

**CONDOMINIUM OFFERING PLAN FOR
550 VANDERBILT CONDOMINIUM**

550 Vanderbilt Avenue
Brooklyn, New York 11238

TOTAL INITIAL OFFERING PRICE OF THE 278 RESIDENTIAL UNITS OFFERED FOR SALE HEREBY:	\$388,570,000
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TOTAL INITIAL OFFERING PRICE OF THE 102 STORAGE BIN LICENSES OFFERED FOR SALE HEREBY:	\$3,016,950
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AGGREGATE INITIAL OFFERING PRICE:	\$391,586,950
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(The Condominium consists of 278 Residential Units and three Retail Units, and includes 102 Storage Bins available for licensing. One of the Residential Units, anticipated to be Unit 101, will be sold to the Board for use as the Resident Manager's Unit. The Retail Units are not presently being offered for sale hereunder.)

Sponsor

Pacific Park 550 Vanderbilt, LLC
c/o Greenland Forest City Partners
1 MetroTech Center, 23rd Floor
Brooklyn, New York 11201

Selling Agent

Corcoran Sunshine Marketing Group, Inc.
888 Seventh Avenue
New York, New York 10106

Sales Office

179 Flatbush Avenue
Brooklyn, New York 11217

Date of Acceptance for Filing: June 8, 2015

The term of the initial offering of this Plan commenced on June 8, 2015 and expires on June 7, 2016 unless said date is extended in a duly filed amendment.

SEE PAGE (vi) FOR SPECIAL RISKS TO PURCHASERS.

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

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

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

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EXHIBIT

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SPECIAL RISKS TO BE CONSIDERED BY PURCHASERS

1. Pacific Park Brooklyn

550 Vanderbilt Condominium will be one of 16 buildings comprising the 22 acre site of “Pacific Park Brooklyn”, a phased mixed-use development located at the intersection of the Fort Greene, Clinton Hill, Boerum Hill, Park Slope and Prospect Heights neighborhoods. Upon completion, Pacific Park Brooklyn will include an eight acre public park, approximately 247,000 square feet of retail space, 336,000 feet of commercial space and 6,430 units of housing, along with the nearby Barclays Center entertainment complex (the “Arena”).

The Condominium is part of the residential phase of development at Pacific Park Brooklyn. As of the filing date of this Plan, it is anticipated that the additional phases of development (each parcel subject to development being a “Development Site” and collectively the “Development Sites”), including the gradual expansion of the public park and its facilities over eight acres of land (the “Open Space”), will be completed by 2025. Purchasers are advised that the time required to complete a project of this magnitude may be extensive and completion of the improvements contemplated for Pacific Park Brooklyn and/or described in the Plan may be subject to circumstances beyond Sponsor’s control.

Pursuant to the Pacific Park Project Documents, consisting of the Modified General Project Plan, as amended, the Design Guidelines, the Development Agreement with the New York State Urban Development Corporation d/b/a Empire State Development (“ESD”), the Agreement of Development Lease with ESD, and the Park Restrictive Dec (defined below), the development of the Open Space will likewise proceed in stages. The Open Space will be governed and owned by a conservancy or non-profit agency (the “Conservancy”) which will be responsible for its planning, programming, operation, and security. The Conservancy will be governed by a board which is expected to include, without representation, representatives of Sponsor, civic group(s), representatives of the properties constituting Pacific Park Brooklyn, including the Condominium, and on an ex officio basis, Brooklyn Community Boards 2, 6 and 8 and the New York City Department of Parks and Recreation.

The rights and obligations of each parcel with respect to the improvement, planning, operation, maintenance and administration of the Open Space will be more fully described in a restrictive declaration (such declaration, as may be amended from time to time, is referred to herein as the “Park Restrictive Dec”) which will be recorded by ESD, as Declarant, in the City Register’s Office against all of the Pacific Park Brooklyn properties (each a “Building Premises”), except the Arena but including the Open Space. All present and future owners, tenants and occupants of all or any portion of a Development Site will be subject to, and be required to comply with the applicable provisions of, the Park Restrictive Dec.

In accordance with the Park Restrictive Dec, Pacific Park Owners Association LLC (the “Association”) shall be formed to fund the maintenance and operation of the Open Space and to exercise the Association Self-Help Rights (as defined below), all as will be more fully set forth in the Park Restrictive Dec. Upon completion of each Building Premises, the Owner of such Building Premises will constitute a “Member” of the Association. With respect to

a Building Premises which is a condominium, the condominium's board shall constitute and serve as the Member for the condominium and its unit owners.

Operation and maintenance of the Open Space, including any facilities and improvements located in the Open Space, will be subject to certain operating standards consistent with the standards for open space recreational park areas appurtenant to residential buildings located in New York City having the same or similar primary use as the Open Space (such standards as may be established and expanded in the Park Restrictive Dec, the "Operating Standard").

On an annual basis the Conservancy shall submit a proposed budget to the Association for the coming year's cost related to the programming, operation and security of the Open Space (the "Open Space Budget"). The Association Board shall have the right to review the Open Space Budget, which review will be limited to determining whether the proposed Open Space Budget will allow the Conservancy to operate and manage the Open Space in accordance with the Operating Standard. Disputes between the Association and the Conservancy as to approval of the annual budget shall be resolved through arbitration.

The Conservancy will have primary responsibility for the programming, operation, and security of the Open Space. However, in the event the Conservancy defaults on its obligations to maintain and operate the Open Space in accordance with the Operating Standard, then the Association shall have the obligation to cure such default and, if necessary, perform the obligations of the Conservancy including, but not limited to, entering upon the Open Space to abate, remove or cure such violation or breach without being deemed guilty or liable in any manner for trespass thereon (collectively, the "Association Self Help Rights"), all as may be more fully set forth in the Park Restrictive Dec.

Each Member will be obligated to pay its share of Association Charges and Special Assessments to the Association in accordance with its Association Share. Each Member's respective Association Share will be determined, and, upon the addition of any new Members to the Association, redetermined, based on a number of factors related to the Building Premises owned by such Member, which factors may include consideration of each Building Premises' respective square footage, use types (e.g, residential, hotel/commercial, parking), the mix of market-rate versus affordable housing, etc. With respect to two of the Building Premises with residential components which will consist entirely of affordable housing, in lieu of having an Association Share each such Member will pay a fixed contribution to the Association, subject to increase from time to time in accordance with the Consumer Price Index.

The Association Charges and Special Assessments imposed by the Association, including the expense of the Open Space Budget, shall be paid for entirely by Members. As stated above, the Open Space will be constructed in phases as the Development Sites at Pacific Park are gradually being completed. Accordingly, the total cost of the Open Space Budget will increase over time as additional phases of the Open Space are completed, bringing with each new phase additional expenses related to programming, operation and security of the expanded Open Space. At the same time, however, as more Development Sites are developed in accordance with the Pacific Park Project Documents, additional Members will join the Association to share the cost of the Open Space Budget.

Included in the Schedule B – Budget for the First Year of Condominium Operation is a line item for the Condominium’s allocated share of the estimated Open Space Budget and other Association Charges for such period. For the reasons set forth above, as the Open Space Budget will fluctuate over time, the number of Members will likewise be subject to change, and each Member’s Allocated Share (excepting the fixed fees paid by some Members as described above) is subject to redetermination upon the inclusion of a new Member, the total cost of Association Charges due and payable by the Condominium to the Association will be subject to increases and decreases, in some cases in substantial amounts, from time to time. At such time as all of the Building Premises are constructed, the relative Allocation Shares of each Member will no longer be subject to change.

The Declaration and By-Laws of 550 Vanderbilt Condominium shall be subject and subordinate in all respects to the Park Restrictive Dec, with any conflict or ambiguity to be settled in favor of the Park Restrictive Dec.

A copy of the existing Pacific Park Project Documents are available for review at the Sales Office. The Plan will be amended to reflect the recordation of the Park Restrictive Dec.

See the Section entitled “Pacific Park Brooklyn” and the Schedule B Budget in Part I hereof for further discussion.

2. Use Provisions

550 Vanderbilt Condominium will initially consist of 278 Residential Units, three Retail Units, 102 resident Storage Bins available for license and the Common Elements. Only the Residential Units (and their appurtenant interest in the Common Elements) and Storage Bin Licenses are offered pursuant to the offering plan.

The Residential Units may only be used for residential purposes, and subject to compliance with the By-Laws, for a lawful home occupation. Except with respect to Unsold Residential Units, the Residential Units may be leased by the Unit Owners thereof to tenants only for periods of one year or longer, as provided in the By-Laws. Unsold Residential Units may be leased by Sponsor, its designee or by an Owner of Unsold Residential Units for any period of time, for any use and on any terms which are consistent with the then-existing Certificate of Occupancy for the Building.

It is currently anticipated that the Retail Units will initially be used for retail purposes (and ancillary uses). The Retail Units may be used for any legal purpose, in compliance with the applicable zoning ordinances and the Pacific Park Project Documents, and the Board will have no right to restrict or limit any of the uses of the Retail Units which are permitted thereunder, except as may otherwise be set forth in the By-Laws and Declaration. No representation or warranty is made with respect to such initial or any subsequent uses of such Retail Units or with respect to who the owner or tenant(s) of the Retail Units may be at any time.

The Storage Bins may only be used for storage purposes, and in no event may the Storage Bins be used as dwelling spaces. No materials which pose a health or safety threat or which otherwise create a nuisance may be stored therein, and Storage Bins may not be used to store toxic, inflammable or combustible items as defined in the Building Code of the City of

New York. Failure of a Unit Owner to comply with the use limitations set forth in the immediately preceding sentence may result in issuance by the New York City Department of Buildings of a violation against the Building along with imposition of an associated fine, which fine shall be paid by the violating Unit Owner as more particularly set forth in By-Laws. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use any unlicensed Storage Bins for any purpose permitted by Legal Requirements (as hereinafter defined) or to change the permitted use of any unlicensed Storage Bins, subject, however, to the provisions of the Declaration. If at any time the licensee of a Storage Bin sells its Unit, it shall simultaneously assign its license of the Storage Bin to another owner of a Unit, and if it fails to do so, the Board shall have the right to terminate the license of the Storage Bin and take possession of the same, without compensation to the licensee.

Holders of Storage Licenses, excluding Sponsor with respect to Unlicensed Storage Bins, will be required to pay a monthly license maintenance fee to the Board in an amount equal to \$.50 per month per square foot of such Storage Bin, which amount shall, following the First Closing, be subject to annual increases based upon the percentage increase of the Common Charges over such time. Further, the license fees are otherwise also subject to change from time to time as the Board deems necessary or appropriate.

3. Use of Unsold Units

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

4. Purchaser Deposits; Defaults by Purchasers

At the time an agreement for the option to purchase a Residential Unit (an "Agreement") is executed, the Purchaser thereunder is required to make a payment in an amount equal to 10% of the purchase price set forth therein (the "Initial Deposit"); and an additional payment equal to 5% of such purchase price (the "Additional Deposit") is due and payable no later than the earlier to occur of: (x) six months after the date of the Agreement; or (y) 30 days after Sponsor serves Purchaser with written notice of an amendment to the Offering Plan declaring the same effective, but in no event later than the closing of title to the Unit; provided, however, that with respect to Agreements entered into after the Offering Plan has been declared effective, Sponsor reserves the right to require both the Initial Deposit and the Additional Deposit due and payable upon execution of the Agreement. The Deposit for the purchase of a Storage Bin License is 15% of the gross purchase price of the Storage Bin License. The term "Deposit" as used herein refers to both the Initial Deposit and, if the same has been paid at the time in question, the Additional Deposit, as well as in connection with the purchase of a Storage Bin License. Notwithstanding the foregoing, if a Purchaser is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), such Purchaser will be required to make an Initial Deposit equal to 50% of the applicable

purchase price and will not be required to make an Additional Deposit. All Deposits or advances made by Purchasers prior to closing of each individual transaction will be placed, within five business days after the Agreement is signed by all necessary parties, or within five business days after receipt, in the case of Deposits or advances made subsequent to the execution of the Agreement, in a segregated special escrow account (the "Escrow Account") of Kramer Levin Naftalis & Frankel LLP, having an office at 1177 Avenue of the Americas, New York, New York 10036. The Escrow Account, established at Citibank, N.A., 153 East 53rd Street, 23rd Floor, New York, New York 10022 (the "Bank"), is federally insured by the FDIC at the maximum amount of \$250,000 per deposit (the FDIC limit in effect as of the filing date hereof). Any Deposit in excess of \$250,000 (or the FDIC limit in effect from time to time) will not be insured. Purchasers are also advised that if a Purchaser has any additional accounts at the Bank, the funds in said accounts will be added together with the Deposit held in escrow and the aggregate of all the funds held by the Bank will only be insured up to the FDIC's maximum coverage.

In the event that a Purchaser fails to close title on the date set for closing or otherwise fails to perform any other obligation under his or her Agreement, and such default is not cured within 30 days after Sponsor gives written notice to such Purchaser of the default, Sponsor may cancel such Agreement and retain as liquidated damages the Deposit made by the Purchaser and any interest earned on the Deposit, as well as any amounts paid by Purchaser for additional work in the Residential Unit, together with interest earned thereon, if any. For the avoidance of doubt, no statutory interest will accrue during any period of time during which there is a dispute over the Deposit being held in escrow. Additionally, if a Purchaser fails for any reason to close title on the originally scheduled closing date and Sponsor elects not to cancel the Agreement: (a) the closing apportionments to be made at the closing will be made as of midnight of the day preceding the originally scheduled closing date; and (b) the Purchaser will be required to pay to Sponsor an amount equal to 0.04% of the Purchase Price of the Residential Unit(s) in question for each day that the closing is adjourned.

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

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

5. No Financing Contingency

A Purchaser may obtain financing from any lending institution or other source, but the Purchaser's obligation to purchase a Unit pursuant to an Agreement shall not be contingent on the Purchaser obtaining such financing, so that a Purchaser will remain obligated under the Agreement whether or not such Purchaser has been able to obtain financing. Neither Sponsor nor Selling Agent makes any representation whatsoever as to the terms or availability of any mortgage or other financing. Prospective Purchasers should be aware that even if a loan

commitment is obtained, its term may be limited and it could expire before the closing date, and Sponsor shall have no liability as a result of any scheduling, rescheduling or adjournment of closing beyond the expiration of a loan commitment. (See “Procedure to Purchase” and “Terms of Sale” in Part I of the Plan for further discussion.)

6. Availability of Mortgages

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

7. Control by Sponsor; First Annual Meeting

The powers and duties necessary for or incidental to the administration of the affairs of the Condominium will be vested in the Board. Sponsor will be entitled to designate a majority of the members of the Board at elections occurring until the closing of title to Residential Units representing more than 90%, both in number and in aggregate Common Interests, of all Residential Units. As Sponsor has the unconditional right to rent or lease the Units, there is no commitment to sell more Units than the 15 percent of Units (i.e., 42 Residential Units) necessary to declare the Plan effective, and as such, the Sponsor Control Period may never conclude and owner-occupants may never gain effective control and management of the Condominium.

Therefore, during this period (the “Sponsor Control Period”) Sponsor will be able to control the maintenance and operation of, and services to be provided by, the Condominium; provided, however, that any changes made by Sponsor to Schedule B – “Projected Budget for First Year of Condominium Operation” set forth in the Plan (the “First Year’s Budget”) must provide for the same level of services disclosed in Schedule B – “Projected Budget for First Year of Condominium Operation”. Sponsor will also be able to control the determination of the Common Charges to be paid by all Unit Owners. Moreover, during the Sponsor Control Period, the Board may not, without the prior written consent of Sponsor: (i) make any addition, alteration or improvement to the Common Elements or any Unit (unless required by any applicable Legal Requirements); (ii) assess any Common Charges for the creation of, addition to or replacement of all or any reserve, contingency or surplus fund; (iii) increase or decrease the number of, or change the kind of, employees initially hired for the Building, as provided for in the First Year’s Budget; (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services; (v) borrow money on behalf of the Condominium or unless any such

borrowing is approved by the owners of Units representing at least 75% both in number and aggregate Common Interests of all Units); or (vi) exercise any right of first refusal to lease or purchase a Unit. However, the Board may perform any function or take any action enumerated in subsections (i) through (vi) hereinabove without the consent of Sponsor if, and only if, the performance of such function or the carrying out of such action is necessary, and no other reasonable alternative is available, either to enable the Board to comply with any Legal Requirements, or to remedy any notice of violation entered against the Condominium, or to comply with any proper work order by an insurer of the Building, or for the health and safety (but not the general comfort or welfare) of the occupants of the Building.

The Board shall initially consist of three members designated by Sponsor from time to time until the first annual meeting of Unit Owners (the "First Annual Meeting"), at which time the incumbent Board will resign and a new seven member Board will be installed. The First Annual Meeting shall be held not later than 30 days following the earlier to occur of: (a) the second anniversary of the first closing of title to a Residential Unit by Sponsor pursuant to an Agreement (the "First Closing"); or (b) the closing of title to Units representing at least 50% both in number and aggregate Common Interests of all Residential Units. From and after the First Annual Meeting, the Board will consist of seven members elected and/or designated as follows: (i) four members elected by the Residential Unit Owners (including Sponsor), subject to Sponsor's right to designate members (as described below); and (ii) one member designated by each of the three Retail Unit Owner for a total of three members.

At meetings of the Unit Owners, Sponsor will have the right to vote all of the Common Interests appurtenant to the Units owned by Sponsor as it sees fit. In addition, until the expiration of the Sponsor Control Period: (i) three of the four members of the Board otherwise to be elected by the Residential Unit Owners, shall be designated by Sponsor and/or its designee (or other Unsold Residential Unit Owner) which members may be related to or affiliated with Sponsor, Sponsor's designee or other Unsold Residential Unit Owner(s) and the fourth such member, who shall not be related to or affiliated with Sponsor, Sponsor's designee or other Unsold Residential Unit Owner(s), shall be elected by the Residential Unit Owners. The Retail Unit Owners shall at all times have the right to designate their respective Board member as aforesaid (even if Sponsor or its designee owns such Unit).

Notwithstanding the foregoing, because Sponsor reserves the unconditional right to rent or lease the Units after consummation of the Plan, there is no commitment to sell more Units than the 15% necessary to declare this Plan effective, and thus, the Sponsor Control Period may never conclude and owner-occupants may never gain effective control and management of the Condominium and the First Annual Meeting may never occur.

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

8. Interim Service Period

Prospective Purchasers are advised that until 18 months after the First Closing, some of the services and facilities described in the Plan may not be available, (specifically, full staffing, the Fitness Center, Laundry Room, Pet Grooming Space, Lounge, Library and Roof Deck). However, it is anticipated that at all times after the First Closing, the lobby will be attended 24 hours a day, 7 days a week, and there will be at least one elevator servicing every floor on which there are occupied Units. The interim level of staffing will at all times during this period be commensurate with the levels of occupancy from time to time and adequate to properly maintain the Building.

9. Additional Building Work

Purchasers are advised to note that construction in general is a complicated process which requires the coordination of numerous concurrent tasks, contractors and suppliers and the balancing of complex mechanical, electrical, plumbing and other systems, all of which is subject to unanticipated delays and difficulties and necessarily involves noise, disruption and inconvenience. Thus, for a period of time following the First Closing (through, including and beyond the closing of title to any particular Purchaser's Unit), work should be expected to be undertaken and continue by or on behalf of: (i) Sponsor to complete the balance of the Building; (ii) individual Unit Owners within their Units (to perform custom renovations, etc.); and (iii) the Retail Unit Owners to complete construction, build-out, furnishing and equipping their Units. During at least the First Year of Condominium Operation, construction workers and related personnel of Sponsor and others will be at the Property from time to time performing construction or renovation work, making adjustments and performing various other tasks related to the completion of Sponsor's construction work at the Building, fitting out of, and moving into, the Units and other portions of the Building. Various systems may be disrupted temporarily from time to time (specifically, water supply, air conditioning, heating, cooling, gas, electric, ventilating and other systems, and elevators). Residential elevators may be taken out of service and, along with personnel, diverted to facilitate construction and renovation, and exterior hoists or scaffolding may be in place, during at least the year following the First Closing, and from time to time thereafter, as needed, in connection with construction and renovation being performed in Units by the Unit Owners thereof. Various other adjustments, to windows and elevators and other systems may require 18 months or more after the First Closing to complete. Sponsor may not fully complete the decoration or finishing of the lobby, corridors, elevator finishes and other portions of the Building, including, but not limited to, installing light fixtures, painting, hanging wall coverings or laying carpeting, until that particular floor is fully occupied by Unit Owners or, if additional construction within a Unit is anticipated, for some period thereafter. All of the foregoing work and conditions will create a noisy and otherwise disruptive condition in the Building during the period such work is being performed. Certain portions of the Common Elements may be completed before or after completion of any particular Purchaser's Unit. As a result, certain amenities and benefits anticipated to be available to Unit may not be available until such other portions of the Building are completed and fully operational. Sponsor shall have no liability whatsoever in the event these services are delayed or disrupted in accordance with the terms of the Plan. In addition, at such time as Sponsor no longer controls the Board, the Board or Unit Owners may elect, independent of Sponsor, to discontinue certain services, for which Sponsor shall bear no liability. Further, the Board and/or Sponsor may refuse to permit a

Residential Unit Owner to perform alterations in a Unit until such time as Sponsor's construction work at the Building has been completed and permanent Certificate(s) of Occupancy have been obtained therefor. Even where such alterations are permitted, the Board and/or Sponsor may impose conditions and deadlines upon the planning, performing and completion of such work. No assurance can be given with regard to the accuracy of any projected schedules or completion dates set forth herein or with respect to the duration of any interim service period or periods of potential disruption to the Unit Owners and their tenants or occupants, all such dates and timetables, to the extent provided, being only good faith estimates.

Further, as part of the Pacific Park Brooklyn phased mixed-use development, construction will be ongoing in adjoining and/or neighboring parcels until substantial completion of Pacific Park Brooklyn, which is anticipated to conclude by 2025. Construction of the remaining buildings and improvements, including the Open Space, will occur in phases or stages. Sponsor makes no representation to Purchasers as to which phase or stage will or will not be started, completed or ongoing, or what other portions of Pacific Park Brooklyn will be available for use, at the time of the closing of any particular Residential Unit.

Based upon Sponsor's construction schedule anticipated as of the initial filing date of this Plan, Sponsor contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, governmental restrictions, acts of god or other events beyond its reasonable control, Sponsor's construction work at the Building will be sufficiently completed to permit closings of title to Units to begin on or about January 1, 2017. Prospective Purchasers should note, however, that the Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date. Sponsor will apply for a temporary Certificate of Occupancy from the Department of Buildings prior to the First Closing, potentially on a phase by phase, floor by floor, or area by area basis, and will also apply for a permanent Certificate of Occupancy after substantial completion of Sponsor's construction work at the Building. Sponsor and its principals will undertake the responsibility for obtaining a permanent Certificate of Occupancy covering the entire Building. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the Purchase Price for his or her Unit or otherwise be relieved from any obligations under the Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Unit is accelerated, delayed or postponed by Sponsor, provided, however, that in the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections and if: (i) the amended budget exceeds the projected budget set forth herein by 25% or more; or (ii) the First Closing does not occur within 12 months of the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation (being the date set forth in the Plan at the time a Purchaser executes an Agreement, presently projected to be January 1, 2017), then in either case Sponsor will offer all affected Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements for a period of not less than 15 days after the presentation date of the amendment containing such revised budget or after such 12 month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Deposit and any interest accrued thereon returned. Purchasers'

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

10. Resident Manager's Unit

Unit 101 is anticipated to be used as an apartment by the Resident Manager (the "Resident Manager's Unit"). On or prior to the closing of title to 75% of the Residential Units offered hereunder, Sponsor will sell the Resident Manager's Unit to the Board based on a total expense of \$1,570,000 (a Purchase Price of \$1,495,000 plus \$75,000 in closing costs), not including financing costs as set forth below. In respect of such Resident Manager's Unit, at the Closing to each Residential Unit, the Purchaser thereof, as a closing cost of such Purchaser's Residential Unit, will be required to make a payment (each such payment, an "RMU Payment", and collectively, the "RMU Payments") to the Board in an amount equal to such Purchaser's pro-rata share of 35% of the Purchase Price of the Resident Manager's Unit plus 100% of closing costs as aforesaid (collectively, the "Partial Purchase Price") determined in proportion to their respective Common Interests, as set forth on Schedule A - "Purchase Prices and Related Information." The balance of the Purchase Price of the Resident Manager's Unit, in the amount of \$971,761, will also be payable to Sponsor as of the closing of title to the Resident Manager's Unit, which amount is expected to be financed by a first mortgage obtained by the Board from a third-party lender ("RMU Loan"). It is expected that such mortgage will be for a term of 10 years, amortizing over 30 years, at then applicable interest rates (which, as of the date of filing of the Plan, is approximately 4.5% annum). As the amortization schedule of the RMU Loan may result in an outstanding principal balance at maturity, the Condominium may have to repay the principal balance of the RMU Loan at maturity, together with any unpaid interest due thereon. No representation is made by Sponsor as to the then-applicable interest rate for the RMU Loan. Further, no representation is made by Sponsor with respect to the Condominium's ability to repay or otherwise finance or refinance the RMU Loan at such time. Purchasers are advised that in the event the Board is unable to obtain financing at the closing of the Resident Manager's Unit, or to obtain refinancing at the maturity of the RMU Loan, in either or both events, the Board may be required to impose a Special Assessment against all Residential Unit Owners. As more particularly set forth in the Section of the Plan entitled "Notes to Schedule B", the initial monthly payment under the RMU Loan will be an amount equal to \$5,039.00, for an initial annual cost of \$60,467, which payments will be a Common Expense allocated among the Residential Unit Owners in proportion to each Residential Unit's respective Residential Common Interest.

The RMU Payment must be paid by official bank check or Purchaser's personal certified check payable to the Board and the same shall be separate from the Working Capital Fund contribution otherwise required of each Purchaser. The Board shall hold the RMU Payments in an account (the "RMU Payment Account") separate from the Working Capital Fund, which RMU Payments must be used toward the RMU Loan and/or the RMU Balance until such time as the same have been satisfied. Sponsor reserves the right to use a different Residential Unit as the Resident Manager's Unit, and in such case the purchase price of such different Residential Unit will not increase by more than 15% of the purchase price of Unit 101.

ALTHOUGH THE CLOSING OF TITLE TO THE RESIDENT MANAGER'S UNIT IS ANTICIPATED TO OCCUR ON OR PRIOR TO THE CLOSING OF TITLE TO 75% OF THE RESIDENTIAL UNITS OFFERED HEREUNDER, AT CLOSING EACH PURCHASER OF A RESIDENTIAL UNIT WILL BE REQUIRED TO MAKE THE RMU PAYMENT TO THE BOARD.

The RMU Payments shall be held in the RMU Payment Account. At the Closing of title to the Resident Manager's Unit, the Board shall use the RMU Payments to pay for a portion of the Partial Purchase Price. If insufficient working capital exists at such time in the Board's account, the portion of the Partial Purchase Price not covered by the RMU Payments (the "RMU Balance") will be payable by a promissory note (the "RMU Note") which will mature 3 years after the closing on such Resident Manager's Unit. The Board will not be responsible for payment of interest in connection with the RMU Note. The balance of the Partial Purchase Price shall be payable in full to Sponsor by the Board out of the Working Capital Fund at the time of maturity (i.e., 3 years after the closing on the Resident Manager's Unit) to the extent the RMU Payment Account has insufficient funds. In the event that a Closing occurs after maturity, Purchasers shall continue to make RMU Payments to the Board at their respective Closings, which amounts shall be used to replenish the Working Capital Fund, as applicable. Payment of the RMU Note will be secured by a lien on the Resident Manager's Unit, subject to any existing first mortgage. Sponsor does not intend to refinance or extend the RMU Note and related loan at maturity. Purchasers are advised that refinancing by another lender may not be available and that the Board, in order to repay the RMU Note, may be required to assess all Residential Unit Owners in proportion to their respective Common Interests.

In the event the Board defaults under the note(s) and mortgage(s), including, but not limited to a default as the result of the Board's failure to pay the balance of the purchase money note due at maturity, the holder of such mortgage(s) may foreclose on the Resident Manager's Unit and if the proceeds from the sale of such Unit are insufficient to satisfy the outstanding mortgage balance and other fees incurred, the Residential Unit Owners could be liable for the deficiency. In the event of such a foreclosure, the Condominium will be without a Resident Manager's Unit and, accordingly, alternate arrangements will be necessary to shelter the Resident Manager in the Building or within such distance of the Building as is then required by law.

Sponsor shall enter into a lease agreement (the "RMU Lease") with the Board for the Resident Manager's Unit, for a term beginning on or about the First Closing and extending to the date that the Resident Manager's Unit is transferred to the Board. The monthly rent shall be in an amount equal to the sum of Common Charges and real estate taxes (plus any additional expenses) attributable to the Resident Manager's Unit. The Board shall pay all expenses of the Resident Manager's Unit from and after the First Closing regardless of when the closing of title to such Unit occurs as aforesaid.

There is no guaranty that the Resident Manager will be residing in the Building at the time of closing of any particular Residential Unit although all Legal Requirements with respect thereto will be complied with, including the Administrative Code of the City of New York, Section 27-2052, et seq. All costs and expenses of the Resident Manager's Unit and repairs thereto, as well as all utilities serving same, shall be expenses of the Board at all times.

(See the Section entitled “Schedules and Notes” – Schedule B in Part I of the Plan for further discussion.)

11. Prohibition Against Advertising

Purchasers are prohibited from listing their Residential Units for resale with any broker or otherwise advertising, promoting or publicizing the availability of their Residential Units for sale prior to the closing of title thereto.

12. No Bond or Other Security

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

13. Sponsor’s Right to Lease Unsold Residential Units

Sponsor will endeavor in good faith to sell, but nevertheless, reserves the unconditional right to rent or lease, rather than sell, the Units offered hereunder after consummation of the Plan. As a result, Purchaser may be acquiring a Unit that has been previously occupied, but, unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Unit will be delivered at closing free and clear of all leases and tenancies. In addition, there is no commitment to sell more Units than the 15% of Units offered for sale (i.e., 42 Residential Units) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the condominium. (See the Sections entitled “Introduction”, “Effective Date” and “Condominium Board” in Part I of the Plan for further discussion.)

14. Transfer Taxes; Mansion Taxes; Closing Costs

Purchasers shall be obligated (as is customary in condominium offerings) to pay at the closing of title to their Residential Unit(s) the New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax notwithstanding the fact that these taxes are by law the primary obligation of the seller. For purposes of calculating the transfer taxes payable, the amounts of such taxes will be included in the consideration subject to such tax. Currently (as of the date of the filing of this Plan), for the purchase of a single Residential Unit, the New York City Real Property Transfer Tax is 1% of the consideration paid for a Unit if such consideration is \$500,000 or less and 1.425% of the consideration if such consideration is more than \$500,000; and the New York State Real Estate Transfer Tax is presently \$2 for each \$500 (or fractional part thereof) of the consideration paid for a Residential Unit. Purchasers shall also be obligated to pay the New York State Additional Tax pursuant to Article 31 of the New York State Tax Law, commonly referred to as the “Mansion Tax,” currently 1% of the total consideration paid when such consideration is \$1,000,000 or more, which tax by law is the primary obligation of the Purchaser. Additionally, Purchasers shall be required to pay various other additional closing costs, fees and adjustments.

The purchase price, together with transfer taxes and any other consideration or amounts payable by Purchasers which are the obligation of Sponsor, will be added together by the New York State Department of Taxation and Finance and the New York City Department of Finance or, collectively, the “taxing authorities” to arrive at total consideration for transfer tax and Mansion Tax purposes. However, Sponsor makes no representation regarding the calculation of such taxes or of the “consideration” upon which the taxing authorities may base such taxes and shall have no liability with respect thereto. Purchasers should consult with their own counsel and/or tax advisors. (See the Section entitled “Unit Closing Costs and Adjustments” in Part I of the Plan for further discussion.)

15. Reserve Fund/Working Capital Fund

Upon completion of the work being performed by or on behalf of Sponsor as described herein, the Building will constitute new construction. Accordingly, no reserve fund is being established by Sponsor for the Condominium for the purposes of necessary repairs or capital items. A reserve fund has been established for the Condominium in the Schedule B for the projected First Year of Operation of the Condominium for use by the Board, which in general has principal responsibility for repairing and maintaining the Common Elements (such as the roofs, central fire alarm and security systems, and various mechanical and electrical systems). The Board, in its discretion, and subject to certain restrictions contained in the By-Laws, may decide in the future to continue such reserve or create a separate reserve fund by special assessment or by increases in Common Charges.

A Working Capital Fund will be established through payments made therefor by each Purchaser at Closing to be held or used for working capital and for such other appropriate purposes as the Board may determine. (See the Sections entitled “Working Capital Fund” and “Reserve Fund” in Part I of the Plan for further discussion.)

16. Real Estate Taxes

The estimated real estate taxes payable in respect of each Unit were calculated on the assumption that the real estate taxes for the Building payable for the First Year of Condominium Operation, as estimated by Sponsor’s real estate tax expert, will be allocated to such Units on the basis of their proportionate Common Interest. Upon determination of individual tax lots and individual assessments for such Unit, the New York City tax authorities may allocate taxes among the Units on some other basis rather than its relative Common Interest, and, if so, Units having the same or similar initial Common Interest may pay different real estate taxes and/or taxes may differ from those set forth on Schedule A. In addition, the New York City tax authorities may assess taxes against the Building in a different manner and in a different amount than that assumed by Sponsor’s real estate tax expert and, if so, Unit Owners may pay significantly different real estate taxes than those set forth on Schedule A. Sponsor can only estimate, based on reasonable, professional third party expert assumptions, what the real estate taxes for each Unit will be. Only the New York City tax authorities will make this determination upon the filing of tax lots. (See the Notes to Schedule A, and the Section entitled “Real Estate Taxes” in Part I of the Plan for further discussion.)

17. Partial Exemption from Real Estate Taxes

Sponsor intends to apply on behalf of all Unit Owners to the New York City Department of Housing Preservation & Development (“HPD”) for a partial real estate tax exemption (the “Exemption”) under Section 421-a of the New York Real Property Tax Law (“Section 421-a”). As set forth in the Opinion of Real Estate Tax Counsel in Part I of the Plan, the Building is covered by special legislation which exempts it in part from the affordable housing requirement otherwise required under Section 421-a. Under this special legislation, affordable housing requirements can be met on a project-wide basis (i.e., across multiple Buildings in Pacific Park Brooklyn) instead of on a building by building basis. Section 421-a requires that the local housing agency certify the completion of any affordable units for the project to remain eligible for 421-a benefits. This special certification requirement and its financial impact on all units, including, but not limited to, revocation of tax benefits awarded under Section 421-a if such special certification is not met, constitutes a special risk with respect to this Plan.

Further, under Section 421-a the Building remains subject to the requirement that all service employees be paid at the prevailing wage rate and that an exemption cap applies to the maximum 421-a exemption for which each Residential Unit is eligible, as more fully set forth in the Notes to Schedule A.

NEITHER SPONSOR, SPONSOR’S COUNSEL, SPONSOR’S 421-a TAX COUNSEL, SELLING AGENT, MANAGING AGENT NOR ANY OTHER PERSON MAKES ANY REPRESENTATION OR WARRANTY THAT A PARTIAL TAX EXEMPTION FROM REAL ESTATE TAXES UNDER SECTION 421-a WILL BE GRANTED OR, AS TO THE AMOUNT, IF ANY, OF THE MINIMUM TAX WHICH WILL BE ASSESSED AGAINST THE RESIDENTIAL UNITS OR THE AMOUNT OF REAL ESTATE TAXES PAYABLE AT ANY TIME BY ANY RESIDENTIAL UNIT OWNER.

Such exemption, if granted, will be for a limited period of 15 years, and will decrease progressively during such period, as described more particularly in Schedule A and in the notes thereto. There is no guaranty or assurance that the criteria for Section 421-a benefits will be satisfied and neither Sponsor nor Sponsor’s Counsel or Sponsor’s Real Estate Tax Counsel offers any opinion with respect to the eligibility of the Residential Units for Section 421-a benefits. If, for any reason the application is not approved by HPD, the Residential Units will be subject to full taxation and will receive no benefits under Section 421-a. In such case Purchasers will not be entitled to any right of rescission, reduction in price or other credit or concession.

Sponsor has 15 months from the date of issuance of a final certificate of eligibility from HPD to declare the Plan effective. Otherwise, Sponsor is obligated to register Residential Units as rent-stabilized as they become occupied. Purchasers may obtain more information about the Section 421-a application process, tax benefits and requirements associated therewith at <http://www.nyc.gov/html/hpd/html/developers/421a.shtml>. If, prior to consummation of the Plan, Sponsor rents any Residential Unit (or portion thereof) to any person other than an interim lessee, Sponsor is obligated to abandon the Plan in accordance with the provisions of 13 N.Y.C.R.R. Section 20.1(1)(2) and 20.5(g).

(See “Partial Real Estate Tax Exemption (Section 421-a)” in Part I of the Plan for further discussion.)

18. Closing Fees and Costs

All legal costs, fees and expenses charged by each Purchaser’s attorney shall be the sole responsibility of such Purchaser. In addition, each Purchaser shall also be responsible for payment of the following fees to Sponsor’s attorneys, Kramer Levin Naftalis & Frankel LLP (“Sponsor’s Counsel”), in connection with the closing of title to such Purchaser’s Unit. For each Unit, the sum of \$2,850 shall be payable to Sponsor’s Counsel as a legal fee in connection with the closing of title of the Purchaser’s Unit, and for each issuance of a Storage Bin License, the sum of \$500 as a legal fee in connection with processing the issuance of such Storage Bin License. If Purchaser obtains financing and the lender is unwilling to close at the offices of Sponsor’s Counsel, or if the Purchaser otherwise requests the Closing to occur other than at the office of Sponsor’s Counsel (or such other place as Sponsor may designate in its closing notice), the closing may be held elsewhere in New York City, provided that an additional travel fee is paid to Sponsor’s Counsel equal to: (a) \$500 if the closing is held elsewhere in Manhattan; and (b) \$750 if the closing is held in a borough other than Manhattan. In addition, the Purchaser will be required to pay to Sponsor’s Counsel: (i) if the closing is adjourned through no fault of Sponsor, an additional fee of \$600 for each adjournment to help defray the cost of preparing for and coordinating the new closing; (ii) if Sponsor, in its sole discretion, consents to a Purchaser’s request for an assignment of the Agreement, or for the addition, deletion or substitution of names on the Agreement, a fee of \$850, payable in advance, for preparation of an assignment agreement; (iii) \$250 for the preparation of ACRIS transfer documents required by the City of New York; (iv) if Purchaser obtains mortgage financing, an additional fee of \$800 to defray the additional costs associated therewith; and (v) Purchaser shall pay Sponsor’s counsel the sum of \$650 in connection with the consideration, review and processing of any agreement of exchange or the like which Sponsor is requested to execute in connection with any tax deferred exchange under §1031 of the Internal Revenue Code. Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single Unit. Other additional charges may apply. At Sponsor’s option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor’s Counsel shall be paid by Purchaser prior to closing upon notice to Purchaser. (See the Section entitled “Unit Closing Costs and Adjustments” in Part I of the Plan for further discussion.)

19. No Warranty

Sponsor shall not be obligated to correct, repair or replace any defects relating to construction of the Units or the Common Elements or in the installation or operation of any appliances, fixtures, or equipment therein, except as expressly provided in this Plan. Sponsor will not warrant the materials or workmanship of any Unit or any of the Common Elements. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering.

Notwithstanding the foregoing, Sponsor is obligated to complete its construction work at the Building in accordance with the provisions of this Plan, all applicable Legal Requirements (as hereinafter defined), and the Description of Property which is Exhibit 4 in Part

II of the Plan. Any conflict between the disclaimer in this Special Risk and Sponsor's obligations described therein shall be resolved in favor of the latter. The term "Legal Requirements" as used herein means all laws, statutes and ordinances (including, without limitation, environmental laws, and all building codes and zoning ordinances) and the orders, rules, regulations, directives, binding resolutions and requirements of all governmental authorities (including, without limitation, the New York City Department of Buildings, the City Planning Commission, the Landmarks Preservation Commission, the boards of fire underwriters or any public authority or agency having jurisdiction), whether in force as of the date hereof or hereafter, which are or become, or purport to be, applicable to the Property or any part thereof, all as more fully provided in the By-Laws (See the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further discussion.)

20. Insurance

The Board is not required to obtain or maintain any insurance with respect to damage by fire or other casualty to any element of, or any property contained in, any Unit or any liability with respect to occurrences in or about each Unit or the Common Elements, if any, exclusive and/or appurtenant thereto. Consequently, all Unit Owners are required to obtain and maintain (a) a personal liability policy if such Unit Owner is an individual, or (ii) commercial general liability insurance if such Unit Owner is a corporate entity, against claims for personal injury, death or property damage occurring in, on or about such Unit Owner's Unit or the Common Elements, if any, exclusive and/or appurtenant to his or her Unit affording protection of at least \$1,000,000 per occurrence, plus at least \$4,000,000 umbrella liability coverage. Further requirements with respect to such insurance are more particularly set forth in the By-Laws. In addition, all Unit Owners are required to obtain property and casualty insurance with respect to the fixtures, furniture, improvements, furnishings and other personal property located within their respective Units. Purchasers are also advised that the insurance policies to be maintained by or on behalf of the Board will be on a "replacement cost" basis and will not cover losses to the extent that "market value" of a Unit may exceed its insured replacement cost. (See the Section entitled "Rights and Obligations of the Unit Owners and the Board" in Part I of the Plan for further discussion.)

As a result of current fluctuations in the insurance market, the Board will not be required to obtain or maintain terrorism coverage but may do so, and in such event, the cost thereof shall be a Common Expense as described in the By-Laws.

21. Waiver of Diplomatic or Sovereign Immunity

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

22. Certificate of Occupancy

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

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

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

(See, the Section entitled “Rights and Obligations of Sponsor” in Part I of the Plan for further discussion.)

23. Amendment to Plans and Specifications

With respect to certain Residential Units, as more fully set forth below, the Floor Plans and Description of Property and Building Condition included herein in Part II of the Plan reflect planned updates to room layouts and/or the number or type of bathroom fixtures which are not yet reflected in the Plans and Specifications on file with the DOB (the “Planned DOB Updates”).

Prior to the First Closing, Sponsor will file an amendment to the Plans and Specifications with the DOB to reflect the Planned DOB Updates, as follows: changes to room layouts in Residential Units M1 (removal of walls separating Living Room from Family Room and Kitchen to create open concept floor plan) and 1319, 1419, 1519 and 1619 (doorway of Bedroom 2 moved into the adjacent hallway by approximately three feet); replacement of a bathtub with a closet and relocation of certain fixtures within the room in the Master Bathroom of Residential Units 101, 201, 301, 401, 501, 601, 701, 801, 208, 308, 408, 508, 608, 708, 808, 224, 324, 524, 225, 325, 425, 525, 226, 326, 426, 526, 330, 430, 530, 624, 625, 724, 725, 901, 902, 1002, 1102, 1202, 1302, 1402, 1502, 908, 910, 1001, 1101, 1201, 1301, 1401, 1501, 1008, 1108, 1208, 1308, 1408, 1508, 1010, 1310, 1410, 1510, 1110, 1210, 1309, 1409, 1509 1609, 1601, 1602, 1608 and 1610; bathtub changed to shower in Master Bath in Residential Units 627, 727, 815, 903, 1003, 1103, 1203, 1303, 1403, 1503, and 1603.

Sponsor will amend the Plan to reflect the Planned DOB Updates upon final DOB sign-off.

24. Terraces

Balconies and terraces (each, a “Terrace”) are appurtenant to certain Units, as identified in Schedule A and in the Floor Plans set forth in Part II of the Plan, and are Residential Limited Common Elements available for the exclusive use of a Unit Owner of the Unit to which such Terrace, as the case may be, is appurtenant, subject to and in accordance with the Declaration, By-Laws and Rules and Regulations in effect from time to time. Each Residential Unit Owner shall be responsible for all ordinary maintenance and cleaning of each Terrace appurtenant to its Unit, subject to the rights of the Boards to regulate its use, and to enter the Residential Unit to access the Terrace and to access any Limited Common Elements for maintenance, repair and replacement and other uses (including, without limitation, to access any Building mechanical equipment or other Common Elements located on any roof setback adjacent to any Terrace, or to use any Terrace as a platform for window washing equipment). Sponsor is not responsible for, can make no guarantees regarding and shall have no liability to Residential Unit Owners with respect to, the level of noise or vibrations or odors resulting from the operation of the Building or the Units or the degree of privacy which will be afforded to Unit Owners on their Terraces. The costs and expenses of any repairs or replacements to a Terrace, structural or otherwise (unless caused by or attributable to the Residential Unit Owner), shall be charged to all Residential Unit Owners as a Common Expense.

The Board shall have the right to require a Residential Unit Owner to remove plantings, roof surfaces and other installations which have been placed on the Terraces if the Board determines, in its sole discretion, that such plantings or other installations may adversely affect the integrity of the roof or other portion of the Building or is otherwise unsafe. In addition, the Board shall have the right, in connection with any construction, repair, cleaning or maintenance work in the Building, to erect scaffolding temporarily on any Terrace. In no event shall any Residential Unit Owner of a Residential Unit having a Terrace be permitted to enclose or erect any structure on such Terrace. The Board may establish such other rules and regulations it deems necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health and safety of the occupants.

Moreover, Terraces and any other areas that are exposed to the elements must be kept free of snow, ice and accumulation of water to the extent failure to do so could cause damage to the Building and/or other Units therein. In the event a Residential Unit Owner fails to comply with any of its maintenance obligations, the Board may, at the expense of the Unit Owner and without liability to the Board, enter the Unit and perform such acts as are necessary to cure the Unit Owner's default.

Certain Terraces will have built-in gas lines for use with gas-operated barbeques, as more fully set forth in the "Description of Property and Building Condition" in Part II of the Plan, which Terraces are the only Terraces in the Building on which barbecues are permitted.

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

25. Open Space Easement Agreement

Sponsor, on behalf of the Board, will take the Property subject to an Open Space Easement Agreement with the Conservancy, the form of which is set forth in Part II of the Plan. Pursuant to the Open Space Easement Agreement, a perpetual and exclusive easement over, under and through the Open Space Easement Premises (defined below) will be granted to the Conservancy (the "Open Space Easement"). The Open Space Easement will be provided for the benefit of the Conservancy, its guests and invitees, which may include the general public, for the purpose of entering into the Open Space Easement Premises to construct, inspect, use, operate, maintain, repair or rehabilitate such space, as if such Open Space Easement Premises constituted that portion of Pacific Park Brooklyn which is to be deeded in fee to the Conservancy for the benefit of the public. The Open Space Easement Premises encompasses the space extending outward 20 feet from the exterior face of the Building. Notwithstanding the foregoing, the Board, on behalf of the Unit Owners, shall have the right to access the Open Space Easement Premises to perform maintenance, repairs or replacements on and to the Building, provided same does not diminish or interfere with the Conservancy's use of the Open Space Easement Premises, in the Conservancy's reasonable determination.

26. Fireplaces

Residential Unit PHW and the multi-purpose Lounge on the Ground Floor will each feature gas burning fireplace. With respect to PHW, the fireplace and all associated parts connected thereto, including, without limitation, the flue (the fireplace, together with such parts, the "Fireplace Parts") shall be deemed to be part of PHW, but the service and maintenance agreements for such Fireplace Parts shall be selected and entered into by the Board. The cost of such maintenance agreements shall be paid by the Board and assessed as a special assessment against the Owner of PHW. The PHW Owner will also be responsible for maintaining insurance with respect to the Fireplace Parts. The fireplace in the multi-purpose Lounge and its associated Fireplace Parts will constitute a Residential Common Element for which the Board shall be responsible for maintenance, cleaning and repair, the cost of which will constitute a Common Charge allocated to the Residential Unit Owners in accordance with their respective Residential Common Interests.

Except with respect to Unit PHW and the multi-purpose Lounge, fireplaces of any kind, whether wood burning, gas burning or otherwise, are not permitted in the Building.

27. Access to Future Parking Facilities

As set forth in the “Description of Property and Building Conditions” in Part II of the Plan, a passageway will be located on the Cellar Floor of the Building and will provide Residential Unit Owners with access to parking facilities (the “Parking Facilities”) which will be constructed in the parcels neighboring the Building as a future part of the Pacific Park Brooklyn development.

While Sponsor or an affiliate of Sponsor may own the Parking Facilities (although no such representation is made), to the extent such Parking Facilities are leased to a garage operator, the operator of such facility will determine and collect fees based upon rates to be set solely by such operator (subject to any applicable laws) and will establish such rules and regulations governing the availability and priority of spaces and the general operation of the garage facilities as such operator may deem appropriate. The Parking Facilities are anticipated to serve the Residential Unit Owners, the Retail Units, the occupants of other buildings in Pacific Park Brooklyn, and the general public. Such parking spaces shall be available on a first come first served basis. The Parking Facilities will be valet attended.

Sponsor makes no representation whatsoever regarding the rates to be charged to Residential Unit Owners or the availability of such parking spaces on a monthly, reserved or any other basis. In addition, even to the extent available, no representation is made with respect to the expected date of completion or opening of such facility and as a result, parking may not be available at and for a period of time following the closing of title to any Residential Unit.

28. Window Washing and Window Treatments

In order to promote a consistent appearance of the Building from the outside, each Unit Owner will be required to install and maintain window treatments having a neutral-colored backing on the sides facing the windows in its Unit, which window treatments and backings must conform to any specifications (including a new color) established from time to time by the Board.

The Board will arrange for the washing and cleaning of the exterior glass surfaces of all windows, and the cost thereof will be charged to the Unit Owners as a Common Expense. The Board and the Managing Agent will have an easement to, through and over each Residential Unit Owner’s Unit and Terrace for the purpose of washing and cleaning the exterior glass surfaces of the windows appurtenant to a given Residential Unit, which access will be scheduled during such reasonable days and times as the Board shall determine upon at least one week’s advance notice to the Residential Unit Owner being required to provide such access. The washing and cleaning of window interiors shall be the responsibility of the respective Unit Owner to which such window is appurtenant or, with respect to General Common Elements, the Board. All window interiors shall be cleaned a minimum of one time per calendar year, or more frequently as may be required by the Board. The Board may from time to time enforce the responsibility of Unit Owners to wash and clean the interior surfaces of windows located in their

respective Units and charge the defaulting Unit Owner therefor. Unit Owners are prohibited from cleaning or allowing to be cleaned any window from the outside in violation of Section 202 of the New York State Labor Law, any other applicable Legal Requirements, any insurance policy or requirement or otherwise. Unit Owners are also prohibited from making any repair or alteration which would void any warranty covering the Building's windows. (See the Sections entitled "Introduction" and "Rights and Obligations of the Unit Owners and the Board" in Part I of the Plan for further discussion).

29. Mechanical Equipment

The Building incorporates mechanical equipment designed to provide for the physical comfort and convenience of the Building's occupants. During normal operation of this equipment, some occupants of Units adjacent to or in the vicinity of the equipment floors and equipment areas of the Building may perceive noise and/or vibration from the equipment. The sole obligation of Sponsor and the Board with respect to such noise and/or vibration shall be to install and operate such equipment in a manner consistent with commercially reasonable practices in typical luxury residential buildings and in compliance with Law, including the New York City Building Code.

30. Maintenance of Stone Surfaces

Maintenance and cleaning of any stone surfaces by Residential Unit Owners should be done in accordance with the recommendations of the Marble Institute of America.

31. Additional Units and Storage Bins

Sponsor reserves the right to change the number and size of the Unsold Residential Units by, among other things, subdividing and reconfiguring the Unsold Residential Units and, as the case may be, in connection with such subdivision and reconfiguration, redesignating in an amendment to the Declaration, among other things, a portion of a subdivided Unit of one type (e.g., a Retail Unit) as a Unit of another type (e.g., Residential). In such event, the Common Interest appurtenant to any diminished Unit will decrease and such reduced Common Interest will be allocated to and/or among the newly created and/or configured Units. Sponsor expressly reserves the right, from time to time prior to the First Closing, to effect such changes among the Unsold Residential Units and to amend the Plan so as to reflect the same. In the event the Common Interest appurtenant to a Residential Unit is increased in excess of 5% or there is a reduction in square footage of a Residential Unit in excess of 5%, Sponsor shall offer the materially adversely affected Purchaser(s) the right, for at least 15 days, to rescind their Agreements and receive a refund of their Deposit, together with all interest earned thereon. There is a rebuttable presumption that an increase in Common Interest appurtenant to a Residential Unit of 5% or less, or a decrease in square footage of 5% or less, is not a material adverse change

Notwithstanding the foregoing, where an Agreement for a Residential Unit has been countersigned by Sponsor and returned to Purchaser, no material change will be made in a Unit's size, layout or proportionate share of aggregate common interest unless (i) the affected Purchaser consents; (ii) the Purchaser is in default or (iii) the same is dictated by construction

conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Law, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where, in the exercise of sound construction management practices, no practicable alternative exists), and in such event covered by this clause (iii), Sponsor will, in the amendment disclosing such material adverse change, offer the affected Purchaser(s) the right, for at least 15 days, to rescind their Agreement(s) and receive a refund of their Deposit(s), together with all interest earned thereon. There is a rebuttable presumption that a Unit size that is diminished by 5% or less is not material.

Sponsor also reserves the right to create new Storage Bins in areas formerly not dedicated as Storage Bin areas and sell licenses therefor, and to change the number and size of the Storage Bins by, among other things, subdividing and reconfiguring the Storage Bins and, in connection with such subdivision and reconfiguration, redesignating in an amendment to the Declaration, among other things, a portion of a subdivided Storage Bin's space. Sponsor expressly reserves the right, from time to time, to effect such changes and to amend the Plan so as to reflect the same.

(See the Sections entitled "Changes in Prices, Residential Units and Storage Bin Licenses" in Part I of the Plan for further discussion.)

32. Flood Zone

The Property at its existing elevation falls within the Zone X flood hazard area, outside the 0.2% annual chance floodplain, pursuant to the Federal Emergency Management Agency ("FEMA") Preliminary Flood Insurance Rate Map. As of the date of filing of this Plan, FEMA does not require flood insurance with respect to areas falling within Zone X.

33. Sponsor's Right to Substitute Storage Bins

At or prior to delivery of the Storage Bin License to Purchaser, Sponsor has the right, with or without prior notice to Purchaser, to substitute the Storage Bin designated in the Storage Bin License (the "Original Storage Bin") or in the Storage Bin Rider therefor for an alternate Storage Bin (the "Substituted Storage Bin"), provided that such Substituted Storage Bin is of equal or larger size than the Original Storage Bin and provided further, any monthly license fees payable by Purchaser to the Condominium in connection with such Substituted Storage Bin are comparable per square foot to those payable in connection with the Original Storage Bin. Any exercise of Sponsor's rights to designate a Substituted Storage Bin shall not result in an increased Storage Deposit or purchase price and shall not afford Purchaser any abatement in purchase price or excuse Purchaser from its obligations under the Storage Bin License.

34. Interstate Land Sales Full Disclosure Act Exemption

The Interstate Land Sales Full Disclosure Act 15. U.S.C. §§ et seq. ("ILSA") is a federal statute administered, as of July 21, 2011, by the Consumer Financial Protection Bureau ("CFPB") pursuant to the Dodd-Frank Act. ILSA requires sellers of lots in certain subdivisions to file a statement of record (the "Statement of Record") and property report (the "Property Report") with CFPB and provide a copy of the Property Report to purchasers before they sign a

purchase agreement, unless the project or sale is exempt from this filing requirement. On September 26, 2014, President Obama signed into law a bill amending ILSA to exempt sponsors of new construction condominium projects from the obligation to file a Statement of Record and Property Report. The law took effect on March 25, 2015. Accordingly, the registration and filing requirements of ILSA are not applicable to the Condominium as the Condominium is exempt from same. Thus, Purchasers will receive the Plan only, without copies of a Statement of Record and Property Report, and will not have the rights afforded purchasers of units in non-exempt projects pursuant to ILSA.

35. Method for Measuring Units, Terraces and Storage Bins

The approximate floor area of each Unit has been measured horizontally with respect to Units from the outside face of the exterior walls of the Building to (a) the center line of the drywall or masonry partitions separating one Unit from another Unit, (b) the corridor side of any corridor walls, (c) the external stair side of the drywall or masonry partitions enclosing any common element stairs, and (d) the external side of any common element shafts, elevators and other mechanical equipment spaces or common elements. Each Unit is measured vertically from the top of the concrete floor to the underside of the concrete slab. However, any Common Elements located within a Unit shall not be considered a part of such Unit but are included in the measured area of each Unit. Each of the Units have been measured in the manner as set forth more particularly in the Declaration, and as is currently customary in New York, these square foot area for each Unit exceeds the useable floor areas for each such Unit

Outdoor floor areas of Terraces or other outdoor areas, if any, appurtenant to a Unit were not included in the Unit's approximate floor areas.

The square foot areas determined using the methodology set forth above, as shown in Schedule A in Part I of the Plan, would be different from that derived by using an alternative methodology of measuring from interior surfaces to interior surfaces (which would yield significantly less actual useable floor area for each Unit). The room count for each Residential Unit was determined by Sponsor's architect in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York.

Terraces are measured horizontally from the outside face of exterior wall to the outside face of parapet. Where two Terraces abut, the measurement is taken to the centerline of the divider screen. Storage Bins are measured from the outside of the wire mesh to outside of wire mesh, and where a Storage Bin abuts a wall, to the face of the demising wall.

36. Sponsor's Use of the Building for Promotional Functions

Sponsor and its designee(s) shall have the right, until the 15th anniversary of the First Closing (or until no Unsold Residential Units remain, if earlier), to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events and/or promotional functions in connection with the sale and leasing of Unsold Residential Units. Such activities will result in excess traffic and noise in the Building, and may interfere with owner-occupants' enjoyment of the Building.

37. Windows Feature Childproof Stops

All operable windows will have a childproof stop limiting the opening of the windows in conformance with NYC Building Code.

38. Special Allocation of Certain Common Expenses

Each Unit Owner must pay Common Charges to cover the costs of operation and maintenance of the Condominium in accordance with Sections 339(i)(1)(iv) and 339(m) of the New York Condominium Act. The costs of operation and maintenance of the Condominium, including both those directly attributable to the Units and an allocated share of expenses attributable to the Condominium as a whole (such as expenses for insurance, repairs and maintenance of the General Common Elements and various service contracts), will generally be borne by the Unit Owners in proportion to their respective Common Interests. The Retail Unit Owners, who will receive in certain instances greater or fewer services from the Condominium, will bear an allocated share of the expenses of the Condominium, all as described in Schedule A – “Purchase Prices and Related Information” and Schedule B – “Projected Budget for First Year of Condominium Operation” of the Plan and Article 6 of the By-Laws. Such allocated share of expenses will result in the Residential Unit Owners having to pay either higher (if fewer services are being provided to one or more of the Retail Unit Owners) or lower (if greater services are being provided to one or more of the Retail Unit Owner) shared expenses of the Condominium. The requirements for amending Article 6 of the By-Laws do not differ from those otherwise provided in the By-Laws.

39. Delay in Collection of Common Charges by Sponsor

Sponsor reserves the right to delay the commencement of collection of Common Charges. During any such delay, Sponsor will timely pay all expenses of the Condominium, including, but not limited to, insurance premiums and any reserve fund payments required by any lenders. Upon commencement of collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium. Sponsor shall be required to update the budget as required under governing regulations. In the event Sponsor elects to delay the collection of Common Charges, it will disclose such fact in the closing notice to Purchasers and will further disclose such fact in the post-closing amendment to the Plan. Such amendment will also disclose the anticipated period of delay. Sponsor will notify all Unit Owners in writing of the expiration of the delay period (which expiration shall be determined in Sponsor’s sole and absolute discretion) at least thirty (30) days prior to the commencement of collection of Common Charges and will disclose such fact in the following amendment to the Plan. Notwithstanding anything contained in this paragraph, in all instances the Unit Owners will remain responsible for the payment of the real estate taxes (including such Unit Owners’ allocable share of those real estate taxes attributable to the Resident Manager’s Unit).

40. Increase or Decrease in Common Interest

The Common Interest of each of the Units has been determined pursuant to Section 339-i(1)(iv) of the Condominium Act and accordingly based upon a comparison of the floor space, subject to the location of such space and the additional factors of relative value to

other space in the Condominium, the uniqueness of the Unit, the availability of common elements for exclusive or shared use and the overall dimensions of the particular Unit. Based upon final specifications, construction conditions and/or "as-built" plans for the Building reflecting relative measurements, areas and uses of portions of the Building, application of such method of allocation of Common Interest may justify a minor increase or decrease in the aggregate Common Interest appurtenant to the Residential Units and a corresponding decrease or increase in the Common Interest appurtenant to the Retail Units. In such event, the Common Interest appurtenant to each individual Residential Unit would be adjusted (by a minimal amount) pro-rata. Sponsor expressly reserves the right, from time to time, to effect such a change in the Common Interests and to amend the Plan so as to reflect the same. Notwithstanding the foregoing, after the recording of the Declaration, no change in any Residential Unit's Common Interest will be made without obtaining the prior consent of all Unit Owners affected by such change. (See the Section entitled "Rights and Obligations of the Unit Owners and the Boards of Managers" in Part I of the Plan for further discussion.)

41. Alterations by an Initial Purchaser of an Unsold Residential Unit

An initial purchaser of an Unsold Residential Unit shall have the right, without the approval of the Board, to make any alterations, additions, improvements or repairs in or to such Unit, provided that such purchaser obtains all necessary approvals required by law and that Sponsor has consented to the same in writing at or prior to the closing of title to such Unit, which consent Sponsor may withhold or condition in its sole and absolute discretion. As more particularly set forth in Special Risk 9 above, such work by an initial purchaser of an Unsold Residential Unit in or to such purchaser's Unit, may create noisy and otherwise disruptive conditions in the Building during the period such work is being performed. (See the Section of the Plan "Rights and Obligations of the Unit Owners and the Board" for further discussion.)

42. Roof Rights/Easement

Sponsor has, with respect to the roof of the Building, the exclusive right (and such easements as shall be required) at any time and from time to time at its sole cost and expense, to exclusively erect, use, maintain, repair, replace, relocate and operate for Permitted Roof Platform Purposes, as hereinafter defined, one or more platforms, supports or structures on any portion of the roof (other than those portions of the roof which are Residential Limited Common Elements for the exclusive use of a particular Unit Owner) for the purpose of erecting, using, maintaining, repairing, replacing, relocating and operating for Permitted Roof Platform Purposes, antennae, satellite dishes and other communications equipment thereon (including, without limitation, the running of conduit wiring and/or cabling throughout the Building as necessary); provided, however, that Sponsor shall give prior notice to the Board for information purposes only of the type and location of any such equipment before installation. Such easement shall also include the right of Sponsor to use, lease and license such equipment, and to retain any profits therefrom. All of the foregoing shall at all times be used, installed and maintained in compliance with all Laws and Insurance Requirements. The word "equipment" as used in this paragraph shall be deemed to include fiber optic cable and other communications lines, wires, risers, cables and conduits, as well as any other ancillary equipment, based upon all current and future technologies, needed for the proper operation of the communications installations. Each easement and other right granted under this paragraph must be exercised, and all such platforms,

supports, structures, installations and equipment must be used in such a way so as to minimize, to the extent reasonably practicable, interference with the exercise of the other easements and other rights granted under this paragraph. As used herein, "Permitted Roof Platform Purposes" shall mean all businesses, operations and activities of Sponsor and its affiliates, including the business of renting out or otherwise providing satellite dishes and/or other communications equipment, services and/or space for satellite dishes and/or other communications equipment or services to third parties, and any operations or activities in connection with such business.

43. Certification of Sponsor and Principal

Exhibit 9A in Part II of this Plan includes a certification by Sponsor and Sponsor's principal. Principal of Sponsor has executed the Certification of Sponsor and Principal for compliance with the Martin Act and governing regulations. Consistent with a recent decision by the Appellate Division of New York State Supreme Court, First Department, the principal of Sponsor expressly disclaims the existence of any private right of action for contract claims by individual Unit Owners (or a Board on their behalf) in connection with or arising solely from their execution of the Certification of Sponsor and Principal, absent liability under another statute or under an alter-ego or other veil-piercing theory. See Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC, et al., 2013 N.Y. Slip Op 032784 (1st Dept. May 16, 2013).

PART I

A. INTRODUCTION

Pacific Park 550 Vanderbilt, LLC, a limited liability company organized and existing under the Law of the State of Delaware and duly authorized to do business in the State of New York ("Sponsor"), hereby presents this Offering Plan (the "Plan") for the establishment of condominium ownership of the land, Building and appurtenances thereto, situated at the northwest corner of Dean Street and Vanderbilt Avenue, and known by the street address of 550 Vanderbilt Condominium, Brooklyn, New York 11238. The condominium will be known as the "550 Vanderbilt Condominium" and is herein called the "Condominium."

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

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

The Plan, including all Schedules set forth herein, and Parts A, B, C and D of the exhibits, together constitute the entire offer of Sponsor to sell the Units and Storage Bin Licenses at the Condominium which are the subject of this Plan. Sponsor shall not make, and has not authorized any other party to make, any oral representations or statements concerning this Plan, and no such representations or statements shall be considered part of this Plan. No information, data or representations other than those contained herein or in the documents annexed hereto as exhibits in Part II of this Plan may be relied upon. Copies of the Plan and the exhibits will be available for inspection by prospective Purchasers without charge, and for copying at a reasonable charge, at the Condominium's Sales Office by appointment and at the New York State Department of Law.

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

THE PURCHASE OF A CONDOMINIUM UNIT HAS MANY SIGNIFICANT LEGAL AND FINANCIAL CONSEQUENCES. THE ATTORNEY GENERAL OF THE STATE

OF NEW YORK STRONGLY URGES YOU TO READ THIS OFFERING PLAN CAREFULLY AND TO CONSULT WITH AN ATTORNEY BEFORE SIGNING AN AGREEMENT TO PURCHASE A CONDOMINIUM UNIT.

1. The Property

The Land consists of approximately 47,430 square feet comprised of Lots 43, 44, 45, 46, 49, 50 and part of Lot 54 in Block 1129, and a portion of the southerly half of Pacific Street between Carlton and Vanderbilt Avenues, on the Tax Map of the City of New York, known by the street address of 550 Vanderbilt Avenue, Brooklyn, New York. Prior to the First Residential Closing, the foregoing will be merged into a single new Lot.

As of the date of filing of the Plan, Sponsor is the owner of a leasehold interest in the Property. Pursuant to the terms of Sponsor's development lease agreement (the "Development Lease") with the Empire State Development Corporation ("ESD"), Sponsor has agreed to undertake certain improvements on the site which will include the Building and adjacent Open Space Easement Premises. At such time as Sponsor delivers to ESD, as landlord under the Development Lease, a Temporary or Permanent Certificate of Occupancy for the Building, and pays any outstanding sums due and payable under the Development Lease, ESD shall execute a Termination of Lease, a Termination of Memorandum of Lease, the Conveyance Deed, and such other documents, agreements, notices, certificates, opinions or other instruments as ESD or Sponsor deem necessary or appropriate to evidence the termination of the leasehold interest and the conveyance to Sponsor of a fee interest in the Property (capitalized terms not defined above have the meaning ascribed to them in the Development Lease). Sponsor will acquire fee title to the Property prior to the First Closing. As more specifically described herein, upon completion of Sponsor's construction work at the Building, the following will initially constitute the Condominium:

(a) 278 residential apartments (the "Residential Units") located on the Ground Floor through PH Floors together with the residential entrance and Lobby on the Ground Floor and certain other Common Elements);

(b) three Retail Units located on the Ground Floor;

(c) 102 Storage Bins which will be Residential Common Elements subject to license located on the Cellar Floor;

(d) a Bicycle Storage room with room for approximately 154 bicycles located on the Cellar Floor. Storage space in the Bicycle Storage room will be made available in accordance with such terms and conditions as the Board shall establish from time to time, which may include the payment of a monthly license fee. One of the bicycle spaces is reserved for use by the Retail Unit Owners in accordance with the Zoning Resolution.

(e) common facilities and amenities for the benefit of the Residential Unit Owners are currently anticipated to include a Fitness Center with two studios, a Laundry Room and a Pet Grooming Space on the Cellar Floor, a multi-purpose Lounge and Conference Area with kitchen and a Library on the Ground Floor, and a landscaped Roof Deck with gas-fired grills on the 8th Floor; and

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

Based upon Sponsor's construction schedule anticipated as of the initial filing date of this Plan, Sponsor contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, governmental restrictions, acts of god or other events beyond its reasonable control, Sponsor's construction work at the Building will be sufficiently completed to permit closings of title to Units to begin on or about January 1, 2017. Prospective Purchasers should note, however, that the Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the Purchase Price for his or her Unit or otherwise be relieved from any obligations under the Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Residential Unit is accelerated, delayed or postponed by Sponsor, provided, however, that in the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections and if: (i) the amended budget exceeds the projected budget set forth herein by 25% or more; or (ii) the First Closing does not occur within 12 months after the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation (being the date set forth in the Plan at the time a Purchaser executes an Agreement, presently projected to be January 1, 2017), then in either case Sponsor will offer affected Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements for a period of not less than 15 days after the presentation date of the amendment containing such revised budget or after such 12 month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Deposit and any interest accrued thereon returned. Purchasers' rights as described in the preceding sentence are in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. As set forth in the Section of this Plan entitled "Effective Date," no closing of title to any Unit will take place prior to the Plan being declared effective.

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

Sponsor further reserves the right to change the number of Storage Bins by, among other things, subdividing and reconfiguring the Storage Bins and, in connection with such subdivision and reconfiguration, re-designating in an amendment to the Declaration a portion of a subdivided Storage Bin space as further described in this Plan. Sponsor will maintain necessary permits and approvals required by the Department of Buildings in connection with the foregoing work. A detailed description of the Property is contained in the Section of the Plan entitled "Description of Property and Improvements" in Part II of the Plan.

2. Pacific Park Brooklyn

550 Vanderbilt Condominium will be one of 16 buildings comprising the 22 acre site of “Pacific Park Brooklyn”, a phased mixed-use development located at the intersection of the Fort Greene, Clinton Hill, Boerum Hill, Park Slope and Prospect Heights neighborhoods. Upon completion, Pacific Park Brooklyn will include an eight acre public park, approximately 247,000 square feet of retail space, 336,000 feet of commercial space and 6,430 units of housing, along with the nearby Barclays Center entertainment complex (the “Arena”).

The Condominium is part of the residential phase of development at Pacific Park Brooklyn. As of the filing date of this Plan, it is anticipated that the additional phases of development (each parcel subject to development being a “Development Site” and collectively the “Development Sites”), including the gradual expansion of the public park and its facilities over eight acres of land (the “Open Space”), will be completed by 2025. Purchasers are advised that the time required to complete a project of this magnitude may be extensive and completion of the improvements contemplated for Pacific Park Brooklyn and/or described in the Plan may be subject to circumstances beyond Sponsor’s control.

Pursuant to the Pacific Park Project Documents, consisting of the Modified General Project Plan, as amended, the Design Guidelines, the Development Agreement with the New York State Urban Development Corporation d/b/a Empire State Development (“ESD”), the Agreement of Development Lease with ESD, and the Park Restrictive Dec (defined below), the development of the Open Space will likewise proceed in stages. The Open Space will be governed and owned by a conservancy or non-profit agency (the “Conservancy”) which will be responsible for its planning, programming, operation, and security. The Conservancy will be governed by a board which is expected to include, without representation, representatives of Sponsor, civic group(s), representatives of the properties constituting Pacific Park Brooklyn, including the Condominium, and on an ex officio basis, Brooklyn Community Boards 2, 6 and 8 and the New York City Department of Parks and Recreation.

The rights and obligations of each parcel with respect to the improvement, planning, operation, maintenance and administration of the Open Space will be more fully described in a restrictive declaration (such declaration, as may be amended from time to time, is referred to herein as the “Park Restrictive Dec”) which will be recorded by ESD, as Declarant, in the City Register’s Office against all of the Pacific Park Brooklyn properties (each a “Building Premises”), except the Arena but including the Open Space. All present and future owners, tenants and occupants of all or any portion of a Development Site will be subject to, and be required to comply with the applicable provisions of, the Park Restrictive Dec.

In accordance with the Park Restrictive Dec, Pacific Park Owners Association LLC (the “Association”) shall be formed to fund the maintenance and operation of the Open Space and to exercise the Association Self-Help Rights (as defined below), all as will be more fully set forth in the Park Restrictive Dec. Upon completion of each Building Premises, the Owner of such Building Premises will constitute a “Member” of the Association. With respect to a Building Premises which is a condominium, the condominium’s board shall constitute and serve as the Member for the condominium and its unit owners.

The Declaration and By-Laws of 550 Vanderbilt Condominium shall be subject and subordinate in all respects to the Park Restrictive Dec, with any conflict or ambiguity to be settled in favor of the Park Restrictive Dec.

A copy of the existing Pacific Park Project Documents are available for review at the Sales Office. The Plan will be amended to reflect the recordation of the Park Restrictive Dec.

See the Section entitled "Pacific Park Brooklyn" and the Schedule B Budget in Part I hereof for further discussion.

3. Features of Condominium Ownership

The ownership of a Residential Unit is similar in many respects to the ownership of a private home. Each Residential Unit Owner is the fee owner of his or her Residential Unit. Each such Residential Unit Owner also owns, in common with all other Residential Unit Owners, an undivided interest in the Common Elements, which, as more particularly set forth herein and in the Declaration, include all parts of the Property other than the Residential Units themselves, including, without limitation, the Land and the roofs, foundations and supports of the Building, and all areas, equipment or facilities for the common use of two or more Residential Units or two or more Residential Unit Owners. Each Residential Unit Owner will also have certain rights with respect to certain Common Elements which may be exclusive of all other Unit Owners (i.e., a Residential Limited Common Element such as a Terrace appurtenant to a Residential Unit) or of Unit Owners who are not Residential Unit Owners (i.e., a Residential Common Element such as common hallways exclusively serving the Residential Units), as the case may be.

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

As more particularly set forth in the Declaration and By-Laws, a Residential Unit may generally be used only for residential purposes and, subject to compliance with the Declaration and the By-Laws, for a lawful home occupation as defined in the Zoning Resolution (a New York City zoning resolution affecting use and occupancy). Residential Unit Owners may, subject to the Board's right of first refusal, rent their Residential Unit pursuant to a lease with a minimum term of one year, in each instance. No transient tenant or short-term paying guest (i.e., a tenant or paying guest in occupancy for a period of less than 12 consecutive months) may be accommodated in any Residential Unit, except with respect to Residential Units leased by Sponsor, and only an entire Residential Unit may be leased. Residents of the Residential Units thus may be comprised of Residential Unit Owners, as well as tenants leasing Residential Units from other Residential Unit Owners.

The Storage Bins may only be used for storage purposes, and in no event may they be used as a dwelling space or for the storage of toxic or inflammable items or Combustibles (as such term is defined in the New York City Building Code). No materials which pose a health or safety threat or which otherwise create a nuisance may be stored in the Storage. To do so may result in a violation placed against the Building by the Department of Buildings

that will be the obligation of the licensee to remove. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use without charge any Storage Bins in respect of which licenses have not been issued (collectively, the “Unlicensed Storage Bins”, and individually, an “Unlicensed Storage Bin”) for any lawful purpose or to change the permitted use of any Unlicensed Storage Bins (provided that such Storage Bin, upon conveyance to a Purchaser in connection with the sale of a Storage Bin License, is delivered by Sponsor in accordance with the Description of Property and Building Condition in Part II of the Plan, as amended from time to time) subject, however, to the provisions of Article 6 of the Residential By-Laws which provide, among other things, that no use shall be allowed in the Residential Units which interferes with the peaceful possession and proper use of the Residential Units by its occupants. The Storage Bins will be located on the Cellar Level, subject to the right of Sponsor to create new/additional Storage Bins.

Sponsor makes no representation whatsoever with respect to the uses to which all or any portion of the Retail Units or any public spaces within the Building may be put at any time; nor does Sponsor make any representation with respect to the identity of the owners or users or future owners or users of any of such Units at any time. The Condominium’s board of managers (the “Board”) will have no right to restrict or limit any of the uses of, or alterations in or to, the Retail Units (including the portions thereof facing the street or public area) which are permitted by law and applicable zoning ordinances, except as otherwise set forth in the Declaration and the By-Laws.

Subject to compliance with the Pacific Park Project Documents, all Legal Requirements, including, without limitation, the Certificate of Occupancy for such Unit and any applicable zoning regulations, and except as otherwise provided herein and in the By-Laws, each Retail Unit may be used and operated for any legally permitted purpose.

The Board does not have the right to approve or disapprove Purchasers. Subject to certain exceptions, any sale or lease of a Residential Unit will be subject to a right by the Board to acquire or lease such Residential Unit, as the case may be, on the same terms as were offered by such Residential Unit Owner to the potential purchaser or lessee thereof. This right of first refusal in favor of the Board is not applicable to a sale or lease of the Unsold Residential Units. It is also not applicable to any sale of a Retail Unit. For a more complete discussion of the foregoing, see the Section entitled “Rights and Obligations of the Residential Unit Owners and the Board” in Part I of the Plan.

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

Each Unit Owner must pay Common Charges to cover the costs of operation and maintenance of the Condominium in accordance with Sections 339(i)(1)(iv) and 339(m) of the New York Condominium Act. The costs of operation and maintenance of the Condominium, including both those directly attributable to the Units and an allocated share of expenses attributable to the Condominium as a whole (such as expenses for insurance, repairs and maintenance of the Common Elements and various service contracts), will generally be borne by

the Residential Unit Owners in proportion to their respective Common Interests. The Retail Unit Owners, who will receive in certain instances greater or fewer services from the Condominium, will bear an allocated share of the expenses of the Condominium, all as described in Schedule A and Schedule B – “Projected Budget for First Year of Condominium Operation” of the Plan and Article 5 of the By-Laws. The estimated Common Charges for each Unit for the projected First Year of Condominium are set forth in Schedule A.

Operation of the Condominium will be vested in the Board, consisting of seven members elected and/or designated as follows: four members elected by the Residential Unit Owners (including Sponsor), subject to Sponsor’s right to designate members as more fully set forth in the Section of the Plan entitled “Control by Sponsor”, and one member designated by each of the Retail Unit Owners (for a total of three members), all as described in the Plan and the By-Laws. As more particularly set forth in the By-Laws, the Board will determine the amounts of Common Expenses, the allocation of Common Expenses among the Residential Units and Retail Units, and will assess Unit Owners for Common Charges accordingly.

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

As set forth in the Rules and Regulations to the By-Laws, to promote a consistent appearance of the Building from the outside, each Residential Unit Owner will be required to install and maintain window treatments having a neutral-colored backing on the sides facing the windows in its Unit, which window treatments and backings must conform to any specifications (including a new color) established from time to time by the Board.

Residential Unit Owners must obtain the consent of the Board before altering their Units in any way, subject to the further applicable provisions of the By-Laws. The rights of the Retail Unit Owners to decorate or alter their Units are provided in the Declaration and By-Laws and in any event are subject to the Pacific Park Project Documents and applicable Legal Requirements.

Each Unit Owner may mortgage his or her Unit with such lender and in such amount as he or she chooses, provided only that the Unit Owner satisfies all unpaid liens (other than any other permitted mortgages) against his or her Unit prior to making such mortgage. Each Unit is separate and is not subject to the lien of any mortgage placed by other Unit Owners on their respective Units.

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

In the opinion of Kramer Levin Naftalis & Frankel LLP, Sponsor’s Counsel, an individual Residential Unit Owner who is a resident of New York City for tax purposes and who

itemizes his or her deductions generally will, under the income tax laws and regulations in effect as of the date of this Plan and subject to certain limitations and qualifications, be entitled to deduct from his or her Federal, New York State and New York City income:

(a) the state and local real property taxes assessed against his or her Residential Unit and paid by such Residential Unit Owner; and

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

Sponsor’s Counsel expresses no opinion regarding any deductions with respect to Storage Bin Licenses or the Retail Units. Prospective Purchasers should refer to the Section entitled “Income Tax Deductions to Unit Owners and Tax Status of Condominium” below, as well as to “Sponsor’s Counsel’s Income Tax Opinion” reproduced in the Section entitled “Opinions of Counsel” below for a more complete discussion.

The Board will be responsible for maintaining casualty insurance, with respect to the entire Building (including each Unit but excluding fixtures, furniture, furnishings, improvements, decorations, appliances within a Unit and other personal property not constituting part of the Unit), together with all service machinery contained therein, as well as liability insurance covering the Building (excluding occurrences in or about each Unit or the Limited Common Elements, if any, exclusive or appurtenant thereto) in accordance with the provisions of the By-Laws. See the Section entitled “Rights and Obligations of the Unit Owners and the Board” in Part I for a more complete discussion. The Board is not required to obtain or maintain any insurance with respect to any property contained in any Unit or any liability with respect to occurrences in or about each Unit or the Common Elements appurtenant thereto. Consequently, all Unit Owners are required to obtain and maintain (a) a personal liability policy if such Unit Owner is an individual, or (ii) commercial general liability insurance if such Unit Owner is a corporate entity, against claims for personal injury, death or property damage occurring in, on or about such Unit Owner’s Unit or the Common Elements, if any, exclusive and/or appurtenant to his or her Unit affording protection of at least \$1,000,000 per occurrence, plus at least \$4,000,000 umbrella liability coverage. Further requirements with respect to such insurance are more particularly set forth in the By-Laws. In addition, all Unit Owners are required to obtain property and casualty insurance with respect to the fixtures, furniture, improvements, furnishings and other personal property located within their respective Units. Purchasers are also advised that the insurance policies to be maintained by or on behalf of the Board will be on a “replacement cost” basis and will not cover losses to the extent that “market value” of a Unit may exceed its insured replacement cost.

Residential Unit Owners are advised that the prevention of the growth of mold in a Residential Unit is the responsibility of each Residential Unit Owner. Residential home construction is not, and cannot be, designed to exclude mold spores. Whether a Residential Unit Owner experiences mold growth depends largely on how such Residential Unit Owner manages and maintains his/her Residential Unit. Residential Unit Owners will need to take actions to prevent conditions which cause the mold or mildew, and it is the responsibility of each Residential Unit Owner to ensure that he/she has taken the necessary precautions to prevent mold from becoming a problem in such Residential Unit Owner’s Residential Unit. Sponsor will not

be liable for any actual, special, incidental or consequential damages based on any legal theory whatsoever, including, but not limited to, strict liability, breach of express or implied warranty, negligence or any other legal theory with respect to the presence and/or existence of molds, mildew and/or microscopic spores unless caused by the gross negligence or willful misconduct of Sponsor.

4. Offering of Units for Sale

Sponsor hereby offers the 278 Residential Units for sale under the Plan. The Retail Units are not being offered for sale hereunder as of the date of filing of this Plan; however, Sponsor reserves the right to amend the Plan to offer for sale of the Retail Units. No representation or warranty is made as to who subsequent owner(s) or tenant(s) of the Retail Units may be at any time or the uses to which such Unit(s) may be put at any time in the future; and no income derived from any use of the Retail Units will constitute income to the Board or Unit Owners. Sponsor reserves the right to seek a “no-action” letter from the New York State Department of Law to the effect that an offering plan and/or plan amendment is not applicable to, among other things, the initial submission of the Land and Building to condominium ownership and to the sale of one or more Retail Units. In the event Sponsor applies for and receive such a no-action ruling from the Department of Law, Sponsor may, prior to the First Closing, file a declaration in the City Register’s Office constituting the Condominium and one or more of the Retail Units may be sold to a third-party.

There are no limitations on who may purchase such offered Units. However, Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without the consent of the Board, any Unit Owner or mortgagee, to refuse to approve and execute an Agreement for any Unit; provided, however, that Sponsor shall not discriminate against any person because of race, creed, color, gender, sexual orientation, disability, age, marital status or national origin, or as otherwise prohibited by applicable Legal Requirements.

The initial prices for the Units offered under the Plan are listed on Schedule A – “Purchase Prices and Related Information” for January 1, 2017 to December 31, 2017, the Projected First Year of Condominium Operation. THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

Sponsor will endeavor in good faith to sell, but nevertheless reserves the unconditional right, to rent or lease, rather than sell, the Units offered hereunder after consummation of the Plan. As a result, Purchaser may be acquiring a Unit that has been previously occupied, but, unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Unit will be delivered at closing free and clear of all leases and tenancies. In addition, there is no commitment to sell more Units than the 15% of such Units (i.e., 42 Residential Units) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the condominium.

By or soon after the filing of the Plan, Sponsor anticipates obtaining a Construction Loan with HSBC Bank USA, National Associate, as agent for lenders. The Construction Loan may include additional restrictions or requirements with respect to Sponsor’s

ability to rent or sell Residential Units, and in such event, the Plan will be amended to disclose same.

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

The estimated Common Charges for each Unit for the projected First Year of Condominium Operation are also set forth in said Schedule A. In addition to the payment of Common Charges, each Unit Owner will be responsible for the payment of the real estate taxes which will be separately assessed against such Unit (although the By-Laws provide for a limited period of time following the recording of the Declaration when the Units may not be separately assessed), and interest and amortization payments on the mortgage, if any, which such Purchaser may obtain. (See Schedule A and the Section of the Plan entitled “Description of Property and Improvements” in Part I of this Plan).

Schedule A sets forth an estimate for the amount of real estate taxes which will be payable with respect to each Unit during the fiscal year from January 1, 2017 to December 31, 2017.

The Purchase Price for a Residential Unit includes only such equipment and fixtures as are set forth within respect to such Residential Unit in the “Description of Property and Building Condition” in Part II of the Plan.

5. Offering of Storage Bin Licenses

Sponsor hereby offers Purchasers the opportunity to purchase the rights to one of the 102 Storage Bins pursuant to a license agreement (each such license being a “Storage Bin License,” and each such license agreement being a “Storage Bin License Agreement.”) The form of the Storage Bin License Agreement to be used for licensing the use of such Storage Bins to individual Unit Owners is included in Part II of this Plan. The Storage Bins will range in size from approximately 25 square feet to 60 square feet.

The price for each Storage Bin License is listed on Schedule A in Part I of the Plan. THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

Sponsor reserves the right to offer as many Storage Bin Licenses as it determines in its sole discretion. Sponsor shall offer the Storage Bin Licenses to Purchasers of Residential Units on a first-come, first-served basis until such time as all of the Storage Bin Licenses have been purchased. Sponsor reserves the right to limit the number of Storage Bin Licenses sold to any one Purchaser or to make bulk sales, as it as it determines in its sole discretion. Storage Bin Licenses will only be sold by Sponsor to Purchasers of Residential Units. Prospective Purchasers will be required to deliver a deposit in the amount of 15% of the purchase price of the Storage Bin License upon execution of an Agreement as set forth in the Storage Bin License rider to the form of Agreement included in Part II of this Plan.

At or prior to delivery of the Storage Bin License to a Purchaser, Sponsor hereby reserves the right, with or without prior notice to such Purchaser, to substitute the Storage Bin designated in such Purchaser's Agreement (the "Original Storage Bin") or in the Storage Bin Rider therefor for an alternate Storage Bin (the "Substituted Storage Bin"), provided that such Substituted Storage Bin is equally sized or larger than the Original Storage Bin and provided further that any monthly license fees payable by such Purchaser to the Condominium in connection with such Substituted Storage Bin are comparable per square foot to those payable in connection with the Original Storage Bin. Any exercise of Sponsor's rights to designate a Substituted Storage Bin shall not result in an increased deposit or purchase price due for such Storage Bin License under the Agreement and shall not afford a Purchaser any abatement in purchase price or excuse a Purchaser from its obligations under its Agreement.

The Storage Bins may only be licensed to a Residential Unit Owner, except with respect to Sponsor or any holder of Unsold Residential Units. An owner of a Storage Bin License is free to sell such license to another Residential Unit Owner pursuant to the form of Assignment and Assumption of License set forth herein. The form of Storage Bin License to be used for licensing the use of such Storage Bins to individual Residential Unit Owners is set forth in Part II of the Plan. If at any time the licensee of a Storage Bin sells its Residential Unit, it shall simultaneously assign its license of the Storage Bin to the purchaser of such Residential Unit or to another owner of a Residential Unit, failing which, the Board shall have the right to terminate the license of the Storage Bin and take possession of the same, without compensation to the licensee.

Upon the issuance of a Storage Bin License to a Unit Owner or the transfer of a Storage Bin License to an assignee, such Unit Owner or assignee, as the case may be, shall provide the Managing Agent with a copy of the Storage Bin License Agreement.

Holders of Storage Bin Licenses, excluding Sponsor with respect to unsold Storage Bin Licenses, will be required to pay a license maintenance fee to the Condominium in an amount equal to \$.50 per month per square foot of such Storage Bin, which amount shall, following the First Closing, be subject to annual increases based upon the percentage increase of the Common Charges over such time. Further, the license fee is subject to change from time to time as the Board deems necessary in its discretion.

(See Section 16.10 of the By-Laws for further provisions with respect to Storage Bin Licenses and use of Storage Bins.)

6. Retail Units Not Offered For Sale Hereunder

The Retail Units are not presently being offered for sale hereunder. Sponsor will not be permitted to sell the Retail Units to the general public without either amending the Plan, filing a separate offering plan for such Units, or having received a no-action letter from the Department of Law in respect of such Units.

7. Certain Definitions

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

Agreement: The option agreement to purchase a Residential Unit pursuant to the Plan, the form of which is set forth as Exhibit 1 in Part II of the Plan. The Purchase Price for a Residential Unit includes only such equipment and fixtures as are set forth within respect to such Residential Unit in the "Description of Property and Building Condition" in Part II of the Plan.

Bicycle Storage: That certain space located on the Cellar Floor sufficient to store approximately 154 bicycles. Storage slots in the Bicycle Room will be made available in accordance with such terms and conditions as the Board shall establish from time to time, which may include the payment of a monthly license fee.

Board: The board of managers of the Condominium, also sometimes referred to as the "Condominium Board" and/or the "Board of Managers."

Building: The improvements located on the Land and commonly known as 550 Vanderbilt Condominium, Brooklyn, New York.

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

City Register's Office: Office of the City Register of The City of New York

Common Charges: Assessments payable to the Board by Unit Owners for the purpose of meeting Common Expenses. Generally, Unit Owners will pay Common Charges based on their proportionate share (among all Unit Owners) of Common Expenses. Common Charges also includes specific amounts assessed against individual Unit Owners in connection with maintenance expense of terrace areas appurtenant to Units owned by such Unit Owners.

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

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

Common Interest: The proportionate undivided interest in fee simple absolute in the Common Elements appertaining to each Unit, expressed as a numerical percentage and determined in accordance with the Declaration. The total Common Interest appertaining to all Units equals 100%. As described more fully in the By-Laws, generally, the Common Interest is

the basis of determining, among other things, a Unit Owner's voting power and general liability for a share of the Common Expenses.

Condominium: 550 Vanderbilt Condominium.

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

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

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

Family Member: A spouse, domestic partner, child, parent or adult sibling of a Residential Unit Owner, or a trust for the benefit of any one or more of the foregoing and/or one or more minor children of any of the foregoing.

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

First Year of Condominium Operation. The 12 month period commencing on the date of the First Closing, currently anticipated to be the period from January 1, 2017 through December 31, 2017.

Fitness Center: That certain fitness center located on the Cellar Floor of the Building as shown on the Floor Plans.

Floor Plans: The floor plans of the Building which will be filed with, and approved by, the Tax Map Unit, Land Records Division of The City of New York and the City Register's Office at the time the Declaration is recorded. The Floor Plans will show the locations of the Units and the Common Elements in the Building.

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

Land: The land situated at the northwest corner of Dean Street and Vanderbilt Avenue and known by the street address of 550 Vanderbilt Condominium, Brooklyn, New York 11238, as further and more particularly described in the Declaration.

Laundry Room: That certain laundry room located on the Cellar Floor of the Building as shown on the Floor Plans.

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

Managing Agent: The managing agent of the Condominium from time to time. It is anticipated that the Managing Agent will initially be FirstService Residential New York Inc., with its principal office address being 622 Third Avenue, New York, New York, pursuant to a management agreement, as more fully described in the Section entitled "Management Agreement" in Part I of the Plan.

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

Pacific Park Project Documents: The documents which establish certain rights and responsibilities for the parcels constituting Pacific Park Brooklyn, including the Condominium, which consist of the Modified General Project Plan, as amended, the Design Guidelines, the Development Agreement with the New York State Urban Development Corporation d/b/a Empire State Development, and the Park Restrictive Dec.

Park Restrictive Dec. The document, as amended from time to time, which establishes the rights and obligations of each parcel with respect to the improvement, planning, operation, maintenance and administration of the Open Space, which will be recorded by New York State Urban Development Corporation d/b/a Empire State Development (ESD), as Declarant, in the City Register's Office against all of the Pacific Park Brooklyn properties except the Arena but including the Open Space. All present and future owners, tenants and occupants of all or any portion of a Development Site will be subject to, and be required to comply with the applicable provisions of, the Park Restrictive Dec.

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

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

Permitted Mortgagee. The holder of a Permitted Mortgage as more fully described in the By-Laws.

Plans and Specifications: The plans and specifications for Sponsor's construction work at the Building which (to the extent required by applicable Legal Requirements) have been or will be filed with the Department of Buildings and which may, from time to time, hereafter be amended in accordance with the provisions of the Plan.

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

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

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

Residential Limited Common Elements: Those Common Elements which serve or benefit exclusively one Residential Unit or Residential Unit Owner as more particularly described in the Declaration. The Residential Limited Common Elements include, without limitation, any Terrace either appurtenant or designated to any Residential Unit (although the benefitted Residential Unit Owner shall have the responsibilities with respect thereto as are set forth in the By-Laws).

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

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

Retail Units: The Units designated as Retail Unit 1, Retail Unit 2, and Retail Unit 3 in the Declaration, as the same may be subdivided or combined in accordance with the Declaration and By-Laws, as applicable.

Rules and Regulations: The rules and regulations of the Condominium made in accordance with the By-Laws and attached thereto as Exhibit A, as the same may be amended from time to time in accordance with the applicable provisions of the By-Laws.

Sales Office: The sales office for the Condominium, at a location to be designated by the Selling Agent from time to time.

Selling Agent: It is anticipated that the selling agent for the Plan will initially be Corcoran Sunshine Marketing Group, Inc., with an office located at 888 Seventh Avenue, New York, New York 10106.

Sponsor; Sponsor or its designee; or similar phrases: Pacific Park 550 Vanderbilt, LLC, and its successor and assigns, as well as any Person(s) designated by Pacific Park 550 Vanderbilt, LLC, in writing to the Board, or by amendment to the Offering Plan, or pursuant to an express provision of the Condominium Documents, to retain the rights of a sponsor under the Offering Plan and the Condominium Documents.

Sponsor Control Period: The period ending upon the closing of title to Residential Units representing more than 90%, both in number and in aggregate Common Interests, of all Residential Units. As Sponsor has the unconditional right to rent or lease the Units, there is no commitment to sell more Units than the 15 percent of Units (i.e., 42 Residential Units) necessary to declare the Plan effective, and as such, the Sponsor Control Period may

never conclude and owner-occupants may never gain effective control and management of the Condominium.

Sponsor's Office: The office of Sponsor located at c/o Greenland Forest City Partners, 23rd Floor, Brooklyn, New York 11201, or any other office regularly maintained by Sponsor in the City of New York.

Storage Bin: One of 102 Storage Bins located in the Cellar Floor, which will be made available for the exclusive use of certain of the Unit Owners pursuant to Storage Bin License Agreements offered for sale hereunder by Sponsor, and which constitute Residential Common Elements.

Terrace: Any of the terraces or balconies appurtenant to a Unit as shown on the Floor Plans, which Terraces are Residential Limited Common Elements. Terraces will be equipped with water and electrical service, and in certain instances Terraces will also be equipped with gas.

Title Company: New York Land Services, with an address at 630 Third Avenue, 12th Floor, New York, New York 10017, (212) 490-2277, or such other title insurance company licensed to do business in New York and designated by Sponsor in an amendment to this Plan. Purchasers may obtain title insurance from the Title Company or, without incurring additional fees from Sponsor, from any other title company of Purchaser's choosing.

Unit: Any space designated as a Unit in the Declaration. All or any of such Units are collectively referred to as the "Units."

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

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

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

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

B. DESCRIPTION OF THE PROPERTY AND IMPROVEMENTS

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

1. The Building

The Building is located on the Land, situated on the northwest corner of Dean Street and Vanderbilt Avenue, comprised of Lots 43, 44, 45, 46, 49, 50 and part of Lot 54 in Block 1129, and a portion of the southerly half of Pacific Street between Carlton and Vanderbilt Avenues, on the Tax Map of the City of New York, known by the street address of 550 Vanderbilt Avenue, Brooklyn, New York. Prior to the First Residential Closing, the foregoing will be merged into a single new Lot.

The Building will be comprised of a 18 story structure above grade with one cellar level below grade. The Condominium will be new construction.

The Building will initially contain 278 Residential Units, three Retail Units and 102 Storage Bins.

CookFox Architects, LLP, 641 Avenue of the Americas, New York, NY 10011, is the architect engaged by Sponsor to construct the Project. Cosentini Associates, Two Pennsylvania Plaza, Third Floor, New York, New York, 10121 is the mechanical and electrical engineer for the Project. (See the Section entitled "Identity of Parties" in Part I of the Plan) The Plans and Specifications for the Building have been prepared by CookFox Architects, LLP, in consultation with such other professionals.

Sponsor's construction at the Building, including the individual Units, will be completed in accordance with the Plans and Specifications, and otherwise in accordance with the Zoning Resolution, the Building Code of The City of New York and all other applicable Legal Requirements. However, Sponsor reserves the right to amend or modify, in any way, the Plans and Specifications (including, without limitation, changing materials, appliances, equipment, fixtures and other construction details) and substitute in place of any materials, appliances, equipment and fixtures set forth therein or in Exhibit 4 in Part II of the Plan, items of substantially equal or better quality, provided, however, that any material change shall be set forth in an amendment to the Plan, that any necessary approval of any governmental authority having jurisdiction is first obtained, and that no such amendments, modifications or substitutions may be made if the same would materially adversely affect any Purchaser under an Agreement which has been countersigned by Sponsor and returned to the Purchaser unless the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists), and in such event, Sponsor will, in the amendment disclosing such change and delivered to the Purchasers, offer any materially adversely affected

Purchaser(s) the right, for at least 15 days, to rescind their Agreements and receive a refund of their Deposit, together with all interest earned thereon. (Any such changes that are not both material and adverse will not give rise to a right of rescission.)

The location in the Building, and the size, layout and approximate square footages of the Residential Units are shown on the Floor Plans duplicated in Exhibit 5 of Part II of the Plan. Such Floor Plans are subject to the rights of Sponsor or its designee to combine two or more Unsold Residential Units, to add additional Residential Units by subdividing Unsold Residential Units or to change the number of rooms in, as well as the size, layout and square foot area of, any Unsold Residential Units, as further described in the Sections entitled "Changes in Prices, Residential Units and Storage Bin Licenses" and "Rights and Obligations of Sponsor" in Part I of the Plan, provided, however, that any material change shall be set forth in an amendment to the Plan, and no material adverse change will be made in the size (i.e., decrease), configuration or layout of a Residential Unit for which an Agreement which has been countersigned by Sponsor and returned to the Purchaser unless the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where, in the exercise of sound construction management practices, no practicable alternative exists), and in such event, Sponsor will, in the amendment disclosing such change and delivered to the Purchasers, offer the materially adversely affected Purchaser(s) the right, for at least 15 days, to rescind their Agreements and receive a refund of their Deposit, together with all interest earned thereon. There is a rebuttable presumption that a Unit size that is diminished by 5% or less is not material.

Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset or reduction in the Purchase Price for his or her Residential Unit or otherwise be relieved of any obligations under the Agreement, by virtue of a minor inaccuracy or error in the floor plans. With regard to size, such minor error would mean a decrease of 5% or less or any increase in the size of any Residential Unit or room contained in a Residential Unit.

The Building incorporates mechanical equipment designed to provide for the physical comfort and convenience of the Building's occupants. During normal operation of this equipment, some occupants of Units adjacent to or in the vicinity of the equipment floors and equipment areas of the Building may perceive noise and/or vibration from the equipment. The sole obligation of Sponsor and the Board with respect to such noise and/or vibration shall be to install and operate such equipment in a manner consistent with commercially reasonable practices in typical luxury residential buildings and in compliance with applicable Legal Requirements, including the New York City Building Code.

Based upon Sponsor's construction schedule anticipated as of the initial filing date of this Plan, Sponsor contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, governmental restrictions, acts of god or other events beyond its reasonable control, Sponsor's construction work at the Building will be sufficiently completed to permit closings of title to Units to begin on or about January 1, 2017. Prospective Purchasers should note, however, that the Units will be completed at differing times

over a period that may begin prior to and/or extend significantly beyond such date. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the Purchase Price for his or her Unit or otherwise be relieved from any obligations under the Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Unit is accelerated, delayed or postponed by Sponsor, provided, however, that in the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections and if: (i) the amended budget exceeds the projected budget set forth herein by 25% or more; or (ii) the First Closing does not occur within 12 months after the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation (being the date set forth in the Plan at the time a Purchaser executes an Agreement, presently projected to be January 1, 2017), then in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements within not less than 15 days after the presentation date of the amendment containing such revised budget or after such 12 month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Deposit and any interest accrued thereon returned. Purchasers' rights as described in the preceding sentence are in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. As set forth in the Section of this Plan entitled "Effective Date," no closing of title to any Unit will take place prior to the Plan being declared effective.

2. Residential Units

There will initially be a total of 278 Residential Units located on portions of the Ground Floor and the 2nd Floor through the PH Floor. The numbering of Residential Units in the Plan, including the Floor Plans and Description of Property and Building Conditions in Part II hereof, reflects marketing designations which may differ from the numbering in the Plans and Specifications on file with the DOB. The Residential Units vary in size, including studios with approximately 416 square feet to four-bedroom apartments with approximately 2,969 square feet. It is anticipated that one Residential Unit, presently designated as Unit 101, subject to Sponsor's right of substitution hereunder, will be used as the Resident Manager's Unit. Detailed descriptions of the Units are set forth in the Declaration and in Exhibit 4 in Part II of the Plan. Exhibit 4 also includes a detailed description of the fixtures, finishes, appliances and equipment included in each Unit.

The approximate floor area of each Unit has been measured horizontally with respect to Units from the outside face of the exterior walls of the Building to (a) the center line of the drywall or masonry partitions separating one Unit from another Unit, (b) the corridor side of any corridor walls, (c) the external stair side of the drywall or masonry partitions enclosing any common element stairs, and (d) the external side of any common element shafts, elevators and other mechanical equipment spaces or common elements. Each Unit is measured vertically from the top of the concrete floor to the underside of the concrete slab. However, any Common Elements located within a Unit shall not be considered a part of such Unit but are included in the measured area of each Unit. Each of the Units have been measured in the manner as set forth

more particularly in the Declaration, and as is currently customary in New York, these square foot area for each Unit exceeds the useable floor areas for each such Unit

Outdoor floor areas of Terraces or other outdoor areas, if any, appurtenant to a Unit were not included in the Unit's approximate floor areas. Terraces are measured horizontally from the outside face of exterior wall to the outside face of parapet. Where two Terraces abut, the measurement is taken to the centerline of the divider screen.

The square foot areas determined using the methodology set forth above, as shown in Schedule A in Part I of the Plan, would be different from that derived by using an alternative methodology of measuring from interior surfaces to interior surfaces (which would yield significantly less actual useable floor area for each Unit). The room count for each Residential Unit was determined by Sponsor's architect in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York.

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

3. Retail Units

The Retail Units will be located on the Ground Floor with entrance adjacent to Dean Street, Vanderbilt Avenue, and the de-mapped Pacific Street. It is currently anticipated that the Retail Units will initially be used for retail purposes (and ancillary uses). The Retail Units may be used for any legal purpose, in compliance with the applicable zoning ordinances and the Pacific Park Project Documents, and the Board will have no right to restrict or limit any of the uses of the Retail Units which are permitted thereunder, except as may otherwise be set forth in the By-Laws and Declaration. No representation or warranty is made with respect to such initial or any subsequent uses of such Retail Units or with respect to who the owner or tenant(s) of the Retail Units may be at any time.

No income derived from any use of such Retail Units will constitute income to any Board or any Unit Owner (except as may be expressly provided in the By-Laws or to the contrary or pursuant to separate written agreement by or among the applicable parties). In addition, subject to all applicable zoning regulations and the Declaration and By-Laws, the Retail Units may be sold, leased or subleased by the Unit Owners thereof, or subdivided by such Unit Owners into two or more separate units and such subdivided units sold or leased.

4. Storage Bins

As indicated on the Floor Plans, there will be a total of 102 Storage Bins in the Condominium, located at the Cellar Floor of the Building, ranging in size from approximately 25 square feet to 60 square feet. The Storage Bins will include factory painted wire mesh cages and

doors. Storage Bins are measured from the outside of the wire mesh to outside of wire mesh, and where a Storage Bin abuts a wall, to the face of the demising wall.

The Storage Bins are Residential Common Elements and will be licensed to individual Residential Unit Owners by Sponsor in its sole discretion. Sponsor (or its designee), in its own name or in the name of the Board, shall have the exclusive right to initially issue Residential Storage Bin licenses for Residential Storage Bins and to retain the proceeds thereof. Storage Bins may not be licensed to any person, party or entity which is not a Residential Unit Owner (provided that such restriction shall not apply to Sponsor or its designees, or to the Board or its designees).

The Storage Bins may only be used for storage purposes, and in no event may be used as a dwelling space or for the storage of toxic or inflammable items or Combustibles (as such term is defined in the New York City Building Code). No materials which pose a health or safety threat or which otherwise create a nuisance may be stored in the Storage Bins. To do so may result in a violation placed against the Building by the Department of Buildings that will be the obligation of the licensee to remove. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use without charge any Unlicensed Storage Bins for any lawful purpose or to change the permitted use of any Unlicensed Storage Bins, subject, however, to the provisions of Article 6 of the By-Laws which provide, among other things, that no use shall be allowed in the Condominium which interferes with the peaceful possession and proper use of the Condominium by its occupants.

Each licensee shall be liable for all damage arising out of such licensee's use or misuse of its Storage Bin. Neither the Sponsor, nor its respective agents or employees shall be liable for any theft or damage to any property stored in the Storage Bins. Each licensee shall indemnify and hold Sponsor and its respective directors, officers, partners, parent and subsidiary and affiliated companies, agents and employees, harmless from and against any and all liabilities, claims, causes of action, damages, lawsuits, penalties, judgments, and liens, together with any related costs and expenses, including but not limited to reasonable legal fees, asserted against or sustained by any of them in connection with any act, omission, or negligence of a licensee or a licensee's family, servants, employees, agents, guests and invitees in connection with the purchase of a Storage License.

To help protect the security of the Building, the holder of a Storage Bin License (other than Sponsor) must at all times be a Residential Unit Owner; provided, however, that the foregoing restriction shall not apply: (i) to Sponsor or its designee; or (ii) to the Board or its designees. If at any time the licensee of a Storage Bin sells its Unit, it shall simultaneously assign its license of the Storage Bin to another Residential Unit Owner (or the Purchaser of such Unit), and if it fails to do so, the Board shall have the right to terminate the license of the Storage Bin and take possession of the same, without compensation to the licensee. If the Board terminates a Storage Bin License (pursuant to the above) or a Residential Unit Owner surrenders a Storage Bin License without assigning such license to another Residential Unit Owner, the Board shall have the right to issue a new Storage Bin License for the corresponding Storage Bin upon terms and conditions determined in its sole discretion.

5. Terraces

As indicated on the Floor Plans set forth in Part II of the Plan, Terraces are appurtenant to certain Residential Units in the Building, and are Residential Limited Common Elements available to the exclusive use of the Unit Owner of the Unit to which such Terraces are appurtenant, subject to and in accordance with the Declaration, By-Laws and the Rules and Regulations. Each Residential Unit Owner shall be responsible for all ordinary maintenance and cleaning of each Terrace appurtenant to its Unit, subject to the rights of the Boards to regulate its use, and to enter the Residential Unit to access the Terrace and to access any Limited Common Elements for maintenance, repair and replacement and other uses (including, without limitation, to access any Building mechanical equipment or other Common Elements located on any roof setback adjacent to any Terrace, or to use any Terrace as a platform for window washing equipment). Sponsor is not responsible for, can make no guarantees regarding and shall have no liability to Residential Unit Owners with respect to, the level of noise or vibrations or odors resulting from the operation of the Building or the Units or the degree of privacy which will be afforded to Unit Owners on their Terraces. The costs and expenses of any repairs or replacements to a Terrace, structural or otherwise (unless caused by or attributable to the Residential Unit Owner), shall be charged to all Residential Unit Owners as a Common Expense.

The Board shall have the right to require a Residential Unit Owner to remove plantings, roof surfaces and other installations which have been placed on the Terraces if the Board determines, in its sole discretion, that such plantings or other installations may adversely affect the integrity of the Building or is otherwise unsafe. In addition, the Board shall have the right, in connection with any repair or maintenance work in the Building, to erect scaffolding temporarily on, upon or over any Terrace. In no event shall any Unit Owner of a Unit having a Terrace be permitted to enclose or erect any structure on such Terrace. The Board may establish such other rules and regulations it deems necessary to protect the Common Elements and the Units and to ensure the integrity of the Building and the health and safety of the occupants.

Moreover, Terraces and any other areas that are exposed to the elements must be kept free of snow, ice and accumulation of water to the extent failure to do so could cause damage to the Building and/or other Units therein. In the event a Residential Unit Owner fails to comply with any of its maintenance obligations, the Board may, at the expense of the Unit Owner and without liability to the Board, enter the Unit and perform such acts as are necessary to cure the Unit Owner's default.

6. Common Elements

As is set forth in more detail in the Declaration, the Common Elements consist of the Land, together with all easements, rights and privileges appurtenant thereto (except as otherwise expressly provided in the Declaration), and all parts of the Building, other than the Units themselves, including, generally foundations, exterior walls, roofs and supports of the Building and all other parts of the Building and all apparatus, installations, systems, equipment and facilities therein for the common use of the Units and Unit Owners or which are necessary or convenient for the existence, maintenance or safety of the Property. The Common Elements are divided into the following separate categories: (i) the General Common Elements, which are, generally, those Common Elements which serve or benefit all the Units or Unit Owners; (ii) the

Residential Common Elements, which are, generally, those Common Elements which serve or benefit exclusively all or a combination of the Residential Units or Residential Unit Owners; and (iii) the Residential Limited Common Elements, which are generally those Common Elements which serve or benefit exclusively one Residential Unit or Residential Unit Owner. The Common Elements cannot be divided or partitioned, except as provided in the New York Condominium Act. A Unit Owner's interest in the Common Elements shall not be separated from the Unit to which it appertains.

For a detailed description of the Common Elements, see Article 7 of the Declaration (Exhibit 6 in Part II of the Plan) and the Description of Property and Specifications (Exhibit 4 in Part II of the Plan).

7. Available Services and Facilities

The available services and facilities are described below in the Section entitled "Building Standard Services and Facilities". The Board shall at all times maintain, operate and staff the Building in compliance with, and subject to, all applicable Legal Requirements.

- a. Building Standard Services and Facilities:**
- (i) Lobby Attendant/Concierge. The residential lobby area will be staffed 24 hours per day, seven days per week.
 - (ii) Elevator Service. The three passenger elevators servicing the Cellar through PH Floors will be automatically operated and therefore will be in service as necessary, 24 hours per day, seven days per week. A fourth elevator servicing the Cellar through PH Floors will serve as a combination passenger/service elevator, available for residential move-in, move-outs and deliveries to be scheduled by prior arrangement with the Managing Agent, subject to such policies established by the Board governing such use. In addition, a service elevator will operate between the Ground and Cellar Floors.
 - (iii) Communications Facilities. Each Unit will be equipped with an intercom system that utilizes a Residential Unit's telephone to communicate with the concierge desk.
 - (iv) Cable Television. Cable television service will be available for all Residential Units. All charges for cable television service (including installation and subscription charges for individual Residential Units) will be paid by each Residential Unit Owner who subscribes directly with the cable television service provider.
 - (v) Mail. All incoming mail will be delivered by the United States Postal Service to locked mail boxes located in the Ground Floor lobby.
 - (vi) Maintenance Personnel. Building maintenance personnel will include a Resident Manager and porters as may be necessary for the proper maintenance and cleaning of the common areas.

- (vii) Refuse Disposal. There will be recycling bins and a refuse chute located on each residential floor. Each chute will lead directly to a compactor at the Cellar Floor. Building staff will transfer compressed refuse to the sidewalk as needed pending collection by the City of New York Department of Sanitation. Recycling bins on each residential floor will be emptied as necessary by Building staff.
- (viii) Other Service Contracts. Certain additional services covered by third-party contracts, such as elevator maintenance are included in Building standard services.
- (ix) Carbon Monoxide Detectors. Each Unit will contain a combination smoke/carbon monoxide detector.
- (x) Laundry Room. A laundry room will be located on the Cellar Floor, to be equipped and operated by an outside vendor. It is anticipated that the Laundry Room will contain five washing machines and five dryers available on a pay-per-use basis. Each Residential Unit will also contain a washing machine and dryer. (See Exhibit 4 in Part II of the Plan for further details.)
- (xi) Fitness Center. The fitness center, including two studio spaces, will be available for the exclusive use of residents and occupants of the Residential Units. As of the filing of the Plan, it is anticipated that the Fitness Center will include various exercise equipment. Restrooms will be located on the Cellar Floor.
- (xii) Pet Grooming Station. A space for washing and grooming pets will be located on the Ground Floor. Use of the Pet Grooming Station will be subject to such rules and regulations as the Board shall determine from time to time.
- (xiii) Bicycle Storage. A bicycle storage room with room for approximately 154 bicycles will be located on the Cellar Floor. Storage space in the Bicycle Storage room will be made available in accordance with such terms and conditions as the Board shall establish from time to time, which may include the payment of a monthly license fee. One of the bicycle spaces is reserved for use by the Retail Unit Owners in accordance with the Zoning Resolution.
- (xiv) Lounge and Conference Area. A multi-purpose lounge with kitchen will be located on the Ground Floor.
- (xv) Library. A space designated as "library" will be located on the Ground Floor.
- (xvi) Roof Deck. A landscaped roof deck with gas grills will be accessible on the 8th Floor.
- (xvii) Emergency Generator. A gas-operated emergency generator will be located on the Roof of the Building. The Emergency Generator will provide power to life-safety systems.

b. General Provisions Concerning Services and Facilities

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

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

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

Although Sponsor anticipates that many of the services described above will be available at the time of the First Closing, prospective Purchasers should note that some of these services may not be available until 18 months after the First Closing (specifically, full staffing, the Fitness Center, Laundry Room, Pet Grooming Space, Lounge, Library and Roof Deck). However, it is anticipated that at all times after the First Closing, the lobby will be attended twenty-four hours per day, seven-days per week, and there will be at least one elevator servicing every floor on which there are occupied Units. The interim level of staffing will at all times during this period will be commensurate with the levels of occupancy from time to time and adequate to properly maintain the Building. Purchasers are also advised that during such period and beyond, various systems (specifically, water supply, air conditioning, heating, cooling, gas, electric, ventilating and other systems, and elevators) may be disrupted temporarily and from time to time. See the Special Risks entitled "Interim Service Period" and "Additional Building Work" above.

Purchasers are further advised to note that construction in general is a complicated process which require the coordination of numerous concurrent tasks, contractors and suppliers and the balancing of complex mechanical, electrical, plumbing and other systems, all of which is subject to unanticipated delays and difficulties and necessarily involves noise, disruption and inconvenience. Thus, for a period of time following the First Closing (through, including and beyond the closing of title to any particular Purchaser's Unit), work should be expected to be undertaken and continue by or on behalf of: (i) Sponsor to complete the balance of the Building; (ii) individual Unit Owners within their Units (to perform custom renovations, etc.); and (iii) the

Retail Unit Owners to complete construction, build-out, furnishing and equipping their Units. During at least the First Year of Condominium Operation, construction workers and related personnel of Sponsor and others will be at the Property from time to time performing construction work, making adjustments and performing various other tasks related to the completion of Sponsor's construction work, fitting out of, and moving into, the Units and other portions of the Building. Residential elevators and personnel may be taken out of service and diverted to facilitate Sponsor's construction work, and exterior hoists may be in place, during at least the year following the First Closing, and from time to time thereafter, as needed, in connection with construction being performed in Units by the Unit Owners thereof. Sponsor may not fully complete the decoration or finishing of the lobby, corridors, elevator finishes and other portions of the Building, including, but not limited to, installing light fixtures, painting, hanging wall coverings or laying carpeting, until that particular floor is fully occupied by Unit Owners or, if additional construction within a Unit is anticipated, for some period thereafter. All of the foregoing work and conditions will create a noisy and otherwise disruptive condition in the Building during the period such work is being performed. Certain portions of the Common Elements may be completed before or after completion of any particular Purchaser's Unit. As a result, certain amenities and benefits anticipated to be available to Unit may not be available until such other portions of the Building are completed and fully operational. Sponsor shall have no liability whatsoever in the event these services are delayed, not made available, or discontinued by the Board (after Sponsor control or if not determined by Sponsor) or Unit Owners in the future (after having been instituted) or disrupted. Further, the Board and/or Sponsor may refuse to permit a Residential Unit Owner to perform alterations in a Unit until such time as the Building has been completed and permanent certificate(s) of occupancy have been obtained therefor. Even where such alterations are permitted, the Board and/or Sponsor may impose conditions and deadlines upon the planning, performing and completion of such work. No assurance can be given with regard to the accuracy of any projected schedules or completion dates set forth herein or with respect to the duration of any interim service period or periods of potential disruption to the Unit Owners and their tenants or occupants, all such dates and timetables, to the extent provided, being only good faith estimates.

Further, as part of the Pacific Park Brooklyn phased mixed-use development, construction will be ongoing in adjoining and/or neighboring parcels until substantial completion of Pacific Park Brooklyn, which is anticipated to conclude by 2025. Construction of the remaining buildings and improvements, including the Open Space, will occur in phases or stages. Sponsor makes no representation to Purchasers as to which phase or stage will or will not be started, completed or ongoing, or what other portions of Pacific Park Brooklyn will be available for use, at the time of the closing of any particular Residential Unit.

Sponsor and its designee(s) shall have the right, until the 15th anniversary of the First Closing (or until no Unsold Residential Units remain, if earlier), to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events and/or promotional functions in connection with the sale and leasing of Unsold Residential Units. Such activities will result in excess traffic and noise in the Building, and may interfere with owner-occupants' enjoyment of the Building.

C. LOCATION AND AREA INFORMATION

1. Location and Services

The Condominium is situated at 550 Vanderbilt Avenue, in the Borough of Brooklyn, City and State of New York, located on the northwest corner of Dean Street and Vanderbilt Avenue. The Condominium is located in the Pacific Park Brooklyn area, at the intersection of Brooklyn's Prospect Heights, Park Slope, Clinton Hill, Boerum Hill, and Fort Greene neighborhoods.

New York City is one of the leading cultural centers of the world, with many of the finest universities, museums, libraries, theaters and cultural institutions, attracting millions of national and international tourists. New York City is the nation's center for communications, publishing, advertising, the stock market and other financial services, visual and performing arts and the fashion industry.

New York City is served by three major airports -- LaGuardia Airport, John F. Kennedy International Airport and Newark International Airport, located approximately 10, 11 and 18 miles from the Condominium, respectively. Passenger railroad service is provided from the Long Island Railroad's Atlantic Terminal, located at the intersection of Atlantic and Flatbush Avenues and Hanson Place.

Transportation to and from the Building, and throughout New York City, is readily available by taxi, limousine, private automobile, subway or bus. A number of commercial parking garages are located nearby. Public transportation via subways and buses is also readily available. The 2, 3, 4, 5, B, D, N, Q, and R trains are accessible from the Building at the Atlantic Avenue-Barclay's Center station at Atlantic, Fourth, and Flatbush Avenues and Pacific Street. The A and C trains are accessible at a stop located at Fulton Street between Clinton Avenue and Washington Avenue. In addition, the area is serviced by the following bus lines, which all stop nearby the Building: B69, B65, B45, B25, B26 and B41.

There are a wide variety of parks in the vicinity. Pacific Park Brooklyn will feature an eight acre public park with various amenities. In addition, Prospect Park, a 585 acre park, is located approximately seven blocks to the south of the Building.

Numerous private schools, public schools and parochial schools are accessible from the Building. The public schools in the area include P.S. 009 Teunis G. Bergin at 80 Underhill Avenue, I.S. 340 at 227 Sterling Place, P.S. 011 Purvis J. Behan at 419 Waverly Avenue, Acorn School at 561 Grand Avenue, M.S. 266 Park Place Community Middle School at 64 Park Place, and P.S. 056 Lewis H. Latimer at 170 Gates Avenue. Certain public school programs require that parents apply for admission for their children.

Private schools in the area include Park Slope Christian Academy at 98 5th Avenue, The Berkeley Carroll School at 181 Lincoln Place, St. Francis Xavier School at 763 President Street, Bishop Loughlin Memorial High School at 357 Clermont Avenue, and Brooklyn Free School at 372 Clinton Avenue.

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

The Property is located in the 78th Police Precinct with the station located at 65 6th Avenue. Fire protection is provided from the Engine Co. 219 Ladder 105 fire station located at 494 Dean Street. The zip code for the Building is 11238, which as of the date hereof, is serviced by the Adelphi Station post office located at 950 Fulton Street.

The area is served by numerous hospitals and medical facilities located within an approximate two-mile radius of the Premises, including The Brooklyn Hospital Center-Downtown Campus at 121 Dekalb Avenue; New York Methodist Hospital at 506 Sixth Street; Cumberland Diagnostic & Treatment Center at 100 North Portland Avenue; Interfaith Medical Center at 1545 Atlantic Avenue; and The Long Island College Hospital at 339 Hicks Street.

Many religious faiths have congregations within walking distance of the Property.

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

2. Zoning

This project is exempt from the requirements of the NYC Zoning Resolution and must comply with the requirements of the Design Guidelines set forth by the Empire State Development Corporation. The intended use of the Building as described in this Plan will be in compliance with the current requirements of the Design Guidelines.

D. SCHEDULE A – “PURCHASE PRICES AND RELATED INFORMATION”

**SCHEDULE OF PURCHASE PRICES AND OTHER FINANCIAL DETAILS
FOR EACH UNIT FOR JANUARY 1, 2017 – DECEMBER 31, 2017**

THE PROJECTED FIRST YEAR OF CONDOMINIUM OPERATION (1)

(The notes to Schedule A are an integral part of Schedule A and should be read in connection herewith.)

550 Vanderbilt Condominium

550 Vanderbilt Street

Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (1/1/17-12/31/17)

Unit # (1)	Number Bedrooms	Number Bathrooms	Terrace/Balcony Square Footage (2)	Unit Square Footage (2)	Offering Price (2)	Share of Resident Managers Unit Partial Purchase Price (8)	General Common Interest (4)	Residential Common Interest (4)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes With 421-a Tax Abatement (6)	Estimated Annual Real Estate Taxes With 421-a Tax Abatement (6)	Estimated Monthly Real Estate Taxes Without 421-a Tax Abatement (6)	Estimated Annual Real Estate Taxes Without 421-a Tax Abatement (6)	Estimated Total Monthly Charges 1st Year With 421-1 Benefits (7)	Estimated Total Annual Charges 1st Year With 421-a Benefits (7)
1M1	3	3.5	375	3,199	\$ 4,650,000	\$ 7,411.36	1.2130%	1.2336%	\$ 4,015.63	\$ 3,069.59	\$ 36,835.13	\$ 3,978.11	\$ 47,737.31	\$ 7,085.22	\$ 85,022.66
1M2	3	3.5	0	2,632	\$ 3,450,000	\$ 5,820.98	0.9696%	0.9689%	\$ 3,153.92	\$ 2,209.95	\$ 26,519.37	\$ 3,124.46	\$ 37,493.46	\$ 5,363.87	\$ 64,366.44
1M3	3	3.5	0	2,862	\$ 3,685,000	\$ 6,303.95	1.0543%	1.0493%	\$ 3,415.61	\$ 2,471.01	\$ 29,652.09	\$ 3,383.70	\$ 40,604.35	\$ 5,886.62	\$ 70,639.39
101*	2	2	0	1,155	\$ 1,495,000	N/A	0.4255%	0.4240%	\$ 1,380.06	\$ 440.32	\$ 5,283.89	\$ 1,367.17	\$ 16,406.04	\$ 1,820.39	\$ 21,844.66
201	2	2.5	0	1,523	\$ 2,110,000	\$ 3,412.23	0.5611%	0.5680%	\$ 1,848.82	\$ 907.96	\$ 10,895.47	\$ 1,831.54	\$ 21,978.49	\$ 2,756.77	\$ 33,081.25
202	1	1	0	637	\$ 800,000	\$ 1,395.28	0.2347%	0.2322%	\$ 755.99	\$ 25.85	\$ 310.26	\$ 748.93	\$ 8,987.14	\$ 781.85	\$ 9,382.16
203	1	1	0	654	\$ 830,000	\$ 1,435.86	0.2409%	0.2390%	\$ 777.98	\$ 26.61	\$ 319.28	\$ 770.71	\$ 9,248.52	\$ 804.59	\$ 9,655.03
204	1	1	0	781	\$ 940,000	\$ 1,694.91	0.2877%	0.2821%	\$ 918.34	\$ 31.41	\$ 376.88	\$ 909.76	\$ 10,917.07	\$ 949.74	\$ 11,396.91
205	1	1	0	646	\$ 825,000	\$ 1,420.29	0.2380%	0.2364%	\$ 769.54	\$ 26.32	\$ 315.82	\$ 762.35	\$ 9,148.22	\$ 795.86	\$ 9,550.32
206	1	1	0	789	\$ 940,000	\$ 1,708.55	0.2907%	0.2844%	\$ 925.73	\$ 31.66	\$ 379.91	\$ 917.08	\$ 11,004.93	\$ 957.39	\$ 11,488.63
207	1	1	0	646	\$ 825,000	\$ 1,420.29	0.2380%	0.2364%	\$ 769.54	\$ 26.32	\$ 315.82	\$ 762.35	\$ 9,148.22	\$ 795.86	\$ 9,550.32
208	2	2	0	1,418	\$ 1,960,000	\$ 3,175.23	0.5224%	0.5285%	\$ 1,720.40	\$ 779.85	\$ 9,358.21	\$ 1,704.33	\$ 20,451.95	\$ 2,500.25	\$ 30,003.05
209	1	1	0	722	\$ 945,000	\$ 1,596.25	0.2660%	0.2657%	\$ 864.88	\$ 29.58	\$ 354.94	\$ 856.80	\$ 10,281.60	\$ 894.46	\$ 10,733.51
210	1	1.5	0	834	\$ 1,000,000	\$ 1,808.46	0.3072%	0.3010%	\$ 979.86	\$ 41.08	\$ 492.94	\$ 970.71	\$ 11,648.49	\$ 1,020.94	\$ 12,251.29
211	0	1	0	443	\$ 575,000	\$ 977.55	0.1632%	0.1627%	\$ 529.66	\$ 18.11	\$ 217.37	\$ 524.71	\$ 6,296.50	\$ 547.77	\$ 6,573.25
212	0	1	0	411	\$ 540,000	\$ 909.46	0.1514%	0.1514%	\$ 492.77	\$ 16.85	\$ 202.23	\$ 488.16	\$ 5,857.94	\$ 509.62	\$ 6,115.42
215	0	1	0	465	\$ 600,000	\$ 1,024.72	0.1713%	0.1706%	\$ 555.22	\$ 18.99	\$ 227.86	\$ 550.03	\$ 6,600.34	\$ 574.20	\$ 6,890.45
216	0	1	0	442	\$ 550,000	\$ 966.18	0.1628%	0.1608%	\$ 523.50	\$ 17.90	\$ 214.84	\$ 518.61	\$ 6,223.27	\$ 541.40	\$ 6,496.81
219	0	1	0	432	\$ 560,000	\$ 953.00	0.1591%	0.1586%	\$ 516.35	\$ 17.66	\$ 211.91	\$ 511.53	\$ 6,138.35	\$ 534.01	\$ 6,408.16
220	0	1	0	513	\$ 575,000	\$ 1,096.90	0.1890%	0.1826%	\$ 594.32	\$ 20.33	\$ 243.91	\$ 588.77	\$ 7,065.22	\$ 614.65	\$ 7,375.76
222	1	1.5	0	835	\$ 970,000	\$ 1,798.57	0.3076%	0.2994%	\$ 974.50	\$ 35.73	\$ 428.79	\$ 965.40	\$ 11,584.78	\$ 1,010.24	\$ 12,122.83
223	1	1	0	703	\$ 890,000	\$ 1,542.60	0.2590%	0.2568%	\$ 835.81	\$ 28.58	\$ 343.01	\$ 828.00	\$ 9,936.01	\$ 864.39	\$ 10,372.73
225	2	2	0	1,398	\$ 1,860,000	\$ 3,102.48	0.5150%	0.5164%	\$ 1,680.98	\$ 740.53	\$ 8,886.32	\$ 1,665.28	\$ 19,983.35	\$ 2,421.51	\$ 29,058.13
226	1	1	0	763	\$ 940,000	\$ 1,664.22	0.2811%	0.2770%	\$ 901.71	\$ 30.84	\$ 370.06	\$ 893.28	\$ 10,719.40	\$ 932.55	\$ 11,190.56
228	0	1	0	510	\$ 645,000	\$ 1,118.84	0.1879%	0.1862%	\$ 606.21	\$ 20.73	\$ 248.79	\$ 600.55	\$ 7,206.55	\$ 626.94	\$ 7,523.31
301	2	2.5	0	1,523	\$ 2,130,000	\$ 3,419.96	0.5611%	0.5692%	\$ 1,853.00	\$ 912.13	\$ 10,945.62	\$ 1,835.69	\$ 22,028.29	\$ 2,765.14	\$ 33,181.66
302	1	1	0	637	\$ 815,000	\$ 1,401.08	0.2347%	0.2332%	\$ 759.13	\$ 25.96	\$ 311.55	\$ 752.04	\$ 9,024.49	\$ 785.10	\$ 9,421.15
303	1	1	0	654	\$ 840,000	\$ 1,439.73	0.2409%	0.2396%	\$ 780.07	\$ 26.68	\$ 320.14	\$ 772.78	\$ 9,273.42	\$ 806.75	\$ 9,681.02
304	1	1	0	781	\$ 955,000	\$ 1,700.71	0.2877%	0.2831%	\$ 921.48	\$ 31.51	\$ 378.17	\$ 912.87	\$ 10,954.42	\$ 952.99	\$ 11,435.90
305	1	1	0	646	\$ 830,000	\$ 1,422.22	0.2380%	0.2367%	\$ 770.59	\$ 26.35	\$ 316.25	\$ 763.39	\$ 9,160.67	\$ 796.94	\$ 9,563.32
306	1	1	0	789	\$ 955,000	\$ 1,714.35	0.2907%	0.2854%	\$ 928.87	\$ 31.77	\$ 381.20	\$ 920.19	\$ 11,042.27	\$ 960.63	\$ 11,527.61
307	1	1	0	646	\$ 830,000	\$ 1,422.22	0.2380%	0.2367%	\$ 770.59	\$ 26.35	\$ 316.25	\$ 763.39	\$ 9,160.67	\$ 796.94	\$ 9,563.32
308	2	2	0	1,418	\$ 1,980,000	\$ 3,182.96	0.5224%	0.5298%	\$ 1,724.59	\$ 784.03	\$ 9,408.36	\$ 1,708.48	\$ 20,501.75	\$ 2,508.62	\$ 30,103.46
309	1	1	0	722	\$ 955,000	\$ 1,600.12	0.2660%	0.2663%	\$ 866.98	\$ 29.65	\$ 355.80	\$ 858.87	\$ 10,306.50	\$ 896.63	\$ 10,759.50
310	1	1.5	0	834	\$ 1,015,000	\$ 1,814.26	0.3072%	0.3020%	\$ 983.00	\$ 44.21	\$ 530.55	\$ 973.82	\$ 11,685.83	\$ 1,027.22	\$ 12,326.60
311	0	1	0	443	\$ 585,000	\$ 981.42	0.1632%	0.1634%	\$ 531.75	\$ 18.19	\$ 218.23	\$ 526.78	\$ 6,321.40	\$ 549.94	\$ 6,599.24
312	0	1	0	441	\$ 580,000	\$ 976.07	0.1625%	0.1625%	\$ 528.86	\$ 18.09	\$ 217.04	\$ 523.92	\$ 6,286.98	\$ 546.94	\$ 6,563.32
315	1	1	0	742	\$ 965,000	\$ 1,638.08	0.2733%	0.2727%	\$ 887.55	\$ 30.35	\$ 364.25	\$ 879.25	\$ 10,551.03	\$ 917.90	\$ 11,014.79
316	0	1	0	451	\$ 570,000	\$ 989.26	0.1661%	0.1647%	\$ 536.00	\$ 18.33	\$ 219.97	\$ 530.99	\$ 6,371.90	\$ 554.33	\$ 6,651.97
317	1	1	0	641	\$ 860,000	\$ 1,425.29	0.2361%	0.2372%	\$ 772.25	\$ 26.41	\$ 316.93	\$ 765.04	\$ 9,180.45	\$ 798.66	\$ 9,583.97
318	1	1	0	646	\$ 830,000	\$ 1,422.22	0.2380%	0.2367%	\$ 770.59	\$ 26.35	\$ 316.25	\$ 763.39	\$ 9,160.67	\$ 796.94	\$ 9,563.32
319	1	1	0	653	\$ 875,000	\$ 1,451.55	0.2406%	0.2416%	\$ 786.48	\$ 26.90	\$ 322.77	\$ 779.13	\$ 9,349.58	\$ 813.38	\$ 9,760.53
320	1	1	0	646	\$ 830,000	\$ 1,422.22	0.2380%	0.2367%	\$ 770.59	\$ 26.35	\$ 316.25	\$ 763.39	\$ 9,160.67	\$ 796.94	\$ 9,563.32
321	1	1	0	703	\$ 905,000	\$ 1,548.39	0.2590%	0.2577%	\$ 838.95	\$ 28.69	\$ 344.30	\$ 831.11	\$ 9,973.36	\$ 867.64	\$ 10,411.72
322	0	1	0	541	\$ 685,000	\$ 1,187.15	0.1993%	0.1976%	\$ 643.22	\$ 22.00	\$ 263.98	\$ 637.21	\$ 7,646.58	\$ 665.22	\$ 7,982.67
323	1	1	0	746	\$ 965,000	\$ 1,644.90	0.2748%	0.2738%	\$ 891.24	\$ 30.48	\$ 365.76	\$ 882.91	\$ 10,594.95	\$ 921.72	\$ 11,060.64

Unit # (1)	Number Bedrooms	Number Bathrooms	Terrace/Balcony Square Footage (2)	Unit Square Footage (2)	Offering Price (2)	Share of Resident Managers Unit Partial Purchase Price (8)	General Common Interest (4)	Residential Common Interest (4)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes With 421-a Tax Abatement (6)	Estimated Annual Real Estate Taxes With 421-a Tax Abatement (6)	Estimated Monthly Real Estate Taxes Without 421-a Tax Abatement (6)	Estimated Annual Real Estate Taxes Without 421-a Tax Abatement (6)	Estimated Total Monthly Charges 1st Year With 421-1 Benefits (7)	Estimated Total Annual Charges 1st Year With 421-a Benefits (7)
718	1	1	0	646	\$ 865,000	\$ 1,435.75	0.2380%	0.2390%	\$ 777.92	\$ 26.60	\$ 319.26	\$ 770.65	\$ 9,247.81	\$ 804.52	\$ 9,654.29
719	1	1	0	653	\$ 910,000	\$ 1,465.08	0.2406%	0.2439%	\$ 793.81	\$ 27.15	\$ 325.78	\$ 786.39	\$ 9,436.72	\$ 820.96	\$ 9,851.50
720	1	1	0	646	\$ 865,000	\$ 1,435.75	0.2380%	0.2390%	\$ 777.92	\$ 26.60	\$ 319.26	\$ 770.65	\$ 9,247.81	\$ 804.52	\$ 9,654.29
721	0	1	0	461	\$ 635,000	\$ 1,031.43	0.1698%	0.1717%	\$ 558.85	\$ 19.11	\$ 229.35	\$ 553.63	\$ 6,643.55	\$ 577.96	\$ 6,935.56
722	0	1	0	541	\$ 725,000	\$ 1,202.62	0.1993%	0.2002%	\$ 651.60	\$ 22.28	\$ 267.42	\$ 645.51	\$ 7,746.17	\$ 673.89	\$ 8,086.64
723	1	1	0	846	\$ 1,115,000	\$ 1,873.37	0.3117%	0.3118%	\$ 1,015.03	\$ 76.16	\$ 913.98	\$ 1,005.55	\$ 12,066.59	\$ 1,091.20	\$ 13,094.37
724	1	1.5	0	770	\$ 1,030,000	\$ 1,710.94	0.2837%	0.2848%	\$ 927.02	\$ 31.70	\$ 380.45	\$ 918.36	\$ 11,020.35	\$ 958.73	\$ 11,504.73
725	2	2	0	1,295	\$ 1,825,000	\$ 2,913.34	0.4771%	0.4849%	\$ 1,578.51	\$ 638.29	\$ 7,659.51	\$ 1,563.76	\$ 18,765.09	\$ 2,216.80	\$ 26,601.58
727	2	2	0	969	\$ 1,395,000	\$ 2,191.31	0.3570%	0.3647%	\$ 1,187.30	\$ 248.02	\$ 2,976.23	\$ 1,176.21	\$ 14,114.46	\$ 1,435.32	\$ 17,223.81
730	3	2	0	1,358	\$ 1,960,000	\$ 3,072.93	0.5003%	0.5115%	\$ 1,664.98	\$ 724.56	\$ 8,694.68	\$ 1,649.42	\$ 19,793.05	\$ 2,389.53	\$ 28,674.40
801	2	2.5	0	1,523	\$ 2,305,000	\$ 3,487.60	0.5611%	0.5805%	\$ 1,889.65	\$ 948.70	\$ 11,384.38	\$ 1,872.00	\$ 22,463.99	\$ 2,838.35	\$ 34,060.23
802	1	1	0	637	\$ 890,000	\$ 1,430.07	0.2347%	0.2380%	\$ 774.84	\$ 26.50	\$ 317.99	\$ 767.60	\$ 9,211.22	\$ 801.34	\$ 9,616.08
803	1	1	0	654	\$ 880,000	\$ 1,455.19	0.2409%	0.2422%	\$ 788.45	\$ 26.96	\$ 323.58	\$ 781.08	\$ 9,373.01	\$ 815.42	\$ 9,784.99
804	1	1	0	781	\$ 1,030,000	\$ 1,729.70	0.2877%	0.2879%	\$ 937.19	\$ 32.05	\$ 384.62	\$ 928.43	\$ 11,141.15	\$ 969.24	\$ 11,630.84
805	1	1	0	646	\$ 905,000	\$ 1,451.21	0.2380%	0.2416%	\$ 786.30	\$ 26.89	\$ 322.69	\$ 778.95	\$ 9,347.40	\$ 813.19	\$ 9,758.25
806	1	1	0	789	\$ 1,030,000	\$ 1,743.34	0.2907%	0.2902%	\$ 944.58	\$ 32.30	\$ 387.65	\$ 935.75	\$ 11,229.00	\$ 976.88	\$ 11,722.56
807	1	1	0	646	\$ 905,000	\$ 1,451.21	0.2380%	0.2416%	\$ 786.30	\$ 26.89	\$ 322.69	\$ 778.95	\$ 9,347.40	\$ 813.19	\$ 9,758.25
808	2	2	0	1,418	\$ 2,155,000	\$ 3,250.60	0.5224%	0.5411%	\$ 1,761.24	\$ 820.59	\$ 9,847.12	\$ 1,744.79	\$ 20,937.45	\$ 2,581.84	\$ 30,982.03
809	1	1	0	720	\$ 1,040,000	\$ 1,629.56	0.2652%	0.2712%	\$ 882.93	\$ 30.20	\$ 362.35	\$ 874.68	\$ 10,496.16	\$ 913.13	\$ 10,957.50
810	1	1.5	0	834	\$ 1,175,000	\$ 1,876.11	0.3072%	0.3123%	\$ 1,016.51	\$ 77.64	\$ 931.70	\$ 1,007.02	\$ 12,084.19	\$ 1,094.16	\$ 13,129.86
811	1	1	0	850	\$ 1,155,000	\$ 1,895.66	0.3131%	0.3155%	\$ 1,027.11	\$ 88.21	\$ 1,058.50	\$ 1,017.51	\$ 12,210.10	\$ 1,115.31	\$ 13,383.76
815	2	2	0	1,066	\$ 1,605,000	\$ 2,437.87	0.3927%	0.4058%	\$ 1,320.89	\$ 381.29	\$ 4,575.45	\$ 1,308.54	\$ 15,702.53	\$ 1,702.17	\$ 20,426.08
816	0	1	0	451	\$ 595,000	\$ 998.92	0.1661%	0.1663%	\$ 541.24	\$ 18.51	\$ 222.12	\$ 536.18	\$ 6,434.15	\$ 559.75	\$ 6,716.95
817	1	1	0	636	\$ 920,000	\$ 1,439.96	0.2343%	0.2397%	\$ 780.20	\$ 26.68	\$ 320.19	\$ 772.91	\$ 9,274.93	\$ 806.88	\$ 9,682.59
818	1	1	0	646	\$ 870,000	\$ 1,437.68	0.2380%	0.2393%	\$ 778.97	\$ 26.64	\$ 319.68	\$ 771.69	\$ 9,260.26	\$ 805.61	\$ 9,667.27
819	3	3.5	1114	2,261	\$ 4,150,000	\$ 5,933.84	0.9355%	0.9877%	\$ 3,215.08	\$ 2,270.96	\$ 27,251.47	\$ 3,185.04	\$ 38,220.46	\$ 5,486.03	\$ 65,832.39
820	1	1	0	646	\$ 870,000	\$ 1,437.68	0.2380%	0.2393%	\$ 778.97	\$ 26.64	\$ 319.68	\$ 771.69	\$ 9,260.26	\$ 805.61	\$ 9,667.27
822	1	1	0	724	\$ 1,025,000	\$ 1,630.58	0.2667%	0.2714%	\$ 883.48	\$ 30.21	\$ 362.58	\$ 875.23	\$ 10,502.74	\$ 913.70	\$ 10,964.37
901	2	2	463	1,307	\$ 2,280,000	\$ 3,307.02	0.5241%	0.5504%	\$ 1,791.81	\$ 851.09	\$ 10,213.05	\$ 1,775.07	\$ 21,300.83	\$ 2,642.90	\$ 31,714.77
902	2	2	171	1,181	\$ 1,830,000	\$ 2,793.79	0.4508%	0.4650%	\$ 1,513.73	\$ 573.67	\$ 6,884.10	\$ 1,499.59	\$ 17,995.09	\$ 2,087.41	\$ 25,048.90
903	2	2	0	995	\$ 1,445,000	\$ 2,254.97	0.3665%	0.3753%	\$ 1,221.79	\$ 282.43	\$ 3,389.12	\$ 1,210.37	\$ 14,524.47	\$ 1,504.21	\$ 18,050.58
908	2	2.5	588	1,501	\$ 2,560,000	\$ 3,799.29	0.6071%	0.6324%	\$ 2,058.53	\$ 1,117.17	\$ 13,406.07	\$ 2,039.30	\$ 24,471.58	\$ 3,175.70	\$ 38,108.45
909	3	2.5	155	1,427	\$ 2,185,000	\$ 3,343.61	0.5400%	0.5565%	\$ 1,811.64	\$ 870.87	\$ 10,450.39	\$ 1,794.71	\$ 21,536.52	\$ 2,682.50	\$ 32,190.02
910	2	2	412	1,053	\$ 1,900,000	\$ 2,705.34	0.4259%	0.4503%	\$ 1,465.81	\$ 525.86	\$ 6,310.37	\$ 1,452.11	\$ 17,425.35	\$ 1,991.67	\$ 23,900.07
915	2	2	206	1,176	\$ 1,970,000	\$ 2,854.30	0.4522%	0.4751%	\$ 1,546.52	\$ 606.38	\$ 7,276.58	\$ 1,532.07	\$ 18,384.83	\$ 2,152.90	\$ 25,834.80
916	0	1	0	451	\$ 600,000	\$ 1,000.85	0.1661%	0.1666%	\$ 542.28	\$ 18.55	\$ 222.55	\$ 537.22	\$ 6,446.59	\$ 560.83	\$ 6,729.94
917	4	4	1219	2,634	\$ 4,460,000	\$ 6,734.37	1.0826%	1.1209%	\$ 3,648.82	\$ 2,703.66	\$ 32,443.94	\$ 3,614.73	\$ 43,376.73	\$ 6,352.48	\$ 76,229.77
918	1	1	0	646	\$ 915,000	\$ 1,455.08	0.2380%	0.2422%	\$ 788.39	\$ 26.96	\$ 323.55	\$ 781.02	\$ 9,372.29	\$ 815.35	\$ 9,784.24
920	3	2.5	1042	1,748	\$ 2,890,000	\$ 4,541.48	0.7399%	0.7559%	\$ 2,460.67	\$ 1,518.35	\$ 18,220.15	\$ 2,437.68	\$ 29,252.11	\$ 3,979.01	\$ 47,748.14
1001	2	2	0	1,307	\$ 2,075,000	\$ 3,030.43	0.4815%	0.5044%	\$ 1,641.95	\$ 701.58	\$ 8,419.01	\$ 1,626.61	\$ 19,519.30	\$ 2,343.53	\$ 28,122.40
1002	2	2	0	1,181	\$ 1,720,000	\$ 2,678.39	0.4351%	0.4458%	\$ 1,451.20	\$ 511.30	\$ 6,135.54	\$ 1,437.65	\$ 17,251.75	\$ 1,962.50	\$ 23,549.99
1003	2	2	0	995	\$ 1,460,000	\$ 2,260.77	0.3665%	0.3763%	\$ 1,224.93	\$ 285.56	\$ 3,426.73	\$ 1,213.48	\$ 14,561.82	\$ 1,510.49	\$ 18,125.88
1008	2	2.5	0	1,501	\$ 2,395,000	\$ 3,484.88	0.5530%	0.5801%	\$ 1,888.18	\$ 947.23	\$ 11,366.73	\$ 1,870.54	\$ 22,446.46	\$ 2,835.41	\$ 34,024.89
1009	3	2.5	0	1,427	\$ 2,095,000	\$ 3,242.76	0.5257%	0.5398%	\$ 1,756.99	\$ 816.35	\$ 9,796.22	\$ 1,740.57	\$ 20,886.90	\$ 2,573.34	\$ 30,880.11
1010	2	2	0	1,053	\$ 1,665,000	\$ 2,438.89	0.3879%	0.4060%	\$ 1,321.44	\$ 381.84	\$ 4,582.12	\$ 1,309.10	\$ 15,709.15	\$ 1,703.29	\$ 20,439.43
1015	2	2	0	1,176	\$ 1,835,000	\$ 2,714.31	0.4332%	0.4518%	\$ 1,470.67	\$ 530.71	\$ 6,368.58	\$ 1,456.93	\$ 17,483.16	\$ 2,001.39	\$ 24,016.63
1016	0	1	0	451	\$ 605,000	\$ 1,002.79	0.1661%	0.1669%	\$ 543.33	\$ 18.58	\$ 222.98	\$ 538.25	\$ 6,459.04	\$ 561.91	\$ 6,742.94
1018	1	1	0	646	\$ 925,000	\$ 1,458.94	0.2380%	0.2428%	\$ 790.49	\$ 27.03	\$ 324.41	\$ 783.10	\$ 9,397.19	\$ 817.52	\$ 9,810.23
1020	3	2.5	0	1,748	\$ 2,705,000	\$ 4,025.83	0.6439%	0.6701%	\$ 2,181.28	\$ 1,239.62	\$ 14,875.49	\$ 2,160.90	\$ 25,930.77	\$ 3,420.90	\$ 41,050.82
1101	2	2	0	1,307	\$ 2,100,000	\$ 3,040.09	0.4815%	0.5060%	\$ 1,647.19	\$ 706.81	\$ 8,481.69	\$ 1,631.80	\$ 19,581.54	\$ 2,353.99	\$ 28,247.91
1102	2	2	0	1,181	\$ 1,740,000	\$ 2,686.12	0.4351%	0.4471%	\$ 1,455.39	\$ 515.47	\$ 6,185.69	\$ 1,441.80	\$ 17,301.54	\$ 1,970.87	\$ 23,650.41
1103	2	2	0	995	\$ 1,470,000	\$ 2,264.63	0.3665%	0.3769%	\$ 1,227.02	\$ 287.65	\$ 3,451.80	\$ 1,215.56	\$ 14,586.72	\$ 1,514.67	\$ 18,176.09
1108	2	2.5	0	1,501	\$ 2,415,000	\$ 3,492.61	0.5530%	0.5813%	\$ 1,892.37	\$ 951.41	\$ 11,416.87	\$ 1,874.69	\$ 22,496.26	\$ 2,843.78	\$ 34,125.30
1109	3	2.5	0	1,427	\$ 2,190,000	\$ 3,279.48	0.5257%	0.5459%	\$ 1,776.89	\$ 836.20	\$ 10,034.40	\$ 1,760.29	\$ 21,123.42	\$ 2,613.00	\$ 31,957.04

Unit # (1)	Number Bedrooms	Number Bathrooms	Terrace/Balcony Square Footage (2)	Unit Square Footage (2)	Offering Price (2)	Share of Resident Managers Unit Partial Purchase Price (8)	General Common Interest (4)	Residential Common Interest (4)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes With 421-a Tax Abatement (6)	Estimated Annual Real Estate Taxes With 421-a Tax Abatement (6)	Estimated Monthly Real Estate Taxes Without 421-a Tax Abatement (6)	Estimated Annual Real Estate Taxes Without 421-a Tax Abatement (6)	Estimated Total Monthly Charges 1st Year With 421-1 Benefits (7)	Estimated Total Annual Charges 1st Year With 421-a Benefits (7)
1110	2	2	0	1,089	\$ 1,685,000	\$ 2,508.00	0.4012%	0.4175%	\$ 1,358.89	\$ 419.20	\$ 5,030.38	\$ 1,346.19	\$ 16,154.29	\$ 1,778.08	\$ 21,337.02
1115	2	2	0	1,054	\$ 1,685,000	\$ 2,448.33	0.3883%	0.4075%	\$ 1,326.56	\$ 386.94	\$ 4,643.32	\$ 1,314.16	\$ 15,769.93	\$ 1,713.50	\$ 20,561.98
1116	0	1	0	451	\$ 610,000	\$ 1,004.72	0.1661%	0.1672%	\$ 544.38	\$ 18.62	\$ 223.41	\$ 539.29	\$ 6,471.49	\$ 563.00	\$ 6,755.94
1117	1	1	0	669	\$ 1,000,000	\$ 1,527.15	0.2465%	0.2542%	\$ 827.44	\$ 28.30	\$ 339.58	\$ 819.71	\$ 9,836.50	\$ 855.74	\$ 10,268.85
1118	1	1	0	646	\$ 930,000	\$ 1,460.88	0.2380%	0.2432%	\$ 791.53	\$ 27.07	\$ 324.84	\$ 784.14	\$ 9,409.64	\$ 818.60	\$ 9,823.23
1119	3	3.5	0	1,919	\$ 2,890,000	\$ 4,388.89	0.7069%	0.7305%	\$ 2,377.99	\$ 1,435.87	\$ 17,230.39	\$ 2,355.77	\$ 28,269.24	\$ 3,813.85	\$ 45,766.25
1120	1	1	0	646	\$ 930,000	\$ 1,460.88	0.2380%	0.2432%	\$ 791.53	\$ 27.07	\$ 324.84	\$ 784.14	\$ 9,409.64	\$ 818.60	\$ 9,823.23
1201	2	2	0	1,307	\$ 2,120,000	\$ 3,047.83	0.4815%	0.5073%	\$ 1,651.37	\$ 710.99	\$ 8,531.84	\$ 1,635.94	\$ 19,631.33	\$ 2,362.36	\$ 28,348.32
1202	2	2	0	1,181	\$ 1,760,000	\$ 2,693.85	0.4351%	0.4484%	\$ 1,459.58	\$ 519.65	\$ 6,235.83	\$ 1,445.94	\$ 17,351.34	\$ 1,979.23	\$ 23,750.81
1203	2	2	0	995	\$ 1,485,000	\$ 2,270.43	0.3665%	0.3779%	\$ 1,230.17	\$ 290.78	\$ 3,489.41	\$ 1,218.67	\$ 14,624.06	\$ 1,520.95	\$ 18,251.39
1208	2	2.5	0	1,501	\$ 2,435,000	\$ 3,500.34	0.5530%	0.5826%	\$ 1,896.56	\$ 955.58	\$ 11,467.02	\$ 1,878.84	\$ 22,546.05	\$ 2,852.14	\$ 34,225.71
1209	3	2.5	0	1,427	\$ 2,210,000	\$ 3,287.21	0.5257%	0.5472%	\$ 1,781.08	\$ 840.38	\$ 10,084.54	\$ 1,764.43	\$ 21,173.22	\$ 2,621.45	\$ 31,457.45
1210	2	2	0	1,089	\$ 1,705,000	\$ 2,515.73	0.4012%	0.4187%	\$ 1,363.08	\$ 423.38	\$ 5,080.52	\$ 1,350.34	\$ 16,204.08	\$ 1,786.45	\$ 21,437.43
1215	2	2	0	1,054	\$ 1,705,000	\$ 2,456.06	0.3883%	0.4088%	\$ 1,330.74	\$ 391.12	\$ 4,693.46	\$ 1,318.31	\$ 15,819.72	\$ 1,721.87	\$ 20,662.38
1216	0	1	0	451	\$ 620,000	\$ 1,008.58	0.1661%	0.1679%	\$ 546.47	\$ 18.69	\$ 224.27	\$ 541.37	\$ 6,496.39	\$ 565.16	\$ 6,781.93
1217	1	1	0	669	\$ 1,015,000	\$ 1,532.95	0.2465%	0.2552%	\$ 830.58	\$ 28.41	\$ 340.87	\$ 822.82	\$ 9,873.85	\$ 858.99	\$ 10,307.84
1218	1	1	0	646	\$ 940,000	\$ 1,464.74	0.2380%	0.2438%	\$ 793.63	\$ 27.14	\$ 325.70	\$ 786.21	\$ 9,434.54	\$ 820.77	\$ 9,849.22
1219	3	3.5	0	1,919	\$ 2,915,000	\$ 4,398.55	0.7069%	0.7321%	\$ 2,383.22	\$ 1,441.09	\$ 17,293.07	\$ 2,360.96	\$ 28,331.48	\$ 3,824.31	\$ 45,891.76
1220	1	1	0	646	\$ 940,000	\$ 1,464.74	0.2380%	0.2438%	\$ 793.63	\$ 27.14	\$ 325.70	\$ 786.21	\$ 9,434.54	\$ 820.77	\$ 9,849.22
1301	2	2	0	1,307	\$ 2,140,000	\$ 3,055.56	0.4815%	0.5086%	\$ 1,655.56	\$ 715.16	\$ 8,581.98	\$ 1,640.09	\$ 19,681.13	\$ 2,370.73	\$ 28,448.73
1302	2	2	0	1,181	\$ 1,840,000	\$ 2,724.77	0.4351%	0.4535%	\$ 1,476.34	\$ 536.37	\$ 6,436.41	\$ 1,462.54	\$ 17,550.51	\$ 2,012.70	\$ 24,152.45
1303	2	2	0	995	\$ 1,500,000	\$ 2,276.23	0.3665%	0.3789%	\$ 1,233.31	\$ 293.92	\$ 3,527.02	\$ 1,221.78	\$ 14,661.41	\$ 1,527.22	\$ 18,326.70
1308	2	2.5	0	1,501	\$ 2,455,000	\$ 3,508.08	0.5530%	0.5839%	\$ 1,900.75	\$ 959.76	\$ 11,517.16	\$ 1,882.99	\$ 22,595.85	\$ 2,860.51	\$ 34,326.12
1309	2	2.5	0	1,430	\$ 2,350,000	\$ 3,346.44	0.5268%	0.5570%	\$ 1,813.17	\$ 872.39	\$ 10,468.73	\$ 1,796.23	\$ 21,554.72	\$ 2,685.56	\$ 32,226.74
1310	2	2	0	1,053	\$ 1,725,000	\$ 2,462.09	0.3879%	0.4098%	\$ 1,334.01	\$ 394.38	\$ 4,732.55	\$ 1,321.54	\$ 15,858.53	\$ 1,728.39	\$ 20,740.65
1315	2	2	0	1,054	\$ 1,725,000	\$ 2,463.79	0.3883%	0.4101%	\$ 1,334.93	\$ 395.30	\$ 4,743.61	\$ 1,322.46	\$ 15,869.52	\$ 1,730.23	\$ 20,762.80
1316	0	1	0	451	\$ 650,000	\$ 1,020.18	0.1661%	0.1698%	\$ 552.75	\$ 18.90	\$ 226.85	\$ 547.59	\$ 6,571.08	\$ 571.66	\$ 6,859.90
1317	2	2	0	1,004	\$ 1,655,000	\$ 2,351.49	0.3699%	0.3914%	\$ 1,274.08	\$ 334.60	\$ 4,015.16	\$ 1,262.18	\$ 15,146.15	\$ 1,608.68	\$ 19,304.16
1318	1	1	0	646	\$ 950,000	\$ 1,468.61	0.2380%	0.2444%	\$ 795.72	\$ 27.21	\$ 326.56	\$ 788.29	\$ 9,459.44	\$ 822.93	\$ 9,875.21
1319	2	2.5	0	1,572	\$ 2,605,000	\$ 3,687.11	0.5791%	0.6137%	\$ 1,997.75	\$ 1,056.53	\$ 12,678.42	\$ 1,979.08	\$ 23,749.01	\$ 3,054.28	\$ 36,651.41
1320	1	1	0	646	\$ 950,000	\$ 1,468.61	0.2380%	0.2444%	\$ 795.72	\$ 27.21	\$ 326.56	\$ 788.29	\$ 9,459.44	\$ 822.93	\$ 9,875.21
1401	2	2	0	1,307	\$ 2,160,000	\$ 3,063.29	0.4815%	0.5099%	\$ 1,659.75	\$ 719.34	\$ 8,632.12	\$ 1,644.24	\$ 19,730.92	\$ 2,379.09	\$ 28,549.13
1402	2	2	0	1,181	\$ 1,860,000	\$ 2,732.50	0.4351%	0.4548%	\$ 1,480.53	\$ 540.55	\$ 6,486.55	\$ 1,466.69	\$ 17,600.31	\$ 2,021.07	\$ 24,252.85
1403	2	2	0	995	\$ 1,510,000	\$ 2,280.09	0.3665%	0.3795%	\$ 1,235.40	\$ 296.01	\$ 3,552.09	\$ 1,223.86	\$ 14,686.30	\$ 1,531.41	\$ 18,376.91
1408	2	2.5	0	1,501	\$ 2,475,000	\$ 3,515.81	0.5530%	0.5852%	\$ 1,904.94	\$ 963.94	\$ 11,567.31	\$ 1,887.14	\$ 22,645.64	\$ 2,868.88	\$ 34,426.53
1409	2	2.5	0	1,430	\$ 2,370,000	\$ 3,354.17	0.5268%	0.5583%	\$ 1,817.36	\$ 876.57	\$ 10,518.87	\$ 1,800.38	\$ 21,604.52	\$ 2,693.93	\$ 32,327.15
1410	2	2	0	1,053	\$ 1,745,000	\$ 2,469.82	0.3879%	0.4111%	\$ 1,338.20	\$ 398.56	\$ 4,782.69	\$ 1,325.69	\$ 15,908.33	\$ 1,736.76	\$ 20,841.06
1415	2	2	0	1,054	\$ 1,745,000	\$ 2,471.52	0.3883%	0.4114%	\$ 1,339.12	\$ 399.48	\$ 4,793.75	\$ 1,326.61	\$ 15,919.31	\$ 1,738.60	\$ 20,863.20
1416	0	1	0	451	\$ 760,000	\$ 1,062.70	0.1661%	0.1769%	\$ 575.79	\$ 19.69	\$ 236.30	\$ 570.41	\$ 6,844.95	\$ 595.48	\$ 7,145.81
1417	2	2	0	1,004	\$ 1,675,000	\$ 2,359.22	0.3699%	0.3927%	\$ 1,278.27	\$ 338.78	\$ 4,065.30	\$ 1,266.33	\$ 15,195.94	\$ 1,617.05	\$ 19,404.56
1418	1	1	0	646	\$ 955,000	\$ 1,470.54	0.2380%	0.2448%	\$ 796.77	\$ 27.25	\$ 326.99	\$ 789.32	\$ 9,471.88	\$ 824.02	\$ 9,888.21
1419	2	2.5	0	1,572	\$ 2,625,000	\$ 3,694.84	0.5791%	0.6150%	\$ 2,001.94	\$ 1,060.71	\$ 12,728.56	\$ 1,983.23	\$ 23,798.80	\$ 3,062.65	\$ 36,751.82
1420	1	1	0	646	\$ 955,000	\$ 1,470.54	0.2380%	0.2448%	\$ 796.77	\$ 27.25	\$ 326.99	\$ 789.32	\$ 9,471.88	\$ 824.02	\$ 9,888.21
1501	2	2	0	1,307	\$ 2,180,000	\$ 3,071.02	0.4815%	0.5112%	\$ 1,663.94	\$ 723.52	\$ 8,682.27	\$ 1,648.39	\$ 19,780.72	\$ 2,387.46	\$ 28,649.55
1502	2	2	0	1,181	\$ 1,880,000	\$ 2,740.23	0.4351%	0.4561%	\$ 1,484.71	\$ 544.72	\$ 6,536.69	\$ 1,470.84	\$ 17,650.10	\$ 2,029.44	\$ 24,353.26
1503	2	2	0	995	\$ 1,525,000	\$ 2,285.89	0.3665%	0.3805%	\$ 1,238.54	\$ 299.14	\$ 3,589.70	\$ 1,226.97	\$ 14,723.65	\$ 1,537.68	\$ 18,452.21
1508	2	2.5	0	1,501	\$ 2,495,000	\$ 3,523.54	0.5530%	0.5865%	\$ 1,909.12	\$ 968.12	\$ 11,617.45	\$ 1,891.29	\$ 22,695.44	\$ 2,877.24	\$ 34,526.93
1509	2	2.5	0	1,430	\$ 2,390,000	\$ 3,361.90	0.5268%	0.5596%	\$ 1,821.55	\$ 880.75	\$ 10,569.02	\$ 1,804.53	\$ 21,654.31	\$ 2,702.30	\$ 32,427.56
1510	2	2	0	1,053	\$ 1,765,000	\$ 2,477.55	0.3879%	0.4124%	\$ 1,342.39	\$ 402.74	\$ 4,832.84	\$ 1,329.84	\$ 15,958.12	\$ 1,745.12	\$ 20,941.47
1515	2	2	0	1,054	\$ 1,765,000	\$ 2,479.25	0.3883%	0.4127%	\$ 1,343.31	\$ 403.66	\$ 4,843.89	\$ 1,330.76	\$ 15,969.11	\$ 1,746.97	\$ 20,963.60
1516	0	1	0	451	\$ 770,000	\$ 1,066.57	0.1661%	0.1775%	\$ 577.89	\$ 19.76	\$ 237.16	\$ 572.49	\$ 6,869.85	\$ 597.65	\$ 7,171.80
1517	2	2	0	1,004	\$ 1,695,000	\$ 2,366.95	0.3699%	0.3940%	\$ 1,282.46	\$ 342.95	\$ 4,115.45	\$ 1,270.48	\$ 15,245.74	\$ 1,625.41	\$ 19,504.98
1518	1	1	0	646	\$ 965,000	\$ 1,474.40	0.2380%	0.2454%	\$ 798.86	\$ 27.32	\$ 327.85	\$ 791.40	\$ 9,496.78	\$ 826.18	\$ 9,914.20
1519	2	2.5	0	1,572	\$ 2,645,000	\$ 3,702.57	0.5791%	0.6163%	\$ 2,006.13	\$ 1,064.89	\$ 12,778.71	\$ 1,987.38	\$ 23,848.60	\$ 3,071.02	\$ 36,852.22

Unit # (1)	Number Bedrooms	Number Bathrooms	Terrace/Balcony Square Footage (2)	Unit Square Footage (2)	Offering Price (2)	Share of Resident Managers Unit Partial Purchase Price (8)	General Common Interest (4)	Residential Common Interest (4)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes With 421-a Tax Abatement (6)	Estimated Annual Real Estate Taxes With 421-a Tax Abatement (6)	Estimated Monthly Real Estate Taxes Without 421-a Tax Abatement (6)	Estimated Annual Real Estate Taxes Without 421-a Tax Abatement (6)	Estimated Total Monthly Charges 1st Year With 421-1 Benefits (7)	Estimated Total Annual Charges 1st Year With 421-a Benefits (7)
1520	1	1	0	646	\$ 965,000	\$ 1,474.40	0.2380%	0.2454%	\$ 798.86	\$ 27.32	\$ 327.85	\$ 791.40	\$ 9,496.78	\$ 826.18	\$ 9,914.20
1601	2	2	0	1,307	\$ 2,330,000	\$ 3,129.00	0.4815%	0.5208%	\$ 1,695.36	\$ 754.86	\$ 9,058.35	\$ 1,679.51	\$ 20,154.18	\$ 2,450.22	\$ 29,402.61
1602	2	2	0	1,181	\$ 2,020,000	\$ 2,794.35	0.4351%	0.4651%	\$ 1,514.03	\$ 573.98	\$ 6,887.70	\$ 1,499.89	\$ 17,998.66	\$ 2,088.01	\$ 25,056.11
1603	2	2	0	995	\$ 1,540,000	\$ 2,291.69	0.3665%	0.3814%	\$ 1,241.68	\$ 302.28	\$ 3,627.30	\$ 1,230.08	\$ 14,761.00	\$ 1,543.96	\$ 18,527.51
1608	2	2.5	0	1,501	\$ 2,590,000	\$ 3,560.26	0.5530%	0.5926%	\$ 1,929.02	\$ 987.97	\$ 11,855.63	\$ 1,911.00	\$ 22,931.96	\$ 2,916.99	\$ 35,003.87
1609	2	2.5	0	1,430	\$ 2,410,000	\$ 3,369.63	0.5268%	0.5609%	\$ 1,825.73	\$ 884.93	\$ 10,619.16	\$ 1,808.68	\$ 21,704.11	\$ 2,710.66	\$ 32,527.97
1610	2	2	0	1,053	\$ 1,785,000	\$ 2,485.28	0.3879%	0.4137%	\$ 1,346.57	\$ 406.91	\$ 4,882.98	\$ 1,333.99	\$ 16,007.92	\$ 1,753.49	\$ 21,041.87
1615	2	2	0	1,054	\$ 1,785,000	\$ 2,486.98	0.3883%	0.4140%	\$ 1,347.50	\$ 407.84	\$ 4,894.04	\$ 1,334.91	\$ 16,018.90	\$ 1,755.33	\$ 21,064.02
1616	0	1	0	451	\$ 780,000	\$ 1,070.43	0.1661%	0.1782%	\$ 579.98	\$ 19.84	\$ 238.02	\$ 574.56	\$ 6,894.74	\$ 599.82	\$ 7,197.79
1617	2	2	0	1,004	\$ 1,715,000	\$ 2,374.68	0.3699%	0.3953%	\$ 1,286.65	\$ 347.13	\$ 4,165.59	\$ 1,274.63	\$ 15,295.53	\$ 1,633.78	\$ 19,605.38
1618	1	1	0	646	\$ 975,000	\$ 1,478.27	0.2380%	0.2461%	\$ 800.96	\$ 27.39	\$ 328.71	\$ 793.47	\$ 9,521.68	\$ 828.35	\$ 9,940.19
1619	2	2.5	0	1,572	\$ 2,665,000	\$ 3,710.30	0.5791%	0.6176%	\$ 2,010.32	\$ 1,069.07	\$ 12,828.85	\$ 1,991.53	\$ 23,898.39	\$ 3,079.39	\$ 36,952.64
1620	1	1	0	646	\$ 975,000	\$ 1,478.27	0.2380%	0.2461%	\$ 800.96	\$ 27.39	\$ 328.71	\$ 793.47	\$ 9,521.68	\$ 828.35	\$ 9,940.19
PHE	3	3.5	735	2,418	\$ 5,805,000	\$ 6,679.70	0.9585%	1.1118%	\$ 3,619.19	\$ 2,674.11	\$ 32,089.29	\$ 3,585.38	\$ 43,024.55	\$ 6,293.30	\$ 75,519.62
PHW	4	4.5	1856	2,859	\$ 6,860,000	\$ 8,317.19	1.2242%	1.3844%	\$ 4,506.42	\$ 3,559.21	\$ 42,710.57	\$ 4,464.32	\$ 53,571.79	\$ 8,065.63	\$ 96,787.61
PHS	4	4.5	2440	2,969	\$ 7,715,000	\$ 9,084.14	1.3185%	1.5120%	\$ 4,921.97	\$ 3,973.77	\$ 47,685.29	\$ 4,875.99	\$ 58,511.82	\$ 8,895.75	\$ 106,748.95
TOTAL RESIDENTIAL UNITS			12,162	261,243	388,570,000	\$ 598,239.25	97.3597%	100.0000%	\$ 325,518.22	\$ 97,225	\$ 1,166,695.75	\$ 322,476.83	\$ 3,869,722.00	\$ 422,742.86	\$ 5,072,914.37
Retail Unit A				2,422			0.8922%		\$ 944.30	\$ 1,372	\$ 16,468.72	\$ 2,573.20	\$ 30,878.39	\$ 2,316.69	\$ 27,800.32
Retail Unit B				2,293			0.8447%		\$ 894.00	\$ 1,299	\$ 15,591.57	\$ 2,436.15	\$ 29,233.75	\$ 2,193.30	\$ 26,319.62
Retail Unit C				2,452			0.9033%		\$ 956.00	\$ 1,389	\$ 16,672.71	\$ 2,605.07	\$ 31,260.86	\$ 2,345.39	\$ 28,144.67
TOTAL NON-RESIDENTIAL UNITS				7,167			2.6403%		\$ 2,794.30	\$ 4,061.08	\$ 48,733.00	\$ 7,614.42	\$ 91,373.00	\$ 6,855.38	\$ 82,264.61
TOTAL				268,410	388,570,000	\$ 598,239.25	100.0000%	100.0000%	\$ 328,312.52	\$ 101,286	\$ 1,215,428.75	\$ 330,091.25	\$ 3,961,095.00	\$ 429,598.25	\$ 5,155,178.98

*Unit 101 - Resident Managers Unit

550 Vanderbilt Condominium

Schedule A-1: Purchase Prices for Storage Bins Licenses and Related Information for the
Projected First Year of Condominium Operation (1/1/17-12/31/17) (9)

TENANT STORAGE BIN NUMBER	PURCHASE PRICE	AREA (SQUARE FEET)	MONTHLY LICENSE FEE	ANNUAL LICENSE FEE
1	\$ 39,375	45	\$ 22.50	\$ 270.00
2	\$ 28,875	33	\$ 16.50	\$ 198.00
3	\$ 28,000	32	\$ 16.00	\$ 192.00
4	\$ 43,750	50	\$ 25.00	\$ 300.00
5	\$ 26,250	30	\$ 15.00	\$ 180.00
6	\$ 26,250	30	\$ 15.00	\$ 180.00
7	\$ 26,250	30	\$ 15.00	\$ 180.00
8	\$ 26,250	30	\$ 15.00	\$ 180.00
9	\$ 51,300	57	\$ 28.50	\$ 342.00
10	\$ 26,250	30	\$ 15.00	\$ 180.00
11	\$ 25,375	29	\$ 14.50	\$ 174.00
12	\$ 26,250	30	\$ 15.00	\$ 180.00
13	\$ 26,250	30	\$ 15.00	\$ 180.00
14	\$ 26,250	30	\$ 15.00	\$ 180.00
15	\$ 26,250	30	\$ 15.00	\$ 180.00
16	\$ 25,375	29	\$ 14.50	\$ 174.00
17	\$ 25,375	29	\$ 14.50	\$ 174.00
18	\$ 54,000	60	\$ 30.00	\$ 360.00
19	\$ 54,000	60	\$ 30.00	\$ 360.00
20	\$ 26,250	30	\$ 15.00	\$ 180.00
21	\$ 26,250	30	\$ 15.00	\$ 180.00
22	\$ 26,250	30	\$ 15.00	\$ 180.00
23	\$ 26,250	30	\$ 15.00	\$ 180.00
24	\$ 25,375	29	\$ 14.50	\$ 174.00
25	\$ 26,250	30	\$ 15.00	\$ 180.00
26	\$ 26,250	30	\$ 15.00	\$ 180.00
27	\$ 26,250	30	\$ 15.00	\$ 180.00
28	\$ 50,400	56	\$ 28.00	\$ 336.00
29	\$ 26,250	30	\$ 15.00	\$ 180.00
30	\$ 26,250	30	\$ 15.00	\$ 180.00
31	\$ 26,250	30	\$ 15.00	\$ 180.00

32	\$	26,250	30	\$	15.00	\$	180.00
33	\$	24,500	28	\$	14.00	\$	168.00
34	\$	26,250	30	\$	15.00	\$	180.00
35	\$	51,300	57	\$	28.50	\$	342.00
36	\$	49,500	55	\$	27.50	\$	330.00
37	\$	26,250	30	\$	15.00	\$	180.00
38	\$	26,250	30	\$	15.00	\$	180.00
39	\$	26,250	30	\$	15.00	\$	180.00
40	\$	26,250	30	\$	15.00	\$	180.00
41	\$	50,400	56	\$	28.00	\$	336.00
42	\$	26,250	30	\$	15.00	\$	180.00
43	\$	26,250	30	\$	15.00	\$	180.00
44	\$	26,250	30	\$	15.00	\$	180.00
45	\$	26,250	30	\$	15.00	\$	180.00
46	\$	26,250	30	\$	15.00	\$	180.00
47	\$	26,250	30	\$	15.00	\$	180.00
48	\$	26,250	30	\$	15.00	\$	180.00
49	\$	26,250	30	\$	15.00	\$	180.00
50	\$	26,250	30	\$	15.00	\$	180.00
51	\$	26,250	30	\$	15.00	\$	180.00
52	\$	49,500	55	\$	27.50	\$	330.00
53	\$	26,250	30	\$	15.00	\$	180.00
54	\$	26,250	30	\$	15.00	\$	180.00
55	\$	26,250	30	\$	15.00	\$	180.00
56	\$	26,250	30	\$	15.00	\$	180.00
57	\$	54,000	60	\$	30.00	\$	360.00
58	\$	26,250	30	\$	15.00	\$	180.00
59	\$	36,750	42	\$	21.00	\$	252.00
60	\$	37,625	43	\$	21.50	\$	258.00
61	\$	26,250	30	\$	15.00	\$	180.00
62	\$	49,500	55	\$	27.50	\$	330.00
63	\$	26,250	30	\$	15.00	\$	180.00
64	\$	26,250	30	\$	15.00	\$	180.00
65	\$	26,250	30	\$	15.00	\$	180.00
66	\$	26,250	30	\$	15.00	\$	180.00
67	\$	26,250	30	\$	15.00	\$	180.00
68	\$	26,250	30	\$	15.00	\$	180.00

69	\$	26,250	30	\$	15.00	\$	180.00
70	\$	24,500	28	\$	14.00	\$	168.00
71	\$	25,375	29	\$	14.50	\$	174.00
72	\$	26,250	30	\$	15.00	\$	180.00
73	\$	51,300	57	\$	28.50	\$	342.00
74	\$	26,250	30	\$	15.00	\$	180.00
75	\$	31,500	36	\$	18.00	\$	216.00
76	\$	28,875	33	\$	16.50	\$	198.00
77	\$	29,750	34	\$	17.00	\$	204.00
78	\$	26,250	30	\$	15.00	\$	180.00
79	\$	26,250	30	\$	15.00	\$	180.00
80	\$	26,250	30	\$	15.00	\$	180.00
81	\$	28,875	33	\$	16.50	\$	198.00
82	\$	26,250	30	\$	15.00	\$	180.00
83	\$	26,250	30	\$	15.00	\$	180.00
84	\$	24,500	28	\$	14.00	\$	168.00
85	\$	26,250	30	\$	15.00	\$	180.00
86	\$	26,250	30	\$	15.00	\$	180.00
87	\$	26,250	30	\$	15.00	\$	180.00
88	\$	29,750	34	\$	17.00	\$	204.00
89	\$	26,250	30	\$	15.00	\$	180.00
90	\$	26,250	30	\$	15.00	\$	180.00
91	\$	26,250	30	\$	15.00	\$	180.00
92	\$	26,250	30	\$	15.00	\$	180.00
93	\$	26,250	30	\$	15.00	\$	180.00
94	\$	26,250	30	\$	15.00	\$	180.00
95	\$	24,500	28	\$	14.00	\$	168.00
96	\$	26,250	30	\$	15.00	\$	180.00
97	\$	26,250	30	\$	15.00	\$	180.00
98	\$	26,250	30	\$	15.00	\$	180.00
99	\$	26,250	30	\$	15.00	\$	180.00
100	\$	26,250	30	\$	15.00	\$	180.00
101	\$	26,250	30	\$	15.00	\$	180.00
102	\$	26,250	30	\$	15.00	\$	180.00
TOTALS	\$	3,016,950	3,430.00	\$	1,715.00	\$	20,580.00

NOTES TO SCHEDULE A

Amounts are projected on the assumption that the First Year of Condominium Operation will be the year from January 1, 2017 through December 31, 2017. The actual First Year of Condominium Operation may begin earlier or later than that year.

- (1) Any floor plan or sketch or schedule shown to a prospective Purchaser is only an approximation of the square foot area and layout of the Unit in question. However, any material change will be set forth in an amendment to the Plan, and no material adverse change (note that there is a rebuttable presumption that a reduction in Unit area of 5% or less is not material) in the size, configuration, or layout of a Unit for which an Agreement which has been countersigned by Sponsor and returned to the Purchaser unless the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists), and in such event, Sponsor will, in the amendment disclosing such change and delivered to the Purchasers, offer the materially adversely affected Purchaser(s) the right, for at least 15 days, to rescind their Agreements and receive a refund of their Deposits, together with all interest earned thereon. An increase in the size of a room or Unit will not on its own give rise to a right of rescission. (See the Section entitled "Changes in Prices, Residential Units and Storage Bin Licenses" below for further details concerning and certain limitations applicable to Sponsor's rights with respect to changes in the construction of the Units and the Common Elements.) *
- (2) The approximate floor area of each Unit has been measured horizontally with respect to Units from the outside face of the exterior walls of the Building to (a) the center line of the drywall or masonry partitions separating one Unit from another Unit, (b) the corridor side of any corridor walls, (c) the external stair side of the drywall or masonry partitions

* Each Unit includes, and each Unit Owner shall be responsible for, front entrance door and any other entrance doors to such Unit, windows, flooring, wallcoverings, non-load bearing interior walls and partitions and sheet rock and plaster wall covering, smoke detectors, all plumbing, gas and heating fixtures and equipment such as heating, ventilating and air conditioning units (including the fans inside the units), as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors. Each Unit shall also include: (i) all lighting and electrical fixtures, cabinets, including, without limitation kitchen and bathroom cabinetry, countertops, and appliances and appliances within the Unit, and (ii) any special equipment, fixtures or Facilities (as defined in the Declaration) affixed, attached or appurtenant to the Unit by a Unit Owner other than Sponsor (in its capacity as declarant of the Declaration), to the extent located within a Unit and serving or benefiting only that Unit including, but not limited to, any freight elevators or freight entrances servicing a Commercial Unit. Notwithstanding anything contained in the Declaration to the contrary, each Unit Owner will have the right, subject to such rules as may be imposed by the Board, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, wall to wall carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity and mechanical and electrical systems of such Unit or of the Building.

enclosing any common element stairs, and (d) the external side of any common element shafts, elevators and other mechanical equipment spaces or common elements. Each Unit is measured vertically from the top of the concrete floor to the underside of the concrete slab. However, any Common Elements located within a Unit shall not be considered a part of such Unit but are included in the measured area of each Unit. Each of the Units have been measured in the manner as set forth more particularly in the Declaration, and as is currently customary in New York, these square foot area for each Unit exceeds the useable floor areas for each such Unit

Outdoor floor areas of Terraces or other outdoor areas, if any, appurtenant to a Unit were not included in the Unit's approximate floor areas. Terraces are measured horizontally from the outside face of exterior wall to the outside face of parapet. Where two Terraces abut, the measurement is taken to the centerline of the divider screen.

Storage Bins are measured from the outside of the wire mesh to outside of wire mesh, and where a Storage Bin abuts a wall, to the face of the demising wall.

The square foot areas determined using the methodology set forth above, as shown in Schedule A in Part I of the Plan, would be different from that derived by using an alternative methodology of measuring from interior surfaces to interior surfaces (which would yield significantly less actual useable floor area for each Unit). The room count for each Residential Unit was determined by Sponsor's architect in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York.

- (3) Sponsor has reserved the right to change the Purchase Prices (as well as other terms of sale) of Units not subject to executed Agreements, so Purchasers may pay different prices for similar Units. (See the Section entitled "Changes in Prices, Residential Units and Storage Bin Licenses" below for further discussion.) In addition to paying the Purchase Prices of their Units, purchasers will be responsible for paying certain closing adjustments and closing costs, including, without limitation, the obligation to contribute to the Working Capital Fund. Purchasers are advised to consult with their attorneys as to the exact closing costs they will incur in purchasing their Units. (See the Section entitled "Unit Closing Costs and Adjustments" below for further discussion.)
- (4) The Common Interest of each Unit has been determined, pursuant to Section 339-i(1)(iv) of the Condominium Act. In accordance with such method of calculation, the Common Interests have been determined based primarily upon a comparison of the floor areas of the Units, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of the Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. The aggregate Common Interests of all of the Units equals 100%.
- (5) These projections have been based upon the projections contained in Schedule B – "Projected Budget for First Year of Condominium Operation" (set forth in Part I of the Plan), which were made based on the assumption that the First Year of Condominium Operation will be January 1, 2017 through December 31, 2017. The actual first year of

operation may be earlier or later. In the event the actual or anticipated commencement date of the First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections. If the amended budget exceeds this projected budget by 25% or more, Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period, if the Plan has been declared effective) the right to rescind their Agreements for a period of not less than 15 days after the presentation date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their Deposit and any interest accrued thereon returned.

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

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

Sponsor reserves the right to delay the commencement of collection of Common Charges. During any such delay, Sponsor will timely pay all expenses of the Condominium, including, but not limited to, insurance premiums and any reserve fund payments required by any lenders. Upon commencement of collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium. Sponsor shall be required to update the budget as required under governing regulations. In the event Sponsor elects to delay the collection of Common Charges, it will disclose such fact in the closing notice to Purchasers and will further disclose such fact in the post-closing amendment to the Plan. Such amendment will also disclose the anticipated period of delay. Sponsor will notify all Unit Owners in writing of the expiration of the delay period (which expiration shall be determined in Sponsor's sole and absolute discretion) at least thirty (30) days prior to the commencement of collection of Common Charges and will disclose such fact in the following amendment to the Plan. Notwithstanding anything contained in this paragraph, in all instances the Unit Owners will remain responsible for the payment of the real estate taxes (including such Unit Owners' allocable share of those real estate taxes attributable to the Resident Manager's Unit). In addition to the payment of Common Charges, each Residential Unit Owner will incur additional expenses for, among other things:

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

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

(c) the cost of interior repairs, compliance with Legal Requirements and maintenance, painting and decoration in, to or of, the Unit, including, without limitation, the equipment and appliances contained in the same, and any appurtenant Residential Limited Common Elements;

(d) the cost of any insurance that the Residential Unit Owner may be required to (or desire to) carry covering the furniture, belongings, equipment and other personal property in the Unit, as well as the cost of any insurance the Unit Owner may be required to carry covering liability to others for personal injury or property damage as a result of occurrences in the Unit;

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

(f) real estate taxes (see footnotes 6 and 7 below).

Holders of Storage Bin Licenses, excluding Sponsor with respect to unsold Storage Bin Licenses, will be required to pay a license maintenance fee to the Condominium in an amount equal to \$.50 per month per square foot of such Storage Bin, which amount shall, following the First Closing, be subject to annual increases based upon the percentage increase of the Common Charges over such time. Further, the license fee is subject to change from time to time as the Board deems necessary in its discretion.

- (6) Sponsor intends to apply for a partial exemption from real estate taxes with respect to the Property pursuant to Section 421-a of the New York State Real Property Tax Law. Pursuant to Section 421-a, the real estate tax estimate for the First Year of Condominium Operations will be based upon the assessed valuation of the Property in the tax year prior to the commencement of construction, subject to the exemption cap, discussed below. During the tax year prior to the commencement of construction (2013/2014), the estimated allocated total taxable assessed value of the Land is \$1,008,238, of which 97.3515% is estimated to be applicable to the Residential Units in the Building, which, results in a "mini-tax" assessment of \$734,508 for the Residential Units (assuming no individual unit exceeds the exemption cap, discussed below).

NEITHER SPONSOR, SPONSOR'S COUNSEL, SPONSOR'S REAL ESTATE TAX COUNSEL), SELLING AGENT, MANAGING AGENT NOR ANY OTHER PERSON MAKES ANY REPRESENTATION OR WARRANTY THAT A PARTIAL TAX EXEMPTION FROM REAL ESTATE TAXES UNDER SECTION 421-A WILL BE GRANTED OR, AS TO THE AMOUNT, IF ANY, OF THE MINIMUM TAX WHICH WILL BE ASSESSED AGAINST THE RESIDENTIAL UNITS OR THE AMOUNT OF REAL ESTATE TAXES PAYABLE AT ANY TIME BY ANY RESIDENTIAL UNIT OWNER. There is no guaranty or assurance that the criteria for Section 421-a benefits will be satisfied and neither Sponsor nor Sponsor's Counsel, Sponsor's Real Estate

Counsel offers any opinion with respect to the eligibility of the Residential Units for Section 421-a benefits. If, for any reason, the application is not approved by HPD, the Residential Units will be subject to full real estate taxation and will receive no benefits under Section 421-a. In such case, Purchasers will not be entitled to any right of rescission, reduction in price or other credit or concession.

Prospective purchasers should note that the real estate taxes that will be payable by the Unit Owners for years in which 421-a benefits are phasing out or have expired entirely will vary in accordance with the amounts of the Unit's assessed valuation (transitional and actual) and of the real estate tax rate. With regard to the Exemption, prospective purchasers should note that, assuming the partial exemption from real estate taxes pursuant to Section 421-a is maintained, the real estate taxes payable by the Unit Owners will in any event increase periodically over the 15 years of condominium ownership as an integral part of the Section 421-a program. The schedule for the fifteen (15) year post-construction partial 421-a real estate tax exemption is as follows: one hundred percent (100%) exemption on any increase in the assessed value of the Property over the "prior assessed value" for years one (1) through eleven (11), commencing on the July 1st following the taxable status date (January 5) after receipt of at least a temporary or permanent Certificate of Occupancy covering all residential Units in the Building; eighty percent (80%) exemption in year twelve (12)); sixty percent (60%) exemption in year thirteen (13); forty percent (40%) exemption in year fourteen (14); and twenty percent (20%) exemption in year fifteen (15), with full real estate taxes due and payable commencing with the sixteenth (16th) year, all of the above subject to the exemption cap, discussed below.

15-year Exemption

<u>Benefit Years</u>	<u>% of Exemption</u>
1-11	100%
12	80%
13	60%
14	40%
15	20%
16	0%

The Building will be subject to the 421-a exemption cap, which provides a limitation on the maximum 421-a exemption per dwelling unit. As of the date of filing of the Plan, the law sets an exemption cap at no more than \$65,000 of assessed value per dwelling unit as of 2008 with an inflation factor of 3% per year. The per unit cap for each of the upcoming tax years is as follows:

2015/2016	\$79,942
2016/2017	\$82,340
2017/2018	\$84,810
2018/2019	\$87,355
2019/2020	\$89,975
2020/2021	\$92,674
2021/2022	\$95,455
2022/2023	\$98,318

Sponsor has 15 months from the date of issuance of a final certificate of eligibility from HPD to declare the Plan effective. Otherwise, Sponsor is obligated to register Residential Units as rent-stabilized as they become occupied. Purchasers may obtain more information about the Section 421-a application process, tax benefits and requirements associated therewith at <http://www.nyc.gov/html/hpd/html/developers/421a.shtml>. If, prior to consummation of the Plan, Sponsor rents any Residential Unit (or portion thereof) to any person other than an interim lessee, Sponsor is obligated to abandon the Plan in accordance with the provisions of 13 N.Y.C.R.R. Section 20.1(1)(2) and 20.5(g).

As set forth in the opinion of Sponsor's real estate tax expert in Part I of the Plan:

1. There is now an expanded Geographical Exclusion Area (GEA) in the City of New York. This property is in the new GEA. However Purchasers may be burdened with an exemption cap on the maximum 421-a exemption for the reasons set forth above.
2. Although the Building is located in the GEA, there are no requirements for any on-site affordable housing units within the Condominium in order to qualify for 421-a tax benefits as the Building is part of a "UDC Large Scale Project" pursuant to Subdivision 13 of Real Property Tax Law Section 421-a.
3. The requirement to pay all building service employees a "prevailing wage" will affect the Condominium since there are more than 49 dwelling units in the building

(See the Section entitled "Partial Real Estate Tax Exemption (Section 421-a)" in Part I of the Plan for further discussion.)

The projection of the real estate taxes that will be payable for each of the Residential Units during the projected First Year of Condominium Operation, is based upon a letter dated March 4, 2015 prepared by Tuchman, Korngold, Weiss, Liebman & Gelles LLP, Sponsor's real estate tax expert and takes into account the following assumptions and projections:

(a) that the property will be reassessed as a fully completed structure for the 2017/2018 tax year

(b) notwithstanding that the First Year of Condominium Operation is projected to run from January 1, 2017 through December 31, 2017, the projection of real estate taxes used herein reflects a tax projection for the 2017/2018 tax year, being the first year taxes are anticipated to be assessed for the fully completed structure;

(c) for tax year 2017/2018, a taxable assessment for the Property of \$30,000,000 (which estimate assumes that the taxing authority is assessing a fully constructed, occupied building and is not intended to reflect any interim or partial completion assessment. Because the Property may be only partially completed as

of the taxable status date, January 5th, the 2016/2017 assessed valuation may be lower than estimated here);

(d) for tax year 2017/2018, a taxable assessment for the Residential Units of \$29,205,450; and

(e) an assumed tax rate in effect for 2017/2018 of 13.25% which results in estimated real estate taxes for the Residential Units, reflecting a fully completed structure, totaling \$3,869,722.

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

No warranty, guarantee or assurance is given that:

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

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

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

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

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

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

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

- (7) This column represents the annual amount of projected real estate taxes for the First Year of Condominium Operation, as determined by multiplying by 12 those amounts listed in the column titled "Projected Monthly Real Estate Taxes."
- (8) Unit 101 is anticipated to be used as an apartment by the Resident Manager (the "Resident Manager's Unit"). On or prior to the closing of title to 75% of the Residential Units offered hereunder, Sponsor will sell the Resident Manager's Unit to the Board based on a total expense of \$1,570,000 (a Purchase Price of \$1,495,000 plus \$75,000 in closing costs), not including financing costs as set forth below. In respect of such Resident Manager's Unit, at the Closing to each Residential Unit, the Purchaser thereof, as a closing cost of such Purchaser's Residential Unit, will be required to make a payment (each such payment, an "RMU Payment", and collectively, the "RMU Payments") to the Board in an amount equal to such Purchaser's pro-rata share of 35% of the Purchase Price of the Resident Manager's Unit plus 100% of closing costs as aforesaid (collectively, the "Partial Purchase Price") determined in proportion to their respective Common Interests, as set forth on Schedule A – "Purchase Prices and Related Information." The balance of the Purchase Price of the Resident Manager's Unit, in the amount of \$971,761, will also be payable to Sponsor as of the closing of title to the Resident Manager's Unit, which amount is expected to be financed by a first mortgage obtained by the Board from a third-party lender ("RMU Loan"). It is expected that such

mortgage will be for a term of 10 years, amortizing over 30 years, at then applicable interest rates (which, as of the date of filing of the Plan, is approximately 4.5% annum). As the amortization schedule of the RMU Loan may result in an outstanding principal balance at maturity, the Condominium may have to repay the principal balance of the RMU Loan at maturity, together with any unpaid interest due thereon. No representation is made by Sponsor as to the then-applicable interest rate for the RMU Loan. Further, no representation is made by Sponsor with respect to the Condominium's ability to repay or otherwise finance or refinance the RMU Loan at such time. Purchasers are advised that in the event the Board is unable to obtain financing at the closing of the Resident Manager's Unit, or to obtain refinancing at the maturity of the RMU Loan, in either or both events, the Board may be required to impose a Special Assessment against all Residential Unit Owners. As more particularly set forth in the Section of the Plan entitled "Notes to Schedule B", the initial monthly payment under the RMU Loan will be an amount equal to \$5,039.00, for an initial annual cost of \$60,467, which payments will be a Common Expense allocated among the Residential Unit Owners in proportion to each Residential Unit's respective Residential Common Interest.

The RMU Payment must be paid by official bank check or Purchaser's personal certified check payable to the Board and the same shall be separate from the Working Capital Fund contribution otherwise required of each Purchaser. The Board shall hold the RMU Payments in an account (the "RMU Payment Account") separate from the Working Capital Fund, which RMU Payments must be used toward the RMU Loan and/or the RMU Balance until such time as the same have been satisfied. Sponsor reserves the right to use a different Residential Unit as the Resident Manager's Unit, and in such case the purchase price of such different Residential Unit will not increase by more than 15% of the purchase price of Unit 101.

ALTHOUGH THE CLOSING OF TITLE TO THE RESIDENT MANAGER'S UNIT IS ANTICIPATED TO OCCUR ON OR PRIOR TO THE CLOSING OF TITLE TO 75% OF THE RESIDENTIAL UNITS OFFERED HEREUNDER, AT CLOSING EACH PURCHASER OF A RESIDENTIAL UNIT WILL BE REQUIRED TO MAKE THE RMU PAYMENT TO THE BOARD.

The RMU Payments shall be held in the RMU Payment Account. At the Closing of title to the Resident Manager's Unit, the Board shall use the RMU Payments to pay for a portion of the Partial Purchase Price. If insufficient working capital exists at such time in the Board's account, the portion of the Partial Purchase Price not covered by the RMU Payments (the "RMU Balance") will be payable by a promissory note (the "RMU Note") which will mature 3 years after the closing on such Resident Manager's Unit. The Board will not be responsible for payment of interest in connection with the RMU Note. The balance of the Partial Purchase Price shall be payable in full to Sponsor by the Board out of the Working Capital Fund at the time of maturity (i.e., 3 years after the closing on the Resident Manager's Unit) to the extent the RMU Payment Account has insufficient funds. In the event that a Closing occurs after maturity, Purchasers shall continue to make RMU Payments to the Board at their respective Closings, which amounts shall be used to replenish the Working Capital Fund, as applicable. Payment of the RMU Note will be secured by a lien on the Resident Manager's Unit, subject to any existing first

mortgage. Sponsor does not intend to refinance or extend the RMU Note and related loan at maturity. Purchasers are advised that refinancing by another lender may not be available and that the Board, in order to repay the RMU Note, may be required to assess all Residential Unit Owners in proportion to their respective Common Interests.

In the event the Board defaults under the note(s) and mortgage(s), including, but not limited to a default as the result of the Board's failure to pay the balance of the purchase money note due at maturity, the holder of such mortgage(s) may foreclose on the Resident Manager's Unit and if the proceeds from the sale of such Unit are insufficient to satisfy the outstanding mortgage balance and other fees incurred, the Residential Unit Owners could be liable for the deficiency. In the event of such a foreclosure, the Condominium will be without a Resident Manager's Unit and, accordingly, alternate arrangements will be necessary to shelter the Resident Manager in the Building or within such distance of the Building as is then required by law.

Sponsor shall enter into a lease agreement (the "RMU Lease") with the Board for the Resident Manager's Unit, for a term beginning on or about the First Closing and extending to the date that the Resident Manager's Unit is transferred to the Board. The monthly rent shall be in an amount equal to the sum of Common Charges and real estate taxes (plus any additional expenses) attributable to the Resident Manager's Unit. The Board shall pay all expenses of the Resident Manager's Unit from and after the First Closing regardless of when the closing of title to such Unit occurs as aforesaid.

There is no guaranty that the Resident Manager will be residing in the Building at the time of closing of any particular Residential Unit although all Legal Requirements with respect thereto will be complied with, including the Administrative Code of the City of New York, Section 27-2052, et seq. All costs and expenses of the Resident Manager's Unit and repairs thereto, as well as all utilities serving same, shall be expenses of the Board at all times.

- (9) THE PRICES FOR THE STORAGE BIN LICENSES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

Holders of Storage Bin Licenses, excluding Sponsor with respect to unsold Storage Bin Licenses, will be required to pay a license maintenance fee to the Condominium in an amount equal to \$.50 per month per square foot of such Storage Bin, which amount shall, following the First Closing, be subject to annual increases based upon the percentage increase of the Common Charges over such time. Further, the license fee is subject to change from time to time as the Board deems necessary in its discretion.

The Storage Bins may only be used for storage purposes, and in no event may the Storage Bins be used as dwelling spaces. No materials which pose a health or safety threat or which otherwise create a nuisance may be stored therein, and Storage Bins may not be used to store toxic, inflammable or combustible items as defined in the Building Code of the City of New York. Failure of a Unit Owner to comply with the use limitations set forth in the immediately preceding sentence may result in issuance by the Department of

Buildings of a violation against the Building along with imposition of an associated fine. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use any unlicensed Storage Bins for any purpose permitted by Legal Requirements (as hereinafter defined) or to change the permitted use of any unlicensed Storage Bins, subject, however, to the provisions of the Declaration.

Upon the issuance of a Storage Bin License to a Unit Owner, such Unit Owner may freely assign such License without the consent of the Board; provided such assignee is also a Unit Owner; and provided further that the Board is provided written notice of such assignment. Neither Sponsor nor the Board shall have any liability or obligation with respect to a private assignment of a Storage Bin License. If at any time the licensee of a Storage Bin sells its Unit, it shall simultaneously assign its license of the Storage Bin to another Residential Unit Owner (or the Purchaser of such Unit), and if it fails to do so, the Board shall have the right to terminate the license of the Storage Bin and take possession of the same, without compensation to the licensee. Upon the issuance of a Storage Bin License to a Unit Owner or the transfer of a Storage Bin License to an assignee, such Unit Owner or assignee, as the case may be, shall provide the Managing Agent with a copy of the Storage Bin License Agreement.

If a Unit Owner holding a Storage Bin License defaults in its obligations under the Storage Bin License Agreement or under the Condominium Documents, the Board may, in addition to the rights and remedies set forth in the Condominium Documents: (i) deny access to and use of the Storage Bin until such Unit Owner cures such default, or (ii) terminate the Storage Bin License Agreement upon written notice to the Unit Owner.

The form of the Storage Bin License Agreement to be used for licensing the use of such Storage Bins to individual Unit Owners is included in Part II of this Plan.

Sponsor shall offer the Storage Bin Licenses to Purchasers of Residential Units on a first-come, first-served basis until such time as all of the Storage Bin Licenses have been purchased. Sponsor reserves the right to limit the number of Storage Bin Licenses sold to any one Purchaser or to make bulk sales, as it as it determines in its sole discretion. Storage Bin Licenses will only be sold by Sponsor to Purchasers of Residential Units. Prospective Purchasers will be required to deliver a deposit in the amount of 15% of the purchase price of the Storage Bin License upon execution of an Agreement as set forth in the Storage Bin License rider to the form of Agreement included in Part II of this Plan. In the event the Storage Bin is not available for conveyance to a Purchaser at the closing of such Purchaser's Unit, all monies paid for the Storage Bin License must be held in escrow by Escrow Agent and may only be released to Sponsor in connection with the conveyance of the Storage Bin to Purchaser. (See the Sections entitled "Storage Bins" under "Description of Property and Improvements", "Changes in Prices, Residential Units and Storage Bin Licenses," and "Procedure to Purchase" in Part I of the Plan for further information).

**E. SCHEDULE B – “PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM
OPERATION”**

SCHEDULE B

550 Vanderbilt Condominium
550 Vanderbilt Street
Brooklyn, New York 11218

Projected Budget for First Year of Condominium Operation (See Note 1)
January 1, 2017 to December 31, 2017

ESTIMATED INCOME

Residential Unit Common Charges (Note 2)	\$3,906,579
Retail Unit Common Charges – (Note 2)	33,532
License Fees – Storage Bins (Note 3)	\$20,220
Total Estimated Common Charges	<u>\$3,960,330</u>

ESTIMATED EXPENSES

Payroll and Related Expenses (Note 4)	\$ 1,426,274
Gas (Heat/Hot Water, Cooking, Grills and Fireplaces) (Note 5)	\$ 246,124
Electricity (Note 6)	\$ 497,624
Water Charges and Sewer Rent (Note 7)	\$ 358,896
Repairs and Maintenance (Note 8)	\$ 116,500
Service Contracts (Note 9)	\$ 366,000
Insurance (Note 10)	\$ 215,000
Management Fee (Note 11)	\$ 195,000
Resident Managers Unit (Note 12)	\$ 90,118
Shared Park Maintenance (Note 13)	\$ 175,000
Legal and Audit Fees (Note 14)	\$ 30,000
Other Expenses (Note 15)	\$ 25,000
Contingencies (Note 16)	\$ 35,000
Reserve for Replacements (Note 17)	\$ 183,795
Total (Note 18)	<u>\$ 3,960,330</u>

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

ALLOCATION OF COMMON EXPENSES BETWEEN RESIDENTIAL AND RETAIL UNITS

(see also detailed notes which follow)

<u>Common Charges</u>	<u>Total Expenses</u>	<u>Residential Unit Expenses</u>	<u>Retail Unit Expenses</u>
Payroll & Related Expenses	1,426,274	1,420,274	5,999
Electricity	497,624	497,624	
Gas (Heat and Hot Water)	246,124	246,124	
Water Charges & Sewer Rent	358,896	358,896	
Repairs and Maintenance	116,500	115,642	858
Service Contracts	366,000	362,000	4,000
Insurance	215,000	209,323	5,677
Management Fee	195,000	189,851	5,149
Resident Managers Unit	90,118	90,118	
Shared Park Maintenance	175,000	170,380	4,620
Legal & Audit Fees	30,000	29,208	792
Other Expense	25,000	24,340	660
Contingency	35,000	34,076	924
Reserve for Replacements	183,795	178,942	4,853
Total	3,960,330	3,926,799	33,532
Storage Bin License Fees		(20,220)	
Total	3,960,330	3,906,579	33,532

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

- A. The Retail Unit Owners' share of service contract expenses is based on their Common Interest applied to the costs of the following service contracts only: exterminating, sprinkler, supplies central station monitoring, window washing, telephone and fire alarm.

FOOTNOTES TO SCHEDULE B

(1) First Year of Condominium Operation

The receipts and expenses for the projected First Year of Condominium Operation. The Common Charges projected herein are based upon estimated expenses for the twelve (12) month period commencing January 1, 2017. The actual First Year of Operation may begin earlier or later.

If the actual or anticipated date of commencement of the First Year of Residential Section Operation is to be delayed by more than six (6) months from the budget year projected in the Offering Plan, the Plan will be amended to include a revised budget disclosing the current projections. If such amended projections exceed the original projections by twenty-five (25%) percent or more, the Sponsor will offer all Purchasers, (other than Purchasers who are then in default beyond any applicable grace period, if the plan has not been declared effective) the right, to rescind their agreements for a period not less than fifteen (15) days after the presentation date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their deposit and any accrued interest returned.

Sponsor shall not declare the Plan effective where there are any material changes to the Budget if the changes are not disclosed by a duly filed amendment to the Plan.

(2) Common Charges

These amounts represent the total Common Charges to be levied against and collected from the Residential Unit Owners and the Retail Unit Owners during the anticipated First Year of Condominium Operation. The Common Charges will be utilized by the Condominium Board to defray the operational expenses of the Condominium. Except as otherwise set forth herein, the Common Charges have been allocated between the Residential Unit Owners and the Retail Unit Owners based on anticipated usage and benefits derived by such Unit Owners, respectively, and between and among the Unit Owners on the basis of percentage of Common Interest allocated to each Unit. Where the allocation of Common Expenses is not based on percentage of Common Interest, or Common Expenses have been allocated only to certain categories of Units, such circumstances are set forth in the following notes. The Retail Unit Owners will only be obligated to pay their respective allocable share of those expenses that are incurred by the Condominium Board in furnishing services, operating and maintaining those Common Elements which are utilized by and serve such Retail Unit Owners. Those Common Charges that have been allocated on the basis of Common Interest have been allocated on such a basis as follows: Those expenses to be borne by the Residential Unit Owners have been allocated on the basis of the combined percentage of Common Interest of such Residential Units, for a total of 97.3597%. Common Charges to be borne by the Owners of the Retail Units have been allocated on the basis of such Retail Unit Owners' Common Interest for a total of 2.6403%.

(3) License Fees for Storage Bins: \$20,220

There are a total of 100 Storage Bins. The Storage Bins are located on the Cellar Level. The

Condominium will charge a license fee for the use of the individual Storage Units. Each Storage Bin Licensee will be charged a monthly License Fee. The Monthly License Fee projected herein are based upon estimated expenses for the twelve (12) month period commencing January 1, 2017. The Common Charges will be offset by the income derived by the Storage Bin Fees in the amount of \$20,220.

The Storage Bin License fee will be subject to increases based on the percentage increase in subsequent budgets approved by the Board or as otherwise as the Board deems necessary in its discretion.

(4) Payroll and Related Expenses: (\$1,426,274)

The Condominium staff shall consist of:

1/1/2017- 12/31/2017

Resident Manager (1)	\$2,115.38 x 52	\$110,000
Handyman (2)	\$1,047.03 x 52	108,891
Porters (6)	\$950.03 x 52	296,410
Doormen/Concierge (6)	\$950.03 x 52	296,410
	WAGES	\$811,711

Multiply by 1.1538 to bring to 60 weeks to allow for sick days, holidays and vacation pay.

TOTAL WAGES \$936,590

It is anticipated that ultimately, all building employees will be members of Local 32BJ Service Employees International Union and that the budgeted wages and benefits comply with the current living and prevailing wage and benefit requirements for buildings receiving 421-a tax benefits. The building is classified as Class "A" for the purpose of defining the wage scale and will pay prevailing wages and benefits. The projected expenses for wages, salaries and benefits as well as the assumptions described herein, are believed to be reasonable and reflect the experience of Sponsor's budget expert, First Service Residential, in managing comparable buildings. Such level of staffing complies with all applicable housing and labor laws. The Sponsor's Budget Experts has over 25 years experience in the management industry and First Service Residential managers over 500 cooperative, condominium and rental building in New York City.

The following expenses are mandated by law for each employee:

FICA Employer		7.65%	\$71,649
NY State Unemployment	(1 st \$14,500)	9.9%	20,790
Federal Unemployment	(1 st \$8,500)	.80%	1,020
State Disability Insurance	\$45 Per Employee)		675

Workers Compensation	(5%)	46,829
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The following expenses are the projected health and retirement expenses for each employee:

Health	\$1,400 per Mth/Emp	252,000
Pension	\$100 per WK/Emp	78,000
Supplemental Retirement	\$12 per WK/Emp	9,360
Profit Sharing	\$12 per WK/Emp	<u>9,360</u>

TOTAL TAX AND BENEFITS	<u>\$348,720</u>
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TOTAL WAGES AND BENEFITS	\$1,426,274
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(5) Gas (Heat, Hot Water, Cooking, Grills and Fireplace): \$246,124

Based on an estimate made as of November 28, 2014 by Cosentini Consulting Engineers, located at Two Pennsylvania Plaza, New York, New York 10121, it is anticipated that natural gas will be provided for heat, hot water, cooking, and with respect to certain terraces, grills and with respect to the Ground Floor amenity space and PHW, fireplaces, in the Residential Units and Common Elements and will cost \$223,749. This estimate is based on a projected usage of 172,113 Therms of gas per year at an anticipated cost of \$1.30 per Therm X 110% to account for an inflation factor. The Retail Units will be separately metered.

(6) Electricity: \$497,624

This estimate is based on an estimate made as of November 28, 2014 by Cosentini Consulting Engineers, located at Two Pennsylvania Plaza, New York, New York 10121, that light and power for the Common Elements as well as the mechanical equipment will be approximately 1,766,680 KW/HR/YR at an annual cost of \$.26 per KWH X 110% to account for an inflation factor.

Electricity (including current necessary to operate HVAC Systems) shall be supplied to all Units through a separate meter for each such Unit, and the cost of electricity consumed or used in each such Unit or any Residential Limited Common Elements appurtenant thereto shall be payable by each Unit Owner directly to Consolidated Edison based on the metered readings. The Retail Units will be separately metered.

(7) Water Charges and Sewer Rent: \$358,895

This amount is based on an estimate made as of November 28, 2014 by Cosentini Consulting Engineers, located at Two Pennsylvania Plaza, New York, New York 10121, that water charges for the Residential Units, Cooling Tower Make-Up and all Common Elements, will be

approximately 3,627,433 cubic feet of water per year at \$9.58 per 100 cubic foot of water used and 3,580 cubic feet of water per year at \$3.70 per 100 cubic foot of water used for cooling tower make-up. All water charges and sewer rents have been increase by 10% for an inflation factor. The Retail Units will be separately metered.

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

(8) Repairs and Maintenance: \$116,500

This estimate includes painting, maintenance and repair costs of Residential Limited Common Elements only. Unit Owners will be responsible for the cost of repairs, maintenance and painting in the interiors of their Units. No provision has been made in this line item to cover the cost of any capital expenditure. This estimate also includes the estimated annual cost of services and supplies (excluding service contracts) provided to and for the benefit of the Residential Units. The Retail Units have been allocated their percentage of Common Interest of Window, Lock and Doors and General Repair only. All other Repair and Maintenance expenses are allocated to the Residential Units.

Supplies and Hardware	\$40,000
Plumbing	\$ 7,500
Electrical	\$10,000
Window, Lock and Doors	\$ 7,500
Compactor	\$ 2,000
Intercom	\$ 2,500
Plastering and Painting	\$12,000
Elevators	\$10,000
General Repairs	<u>\$25,000</u>
Total	\$116,500

This estimate is based on experience of Sponsor's budget expert, First Service Residential in operating comparable buildings. The Sponsor's Budget Experts has over 25 years experience in the management industry and First Service Residential managers over 500 cooperative, condominium and rental building in New York City.

(9) Service Contracts: \$366,000

This estimate includes the cost of various services used in or for the Residential Limited Common Elements, including but not limited to elevator service, landscaping, extermination, fire alarm and amenity management. The Retail Unit Owners' share of service contract expenses is based on their Common Interest applied to the costs of the following service contracts only: exterminating, sprinkler, supplies, central station monitoring, window washing, telephone and fire alarm.

Elevator Maintenance	\$ 48,000
Exterminating	\$ 7,500
Landscaping/Irrigation	\$ 25,000

Flowers	\$ 12,000
Central Station Monitoring	\$ 2,500
Window Washing	\$ 80,000
Supplies	\$ 25,000
Fire Extinguishers	\$ 1,500
Fire Alarm	\$ 15,000
Sprinkler	\$ 5,000
HVAC Service	\$ 25,000
Generator	\$ 12,000
Amenity Operator	\$ 50,000
Telephone/Mobile/Internet	\$ 15,000
<u>Uniforms</u>	<u>\$ 20,000</u>

Total **\$366,000**

No maintenance or service contracts have been entered into as of the filing date of the Plan. The budgeted amounts are based on estimates received from contractors and the experience of Sponsor's budget expert, First Service Residential, in operating comparable buildings. The Sponsor's Budget Experts has over 25 years experience in the management industry and First Service Residential managers over 500 cooperative, condominium and rental building in New York City. First Service Residential is located at 622 Third Avenue, New York, NY 10017. While this Schedule B includes a reasonable allowance for possible increases in cost, which may occur prior to and during the First Year of Residential Section Operation, no warranty or guarantee is made that the actual cost for these services or other services will be in accordance with this projection.

The Plan will be amended to disclose all service contracts entered into that will be binding on the Board.

(10) Insurance: \$215,000

The insurance premiums are based on the letter, dated December 3, 2014, from MR coopers, Ltd, located at 622 Third Avenue, New York, New York 10017. The fire, casualty and general liability are on the terms set therein:

	<u>COVERAGES</u>	<u>LIMITS OF LIABILITY</u>
A.	Property (Building Limit)	\$128,262,331
	Loss of Maintenance Fee	Included
	Demolition and Increased Cost	\$ 1,000,000
	Flood	\$ 5,000,000
	Earthquake	\$ 5,000,000
	Boiler and Machinery	\$100,000,000
	Deductibles	
	Policy Deductible (Underground Water)	\$ 10,000
	Earthquake	\$ 50,000

	Flood	\$ 25,000
B.	General Liability (General Aggregate)	\$ 2,000,000
	Each Occurrence	\$ 1,000,000
	Fire Damage Liability	\$ 50,000
	Personal and Advertising Injury	\$ 1,000,000
	Medical Expenses	\$ 5,000
	Hired/Non Owner Auto Liability	\$ 1,000,000
C.	Directors & Officers Liability	\$ 1,000,000
	Deductible	\$ 5,000
D.	Umbrella Liability	\$100,000,000
	Self Insured Retention	\$ 10,000
	Included Excess Director's & Officers	
E.	Crime	
	Employee Dishonesty Limit	\$ 500,000
	Managing Agent's Rider	\$ 500,000

The total premium for these various coverages is estimated at \$215,000.

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

This coverage does not include claims for personal injury or property damage resulting from occurrences in individual Units or any Common Elements exclusive to such Units, nor does it include coverage of any Unit (as such term is more particularly described in the Plan and the Declaration.

This quotation is an indication of insurance premiums at current rates. Because conditions in the insurance marketplace are volatile, it is not possible to predict what the premiums will be for the First Year of Condominium Operation. Purchasers should be aware of the possibility of rate increases. The insurance is adequate for the replacement of the building in the event of a total loss. The carrier will be selected at the time the coverage is bound. This will occur prior to the first unit closing. The agent quoting the proposed insurance is MR coopers, Ltd, located at 622 Third Avenue, New York, New York 10017.

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

(11) Management Fee: \$195,000

Based on the management agreement to be entered into with First Service Residential New York, Inc. at or before the First Closing, it is expected that the Managing Agent will receive an annual fee of \$195,000 for the first year. Reference should be made to "Management Agreements" in Part I for further discussion of the terms of the Management Agreement. First Service Residential is not affiliated with Sponsor. First Service Residential is located at 622 Third Avenue, New York, NY 10017.

(12) Resident Manager's Unit: \$90,118

It is anticipated that Sponsor will sell Residential Unit 101 (the "RM Unit") to the Board of Managers for use and occupancy of the Resident Manager of the Condominium for a purchase price of \$1,495,000.00 (the "RM Purchase Price") and closing costs of \$75,000 (the "RM Closing Costs"). It is anticipated that 35% of the RM Unit Price is to be paid by the Board of Managers in cash (such funds to be collected from each Residential Unit Owner at Unit Closing based on said Owner's Residential Common Interest) (the "Cash Portion") and the 65% balance to be financed with a loan from an Institutional Lender (the "RM Closing Costs" and together with the Cash Portion, the "RM Purchase Costs"). The costs represented by this line item reflect (i) estimated annual debt service on a purchase money loan in the amount of \$994,500 @ an interest rate of 4.50% per year for a 10 year loan with a 30 year amortization, (ii) Common Charges estimated at approximately \$16,564.32 for the first year, (iii) real estate taxes allocable to the RM Unit estimated at \$5,285.92 for the first year, (iv) an annual telephone cost of \$2,400.00 for the first year, and (v) estimated electricity cost of \$5,400.00 for the first year. Though the sale of the RM Unit to the Board is not anticipated to occur in the projected First Year of Condominium Operation, the Board of Managers may be required to pay a use and occupancy fee to Sponsor for the period prior to sale of the RM Unit equal approximately to Sponsor's carrying costs for the RM Unit (i.e., debt service, Common Charges and real estate taxes attributable to the RM Unit). Sponsor reserves the right, as discussed elsewhere in this Plan, to finance the sale of the RM Unit to the Board on terms that would be different than the foregoing.

Although Common Charges are imputed to and assessed against the Resident Manager's Unit, no Common Charges will in fact be collected by the Board in respect thereof while the Resident Manager's Units is dedicated or the use of the Resident Manager.

Until such time that the Resident Manager's unit is conveyed to the Condominium, the Sponsor will retain the right to charge rent for use and occupancy of the Resident Manager's Unit at a rent approximately equivalent to the monthly real estate taxes, common charges and utility charges attributed to unit 101.

The Common Charges, utility and telephone charges are based upon estimates from the budget expert opinion enclosed herein.

The costs associated with the Resident Managers Unit will be allocated solely to the Residential Unit Owners. See the Special Risk entitled "Resident Manager's Unit" for further details.

(13) Shared Park Maintenance: \$175,000

This expense represents the Condominium’s initial allocated share of the cost to fund the Conservancy for Pacific Park Brooklyn and its operation, maintenance, repair and programming of the facilities constituting the publicly accessible portions of Pacific Park Brooklyn. ”

(14) Legal and Audit Fees: \$30,000

Based upon the estimate set forth in a letter dated December 1, 2014 from Tarlow & Co., CPA’s located at 7 Penn Plaza, New York, New York, 10001, this Schedule B includes \$20,000 for estimated auditing and accounting fees in connection with the preparation of the audited financial statements for the First Year of Condominium Operation and Federal, state and city income tax returns. The balance of the budgeted amount (\$10,000) has been estimated to provide for minor legal services to be rendered in connection with the operation of the Condominium such as attendance at Residential Board meetings, preparation of Residential Board minutes and negotiation of minor agreements.

(15) Other Expenses \$25,000

Other Expenses covers telephone, office supplies, office equipment, postage, special communications and mailings to the Unit Owners, annual meetings, and general expenses.

Office Supplies/Mobile Communications	\$ 5,000
Permits	\$ 5,000
Printing and Postage	\$ 4,250
Sprinkler Fees	\$ 750
General	\$10,000

This estimate is based on experience of Sponsor’s budget expert, First Service Residential in operating comparable buildings. The Sponsor’s Budget Experts has over 25 years experience in the management industry and First Service Residential managers over 500 cooperative, condominium and rental building in New York City.

(16) Contingency \$35,000

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

(17) Replacement Reserve \$183,795

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

The foregoing projected budget may be modified from time to time prior to commencement of and during the First Year of Residential Section Operation, to add or delete or increase or

decrease one or more items of operating expenses. If additional funds are required to pay expenses, it may be necessary to increase Common Charges or specially assess Unit Owners.

(18) Total Expenses

IN THE OPINION OF FIRST SERVICE RESIDENTIAL NEW YORK, INC., THE PROJECTED INCOME IS ADEQUATE TO MEET THE PROJECTED COMMON EXPENSES FOR THE FIRST YEAR OF RESIDENTIAL SECTION OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE 12-MONTH PERIOD COMMENCING JANUARY 1, 2017. THE FOREGOING SCHEDULE, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE OR WARRANTY BY ANYONE THAT THE ANNUAL COMMON CHARGES OR OTHER INCOME AND EXPENSES FOR SUCH FISCAL YEAR OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY WILL BE AS SET FORTH IN SAID SCHEDULE, SINCE THE ANNUAL COMMON CHARGES AND OTHER ITEMS OF INCOME AND EXPENSE MAY VARY FROM AMOUNTS SHOWN IN THE SCHEDULE.

Sponsor reserves the right to enter into additional or other service, maintenance, employment, concessionaire and other agreements that will be binding on the Board upon commencement of Condominium operation. Sponsor shall not, however, enter into any binding service, maintenance, employment, concessionaire or other agreements that will materially increase the first year's projected Common Charges or that will be binding on the Residential Board for a period of more than two (2) years, unless the Plan is amended.

F. SCHEDULE B-1

Projected Annual Electricity Cost

By letter dated November 28, 2014, Cosentini Associates, provided an estimate of annual electric energy costs for lighting and for operating the typical electrical appliances located in each type of Residential Unit. The projections were based on the assumptions set forth below the schedule. For the purposes of this schedule, the rate includes an inflation factor of 10%

Number of Bedrooms	Average Sq. Ft.	Basic Rate (KWH)	Average Annual Cost
Studio	549	12,467	\$ 3,136
1 Bedroom	821	14,958	\$ 3,773
2 Bedroom	1,455	19,441	\$ 4,907
3 Bedroom – PH	2,222	25,244	\$ 6,375
4 Bedroom – PH	3,213	33,650	\$ 8,502

Electricity Rates and Energy Cost Assumptions

a. Individual Unit Energy Assumptions

- i. Lighting and receptacle loads are calculated based on average square footage – 3 w/sq. ft.; utilization of 50% of the total connected load for approximately 4 hours per day, 365 days per year.
- ii. Appliance loads include refrigerator, electric oven, dishwasher, garbage disposal and microwave with total load of 8.5 KW per apartment. Each apartment includes an electric washer and dryer with total load of 8.6 KW. The appliance loads are calculated based on 60% demand factor, 4 hours per day, 365 days per year. Washer is calculated based on average 10 hour usage (20 loads) monthly.

b. Utility Company Electricity Rates

- i. The estimated electrical cost is based on a current average flat residential utility rate available from the Con Edison Rates SC 9-1 as 22 cents per KWH.

The projected rates are not guaranteed and it must be expected that these rates will increase with the passage of time and may be affected by many factors, which are beyond the control of Sponsor. Purchasers are advised that the projections are only estimates and actual consumption will be metered and will vary based on the personal needs of occupants and weather conditions.

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



COMPLIANCE WITH REAL PROPERTY LAW SECTION 339(i)

May 28, 2015

New York State Department of Law
120 Broadway
New York, New York 10271
Attn: Real Estate Finance Bureau

550 Vanderbilt Condominium
550 Vanderbilt Avenue, Brooklyn, New York 11238

Gentlemen:

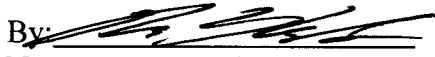
FirstService Residential New York, Inc. is a licensed real estate brokerage firm in the State of New York, engaged in the management of over 500 condominium, cooperative and residential rental properties over the course of 25 years. The undersigned has no beneficial interest in Sponsor or the profitability of the subject project.

The undersigned has reviewed the allocation of common interests as shown on the Schedule A to be included in the Condominium described in the offering plan for the subject project.

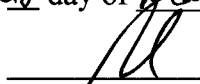
The common interests among the Units have been allocated to each based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit, in accordance with Section 339-i(1)(iv) of the New York State Real Property Law. This allocation utilizes measurements and calculations of net square footage made by CookFox Architects LLP, Sponsor's Architect.

Very truly yours,

FirstService Residential New York, Inc.

By: 
Name: Marc Kotler
Title: Senior Vice President
New Development Group

Sworn to before me this
28th day of May, 2015



Notary Public

Brooke Rosenthal
Notary Public - State of New York
NO. 01RO6072178
Qualified in Nassau County
Commission Expires April 1, 2017

H. RETAIL UNITS

It is currently anticipated that the Retail Units will initially be used for retail purposes (and ancillary uses). The Retail Units may be used for any legal purpose, in compliance with the applicable zoning ordinances and the Pacific Park Project Documents, and the Board will have no right to restrict or limit any of the uses of the Retail Units which are permitted thereunder, except as may otherwise be set forth in the By-Laws and Declaration. No representation or warranty is made with respect to such initial or any subsequent uses of such Retail Units or with respect to who the owner or tenant(s) of the Retail Units may be at any time.

No unlawful use may be made of the Property or any portion thereof and all valid Legal Requirements relating to any portion of the Property shall be complied with at the sole cost and expense of the applicable Unit Owner or the applicable Board, whichever party has the obligation to maintain or repair such part of the Property, as set forth in the Declaration or the By-Laws.

Each Retail Unit Owner will be obligated to pay its share of the expenses that are incurred by the Condominium Board in furnishing services, and operating, maintaining and repairing Common Elements, only to the extent the same are utilized by or benefit such Retail Unit Owner. As more fully set forth in the "Notes to Schedule B" above, each Retail Unit Owner will therefore pay only allocated percentages of only certain expenses, which percentages may be less (or more) than their Common Interest. The allocated percentages represent a projection of the proportionate usage of the services and facilities in question by the Retail Unit Owner, as estimated by FirstService Residential New York Inc., an independent expert retained by Sponsor. It is the opinion of FirstService Residential New York Inc., as more fully set forth in the certification included as an Exhibit in Part II hereof, that the aforementioned Common Charges payable by the Retail Unit Owners are sufficient to cover the expenses fairly attributable to such Unit Owner's Retail Units. The allocations between the Residential Units and the Retail Units set forth in Schedule B and the footnotes thereto are deemed presumptive evidence of reasonableness. The Condominium Board may not modify the allocation to a Retail Unit without the consent of such Retail Unit Owner.

To the extent permitted by law and the Pacific Park Project Documents, and subject to certain restrictions set forth in the Declaration and By-Laws, each Retail Unit Owner will have the right with regard to its Unit, without the vote or consent of the Board, or any other party, to mortgage or otherwise hypothecate its Unit, to decorate or make alterations, additions or improvements to its Unit (except that alterations, additions or improvements which would either in the course of performance or upon completion have a material adverse effect on the structural, mechanical, electrical or plumbing elements of the Building or would increase insurance premiums or maintenance costs for any other Unit or the Common Elements, shall be subject to the approval, not to be unreasonably withheld, of the Board), to change the size of its Unit by subdividing it into any desired number of condominium units (or by combining any units resulting from such subdivision), and to reapportion among the newly created condominium units resulting from any subdivision (or combination) their appurtenant Common Interests, provided that any such changes are in compliance with Article 9-B, Section 339 of the New York Condominium Act. As more particularly provided in Article 10 of the Declaration, each Retail

Unit Owner will have the right with regard to its Unit to amend the Declaration in order to reflect such changes, or to cause the Board to do so. If a Retail Unit is subdivided or combined, the owner of each Unit resulting from a subdivision or combination will generally have all of the rights (without the consent of the Board or other Unit Owners), set forth above in this paragraph, described as pertaining to the Unit Owner of the original Unit or Units in question.

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

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I. CHANGES IN PRICES, RESIDENTIAL UNITS AND STORAGE BIN LICENSES

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

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

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

In order to meet the possible varying demand for number and type of different Residential Units, or to meet particular requirements of prospective Purchasers, or for any other reason, Sponsor and its designees reserve the right (except to the extent prohibited by applicable Legal Requirements) at any time and from time to time, before and after the recording of the Declaration, without prior notice and without the consent of the Board, any Residential Unit Owner or mortgagee, to: (i) make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon any Unsold Residential Unit; (ii) change the layout of, or number of rooms in, any Unsold Residential Unit; (iii) change the size and/or number of Unsold Residential Units by subdividing one or more such Residential Units into two or more separate Residential Units, combining separate Unsold Residential Units (including those resulting from a subdivision or combination or otherwise) into one or more Residential Units, altering any boundary walls between any Unsold Residential Units, and/or incorporating within any Unsold Residential Unit the use of any portion of the Common Elements adjacent thereto (but only to the extent that such Common Elements are not required to be maintained as Common Elements based upon such alterations); (iv) if appropriate, reapportion among the Unsold Residential Units affected by such change, their Common Interests, provided, however, that after the recording of the Declaration, no change in any Residential Unit's Common Interest will be made without obtaining the prior consent of all Residential Unit Owners affected by such change; and (v) change the permitted use of some or all of the Unsold Residential Units. Sponsor also reserves the right, but is under no obligation, to create new Storage Bins from not dedicated as Storage Bins areas and sell licenses therefor, and

to change the number and size of the Storage Bins by, among other things, subdividing and reconfiguring the Storage Bins and, in connection with such subdivision and reconfiguration, redesignating in an amendment to the Declaration, among other things, a portion of a subdivided Storage Bin's space.

Any such change described in subsections (ii) through (v) in the immediately preceding paragraph and additionally any material adverse change in the size or quality of any of the Common Elements shall be disclosed by Sponsor in a duly filed amendment to the Plan and, when applicable, to the Declaration. In the event of any such change after the Declaration is recorded, the Declaration and Floor Plans shall each be amended and such amendments duly recorded and disclosed in a duly filed amendment to the Plan. As more particularly provided in the Declaration, Sponsor or its designee will have the right to (or to cause the Board to) so amend the Declaration and Floor Plans, to the extent required, in order to reflect any such change affecting Unsold Residential Units. None of the foregoing changes will be made if the same would materially and adversely affect any Residential Unit for which an Agreement has been countersigned by Sponsor and returned to Purchaser unless: (a) the applicable Purchaser consents or is in default; (b) such change has been dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc.) and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists, and in such event, Sponsor will, in the amendment disclosing such material adverse change, offer the affected Purchaser(s) the right for at least 15 days to rescind their Agreement(s) and receive a refund of their Deposit(s), together with all interest earned thereon, and the Purchaser elects not to exercise such right of rescission. Notwithstanding the foregoing, so long as the layout and dimensions of a Residential Unit conform substantially to the Plans and Specifications, a Purchaser will not be excused from purchasing such Residential Unit by reason of such minor, non-material deviation or change and will not have any claim against Sponsor as a result thereof.

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

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

Sponsor shall have the same rights with respect to changes in Storage Bins and the prices therefor as set forth above for Unsold Residential Units, with respect to the Storage Bin Licenses offered under this Plan.

J. INTERIM LEASES

Sponsor will endeavor in good faith to sell, but nevertheless reserves the unconditional right, prior to the date of closing title to a Residential Unit, to rent or lease, rather than sell, such Residential Unit to Purchasers and others after consummation of the Plan. As a result, a Purchaser of a Residential Unit may be acquiring a Residential Unit that has been previously occupied, but, unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Residential Unit will be delivered at the closing vacant and free and clear of all leases, tenancies and rights of occupancy. However, once an Agreement for a Residential Unit is fully executed and for so long as the Agreement is in effect, such Residential Unit may only be leased to its Purchaser (unless such Purchaser agrees otherwise). No Purchaser shall have the right to occupy any Residential Unit prior to the closing unless Sponsor agrees to permit such occupancy under an interim lease or other written rental agreement.

If an Unsold Residential Unit is rented prior to the First Closing such Unit will be rented pursuant to the terms of an interim lease agreement with the Purchaser or Purchasers for which such Unit is then under contract. The form of Interim Lease Agreement is included in Part II of the Plan.

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

If Sponsor agrees to lease a vacant Residential Unit, the lease will be for a rent and upon such other terms and conditions as may be agreed upon by Sponsor and the tenant; provided, however, that in the case of an interim lease to a Purchaser, such lease will provide that an uncured default by the Purchaser under the Agreement (that is, a default not cured within 30 days after the sending of written notice thereof) will constitute a default under the lease entitling the landlord (i.e., Sponsor), at its sole option, to immediately terminate such lease, whereupon the lessee must vacate the Residential Unit with 10 days thereafter. The Agreement will contain a similar provision entitling Sponsor to terminate the Agreement and retain the Deposit (and any interest thereon) as liquidated damages, and not as a penalty, in the event the Purchaser fails to cure a default under such Purchaser's lease, if any, within the applicable grace period (if any) and either: (a) Sponsor has obtained an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser or (b) the Purchaser has vacated the Residential Unit.

No portion of the rental paid under any lease will be credited towards the Purchase Price of a Residential Unit unless the lease and the Agreement therefor expressly so provide.

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

thereafter free of all occupants and in broom clean condition. A Purchaser shall be liable to Sponsor for any and all damages, costs and expenses incurred by Sponsor by reason of any failure to vacate within said 30 day period or of damage caused by Purchaser to the Residential Unit. If such failure to timely vacate occurs prior to the First Closing, the Purchaser shall be liable for use and occupancy in an amount equal to twice the rent under the interim lease. If such failure to timely vacate occurs after the First Closing, the Purchaser shall be liable for twice the costs of carrying the Residential Unit (such as Common Charges, real estate taxes and the allocable portion, based on such Residential Unit's Common Interest, of debt service on any loan covering the Unsold Residential Units) as calculated by Sponsor. In addition, irrespective of when such failure to timely vacate occurs, such Purchaser shall be liable to Sponsor for loss of profit and all costs and expenses incurred by Sponsor to obtain possession of the Residential Unit, including the cost of litigation and reasonable attorneys' fees and expenses.

In the event the Plan is abandoned, a Purchaser who has entered into an interim lease will have no right to remain in occupancy as a tenant after the abandonment of the Plan.

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K. PROCEDURE TO PURCHASE

1. Execution of Documents

Any party desiring to purchase a Residential Unit will be required to execute four original counterparts of an Agreement, in the form set forth as Exhibit 1 in Part II of the Plan, for each such Residential Unit desired. The Agreement sets forth in detail the terms of sale with respect to the Residential Units offered hereunder and should be read carefully by each prospective Purchaser. In the event of any conflict or ambiguity between the Plan and the Agreement, the provisions of the Plan shall control.

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

A Purchaser shall deliver to Selling Agent, together with the four signed original counterparts of the completed Agreement, the following: three completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification) or Form W-8BEN or W-8BEN-E (Certificate of Foreign Status of Beneficial Owner for Residential United States Tax Withholding and Reporting), or other appropriate Form W-8, as applicable, in the form required by law (the Form W-9 and Form W-8BEN currently required by law are reproduced as Exhibits 1A and 1B in Part II of this Plan); and an option payment as set forth below.

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

2. Deposits/Escrow

(a) General

As set forth above, a prospective Purchaser shall deliver to Selling Agent, together with the four signed original counterparts of the completed Agreement, an option payment (any of the following amounts, the "Initial Deposit") in an amount equal to: (a) 10% of the Purchase Price; or (b) 50% of the Purchase Price if the Purchaser is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity). A prospective Purchaser who, in accordance with the previous sentence, was only required to make an Initial Deposit equal to 10% of the Purchase Price will be required to make, in addition to the Initial Deposit, an additional payment equal to 5% of the Purchase Price of such Purchaser's Residential Unit (the "Additional Deposit") due and payable no later than the earlier to occur of: (a) that date which is six months after the date of the Agreement; or (b) 30 days after Sponsor serves Purchaser with written notice of acceptance by the New York State Department of Law of an amendment which declares the Plan to be effective, but in no event later than the Closing. If an amendment declaring the Plan to be effective has been accepted by the Department of Law as of the date on which the Initial Deposit is due, then any Additional Deposit shall be due and payable at the same time as the Initial Deposit. No Additional Deposit shall be required if the Purchaser is a foreign government or other person or entity referenced in (b) of the first sentence of this paragraph and who or which has made a 50% Initial Deposit as described above. The term "Deposit", as used in this Plan, refers to both the Initial Deposit and, if the same has been paid at the time in question, the Additional Deposit. All such payments shall be made by unendorsed check drawn only on a member bank of the New York Clearing House Association made payable to "Kramer Levin Naftalis & Frankel LLP, as escrow agent." All such checks shall be subject to collection and if any such check is returned for insufficient funds or for any other reason, Sponsor shall have the right, among other things, to deem such Agreement to be cancelled and of no further force or effect, and to retain any Deposit and other amounts previously deposited. At Sponsor's option, Sponsor may require that the Deposit and the Balance be made by Purchaser by wire transfer to an account designated by Sponsor

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

All Deposits or advances received by Sponsor will be held in escrow by Escrow Agent (as defined below) and placed in an Escrow Account (as hereinafter defined) in conformity with the procedure set forth herein. Sponsor will comply with the escrow and trust fund requirements of New York General Business Law Sections 352-e(2-b), 352-h and the provisions of New York Lien Law Section 71-a(3), as applicable.

(b) The Escrow Agent

The law firm of Kramer Levin Naftalis & Frankel LLP, with an address at 1177 Avenue of the Americas, New York, New York 10022, telephone number 212-715-9100, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Jay A. Neveloff, Jonathan H. Canter, Neil R. Tucker, James P. Godman and Tzvi Rokeach. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

(c) The Escrow Account

The Escrow Agent has established the escrow account at HSBC Bank USA, N.A., 452 Fifth Avenue, New York, New York 10018 ("Bank"), a bank authorized to do business in the State of New York. Each escrow account is entitled "550 Vanderbilt Condominium Escrow Account" or similar name (each the "Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of \$250,000 per deposit (the FDIC limit in effect as of the filing date hereof). Any deposit in excess of \$250,000 (or the FDIC limit in effect from time to time) will not be insured. Purchasers are also advised that if a Purchaser has any additional accounts at the Bank, the funds in said accounts will be added together with the deposit held in escrow and the aggregate of all the funds held by the Bank will only be insured up to the FDIC's maximum coverage.

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

The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts, which is fixed by the Bank (as defined above) and which will vary from time to time. As of March 2015 such rate was 0.12%. The actual initial interest rate for the Escrow Account with respect to any particular Purchaser's Deposit shall be set forth in the notice to be sent to Purchaser (as described below). As noted, the interest rate on such accounts will fluctuate and neither Sponsor nor Escrow Agent makes any representation regarding the rates that will be in effect from time to time or the actual rate of interest on, or the interest that may accrue for any particular account or for any particular Purchaser, from time to time. Interest, if any, shall begin to accrue upon placing the Deposit into the Escrow Account, however, no interest will be earned until the Deposit check is deposited with and collected by the Bank and provided that the Purchaser has delivered the required number of completed and signed Form W-9 (Request for Taxpayer Identification Number) in the form reproduced as Exhibit 1A in Part II of the Plan or Form W-8BEN or W-8BEN-E (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting) in the form reproduced as Exhibit 1B in Part II of the Plan, as applicable, to Sponsor or Selling Agent at the time Purchaser tenders the Deposit and the Agreement. If a Purchaser does not deliver the Form W-9, Form W-8BEN, or Form W-8BEN-E, as applicable, the Deposit will be deposited in a non-interest-bearing escrow account at the aforesaid bank until the Form W-9, Form W-8BEN, or Form W-8BEN-E, as applicable, has been delivered, and neither Sponsor, Selling Agent, the Escrow

Agent nor the Bank shall be liable for interest for the period prior to the delivery of such form. Interest will not be earned after a withdrawal is made from the Escrow Account in anticipation of the closing. All interest earned on a Purchaser's Deposit shall be paid to or credited to the Purchaser at closing unless Purchaser has defaulted and Sponsor is entitled to retain the Deposit. No fees of any kind may be deducted from the Escrow Account, and Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

(d) The Agreement

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

(e) Notification to Purchaser

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

Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Escrow Account. If the Purchaser does not receive notice of such deposit within 15 business days after tender of the Deposit and execution of the Agreement by Sponsor, Purchaser and Escrow Agent, then Purchaser may cancel the Agreement within 90 days after tender of the Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, N.Y. 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

(f) Release of Funds

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

Under no circumstances shall Sponsor seek or accept release of the Deposit of a defaulting Purchaser until after “consummation of the plan” (i.e., the filing of the Declaration and the First Closing following the Department of Law’s acceptance of an amendment declaring the plan effective). Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-e(2-b) and 352-h.

The Escrow Agent shall release the Deposit if so directed:

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

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

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

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

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

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

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

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

(g) Waiver Void

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

(h) Other

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

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

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

Purchasers are advised that Escrow Agent is also acting as counsel to Sponsor; and Escrow Agent shall be permitted to act as counsel to Sponsor in any dispute as to the disbursement of the Deposit or any other dispute between Sponsor and a Purchaser whether or not the Escrow Agent is in possession of the Deposit and continues to act as the Escrow Agent.

3. Date of the First Closing

In the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections therefor, and if: (i) the amended budget exceeds the projected budget set forth herein by 25% or more; or (ii) the First Closing does not occur within 12 months after the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation (being the date set forth in the Plan at the time a Purchaser executes an Agreement, presently projected to be January 1, 2017), then in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements for a period of not less than 15 days after the presentation date of the amendment containing such revised budget or such 12 month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Deposits and any interest accrued thereon returned. Purchasers' rights as described in the preceding sentence are in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers.

4. Default

In the event that a Purchaser fails to close title on the date set for closing or otherwise fails to perform any other obligation under his or her Agreement, and such default is not cured within 30 days after Sponsor gives written notice to such Purchaser of the default, Sponsor, at its option, may cancel such Agreement and, once the Plan has been consummated, retain as liquidated damages the Deposit made by the Purchaser, together with all interest earned thereon, it being acknowledged and agreed by Sponsor and each Purchaser that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of such a default by a prospective Purchaser, and that the Deposit (including all interest) shall constitute and be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Residential Unit and other expenses that may be incurred, including, without limitation, attorneys' fees, and shall be paid by Purchaser to Sponsor as Sponsor's sole and exclusive remedy. In such case, all rights, obligations and liabilities of Sponsor and the Purchaser to each other shall cease and terminate and Purchaser shall have no further liability to Sponsor in respect of the Agreement (except for those matters expressly specified therein or herein to survive the termination thereof); however, such Purchaser shall not have any right whatsoever to the return of all or any portion of its Deposit (or any interest thereon). The payment of the Deposit (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor. (See "Deposits/Escrow" above within this Section of the Plan for further discussion.

Purchasers are advised that notwithstanding the foregoing, including, without limitation, Sponsor not having the right of specific performance, nothing herein shall be deemed to grant Purchaser any right of rescission and/or right to the return of all or any portion of a Deposit except as expressly set forth in the Plan. In the event Sponsor elects not to cancel the Agreement as a result of the failure of the Purchaser to close on the date specified by Sponsor, or if Sponsor approves a request from the Purchaser to adjourn the closing date, then Sponsor may require that: (a) the Purchaser pay Sponsor interest at a rate of 0.04% per day (or such lower daily rate which is the legal limit, if 0.04% per day exceeds the legal limit) on the total Purchase Price, computed from the original closing date until the transaction is actually closed; and (b) all apportionments between Sponsor and the Purchaser be made as of the original closing date; in addition, the Purchaser shall reimburse Sponsor for any additional costs incurred by Sponsor as a result of the Purchaser's delay.

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

As provided in the form of Agreement, which is set forth in Part II of the Plan as Exhibit 1, the following occurrences, without limitation of any other term or provision thereof or of the Plan, shall constitute an event of default under a Purchaser's Agreement: (a) Purchaser's assignment of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a

voluntary petition in bankruptcy; (b) the appointment of a non-bankruptcy trustee or receiver over Purchaser or Purchaser's property, or the filing of an involuntary petition in bankruptcy against Purchaser; or (c) the filing of a judgment or tax lien against Purchaser which Purchaser does not pay or bond within 30 days after the filing thereof.

5. Risk of Loss

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

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

6. Financing

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

7. Transfer (and Mansion) Taxes

As described more fully in the Section entitled “Residential Unit Closing Costs and Adjustments” in Part I below, Purchasers shall be responsible (as is customary in condominium offerings) for the payment at closing of all New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax, notwithstanding that these taxes are by law primarily the obligation of the seller. For purposes of calculating the taxes payable, the amounts of such taxes will be included in the consideration subject to such tax. Currently (as of the date of the filing of this Plan), for the purchase of a single Residential Unit, the New York City Real Property Transfer Tax is 1% of the consideration paid for a Unit if such consideration is \$500,000 or less and 1.425% of the consideration if such consideration is more than \$500,000; and the New York State Real Estate Transfer Tax is presently \$2 for each \$500 (or fractional part thereof) of the consideration paid for a Residential Unit. Purchasers shall also be obligated to pay the New York State Additional Tax pursuant to Article 31 of the New York State Tax Law, commonly referred to as the “Mansion Tax,” currently 1% of the consideration paid when the consideration is \$1,000,000 or more, which tax by law is the primary obligation of the Purchaser.

The purchase price, together with transfer taxes and any other consideration or amounts payable by Purchasers which are the obligation of Sponsor, will be added together by the New York State Department of Taxation and Finance and the New York City Department of Finance or, collectively, the “taxing authorities” to arrive at total consideration for transfer tax and Mansion Tax purposes. However, Sponsor makes no representation regarding the calculation of such taxes or of the “consideration” upon which the taxing authorities may base such taxes and shall have no liability with respect thereto. Purchasers should consult with their own counsel and/or tax advisors.

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

Any Purchaser that is a foreign mission, as such term is defined under the Foreign Missions Act, 22 U.S.C. 4305, must notify the United States Department of State prior to purchasing a Residential Unit and provide a copy of such notice to Sponsor. Sponsor will not be bound under any Agreement with a foreign mission unless and until the earlier to occur of: (i) receipt of a notification of approval from the Department of State; or (ii) sixty (60) days after receipt of such Purchaser’s notice by the Department of State.

Any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) shall expressly and voluntarily waive such immunity and consent to any suit action or proceeding arising out of or relating to the Agreement being brought in any state or Federal court in the State of New York. Any such purchaser shall designate C.T. Corporation System, having its offices, at the date hereof, at 111 Eighth Avenue, 13th Floor, New York, New York 10011 as its duly authorized and lawful agent to receive process for and on behalf of Purchaser in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Agreement.

9. Notice of Effectiveness

After the Plan has been declared effective, Sponsor will from time to time set the date for closing for all Residential Units as to which Agreements have been executed by serving 30 days written notice to said purchaser(s) of said closing. Sponsor, in its sole discretion, may permit Purchasers to waive said 30 day notice.

10. Unit Owner Power of Attorney

Each Purchaser will also be required to execute and deliver at the closing a Unit Owner Power of Attorney substantially in the form set forth in Part II of the Plan as Exhibit 2 to the persons who shall from time to time constitute the Board, designating such Board as the Purchaser's attorney-in-fact, for the purpose of acquiring or leasing in the name of the Board or its designee on behalf of all Unit Owners any Unit and to otherwise deal with the Condominium and the Common Elements, all in accordance with the provisions of the Declaration and the By-Laws; and after any such acquisition or leasing of any Unit, to manage, convey, sell, lease, sublease, mortgage or otherwise deal with any such Unit so acquired or leased, as the case may be, all in accordance with the provisions of the Declaration and By-Laws. The Unit Owner Power of Attorney will also designate Sponsor as the Purchaser's attorney-in-fact for the purpose of enabling Sponsor to perform its rights and fulfill its obligations under the Plan and the Declaration and By-Laws.

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L. ASSIGNMENT OF AGREEMENTS

An Agreement may not be assigned by the Purchaser thereunder. If a Purchaser desires to assign its rights under an Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by, the Purchaser that differs from the name on the Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, then, if such assignment, alteration, addition, deletion or substitution is permitted by Sponsor (in Sponsor's sole discretion), the Purchaser will be required to deliver to Selling Agent or Sponsor's Counsel, four signed assignments of the Agreement (to be prepared by Sponsor's Counsel at Purchaser's expense and in form and content acceptable to Sponsor, in its sole discretion), as well as three completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification) Form W-8BEN or W-8BEN-E (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting), or other appropriate Form W-8, as applicable, in the form required by law. Upon each assignment or other change permitted by Sponsor (in its sole discretion), the assignments and Forms W-9 Forms W-8BEN or W-8BEN-E, or other appropriate Form W-8, as applicable, must be delivered to the Selling Agent or Sponsor's Counsel, together with a personal certified check, or an official bank or cashier's check, in the amount of \$850 made payable to "Kramer Levin Naftalis & Frankel LLP" (for services rendered in connection with the assignment), not less than 10 days prior to the date scheduled for the Purchaser's closing. In no event will the Purchaser (or its assignee or any added or substituted party) have the right to adjourn or postpone the closing as a result of such change or assignment. Sponsor is not obligated to consent to any such change or assignment and, if Sponsor refuses to consent, the Purchaser will not be excused from his or her obligations under the Agreement; and the prohibition against advertising or listing such Unit(s) for sale or resale with any broker or otherwise advertising, promoting or publicizing the availability of such Unit(s) for sale prior to closing shall remain in effect.

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

M. EFFECTIVE DATE

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

The Plan may be declared effective, at Sponsor's option, when bona fide Agreements (including those executed by investors) have been executed and are in effect with respect to not fewer than 42 Residential Units, representing 15% of the Residential Units offered hereby. The Plan must, however, be declared effective when bona fide Agreements have been executed and are in effect with respect to at 223 Residential Units representing 80% or more of such Residential Units.

The Plan will not be declared effective based on an Agreement: (i) signed by a Purchaser who has been granted a right of rescission that has not yet expired or been waived; (ii) subject to the immediately preceding clause "(i)", signed by a Purchaser not afforded the three business day period to review the Plan (prior to executing an Agreement) provided for in the Section entitled "Procedure to Purchase" above in Part I of the Plan; or (iii) entered into with a Purchaser who is Sponsor, Selling Agent or the Managing Agent, or who is a principal of any of the foregoing or who is related to any of the foregoing or any principal thereof by blood, marriage or adoption or as a business associate, employee, shareholder or limited partner, except that such a Purchaser (other than Sponsor or a principal of Sponsor) may be included if Sponsor submits proof satisfactory to the Department of Law establishing that such Purchaser is bona fide. Except as may otherwise be limited by this Section of the Plan, all 278 Residential Units shall be counted toward declaring the Plan effective.

The Plan will be declared effective either by: (i) an amendment to the Plan; or (ii) mailing or delivering personally to each Offeree a written notice to such effect, in which event Sponsor will submit an amendment to the Plan to the Department of Law confirming that the Plan was declared effective on a specified date within five days after such mailing or delivery. The First Closing will not occur until the Plan is declared effective and the effectiveness amendment is accepted for filing by the Department of Law.

In the event that all of the Agreements counted for purposes of declaring the Plan effective have been rescinded or terminated prior to the date of the First Closing, Sponsor will re-declare the plan effective, in accordance with the same procedures for declaring the plan effective as set forth in the immediately preceding paragraph, regardless of whether the Declaration has then been recorded with the City Register's Office.

The Plan may be withdrawn or abandoned by Sponsor, at its option, for any reason whatsoever at any time prior to its being declared effective. Once the Plan has been declared effective, it may not be abandoned or withdrawn, except that prior to the First Closing, the Plan may be abandoned at the option of Sponsor in the event of: (i) the existence of one or more defects in title (including violations of record or work orders of an insurance carrier) affecting any one or more Residential Units and/or the Common Elements which cannot be cured, removed or complied with except through litigation or the expenditure of more than one-half of one percent of the total initial offering; (ii) substantial damage to or destruction of the

Building (or any portion thereof) by fire or other casualty which cannot be cured or repaired for an amount which is less than one-half of one percent of the total initial offering; or (iii) a taking of all or a material portion of the Property by condemnation or eminent domain. In calculating the costs referred to in clauses (i) and (ii) above, any defects in title (including violations or work orders) that existed on the date the Residential Units were initially offered for sale under the Plan, and were either known to Sponsor or were a matter of public record, and attorneys' fees, shall be excluded.

In the event of a withdrawal or abandonment of the Plan, Sponsor will promptly submit an amendment to the Department of Law to such effect, together with such forms as may be required by law. Purchasers will be notified in writing of a withdrawal or abandonment of the Plan. All Deposits, together with any interest earned thereon, will be returned to Purchasers within five days following the acceptance of filing by the Department of Law of such withdrawal or abandonment amendment, except that after the Plan has been declared effective, Sponsor may retain the Deposit, together with interest earned thereon, of any Purchaser who is then in default under his or her Agreement beyond the applicable grace period or whose Agreement has been cancelled due to such Purchaser's default, provided, however, that any requisite notice has been given to the Purchaser. Upon the return or retention of the Deposit, together with interest earned thereon, the Agreement pursuant to which such Deposit was given will be null and void and Sponsor will have no further obligation or liability to the Purchaser under the Plan or such Agreement.

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N. TERMS OF SALE

1. Prerequisites to Closing of Title

The terms “closing” or “closing of title” as used in this Plan refer to Sponsor’s conveyance of title to a Unit to a Purchaser by the delivery of a deed, upon payment by the Purchaser to Sponsor of the balance of the Purchase Price for such Unit. Unless specifically excepted in the Plan, to the extent described in the Description of Property and Building Condition, all personal property located within a Residential Unit on the date the Purchase Agreement is signed or located within the Residential Common Elements as of the date the Declaration is recorded that is owned by Sponsor is included in the conveyance of a Residential Unit. The closing of title to each Unit shall take place only after or concurrently with the satisfaction of the following prerequisites:

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

(b) a temporary or permanent certificate of occupancy for the Unit is in effect (unless Sponsor and such Purchaser otherwise agree in writing or Sponsor is unable to obtain such temporary or permanent certificate of occupancy for the Unit as a result of special work being done in the Unit at the request of the Purchaser);

(c) the Declaration, By-Laws, Floor Plans and such other documents as may be required by law have been filed or recorded, as the case may be, or have been submitted to Sponsor’s title insurance company for filing or recording;

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

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

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

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

At the closing of title to each Unit, Sponsor shall execute and deliver to the Purchaser a bargain and sale deed with covenant against grantor’s acts, substantially in the form of the Unit Deed set forth as Exhibit 3 in Part II of the Plan, conveying title to the Unit and its appurtenant Common Interest, free and clear of all liens, encumbrances and other title exceptions other than the Permitted Encumbrances. The Permitted Encumbrances are listed in Schedule B of the Purchase Agreement included in Part II of the Plan, which Schedule is reproduced at the end of this Section of the Plan. The Purchaser shall also sign the Unit Deed.

Simultaneously with the delivery of the Unit Deed, the Purchaser shall pay the balance of the Purchase Price and the closing apportionments and costs described in the Section

entitled "Unit Closing Costs and Adjustments" in Part I below. Payments shall be by official bank or cashier's check or unendorsed certified check drawn on or issued by a bank or trust company which is a member of the New York Clearing House Association, payable to the direct order of Sponsor or to such other party or parties as Sponsor notifies the Purchaser prior to the closing, or at Sponsor's option by wire transfer to an account designated by Sponsor. Purchasers are advised that uncertified attorney escrow checks and other non-conforming checks may not be accepted by Sponsor. Any delay in closing occasioned by the presentation of such checks shall be deemed to have been caused by Purchaser and may, at the option of Sponsor, constitute a default under the Agreement and/or give rise to additional costs or expenses to be borne by Purchaser.

3. Tax Returns and Unit Owner Power of Attorney

Each Purchaser will also be required to execute and deliver at the closing: (i) a New York City Real Property Transfer Tax Return and New York State Real Estate Transfer Tax Return and Credit Line Mortgage Certificate, in the forms required to be filed by law; and (ii) a Unit Owner Power of Attorney substantially in the form set forth in Part II of the Plan as Exhibit 2 to the persons who shall from time to time constitute the Board, designating such Board as the Purchaser's attorney-in-fact, for the purpose of acquiring or leasing in the name of the Board or its designee on behalf of all Unit Owners any Unit and to otherwise deal with the Condominium and the Common Elements, all in accordance with the provisions of the Declaration and the By-Laws; and after any such acquisition or leasing of any Unit, to manage, convey, sell, lease, sublease, mortgage or otherwise deal with any such Unit so acquired or leased, as the case may be, all in accordance with the provisions of the Declaration and By-Laws.

4. Casualty

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

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

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

5. Tax-Deferred Exchanges

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

6. Prohibition Against Advertising and Resale

Purchasers are prohibited from listing their Residential Units for resale with any broker or otherwise advertising, promoting or publicizing the availability of their Residential Units for sale prior to the closing of title thereto.

7. Existing Mortgages and Construction Loans

By or soon after the filing of the Plan, Sponsor anticipates obtaining a Construction Loan with HSBC Bank USA, National Associate, as agent for lenders. Such Construction Loan shall provide that that, at or prior to the First Closing, the Construction Lender (or other lender if applicable) will: (i) consent to the formation of the Condominium and acknowledge that its lien will be limited to Unsold Residential Units; (ii) subordinate the lien of its mortgage to the Declaration; and/or (iii) release its lien on the Unit being conveyed and its interest in the Common Elements.

PERMITTED ENCUMBRANCES

1. Building and zoning laws and other regulations, resolutions and ordinances (including, but not limited to, any variances or use regulations) and any amendments thereto now or hereafter adopted.
2. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all as set forth in the Declaration, the By-Laws (and the Rules and Regulations made thereunder), the Power of Attorney from Purchaser to the Board and Sponsor, and the Floor Plans, all as may be amended from time to time.
3. Any declaration or other instrument affecting the Property which Sponsor deems necessary or appropriate to comply with any Law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building or any portion or element thereof.
4. Consents by Sponsor or any former owner of the Land for the erection of any structure or structures on, under or above any street or streets on which the Property may abut.
5. Any easement or right of use in favor of any utility company for construction, use, maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles, connections and other equipment and facilities on, under and across the Property.
6. Any easement or right of use required by Sponsor or its designee to obtain a temporary, permanent or amended Certificate of Occupancy for the Building or any part of same.
7. Any encumbrance as to which the Title Company (or the title insurance company that insures Purchaser's title to the Unit) would be willing to insure, at its regular rates and without additional premium, in a fee policy issued by it to Purchaser, that such encumbrance will not be collected out of or enforced against the Unit if it is a lien, or that such encumbrance is not a blanket lien encumbering the Common Elements.
8. Any other encumbrance, covenant, easement, agreement, or restriction against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for its permitted purposes.
9. Revocability of licenses for vault space, if any, under the sidewalks and streets and the lien of any unpaid vault tax.
10. Encroachments of trim, copings, retaining walls, stoops, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings, chutes, fuel oil lines, drainage and standpipes, and similar projections, if any, on, over or under the Property or the streets, sidewalks or premises abutting the Property, and the rights of governmental authorities to require the removal of any such projections, and variations between record lines of the Property and retaining walls and the like, if any.

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

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

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

14. Franchise taxes and New York City Business Corporation taxes of any corporation in the chain of title, provided that the Title Company would be willing in a fee policy issued by it to Purchaser, to insure that such taxes will not be collected out of the Unit.

15. Standard printed exceptions contained in the form of fee title insurance policy then issued by the Title Company (or the title insurance company insuring Purchaser's title to the Unit).

16. Any Certificate of Occupancy for the Building, so long as the same permits, or does not prohibit, use of the Unit for its stated purposes.

17. Any lease or other occupancy agreement for the Unit made by Sponsor and Purchaser.

18. Taxes and any applicable tax liens, restored tax deferrals and abatements, in rem actions, tax sales, assessments, water rates and sewer usage charges.

19. Any violations against the Property (other than the Unit) that are the obligation of the Board or another Unit Owner to correct.

20. Any state of facts which an accurate survey or a personal inspection of the Property and the Unit would show; provided such state of facts would not prevent the use of the Unit for its stated purposes; although any encroachment of a portion of the Unit structure or Common Elements upon another Unit or Units or upon the Common Elements or other Common Elements may remain undisturbed as long as the same shall stand.

21. Covenants, conditions, easements, leases, agreements of record, etc., including, without limitation, the following:

- a. Covenants, conditions, restrictions, easements and agreements set forth in Arena Parking Declaration dated as of March 4, 2010, made by New York State Urban Development Corporation d/b/a Empire State Development Corporation and recorded on March 12, 2010, under CRFN 2010000085743. (With regard thereto:

- (i) Supplement to Arena Parking Declaration dated as of October 4, 2012, by and among AYDC Regional Development Company, LLC, Brooklyn Events Center, LLC and New York State Urban Development Corporation d/b/a Empire State Development Corporation and recorded on January 18, 2013, under CRFN 2013000026842.

- b. Terms, covenants, conditions, easements and agreements set forth in Grant of Storage and Parking Easement dated as of March 4, 2010, by and among Metropolitan Transportation Authority, The Long Island Railroad Company, New York State Urban Development Corporation d/b/a Empire State Development Corporation and AYDC Interim Developer, LLC and recorded on March 12, 2010, under CRFN 2010000085739. With regard thereto:
 - (i) First Amendment to Grant of Storage and Parking Easement dated as of June 26, 2012, by and among New York State Urban Development Corporation d/b/a Empire State Development Corporation, Metropolitan Transportation Authority, The Long Island Railroad Company, and AYDC Regional Development Company, LLC and recorded on August 4, 2014, under CRFN 2014000256478.

- c. Terms, covenants, conditions, easements and agreements set forth in Declaration of Restrictive Covenant by Brooklyn Arena, LLC, Atlantic Yards Development Company LLC, Atlantic Arts Development Company, LLC, Arena Nominee Sub B, LLC, Arena Nominee Sub C, LLC, Arena Nominee Sub E, LLC, Arena Nominee Sub F, LLC, Brooklyn Arena Sub A, LLC, Atlantic Yards Nominee Sub A, LLC, Seagoing Development Company, LLC, Atlantic Yards Development Sub C, LLC, Atlantic Yards Nominee Sub B, LLC, AY 185 Flatbush, LLC, AY 814 Pacific, LLC, AY 644 Pacific II, LLC, AY 485 Dean, LLC, AY 622 Pacific, LLC, AY 195 Flatbush, LLC, AY 608-620 Atlantic, LLC, AY 177 Flatbush, LLC, Chest Realty Corporation, AY 620 Pacific LLC, Atlantic Yards Development Sub A, LLC, Pacific Vanderbilt Development Company, LLC, AY 473 Dean, LLC, AY 489 Dean, LLC, AY 818 Pacific, LLC, AY 542 Vanderbilt, LLC, AY 622 Atlantic, LLC, AY 524 Vanderbilt, LLC, AY 35-37 Sixth, LLC, AY 645 Dean, LLC, AY 618 Pacific, LLC, AY 487 Dean, LLC and 475 Dean Street Development Company, LLC in favor of The City of New York and New York City Economic Development Corporation dated as of September 12, 2007, and recorded on February 14, 2008, under CRFN 2008000063495 and November 6, 2009, under CRFN 2009000364215.

- d. Terms, conditions, covenants and agreements set forth in Environmental Waiver Agreement dated as of May 10, 2010, by and among Atlantic Yards Development Company, LLC, 475 Dean Street Development Company, LLC, Atlantic Rail Yards, LLC, Atlantic Yards Development Sub A, LLC, Atlantic Yards Development Sub B, LLC, Atlantic Yards Development Sub C, LLC, Atlantic Yards Nominee Sub A, LLC, Atlantic Yards Nominee Sub B, LLC, AY 177 Flatbush, LLC, AY 185 Flatbush, LLC, AY 195 Flatbush, LLC, AY 35-37 Sixth, LLC, AY 38 Sixth, LLC, AY 467 Dean, LLC, AY 473 Dean, LLC, AY 477 Dean, LLC, AY 481 Dean, LLC, AY 485 Dean, LLC, AY 487 Dean, LLC, AY 489 Dean, LLC, AY 493 Dean, LLC, AY 495 Dean, LLC, AY 524 Vanderbilt, LLC, AY 535 Carlton, LLC, AY 542 Vanderbilt, LLC, AY 608-620 Atlantic, LLC, AY 618 Pacific, LLC, AY 620 Pacific LLC, AY 622 Atlantic, LLC, AY 622 Pacific, LLC, AY 644 Pacific II, LLC, AY 645 Dean, LLC, AY 740 Atlantic, LLC, AY 814 Pacific, LLC, AY 818 Pacific, LLC, AYDC Interim Developer, LLC, Chest Realty Corp., Pacific Vanderbilt Development Company, LLC, Seagoing Development Company, LLC, Onexim Sports and Entertainment Holding USA, Inc., Onexim Sports and Entertainment, LLC, Brooklyn Arena, LLC, Brooklyn Arena Holding Company, LLC, and Brooklyn Events Center, LLC and recorded on May 26, 2010, under CRFN 2010000177117.
 - e. Terms, covenants, conditions, easements and agreements set forth in Agreement of Development Lease dated as of February 28, 2012, by and between New York State Urban Development Corporation d/b/a Empire State Development Corporation and AYDC Regional Development Company, LLC, as evidenced and disclosed by Memorandum of Agreement of Lease dated as of February 28, 2012, by and between New York State Urban Development Corporation d/b/a Empire State Development Corporation and AYDC Regional Development Company, LLC and recorded on March 21, 2012, under CRFN 2012000114157.
 - f. Terms, conditions, covenants and agreements set forth in Recognition Agreement dated as of February 28, 2012, by and among Brooklyn Arena Infrastructure and Transportation Improvement Fund, LLC, AYDC Regional Development Company, LLC and New York State Urban Development Corporation d/b/a Empire State Development Corporation, and recorded on March 21, 2012, under CRFN 2012000114162.
22. Declaration establishing the Pacific Park Owner's Association and Certain Covenants, Conditions, Easements and Restrictions Relating to the Premises known as Pacific Park, to be filed with the City Register's office.
23. All other covenants, restrictions and matters of record.

O. RESIDENTIAL UNIT CLOSING COSTS AND ADJUSTMENTS

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

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

2. Recording Charges: The fees charged by the City Register's Office for recording the Unit Deed, Power of Attorney and mortgage (if any), in the amount of \$42.00 for each document, plus \$5.00 per page (including the cover page), shall be payable by Purchaser, plus the \$125.00 filing fee, if any, for the RP-5217 form shall be payable by the Purchaser. In addition, a Purchaser's title insurance company may charge various fees and service charges in connection with such recordings and filings, which shall be payable by Purchaser.

3. Transfer Taxes and Mansion Tax: The New York City Real Property Transfer Tax ("RPT Tax") is currently, for the purchase of a single Unit, 1% of the consideration paid for a Unit if such consideration is \$500,000 or less and 1.425% of the consideration if such consideration is more than \$500,000; and the New York State Real Estate Transfer Tax ("NYS Tax") is currently \$2 for each \$500 (or fractional part thereof) of the consideration. For purposes of calculating the taxes payable, the amounts of such taxes which are the primary obligation of the seller but are paid by Purchaser will be included in the consideration subject to tax. Therefore, the steps to compute the taxes payable are:

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

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

(iii) compute the taxable consideration by adding (i), the tentative RPT Tax and (ii), the tentative NYS Tax to the original consideration;

(iv) multiply (iii), the taxable consideration, by the RPT Tax rate to determine the actual RPT Tax payable; and

(v) multiply (iii), the taxable consideration, by the NYS Tax rate to determine the actual NYS Tax payable.

As an example, in respect of a Residential Unit purchased with consideration in the amount of \$1,140,000 (which, in addition to the purchase price, would include any other consideration or amounts paid by Purchaser which are the obligation of Sponsor (other than the RPT Tax and the NYS Tax)), the transfer tax calculation is as follows: (i) $\$1,140,000 \times 1.425\% = \$19,950$; (ii) $\$1,140,000/\$500 \times \$2 = \$4,560$; (iii) $\$1,140,000 + \$19,950 + \$4,560 = \$1,164,510$; (iv) $\$1,164,510 \times 1.425\% = \$16,594.27$; (v) $\$1,164,510/\$500 \times \$2 = \$4,658.04$. Mansion Tax (described below) in the amount of \$11,645.10 ($\$1,164,510 \times 1\%$) would also be payable.

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

If the purchase price together with any other consideration paid for a Residential Unit is \$1,000,000 or more, Purchaser will also pay the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax," which is currently (as of the filing of this Plan) 1% of the total consideration for a Residential Unit. Purchase price together with transfer taxes (the amount of which shall be computed as described above) and any other consideration or amounts payable by Purchasers which are the obligation of Sponsor, will be added together by the taxing authorities to arrive at total consideration for Mansion Tax purposes. For example, the Purchaser of a Residential Unit with a purchase price of \$990,000, with respect to which Purchaser pays the NYS Tax and RPT Tax and other consideration, would be liable for the Mansion Tax because the aggregate consideration would be equal to or exceed \$1,000,000. However, Sponsor makes no representation regarding the calculation of the Mansion Tax or the "consideration" upon which the taxing authorities may base such Tax and shall have no liability with respect thereto. Purchasers should consult with their own counsel and/or tax advisors.

4. Mortgage Tax Credit. In order to reimburse Sponsor for the mortgage recording tax previously paid in connection with any existing mortgage(s), if the Purchaser: (a) obtains a mortgage loan, the Purchaser will pay to Sponsor an amount equal to the partial mortgage tax credit which may be available pursuant to Section 339-ee(2) of the New York State Condominium Act; or (b) assumes or consents to the continuation of a mortgage lien encumbering only such Purchaser's Unit and as a result is entitled to an exemption of all or a portion of the mortgage tax otherwise payable, the Purchaser will pay to Sponsor an amount equal to such exemption, but in no event will the amount payable by the Purchaser to Sponsor exceed the amount of mortgage tax which would have been payable by the Purchaser to the

taxing authority if such mortgage tax credit or exemption had not been available to the Purchaser.

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

6. Closing Fees: All legal costs, fees and expenses charged by each Purchaser's attorney shall be the sole responsibility of such Purchaser. In addition, each Purchaser shall also be responsible for payment of the following fees to Sponsor's attorneys, Kramer Levin Naftalis & Frankel LLP ("Sponsor's Counsel"), in connection with the closing of title to such Purchaser's Unit. For each Unit, the sum of \$2,850 shall be payable to Sponsor's Counsel as a legal fee in connection with the closing of title of the Purchaser's Unit, and for each issuance of a Storage Bin License, the sum of \$500 as a legal fee in connection with processing the issuance of such Storage Bin License. If Purchaser obtains financing and the lender is unwilling to close at the offices of Sponsor's Counsel, or if the Purchaser otherwise requests the Closing to occur other than at the office of Sponsor's Counsel (or such other place as Sponsor may designate in its closing notice), the closing may be held elsewhere in New York City, provided that an additional travel fee is paid to Sponsor's Counsel equal to: (a) \$500 if the closing is held elsewhere in Manhattan; and (b) \$750 if the closing is held in a borough other than Manhattan. In addition, the Purchaser will be required to pay to Sponsor's Counsel: (i) if the closing is adjourned through

no fault of Sponsor, an additional fee of \$600 for each adjournment to help defray the cost of preparing for and coordinating the new closing; (ii) if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Agreement, or for the addition, deletion or substitution of names on the Agreement, a fee of \$850, payable in advance, for preparation of an assignment agreement; (iii) \$250 for the preparation of ACRIS transfer documents required by the City of New York; (iv) if Purchaser obtains mortgage financing, an additional fee of \$800 to defray the additional costs associated therewith; and (v) Purchaser shall pay Sponsor's counsel the sum of \$650 in connection with the consideration, review and processing of any agreement of exchange or the like which Sponsor is requested to execute in connection with any tax deferred exchange under §1031 of the Internal Revenue Code. Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single Unit. Other additional charges may apply. At Sponsor's option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor's Counsel shall be paid by Purchaser prior to closing upon notice to Purchaser.

7. Working Capital: A contribution to the Working Capital Fund in an amount equal to two month's Common Charges then in effect for the Unit pursuant to the budget in accordance with Schedule A hereto, as the same may be amended from time to time, will be collected from Purchaser at Closing.

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

9. Projected Closing Costs Table. The following table illustrates the projected closing costs (based on rates in effect as of the initial filing date of this Plan) for a typical Unit purchased by a Purchaser at a Purchase Price of \$1,410,000 assuming such Purchaser finances 80% (i.e., \$1,128,000) of the purchase price. All figures are estimates.

Fee Title Insurance (if purchased simultaneously with mortgage title insurance) & Municipal Search Fee	\$4,546.00 (\$4,206+\$340)
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Fee for recording Unit Deed (6 pages), Unit Owner's Power of Attorney (6 pages) and RP-5217	\$455.00
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Mortgage Loan Closing Costs

- recording mortgage (assuming 20 pages)	\$275.00
- mortgage recording tax (at 2.175% of \$1,128,000 less \$30.00 credit and 0.25% to be paid by lending institution) (Purchaser may be required to pay a portion of such tax directly to Sponsor)	\$21,684.00
-mortgage title insurance (if purchased simultaneously with fee insurance)	\$873.00
New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax	\$26,203.19
New York State Mansion Tax	\$14,357.33
Working Capital Payment	\$4,192.60
First Month's Common Charges	\$2,096.30
Closing Fee (assuming the closing occurs at the offices of Sponsor's Counsel) and, other than in respect of a mortgage, Purchaser has not incurred any additional fees as set forth above)	\$2,850.00
ACRIS Transfer Document Preparation Fee	\$250.00
Mortgage Closing Coordination Fee	\$800.00
TOTAL	\$78,582.42

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

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

adjustment shall be determined by allocating to the Unit a prorated portion of the actual taxes for the entire Property for such period calculated on the basis of the Common Interest.

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P. PACIFIC PARK BROOKLYN

1. Introduction

550 Vanderbilt Condominium will be one of 16 buildings comprising the 22 acre site of “Pacific Park Brooklyn”, a phased mixed-use development located at the intersection of the Fort Greene, Clinton Hill, Boerum Hill, Park Slope and Prospect Heights neighborhoods. Upon completion, Pacific Park Brooklyn will include an eight acre public park, approximately 247,000 square feet of retail space, 336,000 feet of commercial space and 6,430 units of housing, along with the nearby Barclays Center entertainment complex (the “Arena”).

The Condominium is part of the residential phase of development at Pacific Park Brooklyn. As of the filing date of this Plan, it is anticipated that the additional phases of development (each parcel subject to development being a “Development Site” and collectively the “Development Sites”), including the gradual expansion of the public park and its facilities over eight acres of land (the “Open Space”), will be completed by 2025. Purchasers are advised that the time required to complete a project of this magnitude may be extensive and completion of the improvements contemplated for Pacific Park Brooklyn and/or described in the Plan may be subject to circumstances beyond Sponsor’s control.

Pursuant to the Pacific Park Project Documents, consisting of the Modified General Project Plan, as amended, the Design Guidelines, the Development Agreement with the New York State Urban Development Corporation d/b/a Empire State Development (“ESD”), the Agreement of Development Lease with ESD, and the Park Restrictive Dec (defined below), the development of the Open Space will likewise proceed in stages. The Open Space will be governed and owned by a conservancy or non-profit agency (the “Conservancy”) which will be responsible for its planning, programming, operation, and security. The Conservancy will be governed by a board which is expected to include, without representation, representatives of Sponsor, civic group(s), representatives of the properties constituting Pacific Park Brooklyn, including the Condominium, and on an ex officio basis, Brooklyn Community Boards 2, 6 and 8 and the New York City Department of Parks and Recreation.

The rights and obligations of each parcel with respect to the improvement, planning, operation, maintenance and administration of the Open Space will be more fully described in a restrictive declaration (such declaration, as may be amended from time to time, is referred to herein as the “Park Restrictive Dec”) which will be recorded by ESD, as Declarant, in the City Register’s Office against all of the Pacific Park Brooklyn properties (each a “Building Premises”), except the Arena but including the Open Space. All present and future owners, tenants and occupants of all or any portion of a Development Site will be subject to, and be required to comply with the applicable provisions of, the Park Restrictive Dec.

As of the date of filing of the Plan, the Park Restrictive Dec has not been finalized for purposes of recording by ESD or for inclusion in the Plan. As such, the specific details of the Park Restrictive Dec are subject to change. In such event, Sponsor will amend the Plan accordingly, but in no event will a Purchaser be entitled to rescission based on [any change to the terms of the Park Restrictive which Sponsor deems reasonable to effectuate the terms and purpose of the Pacific Park Project Documents or which are necessary to conform to Legal

Requirements]. Based on the version of the Park Restrictive Dec under review by ESD at this time, and subject to the foregoing, the following constitutes an outline of some important features of the instrument.

2. Pacific Park Owners Association; Board of Directors of the Association

In accordance with the Park Restrictive Dec, Pacific Park Owners Association LLC (the "Association") shall be formed to fund the maintenance and operation of the Open Space and to exercise the Association Self-Help Rights (as defined below), all as will be more fully set forth in the Park Restrictive Dec. Upon completion of each Building Premises, the Owner of such Building Premises will constitute a "Member" of the Association. With respect to a Building Premises which is a condominium, the condominium's board shall constitute and serve as the Member for the condominium and its unit owners.

The board of directors of the Association (the "Association Board") shall have all of the powers and duties necessary or incidental to, the conduct and administration of the affairs of the Association, including, without limitation, the right to adopt, amend, modify, add to or delete rules and regulations of the Association (the "Association's Rules and Regulations"), provided same are applied against all Members on a non-discriminatory basis, and the right to execute any consent or other instrument in connection with any Association Obligations that the Board deems necessary or appropriate to comply with any Legal Requirements. As used herein and in the Park Restrictive Dec, the term "Association Obligations" shall mean an obligation to (a) review and approve an annual budget for the Conservancy in accordance with the terms of the Park Restrictive Dec; (b) impose and collect Association Charges and Special Assessments from Members to fund the operation of the Conservancy; (c) adopt from time to time the Association's Rules and Regulations; (d) pursue or defend indemnification claims of or against the Association; (e) provide notice solely related to Association Obligations; (d) exercise the Association Self Help Rights; and (e) perform such other requirements as may be set forth in the Park Restrictive Dec.

Each Member will have one representative on the Association Board, which representative, in the case of a Member that is a condominium, must also be a member of the condominium's board. For the duration of the Sponsor Control Period, the Condominium's representative to the Association Board shall at all times be a member of the Board designated by Sponsor, and, upon the expiration of the Sponsor Control Period, the President of the Board of 550 Vanderbilt Condominium shall serve as the Condominium's representative to the Association Board. As Sponsor has the unconditional right to rent or lease the Units, there is no commitment to sell more Residential Units than the 15 percent of Residential Units (i.e., 42 Residential Units) necessary to declare the Plan effective, and as such, the Sponsor Control Period may never conclude and the Condominium's representative to the Association Board may never be an owner-occupant unaffiliated with Sponsor.

In connection with actions to be taken or decisions to be made by either the Association Board or the Members, except with respect to two of the Building Premises with residential components which will consist entirely of affordable housing and in each case have a fixed share of votes, Member and Association Board Member representing such Member shall have a vote equal to its then applicable Association Share (defined below). Unless otherwise

specified in the Park Restrictive Dec, the decision of the Association Board and/or the Members of the Association shall be by majority vote, where “majority vote” means a majority determined in accordance with the Association Share voted by each Member or Association Board Member, as applicable.

Regular meeting of the Association Board will be held at such time and at such place in New York City as shall be determined from time to time by a majority vote of the Members, but no less frequently than once each calendar quarter. Special meetings of the Association Board may be called upon the vote of Members having an aggregate Association Share of 30% or more. For purposes of all meetings of the Association Board, representatives of Members with voting rights sufficient to cast a majority of votes shall constitute a quorum for the transaction of business. If, at any meeting of the Association Board, less than a quorum is present, the representatives of Members in attendance may adjourn the meeting from time to time. The Association Board will have the ability to appoint officers in the manner and in such positions as it deems necessary.

3. Amendments to the Restrictive Parc Dec; Termination

A vote of 66 2/3% of the votes of the Members will be required to amend the Restrictive Park Dec, provided that the methodology for determining a Member’s Association Share will not be permitted to be modified without the consent of each affected Member; provided further that if any such amendment or modification (i) will allow for the funding of less than 100% of the costs of maintaining and operating the Open Space, (ii) materially change the Operating Standard (as hereinafter defined), or (iii) otherwise have a materially adverse effect on the Open Space, the approval of ESD as Declarant will also be required. Notwithstanding the foregoing, no amendment to the Park Restrictive Dec will be permitted if same would materially and adversely affect a Member or the Building Premises owned by such Member, in a disproportionate manner, without the consent of such affected Member. Termination of the Park Restrictive Dec will require the written agreement of three-fourths of the Members and the consent of ESD as Declarant.

4. Operation of the Open Space

Operation and maintenance of the Open Space, including any facilities and improvements located in the Open Space, will be subject to certain operating standards consistent with the standards for open space recreational park areas appurtenant to residential buildings located in New York City having the same or similar primary use as the Open Space (such standards as may be established and expanded in the Park Restrictive Dec, the “Operating Standard”).

On an annual basis the Conservancy shall submit a proposed budget to the Association for the coming year’s cost related to the programming, operation and security of the Open Space (the “Open Space Budget”). The Association Board shall have the right to review the Open Space Budget, which review will be limited to determining whether the proposed Open Space Budget will allow the Conservancy to operate and manage the Open Space in accordance with the Operating Standard. Disputes between the Association and the Conservancy as to approval of the annual budget shall be resolved through arbitration.

The Conservancy will have primary responsibility for the programming, operation, and security of the Open Space. However, in the event the Conservancy defaults on its obligations to maintain and operate the Open Space in accordance with the Operating Standard, then the Association shall have the obligation to cure such default and, if necessary, perform the obligations of the Conservancy including, but not limited to, entering upon the Open Space to abate, remove or cure such violation or breach without being deemed guilty or liable in any manner for trespass thereon (collectively, the "Association Self Help Rights"), all as may be more fully set forth in the Park Restrictive Dec.

Each Member will be obligated to pay its share of Association Charges and Special Assessments to the Association in accordance with its Association Share. Each Member's respective Association Share will be determined, and, upon the addition of any new Members to the Association, redetermined, based on a number of factors related to the Building Premises owned by such Member, which factors may include consideration of each Building Premises' respective square footage, use types (e.g, residential, hotel/commercial, parking), the mix of market-rate versus affordable housing, etc. With respect to two of the Building Premises with residential components which will consist entirely of affordable housing, in lieu of having an Association Share each such Member will pay a fixed contribution to the Association, subject to increase from time to time in accordance with the Consumer Price Index.

The Board of 550 Vanderbilt Condominium will, on behalf of the Unit Owners, collect each Unit Owner's pro rata share of the Association Charges and Special Assessments imposed by the Association, based on each Unit's proportionate Common Interest, as part of the Common Charges assessed to each Unit Owner. Where a Member fails to pay its share of Association Charges and Special Assessments, the Association shall have a lien against the applicable Building Premises to secure payment and, in the event the Member is a condominium a priority right to common charges collected by such Member. In no event will the Association have a lien on any individual Residential Unit for unpaid Association Charges and Special Assessments owed by the Condominium.

The Association Charges and Special Assessments imposed by the Association, including the expense of the Open Space Budget, shall be paid for entirely by Members. As stated above, the Open Space will be constructed in phases as the Development Sites at Pacific Park are gradually being completed. Accordingly, the total cost of the Open Space Budget will increase over time as additional phases of the Open Space are completed, bringing with each new phase additional expenses related to programming, operation and security of the expanded Open Space. At the same time, however, as more Development Sites are developed in accordance with the Pacific Park Project Documents, additional Members will join the Association to share the cost of the Open Space Budget.

Included in the Schedule B – Budget for the First Year of Condominium Operation is a line item for the Condominium's allocated share of the estimated Open Space Budget and other Association Charges for such period. For the reasons set forth above, as the Open Space Budget will fluctuate over time, the number of Members will likewise be subject to change, and each Member's Allocated Share (excepting the fixed fees paid by some Members as described above) is subject to redetermination upon the inclusion of a new Member, the total cost of Association Charges due and payable by the Condominium to the Association will be subject

to increases and decreases, in some cases in substantial amounts, from time to time. At such time as all of the Building Premises are constructed, the relative Allocation Shares of each Member will no longer be subject to change.

The Declaration and By-Laws of 550 Vanderbilt Condominium shall be subject and subordinate in all respects to the Park Restrictive Dec, with any conflict or ambiguity to be settled in favor of the Park Restrictive Dec.

A copy of the existing Pacific Park Project Documents are available for review at the Sales Office. The Plan will be amended to reflect the recordation of the Park Restrictive Dec.

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Q. RIGHTS AND OBLIGATIONS OF SPONSOR

Sponsor's Obligations

a. Construction

Sponsor will perform such work and supply such materials, or will cause the same to be performed and supplied, as is necessary in order to complete Sponsor's construction work at the Building with a quality of construction comparable to the currently prevailing local standards and in accordance with the Plans and Specifications for the work filed with the Department of Buildings and other appropriate governmental authorities.

Based upon Sponsor's construction schedule anticipated as of the initial filing date of this Plan, Sponsor contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, governmental restrictions, acts of god or other events beyond its reasonable control, Sponsor's construction work at the Building will be sufficiently completed to permit closings of title to Residential Units to begin on or about January 1, 2017. Prospective Purchasers should note, however, that the Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the Purchase Price for his or her Residential Unit or otherwise be relieved from any obligations under the Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Unit is accelerated, delayed or postponed by Sponsor, provided, however, that in the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections and if: (i) the amended budget exceeds the projected budget set forth herein by 25% or more; or (ii) the First Closing does not occur within 12 months after the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation (being the date set forth in the Plan at the time a Purchaser executes an Agreement, presently projected to be January 1, 2017), then in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements for a period of not less than 15 days after the presentation date of the amendment containing such revised budget or after such 12 month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Deposit and any interest accrued thereon returned. Purchasers' rights as described in the preceding sentence are in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. As set forth in the Section of this Plan entitled "Effective Date," no closing of title to any Unit will take place prior to the Plan being declared effective.

Sponsor reserves the right, without prior notice to Purchasers or amendment of this Plan (but subject to obtaining any required approval(s) of any governmental authorities having jurisdiction), to: (a) amend from time to time any of the Plans and Specifications (including changes in layouts and designs and changes affecting the materials, appliances,

equipment, fixtures and other construction details); and/or (b) substitute materials, appliances, equipment and fixtures that are of equivalent or better quality and design in place of those described in the Plans and Specifications. Any such change, if material (note that there is a rebuttable presumption that a reduction in Unit area of 5% or less is not material), shall be disclosed by Sponsor in a duly filed amendment to the Plan and, when applicable, to the Declaration. No such change will be made if the same would materially adversely affect any Purchaser under an Agreement which has been countersigned by Sponsor and returned to the Purchaser unless (i) the affected Purchaser consents; (ii) the Purchaser is in default or (iii) the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where, in the exercise of sound construction management practices, no practicable alternative exists), and in such event, covered by this clause (iii), Sponsor will, in the amendment disclosing such material adverse change, offer the affected Purchaser(s) the right, for at least 15 days, to rescind their Agreement(s) and receive a refund of their Deposit(s), together with all interest earned thereon. However, as long as the layout and dimensions of a Unit conform substantially to the Plans and Specifications, a Purchaser will not be excused from purchasing a Unit by reason of a minor, non-material deviation or change and will not have any claim against Sponsor as a result thereof.

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

Furthermore, because Sponsor and the By-Laws of the Condominium may permit Unit Owners to undertake renovations to individual Units prior to the procurement of an, FCO, such

renovations may cause additional delays in the issuance thereof. Notwithstanding the foregoing, Sponsor and its principal are obligated to procure the FCO.

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

The issuance of a temporary or permanent Certificate of Occupancy for the entire Building shall be deemed presumptive evidence that Sponsor construction work at the Building and its appurtenances and all of the Residential Units has been completed in accordance with this Plan and the Plans and Specifications. However, notwithstanding the foregoing, Sponsor or its representatives will correct, repair or replace all defects in the construction of the Building and its appurtenances and the Residential Units offered hereby, or in the installation or operation of any appliances, furnishings (including the Residential Unit Furnishings), fixtures or equipment in the same, or will cause the same to be corrected, repaired or replaced, but only if such defects are due to improper workmanship or material substantially at variance with the Plans and Specifications, and Sponsor is notified by the Board or the affected Residential Unit Owner in writing of such defect: (i) as to the Common Elements, within one year from the earlier of the issuance of a temporary Certificate of Occupancy for the portion of Building subject to such defect or the date of substantial completion of the portion(s) of the Common Elements which is claimed to be defective; or (ii) as to any Residential Unit, on or prior to the date of closing for such Residential Unit, except that if any such defect in a Residential Unit can be detected only by occupancy of the Residential Unit, Sponsor will correct such defect if notified in writing by the Residential Unit Owner within one year from the earlier of the closing of title to such Residential Unit or the commencement date of an interim lease for such Residential Unit. Notwithstanding the foregoing, but without limiting Sponsor's obligation to complete Sponsor's construction work at the Building in accordance with the provisions of this Plan, all applicable Legal Requirements, and the Description of Property as set forth in Exhibit 4 in Part II of the Plan (and as set forth in Special Risk #9), Sponsor will not be responsible for correcting any defects in the construction, renovation or installation or operation of any appliances, equipment or fixtures with respect to which assignable warranties or other undertakings (however denoted) from contractors, materialmen, or others are assigned to the Board or Residential Unit Owners; or for any condition resulting from normal wear and tear or natural deterioration or from normal settling or shifting of the Building, or for defects of an insubstantial nature, such as, without limitation, partial or total demise of any landscape improvements, nail pops, ridging on gypsum board or sheet rock walls, lumber shrinkage, doors or windows sticking due to weather, door warpage, grouting cracks, scratches in formica or porcelain or other surfaces, bath and kitchen tile grouting cracks, adjustment of any bi-fold doors, walls not square, electrical plates not straight, discolorations or shrinkages, normal settlement and deflection or any consequential damage resulting therefrom including, without limitation, cracks in any concrete roof pavers, or concrete cracks which do not impair the structural soundness of the Building, ceiling imperfections, slight separation in joints of kitchen tile or wood flooring, warping, cupping or creaking of wood flooring or any nicks, scratches, gouges, imperfections or discolorations thereof, floors out of level, variations in width, length or tone of wood floor strips or other flooring or floor finishes, also, normal shrinkage or expansion of wood flooring due to changes in moisture content of wood, ceiling imperfections, painting defects, alignment of bathroom finishes, air infiltration from windows, any consequential damage resulting from settling

(including, without limitation, concrete or drywall cracks which do not impair the structural soundness of the Building), existence of mold (as more particularly described above in the Section titled "Features of Condominium Ownership"), normal plumbing, heating and air conditioning noises, or carpet discoloring and stretching; or for paint touch-ups or for repair of chips, mars, breaks or other defects in windows, and window sashes, sliding glass doors, lighting fixtures and globes, interior painted surfaces, sinks, tubs, bowls, shower doors, kitchen cabinets, counter tops, vanity tops and bases, medicine cabinets, doors, mirrors, saddles, appliances, woodwork, doors, hardware, flooring and appliance cabinets, salting, or color variation in exterior colored mortar and deep colored brick, ponding and/or controlled drainage on the roof surface, or cracks in any pressure treated wood or redwood used or intended for use outside the Building. Sponsor shall be obligated to repair only abnormally chipped stone, formica and porcelain surfaces, which repair shall be made by filling the stone or formica or refinishing the porcelain, but Sponsor shall not be obligated to replace such stone, formica or porcelain surfaces. Except as expressly set forth herein, Sponsor has no obligation to make any repairs of any kind. In no event shall Sponsor be liable for special or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise), it being intended that Sponsor's sole obligations under the Plan shall be to repair or, at Sponsor's option, replace any defective item of construction (whether arising as a result of defects in material or improper workmanship or material substantially at variance with the Plans and Specifications), subject to the terms and conditions set forth in this paragraph, provided, however, that nothing contained herein is intended to relieve Sponsor of liability for actual damages resulting from property damage or personal injury arising as a result of negligence of Sponsor or its authorized agents or employees in connection with the transactions contemplated in the Plan.

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

Each Residential Unit offered hereby and the fixtures and personal property contained therein, are being sold and delivered in the condition they exist at the time of transfer of title to such Unit (subject to Sponsor's obligation to deliver the Residential Unit in the condition set forth in the Section of Part II of this Plan entitled "Description of Property and Building Condition" subject to reasonable wear and tear), as described in the Plan at the time of the transfer of title to such Residential Unit, unless Sponsor and the Purchaser of such Residential Unit otherwise agree in writing. The Purchaser of a Residential Unit shall inspect such Residential Unit prior to the closing date and shall execute at such time an inspection statement acknowledging the Purchaser's acceptance of the Residential Unit in good condition and in accordance with the terms of the Plan. However, if a Purchaser finds that Sponsor's improvements as described in the Plan or in the Agreement for such Residential Unit or other writing duly executed and delivered by Sponsor, have not been fully completed, although such improvements have been substantially completed, then Sponsor or its designated representative and the Purchaser will at the time of such execution agree upon and set forth in the inspection

statement a list of the incomplete work to be completed in the Residential Unit by Sponsor following the closing for such Residential Unit.

The Housing Merchant Implied Warranty Law (New York State General Business Law Article 36-B) does not apply to this offering.

b. Real Property Law §339-kk

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

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

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

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

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

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

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

In addition, Sponsor makes no representation as to (i) RPL §339-kk's effect on the lien priority of a loan heretofore or hereafter made to a non-occupant Unit Owner and secured by a Unit, or whether RPL §339-kk's enactment or compliance therewith by a tenant constitutes a default by the Unit Owner under said loan; (ii) RPL 339-kk's effect on assignments of leases and rents given by a non-occupant Unit Owner to mortgagee in connection with purchase-money financing or otherwise; (iii) the Condominium's remedies if a tenant fails or refuses to make rental payments to the Board after notice from the Board (in accordance with RPL §339-kk) to do so; (iv) the consequence of the Board's failure to give notice to a tenant; or (v) who is responsible for designating an agent to whom rental payments are to be made after the non-occupant Unit Owner is brought current in payment of Common Charges, assessments and late fees.

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

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

c. Payment of Expenses

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

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

d. Assignment of Warranties

Sponsor will deliver, assign or otherwise grant to the Board, on behalf of all Unit Owners, the right to proceed under any assignable warranties and other undertakings received by Sponsor from its contractors, suppliers or others in connection with the construction, renovation and equipping of the Building, such delivery, assignment or grant to the Board to occur as of the later of the date of recording of the Declaration or the date on which Sponsor receives such assignable warranties and other undertakings, except that warranties and undertakings received by Sponsor which relate to the appliances, equipment, furnishings or fixtures located in any

Residential Unit shall be assigned to the Purchaser of such Unit on the date of closing of title thereto. Certain warranties with respect to the Building will be held by the Board on behalf of all Unit Owners as to whose Units such warranties pertain.

e. Certificate of Occupancy

If, as of the First Closing, only a temporary Certificate of Occupancy has been issued for the Building, or a portion thereof, Sponsor will use all reasonable diligence to cause the New York City Department of Buildings to continuously renew the temporary Certificate of Occupancy until a permanent Certificate of Occupancy for all such Units has been issued. Sponsor will, at its sole expense, do and perform, or cause to be done and performed, all such work (subject to events and circumstances beyond Sponsor's reasonable control, e.g., casualty, strikes, governmental restrictions, acts of god, etc.), and will supply, or cause to be supplied, all such materials, and will submit or cause to be submitted all such documentation, and shall pay all applicable fees required by the New York City Department of Buildings that shall be necessary in order to cause the temporary Certificate of Occupancy to be continuously renewed until a permanent Certificate of Occupancy for the Building has been issued, as well as to obtain any requisite certificates or permits relative to the electrical work, plumbing, heating and air-conditioning facilities and elevators at the Building. Prospective Purchasers are advised that permanent Certificates of Occupancy are required for permanent use of the Building. Sponsor and its principals will undertake the responsibility for obtaining a permanent Certificate of Occupancy covering the entire Building. Sponsor projects, but cannot assure, that a permanent Certificate of Occupancy for the Building will be obtained within two years after the First Closing.

In the event that a permanent Certificate of Occupancy has not been issued for the Building as of the First Closing, Sponsor is required to maintain all Deposits and funds paid on account of Purchase Prices (but not any payments given for special work ordered by Purchasers) in the special escrow account required by General Business Law Section 352-e(2)(b), unless Sponsor's engineer, architect, construction manager or other qualified expert certifies that a lesser amount will be reasonably necessary to complete the work remaining to be done by Sponsor in order to obtain such permanent Certificate of Occupancy, in which case the sum exceeding the amount so certified by Sponsor's engineer, architect, construction manager or other qualified expert may be released from the special escrow account. Alternatively, Sponsor may place in escrow with Escrow Agent an unconditional irrevocable letter of credit, a surety bond from an institutional lender or recognized bonding company acceptable to the Department of Law, or cash, in each case in an amount that when added to the Deposits being maintained in the special escrow account, will equal not less than the amount so certified. Sponsor may also use as collateral to similarly secure its obligation to obtain a permanent Certificate of Occupancy, the unfunded portion of a construction loan (if any) or other collateral acceptable to the Department of Law and disclosed in an Amendment to this Plan. If Sponsor has placed cash in escrow, such funds will be held by Sponsor's Counsel in escrow in a separate bank account. All interest and income on such escrowed funds will be paid to Sponsor, as and when earned and collected.

As the work progresses, Deposits held for Units conveyed to Purchasers may be released to Sponsor by Sponsor's Counsel from time to time, provided the remaining Deposits

maintained in the special escrow account, together with said unfunded construction loan (if any) or other acceptable collateral, shall be not less than the amount then so certified to be reasonably necessary to complete all remaining work in order to obtain a permanent Certificate of Occupancy. Sponsor's Counsel will rely entirely upon such certificate in releasing such funds or other collateral and will not make any independent inquiry or evaluation. Any remaining balance of the escrow funds and/or other collateral will be released to Sponsor upon the issuance of a permanent Certificate of Occupancy for the Building. If Sponsor has deposited a letter of credit or surety bond, it will be subject to periodic reduction in amount upon the same terms as described above for the reduction and release of a cash deposit.

Following the issuance of a permanent Certificate of Occupancy for the Building, Sponsor will deliver to the Board a complete set of architectural drawings and a complete set of mechanical, electrical, plumbing and sprinkler "as-built" drawings for the entire Building.

f. Architect's Certification

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

g. Payment of Common Charges and Real Estate Taxes

Sponsor will pay all Common Charges, real estate taxes and special assessments attributable to the Unsold Residential Units in accordance with the provisions of the By-Laws. Sponsor expects to have the financial resources to meet the aforesaid obligations with respect to Unsold Residential Units and fund same from income from projected sales, the rental or leasing of Unsold Residential Units and Sponsor's other financial resources. No bond or other security has been posted by Sponsor to secure its obligation to pay Common Charges, special assessments or real estate taxes with respect to Unsold Residential Units.

Sponsor reserves the right to delay the commencement of collection of Common Charges. During any such delay, Sponsor will timely pay all expenses of the Condominium, including, but not limited to, insurance premiums and any reserve fund payments required by any lenders. Upon commencement of collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium. Sponsor shall be required to update the budget as required under governing regulations. In the event Sponsor elects to delay the collection of Common Charges, it will disclose such fact in the closing notice to Purchasers and will further disclose such fact in the post-closing amendment to the Plan. Such amendment will also disclose the anticipated period of delay. Sponsor will notify all Unit Owners in writing of the expiration of the delay period (which expiration shall be determined in Sponsor's sole and absolute discretion) at least thirty (30) days prior to the commencement of collection of Common Charges and will disclose such fact in the following amendment to the Plan. Notwithstanding anything contained in this paragraph, in all instances the Unit Owners will remain responsible for the payment of the real estate taxes (including such Unit Owners' allocable share of those real estate taxes attributable to the Resident Manager's Unit).

h. Insurance

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

For the avoidance of doubt, each Unit includes, and each Unit Owner shall be responsible for (maintaining, insuring, repairing, replacing, etc.), all fixtures, equipment and other items of personalty, including, without limitation, front entrance door and any other entrance doors to such Unit, flooring and subflooring, wallcoverings, non-load bearing interior walls and partitions and sheet rock and plaster wall covering, smoke detectors, all plumbing, gas and heating fixtures and equipment such as heating, ventilating and air conditioning units (including the fans inside the units), as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors. Each Unit shall also include (i) all lighting and electrical fixtures, cabinets, including, without limitation kitchen and bathroom cabinetry, countertops, and appliances and appliances within the Unit, and (ii) any equipment, fixtures or facilities (as defined in the Declaration) affixed, attached or appurtenant to the Unit, to the extent located within a Unit and serving or benefiting only that Unit.

i. Right of Access

Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for the purpose of fulfilling Sponsor's obligations under the Plan, performing certain alterations and repairs in or about the Unsold Residential Units and exercising its other rights or performing its other obligations under the Plan. Sponsor will repair any damage caused as a result of such access and will use reasonable efforts to exercise such access in such a manner as will not unreasonably interfere with the use of any Unit for its permitted purposes.

j. Dissolution

In the event of the dissolution or liquidation of Sponsor, or the transfer of 10 or more units or 20% or more of the total number of units in the Condominium, whichever is less,

to a single Purchaser, Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of Sponsor for those Units under the Plan and applicable laws or regulations (including, without limitation, Sponsor's representation that will endeavor in good faith to sell the Units offered hereunder but subject to the reservation of the unconditional right to rent or lease, rather than sell, such Units).

k. General

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

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

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

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

l. Use of Unsold Residential Units

Sponsor and its designee reserve the right to use or occupy any Unsold Residential Unit at any time, both before and after the First Closing. Notwithstanding the foregoing, if an Unsold Residential Unit is rented prior to the First Closing such Unit will be rented pursuant to the terms of an interim lease agreement with the Purchaser or Purchasers for which such Unit is then under contract. Sponsor will endeavor in good faith to sell, but nevertheless, reserves the unconditional and unrestricted right, to rent or lease any such Unsold Residential Unit to Purchasers and others after consummation of the Plan. As a result, Purchaser may be acquiring a Residential Unit that has been previously occupied, but, unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Residential Unit will be delivered at closing free and clear of all leases and tenancies and rights of occupancy. Moreover, once an Agreement is signed for a Residential Unit, and for so long as such Agreement is in effect, such Residential Unit may be leased only to the Purchaser listed on the Agreement (unless such Purchaser agrees otherwise).

Notwithstanding the foregoing or anything contained herein, in the Declaration, By-Laws or the Rules and Regulations to the contrary, Sponsor or its designee may, without the permission of the Board use or grant permission for the use of any Unsold Residential Unit (as hereinafter defined) as models and sales and/or promotion offices in connection with the sale or rental of the Residential Units, subject to compliance with applicable governmental laws and regulations as to any such use.

Unsold Residential Units may be leased by Sponsor, its designee or by an Owner of Unsold Residential Units for any period of time, for any use and on any terms which are consistent with the then-existing Certificate of Occupancy for the Building.

m. Alterations of Unsold Residential Units

Sponsor shall have the right, pursuant (and subject) to the terms of the Declaration and the By-Laws, as the same may be amended from time to time, without the approval of the Board or any other Residential Unit Owner or any Permitted Mortgagee, to make any alterations, additions, improvements or repairs in or to any Unsold Residential Units, whether structural or non-structural, interior or exterior, ordinary or extraordinary (including, without limitation, the right to combine two or more Unsold Residential Units, or to add more Residential Units by subdividing Unsold Residential Units or to change the number of rooms in, as well as the size, layout and square foot area of any Unsold Residential Unit).

An initial purchaser of an Unsold Residential Unit shall have the right, without the approval of the Board, but subject to By-Laws provisions regarding the same, to make any alterations, additions, improvements or repairs in or to such Residential Unit, provided that such Purchaser obtains all necessary approvals required by law and that Sponsor has consented to the same in writing at or prior to the closing of title to such Residential Unit, which consent Sponsor may withhold or condition in its sole and absolute discretion. Absent Sponsor's consent thereto, Purchasers shall have rights in respect of alterations as are set forth in Article 6 of the By-Laws and described generally in the Section of the Plan entitled "Rights and Obligations of Residential Unit Owners and the Board" below.

n. Casualty

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

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

o. Roof Rights/Easements

Sponsor has, with respect to the roof of the Building, the exclusive right (and such easements as shall be required) at any time and from time to time at its sole cost and expense, to exclusively erect, use, maintain, repair, replace, relocate and operate for Permitted Roof Platform Purposes, as hereinafter defined, one or more platforms, supports or structures on any portion of the roof (other than those portions of the roof which are Residential Limited Common Elements for the exclusive use of a particular Unit Owner) for the purpose of erecting, using, maintaining, repairing, replacing, relocating and operating for Permitted Roof Platform Purposes, antennae, satellite dishes and other communications equipment thereon (including, without limitation, the running of conduit wiring and/or cabling throughout the Building as necessary); provided, however, that Sponsor shall give prior notice to the Board for information purposes only of the type and location of any such equipment before installation. Such easement shall also include the right of Sponsor to use, lease and license such equipment, and to retain any profits therefrom. All of the foregoing shall at all times be used, installed and maintained in compliance with all Laws and Insurance Requirements. The word "equipment" as used in this Section shall be deemed to include fiber optic cable and other communications lines, wires, risers, cables and conduits, as well as any other ancillary equipment, based upon all current and future technologies, needed for the proper operation of the communications installations. Each easement and other right granted under this Section O must be exercised, and all such platforms, supports, structures, installations and equipment must be used in such a way so as to minimize, to the extent reasonably practicable, interference with the exercise of the other easements and other rights granted under this Section. As used herein, "Permitted Roof Platform Purposes" shall mean all businesses, operations and activities of Sponsor and its affiliates, including the business of renting out or otherwise providing satellite dishes and/or other communications equipment, services and/or space for satellite dishes and/or other communications equipment or services to third parties, and any operations or activities in connection with such business.

p. Miscellaneous

Sponsor and its designee(s) shall have the right, until the 15th anniversary of the First Closing (or until no Unsold Residential Units remain, if earlier), to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events, promotional functions (e.g., with respect to any sales programs for Unsold Residential Units). Such activities will result in excess traffic and noise in the Building, and may interfere with owner-occupants' enjoyment of the Building.

q. Sponsor's Right to Issue Storage Licenses

Sponsor (or its designee), in its own name or in the name of the Board, shall have the exclusive right to issue initial Storage Licenses for Storage Bins.

r. Existing Mortgages and Construction Loans

By or soon after the filing of the Plan, Sponsor anticipates obtaining a Construction Loan with HSBC Bank USA, National Associate, as agent for lenders. Such Construction Loan shall provide that that, at or prior to the First Closing, the Construction Lender (or other lender if applicable) will: (i) consent to the formation of the Condominium and acknowledge that its lien will be limited to Unsold Residential Units; (ii) subordinate the lien of its mortgage to the Declaration; and/or (iii) release its lien on the Unit being conveyed and its interest in the Common Elements.

The Construction Loan may include additional restrictions or requirements with respect to Sponsor's ability to rent or sell Residential Units, and in such event, the Plan will be amended to disclose same.

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R. CONTROL BY SPONSOR

Until the first annual meeting of the Unit Owners (the "First Annual Meeting"), the Board shall consist of three members whom shall be designated by Sponsor. Sponsor anticipates designating the following persons as the initial Board members (all of whom are experienced in real estate matters and familiar with the Property): Hu Gang, Ifei Chang and Maryanne Gilmartin, all of whom are employed by one or more affiliates of Sponsor, and none of whom have any relationship with Sponsor's attorney other than in such capacity. Sponsor will amend the Plan prior to the First Closing in the event such three persons shall not constitute the initial Board members. At the First Annual Meeting, the incumbent three member Board designated by Sponsor will resign and a new seven member Board will be elected and/or designated, as the case may be, as described below. The First Annual Meeting shall be held not later than 30 days following the earlier to occur of: (a) the second anniversary of the First Closing; or (b) the closing of title to Units representing at least 50% both in number and aggregate Common Interests of all Units to Purchasers. As a result of the foregoing, there is no provision in the By-Laws that assures a majority of the Board will be Unit Owners, Unit occupants or members of a Unit Owner or Unit occupant's household who are unrelated to Sponsor and its principal within two years after the First Closing.

From and after the First Annual Meeting, the Board will consist of seven members elected and/or designated as follows: (i) four members elected by the Residential Unit Owners (including Sponsor), subject to Sponsor's right to designate members (as described below); and (ii) one member designated by each of the three Retail Unit Owner for a total of three members.

At meetings of the Unit Owners, Sponsor will, at all times, have the right to vote all of the Common Interests appurtenant to the Residential Units owned by Sponsor as it sees fit, regardless of whether Sponsor, in the capacity of Sponsor or as the owner of the Retail Units, has also designated members of the Board as set forth herein.

At elections of members of the Board held at and after the First Annual Meeting, but before the expiration of the "Sponsor Control Period" (defined below), the composition of the seven member Board shall be as follows: (i) Sponsor and/or its designees shall have the right to designate three members of the Board, which designees may be related to or affiliate with Sponsor, Sponsor's designees or other Unsold Residential Unit Owner(s); (ii) Sponsor and/or its designees and all other Residential Unit Owners shall have the right to elect one member of the Board; and (iii) each of the Retail Unit Owners (even if Sponsor or its designee owns such Unit) shall be entitled to designate one member each (for a total of three members) to the seven member Board. The Sponsor Control Period is the period ending upon the closing of title to Units representing more than 90%, both in number and in aggregate Common Interests, of all Residential Units. As Sponsor has the unconditional right to rent or lease the Units, there is no commitment to sell more Units than the 15 percent of Units (i.e., 42 Residential Units) necessary to declare the Plan effective, and as such, the Sponsor Control Period may never conclude and owner-occupants may never gain effective control and management of the Condominium. Sponsor will endeavor in good faith to sell, but nevertheless, reserves the unconditional right to rent or lease, rather than sell, the Units offered hereunder after consummation of the Plan.

At elections of members to the Board held after the expiration of the Sponsor Control Period but while Sponsor and/or its designee still owns at least one Residential Unit, Sponsor and/or its designee shall have the right to designate one of the four members of the Board otherwise to be elected by the Residential Unit Owners, including Sponsor (in addition to any member Sponsor may appoint as the owner of the Retail Unit), who may be a person related to or affiliated with Sponsor, Sponsor's designee or other Unsold Residential Unit Owner; and the Residential Unit Owners (including Sponsor) shall have the right to elect the remaining three members of the Board to be elected by the Residential Unit Owners, who shall be persons not related to or affiliated with Sponsor, Sponsor's designee or other Unsold Residential Unit Owner. Each Retail Unit Owner shall at all times have the right to designate one member each (for a total of three members) to the seven member Board.

Accordingly, from and after the expiration of the Sponsor Control Period, at least three of the four members of the Board to be elected by the Residential Unit Owners shall not be designated by Sponsor or its designee. There is no restriction on the right of Sponsor and/or its designee(s) or other Unsold Residential Unit Owner(s) to vote for members of the Board who are not related to or affiliated with Sponsor or such designee or such Unsold Residential Unit Owner(s). The number of members of the Board may not be increased without the consent of the owner(s) of the Unsold Residential Units, for so long as there remains at least one Unsold Residential Unit.

The By-Laws do not include a provision that after the expiration of the Sponsor Control Period a majority of the Board must be Unit Owner-occupants or members of a Unit Owner-occupant's household who are unrelated to Sponsor and its principals. Unit Owner-occupants and non-resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment.

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

Moreover, during the Sponsor Control Period, the Board may not, without the prior written consent of Sponsor: (i) make any addition, alteration or improvement to the Common Elements or any Unit (unless required by any applicable Legal Requirements); (ii) assess any Common Charges for the creation of, addition to or replacement of all or any reserve, contingency or surplus fund; (iii) increase or decrease the number of, or change the kind of, employees initially hired for the Building, as provided for in Schedule B – "Projected Budget for First Year of Condominium Operation" set forth in the Plan; (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First

Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services; (v) borrow money on behalf of the Condominium unless any such borrowing is approved by the owners of Units representing at least 75% both in number and aggregate Common Interests of all Units); or (vi) exercise any right of first refusal to lease or purchase a Unit. However, the Board may perform any function or take any action enumerated in subsections (i) through (vi) hereinabove without the consent of Sponsor if, and only if, the performance of such function or the carrying out of such action is necessary, and no other reasonable alternative is available, either to enable the Board to comply with any Legal Requirements, or to remedy any notice of violation entered against the Condominium, or to comply with any proper work order by an insurer of the Building, or for the health and safety (but not the general comfort or welfare) of the occupants of the Building.

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

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S. THE CONDOMINIUM BOARD

1. General

The affairs of the Condominium shall be governed by the Board. The Board shall initially consist of three members designated by Sponsor until the First Annual Meeting of Unit Owners, at which time the incumbent Board will resign and a new Board, consisting of seven members, will be elected and/or designated by the Unit Owners and Sponsor, as the case may be. From and after the First Annual Meeting, the Board will consist of: (i) four members elected by the Residential Unit Owners (including Sponsor), subject to Sponsor's right to designate members, and (ii) one member designated by each of the three Retail Unit Owners, which may be Sponsor, for a total of three members. See the Section immediately above entitled "Control By Sponsor" for more details.

The First Annual Meeting shall be held not later than 30 days following the earlier to occur of: (a) the second anniversary of the First Closing; or (b) the closing of title to Units representing at least 50% both in number and aggregate Common Interests of all Units to Purchasers. (See the Section entitled "Control By Sponsor" above).

The term of office of each of the seven members comprising the Board elected or designated at the First Annual Meeting shall be fixed at such meeting as follows: (a) three of such members will serve for a term of approximately three years; (b) three of such members will serve for a term of approximately two years; and (c) one of such members will serve for a term of approximately one year. Those members of the first seven member Board who receive the highest number of votes will serve for the longest terms of office, but except as set forth in the By-Laws, any members designated by Sponsor or its designee as the owner of Unsold Residential Units and by the Retail Unit Owners shall serve for the shortest terms of office. At each annual meeting of Unit Owners subsequent to the first such meeting, the Unit Owners shall elect (or in the case of Sponsor or the Retail Unit Owner, designate) Board members to replace the Board members whose terms of office are then expiring, each to serve a term of office fixed at three years. Notwithstanding the expiration of the term of office of a member of the Board or anything contained herein to the contrary, each member of the Board (including any member designated by Sponsor or its designee as the owner of Unsold Residential Units) shall serve until a successor has been elected and qualified. Subject to the requirements described in the Section of the Plan entitled "Control by Sponsor", there shall be no limit on the number of terms of office, successive or otherwise, that a Board member may serve.

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

Owner or a mortgagee of a Unit. Other than Board members elected or designated by Sponsor or its designee or by the Retail Unit Owner, no Board member shall continue to serve after he or she ceases to be qualified as set forth above.

No person who is a convicted felon in any jurisdiction shall be permitted to serve on the Board at any time. Should a Board member be convicted of any felony while serving on the Board, then such Board member shall be deemed to have resigned from the Board as of the date of any such conviction; and his/her successor shall be designated or elected according to By-Law provisions governing the replacement of Board members who resign or who are otherwise removed from the Board.

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

The Board members designated by the Retail Unit Owners shall not be permitted to vote on any matter coming before the Board which pertains to and/or affects only the Residential Units and/or Residential Common Elements of the Building.

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

Members of the Board shall serve without compensation. All officers, Board members and employees of the Building will be covered by crime insurance or fidelity bonds (or similar insurance) at all times from and after the First Closing, and the premiums on such insurance or bonds shall constitute Common Expenses. The cost of the same has been provided for in the estimate of the Common Charges contained in Schedule B in Part I of the Plan above.

2. Powers and Duties of and Determinations by Board

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

3. Meetings and Votes of Unit Owners

After the First Annual Meeting as described above, annual meetings of Unit Owners will be held within approximately four weeks of the anniversary of the First Annual Meeting on a date to be set by the Board. At each such meeting, the Unit Owners shall elect or designate, as the case may be, members to replace those members of the Board whose terms have expired. In addition, special meetings may be held from time to time pursuant to the By-Laws.

At all meetings of Unit Owners, the presence in person or by proxy of more than 50% of the Common Interests attributable to all Units shall constitute a quorum and, except as otherwise provided in the By-Laws or Declaration, a majority of votes cast at any such meeting at which a quorum is present or is not required shall be binding on all Unit Owners.

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

4. Amendments to Condominium Documents

Generally, subject to the provisions contained in the Declaration and By-Laws with respect to amendments, modifications, additions or deletions affecting, among other things, Sponsor (or its designee), any Unsold Residential Units, or the Retail Unit or the Retail Unit Owner, and provided that required consents of the Residential Mortgagee Representatives, if any, are obtained: (a) any provision of the Declaration, the By-Laws or the Rules and Regulations affecting only the Residential Units or the Residential Unit Owners may be amended, modified, added to or deleted by the affirmative vote of at least 66-2/3% in number and in Common Interest of all Residential Unit Owners; provided, however, that the same shall not be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgagee Representative, if any; (b) any provision of the Declaration, these By-Laws or the Rules and Regulations affecting only the Retail Units or the Retail Unit Owners may be amended, modified, added to or deleted by the affirmative vote 51% in Common Interest of the Retail Unit Owners; provided, however, that the same shall not be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Commercial Mortgagee Representative, if any; (c) any provision of the Declaration, these By-Laws or the Rules and Regulations affecting the General Common Elements or all Unit Owners, may be amended, modified, added to or deleted by affirmative vote of at least 66-2/3% in number and in Common Interest of all Unit Owners; provided, however, that the same shall not be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgagee Representative, if any, and the Retail Mortgagee Representative, if any; and provided in each of the foregoing cases, however, that the permitted use(s) of a Unit or the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners affected thereby.

Notwithstanding the foregoing and subject to the provisions contained in the By-Laws or in the Declaration with respect to amendments, modifications, additions or deletions affecting Sponsor or its designee, any Unsold Residential Units or Permitted Mortgagees, no amendment, modification, addition or deletion pursuant to the provisions of clause (a) or (b) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgagee Representative(s), if any.

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

It is possible that amendments, modifications, additions or deletions of or to the Declaration, By-Laws and Rules and Regulations may be necessary, appropriate or desirable in connection with the operation of the Retail Unit. In connection therewith, the Retail Unit Owner may, subject to compliance with all applicable Laws, if any, cause the Declaration, By-Laws and Rules and Regulations to be amended, modified, added to or deleted from and the resulting provisions thereof may be similar or dissimilar to those affecting the Units and Unit Owners.

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

5. Officers

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

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

Upon the affirmative vote of a majority of the members of the Board, present in person or by proxy at a regular meeting of such Board, or at a special meeting of such Board called for such purpose, at which a quorum is present or is otherwise not required, any officer may be removed, either with or without cause, and his or her successor shall be elected or

designated, in the event such Board member was designated by Sponsor or its designee or by the Retail Unit Owner.

6. Liability of the Board and the Unit Owners

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

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T. RIGHTS AND OBLIGATIONS OF THE UNIT OWNERS AND THE BOARD

1. Sales and Leases of Residential Units

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

In connection with the foregoing, the Board may not discriminate against any person on the basis of race, creed, color, national origin, sex, gender, sexual orientation, age, disability, marital status or other grounds prohibited by law.

The Board shall have the authority to impose, in its discretion, from time to time, move-in and/or transfer fees, and other fees and charges (which as to any lease may be a one-time payment or a continuing assessment in the discretion of the Board), in connection with the sale or lease of a Residential Unit, provided no such fees or charges or other conditions of transfer or lease may be imposed upon Sponsor or any designee of Sponsor.

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

Further, in the event that title to a Residential Unit is taken by a corporation, partnership, limited liability company or other entity, the name of a principal of said entity shall be identified to Sponsor.

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

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

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

A Unit may not be conveyed unless all unpaid Common Charges and liens against such Unit (other than Permitted Mortgages) are paid and satisfied at or prior to closing. In addition, the Board may establish reasonable fees for the processing of such offers for sale or lease, which shall be payable by the selling or leasing Unit Owner (but not Sponsor or its designee) to the Managing Agent.

2. Use of Residential Units and Storage Bins

A Residential Unit may be used only as a residence and, subject to compliance with the By-Laws, for a lawful home occupation. Each such Unit may only be occupied by: (i) any individual who is a Residential Unit Owner or permitted lessee; (ii) any officer, director, shareholder or employee of any corporation which is a Residential Unit Owner or permitted lessee; (iii) any partner or employee of any partnership which is a Residential Unit Owner or permitted lessee; (iv) any member or employee of any limited liability company which is a Residential Unit Owner or permitted lessee; (v) the fiduciary or beneficiary or employee of any fiduciary which is a Residential Unit Owner or permitted lessee; (vi) any principal or employee

of any other entity (including, but not limited to, embassies and consulates of foreign governments) which is a Residential Unit Owner or permitted lessee; provided that in each instance in clauses (i) through (vi) above: (A) the individual, designated officer, director, shareholder, partner, member, fiduciary, beneficiary, principal or employee is designated as the primary occupant of the Residential Unit and is not being designated to use the Residential Unit on a transient basis or as other than the primary occupant; and (B) such use is not, in fact or in effect, part of or in furtherance of an Occupancy Plan; and (vii) Family Members, domestic partners, domestic employees and/or non-paying guests of any of the foregoing. Subject to the foregoing, Residential Units may only be leased in accordance with the By Laws and the Rules and Regulations. An "Occupancy Plan" means a program, plan, agreement or other arrangement for the use, occupancy, marketing, advertising or promotion of one or more Residential Units under short-term, timeshare, fractional or shared ownership, interval exchange (whether the program is based on direct exchange of occupancy rights, cash payments, reward programs or other point or accrual systems) or other membership plans or arrangements through which a participant in the plan or arrangement acquires a direct or indirect ownership interest in the Residential Unit(s) in question with attendant rights of periodic use and occupancy or acquires contract rights to such periodic use and occupancy of such Unit(s) or a portfolio of accommodations including such Unit(s).

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

The Storage Bins may only be used for storage purposes, and in no event may be used as a dwelling space or for the storage of toxic or flammable items or Combustibles (as such term is defined in the New York City Building Code). No materials which pose a health or safety threat or which otherwise create a nuisance may be stored in the Storage Bins. To do so may result in a violation placed against the Building by the Department of Buildings that will be the obligation of the licensee to remove. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use without charge any Unlicensed Storage Bin for any lawful purpose or to change the permitted use of any Unlicensed Storage Bin, subject, however, to the provisions of Article 8 of the Declaration, which provide, among other things, that no use shall be allowed in the Condominium which interferes with the peaceful possession and proper use of the Condominium by its occupants. Each licensee shall be liable for all damage arising out of such licensee's use or misuse of its Storage Bin. Neither the Sponsor, nor its respective agents or employees shall be liable for any theft or damage to any property stored in the Storage Bin. Each licensee shall indemnify and hold Sponsor and its respective directors, officers, partners, parent and subsidiary and affiliated companies, agents and employees, harmless from and against any and all liabilities, claims, causes of action, damages, lawsuits, penalties, judgments, and liens, together with any related costs and expenses, including but not limited to reasonable legal fees, asserted against or sustained by any of them in connection with any act, omission, or negligence of a licensee or a licensee's family, servants, employees, agents, guests and invitees in connection with the purchase of a Storage Bin License. Holders of Storage Bin Licenses, excluding Sponsor with respect to unsold Storage Bin Licenses, will be required to pay a license maintenance fee to the Condominium in an amount equal to \$.50 per month per square foot of such Storage Bin, which amount shall, following the First Closing, be subject to biannual increases based upon the CPI Increase Factor in effect on the date of the First Closing. Further,

the license fee is subject to change from time to time as the Board deems necessary in its discretion.

3. Issuance and Assignment of Storage Bin Licenses

Sponsor (or its designee), in its own name or in the name of the Board, shall have the exclusive right to initially issue licenses for Storage Bins and to retain the proceeds thereof. To help protect the security of the Building, the holder of a Storage Bin License (other than Sponsor) must at all times be a Residential Unit Owner; provided, however, that the foregoing restriction shall not apply: (i) to Sponsor or its designee; or (ii) to the Board or its designees. If at any time the licensee of a Storage Bin sells its Unit, it shall simultaneously assign its license of the Storage Bin to another Residential Unit Owner (or the Purchaser of such Unit), and if it fails to do so, the Board shall have the right to terminate the license of the Storage Bin and take possession of the same, without compensation to the licensee. If the Board terminates a Storage Bin License (pursuant to the above) or a Residential Unit Owner surrenders a Storage Bin License without assigning such license to another Residential Unit Owner, the Board shall have the right to issue a new Storage Bin License for the corresponding Storage Bin upon terms and conditions determined in its sole discretion

Upon the issuance of a Storage Bin License to a Unit Owner, such Unit Owner may freely assign such License without the consent of the Board; provided such assignee is also a Unit Owner; and provided further that the Board is provided written notice of such assignment. Neither Sponsor nor the Board shall have any liability or obligation with respect to a private assignment of a Storage Bin License.

4. General Provisions with Respect to Use

No portion of a Residential Unit, other than the entire Unit, may be leased. No nuisance or offensive or unlawful use shall be allowed in the Condominium or any portion thereof. Legal Requirements relating to any portion of the Property, shall be complied with at the sole expense of the respective Unit Owners or the Board, whoever shall, pursuant to the Declaration and/or By-Laws or otherwise, have the obligation to maintain or repair such portion of the Property.

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

The Unit Owner shall maintain all window guards installed in the Unit and shall not remove same until permitted by applicable Legal Requirements and in any event, without full knowledge of the Managing Agent.

All Unit Owners are required to maintain the smoke/carbon monoxide detector located within his or her Unit so that same is, at all times, in working order.

5. Mortgage of Units by Unit Owners

Each Unit Owner may mortgage his or her Unit, in accordance with the provisions of Article 7 of the By-Laws, which requires that the Board be notified in writing of the making of such mortgage and receive a conformed copy of the note and mortgage and that the Unit Owner first satisfy all unpaid liens against the Unit, other than Permitted Mortgages. Each Retail Unit Owner shall have the right to mortgage or otherwise encumber its Retail Unit in accordance with the terms of the By-Laws.

6. Common Charges: Determination and Assessment

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

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

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

7. Collection and Lien for Non-Payment of Common Charges

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

On a resale of any Unit, the purchaser will be liable for the payment of any unpaid Common Charges against such Unit; except that, to the extent then permitted by law, a Permitted Mortgagee acquiring a Unit at a foreclosure sale will not be liable for a lien for the payment of Common Charges assessed against such Unit for the period following the recording of the

Permitted Mortgagee and prior to such Unit's acquisition by the Permitted Mortgagee. However, such Permitted Mortgagee or purchaser at a foreclosure sale shall be liable for payment of all Common Charges after the acquisition of title to such Unit. In the event of a foreclosure by the Board of its lien on any Unit for unpaid Common Charges, or otherwise, if the net proceeds of the foreclosure sale are insufficient for the payment of such unpaid charges, or if a Unit is acquired by a mortgagee or purchaser in foreclosure, the original Unit Owner can be sued for the unpaid balance. The Board will also have the right to assess such unpaid balance as a Common Charge among all Unit Owners.

Pursuant to Section 339-z of the Real Property Law and under the provisions of the By-Laws, the Board, on behalf of all Unit Owners, will have a lien on each Unit for unpaid Common Charges together with interest thereon, assessed against such Unit. All such liens, however, except to the extent permitted by applicable Law, will be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the particular Unit. Pursuant to Section 339-aa of the Real Property Law, any lien for unpaid Common Charges against a Unit will be effective from and after filing of a verified notice thereof in the City Register's Office until all sums secured thereby with interest accrued thereon shall have been fully paid, or until six years from the date of filing (unless foreclosure of such lien is started within such six year period), whichever shall occur sooner. Such liens may be foreclosed by a suit brought in the name of the Board (acting on behalf of all Unit Owners) in the same manner as the foreclosure of a mortgage on real property, or an action may be brought by the Board to recover unpaid Common Charges without foreclosing such lien. In addition, the Board may assess Unit Owners a late charge of \$.04 for each dollar of Common Charges which remains unpaid for more than 10 days after the date when due, and interest at the rate of 1.5% per month (or such lesser rate as may be the maximum permitted by law) on such unpaid amounts, plus any "late charges" theretofore collected, and plus all expenses of collection. Sponsor obligates itself to cause any members of the Board related to or affiliated with Sponsor to vote in favor of filing a lien against any Unsold Residential Units owned by Sponsor with respect to which payments of Common Charges have not been made within 30 days after the date when due.

8. Borrowing by Board

The Board may, at any time, borrow money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations, additions or improvements to, or alterations or replacements of, the General Common Elements or Residential Common Elements, respectively; provided, however, that: (A) except as otherwise provided in the By-Laws, the consent of at least 66-2/3% in common interest of all Unit Owners or Residential Unit Owners, as the case may be, shall be required for any borrowings for such purposes with respect to the General Common Elements or Residential Common Elements, respectively, if such borrowings are in excess of \$100,000 (subject to increase by the CPI Increase Factor) in total any one fiscal year or \$250,000 (subject to increase by the CPI Increase Factor) in the aggregate (including borrowings from prior periods) at any one time; and (B) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements (except to the extent permitted by applicable law) without the prior written consent of the owner of such Unit. Any such debt may be secured by future income and Common Charges in which event the Common

Charges shall be deemed trust funds for the purpose of paying such debt. The Board cannot secure such debt by a lien on the Common Elements without the consent of all Unit Owners.

In addition to the debt described above, the Board, without approval of the Unit Owners may, at any time, incur, or refinance, debt from time to time secured by a lien on any other Unit acquired by the Board pursuant to the Declaration and/or By-Laws; provided, however, that no such financing or refinancing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its appurtenant interest in the Common Elements. If any sum borrowed by the Board is not repaid by the Board, a Unit Owner who pays to the creditor such proportion thereof as his or her interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or has the right to file against such Unit Owner's Unit, and all loan documentation entered into by or on behalf of the Board shall specifically so provide. The dollar amounts set forth above and all other dollar amounts referenced elsewhere in the By-Laws, shall be adjusted to reflect any increase in the cost of living, as reflected by an increase in the CPI Increase Factor (as described in the By-Laws).

9. Repairs to and Maintenance of Units and Common Elements

Except as may otherwise be provided in the By-Laws, generally, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, or ordinary or extraordinary: (a) in or to any Unit (other than, in general, to the Common Elements included therein) will be made by the Owner of such Unit at his or her expense; and (b) in or to the General Common Elements will be made by the Board, and the expense thereof will be charged to the Unit Owners as a Common Expense; or (c) in or to the Residential Common Elements will be made by the Board and the expense thereof will be charged to all Residential Unit Owners in the proportion that their respective Common Interests bear to the aggregate Common Interests of all Residential Unit Owners. Without limiting the foregoing, Unit Owners shall be responsible for all maintenance, repairs and replacements of all plumbing, appliances and lighting fixtures, and heating and air conditioning units in their respective Units. Notwithstanding the foregoing, each Residential Unit Owner shall be responsible for all ordinary maintenance and cleaning of each Terrace appurtenant to its Residential Unit; however, the cost and expense of any repairs or replacements, including those that are structural with respect to each such Terrace (unless caused by or attributable to the applicable Unit Owner), shall be charged to all Residential Unit Owners as a Common Expense.

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

The Board will arrange for the washing and cleaning of the exterior glass surfaces of all windows, and the cost thereof will be charged to the Unit Owners as a Common Expense. The Board and the Managing Agent will have an easement to, through and over each Residential Unit Owner's Unit and Terrace for the purpose of washing and cleaning the exterior glass surfaces of the windows appurtenant to a given Residential Unit, which access will be scheduled during such reasonable days and times as the Board shall determine upon at least one week's advance notice to the Residential Unit Owner being required to provide such access. The washing and cleaning of window interiors shall be the responsibility of the respective Unit Owner to which such window is appurtenant or, with respect to General Common Elements, the Board. All window interiors shall be cleaned a minimum of one time per calendar year, or more frequently as may be required by the Board. The Board may from time to time enforce the responsibility of Unit Owners to wash and clean the interior surfaces of windows located in their respective Units and charge the defaulting Unit Owner therefor. Unit Owners are prohibited from cleaning or allowing to be cleaned any window from the outside in violation of Section 202 of the New York State Labor Law, any other applicable Legal Requirements, any insurance policy or requirement or otherwise. Unit Owners are also prohibited from making any repair or alteration which would void any warranty covering the Building's windows.

If any repairs or replacements to the Common Elements, whether structural or non-structural, ordinary or extraordinary, or any replacement of glass windows in any Unit because of breakage or otherwise, are necessitated by the negligence, misuse or abuse of a Unit Owner or such Unit Owner's agents, workers, guests, etc., such maintenance, repairs or replacements will be made by the Board, and any portion of the cost thereof which is not covered by the insurance maintained by the Board shall be paid by such Unit Owner.

In order to promote a consistent appearance of the Building from the outside, unless waived by the Board, each Unit Owner will be required to install and maintain window treatments having a neutral colored backing on the sides facing the windows in his or her Unit, which window treatments and backings must conform to any specifications (including a new color) established from time to time by the Board. Neither the interior nor the exterior glass surfaces of any windows located in any Unit may be altered, colored or painted.

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

The Board shall have the right to require a Residential Unit Owner to remove plantings, roof surfaces and other installations which have been placed on the Terraces if the Board determines, in its sole discretion, that such plantings or other installations may adversely affect the integrity of the roof or other portion of the Building or is otherwise unsafe. In addition, the Board shall have the right, in connection with any construction, repair or maintenance work in the Building, to erect scaffolding temporarily on any Terrace. In no event

shall any Residential Unit Owner of a Residential Unit having a Terrace be permitted to enclose or erect any structure on such Terrace. The Board may establish such other rules and regulations it deems necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health and safety of the occupants.

Moreover, Terraces and any other areas that are exposed to the elements must be kept free of snow, ice and accumulation of water to the extent failure to do so could cause damage to the Building and/or other Units therein. In the event a Residential Unit Owner fails to comply with any of its maintenance obligations, the Board may, at the expense of the Unit Owner and without liability to the Board, enter the Unit and perform such acts as are necessary to cure the Unit Owner's default.

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

10. Alterations and Improvements of Units

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

As more particularly set forth in Article 6 of the By-Laws, each Retail Unit Owner may make alterations, additions, improvements and repairs in or to its Retail Unit (including any decorations that are compatible with the first class character and location of the Building) without obtaining the approval of the Board, except for Alterations which would affect the structural, mechanical, electrical or plumbing elements of the Building. Notwithstanding the foregoing, each Retail Unit Owner shall have the right to make alterations, whether structural or non-structural, to its appurtenant exterior façade. In the event that a dispute arises between a Retail Unit Owner and the Board regarding any Alteration which requires the Board's approval, such dispute shall be submitted to arbitration in accordance with the By-Laws.

The Board, at its option, may require a Unit Owner to execute an agreement in form and substance satisfactory to the Board setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made. Any Unit Owner making or permitting an alteration, addition, improvement or repair in its Unit is required by the By-Laws to: (i) obtain such insurance as the Board or the Managing Agent may require; (ii) indemnify the Board, all other Unit Owners and the Managing Agent against any liability arising from the work; (iii) reimburse the Board for its architectural, engineering and legal fees incurred in connection with such work; (iv) employ such architects, engineers, contractors, workers, suppliers and other laborers who are reasonably acceptable to the Board and Managing Agent; and (v) perform such work in a manner which will not interfere with, or cause any labor

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

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

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

Notwithstanding anything to the contrary contained herein, in the Declaration or in the By-Laws, any alteration, addition, improvement or repair in or to a Unit (including Retail Units), or any Common Elements must comply with all Legal Requirements and with the Pacific Park Project Documents.

11. Alterations and Improvements of Common Elements

Generally, all alterations, additions or improvements in or to the Common Elements will be made by the Board. Except as otherwise provided in the By-Laws, the costs of alterations, additions or improvements to the General Common Elements will be charged to all Unit Owners as a Common Expense; and costs attributable to the Residential Common Elements will be charged to all Residential Unit Owners in the proportion that their respective Common Interests bear to the aggregate Common Interests of all Residential Unit Owners. Whenever, in the judgment of the Board, the Common Elements require additions, alterations, improvements, or repairs which are capital in nature and would cost more than \$250,000 (subject to increase by the CPI Increase Factor), in the aggregate, in any calendar year, such additions, alterations, improvements or repairs may not be made unless the same have been approved by the Unit Owners owning a majority of the Common Interests of all Units liable for the cost thereof pursuant to the preceding sentence, including Sponsor, if it then owns any Unit, at a duly constituted meeting of Unit Owners and by the representatives of institutional mortgagees of Units, if any, appointed pursuant to the By-Laws (the "Mortgagee Representatives"), or unless the same is a non-capital repair or necessary to comply with applicable Legal Requirements, to remedy any violation imposed against the Property, to comply with a proper work order of an insurer of the Property, or for the health or safety (but not the general comfort or welfare) of the residents or occupants of the Property. In any such event, the Board may, in its discretion, assess each Unit Owner liable therefor for his or her pro-rata share of the cost of such additions,

alterations, or improvements, according to his or her Common Interest, as part of the Common Charges.

Any additions, alterations, or improvements costing \$250,000 (subject to increase by the CPI Increase Factor) or less, in the aggregate, in any calendar year or which is a non-capital repair may be made by the Board without the approval of the Unit Owners.

Notwithstanding the foregoing, elevator landings which serve fewer than three Residential Units may be decorated and/or furnished by the adjoining Residential Unit Owners as they desire, at their expense, provided that each such Residential Unit Owner consents in writing thereto, and the Board gives its written consent to such decoration and/or furnishing, which consent of the Board may be granted or withheld in the Board's sole discretion. After an elevator landing is decorated and/or furnished by the Residential Unit Owners serviced by the same, the Owners of such Residential Units, and not the Board, will be responsible for keeping the decor and furnishings in a first class condition and state of repair and performing, at their joint expense, all repairs and maintenance necessary or desirable in order to accomplish the same. In addition, as set forth in the By-Laws and to the extent permitted by law, the Residential Unit Owner or Residential Unit Owners serviced or benefited by any Common Elements adjacent or appurtenant thereto (for example, that portion at the end of a hallway that is directly adjacent to the Residential Unit or Residential Units located at the end of such hallway) and not affecting access or service (including, without limitation, heating, ventilating and air-conditioning) to any other Residential Unit or to any other portion of the Common Elements shall, with the consent of the Board (which consent may be withheld in the Board's sole discretion, but shall not be required if the Residential Unit Owner or Owners shall be Sponsor or its designee), have the right to use such Common Elements exclusively (including the right, in the above example of a portion of a hallway, to enclose such portion), and no amendment to the Declaration or reallocation of Common Interests shall be made by reason thereof. In such an event, however, such Residential Unit Owners shall, at their sole expense, (i) operate, maintain and repair such Common Element for so long as such Owners exercise such exclusive right of use and (ii) restore such Common Element to its original condition, reasonable wear and tear excepted, after such Owners cease to exercise such exclusive right of use.

In addition, Sponsor (or its designee or other owner of Unsold Residential Units) and each Retail Unit Owner shall have such rights as are described in the Declaration, to erect, maintain, repair and replace, or permit their tenants to erect, maintain, repair or replace, from time to time, one or more signs on the Property for the purpose of advertising the availability for sale or rental of any Unsold Residential Unit or the operation of any business of Sponsor, a tenant, or occupant managing agent include, but not limited to, signs on the facade of the Building. Sponsor (or its designees) and its successors and assigns, or the Board shall also have the right to install plaques and signs and tenant and resident directories in and about the residential lobbies of the Building to identify the owners or occupants of the Units, and Sponsor (or its designee) shall have the right to install flap banners on portions of the Building exterior in connection with the marketing and sale of Units in and on any awnings, canopies or other protrusions from the façade of the Building.

12. Rights of Access

As more fully set forth in the Declaration and By-Laws, the Board and any managing agent, manager and other persons authorized by the Board will have a right of access to any Unit for the purposes, among others, of: (a) making inspections of, or removing violations of governmental laws or regulations against, any part of the Property; (b) curing defaults under the By-Laws, Declaration or Rules and Regulations by the owner of such Unit; (c) performing maintenance (including window washing), installations, alterations, repairs or replacements to the mechanical plumbing or electrical systems, or other portions of the Common Elements, located within such Unit or elsewhere in the Building; or (d) correcting any conditions originating in any Unit and threatening another Unit or any Common Element.

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

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

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

14. Repair or Reconstruction after Fire or Other Casualty

In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty (unless three-fourths or more of the Building is destroyed or substantially damaged and 75% or more of all Unit Owners do not duly and promptly resolve to proceed with repair or restoration), the Board will arrange for the prompt repair and restoration thereof (including each Unit, but excluding appliances, fixtures, furniture, improvements, furnishings (including the Unit Furnishings) and other personal property not constituting a part of such Unit).

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

If only the Residential Units and/or the Residential Common Elements and/or Residential Limited Common Elements are damaged or destroyed by fire or other casualty and the insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be shared by all Residential Unit Owners in proportion to their respective Common Interests. If said damage or destruction by fire or other casualty affects the General Common Elements, or any combination of the Units, then any deficit or surplus in insurance proceeds shall be borne or shared by all Unit Owners, or by the Unit Owners

of the affected portions of the Building, as appropriate, in proportion to their respective Common Interests.

In the event of a loss for which the proceeds of all policies of physical damage insurance maintained by the Board exceed \$1,000,000, the proceeds shall be payable to a New York City bank or trust company designated by the Board as insurance trustee pursuant to the provisions of Sections 6.4 and 12.7 of the By-Laws. The insurance trustee shall hold all such proceeds in accordance with Section 254-(4) of the New York Real Property Law. Sponsor's construction lender shall have the right to be the initial insurance trustee and shall have the right to continue to serve as such for so long as the Construction Loan (as hereinafter defined) is outstanding.

Notwithstanding any of the foregoing, if three-fourths or more of the Building is destroyed or substantially damaged and if 75% or more of all Unit Owners do not duly resolve within 60 days from the date of such damage or destruction to proceed with the repair or restoration thereof, the Building will not be repaired and shall be subject to an action for partition instituted by any Unit Owner or lienor, as if the Building were owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in proportion to the respective Common Interests of such Units; provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of his or her share of such funds, such amounts as may be necessary to discharge all unpaid liens on his or her Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

15. Insurance

Under Section 6.4 of the By-Laws, in the event there is a mortgage (the "Construction Mortgage") which secures or will secure Sponsor's construction loan for the construction of the Building (the "Construction Loan"), until payment in full of the Construction Mortgage or assignment of such Construction Mortgage by the lender under such Construction Loan to Sponsor's designee, whichever occurs first, the Board must comply with the obligations of the Construction Mortgage with respect to the coverages required to be obtained and maintained with respect to the Building. However, all such policies will include coverage of at least the types and in at least the limits as are set forth in the Notes to Schedule B – "Projected Budget for the First Year of Condominium Operations".

Furthermore, under Section 6.4 of the By-Laws, subject to the provisions of the preceding paragraph, the Board is required to obtain and maintain, to the extent obtainable at commercially reasonable premiums and to the extent determined by the Board to be appropriate, the following insurance: (a) all risk property insurance with common coverage extensions insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings, improvements, decorations, appliances within the Unit or other personal property not constituting a part of such Unit), together with all service machinery contained therein, and covering the interests of the Condominium, the Board and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount equal to the 100% replacement cost value of the Building (exclusive of foundation and footings), without deduction for depreciation. Such insurance shall include coverage for plate glass to the extent if any

determined by the Board, as well as flood (including sewer backup) and earth movement coverage (which may contain a sublimit per occurrence and in the annual aggregate). Such insurance policy shall not include a co-insurance provision; (b) boiler and machinery insurance on a replacement cost basis with limits of not less than Building Limit for all mechanical and electrical equipment against physical damage and rent loss, covering the interests of the Condominium, the Board, Unit Owners and Permitted Mortgagees, as their respective interests may appear. Such insurance policy shall not include a co-insurance provision; (c) commercial general liability insurance against claims for personal injury, death or property damage as well as owned, hired and non-owned automobile liability occurring upon, in or about the Property, in such amounts as from time to time are carried by prudent owners of comparable properties in the City of New York, and in such limits as the Board, from time to time, may determine, and including products and completed operations liability coverage all covering: (i) the Board, the Managing Agent, each Board member, each officer and employee of the Condominium, and (ii) each Unit Owner and their agents and Permitted Mortgagees, if any, except that such policy will not cover liability of a Unit Owner arising from occurrences within or about its own Unit or within or about the Common Elements, if any, exclusive to its Unit. The Board shall review such limits once each year. Until the first meeting of the Board following the First Annual Meeting of Unit Owners, such liability insurance shall be at least \$1,000,000 with respect to any occurrence and \$2,000,000 annual aggregate for this location, with umbrella liability coverage of at least \$100,000,000 and at no time and in no event during this time period shall such general liability insurance afford protection to the limit of less than such amounts; (d) workers' compensation and New York State disability benefits insurance as required by applicable law; provided, however, that if the Board does not have any direct employees, such insurance may be purchased if the Board so determines on an "if any" basis; (e) crime or fidelity insurance covering all officers, Board members, directors and employees of the Condominium and of the Managing Agent who handle funds of any of the foregoing with limits of not less than \$250,000 and with such deductible as is commercially reasonable and maintained by owners of properties similar in type, location and quality as the Building; (f) directors' and officers' liability coverage with limits of not less than \$1,000,000 and with such deductible as is commercially reasonable and maintained by owners of properties similar in type, location and quality as the Building; (g) terrorism coverage; and (h) such other insurance as the Board may determine advisable or necessary from time to time.

Any of the coverages required to be maintained by the Board may be satisfied by any so-called builder's risk policy obtained by Sponsor in connection with Sponsor's construction work at the Building, provided the limits and terms of coverage set forth in Schedule B are provided under such policy. To the extent any such policy obtained and paid for by Sponsor shall satisfy the insurance requirements of the Board for the Condominium in respect of any period following the First Closing, the Board shall reimburse Sponsor for its prorated share of the cost of such coverage.

The amount of fire insurance and all risk property insurance with common coverage extensions to be maintained with respect to the Condominium (including each Unit, but excluding such items noted in subsection 6.4.1 of the By-Laws to be excluded) until the first Board meeting following the First Annual Meeting of Unit Owners shall be 100% of the full replacement cost of the Property (or such lesser amount as may be provided for in the Notes to Schedule B – "Projected Budget for the First Year of Condominium Operations".)

All such policies of physical damage insurance which the Board is required to maintain shall contain, to the extent obtainable at commercially reasonable premiums, all fire, casualty and general liability insurance policies which the Board is required to maintain must provide that each Unit Owner is an additional insured party, to the extent of their respective interests, and contain waivers of subrogation and waivers of any defense based on: (i) co-insurance; (ii) other insurance; (iii) invalidity arising from any acts of the insured; or (iv) pro rata reduction of liability, and shall provide that such policies may not be cancelled or substantially modified without at least 30 days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees, who have requested the same from the Board in writing. Duplicate originals or certificates of insurance of all policies of insurance and of all renewals thereof, if obtainable, together with proof of payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees who have requested the same from the Board in writing. Renewals shall be obtained at least 10 days prior to the expiration of the then current policies.

Any insurance maintained by the Board may provide for such deductible amounts as the Board may determine, taking into account market conditions and/or any such conditions that may be required by the holder of a mortgage covering the Building. The premiums for all insurance referred to above shall be a Common Expense and shall be borne by the Unit Owners in such proportions as are equitable (as determined by the insurance carriers thereof or their agents, brokers or such other parties designated by the Board).

The Board is not required to obtain or maintain any insurance with respect to any property contained in any Unit or any liability with respect to occurrences in or about each Unit or the Common Elements, if any, exclusive and/or appurtenant thereto. Consequently, all Unit Owners are required to obtain and maintain (a) a personal liability policy if such Unit Owner is an individual, or (ii) commercial general liability insurance if such Unit Owner is a corporate entity, against claims for personal injury, death or property damage occurring in, on or about such Unit Owner's Unit or the Common Elements, if any, exclusive and/or appurtenant to his or her Unit affording protection of at least \$1,000,000 per occurrence, plus at least \$4,000,000 umbrella liability coverage. Further requirements with respect to such insurance are more particularly set forth in the By-Laws. In addition, all Unit Owners are required to obtain property and casualty insurance with respect to the fixtures, furniture, improvements, furnishings and other personal property located within their respective Units. Purchasers are also advised that the insurance policies to be maintained by or on behalf of the Board will be on a "replacement cost" basis and will not cover losses to the extent that "market value" of a Unit may exceed its insured replacement cost. All insurance policies required to be maintained by the Board will be on a "replacement cost" and will not cover losses to the extent that market value may exceed such replacement cost.

All insurance policies required or permitted to be maintained by Unit Owners hereunder shall be primary with respect to the risks insured thereunder and shall contain waivers of subrogation, if available, and further provide that the liability of the carriers issuing insurance obtained by the Unit Owner shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

16. Liability of Board of Managers and Unit Owners

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

To the extent permitted by applicable Legal Requirements, Board members shall have no liability to Unit Owners, except that a Board member shall be liable for his or her own bad faith, willful misconduct, illegal acts, fraud or gross negligence. The Board may contract or effect any other transaction with any Board member, any Unit Owner, Sponsor or its designee, or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith, willful misconduct, illegal acts, fraud or gross negligence. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify, defend and hold harmless each Board member against any liability or claim except those arising out of the bad faith, willful misconduct, illegal acts, fraud or gross negligence of such member. All officers, Board members and employees of the Building will be covered by crime insurance or fidelity bonds (or similar insurance or bonds) at all times from and after the First Closing, and the premiums on such insurance or bonds shall constitute Common Expenses.

17. Amendments to Condominium Documents

Generally, subject to the provisions contained in the Declaration and By-Laws with respect to amendments, modifications, additions or deletions affecting, among other things, Sponsor (or its designee), any Unsold Residential Units, or the Retail Unit or the Retail Unit Owner, and provided that required consents of the Residential Mortgagee Representatives, if any, are obtained: (a) any provision of the Declaration, the By-Laws or the Rules and Regulations affecting only the Residential Units or the Residential Unit Owners may be amended, modified, added to or deleted by the affirmative vote of at least 66-2/3% in number and in Common Interest of all Residential Unit Owners; provided, however, that the same shall not be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgagee Representative, if any; (b) any provision of the Declaration, these By-Laws or the Rules and Regulations affecting only the Retail Units or the Retail Unit Owners may be amended, modified, added to or deleted by the affirmative vote 51% in Common Interest of the Retail Unit Owners; provided, however, that the same shall not be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Commercial Mortgagee Representative, if any; (c) any provision of the Declaration, these By-Laws or the Rules and Regulations affecting the General Common Elements or all Unit Owners, may be amended, modified, added to or deleted by affirmative vote of at least 66-2/3% in number and in Common Interest of all Unit Owners; provided, however, that the same shall not be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgagee Representative, if any, and the

Retail Mortgagee Representative, if any; and provided in each of the foregoing cases, however, that the permitted use(s) of a Unit or the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners affected thereby.

Notwithstanding the foregoing and subject to the provisions contained in the By-Laws or in the Declaration with respect to amendments, modifications, additions or deletions affecting Sponsor or its designee, any Unsold Residential Units or Permitted Mortgagees, no amendment, modification, addition or deletion pursuant to the provisions of clause (a) or (b) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgagee Representative(s), if any.

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

It is possible that amendments, modifications, additions or deletions of or to the Declaration, By-Laws and Rules and Regulations may be necessary, appropriate or desirable in connection with the operation of the Retail Unit. In connection therewith, the Retail Unit Owner may, subject to compliance with all applicable Laws, if any, cause the Declaration, By-Laws and Rules and Regulations to be amended, modified, added to or deleted from and the resulting provisions thereof may be similar or dissimilar to those affecting the Units and Unit Owners.

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

18. Termination of Condominium

The Condominium shall continue and the Property shall not be subject to an action for partition (unless the Condominium shall be terminated by casualty loss, condemnation or eminent domain as provided in the By-Laws) until such time, if any, as the Property shall be withdrawn from the provisions of the New York Condominium Act as a result of the vote to do so of at least 80% in both number and aggregate Common Interests of all Unit Owners as set forth in the Declaration and the By-Laws.

Sponsor will not vote its interests appurtenant to Unsold Residential Units in favor of such withdrawal unless at least 80% in number and aggregate Common Interests of all other Unit Owners elect to withdraw, at which time Sponsor may choose to vote its Common Interests either in favor of or against withdrawal from condominium ownership, as it sees fit.

In the event of withdrawal of the Property from condominium ownership, and only to the extent the waiver of the right of partition shall be inapplicable or unenforceable, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if the Property were owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interests, after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on his or her Unit, in the order of priority of such liens.

19. Units Acquired by the Board

All Units acquired or leased by the Condominium Board (including the Retail Unit) or its designee shall be held by the Condominium Board, or its designee, on behalf of all Unit Owners. The rent or purchase price, closing costs and adjustments payable in connection therewith shall be assessed against all Unit Owners. No Units held by the Condominium Board shall carry any voting rights.

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

20. Procedure to Review Real Estate Tax Assessments

The Board, on behalf of and as agent for all Unit Owners will be authorized to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to the Units owned by such Unit Owners. All such Unit Owners will share, and indemnify the Board as to the costs in connection with such proceedings and the benefits derived therefrom.

In the event any Unit Owner individually seeks to have the assessed valuation of his or her Unit reduced by bringing a separate certiorari proceeding, the Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing such reduction, provided that such Unit Owner indemnifies the Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) resulting from such proceedings.

21. Mechanics' Liens

Under the current provisions of the New York Condominium Act, no lien of any nature may arise or be created against the Common Elements, except with the unanimous consent of all Unit Owners. Liens may arise or be created against only the several Units and their respective Common Interests. Labor performed on, or materials supplied to, a Unit may not be the basis for a mechanic's lien against the Unit of a Unit Owner not expressly consenting to or requesting such work, except in the case of emergency repairs. No labor performed on, or materials furnished to, the Common Elements shall be the basis for a lien thereon but all Common Charges received by the Board shall constitute trust funds for the purpose of paying the cost of labor performed or materials furnished at the request or with the consent of the Board or the Managing Agent acting on its behalf.

22. Easements

In order to facilitate the operation and maintenance of the Building and the sale or leasing of Units therein, each of the Units will be subject to certain easements, including easements in favor of Sponsor, other Unit Owners and the Board. These easements, which are more particularly set forth in Articles 13, 14 and 15 of the Declaration, include an easement in favor of each Unit Owner to use, operate, maintain, repair, alter, rebuild, restore and replace Common Elements and, generally, an easement of support and of necessity in favor of all Units and the Common Elements. These easements shall be exercised in a manner that will not unreasonably interfere with the use of any of the Units or Storage Bins for their permitted purposes.

Among other things, Sponsor shall also have an easement to erect, maintain, repair and replace lights and lighting fixtures and to erect maintain and replace satellite communication equipment and similar equipment, as permitted by law, on the roofs and facade of the Building and elsewhere on the Common Elements which shall entitle Sponsor to utilize such easement for its own account or the account of any licensee of Sponsor for the purpose of servicing the Condominium or any other building or area. In addition, Sponsor and the owner of any Unsold Residential Units shall have an easement to erect, maintain, repair and replace any signs, awnings, marquees, canopies, banners, flags, pennants, aerials, antennas or the like (each a "Sign") permitted by law on the Property (including, without limitation, on its roof and exterior walls) for the purposes of advertising the sale of any Unit, the leasing of space in any Unit and the operation of any business of a tenant or occupant of any Unit.

23. Signage

There will be signs, notices, advertisements and illuminations (collectively "Signage") on various exterior portions of the Building, on or at windows and in interior public spaces of the Building, which may be affixed by Sponsor, and/or the Board and the Retail Unit Owners, all as and to the extent provided in the Declaration and/or By-Laws. Sponsor makes no representation and shall have no liability whatsoever with respect thereto.

24. Sponsor's Right to Lease Unsold Residential Units

Sponsor will endeavor in good faith to sell, but nevertheless, reserves the unconditional right to rent or lease, rather than sell, the Units offered hereunder after consummation of the Plan. As a result, Purchaser may be acquiring a Unit that has been previously occupied, but, unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Unit will be delivered at closing free and clear of all leases and tenancies. In addition, there is no commitment to sell more Units than the 15% of Units necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the condominium.

By or soon after the filing of the Plan, Sponsor anticipates obtaining a Construction Loan with HSBC Bank USA, National Associate, as agent for lenders. Such Construction Loan shall provide that that, at or prior to the First Closing, the Construction Lender (or other lender if applicable) will: (i) consent to the formation of the Condominium and acknowledge that its lien will be limited to Unsold Residential Units; (ii) subordinate the lien of its mortgage to the Declaration; and/or (iii) release its lien on the Unit being conveyed and its interest in the Common Elements.

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U. REAL ESTATE TAXES

The projection of the real estate taxes that will be payable for each of the Residential Units during the projected First Year of Condominium Operation, is based upon a letter dated March 4, 2015 prepared by Tuchman, Korngold, Weiss, Liebman & Gelles LLP, Sponsor's real estate tax expert and takes into account the following assumptions and projections:

(a) that the property will be reassessed as a fully completed structure for the 2017/2018 tax year

(b) notwithstanding that the First Year of Condominium Operation is projected to run from January 1, 2017 through December 31, 2017, the projection of real estate taxes used herein reflects a tax projection for the 2017/2018 tax year, being the first year taxes are anticipated to be assessed for the fully completed structure;

(c) for tax year 2017/2018, a taxable assessment for the Property of \$30,000,000 (which estimate assumes that the taxing authority is assessing a fully constructed, occupied building and is not intended to reflect any interim or partial completion assessment. Because the Property may be only partially completed as of the taxable status date, January 5th, the 2016/2017 assessed valuation may be lower than estimated here);

(d) for tax year 2017/2018, a taxable assessment for the Residential Units of \$29,205,450; and

(e) an assumed tax rate in effect for 2017/2018 of 13.25% which results in estimated real estate taxes for the Residential Units, reflecting a fully completed structure, totaling \$3,869,722.

Sponsor intends to apply for a partial exemption from real estate taxes with respect to the Property pursuant to Section 421-a of the New York State Real Property Tax Law. Pursuant to Section 421-a, the real estate tax estimate for the First Year of Condominium Operations will be based upon the assessed valuation of the Property in the tax year prior to the commencement of construction, subject to the exemption cap discussed below in the Section of the Plan entitled "Partial Real Estate Tax Exemption (Section 421-a). During the tax year prior to the commencement of construction (2013/2014), the estimated allocated total taxable assessed value of the Land is \$1,008,238, of which 97.3515% is estimated to be applicable to the Residential Units in the Building, which, results in a "mini-tax" assessment of \$734,508 for the Residential Units (assuming no individual unit exceeds the exemption cap, discussed below).

NEITHER SPONSOR, SPONSOR'S COUNSEL, SPONSOR'S REAL ESTATE TAX COUNSEL), SELLING AGENT, MANAGING AGENT NOR ANY OTHER PERSON MAKES ANY REPRESENTATION OR WARRANTY THAT A PARTIAL TAX EXEMPTION FROM REAL ESTATE TAXES UNDER SECTION 421-A WILL BE GRANTED OR, AS TO THE AMOUNT, IF ANY, OF THE MINIMUM TAX WHICH WILL BE ASSESSED AGAINST THE RESIDENTIAL UNITS OR THE AMOUNT OF REAL ESTATE TAXES PAYABLE AT ANY TIME BY ANY RESIDENTIAL UNIT OWNER. There is no guaranty or assurance that the criteria for Section 421-a benefits will be satisfied and