commercial units 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.

Dated:

A handwritten signature in black ink, appearing to read 'KwB'.

Affirmed before me this
22nd day of July, 2010

Notary Public

ANITA GUICA
Notary Public, State of New York
No. 01GJ6218165

Qualified in Queens County
Commission Expires March 1, 2014

825 THIRD AVENUE, 37th FLOOR - NEW YORK, NY 10022
TEL: 646.785.8000 * FAX: 646.219.8643
WWW.SILVERSTONEPG.COM

EXHIBIT VI
REVISED SCHEDULE A

F. SCHEDULE A
OFFERING PRICES AND RELATED INFORMATION

The 534 West 42nd Street Condominium

1/1/2011

**534 West 42nd Street
 New York, New York 10036**

Unit	Number of Bedrooms	Number of Bathrooms	Approx. Total Area (sq. ft.)	Approx. Termination/Balcony Sq. Ft.	Offering Price	% of Common Interest	Estimated Monthly Common Charges		Estimated Mo./Real Estate Taxes w/ 421-a Tax Benefits (Monthly)		Estimated Mo./Real Estate Taxes w/ 421-a Tax Benefits (5)	
							(1)	(2)	(3)	(4)	(5)	(6)
1	1	1.0	257	n/a	\$300,000.00	6.900%	\$ 686.63	\$ 1,424.69	\$ 604.75	\$ 629.52	\$ 1,191.39	
	2	1	1.5	1148	405	11.500%	\$ 1,144.38	\$ 238.15	\$ 841.24	\$ 1,362.53	\$ 1,985.62	
	3	1	1.5	1148	67	11.500%	\$ 1,144.38	\$ 238.15	\$ 841.24	\$ 1,362.53	\$ 1,985.62	
	4	1	1.5	1148	57	11.500%	\$ 1,144.38	\$ 238.15	\$ 841.24	\$ 1,362.53	\$ 1,985.62	
	5	1	1.5	1148	57	11.500%	\$ 1,144.38	\$ 238.15	\$ 841.24	\$ 1,362.53	\$ 1,985.62	
	6	1	1.5	1148	57	11.500%	\$ 1,144.38	\$ 238.15	\$ 841.24	\$ 1,362.53	\$ 1,985.62	
	7	1	1.5	1148	57	11.500%	\$ 1,144.38	\$ 238.15	\$ 841.24	\$ 1,362.53	\$ 1,985.62	
	8	2	2.5	2206	579	24.100%	\$ 2,398.29	\$ 499.06	\$ 1,762.96	\$ 2,897.31	\$ 4,161.19	
SU-1												
SU-2												
SU-3												
SU-4												
SU-5												
SU-6												
SU-7												
SU-8												
TOTAL		9761			\$8,283,400.00	100.000%	\$9,851.14	\$1,927.98	\$7,315.15	\$12,022.01	\$17,266.29	

NOTES:

Note: Unit #1 is a retail unit.

Note: Unit #8 is a duplex and compromises floors 8 and 9.