

RIVERSIDE CENTER SITE 5 OWNER LLC

575 Madison Avenue, 22nd Floor, New York, NY 10022
TELEPHONE NO. (212) 213-8833. FACSIMILE NO. (212) 213-8831

November 10, 2016

Kathleen H. Burgess
Secretary
New York State Public Service Commission
State of New York
3 Empire State Plaza
Albany, NY12223

Re: Notice of Intent to sub-meter electricity at a building located at 1 West End Avenue, New York, NY 10023

Dear Secretary Burgess,

One West End Avenue Condominium, is the owner of the above referenced new condominium building. The owner submits this notice of intent pursuant to 16 NYCRR § 96.2 to provide future sub-metering services for the building mentioned above which is located within the service territory of Consolidated Edison Company, Inc., 1 West End Avenue, New York, NY 10023.

Construction began March 14th, 2014 and expected final completion date is September 27, 2017. (partial completion is expected February 2017) The Building consists of 361 Units. 245 Condominium Units will be Fair Market. These 245 Units will be submetered. The other 116 Units will be Rent Stabilized Units. These 116 units will be directly metered by Con Edison. (73% are at 60% AMI and 43% are at 80% AMI) The agency on record for the Rent Stabilized Units is HPD. The rent Schedule is attached. Currently none of the units are occupied. Expected occupancy date has not yet been determined.

The building uses a combination of systems to provide steam and heating hot water to both the base building and the residential units. The majority of the heating load uses the site's steam PRV station as its fuel source. The supplemental electric heating, used in various units throughout the Condominium are electric baseboard heaters and radiant floor heat mats. The baseboard heaters for the units are controlled through wall thermostats. The radiant floor heat mats are resident controlled via wall thermostats in the bathrooms.

The following appliances are energy star rated: Subzero-Wolf refrigerator IT-30CI, Frigidaire Refrigerator FFGT1725PS, Frigidaire Dishwasher FFBD1821MS

In addition, the Owner's sub-metering plan satisfies the requirements of 16 NYCRR § 96.2 . Accordingly, the Owner respectfully requests the Commission to approve this notice of intent.

Economic advantages of sub-metering over direct utility metering:

The sub-metering system installed in the Building will include remote reading capabilities utilizing Power Line Carrier. This communication will allow a more cost-effective sub-metering system due to the elimination of control wiring. Each of the meters will communicate daily over the existing power lines in the Building using a data collection device referred to as a Scan Transponder. The data that is sent will include the hourly usage of electricity for each apartment.

The QuadLogic sub-metering system has an advantage in that; it includes fair energy cost allocation based on actual resident consumption. The QuadLogic system also includes daily data availability for usage and the convenience of a remote reading system, which makes entry to the private residences and inconveniencing the tenants not required for meter reading.

Description of the sub-metering system to be installed:

Quadlogic Control Corporation’s MC5N (PSC Approved) meters measure usage in kilowatt-hours, VARs, VAs, Watts, Amps, and Power Factor. Other features of this meter include a non-volatile memory and an easy to read LCD 6-digit display. Additionally, the meter monitors and stores an apartment’s hourly electric usage and retains this information for approximately 60 days. The submetering system meets ANSI C12.1 and C12.16 American National Standards Institute Code for Electricity Metering.

Remote reading capability is possible through the use of Quadlogic Controls Power Line Carrier system, which is installed in more than 60,000 apartment units in the New York Metropolitan area. The system also features sophisticated self-diagnostics to ensure reliable operations. It can also be upgraded to provide advanced data. Please see attached Quadlogic Specifications for further details.

Method to be used to calculate rates to tenants:

The rate calculation to be used is the Consolidated Edison Service Classification SC-1 for direct metered service (the “SC-1 rate”). Specifically, a tenant’s kilowatt hour (kWh) usage will be multiplied by the Consolidated Edison Service Classification SC-1 rate for a billing period, then sales tax (currently 4.5 %) will be added to arrive at the total tenant cost.

The Consolidated Edison Service Classification SC-1 rate is a combination of various items, including:

Basic Charge: This is a charge for basic system infrastructure and customer-related services, including customer accounting, meter reading, and meter maintenance.

kWh Cost: This energy charge is broken down into four separate components – market supply, monthly adjustment, delivery (transmission and distribution).

Systems Benefit Charge (SBC)/Renewable Portfolio Standard (RPS): This is an additional charge per kWh.

Fuel Adjustment: The sum of Market Supply Charge (MSC) and Monthly Adjustment Charge (MAC) adjustment factors.

Utility Tax: The sum of Commodity Gross Receipt Tax and Full Service Gross Receipt Tax.

Sales Tax: The current NYS sales tax.

The following is an example of the formula that will be used to derive a tenant’s electricity charges based on the current Consolidated Edison Service Classification EL1 rate and a monthly use of 250 kWh:

		Total
Basic Charge		\$YY.YY
KWh	.XXXXX times 250	\$YY.YY

Systems Benefit Charge	.XXXX times 250	\$ Y.YY
Fuel Adjustment Charge	.XXXX times 250	\$ Y.YY
	Subtotal	\$YY.YY
Utility Tax	.XXXX times YY.YY	\$ Y.YY
	Subtotal	\$YY.YY
Sales Tax	YY.YY times 4.5%	\$ T.TT
	YY.YY plus T.TT	\$ZZ.ZZ
Tenant Cost		\$ZZ.ZZ

In no event will the total monthly rates (including a monthly administrative charge) exceed the utility's tariff residential rate for direct metered service to such residents (see 16 NYCRR § 96.2).

All Con Edison rates by classification are available on its website (www.coned.com) under Rates and Tariffs. The electric Rates and Tariffs are listed under the heading "PSC No. 10" – Electric: Full Service.

QuadLogic Controls Corp. as the Building's electric billing company will read the meters monthly and process a bill based on the actual consumption of each unit owner. The meter reading data and billing calculations will be documented and maintained for six (6) years, per the requirements set forth in 16 NYCRR §96.

Complaint procedures and Owner protection:

When a unit owner has a question about electric bill or believes the electric bill is inaccurate, the following protocol will be followed:

Unit owner should submit the complaint to the property manager of the Building, including the action or relief requested and/or the reason for a complaint about a submetering charge. The property manager shall investigate and respond to the complaint in writing within 15 days of the receipt of the complaint. **The Property Manager: Karen Barrett can be contacted via email at kbarrett@halstead.com or by telephone number 646-485-6169 or at the management office at Halstead Management Company, 770 Lexington Avenue, 7th Fl., New York, NY 10065.** If the unit owner and the property manager cannot reach an equitable agreement and the unit owner continues to believe the complaint has not been adequately addressed, then the unit owner may file a complaint with the Public Service Commission through the Department of Public Service. Alternatively, unit owner may contact the Department of Public Service at any time concerning submetered service in writing at New York State Department of Public Service, 3 Empire State Plaza, Albany, New York 12223, by telephone at 1-800-342-3377, in person at the nearest office at 90 Church Street, New York, New York 10007, or via the Internet at www.dps.ny.gov

Electric bills from Quadlogic to unit owners will contain, among other things, opening and closing meter reads and dates, usage during a current period, a breakdown of dollar amounts billed, sales tax, the total charge for the period, and the total amount due (see attached sample Quadlogic electric bill).

In the event of non-payment of electric charges, the Owner shall afford the owner's all notices and protections available to such owner's pursuant to the Home Energy Fair Practices Act ("HEFPA") before

any action(s) based on such non-payment, including termination of service, is commenced (see attached HEFPA documents for the Building).

Procedure for notifying owner and Con-Edison of the proposal to sub-meter; offering plan; test billing:

A section in the offering plan will notify each owner that their unit is submetered for electricity.(the submetering offering plan will be added as an addendum to the building's offering plan) The provision will in plain language clearly enumerate the grievance procedures for the owner and will specify the rate calculation, rate caps, complaint procedures, and owner protections and enforcement mechanisms and such provisions will be in compliance with the Home Energy Fair Practices Act. Con Edison will be notified at the time this petition is filed with the Public Service Commission under separate cover (see attached letter to Con Edison)

Enforcement mechanism is available to Owner:

The complaint procedure constitutes the owner's standard enforcement program, which are in compliance with the Home Energy Fair Practices Act

Certification that the offering plan language shall be sufficient to describe all relevant information to the owner:

The Owner will certify that the method of rate calculation, rate cap, complaint procedures, owner protections, and enforcement mechanism will be incorporated in all offering plan agreements for sub-metering (see attached submetering offering plan).

Statement on sub-metering system capability to individually terminate electricity from each unit:

The MC5N system allows for the termination of submetered electric service to a particular unit consistent with the requirements of HEFPA.

Installation of the sub-metering system:

The submetering system has been fully installed.

Thank you for your attention to this matter.

Sincerely,

NAME

TITLE

RIVERSIDE CENTER SITE 5 OWNER LLC

575 Madison Avenue, 22nd Floor, New York, NY 10022
TELEPHONE NO. (212) 213-8833. FACSIMILE NO. (212) 213-8831

October 31, 2016

Mr. David DeSanti
General Manager
Central Energy Services
Consolidated Edison Company of New York, Inc.
4 Irving Place
New York, NY 10003

Re Petition to sub-meter electricity at the building located at 1 West End Avenue,
New York, NY 10023

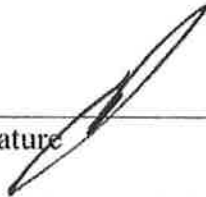
Dear Mr. DeSanti:

One West End Avenue Condominium, submitted to the New York State Public Service Commission a petition for an order to sub-meter electricity at the above-referenced property, which is located within the service territory of Consolidated Edison Company, Inc.

Thank you,

Sincerely,

Signature



Name

Company Name



Hon. Kathleen H. Burgess
Secretary to the Commission
New York State Public Service Commission
Three Empire State Plaza
Albany, NY 12223-1350

Re: Notice of Intent of One West End Avenue Condominium to submeter
Electricity at 1 West End Avenue, New York, NY 10023 Located in
the Territory of Consolidated Edison Company of New York, Inc.

Dear Secretary Burgess,

On behalf of One West End Avenue Condominium, I write to request a waiver of 16 NYCRR 96.5 (l). The building is new construction and subject to the then effective New York City Energy Conservation Code, which sets energy-efficiency standards for new construction and alterations to existing buildings, there is no need for the energy audit described in section 96.5 (l).

Thank you.

A handwritten signature in cursive script that reads "Alison Christy".



QUADLOGIC CONTROLS CORPORATION
33-00 Northern Blvd. Long Island City, NY 11101 T 212.930.9300 F 212.930.9394
www.quadlogic.com



10 Freedom Place (aka One West End)

Inclusionary Housing Units --Rents*			
	# Units	AMI Level	Legal Regulated Rent**
Studio	18	60% AMI	\$833
1 Bdrm	18	60% AMI	\$895
2 Bdrm	37	60% AMI	\$1,082
	# Units	AMI Level	Legal Regulated Rent***
Studio	9	80% AMI	\$958
1 Bdrm	10	80% AMI	\$1,208
2 Bdrm	24	80% AMI	\$1,458
Total	116		

*Tenants are responsible for paying electricity.

**For RPTL §421a units the maximum Legal Regulated Rent is 30% of 60% of the Income Index as defined in the New York City Zoning Resolution, including applicable utility allowances.

***The maximum Legal Regulated Rent is 30% of 80% of the Income Index as defined in the New York City Zoning Resolution, including applicable utility allowances.

Method of Service

Name:	Alison Christopher
Company/Organization:	Quadlogic Control Corporation
Mailing Address:	
Company/Organization you represent, if different from above:	3300 Northern Blvd. 2nd Fl. Long Island City, N.Y. 11101
E-Mail Address:	achristopher@quadlogic.com
Case/Matter Number:	

Request Type

- New Petition/Application - I am filing a new petition/application which requires action by the Commission.
- Service List request – I request to be on the service list for the matter/case.
- Other – Type of request _____

Service Information (Select one option below)

Electronic Service and Waiver – Consent in Case/Matter Identified Above

As duly authorized by the Participant identified above that I represent, I knowingly waive on behalf of that Participant any right under PSL §23(1) to be served personally or by regular mail with Commission orders that affect that Participant and will receive all orders by electronic means in the above Case. If participating individually, I knowingly waive any PSL §23(1) right to service of orders personally or by regular mail and will receive all orders by electronic means in the above Case. This consent remains in effect until revoked.

Electronic Service and Waiver – Global Consent in All Cases/Matters

As duly authorized by the Participant identified above that I represent, I knowingly waive on behalf of that Participant any right under PSL §23(1) to be served personally or by regular mail with Commission orders that affect that Participant and will receive all orders by electronic means in all Cases where it participates. If participating individually, I knowingly waive any PSL §23(1) right to service of orders personally or by regular mail, and will receive all orders by electronic means in all Cases where I participate. This consent remains in effect until revoked.

Note: Due to the design of our system, this consent attaches to the individual named here and not to the party that may be represented by that individual. Therefore, individuals who represent multiple parties should be aware that a global consent will affect all matters in which they appear on behalf of any party.

- I do **not** consent to receive orders electronically

E-Mail Preference (Select one option below) – For Case specific request

E-Mail notifications include a link to filed and issued documents.

- Notify me of Commission Issued Documents in this case/matter.
- Notify me of Both Commission Issued Documents and Filings in this case/matter
- Do not send me any notifications of filed or issued documents

Submitted by: Alison Christopher	Date: 11-15-2016
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New York State Public Service Commission
Office of Consumer Policy



Submetering Identification Form

Name of Entity: <u>1 West End Ave Ent</u>			Corporate Address: <u>250 Greenwich Street, New York NY 10007</u>		
City: <u>New York</u>	State: <u>NY</u>	Zip: <u>10023</u>	Web Site: _____		
Phone: <u>212-213-8833</u>			Utility Account Number: <u>44-4011-3030-4700-6</u>		
Chief Executive:			Account Holder Name:		
Phone:			E-mail:		
DPS Case Number: <u>N/A Known at this time</u>					

Primary Regulatory Complaint Contact

Secondary Regulatory Complaint Contact

Name: <u>Karen Barrett</u>			Name: <u>N/A</u>		
Phone: <u>646-485-6169</u>			Phone: _____		
Fax: _____			Fax: _____		
E-mail: <u>kbarrett@holstead.com</u>			E-mail: _____		
Address: <u>770 Lexington Ave 7th Fl.</u>			Address: _____		
City: <u>New York</u>	State: <u>NY</u>	Zip: <u>10065</u>	City: _____	State: _____	Zip: _____

We do not send complaints to personal e-mail addresses. A shared e-mail address must be provided or the transmission will default to the fax number listed above. Please enter the e-mail address, if any, to which we should send complaints: _____

Name of Property: <u>1 West End Ave.</u>			Service Address: <u>1 West End Ave.</u>		
City: <u>New York</u>	State: <u>NY</u>	Zip: <u>10023</u>			
Electric Heat? <input checked="" type="checkbox"/> <u>Supplemental</u>			Electric Hot Water? <input checked="" type="checkbox"/>		
# Units Occupied by: Sr. Citizens <u>N/A</u> Disabled <u>N/A</u>			Total # of Units <u>361</u>		
Rent Stabilized <u>116</u>	# Rent Controlled <u>N/A</u>	# Rent-Regulated <u>N/A</u>	# Market Rate <u>245</u>		
Rental: <input checked="" type="checkbox"/>	Condo: <input checked="" type="checkbox"/>	Co-Op: <input checked="" type="checkbox"/>			
# Low Income <u>116</u>	# Section 8 <u>N/A</u>	# Landlord Assist Program <u>N/A</u>	# Other <u>N/A</u>		
Submeter / Billing Agent: <u>Quadlogic Control</u>			Address: <u>3300 Northern Blvd.</u>		
City: <u>Long Island City</u>	State: <u>NY</u>	Zip: <u>11101</u>	<u>2nd Floor</u>		
Contact Name: <u>Allison Christoph</u>		Contact Phone: <u>212-930-9300</u>	Contact Fax: <u>212-930-9393</u>		

Please return this form within 5 days to:

Hon. Kathleen H. Burgess, Secretary to the Commission
NYS Public Service Commission
3 Empire State Plaza
Albany, NY 12223-1350

E-mail: secretary@dps.ny.gov

(Rev. 9/2013)

Changes in contact information should be submitted within 5 days of any personnel change.

NOTIFICATION OF RIGHTS AND PROCEDURES

As a residential customer for electricity, you have certain rights assured by New York's Home Energy Fair Practices Act ("HEFPA"). This notification is an overview of those rights and certain policies and procedures regarding the service and billing of your electricity. A copy of this notification of rights and procedures will be available in the management office for your convenience. For a full explanation of HEFPA, you can go to the Department of Public Service's website at www.dps.ny.gov, or you may review a copy of the regulations in the property manager's office.

The building at **1 West End Avenue, New York, NY 10023** will be a submetered facility. **One West End Avenue Condominium** is the owner of this building. The administration of submetering will be performed by an outside vendor, Quadlogic Controls Corporation ("Quadlogic"), located at 33-00 Northern Blvd., Long Island City, NY 11101. Quadlogic is a third-party agent under contract with **1 West End Avenue, New York, NY 10023** to invoice/bill tenants for their monthly utility usage. Tenants will receive monthly bills from Quadlogic for their respective electric usage, (meters are read daily) which amounts are payable to **Halstead Management Company, 770 Lexington Avenue, 7th Floor, New York, NY 10065**. Management could also be contacted at **646-485-6169**

When a unit owner has a question about electric bill or believes the electric bill is inaccurate, the following protocol will be followed:

Unit owner should submit the complaint to the property manager of the Building, including the action or relief requested and/or the reason for a complaint about a submetering charge. The property manager shall investigate and respond to the complaint in writing within 15 days of the receipt of the complaint. **The Property Manager: Karen Barrett can be contacted via email at kbarrett@halstead.com or by telephone number 646-485-6169 or at the management office at Halstead Management Company, 770 Lexington Avenue, 7th Fl., New York, NY 10065.** If the unit owner and the property manager cannot reach an equitable agreement and the unit owner continues to believe the complaint has not been adequately addressed, then the unit owner may file a complaint with the Public Service Commission through the Department of Public Service. Alternatively, unit owner may contact the Department of Public Service at any time concerning submetered service in writing at New York State Department of Public Service, 3 Empire State Plaza, Albany, New York 12223, by telephone at 1-800-342-3377, in person at the nearest office at 90 Church Street, New York, New York 10007, or via the Internet at www.dps.ny.gov

The electric bills that you receive show the amount of kilowatt hours ("kWh") that you used. The bills you receive shall provide, in clear and understandable form and language, the charges for service. In no event will the total monthly charges (including any administrative charges) exceed the utility's (Consolidated Edison Company of New York, Inc.) direct metered residential rate.

You have the right to request messages on bills and notices in Spanish. To make

such a request, contact a representative by telephone at **646-485-6169**) or by mail at c/o **Halstead Management Company, 770 Lexington Avenue, 7th Floor, New York, NY 10065**. Usted tiene el derecho de solicitar informacion en facturas e informativos en Espanol. Para solicitar informacion en Espanol, por favor contacte a un representante marcando el telefono **646-485-6169** o por correo escrito a la siguiente direccion: c/o **Halstead Management Company, 770 Lexington Avenue, 7th Floor, New York, NY 10065**.

You may request balanced billing for the payment of electric charges. This plan shall be designed to reduce fluctuations in customers' bills due to seasonal patterns of consumption. Balanced billing divides your electric costs into twelve (12) equal monthly payments. Periodically, **1 West End Avenue, New York, NY 10023** will review and adjust the balanced billing amount as necessary. At the end of one (1) year, you shall be responsible to pay for any electric costs in excess of your balanced billing amount paid. You may contact **1 West End Avenue, New York, NY 10023** to discuss the details of this plan, if you are interested.

Your meter is read because it measures and records the actual amount of electric you use; this enables an accurate bill to be sent to you. Making sure your electric bills are accurate and correct is important to **1 West End Avenue, New York, NY 10023** and to you. That is why every effort is made to read your meter regularly.

You may qualify for a rate reduction the equivalent of that which is provided by Con Edison to customers who are enrolled in its low-income program pursuant to its tariff (see P.S.C. No. 9 – Electricity, Thirtieth Revised Leaf No. 202). If you receive benefits under Supplemental Security Income, Temporary Assistance to Needy Persons/Families, Safety Net Assistance, or Food Stamps, or have received a Home Energy Assistance Program grant in the preceding twelve (12) months, please alert a **1 West End Avenue, New York, NY 10023** representative by phone or in writing and he/she will work with you.

If you are having difficulty paying your electric bill, please contact us by telephone or by letter in order to arrange for a deferred payment agreement, whereby you may be able to pay the balance owed over a period of time. A deferred payment agreement is a written agreement for the payment of outstanding charges over a specific period of time, signed by both the submeterer and customer. If you can show financial need, **1 West End Avenue, New York, NY 10023** can work with you to determine the length of the agreement and the amount of each monthly payment. You may not have to make a down payment, and installment payments may be as little as \$10.00 per month. **1 West End Avenue, New York, NY 10023** will make reasonable efforts to help you find a way to pay your bill.

Regardless of your payment history relating to your electric bills, your electric service will be continued if your health or safety is threatened. When **1 West End Avenue, New York, NY 10023** becomes aware of such hardship, **1 West End Avenue, New York, NY 10023** can refer you to the Department of Social Services. Please notify **1 West End Avenue, New York, NY 10023** Street if the following conditions exist:

(a) **Medical Emergencies.** You must provide a medical certificate from your

doctor or local board of health; or

(b) **Life Support Equipment.** If you have life support equipment and a medical certificate.

Special protections may be available if you and/or those living with you are age eighteen (18) or younger or sixty-two (62) and older, blind, or disabled.

To ensure that you receive all of the protections that you are eligible for, please contact a **1 West End Avenue, New York, NY 10023** representative and identify yourself.

You can also designate a third party as an additional contact to receive notices of past due balances.

Every submeterer shall permit a residential customer to designate a third party to receive all notifications relating to disconnection of service or other credit actions sent to such residential customer, provided that the designated third party agrees in writing to receive such notices. The submeterer shall inform the third party that the authorization to receive such notices does not constitute acceptance of any liability on the third party for service provided to the customer. The submeterer shall promptly notify the residential customer of the refusal or cancellation of such authorization by the third party. If you are interested in Voluntary Third-Party Notice, notify **1 West End Avenue, New York, NY 10023** with the party's contact information and written agreement of the third party to receive copies of all notifications relating to disconnection of service or other credit actions sent to you.

Please review the attached "Special Protections Registration Form" relating to some of the rights discussed above. Although you are not required to do so, it is requested that you please fill it out if you qualify for any special protection described on the form. You may return the completed form to **1 West End Avenue, New York, NY 10023** at the address above.

BUDGET BILLING PLAN

Resident(s) Name(s): _____

Address: _____

Account No.: _____

As set forth below, **Halstead Management Company, LLC 770 Lexington Avenue, 7th Fl., New York, NY 10065 (1 West End Avenue, New York, NY 10023)** agrees to provide services in return for your agreement to make payments according to the terms of this Budget Billing Plan (the "Plan").

The Plan requires that you pay **\$XX.XX** per month for the 12-month period starting with the billing cycle commencing on **MM/DD/YYYY** and ending on **MM/DD/YYYY**.

This monthly payment is based on an estimate of your annual billing, which has been calculated by multiplying the average monthly consumption by the current estimate of commodity prices over the above-referenced 12-month period. Your average monthly consumption is _____ kWh, based on your or the premises' last 12 months of actual consumption.

The Plan shall be subject to regular review for conformity with actual billing. **1 West End Avenue, New York, NY 10023** reserves the right to recalculate the monthly payment to reflect either (a) an increase in consumption beyond the average monthly consumption, and/or (b) an increase in commodity prices.

Each month, you will be billed the equal monthly payment and you will be required to pay that amount. Your bill will inform you what your consumption for the period was, as well as the actual charge you would have incurred if you were not on the Plan. If you fail to pay the bill when due, you may be subject to a final termination notice pursuant to the Home Energy Fair Practices Act or other collection remedies.

In the last month of the Plan, **1 West End Avenue, New York, NY 10023** Street shall true up your account based on a comparison of the billing under the Plan and the amount you would have been charged for the 12-month period if you were not on the Plan. If you owe **1 West End Avenue, New York, NY 10023** Street a sum of money due to the true up, you will be billed for the amount due. If you have been over billed, you will be issued a credit to be applied to the next plan year.

[] Yes! I would like budget billing and agree to the terms of the Plan.

Acceptance of Agreement:

Resident(s) Signature(s): _____

Date: _____

Halstead Management: _____

Date: _____

Return one signed copy to 1 West End Avenue by MM/DD/YYYY.

Residential Payment Agreement

Resident(s) Name(s): _____

Address: _____

Account No.: _____

The total amount owed to **Halstead Management Company LLC, 770 Lexington Avenue, 7th Fl., New York, NY 10065** on this account as of MM/DD/YYYY is **\$XX.XX**.

Subject to 16 NYCRR § 11.10 (a-b) of the Home Energy Fair Practices Act (“HEFPA”), **Halstead Management Company LLC, 770 Lexington Avenue, 7th Fl., New York, NY 10065** is required to offer a payment agreement that you are able to pay considering your financial circumstances. **This agreement should not be signed if you are unable to keep the terms.** Alternate terms may be available if you can demonstrate financial need. Alternate terms may include no down payment and payments as low as \$10 per month above your current bills. **If you sign and return this form, along with a down payment of \$XX.XX, by MM/DD/YYYY, you will be entering into a payment agreement and, by doing so, will avoid termination of electricity service.**

Assistance to pay utility bills may be available to recipients of public assistance or supplemental security income from your local social services office. This agreement may be changed if your financial circumstances change significantly because of conditions beyond your control. If after entering into this agreement, you fail to comply with the terms, **Halstead Management Company LLC, 770 Lexington Avenue, 7th Fl., New York, NY 10065** may terminate your electricity service. If you do not sign this agreement or pay the total amount due of **\$XX.XX** by **MM/DD/YYYY**, **Halstead Management Company LLC, 770 Lexington Avenue, 7th Fl., New York, NY 10065** may seek to terminate your electricity service. **If you are unable to pay these terms, if further assistance is needed, or if you wish to discuss this agreement, please call Halstead Management Company LLC, 770 Lexington Avenue, 7th Fl., New York, NY 10065**
Tel: 646-485-6169

Payment of Outstanding Balance:

Your current monthly budget amount is: \$XX.XX (in addition to your current electricity charges)

If you are not already enrolled in our Budget Billing Program, which allows you to pay for your service in equal monthly installments, and wish to enroll, check the box below and we will start you on this process.

Yes! I would like Budget Billing:

Acceptance of Residential Payment Agreement:

Resident(s) Signature(s): _____ Date: _____

This agreement has been accepted by **Halstead Management Company LLC, 770 Lexington Avenue, 7th Fl., New York, NY 10065**. If you and **Halstead Management Company LLC, 770 Lexington Avenue, 7th Fl., New York, NY 10065** cannot negotiate a payment agreement, or if you need any further assistance, you may contact the Public Service Commission at 1-800-342-3377.

Return one copy of this agreement signed, along with the down payment of \$XX.XX, by MM/DD/YYYY to the Halstead Management Company LLC, 770 Lexington Avenue, 7th Fl., New York, NY 10065. If this is not done, your electricity service may be terminated.

FAILURE TO MAKE PAYMENT NOTICE DATED:

Resident(s) Name(s): _____

Address: _____

Account No.: _____

Dear [customer name]:

Your account is now ninety (90) days overdue. Please make payment of **\$XX.XX** by **MM/DD/YY** or we shall institute termination of your electricity service.

PLEASE REMIT \$XX.XX BY MM/DD/YY TO AVOID INITIATION OF TERMINATION OF YOUR ELECTRICITY SERVICE.

If you are unable to make payment because your financial circumstances have changed significantly due to events beyond your control, please contact **Halstead Management Company LLC, 770 Lexington Avenue, 7th Fl., New York, NY 10065** at **646-485-6169**. If you or anyone in your household meets any of the following conditions please contact us: medical emergency, elderly, blind, or disabled.

Sincerely,

Halstead Management Company LLC

FINAL TERMINATION NOTICE DATED:

Resident(s) Name(s): _____

Address: _____

Account No.: _____

Dear [customer name]:

By letter dated **MM/DD/YY**, we notified you that your failure to remit the past due amount of **\$XX.XX** by **MM/DD/YY** would result in our terminating your electricity service. Our records indicate that we have not received your payment. Please remit **\$XX.XX** or your service will be terminated after **MM/DD/YY**.

If you disagree with the amount owed, you may call or write **Halstead Management Company LLC, 770 Lexington Avenue, 7th Fl., New York, NY 10065** (telephone # **646-485-6169**) or you may contact the Public Service Commission at 1-800-342-3377.

THIS IS A FINAL TERMINATION NOTICE. PLEASE BRING THIS NOTICE TO OUR ATTENTION WHEN PAYING THIS BILL.

PLEASE REMIT \$XX.XX BY MM/DD/YY TO AVOID TERMINATION OF YOUR ELECTRICITY SERVICE.

If you are unable to make payment because your financial circumstances have changed significantly due to events beyond your control, please contact **Halstead Management Company LLC, 770 Lexington Avenue, 7th Fl., New York, NY 10065**. If you or anyone in your household meets any of the following conditions please contact **Halstead Management Company LLC, 770 Lexington Avenue, 7th Fl., New York, NY 10065**: medical emergency, elderly, blind, or disabled.

Sincerely,

Halstead Management Company LLC

NOTIFICATION TO SOCIAL SERVICES OF CUSTOMERS
INABILITY TO PAY

**Halstead Management Company LLC, 770 Lexington Avenue, 7th Fl., New York,
NY 10065
Tel: 646-485-6169**

Resident(s) Name(s): _____

Address: _____

Account No.: _____

The above resident/customer has been sent a final notice of termination of electricity service. If the total payment due of **\$XX.XX** is not paid by **MM/DD/YYYY**, termination of their electricity service may occur anytime after **MM/DD/YYYY**.

Past Due Reminder Notice

RESIDENT(S) NAME(S): _____

ADDRESS: _____

ACCOUNT NO.: _____

On **MM/DD/YYYY**, you signed a Residential Deferred Payment Agreement (DPA), which obligated you to make a down payment of **\$XX.XX** by **MM/DD/YYYY** and regular payments of **\$XX.XX** (in addition to your current electricity charges) in order to avoid termination of electricity service. Our records indicate that you have failed to comply with the terms of the DPA. As a result, we are hereby notifying you that you must meet the terms of the existing DPA by making the necessary payment within twenty (20) calendar days of the date payment was due or a final termination notice may be issued to terminate your electricity service.

If you are unable to make payment under the terms of the DPA because your financial circumstances have changed significantly due to events beyond your control, you should immediately contact **Halstead Management Company LLC, 770 Lexington Avenue, 7th Fl., New York, NY 10065** because a new payment agreement may be available. Further, assistance to pay utility bills may be available to recipients of public assistance or supplemental security income from your local social services office.

The total amount owed to Halstead Management Company LLC, 770 Lexington Avenue, 7th Fl., New York, NY 10065 for this account as of MM/DD/YYYY is: \$XX.XX.

Quarterly Billing Plan

Customer Name: _____

Premise Address: _____

Account Number: _____

Under this plan, **Halstead Management Company LLC, 770 Lexington Avenue, 7th Fl., New York, NY 10065** agrees to provide services in return for your agreement to make payments according to terms of this Plan.

The Customer confirms that he/she is greater than 62 years old, and that the Customer's bills in the preceding 12 months starting on MM/DD/YY and ending on MM/DD/YY, did not exceed \$150.

Under this Plan, the Customer will receive the first bill on MM/DD/YY covering actual charges incurred during the 3-month period MM/DD/YY to MM/DD/YY, and you will receive quarterly bills thereafter on or before MM/DD/YY, MM/DD/YY, and MM/DD/YY for actual charges incurred during each such preceding 3-month period.

On the dates specified above, you will be billed for actual charges incurred and you will be required to pay such amount stated on the bill. If you fail to pay the bill when it is due, you may be subject to termination of service pursuant to the Home Energy Fair Practices Act.

[] Yes!! would like Quarterly Billing:

Return one completed copy to Halstead Property Management by MM/DD/YYYY.

CONFIDENTIAL
Evaluation of Customer's Ability To Pay

1. Employer Name, Address and Phone Number

2. What is your monthly income?

3. Please identify all other forms of income (Unemployment, Disability, and Public Assistance) and the amounts of each

4. Please list all checking and savings accounts and balances:

5. Please list all credit cards, balances due and the amount of the monthly payment on each:

6. Do you own your home or do you rent? _____

7. What is your monthly mortgage or rent payment? _____

8. List other assets (i.e., Stocks and Bonds) :

9. List other debts (bank loans, credit lines, utility bills, etc.) and the amount of the monthly payment on each:

10. Identify all other monthly expenditures by amount:

- Food expenses	\$	_____
- Medical expenses	\$	_____
- Telephone bills	\$	_____
- Utility bills	\$	_____
- Mandatory loan/credit card payments	\$	_____
- Other	\$	_____
	\$	_____
	\$	_____
	\$	_____
	\$	_____

**SPECIAL PROTECTIONS
REGISTRATION FORM**

Please complete this form if any of the following applies. Return this form to:

**Halstead Management Company LLC, 770 Lexington Avenue, 7th Fl., New York, NY 10065
Tel: 646-485-6169**

ACCOUNT INFORMATION

(Be sure to complete before mailing)

Name

Address

Apartment

Town/City

Zip

Telephone # Daytime

Evening

Account Number (as shown on bill)

I would like to be considered for Special Protections.

In my household (Check):

- Unit Owner is 62 years of age or over, and any and all persons residing therewith are either 62 years of age or under 18 years of age.
- Unit Owner is blind (Legally or Medically)
- Unit Owner has a permanent disability
- Unit Owner/resident of my house has a Medical Hardship (type):

-
- Unit Owner/resident of my house has a Life Support Hardship (type):
-

I receive government assistance.

- I receive Public Assistance (PA). My case number is:

- I receive Supplemental Security Income (SSI). Note: SSI benefits are not the same as Social Security Retirement Benefits. My Social Security Number (optional) is:

Please send me more information about:

- Balanced billing

To be Completed by Third Party

Please let me know if this customer's bill is overdue. As a "caregiver," I understand that I am not responsible for payment of this bill.

Caregiver/Agency

Address

Apartment

Town/City

Zip

Telephone # Daytime

Evening

Designee Signature

DIVISION 16 ELECTRICAL SPECIFICATIONS

ELECTRIC SUBMETERING

Available in MS Word format:
www.quadlogic.com
Click "Support" then
Submetering Specifications

PART 1 – GENERAL

1.01 DESCRIPTION

- A. Provide electric submetering to meter electric consumption for each tenant in accordance with the Contract Documents.

1.02 ELECTRONIC POWER METERING

- A. Provide electronic power metering where indicated complying with all requirements below. Meter(s) shall be Quadlogic Controls Corp. or approved equal.
- B. The meters shall be manually readable using local Liquid Crystal Display (LCD) via push-button and automatically readable utilizing Frequency Hopping Spread Spectrum Power Line Carrier Communication ("PLC").
- C. The metering system shall consist of the Quadlogic, MiniCloset-5N, & Transponder(s) or equal.
- D. Meter shall be configured for [residential] [commercial] application and applied on [120/240V] [120/208V] [277/480V] [347/600V] [480V delta 3P3W] [600V delta 3P3W] nominal systems or as indicated on the drawings.
1. Residential Use (kWh):
 - a. 120/208V single phase, 3 wire (2 pole)
 - b. 120/240V split phase, 3 wire
 2. Commercial/Industrial Use (kWh and Demand):
 - a. 120/208V, 277/480V and 347/600V, 3 phase/4 wire
 - b. 480V and 600V Delta, 3 phase/3 wire
- E. **NOTE TO SPECIFIER: DELETE FOLLOWING PARAGRAPH IF METER IS CONFIGURED FOR RESIDENTIAL APPLICATION.** [kW Demand shall be measured and recorded every [15] minutes. (Demand is factory configured in block intervals. Rolling (overlapping) time interval demand shall also be configurable as an option.) Demand shall be recorded along with the time and date at which it occurs. The meter shall be classed as a mass memory interval meter (meters which record and store the energy use by time). The demand interval and optional time-of-use schedules shall be factory programmed and stored in each meter. Daily peak demands shall be capable of being read by a remote computer.]
- F. **NOTE TO SPECIFIER: DELETE FOLLOWING PARAGRAPH IF METER IS CONFIGURED FOR COMMERCIAL APPLICATION.** [kW Demand shall be measured and recorded every [60] minutes. (Demand is factory configured in block intervals. Rolling (overlapping) time interval demand shall also be configurable as an option.) Demand shall be recorded along with the time and date at which it occurs. The meter shall be classed as a mass memory interval meter (meters which record and store the energy use by time). The demand interval and optional time-of-use schedules shall be factory programmed and stored in each meter. Daily peak demands shall be capable of being read by a remote computer.]

DIVISION 16 ELECTRICAL SPECIFICATIONS

- G. The Meter shall have the following Testing and Certification:
1. UL/CUL recognized
 2. Meets or exceeds requirements of ANSI C12.1, ANSI/IEE C37.90.2, ANSI/IEEE C37.90.1, and Measurement Canada.
- H. Each meter shall interface to the electrical load being measured with a direct voltage tap, up to 600 VAC, and with 0.1Amp or 5.0A secondary for split and solid core current transformers.
- I. Monitoring
1. Provide true RMS measurement of current, volts, %THD, kW, kVA, kVAR, kWh, power factor.
 2. The Meter shall have an accuracy of $\pm 0.5\%$ or better.
- J. User Interface
1. Reading shall be accessible on a local LCD display. The display shall consist of two rows of 16 characters on each row. The consumption reading shall be up to six (6) digits.
 2. Provide an IEC type optical port capable of direct connection to a laptop.
- K. The system shall be a fully automated, microprocessor-based electric utility measurement system. The system shall be capable of measuring and recording the usage of electricity and shall be capable of communicating the reading to an optional on-site or remote computer (i.e. the billing computer) via modem or other means of communications.
- L. The meter shall not depend on battery power for maintaining functionality. Meter shall monitor all metering parameters and perform communication tasks using a non-volatile flash memory. On-board battery shall only be used in power failure to maintain time, log incoming pulses (if applicable) and to store the data acquired within the incomplete interval at the time of the power failure.
- M. Each meter shall be capable of reading minimum of four (4) dry contact, Form A pulse inputs to automate the reading of other utilities such as gas, water or BTU's. MiniCloset-5 and MiniCloset-5c shall be capable of reading up to 48 pulses.
- N. Each meter shall be equipped with a clock/calendar that automatically accommodates leap years. The clock/calendar shall be backed up by battery and continue operating during power outages. The time and date shall be automatically synchronized by the Scan Transponder(s) and capable of being reset by a remote computer.
- O. Each meter shall be complete with internal CT termination and shorting and fuse block <where applicable>.
- P. Revenue related metering parameters (i.e. demand intervals) shall be permanent and stored in each individual meter. It shall not be possible to change metering parameters through unauthorized access to the system.
- Q. Provide Phase Diagnostic Registers that include multipliers for amperage, voltage, watts, and line frequency. On a per-phase basis Phase Diagnostics shall include voltage, VAR phase shift, accumulated kWh and kVARh and instantaneous amps, watts, VAR's, VA's, phase angle (degrees displacement between current and voltage waveforms), and Power Factor.

DIVISION 16 ELECTRICAL SPECIFICATIONS

- R. Provide Event Diagnostic Registers that include time and date and the number of times the time has been changed, number of power downs, power ups and start ups with time and date of last occurrence, and the number of times the accumulated peak demand has been reset, also with the time and date of the last occurrence. Meters that communicate by Power Line Carrier Communications shall also include counts of properly received messages, rejected messages and the numbers of transmissions without replay.
- S. On-board Memory Storage
 - 1. The meter shall maintain a minimum of 60-day log of daily Time-of-Use consumption, interval data and peak demand readings along with the time and date at which the daily peak demands occur. The consumptions recorded shall be the reading at the end of the Time-of-Use period of the end of the day. The peak demand recorded in the log shall be the peak demand for the Time-of-Use period for that day.
 - 2. Each meter shall maintain a minimum of 60-day date logging capacity consisting of fifteen (15) minute or hourly demands with time and date stamp.
 - 3. Memory shall be non-volatile.
- T. Control power for the meter shall be obtained via the monitored voltage connections. A separate control power input is not allowed.
- U. Communications Interface
 - 1. Where indicated in the drawings, the system shall communicate with a remote computer using one or more of the methods noted below. Preferred method communications method shall be Power Line Carrier Communications.
 - a. The meter shall communicate over the electrical power wiring to a Scan Transponder via bi-directional, frequency hopping, spread spectrum power line carrier communications. These signals shall be capable of passing through a single 600/120V or 480/120V transformer. The Scan Transponder and each meter shall select the best available combination of phase, frequency range and baud rate for communication at any given time.
 - b. RS-485. Install per manufacture's guidelines and recommended wire specification.
 - 2. All meters shall have as an option a local RS-485 serial port for direct connection to the PC.
 - 3. Individual meters shall be capable of being equipped with a modem for direct connection to a telephone line if necessary.

1.03 SCAN TRANSPONDER

- A. Scan Transponders shall be installed to collect data from meters on a daily basis and provide a centralized data access point.
- B. All communication shall be direct between a Scan Transponder and each meter, and under the control of the Scan Transponder. Meters will not repeat messages from other meters nor will message routing be determined by meters.
- C. A Scan Transponder shall be provided for every 240 electric metering points and one Scan Transponder shall be provided per utility transformer or electrical service.

DIVISION 16 ELECTRICAL SPECIFICATIONS

Contractor shall provide required location, quantities and voltage connections for Transponders based on manufacture's specifications and instructions.

- D. Scan Transponder shall begin each communication with a meter with verification of clock and meter ID to ensure date integrity.
- E. The Scan Transponder shall store downloaded meter values in flash memory and shall hold at least 30 days worth of records.
- F. All communication shall be direct between a Scan Transponder and each meter, and under the control of the Scan Transponder.
- G. Multiple Scan Transponders shall be connected by Data Link (RS-485).
- H. Where indicated on manufacturer's shop drawings, meter shall be connected to the Scan Transponder by Data Link (RS-485).
- I. Where indicated on manufacturer's shop drawings, provide a modem on a Scan Transponder for phone line connection to remote computer.
- J. Scan Transponder locations shall be approved by manufacture and installed per manufactures' guidelines. Upon request, manufacture shall provide a project specific design for Scan Transponder system.
- K. Owner shall provide a dedicated telephone line for remote access to the Transponder.

1.04 SOFTWARE

- A. Quadlogic's IQ software or comparable system shall be capable of reading the system, downloading the metered data, and generating energy bills for electricity. (System must also be capable of compiling data from other utility meters such as BTU, gas, water and steam.)
- B. Quadlogic's IQ software or comparable system shall be capable of producing graphs and charts for load profiling including intervals ranging from 5 through 60 minute time periods.
- C. Data collected through IQ software or comparable must be able to be uploaded to spreadsheet programs for analysis such as Microsoft Excel.

PART 2 – EXECUTION

2.01 INSTALLATION

- A. A circuit breaker shall be provided at the metering location to allow safe access to metering components without powering down the entire panel. Where utilized, S-20 200A meters require tenant disconnect to be on the line side of the electric meter.
- B. All meters shall be installed to manufacture's installation instructions.

2.02 SYSTEM COMISSIONING AND START-UP

- A. Contractor to provide third party testing of power metering system or "commissioning".

DIVISION 16 ELECTRICAL SPECIFICATIONS

The owner's submetering service company or manufacturer's qualified service organization can provide third party testing. Testing shall be performed prior to tenant occupancy through the following process:

1. Have the installation contractor record the "cross reference" or the meter serial number (unique ID), meter point, to apartment/unit relationship.
2. Check for power to the meter.
3. Check the serial number inside the meter.
4. Open the panel so that all CT's are visible.
5. Verify the CT ratio and write up the cross reference information for the meter.

NOTE TO SPECIFIER: ITEMS 6-8 BELOW APPLY TO RESIDENTIAL APPLICATIONS ONLY. DELETE IF METER/SYSTEM IS CONFIGURED FOR A COMMERCIAL APPLICATION.

6. Confirm the "cross reference". This can be accomplished by having one technician turn on a known load in the respective unit on each phase (hair dryer, electric heater, electric stove, etc)
7. Have a second technician at the meter verify the meter's phase diagnostics for the assigned apartments/units. Confirm that there is a significant increase on the load for each phase of the meter point.
8. Once all phases have been checked and loads are still running, turn off the breaker serving the apartment and confirm that all loads in the apartment are disconnected. This completes the verification of the cross-reference list.

B. Test Results:

1. Submit two draft copies of test results to the Owner for review.
2. After approval by the Owner, submit the test results in two final printed copies and one computer readable copy.

C. Third party testing shall include testing of Power Line Carrier Communications between power meters and Transponders referred to as "start up".

1. Testing shall confirm that all power meters included in cross reference are properly communicating with the Transponders.
2. Testing shall confirm that remote connection system via phone line is complete.
3. Testing shall confirm that all Transponders on the RS-485 network are communicating properly.

END OF SECTION

MAKE PAYMENT TO →

PLEASE PAY BY:

USAGE - KWH

AMOUNT DUE - \$

TENANT

QUEST

RETURN THIS STUB WITH PAYMENT

METER NO.	PREVIOUS READING	CURRENT READING	USAGE - KWH	AMOUNT - \$	RATE - \$
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QLC

RETAIN THIS PORTION FOR YOUR RECORDS

ENERGY SAVING IDEAS

Conserve Energy. Save Money. Protect the Environment.

What can you do to lower your electric bill? Quadlogic has put together the following guidelines to help you conserve energy and lower your electric bill. This information was collected from various sources*, and is intended to show you how easy it can be to make a few changes that won't have a big impact on your lifestyle but *will* have a big impact on your electric bill.

LIGHTING

- ❖ Replace ordinary light switches with dimmers. Dimmers let you set bulb brightness to suit different needs. Whenever lights are set at less than full brightness, you save energy.
- ❖ Replace ordinary incandescent bulbs with new compact fluorescent bulbs. Compact fluorescent bulbs give the same light levels as the ordinary bulbs they replace, but use 40-60% less energy.
- ❖ Use timers to turn off lights when you're away from home. That saves energy and adds security to your home.
- ❖ Use lower wattage bulbs whenever you can. Wattage isn't a measure of brightness, it's a measure of energy usage. The lower the wattage, the less energy used.
- ❖ Replace ordinary switches with motion sensors. Motion sensors monitor a room for the presence of people. When someone enters the room, lights go on automatically so you don't light an unoccupied room.

APPLIANCES

- ❖ Choose Energy Star appliances, which use considerably less energy than other appliances.
- ❖ Use your refrigerator as efficiently as possible by keeping the condenser coils clean.
- ❖ Use washers, dryers and dishwashers efficiently. Every time these appliances go through a cycle, they use very nearly the same amount of energy whether empty or full. So cleaning with full loads makes for best efficiency and best value on your energy dollars.
- ❖ Switch off the "instant on" feature in electronic devices. Many electronic products have an "instant on" circuit that uses energy continuously, even when the device is turned off. On some electronic devices, you can choose to turn it off.

COMPUTER & HOME OFFICE EQUIPMENT

- ❖ Turn your computer off when it is not in use. Much of the energy use associated with computer is wasted because PC's are often left on when not in use, including nights, weekends, and even extended periods of inactivity during the day.

- ❖ Turn off your display device or monitor. Monitors consume a significant portion of the energy used by PC's.
- ❖ Use a laptop. A typical laptop computer has a maximum power consumption of 15 watts, and extensive power management capabilities. A typical desktop PC, with display consumes about 10 times that or 150 watts, and has limited power management features. The potential energy savings from substituting PC's with portable laptops are large, up to 90% or more.
- ❖ Select a printer with power management capabilities. Printers with automatic "power down" features can reduce electricity use by over 65%.
- ❖ Select a fax machine with power management capabilities. Fax machines are generally turned on 24 hours-a-day to receive incoming faxes. However, they are typically in use for only 5% of the total time they are turned on. Fax machines with power management features can reduce energy costs by almost 50%.

AVERAGE ANNUAL ENERGY CONSUMPTION			
Equipment	Conventional Products	Energy Saving Products	Potential Energy Savings
Desktop PC's	500 kWh	250 kWh	50%
Fax Machines	300 kWh	135 kWh	55%
Laser Printers	750 kWh	270 kWh	65%
Copier (Medium)	1200 kWh	535 kWh	55%
Copier (Large)	2800 kWh	1200 kWh	55%

You may find "Energy Star" appliances at your local retail stores.

USEFUL LINKS

- www.sears.com
- www.circuitcity.com
- www.bestbuy.com
- www.pcrichard.com
- www.allcityappliance.com

OTHER HELPFUL HINTS

- ❖ Stop drafts coming in near doors, windows, or air conditioners. Drafts make the heating and cooling systems work harder therefore costing you more money.
- ❖ Stop leaks at faucets, toilets, tubs, and showers. If the leak is from hot-water faucets, it wastes the energy from your hot water heater and costing you more money.

* Sources: Con Edison, LIPA, Orange and Rockland, NYSERDA, Niagra Mohawk, Southern California Edison.

Delaware

PAGE 1

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF FORMATION OF "RIVERSIDE CENTER SITE 5 OWNER LLC", FILED IN THIS OFFICE ON THE EIGHTEENTH DAY OF JANUARY, A.D. 2013, AT 11:30 O'CLOCK A.M.

5276762 8100

130066368

You may verify this certificate online
at corp.delaware.gov/authver.shtml




Jeffrey W. Bullock, Secretary of State
AUTHENTICATION: 0154719

DATE: 01-18-13

State of Delaware
Secretary of State
Division of Corporations
Delivered 11:30 AM 01/18/2013
FILED 11:30 AM 01/18/2013
SRV 130066368 - 5276762 FILE

CERTIFICATE OF FORMATION

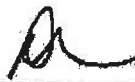
OF

RIVERSIDE CENTER SITE 5 OWNER LLC

1. The name of the limited liability company is Riverside Center Site 5 Owner LLC.

2. The address of its registered office in the State of Delaware is 2711 Centerville Road, Suite 400, Wilmington, New Castle County, 19808. The name of its registered agent at such address is Corporation Service Company.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation this 18th day of January, 2013.

By: 
Name: Deborah M. Reusch
Title: Authorized Person

Submetering Offering Plan
1 West End Avenue, New York, NY 10023

1. You acknowledge that Consolidated Edison Company of New York (Con Edison), will be the provider of electricity to the building and that Owner will be paying the charges for such electricity directly to this entity (or its successor), You will be required to pay Owner for the use of electricity at the Apartment on the basis of a separate (submetered) charge that will be billed to You by Owner (or its agent) on a monthly basis. The charges to You for electricity are due without offset or abatement on the first day of each and every month for which a bill is rendered. In the event of non-payment of electric charges, the Owner shall afford You all notices and protections available to You pursuant to the Home Energy Fair Practices Act (HEFPA) before any action(s) based on such non-payment, including termination of service, is commenced. **In the event that an owner is invoiced incorrectly, the property management will refund the unit owner affected by the submeterer actions that led to such refunds provided that the submeterer has such contact information for the residents.**

2. Method to be used to calculate rates to residents

The rate calculation to be used is the Consolidated Edison Service Classification SC-1 for direct metered service (the "SC-1 rate"). Specifically, a tenant's kilowatt hour (kWh) usage will be multiplied by the Consolidated Edison Service Classification SC-1 rate for a billing period, then sales tax (currently 4.5 %) will be added to arrive at the total tenant cost.

The Consolidated Edison Service Classification SC-1 rate is a combination of various items, including:

Basic Charge: This is a charge for basic system infrastructure and customer-related services, including customer accounting, meter reading, and meter maintenance.

kWh Cost: This energy charge is broken down into four separate components – market supply, monthly adjustment, delivery (transmission and distribution).

Systems Benefit Charge (SBC)/Renewable Portfolio Standard (RPS): This is an additional charge per kWh.

Fuel Adjustment: The sum of Market Supply Charge (MSC) and Monthly Adjustment Charge (MAC) adjustment factors.

Utility Tax: The sum of Commodity Gross Receipt Tax and Full Service Gross Receipt Tax.

Sales Tax: The current NYS sales tax.

The following is an example of the formula that will be used to derive a tenant's electricity charges based on the current Consolidated Edison Service Classification EL1 rate and a monthly use of 250 kWh:

		Total
Basic Charge		\$YY.YY
KWh	.XXXXX times 250	\$YY.YY

Systems Benefit Charge	.XXXXX times 250	\$ Y.YY
Fuel Adjustment Charge	.XXXXX times 250	\$ Y.YY
	Subtotal	\$YY.YY
Utility Tax	.XXXXX times YY.YY	\$ Y.YY
	Subtotal	\$YY.YY
Sales Tax	YY.YY times 4.5%	\$ T.TT
	YY.YY plus T.TT	\$ZZ.ZZ
Tenant Cost		\$ZZ.ZZ

In no event will the total monthly rates (including a monthly administrative charge) exceed the utility's tariff residential rate for direct metered service to such residents (see 16 NYCRR § 96.2).

All Con-Edison rates are detailed on the Con-Edison website (www.coned.com) under Rates and Tariffs. The electric rates are listed under the heading "PSC No. 10" – Electric: Full Service.

Quad Logic Controls Corp. as the Building's electric billing company will read the meters monthly and process a bill based on the actual consumption of each tenant. The meter reading data and billing calculations will be documented and maintained for six (6) years, per the requirements set forth in 16 NYCRR §96.

3. When an owner has a question about an electric bill or believes the electric bill is inaccurate, the following protocol will be followed:

Unit owner should submit the complaint to the property manager of the Building, including the action or relief requested and/or the reason for a complaint about a submetering charge. The property manager shall investigate and respond to the complaint in writing within 15 days of the receipt of the complaint. **The Property Manager: Karen Barrett can be contacted via email at kbarrett@halstead.com or by telephone number 646-485-6169 or at the management office at Halstead Management Company, 770 Lexington Avenue, 7th Fl., New York, NY 10065.** If the unit owner and the property manager cannot reach an equitable agreement and the unit owner continues to believe the complaint has not been adequately addressed, then the unit owner may file a complaint with the Public Service Commission through the Department of Public Service. Alternatively, unit owner may contact the Department of Public Service at any time concerning submetered service in writing at New York State Department of Public Service, 3 Empire State Plaza, Albany, New York 12223, by telephone at 1-800-342-3377, in person at the nearest office at 90 Church Street, New York, New York 10007, or via the Internet at www.dps.ny.gov

Electric bills from Quadlogic to owner will contain, among other things, the name, address, dates of the present and previous readings, whether estimated or actual, the meter multiplier, amount consumed between present and current readings, the customer's service classification, administrative charge and the amount owed for the latest period. (see attached sample Quadlogic electric bill).

4. You will be afforded rights and protections available to residential energy consumers in New York State under HEFPA, including the ability to file a complaint with the PSC. The nearest office of the PSC

is at: NYS Public Service Commission, 90 Church Street, New York, NY 10007, 212-417-2234, 800-342-3377, www.dps.ny.gov. You may contact the PSC at any time if you are dissatisfied regarding management's response to Your complaint or at any time regarding submetered service.

5. You may request balanced billing for Your electric charges. Balanced billing divides the electric costs into equal monthly payments. Periodically, the balanced billing amounts will be reviewed and adjusted as necessary. At the end of one year, You shall be responsible to pay for any electric costs in excess of the balanced billing amount paid.
6. If You have difficulty paying the electric bill, You may contact the management company for the Building by telephone or by letter in order to arrange for a deferred payment agreement, whereby You may be able to pay the balance owed over a period of time. If You can show financial need, the management company for the Building can work with You to determine the length of the agreement and the amount of each monthly payment.
7. Regardless of Your payment history, the management company and submeterer of the Building will continue electric service if Your health or safety is threatened. When You become aware of such hardship, the management company for the Building can refer You to the Department of Social Services. Please notify the management company for the Building if the following conditions exist:
 - a. **Medical Emergencies.** You must provide a medical certificate from a doctor or local board of health; or
 - b. **Life Support Equipment.** If You have life support equipment and a medical certificate.
8. Special protections may be available if You and/or those living with You are age eighteen (18) or younger or sixty-two (62) and older, blind, or disabled.
9. If You are age sixty-two (62) or older, You may be eligible for quarterly billing for Your electrical charges.
10. You can designate a third party as an additional contact to receive notices of past due balances for your electrical charges.
11. As a residential customer for electricity, You also have certain additional rights assured by HEFPA.
12. You agree that at all times the use of electricity in the Apartment shall never exceed the capacity of existing feeders to the Building or the risers, wiring or electrical installations serving the Apartment. You shall not make any alterations, modifications or additions to the electrical installations serving the Apartment.
13. Owner shall have the right to suspend electric service to the Apartment when necessary by reason of accident or for repairs, alterations, replacements or improvements necessary or desirable in Owner judgment for as long as may be reasonably required by reason thereof and Owner shall not incur any liability for any damage or loss sustained by You or any other occupant of the Apartment as a result of such suspension. Owner shall not in any way be liable or responsible to You or any other occupant for any loss, damage, cost or expense that You or any occupant of the Apartment may incur if either the quantity or character of electric service is changed or is no longer available or suitable for Your requirements or if the supply or availability of Electricity is limited, reduced, interrupted, or suspended by the public utility company serving the Building or for any reason or circumstances beyond the control of Shareholder. Except as may be provided by applicable law, You shall not be entitled to any rent reduction because of a stoppage, modification, interruption, suspension, limitation, or reduction of electric service to the Apartment.

14. If Owner (or its agent) fails to deliver a bill to You for the use of electricity at the Apartment for any given month, then such failure shall not prejudice or impair Shareholder right to subsequently deliver or cause its agent to deliver such a bill to You, nor shall any such failure relieve or excuse You from having to pay such bill, except as may otherwise be provided by applicable law.
15. You may qualify for a rate reduction the equivalent of that which is provided by Con Edison to customers who are enrolled in its low-income program pursuant to its tariff (see P.S.C. No. 10 – Electricity, Thirtieth Revised Leaf No. 202). If you receive benefits under Supplemental Security Income, Temporary Assistance to Needy Persons/Families, Safety Net Assistance, or Food Stamps, or have received a Home Energy Assistance Program grant in the preceding twelve (12) months, please alert a management company representative by phone or in writing and he/she will work with you.

**CONDOMINIUM OFFERING PLAN FOR
ONE WEST END AVENUE CONDOMINIUM**

1 West End Avenue, New York, New York 10023

TOTAL INITIAL OFFERING PRICE OF:
THE 246 TOWER UNITS OFFERED FOR SALE IS \$986,850,000;
THE 93 STORAGE LICENSES OFFERED FOR SALE IS \$2,790,000;
FOR AN AGGREGATE TOTAL INITIAL OFFERING PRICE OF \$989,640,000

(245 Tower Units and 93 Storage Licenses are initially being offered for sale hereunder. One of the Tower Units, anticipated to be Unit 8J, will be sold to the Tower Board for use as the Resident Manager's Unit. The Condominium will also include the following Commercial Units: Rental Unit; Retail Unit; Office Unit 1; Office Unit 2; Office Unit 3; Office Unit 4 and the Garage Unit, all of which are included in the Building, but are not offered for sale hereunder at this time.)

Sponsor

Riverside Center Site 5 Owner LLC
c/o El Ad US Holding, Inc.
575 Madison Avenue, 23rd Floor
New York, New York 10022

Selling Agent

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

Sales Office

555 West 59th Street
New York, New York 10019
(212) 757-0059

Date of Acceptance for Filing: March 20, 2015

The term of the initial offering of this Plan commenced on March 20, 2015 and expires on
March 19, 2016, unless said date is extended in a duly filed amendment.

SEE PAGE (vii) 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.)

PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE CONDOMINIUM BOARD OR THE TOWER BOARD UNDER THE TERMS OF THIS PLAN. (SEE SPECIAL RISKS SECTION OF THE PLAN.)

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

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SPECIAL RISKS TO BE CONSIDERED BY PURCHASERS

1. Control by Sponsor

As used herein, the term "Initial Control Period" refers to the period ending on the later to occur of: (i) the fifth anniversary of the first closing of title to a Tower Unit by Sponsor pursuant to an Option Agreement (the "First Closing"); or (ii) the closing of title to Tower Units representing more than ninety percent (90%), both in number and in aggregate Common Interests, of all Tower Units. **IN LIGHT OF SPONSOR'S UNCONDITIONAL RIGHT TO RENT OR LEASE, RATHER THAN SELL, THE UNITS OFFERED HEREUNDER, THE FOREGOING NINETY PERCENT (90%) CLOSING THRESHOLD MIGHT NEVER BE REACHED AND THE INITIAL CONTROL PERIOD MAY NEVER EXPIRE. AS A RESULT, TOWER UNIT OWNERS MAY NEVER GAIN CONTROL OF THE CONDOMINIUM BOARD OR THE TOWER BOARD.**

2. Riverside Center and Riverside Center Property Owners Association

The Land is one of five contiguous parcels (each, a "Parcel") comprising the site of "Riverside Center," a phased mixed-use development located on the Upper West Side of Manhattan. The Riverside Center site is the southernmost of thirteen (13) blocks comprising the general large-scale development known as Riverside South (as hereinafter defined). All owners of Parcels are members of the Riverside Center Property Owners Association, Inc. (the "RCPOA"), which was formed primarily to assess its members for the cost of operating, maintaining, and repairing the privately owned open space on the site, including certain publicly accessible open space and public access areas (the "RC Public Space and Access"). The RCPOA operates pursuant to the Declaration of Covenants, Conditions and Restrictions of the Riverside Center Property Owners Association, Inc. made by the RC Declarant, dated as of December 18, 2012, and recorded in the City Register's Office on January 25, 2013, as CRFN 2013000034832 (as same may be amended from time to time, the "RCPO Declaration"). The specific purposes and responsibilities of the RCPOA are set forth in the RCPO Declaration. The RCPOA was created and the RCPO Declaration was prepared in accordance with the RC Restrictive Declaration (as defined herein).

The RCPOA is a membership organization, with membership limited to owners of Parcels in Riverside Center. Under the RCPO Declaration, the RCPOA may impose assessments on members to fund the cost of the maintenance, operation, and repair of the RC Public Space and Access. There is no expiration date of the RCPOA; provided, however, that the RCPO Declaration expressly provides that it shall continue in full force and effect in perpetuity unless and until there is an affirmative, unanimous vote by the RCPOA members to terminate the RCPO Declaration and dissolve the RCPOA. Sponsor, as owner the Property, is presently a member of the RCPOA for purposes of the RCPO Declaration. Upon recording of the Declaration, Sponsor's membership status in the RCPOA will be transferred to the Condominium Board. At such time, the Condominium Board shall appoint a member of the Tower Board (the "Vice President for RCPOA Liaison") to attend and represent it at meetings of the RCPOA and to vote on behalf of the Condominium at such meetings. The RCPOA Declaration requires the Condominium Board to assess all assessments imposed by the RCPOA against each Unit as part of the Unit's share of common charges. If the Condominium Board

fails to pay an assessment to the RCPOA, the RCPOA may take action against the Condominium Board generally, or against individual Unit Owners specifically, for their proportionate share of the assessment. Notwithstanding anything to the contrary contained herein, the Rental Unit Owner and Garage Unit Owner shall have no obligation to contribute toward the Condominium's membership assessments to the RCPOA, and such assessments shall be borne by the Tower Units Owners, Retail Unit Owner and Office Unit Owners in accordance with their proportionate share of such assessment.

(See the Sections entitled "Introduction", "Rights and Obligations of the Unit Owners and the Boards of Managers" and "Agreements Binding on the Condominium" in Part I of the Plan for further discussion.)

3. Riverside South and Riverside South Property Owners Association

The Property is part of a development area on the west side of Manhattan, referred to as "Riverside South", that includes nineteen (19) parcels (each, an "RS Development Parcel"). All owners of RS Development Parcels or subdivisions thereof (each, an "RS Development Parcel Owner") are members of the Riverside South Property Owners Association, Inc. (the "RSPOA"). The RSPOA was formed at the start of development of Riverside South, primarily to assess its members for the cost of maintaining and insuring the various park areas (the "Park Areas") contained within Riverside South and to own certain public access areas (the "Public Access Areas") as more particularly described below. Assessments collected from members of the RSPOA to maintain the RS Park Areas are paid to the City of New York Department of Parks and Recreation, which is under contract to perform the physical maintenance of the RS Park Areas, or to another entity holding such maintenance contract. The RSPOA operates pursuant to the Declaration of Covenants, Conditions and Restrictions of the Riverside South Property Owners Association, Inc. made by the then RS Development Parcel Owners in Riverside South, dated as of August 26, 1997 and recorded in the City Register's Office on March 16, 1998 in Reel 2554, Page 552 (as same may be amended from time to time, the "RSPO Declaration"). The specific purposes and responsibilities of the RSPOA are set forth in the RSPO Declaration. The RSPOA was created and the RSPO Declaration was prepared in accordance with the RS Restrictive Declaration (as defined herein). The RSPOA is a membership organization, with membership limited to owners of RS Development Parcels or any tax lots resulting from the subdivision an RS Development Parcel. Sponsor is presently the RS Development Parcel Owner for the Property and a member of the RSPOA for purposes of the RSPO Declaration. Upon recording of the Declaration, such statuses will be transferred to the Condominium Board. At such time, the Condominium Board shall appoint a member of the Tower Board (the "Vice President for RSPOA Liaison") to attend and represent it at meetings of the RSPOA and to vote on behalf of the Condominium at such meetings. There is no expiration date of the RSPOA; provided, however, that the RSPO Declaration expressly provides that it shall continue with full force and effect perpetually unless and until terminated by the affirmative vote of RS Development Parcel Owners whose Parcels represent in the aggregate at least seventy-five percent (75%) of the aggregate class votes attributable to all Parcels at a duly called meeting of such Development Parcel Owners. If the Condominium Board fails to pay its membership assessment to the RSPOA, the RSPOA may take action against the Condominium Board generally, or against individual Unit Owners specifically, for their proportionate share of the assessment.

(See the Sections entitled "Introduction", "Rights and Obligations of the Unit Owners and the Boards of Managers" and "Agreements Binding on the Condominium" in Part I of the Plan for further discussion.)

4. Use Provisions

The Condominium will initially consist of 246 Tower Units; the Rental Unit, comprised of approximately 116 affordable rental apartments; the Retail Unit; four (4) Office Units (referred to as "Office Unit 1", "Office Unit 2", "Office Unit 3" and "Office Unit 4"); the Garage Unit and the Common Elements. Only the Tower Units (and their appurtenant interest in the Common Elements) and Storage Licenses (hereinafter described) are offered pursuant to this offering plan.

A Tower Unit (anticipated to be Unit 8J) located on Floor 8 of the Building will be used as an apartment by the Resident Manager (hereinafter, the "Resident Manager's Unit"). Sponsor reserves the right to use a different Tower Unit as the Resident Manager's Unit, and in such case the purchase price of such different Tower Unit will not increase by more than fifteen percent (15%) of the purchase price of Unit 8J. Sponsor will amend the Plan to disclose if a Tower Unit other than 8J is to be used as the Resident Manager's Unit.

The Tower Units may generally be used only for residential purposes and, subject to compliance with the Declaration, the Condominium By-Laws and the Tower By-Laws, for a lawful home occupation as defined in the Zoning Resolution (a New York City zoning resolution affecting use and occupancy). Tower Unit Owners may, subject to the Tower Board's right of first refusal, rent their Tower Unit pursuant to a lease with a minimum term of one (1) year, in each case. No transient tenant or short-term paying guest (i.e., a tenant or paying guest in occupancy for a period of less than twelve (12) consecutive months) may be accommodated in any Tower Unit, and only an entire Tower Unit may be leased. Residents of the Tower Units thus may be comprised of Tower Unit Owners who reside in the Building, as well as tenants leasing Tower Units from other Tower Unit Owners.

The Storage Bins (as hereinafter defined) may only be used for storage purposes, and in no event may a Storage Bin 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 (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, subject, however, to the provisions of Article 6 of the Tower 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. The Storage Bins will be located on the Subcellar Level of the Building, subject to the right of Sponsor to create new/additional Storage Bins.

The Commercial Units in the Building are divided into the following categories: (i) the Rental Unit, comprised of approximately 116 affordable rental apartments; (ii) the Retail Unit; (iii) four (4) Office Units; and (iv) the Garage Unit. Sponsor makes no representation whatsoever with respect to the uses to which all or any portion of the Commercial 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 "Condominium Board") will have no right to restrict or limit any of the uses of, or alterations in or to, the Commercial 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 Condominium By-Laws.

Subject to compliance with 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 Condominium By-Laws, each Commercial Unit may be used and operated for any legally permitted purpose, including, without limitation, for retail, hotel, restaurant, banking, commercial, office, storage, garage, residential (to the extent the certificate of occupancy is amended to permit such use with respect to Commercial Units other than the Rental Unit), fitness facility and utility purposes (and ancillary uses of any of the foregoing). The Rental Unit will be used for affordable housing purposes (and ancillary uses) (as more particularly described herein) in accordance with the Regulatory Agreement. It is currently anticipated that the Retail Unit will be used for retail purposes (and ancillary uses), the Office Units will be used as professional/medical office space, and the Garage Unit will be used as public parking (and ancillary uses). Sponsor intends for the Rental Apartments to be rented to eligible tenants at rents that will be subject to the Rent Stabilization Law and Code as well as subject to the requirements of the Inclusionary Housing Program and the requirements of the Real Property Tax Law Section 421-a and the rules promulgated thereunder. In the event that Section 421-a benefits are not granted, Sponsor shall have the right to rent the Rental Apartments subject to the income restrictions set forth in the Regulatory Agreement.

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

5. Interim Service Period

Prospective Purchasers are advised that until the later of: (i) twelve months after the First Closing; or (ii) the closing of title to and occupancy of at least fifty percent (50%) of the Tower Units, some of the services and facilities described in the Plan (specifically, some of the elevators, the Great Room, Media Room and Billiards Room, Playroom, Game Room, Catering Kitchen, Kitchen, Dining Room, Fitness Center, (25 Meter)- Swimming Pool, Mens' and Womens' Changing/Locker Rooms and Spa and the Bicycle Storage Room, Storage Bins, a full staff of residential service personnel and access to parking in the Garage Unit) may not be available. However, it is anticipated that at all times after the First Closing, the Tower Lobby (as defined herein) will be attended twenty-four (24) hours a day, seven (7) days a week, and there will be at least one (1) elevator servicing every floor on which there are occupied Tower Units. The interim level of staffing will at all times during this period be commensurate with the levels

of occupancy from time to time and adequate to properly maintain the Building. During such interim service period when full services and/or facilities are not available, the Tower Common Charges payable by the Tower Unit Owners may be reduced accordingly to reflect the corresponding diminished expenses of the Tower Section. IN LIGHT OF SPONSOR'S UNCONDITIONAL RIGHT TO RENT OR LEASE, RATHER THAN SELL, THE UNITS OFFERED HEREUNDER, THE FOREGOING FIFTY PERCENT (50%) CLOSING THRESHOLD MIGHT NEVER BE REACHED AND SUCH SERVICES AND FACILITIES MAY NEVER BECOME AVAILABLE. (See the Section entitled "Description of Property and Improvements" in Part I of the Plan for further discussion.)

6. Purchaser Deposits; Defaults by Purchasers

At the time an option agreement for the purchase of a Tower Unit (an "Option Agreement") is executed, the Purchaser thereunder is required to make a payment in an amount equal to ten percent (10%) of the purchase price set forth therein (the "Initial Deposit"); and an additional payment equal to ten percent (10%) of such purchase price (the "Additional Deposit") shall be due and payable no later than the earlier to occur of: (x) four (4) months after the date of the Option Agreement; or (y) fifteen (15) 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 Option 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 Option Agreement. The Deposit for the purchase of a Storage License is fifteen percent (15%) of the gross purchase price of the Storage 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 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 fifty percent (50%) of the applicable purchase price and will not be required to make an Additional Deposit. The Escrow Account (as defined herein) 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 (as defined herein), the funds in said accounts will be added together with the Deposit held in escrow and the aggregate of all the funds held by the Bank will only be insured up to the \$250,000 FDIC maximum coverage.

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 Option Agreement, and such default is not cured within thirty (30) days after Sponsor gives written notice to such Purchaser of the default, Sponsor, at its option, may cancel such Option 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 Tower 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 Option 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 Tower Unit(s) in question for each day that the closing is adjourned.

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

7. 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 Option Agreement shall not be contingent on the Purchaser obtaining such financing, so that a Purchaser will remain obligated under the Option 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.

Purchasers should further 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 of a Tower Unit to experience difficulty obtaining a loan in the event Sponsor is the owner of a substantial percentage of the Tower Units (e.g., more than fifty percent (50%) or seventy percent (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 ten percent (10%) or more. Further, in the event a Tower Unit Owner seeks to sell its Tower Unit, prospective purchasers may be unable to obtain institutional financing for such purchase as a result of the scenario described herein, regardless of the creditworthiness of the prospective purchaser.

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

8. First Annual Tower Meeting

As more particularly set forth in the Declaration, Condominium By-Laws and Tower By-Laws, a board of managers for the Tower Section (the "**Tower Board**") shall generally have the power and authority to govern the affairs of the Tower Section of the Condominium. During the Initial Control Period, Sponsor will be entitled to designate a majority of the members of the Tower Board (and therefore control such Board).

Until the First Annual Meeting of the Tower Unit Owners (the "**First Annual Tower Meeting**"), the Tower Board shall generally consist of five (5) persons designated by Sponsor from time to time. Until the First Annual Tower Meeting, Sponsor reserves the right to designate fewer than five (5) persons to the Tower Board. The First Annual Tower Meeting shall be held not later than thirty (30) days following the later to occur of: (a) the second anniversary of the

First Closing; or (b) the closing of title to Tower Units representing at least fifty percent (50%) both in number and aggregate Common Interests of all Tower Units to Purchasers; and at such meeting, the incumbent five (5) member Tower Board designated by Sponsor will resign and a new Tower Board, consisting of five (5) members, will be installed, as described below. At meetings of the Tower Unit Owners, Sponsor will have the right to vote all of the Common Interests appurtenant to the Tower Units owned by Sponsor as it sees fit. IN LIGHT OF SPONSOR'S UNCONDITIONAL RIGHT TO RENT OR LEASE, RATHER THAN SELL, THE UNITS OFFERED HEREUNDER, THE FOREGOING FIFTY PERCENT (50%) CLOSING THRESHOLD MIGHT NEVER BE REACHED AND THE FIRST ANNUAL TOWER MEETING MAY NEVER OCCUR.

At elections of members to the Tower Board held at and after the First Annual Tower Meeting, but before the expiration of the Initial Control Period, Sponsor and/or its designee shall have the right to designate four (4) of the five (5) members of the Tower Board, who may be persons related to and/or affiliated with Sponsor, such designee or other Unsold Tower Unit Owners; and Sponsor, such designee and all other Tower Unit Owners shall have the right to elect the remaining one (1) member of the Tower Board who shall not be related to or affiliated with Sponsor, such designee or other Unsold Tower Unit Owners.

At elections of members to the Tower Board held after the expiration of the Initial Control Period, but while Sponsor and/or its designee still owns at least one (1) Tower Unit, Sponsor and/or its designee shall have the right to designate at least one (1) of the five (5) members of the Tower Board, who may be a person related to and/or affiliated with Sponsor, such designee or other Unsold Tower Unit Owners; and Sponsor, such designee and all other Tower Unit Owners shall have the right to elect the remaining members of the Tower Board who shall not be related to or affiliated with Sponsor, such designee or other Unsold Tower Unit Owners. Accordingly, from and after the expiration of the Initial Control Period, at least four (4) of the five (5) members of the Tower Board shall not be designated by or related to or affiliated with Sponsor, its designee or other Unsold Tower Unit Owners; and subject to the foregoing shall be elected by all Tower Unit Owners (including Sponsor, its designee or other Unsold Tower Unit Owner).

Moreover, during the Initial Control Period, the Tower Board may not, without the prior written consent of Sponsor: (i) make any addition, alteration or improvement to the Tower Limited Common Elements or any Tower Unit (unless required by any applicable Legal Requirements); (ii) assess any Tower Common Charges for the creation of, addition to or replacement of all or any reserve, contingency or surplus fund in respect of the Tower Section; (iii) increase or decrease the number of, or change the kind of, employees initially hired for the Tower Section, 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 Offering Plan, except as is required to reflect normal annual increases in operating services; (v) borrow money on behalf of the Tower Section, unless any such borrowing is approved by the owners of Tower Units representing at least seventy-five percent (75%) both in number and aggregate Common Interests of all Tower Units; or (vi) exercise any right of first refusal to lease or purchase a Tower Unit. However, the Tower Board may perform any function or take any action enumerated in

subsections (i) through (v) 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 alternative is available, either to enable the Tower Board to comply with any Legal Requirements, or to remedy any notice of violation entered against the Tower Section, or to comply with any proper work order by an insurer of the Tower Section, or for the health and safety (but not the general comfort or welfare) of the occupants of the Tower Section.

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

In addition, because Sponsor reserves the unconditional right to rent or lease Units, there is no commitment to enter into Agreements for more Tower Units than the fifteen percent (15%) of such Units necessary to declare the Plan effective and, accordingly, Tower Unit Owners may never gain effective control and management of the Condominium and/or Tower Section, and the First Annual Tower Meeting may never occur.

The powers and duties necessary for or incidental to the administration of the affairs of the Condominium will be vested in the Condominium Board. All five (5) of the members of the Tower Board shall also serve as the Tower Section's five (5) designees to the seven (7) member Condominium Board. The Commercial Unit Owners shall have the right to designate the remaining two (2) of the seven (7) members of the Condominium Board, as more particularly described herein. Thus, during the Initial Control Period, Sponsor will also control the Condominium Board. In the event that prior to the First Annual Tower Meeting Sponsor designates fewer than five (5) persons to the Tower Board, such designees shall collectively hold five (5) of the seven (7) votes on the Condominium Board (in addition to the votes of any representatives of the Commercial Unit Owners serving on the Condominium Board who were designated by Sponsor as the owner of a Commercial Unit, as applicable).

Therefore, during this Initial Control Period Sponsor will be able to control the maintenance and operation of, and services to be provided to, the Condominium and the Tower Section; provided, however, that any changes made by Sponsor to Schedule B - "Projected Budget for First Year of Condominium Operation" set forth in the Plan 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.

(See the Sections of the Plan entitled "Control By Sponsor", "The Tower Board" and "The Condominium Board" in Part I of the Plan for further discussion.)

9. Delay in Collection of Common Charges

Sponsor shall have the right, in its sole and absolute discretion, to cause the Tower Board to waive the collection of some or all of the Tower Common Charges from Tower Unit Owners

for a period of time prior to full occupancy of the Building (the "Waiver Period"); provided, however, that Sponsor shall be solely responsible for payment of all remaining expenses to operate the Tower Section during the Waiver Period (the "Operating Expenses"). In connection with the Waiver Period, (i) Sponsor will disclose the implementation of such Waiver Period in the amendment to the Plan disclosing the occurrence of the First Closing; (ii) Sponsor shall file an amendment to the Plan disclosing the expiration of the Waiver Period at least thirty (30) days prior to such expiration; (iii) that during any such Waiver Period, Sponsor will timely pay all expenses of the Condominium, including but not limited to insurance premiums and any reserve fund payments required by lenders to the extent otherwise included in Schedule B - "Projected Budget for First Year of Condominium Operation"; (iv) upon the commencement of the collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium; and (v) Sponsor shall remain obligated to update the budget for the Condominium, as provided in the Condominium Documents.

10. Condominium Board

The Condominium Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium. Subject to such authority of the Condominium Board, generally, but subject to the Declaration, Condominium By-Laws and Tower By-Laws provisions governing the same, all determinations which affect only the Tower Section and do not adversely affect any of the Commercial Units, Commercial Unit Owners or the General Common Elements shall be made by the Tower Board. Any dispute between the Tower Board and the Condominium Board as to which entity shall be entitled to make any determination shall be settled by arbitration in the manner provided in the Condominium By-Laws. As more fully set forth (and except as may otherwise be provided) in the Condominium By-Laws, all determinations required to be made by the Condominium Board shall be by majority of the votes cast at any meeting at which a quorum is present.

The Condominium Board shall be comprised of seven (7) members: five (5) members designated by the Tower Board; one (1) member designated by the Rental Unit Owner; and one (1) member designated by the Commercial Unit Owners other than the Rental Unit Owner pursuant to the Condominium By-Laws. As a result, neither the Rental Unit Owner nor the Commercial Unit Owner members of the Condominium Board will ever control a majority vote thereon, and the Tower Section (which will initially and may thereafter be controlled by Sponsor or affiliates of Sponsor) will control a majority of the votes on the Condominium Board. Moreover, it is initially intended that Sponsor may own one (1) or more Commercial Units and may, in such capacity, have the right to designate additional members to the Condominium Board in addition to the rights reserved to Sponsor with respect to the election and/or designation of members of the Tower Board. Tower Unit Owners shall not be entitled to vote in their individual capacities as Unit Owners at any meeting of the Condominium Board. (See the Section of the Plan entitled "The Condominium Board" in Part I of the Plan for further discussion.)

11. Additional Building Work

Construction in general is a complicated process which requires the coordination of numerous concurrent tasks, contractors and suppliers and the balancing of complex mechanical

and architectural systems, all of which is subject to unanticipated delays and difficulties and necessarily involves noise, disruption 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 Tower 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 Tower Unit Owners within their Tower Units (to perform custom renovations, etc.); and (iii) the Commercial 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 construction, fitting out of, and moving into, the Tower Units and other portions of the Building from time to time. Various systems, including, but not limited to, water supply, air conditioning, heating, cooling, gas, electric, ventilating and other systems, and elevators, may require more than a year after any particular Tower Unit closing to complete and may be disrupted temporarily and from time to time (systems constituting Common Elements may require more than a year after any particular Tower Unit closing to complete, but all systems within a Tower Unit that must be completed as a requirement for the issuance of a temporary Certificate of Occupancy covering such Tower Unit will be functioning at the time of closing). Elevators and personnel may be taken out of service and diverted to facilitate construction and exterior hoists 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 and/or tenants of such Units. Various other adjustments, to windows and elevators and other systems, may require eighteen (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 Tower Unit Owners may not be available until such other portions of the Building are completed and fully operational. Sponsor shall have no liability whatsoever in the event these services are delayed, not made available, or discontinued or disrupted. Further, the Boards and/or Sponsor may refuse to permit a Tower Unit Owner to perform alterations in a Tower 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 Boards 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.

Based upon the Sponsor's construction schedule anticipated as of the initial filing of this Plan, Sponsor presently 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 construction of the Building will be sufficiently completed to permit closings of title to Tower Units to begin on or about October 1, 2016. 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 Tower Unit or otherwise be relieved from any obligations under the Option 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 (6) months or more, Sponsor will amend the Plan to include a revised Condominium budget with current projections and if: (i) such amended budget exceeds the projected Condominium budget set forth herein by twenty-five percent (25%) or more; or (ii) the First Closing does not occur within twelve (12) months after October 1, 2016, the date set forth in Schedule B – "Projected Budget for First Year of Condominium Operation" as the commencement date for the projected First Year of Condominium Operation, then in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Option Agreements, if the Plan has been declared effective) the right to rescind their Option Agreements within not less than fifteen (15) days after the presentation date of the amendment containing such revised budget or after such twelve (12) month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their 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 offered hereunder will take place prior to the Plan being declared effective.

12. Rental Unit; Rental Apartments; Rent Stabilization; Inclusionary Housing

The Rental Unit, located principally on portions of the Subcellar Level through Rental Unit Floor 7, will be operated as a rental apartment building segment with 116 affordable rental apartments located on portions of Rental Unit Floors 2 through 7 of the Building (each, a "Rental Apartment") and collectively, the "Rental Apartments").

All Units in the Condominium are located within the Building. However, the Rental Unit, which contains the Rental Apartments that Sponsor intends to develop pursuant to the requirements of the City's Inclusionary Housing Program and which are intended to be affordable for the life of the Building, is considered by the Zoning Resolution to be located in a separate "building segment". To qualify as a "building segment", Section 12-10 et. seq. of the Zoning Resolution requires that a separate entrance serving only the dwellings within that segment be provided. Accordingly, the Rental Unit has its own entrance, which will be located on the Ground Floor (the "Rental Lobby") on Freedom Place South to be used by occupants of the Rental Unit. The Rental Lobby will provide access to the elevators (and surrounding area) solely servicing the Rental Unit. As more particularly described herein, all floor numbers referenced in this Plan refer to the floors in the Building other than within the Rental Unit. To the extent a floor within the Rental Unit differs from the floor designations elsewhere in the Building, it is referred to in this Plan as "Rental Unit Floor ___". Purchasers should refer to the

Description of Property and Specifications set forth as Exhibit 4 in Part II of the Plan, and the Floor Plans set forth in Exhibit 5 in Part II of the Plan for further details.

The amenities in the Building (including, without limitation, the Great Room, Media Room and Billiards Room, Playroom, Game Room, Catering Kitchen, Kitchen, Dining Room, Fitness Center, (25 Meter)- Swimming Pool, Mens' and Womens' Changing/Locker Rooms and Spa and the Bicycle Storage Room) are for the sole and exclusive use of the Tower Unit Owners and their guests. Other amenities, including a fitness center, bicycle storage room, children's playroom, tenant storage room and laundry room, are located in the Rental Unit for the sole use of the Rental Unit tenants and their guests.

The Rental Apartments will be rent-stabilized apartments under the Rent Stabilization Law and Code, as required by the Regulatory Agreement. Purchasers are advised that during any period in which a Rental Apartment is governed by the Rent Stabilization Law and Code (any such period, a "Rent Stabilization Period"), absent the prior written consent of the Rental Unit Owner, which consent may be withheld by the Rental Unit Owner in its sole discretion, neither the Condominium Board nor the Tower Board may make any determination or take any action that constitutes a Decrease in Service, as same may be finally determined by New York State Homes and Community Renewal or any successor agency thereof ("HCR"), the New York State Division of Housing and Community Renewal or any successor agency thereof ("DHCR") or a court of competent jurisdiction. As used in this Plan, "Decrease in Service" means, during any Rent Stabilization Period, the failure to maintain any essential or required service in the Rental Apartments), which results, or could potentially result, in the issuance by HCR or DHCR under the Rent Stabilization Law and Code, of a rent reduction order with respect to a Rental Apartment. The foregoing shall not include a de minimis decrease in service as listed in any policy statement issued by HCR or DHCR from time to time.

Sponsor is required to develop the Building pursuant to the requirements of the City's Inclusionary Housing Program as set forth in Section 23-90 et. seq. of the New York City Zoning Resolution. In connection therewith, Sponsor and the New York City Department of Housing Preservation and Development ("HPD") entered into a Regulatory Agreement that governs the use and occupancy of the Rental Apartments and imposes certain restrictions on the amount of Common Charges that can be charged by the Board to the Rental Unit. Such Regulatory Agreement includes provisions requiring the 116 affordable Rental Apartments to remain affordable to households within a prescribed income range for the life of the Building. As of the filing date of this Plan, Sponsor shall be required to rent forty-three (43) of the 116 affordable Rental Apartments to persons with a household income of not more than eighty percent (80%) of the area median income for the New York City Metropolitan Area ("AMI") and seventy-three (73) of the 116 affordable Rental Apartments to persons with a household income of not more than sixty percent (60%) of AMI. The requirement to rent seventy-three (73) Rental Apartments to persons with sixty percent (60%) of AMI shall be in effect for the Affordability Period (as defined below), and upon a vacancy of a sixty percent (60%) of AMI household, Sponsor and any successors and/or assigns, will be required to rent such seventy-three (73) Rental Apartments, for the life of the Building, to persons with a household income of not more than eighty percent (80%) of AMI, pursuant to the requirements of the Inclusionary Housing Program. The Regulatory Agreement provides that each deed for the first conveyance of a Tower Unit shall provide that such Tower Unit is subject to the Regulatory Agreement as

recorded against the underlying tax lot for such Unit. A copy of the Regulatory Agreement is set forth as Exhibit 13 in Part II of the Plan.

(See the Special Risk entitled “Partial Exemption from Real Estate Taxes”, the Sections of the Plan entitled “Notes to Schedule A” and “Partial Real Estate Tax Exemption (Section 421-a)”, and the Subsection entitled “Regulatory Agreement” in the Section entitled “Agreements Binding on the Condominium”, in Part I of the Plan for further discussion.)

13. Amenity Terrace and Private Terrace

An amenity terrace (the “Amenity Terrace”) is anticipated to be located on the western portion of the roof of the Rental Unit. The Amenity Terrace shall be designated as a General Common Element for use by Tower Unit Owners, as well as residents of the Rental Unit. The Tower Section shall be solely responsible for the cost to maintain the Amenity Terrace.

A private terrace (the “Private Terrace”) is anticipated to be located on the southwestern portion of the roof of the Rental Unit. The Private Terrace shall be designated as a General Common Element. Tower Unit Owners and residents of the Rental Unit shall be required to reserve the Private Terrace in order to use this space. The Condominium Board shall establish guidelines for making such reservation through the Managing Agent in advance of any intended use of the Private Terrace. Use of the Private Terrace shall be subject to a usage cost to be determined by the Condominium Board. Such usage cost shall be budgeted into Tower Common Charges for Tower Unit Owners. The Tower Section shall be solely responsible for the cost to maintain the Private Terrace.

14. Partial Exemption from Real Estate Taxes

Sponsor intends to apply to the City of New York for real estate tax benefits for the Property pursuant to NYS Real Property Tax Law (“RPTL”) Section 421-a (“Section 421-a”). As the Property is located in the Geographic Exclusion Area (as defined under RPTL), Sponsor intends to qualify the Property for such real estate tax benefits by setting aside seventy-three (73) of the 116 affordable Rental Apartments in the Condominium for low income households under Section 421-a. In the event the Property is granted Section 421-a benefits, Sponsor would, as required by HPD, enter into a 421-a Restrictive Declaration with HPD. The 421-a Restrictive Declaration will provide, *inter alia*, that if such seventy-three (73) Rental Apartments are rented by Sponsor, the eligible tenants shall be persons with a household income of not greater than sixty percent (60%) of AMI (“60% AMI Households”). The 421-a Restrictive Declaration will also provide that such Apartments shall be rented to sixty percent (60%) AMI Households for a period of thirty-five (35) years from the issuance of a Temporary Certificate of Occupancy for such Rental Apartments plus the duration of any Rental Apartment tenancies in existence at the end of such thirty-five (35) year period (the “Affordability Period”). All leases must be registered with the DHCR, with properly drafted 421-a riders, as rent stabilized until the end of the Affordability Period. Upon the expiration of the Affordability Period and upon vacancy of a sixty percent (60%) of AMI household, Sponsor, and any successors and/or assigns, will be required to rent such seventy-three (73) Rental Apartments, for the life of the Building, to persons with a household income of not more than eighty percent (80%) of AMI, pursuant to the requirements of the Inclusionary Housing Program.

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 TOWER UNITS OR THE AMOUNT OF REAL ESTATE TAXES PAYABLE AT ANY TIME BY ANY TOWER 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 421-a Tax Counsel offers any opinion with respect to the eligibility of the Tower Units for Section 421-a benefits. If, for any reason the application is not approved by HPD, the Tower 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.

In the event that Section 421-a benefits are not granted, Sponsor shall have the right to rent the Rental Apartments subject to the income restrictions set forth in the Regulatory Agreement.

(See the Special Risk entitled "Rental Unit; Rental Apartments; Rent Stabilization; Inclusionary Housing" and the Sections of the Plan entitled "Notes to Schedule A" and "Partial Real Estate Tax Exemption (Section 421-a)" in Part I of the Plan for further discussion.)

15. Resident Manager's Unit

Unit 8J 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 fifty-one percent (51%) of the Tower Units offered hereunder, Sponsor will sell the Resident Manager's Unit to the Tower Board. Based on a total expense of \$2,579,363.41 (a Purchase Price of \$2,500,000 plus \$79,363.41 in closing costs), in respect of such Resident Manager's Unit, at the Closing to each Tower Unit, the Purchaser thereof, as a closing cost of such Purchaser's Tower Unit, will be required to make a payment (each such payment, an "RMU Payment", and collectively, the "RMU Payments") to the Tower Board in an amount equal to such Purchaser's pro-rata share of the Purchase Price of the Resident Manager's Unit plus closing costs as aforesaid determined in proportion to their respective Common Interests, as set forth on Schedule A - "Purchase Prices and Related Information." The RMU Payment must be paid by bank check or Purchaser's personal certified check payable to the Tower Board and the same shall be separate from the Working Capital Fund contribution otherwise required of each Purchaser. The Tower Board shall hold the RMU Payments in an account (the "RMU Payment Account") separate from the Working Capital Fund. Sponsor reserves the right to use a different Tower Unit as the Resident Manager's Unit, and in such case the purchase price of such different Tower Unit will not increase by more than fifteen percent (15%) of the purchase price of Unit 8J. Closing costs incurred in connection with the transfer of the Resident Manager's Unit will be paid from the Working Capital Fund to the extent the RMU Payment Account has insufficient funds.

ALTHOUGH THE CLOSING OF TITLE TO THE RESIDENT MANAGER'S UNIT IS ANTICIPATED TO OCCUR ON OR PRIOR TO THE CLOSING OF TITLE TO FIFTY-ONE PERCENT (51%) OF THE TOWER UNITS OFFERED HEREUNDER, AT CLOSING EACH

PURCHASER OF A TOWER UNIT WILL BE REQUIRED TO MAKE THE RMU PAYMENT TO THE TOWER BOARD. Sponsor shall file an amendment to the Plan disclosing the sale of the Resident Manager's Unit promptly after the same has occurred.

The RMU Payments shall be held in the RMU Payment Account. At the Closing of title to the Resident Manager's Unit, the Tower Board shall use the RMU Payments to pay for a portion of the Purchase Price thereof. If insufficient working capital exists at such time in the Tower Board's account, the portion of the Purchase Price not covered by the RMU Payments (the "RMU Balance") will be payable by a promissory note (the "RMU Note") which will mature three (3) years after the closing on such Resident Manager's Unit. The Tower Board will not be responsible for payment of interest in connection with the RMU Note. The principal balance shall be payable in full to Sponsor by the Tower Board out of the Working Capital Fund at the time of maturity (i.e., three (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 Tower 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 first lien on the Resident Manager's Unit. 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 Tower Board, in order to repay the purchase money note, may be required to assess all Tower Unit Owners in proportion to their respective Common Interests.

In the event the Tower Board defaults under the note, including, but not limited to a default as the result of the Tower Board's failure to pay the balance of the purchase money note due at maturity, Sponsor 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 Tower Unit Owners could be liable for the deficiency. In the event of such a foreclosure, the Tower Board 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 Tower 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 Tower 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 Tower 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 also no guaranty that the Resident Manager will be residing in the Building at the time of closing of any particular Tower 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 Tower Board at all times.

(See the Sections entitled "Introduction" and "Schedules and Notes" – Schedule B in Part I of the Plan for further discussion.)

16. RC Public Space and Access; Freedom Place South

Pursuant to the RC Restrictive Declaration, Riverside Center includes publicly accessible open space, consisting of publicly accessible passive recreation space (the "RC Public Space"); two privately owned public access easement areas that are required to be improved and operated as extensions of West 60th Street and Freedom Place South (the "RC Public Access Areas"); and public access easement areas located along the perimeter of the site, adjacent to 61st Street, 59th Street, the extension of Riverside Boulevard, and West End Avenue, that are required to be improved and operated as widened portions of the adjacent sidewalks (the "RC Perimeter Sidewalk Enlargements") (the RC Public Space, RC Public Access Areas, and RC Perimeter Sidewalk Enlargements, collectively, the "RC Public Space and Access").

The construction of the RC Public Space and Access is phased; each owner of a Parcel is required to construct the RC Public Space and Access located on its Parcel in connection with the development of the building on that Parcel, and to thereafter perform all required capital repairs and capital maintenance on such RC Public Space and Access. Upon the substantial completion of the RC Public Space located on a Parcel, the City is granted a non-exclusive easement, for the benefit of the public, for the purposes of passive recreational use by the general public and emergency services access. Upon the substantial completion of the RC Public Access Area and RC Perimeter Sidewalk Enlargements located on a Parcel, the City is granted a non-exclusive easement, for the benefit of the public, for the purposes of pedestrian and vehicular access over such areas. The owner is required to construct and maintain the RC Public Access Areas and RC Perimeter Sidewalk Enlargements located on its Parcel in accordance with New York City Department of Transportation standards and specifications, as though they were a public street. In the case of the Property, the RC Public Space and Access includes the portion of Freedom Place South located between the northern boundary of West 59th Street and the southern boundary of the West 60th Street RC Public Access Area, as well as an RC Perimeter Sidewalk Enlargement adjacent to West 59th Street. As Sponsor owns only the Property, Sponsor does not represent or warrant if and when construction of all or any portion of the RC Public Space and Access located on Parcels other than the Property will be built, or if built, when construction will commence or be completed.

Pursuant to the RS Restrictive Declaration (as defined herein) and the Mapping Agreement (as defined herein), the RS Development Parcel Owners are obligated to construct certain streets in Riverside South. It is anticipated, but not represented or guaranteed, that the City of New York will accept dedication of these streets, sections of which are adjacent to RS Development Parcels and Riverside Center Parcels other than the Property, after the streets are constructed. If the City of New York does not accept dedication of one or more these streets, they will continue to be owned by Hudson Waterfront Associates, L.P. ("HWA"), or an affiliate thereof, which will be responsible for maintenance and repair of, and removal of snow from, such streets. Purchasers are advised that HWA may, at its option, charge the Condominium for its pro-rata share of the real estate taxes, if any, payable with respect to the streets, based on the percentage interest of the Condominium in HWA, and until such time that the City of New York accepts dedication of the streets, the Condominium reserves the right to charge Unit Owners for any such costs in proportion to their respective Common Interests. However, inasmuch as the City is obligated under the Mapping Agreement to accept dedication of the streets once they are

substantially completed, Sponsor believes, but does not warrant or represent, that the City's failure to accept dedication of the streets is only a remote possibility.

(See the Section entitled "Introduction" in Part I of the Plan for further discussion.)

17. Riverside South Park Areas

The Riverside South project anticipates development of an approximately 24 acre riverfront park, extending the existing Riverside Park from 59th Street to 72nd Street ("Riverside Park South"), as well as including additional park area in the "Southern Open Space", the park area at the southern end of Riverside South to the east of Freedom Place South.

Riverside Park South and the Southern Open Space are RS Park Areas. The RS Park Areas are being developed in phases. The Southern Open Space, Phase I, Phase II, Phase III, Phase IV and the playground included in Phase V have been completed. The balance of Phase V, as well as proposed Phases VI and VII, of the RS Park Areas remain to be built. Each RS Development Parcel Owner in Riverside South is obligated pursuant to the RS Restrictive Declaration and Operating Agreement to pay a defined portion of the cost of construction of the RS Park Areas in conjunction with the development of that RS Development Parcel Owner's RS Development Parcel to a designated party responsible for building the RS Park Areas. As Sponsor owns only the Property, Sponsor makes no representation as to any future development of RS Development Parcels in Riverside South and the requisite appurtenant RS Park Areas other than to confirm that Sponsor intends to contribute or cause to be contributed all payments, if any, required to be contributed by the owner of the Land toward construction of the RS Park Areas.

As of the date of this Plan, the RS Declarant and the City of New York have approved as to form a Sixth Modification to Restrictive Declaration (the "Sixth Modification"), the execution of which would modify the design and phasing of the RS Park Areas by replacing Phases V, VI and VII with new Phases V and VI and by allocating responsibility for the construction of new Phase V to the New York City Department of Parks and Recreation. The execution of the Sixth Modification is pending the approval of certain governmental agencies, including the New York State Department of Transportation. Sponsor makes no representation regarding the likelihood that the Sixth Modification to Restrictive Declaration will be finally approved and executed, in either its current or a revised form. Accordingly, Sponsor does not represent or warrant that all or any portion of the remaining RS Park Areas will be built, or if built, when construction will commence or be completed.

Purchasers are advised that costs incurred by the Condominium for maintenance, operating and insuring the RS Park Areas will be borne by the Tower Units Owners, Retail Unit Owner and Office Unit Owners in accordance with their proportionate share of such assessment.

(See the Sections entitled "Introduction" and Note 15 in the "Notes to Schedule B") in Part I of the Plan for further discussion.)

18. Parcel 2 Public School

Pursuant to the RC Restrictive Declaration (as hereinafter defined), before temporary or permanent certificates of occupancy are issued for more than 938 residential units in Riverside Center, the owner of Parcel 2 of Riverside Center is required to complete construction of, and deliver to the New York City Construction Authority, the core and shell for a public school within the building on Parcel 2 (the "Parcel 2 School Obligation"). Depending on the order in which the Riverside Center Parcels are developed, and the number of residential units within each such development, the use and occupancy of some or all of the Tower Units may be restricted until the Parcel 2 School Obligation is satisfied. As Sponsor owns only the Property, Sponsor does not represent or warrant if and when the owner of Parcel 2 will satisfy the Parcel 2 School Obligation.

19. Miller Highway (a/k/a West Side Highway)

The West Side Highway (the elevated portion of which between 59th Street and 72nd Street is also known as the Miller Highway) is located between the Property and the Hudson River. Under the RS Restrictive Declaration and other applicable documents as currently written, the West Side Highway may be relocated by the City of New York, subject to federal, state and local government approvals, to a point closer to the Property, but such relocation may be underground (i.e., a covered roadway) under Riverside Boulevard and portions of the future RS Park Areas. Sponsor makes no representation or warranty as to if or when the City of New York will exercise its right to cause the relocation of the Miller Highway, or whether the necessary approvals will be granted, or how close to the Property the Miller Highway will be if it is relocated. (See the Section entitled "Agreements Binding on the Condominium" in Part I of the Plan for further discussion.)

20. 59th Street Generating Station

A steam and power generating facility is operated by Consolidated Edison Company of New York, Inc. (the "59th Street Generating Station") on the block bounded by 11th and 12th Avenues and West 58th and West 59th Streets. Pursuant to the RC Restrictive Declaration (as herein defined), certain modifications have been made to, and certain operating limits imposed on, the 59th Street Generating Station. AKRF, INC., an environmental consultant who has studied that site, has advised in that certain Memorandum dated February 24, 2015 (which is set forth as Exhibit 14 in Part II of the Plan) that no significant air quality impacts would be predicted on the Property from the 59th Street Generating Station. (See the Section entitled "Introduction" in Part I of the Plan for further discussion.)

21. Prohibition Against Advertising

Purchasers are prohibited from listing their Tower Units for resale with any broker or otherwise advertising, promoting or publicizing the availability of their Tower Units for sale prior to the closing of title thereto. Any such listing of its Tower Unit or form of advertising, promotion or publicizing of the Tower Unit by a Purchaser or its agents or representatives prior to such Closing date shall be an Event of Default (as defined in the Option Agreement) under such Purchaser's Option Agreement, entitling Sponsor to remedies set forth therein. In addition,

Purchaser may not and shall not advertise, list or sell its Tower Unit for twelve (12) months after the acquisition of its Unit (i.e., the transfer of title by Sponsor to Purchaser). Any such conveyance in violation of the foregoing will be voidable by Sponsor, and shall be an Event of Default under such Purchaser's Option Agreement.

22. 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 Tower Units. Sponsor represents that it has the financial resources to pay such amounts with respect to the Unsold Tower 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.)

23. Sponsor's Right to Lease Unsold Tower 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. As a result, a 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, because Sponsor reserves the unconditional right to rent or lease Units, there is no commitment to enter into Agreements for more Tower Units than the fifteen percent (15%) of such Units necessary to declare the Plan effective and, accordingly, Tower Unit Owners may never gain effective control and management of the Condominium and/or Tower Section, and the First Annual Tower Meeting may never occur. (See the Sections entitled "Introduction", "Procedure to Purchase" and "Rights and Obligations of Sponsor" in Part I of the Plan for further discussion.)

24. Changes in the Commercial Units

Sponsor and any successor Commercial Unit Owner will have the right to alter, divide, subdivide and combine portions of its Units subject to the provisions of all applicable Legal Requirements, the Declaration and Condominium By-Laws. Sponsor and any successor Commercial Unit Owner will have the right to use such Unit for any legal purpose. (See the Section entitled "Commercial Units" in Part I of the Plan for further discussion.)

25. 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 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 one percent (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 currently \$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 one percent (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.

In addition to the New York City Real Property Transfer Tax, New York State Real Estate Transfer Tax and Mansion Tax, Purchaser shall also pay at Closing any tax (for example, without limitation, a pied-a-terre tax) payable by either a transferor or transferee that may be imposed by New York City or New York State (an "Additional Tax") after the date of this Plan on transactions for the sale of residential condominium units. Sponsor will amend the Plan to disclose any Additional Tax if any of the same is adopted. Notwithstanding the foregoing, Purchaser will not be liable for any Additional Tax not disclosed in the Plan prior to its Closing, although the adoption of any such tax and its inclusion in the Plan shall not give rise to any right of rescission or recourse of any kind.

(See the Sections entitled "Procedure to Purchase" and "Unit Closing Costs and Adjustments" in Part I of the Plan for further discussion.)

26. No Reserve Fund/Working Capital Fund

Other than as set forth in Schedule B, no reserve fund is being established for the Condominium. Sponsor has elected not to provide for such a reserve fund for capital replacements or repairs, because the Building will be newly constructed. The Boards, each in its discretion, and subject to certain restrictions contained in the Condominium By-Laws, may decide in the future to create a reserve fund by special assessment or by increases in Common Charges. A Working Capital Fund will be established through payments made therefor by each Tower Unit Purchaser to the Tower Board at Closing to be held or used for working capital and for such other appropriate purposes as the Tower Board may determine. (See the Section entitled "Working Capital Fund" in Part I of the Plan for further discussion.)

Purchasers are advised that certain reserves are being established in connection with the Regulatory Agreement. (See the Subsection entitled "Regulatory Agreement" in the Section entitled "Agreements Binding on the Condominium" in Part I of the Plan for further discussion.)

27. Real Estate Taxes

The estimated real estate taxes payable in respect of each Tower Unit were calculated based on estimates provided by Sponsor's real estate tax attorney with respect to anticipated assessed values and applicable tax rates for the projected First Year of Condominium Operation

for the Tower Units in the aggregate, and then among the Tower Units on the basis of their Tower Common Interest. Upon determination of individual tax lots and individual assessments for the Units, the New York City tax authorities may allocate taxes among the Units on some other basis or some other basis as among groupings of such Units other than 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 attorney 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 Sections entitled "Schedules and Notes" – Schedule A and "Real Estate Taxes" in Part I of the Plan for further discussion.)

Until the Units are separately assessed, each Tower Unit Owner will pay a share of the Property's real estate taxes for the period in question calculated on the basis of such Unit's Common Interest. The Tower Board will pay (or cause to be paid) such real estate taxes timely to the Department of Finance of The City of New York, or directly to Sponsor if Sponsor has paid such taxes, so that no lien will be placed on any portion of the Tower Section or on any Tower Unit. If Sponsor fails to pay real estate taxes attributable to any Unsold Tower Unit in a timely manner and as a result of such failure a lien is placed on the Tower Section and/or any other Unit, Sponsor will immediately cause such lien to be removed at its sole cost and expense. If Tower Unit Owners fail to pay their pro-rata share of real estate taxes as set forth above, the Tower Board will be entitled to assess late charges and/or place a lien on their Units as if such unpaid share were Tower Common Charges. (See the subsection entitled "Collection and Lien for Non-Payment of Common Charges" in the Section entitled "Rights and Obligations of the Unit Owners and the Board of Managers" in Part I of the Plan for further discussion.) A Unit Owner will not be responsible for the payment of, and will not be subject to any lien arising from the non-payment of real estate taxes assessed against any other Units. At such time as a Unit is separately assessed and separate tax bills are issued, the Unit Owner will pay such taxes directly to the taxing authority.

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

28. 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 office of Kramer Levin Naftalis & Frankel LLP ("Sponsor's Counsel"), in connection with the closing of title to such Purchaser's Unit: (i) the sum of \$3,750 per Unit as a closing fee in connection with the closing of title to the Purchaser's Unit, and for each issuance of a Storage License, the sum of \$500 as a fee in connection with processing the issuance of such Storage License; (ii) if the Purchaser requests the closing to occur other than at the offices of Sponsor's Counsel (or such other place as Sponsor may designate in its closing notice) and Sponsor consents to such change (in its sole discretion), an attendance fee of \$500

(closings may not be scheduled to occur outside Manhattan); (iii) if the closing is adjourned through no fault of Sponsor, an additional fee of \$700 for each such adjournment to help defray the cost of preparing for and coordinating the new closing; (iv) if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Option Agreement, or for the addition, deletion or substitution of names on the Option Agreement, a fee of \$800, payable in advance, for preparation of an assignment agreement; (v) \$250 for the preparation of ACRIS transfer documents required by the City of New York; (vi) if Purchaser obtains mortgage financing, an additional fee of \$750 to Sponsor's Counsel to defray the additional costs associated therewith. Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single Unit; and (vii) Purchaser shall pay Sponsor's Counsel the sum of \$600 in connection with the consideration, review and processing of any agreement of exchange or the like which Sponsor is requested to execute in connection with any tax deferred exchange under §1031 of the Internal Revenue Code. Other additional charges may apply. At Sponsor's option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor's Counsel shall be paid by Purchaser prior to closing upon notice to Purchaser. (See the Section entitled "Unit Closing Costs and Adjustments" in Part I of the Plan for further discussion.)

29. 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. Unless caused by a violation of an applicable code with regard to the ventilation system or other applicable code, there is no warranty as to odors. Unless caused by a code violation, there is no warranty with respect to mold, mildew, spores, fungi or other toxins.

Notwithstanding the foregoing, Sponsor is obligated to complete construction of the Building substantially in accordance with the provisions of this Plan, all applicable Legal Requirements, and the Description of Property and Specifications as set forth as Exhibit 4 in Part II of the Plan. Any conflict between the disclaimer in this Special Risk and Sponsor's obligations described herein shall be resolved in favor of the latter. (See the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further discussion.)

30. Insurance

Neither the Condominium Board, nor the Tower Board, as the case may be, is 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 Tower Unit Owners are required to obtain and maintain: (i) 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 and the Limited Common Elements, if any, exclusive and/or appurtenant to his or her Unit affording protection of at least \$1,000,000 per occurrence. Further requirements with respect to

such insurance are more particularly set forth in the Tower By-Laws. In addition, all Tower Unit Owners are urged to obtain casualty insurance with respect to any and all additions, alterations, improvements and betterments located within their respective Units (including, without limitation, fixtures, equipment, furniture, furnishings and any other personal property). Purchasers are also advised that the insurance policies to be maintained by or on behalf of the Condominium Board and/or Tower Board, as the case may be will be on a "replacement cost" basis and will not cover losses to the extent that "market value" of a Unit may exceed its insured replacement cost. Further, as a result of current fluctuations in the insurance market, the Boards 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 applicable By-Laws. (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.)

31. Waiver of Diplomatic or Sovereign Immunity

Purchasers will be required to waive expressly any and all immunity from suit by Sponsor, the Condominium Board and/or the Tower Board, as applicable. 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 Tower Board an amount equal to two (2) 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.)

32. Certificate of Occupancy

If, as of the First Closing, only a temporary Certificate of Occupancy has been issued for the Building, 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 the Building 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 new permanent Certificate of Occupancy for the Building has been issued. Prospective Purchasers are advised that a permanent Certificate of Occupancy is required for permanent use of the Building, and that a temporary Certificate of Occupancy may be renewed only for a total of two (2) years from the first date of issuance.

A temporary Certificate of Occupancy indicates that a property is safe for occupancy, but has an expiration date. Temporary Certificates of Occupancy typically expire ninety (90) days after they are issued. When a Certificate of Occupancy expires and is not renewed, it may be difficult or impossible to buy insurance or sell or refinance a Unit. If purchasing a Unit covered by a temporary Certificate of Occupancy, Purchasers should consult a licensed architect or engineer to determine what work has to be done in order for the Building to receive a permanent

Certificate of Occupancy. Purchasers are advised to visit the Department of Buildings website for further recommendations when purchasing a Unit that does not have a permanent Certificate of Occupancy.

The Building will be occupied before a permanent Certificate of Occupancy for the Building is issued. Accordingly, a "Tenant Protection Plan" will be implemented. A copy of the "Tenant Protection Plan" will be distributed to each occupant of a Rental Apartment and/or Tower Unit Owner.

Pursuant to the RC Restrictive Declaration (as hereinafter defined), before temporary or permanent certificates of occupancy are issued for more than 938 residential units in Riverside Center, the owner of Parcel 2 of Riverside Center is required to complete construction of, and deliver to the New York City Construction Authority, the core and shell for a public school within the building on Parcel 2 (the "Parcel 2 School Obligation"). Depending on the order in which the Riverside Center Parcels are developed, and the number of residential units within each such development, the use and occupancy of some or all of the Tower Units may be restricted until the Parcel 2 School Obligation is satisfied. As Sponsor owns only the Property, Sponsor does not represent or warrant if and when the owner of Parcel 2 will satisfy the Parcel 2 School Obligation.

The New York City Department of Buildings will not issue a temporary or a permanent Certificate of Occupancy for the portion of the Tower Section that will benefit from the additional zoning area to be constructed by virtue of the Inclusionary Housing Program until HPD has issued a Certificate of Completion with respect to the Rental Unit. Section 23-954(c)(1) of the Zoning Resolution provides that "the Department of Buildings shall not issue a temporary or permanent certificate of occupancy for any portion of the Compensated Development that utilizes Floor Area Compensation until HPD has issued a "Completion Notice" with respect to the affordable housing that generates such Floor Area Compensation. However, DOB may issue a temporary or permanent certificate of occupancy for any story if such temporary or permanent certificate of occupancy includes each Affordable Housing Unit located in such story before the issuance of a Completion Notice. Upon completion of the Building and Rental Unit to the satisfaction of HPD, HPD will issue a Completion Notice which sets forth the total amount of inclusionary affordable floor area that is generated by the Rental Unit and transferred to the Building, which enables the issuance of a temporary Certificate of Occupancy for the Units in the bonus floor area and a permanent Certificate of Occupancy for the entire Condominium.

(See the Sections entitled "Rights and Obligations of Sponsor" and "Agreements Binding on the Condominium" in Part I of the Plan for further discussion.)

33. Terraces

Terraces are appurtenant to certain Tower Units, as identified in Schedule A and the Floor Plans (Exhibit 5 in Part II of the Plan). The Terraces are Tower Limited Common Elements available for the exclusive use of the Tower Unit Owner of the Tower Unit to which such Terrace is appurtenant, subject to and in accordance with the Declaration, Condominium By-Laws, Tower By-Laws and Tower Rules and Regulations as in effect from time to time.

Each Tower 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 Tower 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 Tower 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 Tower Unit Owner), shall be charged to all Tower Unit Owners as a Common Expense.

The Tower Board shall have the right to require a Tower Unit Owner to remove plantings, roof surfaces and other installations which have been placed on the Terraces if the Tower 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 Tower 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 Tower Unit Owner of a Tower Unit having a Terrace be permitted to enclose or erect any structure on such Terrace. The Tower 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 Tower Unit Owner fails to comply with any of its maintenance obligations, the Tower Board may, at the expense of the Unit Owner and without liability to the Tower Board, enter the Unit and perform such acts as are necessary to cure the Unit Owner's default.

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

34. Views from Tower Units

Sponsor makes no representation that future construction in the neighborhood surrounding the Property will not result in obstruction of the views from any windows in the Building. Sponsor shall have no liability to any Tower Unit Owner on account of the view from any Tower Unit.

35. Flood Zone

The Property at its existing elevation falls outside the Zone AE and Zone X flood hazard area in the Federal Emergency Management Agency ("FEMA") Special Flood Hazard Mapping Area.

(See "Description of Property and Specifications" as set forth as Exhibit 4 in Part II of the Plan for further discussion.)

36. 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 Tower Units and a corresponding decrease or increase in the Common Interest appurtenant to the Commercial Units. In such event, the Common Interest appurtenant to each individual Tower 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 Tower 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.)

37. Window Washing and Window Treatments

The Tower will feature a window washing rig for the cleaning of the exterior glass surfaces of Tower Unit windows. The washing and cleaning of interior glass surfaces of windows in the Tower Units shall be the responsibility of the respective Tower Unit Owners. The Condominium Board with respect to all Units, and the Tower Board with respect to Tower Units, 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. As more particularly set forth in the Condominium By-Laws, the exterior glass surfaces will be washed and cleaned and replaced at the direction of the Condominium Board and the cost thereof charged as a General Common Expense; provided, however, that with respect to Commercial Units, the cost of any window replaced by the Condominium Board shall be allocated to the Commercial Unit Owner of such Commercial Unit, and with respect to the Tower Units, the cost of any window replaced by the Condominium Board shall be allocated to the Tower Board, who shall further allocate such cost in accordance with the Tower By-Laws. 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.

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

(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.)

38. Additional Units, Storage Bins

Sponsor reserves the right to change the number and size of the Units by, among other things, subdividing and reconfiguring the 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 Commercial Unit) as a Unit of another type (e.g., Tower). In such event, the Common Interest appurtenant to any diminished Unit will decrease and such reduced Common Interest will be allocated to and/or among the newly created and/or configured Units. Sponsor expressly reserves the right, from time to time prior to the First Closing, to effect such changes and to amend the Plan so as to reflect the same. In the event the Common Interest appurtenant to a Unit is increased in excess of five percent (5%) or there is a reduction in square footage of a Unit in excess of five percent (5%), Sponsor shall offer the materially adversely affected Purchaser(s) the right, for at least fifteen (15) days, to rescind their Option 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 five percent (5%) or less is not material. Sponsor may not change the size or configuration of a Rental Apartment without HPD’s prior written consent.

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 “Commercial Units” and “Changes in Prices and Units: Tower Units and Storage Licenses” in Part I of the Plan for further discussion.)

39. Sponsor’s Use of the Building for Promotional Functions

Sponsor and its designee(s) shall have the right, until the tenth (10th) anniversary of the First Closing, 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 Units or otherwise). Sponsor shall not have the right to use the Rental Unit in connection with the foregoing. (See the Section entitled “Description of the Property and Improvements” in Part I of the Plan for further discussion.)

40. Method for Measuring Units

The approximate floor area of each Unit has been measured horizontally, on each of one or more floors, from the exterior side of the exterior Building walls (curtain wall), the Building line or Property line to the midpoint of an interior partition separating one Unit from another Unit, public corridor, stairs, elevators, mechanical equipment spaces or any other Common Element or to the Unit side of a continuous structural element separating one Unit from public

corridor, stairs, elevators, mechanical equipment spaces or any other Common Element. Columns and mechanical pipes and shafts, or any other Common Element (whether along the perimeter or within the Unit) were not deducted from the square foot area of the 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. Measured vertically, each Unit consists of the volume from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab above.

The approximate floor area of each Storage Bin has been measured horizontally from the Storage Bin side of the exterior Building walls or interior partition to the midpoint of an interior wire mesh partition. Vertical columns, mechanical pipes and shafts within the Storage Bin were deducted from the square foot area of the Storage Bin.

The Rental Apartments, when measured per the Regulatory Agreement, meet the requirements of the City's Inclusionary Housing Program.

41. Reservation of Air/Development Rights

Sponsor has retained and expressly reserves all excess air or developmental rights (collectively, the "Air Rights") otherwise appurtenant to the Property and not used in connection with the original construction of the Building as described in this Plan. As a result, unless Air Rights are separately acquired therefor on behalf of the Condominium or a Unit Owner, as the case may be, any future expansion of the Building by the Condominium Board or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable Legal Requirements, may not be possible or may be limited. Further, as a result of such reservation by Sponsor, Sponsor may transfer or sell such Air Rights to the owner(s) of adjoining properties and in such case such properties may be increased as a result of such transfer or sale.

The Air Rights reserved by Sponsor will not be used to add additional floors to the top of the Building. Except in the case of a sale or transfer for use in connection with other properties, the reserved Air Rights will be used in the Property solely for the purpose of reconfiguring certain areas (e.g., adding mezzanine space, converting mechanical space to space used for other purposes) which, pursuant to the applicable provision of the Zoning Resolution, will require the use of Air Rights in excess of those used in connection with the initial construction of the Building in accordance with the Plan. In the event such excess Air Rights are transferred to the owner(s) of adjoining properties, a Unit Owner's views and exposure to light may be affected. (See the Sections entitled "Rights and Obligations of Sponsor" and "Reservation of Air and Development Rights" in Part I of the Plan for further discussion.)

42. Parking

It is currently (as of the date of the filing of this Plan) anticipated that the Garage Unit will initially contain parking garage facilities with an entrance drive on West 59th Street. The entrance drive will connect a vehicular ramp on the Ground Floor that will lead vehicles to and from the Cellar Level and Subcellar Level where portions of the Garage Unit is located. While Sponsor or an affiliate of Sponsor may own the Garage Unit (although no such representation is made), to the extent such Garage Unit is leased or sold 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 Garage Unit is anticipated to serve the Tower Unit Owners, occupants of the Rental Unit, and the general public. The Garage Unit is anticipated to contain parking for up to 300 passenger vehicles, or such lesser amount as may be permitted by Legal Requirements or pursuant to any zoning lot development agreement(s) affecting the Property. Such parking spaces shall be available on a first come first served basis. The Garage Unit will be valet attended.

Sponsor makes no representation whatsoever regarding the rates to be charged to Tower 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 Tower Unit.

43. Interstate Land Sales Full Disclosure Act

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.

44. 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 Commercial 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 6 of the Condominium By-Laws. Such allocated share of expenses will result in the Tower Unit Owners having to pay either higher (if fewer services are being provided to the Commercial Unit Owners) or lower (if greater services are being provided to the

Commercial Unit Owners) shared expenses of the Condominium. The requirements for amending Article 6 of the Condominium By-Laws do not differ from those otherwise provided in the Condominium By-Laws.

In addition, in accordance with Section 339-m of the New York Real Property Law, the allocation and apportionment of Common Charges to the Rental Unit (the "Rental Unit Common Charge Allocation") may be less than the allocation and apportionment of Common Charges to the other Units where such lesser Common Charges are necessary to ensure that the Common Charges paid by the Rental Unit do not exceed the Rental Unit Operating Income (as defined below). The Rental Unit Common Charge Allocation shall be implemented by either: (i) imposing Common Charges for the Rental Unit that are not proportional to the Common Charges for the other Units, or (ii) limiting the amount of Common Charges imposed on the Rental Unit (a "Rental Unit Common Charge Limitation"). In the event a Rental Unit Common Charge Limitation is implemented, the Common Charges payable by all other Unit Owners may be increased by the amount of such reduction in the Common Charges otherwise payable by the Rental Unit Owner on a pro-rata basis in accordance with their relative proportional Common Interest, or otherwise in accordance with the allocation methodology set forth in the Condominium By-Laws. For purposes hereof, "Rental Unit Operating Income" means the aggregate of (A) the annual rents paid by the Rental Apartments within the Rental Unit to the Rental Unit Owner, and (B) any other annual revenues obtained from the Rental Unit by the Rental Unit Owner. (See Section 6.1.9 in the Condominium By-Laws as set forth as Exhibit 7 in Part II of the Plan for further discussion.)

45. Windows Feature Childproof Stops

All operable windows will have a childproof stop limiting the opening of the windows to a maximum of 4 inches. The operable portion will be located in the lower part of the window behind fixed louvers.

46. Restriction on Hanging Electronic Equipment

Televisions, audio speakers and other noise generating equipment may not be hung on demising walls separating Tower Units as this could transmit noise from one Tower Unit to the next.

47. Model Tower Unit

Purchasers are advised that there may be certain design elements included in a model Tower Unit that are not offered for sale and not included in the Tower Units being sold. Specifically, the furniture, furnishings, materials, equipment, hardware, installations, lighting or decorations displayed in a model Tower Unit should not be deemed to be included in the sale of a Tower Unit, except as otherwise described in this Plan. The materials, appliances and finishes, etc. in the Building and/or Tower Units are described in this Plan and are subject to modification as provided herein, and may vary from those displayed in a model Tower Unit. All dimensions in a model Tower Unit are approximate and subject to normal construction variances and tolerances. Purchasers should consult the Floor Plans appearing as Exhibit 5 in Part II of the

Plan and consult Sponsor with any questions as to precisely what design elements their Tower Unit will include.

48. Wood Floors

Purchasers are advised that Tower Units will feature engineered wood flooring with solid wood veneer. Sponsor makes no representation as to the number of times such floors can be sanded, if at all. Sponsor is not responsible for: (i) variations in floor level and slight separation between base and floor; (ii) variations in width, length or tone of wood floor strips or normal shrinking or expansion of wood flooring due to changes in moisture content of wood; or (iii) scratches and dents in flooring. (See the Section entitled “Rights and Obligations of Sponsor” in Part I of the Plan for further discussion.)

49. Security

During the period of time that the Building is being constructed and the Tower Units (and Storage Bin Licenses) are being offered for sale and/or rent there will be a greater number of visitors to and pedestrian and vehicular traffic through the Building and Tower Section than is expected to be the case once the construction and sales and/or leasing are completed. No representation or warranty is made as to the length of time the construction, sales or leasing period, if applicable, will continue.

50. Condominium Management Association

Sponsor’s Counsel has not opined whether the Tower Board or the Condominium Board will or will not qualify as a “Condominium Management Association” under section 528(c) of the Internal Revenue Code of 1986, as amended (the “Code”) and, for purposes of the Plan, Sponsor’s Counsel has assumed that the Condominium Board will not qualify. Therefore, it is possible that if the Condominium Board (or the Tower Board) does not so qualify, there could be federal, state, and local income taxes payable by the Condominium and the Tower Unit owners, which are not included as a projected expense in Schedule B of the Plan. Based on the projected income and expenses anticipated, any such income tax would likely not be material. For further details regarding Code section 528(c), see Income Tax Opinion of Sponsor’s Counsel, which is located in Part I of the Plan.

51. Certification by Sponsor and Sponsor’s Principal

Exhibit 9A in Part II of this Plan includes a certification by Sponsor and Sponsor’s principal (the “Sponsor Certification”) pursuant to Section 20.4(b) of the regulations issued pursuant to General Business Law, Article 23-A, as amended (the “Martin Act”). Sponsor’s principals have executed the Sponsor Certification for compliance with the Martin Act and governing regulations. Sponsor’s principals expressly disclaim the existence of any private right of action for contract claims by individual Unit Owners (or the Condominium Board, on their behalf) in connection with or arising solely from their execution of the Sponsor Certification, absent liability under another statute or under an alter-ego or other veil-piercing theory. See Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC, et. al, 2013 N.Y. Slip Op 03574 (1st Dept. May 16, 2013).

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