

The Continuum Company LLC

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

Re: Petition to submeter electricity at a building located at 45 East 22nd Street, New York, NY 10010.

Dear Secretary Burgess,

45 East 22nd Street Property LLC, is the owner of the above referenced new condominium building. The owner submits this petition to submeter 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., 45 East 22nd Street, New York, NY 10010.

Construction began in April 2014 and completion is scheduled for 2017 (exact date is not yet known). The Building consists of 82 Units. All condominium units will be fair market units. Currently none of the units are occupied. Initial occupancy date has not yet been determined.

Please, see attached description of heating system and energy efficiency measures installed at the building.

The building has installed the following energy star rated appliances: refrigerators, dishwashers, washers and dryers.

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

Economic advantages of sub-metering over direct utility metering:

The sub-metering system to be 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

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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 the Owners:

The average rate calculation is derived by taking the total dollar cost charged to the building by Consolidated Edison (Con Edison) (and ESCO if applicable) and dividing it by the total electric usage (kWh) of the building for a specific period. The cost per kWh is then multiplied by the tenant's actual consumption plus sales tax to derive total electric cost.

The following is an example of the formula that will be used to derive a tenant's electricity charges based on Average rate and a monthly usage of 250 kWh:

		Total
Total building's cost: Con Edison (and ESCO if applicable)	\$AA.AA	
Total building kWh	BBBB	
Rate	\$AA.AA / BBBB	\$CC.CC
kWh (Tenant)	250 times \$CC.CC	\$YY.YY
Sales Tax	YY.YY times .045000	\$ T.TT
	YY.YY plus T.TT	\$ZZ.ZZ
Tenant Cost		\$ZZ.ZZ

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In no event will the total monthly rates (including any monthly administrative charge) exceed the utility's tariff residential rate for direct metered service to such residents (see 16 NYCRR § 96.2 [b] (3))

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, Molly Shifrin can be contacted via email at MShifrin@Halstead.com or by telephone number 212-546-1161 or at Halstead Management Company LLC, 770 Lexington Avenue, 7th Floor, 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). Electric will not be treated as additional by the Owner.

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

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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 tenants:

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 installed.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Ian Bruce Eichner', written over the word 'Sincerely,'.

Ian Bruce Eichner



Per our analysis for the 2011 NYC Energy Conservation Code issued on July 14, 2016, the 41-43 East 22nd Street project will implement the following energy efficiency measures (EEMs):

Envelope:

- U-0.417 and 0.32 SHGC window assemblies. The baseline has U-0.5 and 0.4 SHGC.

Lighting:

- 17% reduction in interior lighting power density achieved by using LED lighting fixtures in combination with incandescent lamps.
- Occupancy sensors in:
 - o Laundry room
 - o Restrooms
 - o Storage rooms
 - o Stairwells
 - o Electrical closets at residential floors
 - o BOH corridors
- 51% reduction in exterior lighting power achieved by using LED fixtures exclusively.

HVAC:

- 82.4% heat recovery effectiveness for the dedicated outside air units OAU-1, 2 and 3. The baseline has 50% heat recovery effectiveness for OAU-1 and OAU-2.
- Energy recovery ventilator serving the underground garage. Energy recovery is not required in the baseline.
- 18% better cooling efficiency for the rooftop elevator machine rooms.
- Boilers with 89% thermal efficiency and modulating flame controls. The baseline has 76% thermal efficiency and on-off flame controls.
- Cooling tower with variable speed fans and 77% higher fan efficiency (in terms of GPM/HP). The baseline requires two speed fans.
- Service hot water provided by the heating hot water boilers having 89% thermal efficiency and modulating flame controls. The baseline has a standalone natural gas heater with 80% thermal efficiency and on-off controls.



New York State Public Service Commission
Office of Consumer Policy

Submetering Identification Form



Name of Entity: 45 East 22nd Street Property LLC			Corporate Address: 30 West 21st Street, 11th Floor		
City: New York	State: NY	Zip: 10010	Web Site: www.45east22.com		
Phone: 212-554-3700			Utility Account Number: 41-7033-3331-0000-4		
Chief Executive: Ian Bruce Eichner			Account Holder Name: 45 East 22nd Street Property LLC		
Phone: 212-554-3700			E-mail: IBE@continuumllc.net		
DPS Case Number:					

Primary Regulatory Complaint Contact

Secondary Regulatory Complaint Contact

Name: Molly Shifrin			Name: N/A		
Phone: 212-546-1161			Phone:		
Fax:			Fax:		
E-mail: mshifrin@halstead.com			E-mail:		
Address: 770 Lexington, 7th Floor			Address:		
City: New York	State: N.Y.	Zip: 10065	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: 45 East 22 St.			Service Address: 45 East 22 St.		
City: New York	State: N.Y.	Zip: 10010			
Electric Heat? <input checked="" type="checkbox"/> Y <input type="checkbox"/> N			Electric Hot Water? <input checked="" type="checkbox"/> Y <input type="checkbox"/> N		
# Units Occupied by: Sr. Citizens N/A Disabled N/A			Total # of Units 82		
Rent Stabilized N/A	# Rent Controlled N/A	# Rent-Regulated N/A	# Market Rate 82		
Rental: <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Condo: <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Co-Op: <input checked="" type="checkbox"/> Y <input type="checkbox"/> N			
# Low Income N/A	# Section 8 N/A	# Landlord Assist Program N/A	# Other N/A		
Submeter / Billing Agent: Quadlogic Control			Address: 3300 Northern Blvd.		
City: Long Island City	State: N.Y.	Zip: 11101	2nd Floor		
Contact Name: Alison Christopher		Contact Phone: 212-930-9300	Contact Fax: 212-930-9393		

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. 8/20/13)

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

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, New York 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: 9-9-2016
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The Continuum Company LLC

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 45 East 22nd Street, New York, NY 10010

Dear Mr. DeSanti,

45 East 22nd Street Property LLC, 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,

Ian Bruce Eichner



Signature

Name

Company Name

Delaware

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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 "45 EAST 22ND STREET PROPERTY LLC", FILED IN THIS OFFICE ON THE TWENTY-SEVENTH DAY OF AUGUST, A.D. 2014, AT 1:52 O'CLOCK P.M.

5593558 8100

141115504

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




Jeffrey W. Bullock, Secretary of State
AUTHENTICATION: 1652501

DATE: 08-27-14

CERTIFICATE OF FORMATION

OF

45 EAST 22ND STREET PROPERTY LLC

Pursuant to Section 18-201 of the Delaware Limited Liability Company Act (the "Act"), the undersigned, an authorized person for 45 EAST 22ND STREET PROPERTY LLC, a Delaware limited liability company (the "Company"), does hereby certify as follows:

FIRST: The name of the Company is 45 EAST 22ND STREET PROPERTY LLC.

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

IN WITNESS WHEREOF, the undersigned authorized person has duly executed this Certificate of Formation as of August 27, 2014.

By: /s/ Justin R. Quinn
Name: Justin R. Quinn
Title: Authorized Person

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/IEEE 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

METER NO.	PREVIOUS READING	CURRENT READING	USAGE - KWH	AMOUNT - \$	RATE - \$
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RETAIN THIS PORTION FOR YOUR RECORDS

RETURN THIS STUB WITH PAYMENT

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.

Submetering Offering Plan
45 East 22nd Street, New York, NY 10010

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 average rate calculation is derived by taking the total dollar cost charged to the building by Consolidated Edison (Con Edison) (and ESCO if applicable) and dividing it by the total electric usage (kWh) of the building for a specific period. The cost per kWh is then multiplied by the tenant's actual consumption plus sales tax to derive total electric cost.

The following is an example of the formula that will be used to derive a tenant's electricity charges based on Average rate and a monthly usage of 250 kWh:

		Total
Total building's cost: Con Edison (and ESCO if applicable)	\$AA.AA	
Total building kWh	BBBB	
Rate	\$AA.AA / BBBB	\$CC.CC
kWh (Tenant)	250 times \$CC.CC	\$YY.YY
Sales Tax	YY.YY times .045000	\$ T.TT
	YY.YY plus T.TT	\$ZZ.ZZ
Tenant Cost		\$ZZ.ZZ

In no event will the total monthly rates exceed the utility's rate for direct metered service to residents (per 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, Molly Shifrin can be contacted via email at MShifrin@Halstead.com or by telephone number 212-546-1161 or at Halstead Management Company LLC, 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.

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 **45 East 22nd Street, New York, NY 10010** will be a submetered facility. **45 East 22nd Street Property LLC** 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 **45 East 22nd Street, New York, NY 10010** 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 LLC, 770 Lexington Avenue, 7th floor, New York, NY 10065** could also be contacted at **212-546-1161**.

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

Tenant 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: **Molly Shifrin can be contacted via email at MSHifrin@halstead.com or by telephone number 212-546-1161 or at Halstead Management Company LLC, 770 Lexington Avenue, 7th Floor, New York, NY 10065**. The property manager shall investigate and respond to the complaint in writing within 15 days of the receipt of the complaint. If the tenant and the property manager cannot reach an equitable agreement and tenant continues to believe the complaint has not been adequately addressed, then the tenant may file a complaint with the Public Service Commission through the department of Public Service. Alternatively, tenants 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 **(212-546-1161)** or by mail at c/o **Halstead Management Company LLC, 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 **212-546-1161** o por correo escrito a la siguiente direccion: c/o **Halstead Management Company LLC, 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, **45 East 22nd Street, New York, NY 10010** 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 **45 East 22nd Street, New York, NY 10010** 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 **45 East 22nd Street, New York, NY 10010** 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 **45 East 22nd Street, New York, NY, 10010** 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, **45 East 22nd Street, New York, NY 10010** 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. **45 East 22nd Street, New York, NY 10010** 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 **45 East 22nd Street, New York, NY 10010** becomes aware of such hardship, **45 East 22nd Street, New York, NY 10010** can refer you to the Department of Social Services. Please notify **45 East 22nd Street, New York, NY 10010** 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 **45 East 22nd Street, New York, NY 10010** 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 **45 East 22nd Street, New York, NY 10010** 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 **45 East 22nd Street, New York, NY 10010** 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 (45 East 22nd Street, New York, NY 10010)** 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. **45 East 22nd Street, New York, NY 10010** 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, **45 East 22nd Street, New York, NY 10010** 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 **45 East 22nd Street, New York, NY 10010** 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 45 East 22nd Street, New York, NY 10010 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: 212-546-1161

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 **212-546-1161**. 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

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 # **212-546-1161**) 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

NOTIFICATION TO SOCIAL SERVICES OF CUSTOMERS
INABILITY TO PAY

**Halstead Management Company LLC, 770 Lexington Avenue, 7th Fl., New York,
NY 10065
Tel: 212-546-1161**

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! I would like Quarterly Billing:

Return one completed copy to Halstead 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	\$	<hr/>
- Medical expenses	\$	<hr/>
- Telephone bills	\$	<hr/>
- Utility bills	\$	<hr/>
- Mandatory loan/credit card payments	\$	<hr/>
- Other	\$	<hr/>
	\$	<hr/>
	\$	<hr/>
	\$	<hr/>

**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: 212-546-1161**

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

CONDOMINIUM OFFERING PLAN FOR

45 EAST 22ND STREET CONDOMINIUM

41-45 East 22nd Street
NEW YORK, NEW YORK 10010

83 Condominium Residences	\$ 604,386,000
41 Storage Bin Licenses.....	\$ 1,718,000
9 Storage Closet Licenses	\$ 772,200
17 Parking Licenses	\$ 3,825,000
Total Offering	\$ 610,701,200

SPONSOR:

East 22nd Street Acquisition Holdings LLC
c/o The Continuum Company LLC
30 West 21st Street
New York, New York 10010
(212) 554-3700

SELLING AGENT:

Corcoran Sunshine Marketing Group
888 Seventh Avenue
39th Floor
New York, New York 10106
(212) 634-6501

Date of Acceptance for Filing: September 15, 2014

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

BECAUSE SPONSOR IS RETAINING THE RIGHT TO RENT RATHER THAN SELL UNITS, THIS PLAN MAY NOT RESULT IN THE CREATION OF A CONDOMINIUM IN WHICH THE MAJORITY OF UNITS ARE OWNED BY OWNER-OCCUPANTS OR INVESTORS UNRELATED TO THE SPONSOR. (SEE SPECIAL RISKS SECTION OF THE PLAN). THIS OFFERING PLAN IS THE SPONSOR'S ENTIRE OFFER TO SELL THESE CONDOMINIUM UNITS. NEW YORK LAW REQUIRES THE SPONSOR TO DISCLOSE ALL MATERIAL INFORMATION IN THIS PLAN AND TO FILE THIS PLAN WITH THE NEW YORK STATE DEPARTMENT OF LAW PRIOR TO SELLING OR OFFERING TO SELL ANY CONDOMINIUM UNIT. FILING WITH THE DEPARTMENT OF LAW DOES NOT MEAN THAT THE DEPARTMENT OR ANY OTHER GOVERNMENT AGENCY HAS APPROVED THIS OFFERING. THIS PLAN CONTAINS SPECIAL RISKS TO PURCHASERS. SEE PAGE (v).

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PART I

A. SPECIAL RISKS TO BE CONSIDERED BY PURCHASERS

The purchase of a condominium unit has many significant legal and financial consequences and may be one of the most important financial transactions of your life. The Attorney General of the State of New York strongly urges you to read this Offering Plan carefully and to consult with an attorney before signing an agreement to purchase a condominium unit.

1. **Use of Units.** 45 East 22nd Street Condominium (the "Condominium") contains 83 Units, 17 Parking Licenses, 41 Storage Bin Licenses and 9 Storage Closet Licenses that are being offered for sale under this Offering Plan, and Common Elements. The Units (and their appurtenant interest in the Common Elements), Parking Licenses, Storage Bin Licenses and Storage Closet Licenses are offered pursuant to this Offering Plan.

The Units may generally be used only for residential purposes and, subject to compliance with the Declaration and the By-Laws, for lawful home occupation as defined in the New York City zoning resolution; and may be leased by the Unit Owners thereof to tenants only for periods of not less than one year. (For more information, see "Rights and Obligations of Unit Owners and the Condominium Board", Section W in Part I of the Plan.)

2. **Payments.** At the time an agreement to purchase a Unit (a "Purchase Agreement") is executed, a Purchaser is required to make a payment in an amount equal to at least ten percent (10%) of the purchase price and on the earlier of thirty (30) days after the Plan is declared effective or within one hundred twenty (120) days after the initial down payment a Purchaser is required to make an additional payment of ten percent (10%) of the purchase price to bring the total down payment to twenty percent (20%) of the purchase price. Notwithstanding the foregoing, foreign governments and persons with diplomatic immunity will be obligated to make a down payment in an amount equal to at least fifty percent (50%) of the purchase price on the execution of a Purchase Agreement. In addition, at the time an agreement to purchase a License (as hereinafter defined) is executed, a Purchaser is required to make a payment in an amount equal to at least ten percent (10%) of the purchase price. In the event a Purchaser defaults under his or her Purchase Agreement and does not cure such default within thirty (30) days after Sponsor gives written notice to the Purchaser of such default, Sponsor may, at its option, cancel such Purchase Agreement and retain, as liquidated damages, the entire down payment made by the Purchaser, together with interest earned thereon, if any. TIME IS OF THE ESSENCE to a Purchaser as to a Purchaser's obligations pursuant to the Purchase Agreement, including, without limitation, for the payment of the balance of the purchase price.

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 Purchase Agreement, and such default is not cured within 30 days after Sponsor gives written notice to such Purchaser of the default, Sponsor may cancel such Purchase Agreement and retain as liquidated damages the Deposit made by the Purchaser, together with all interest earned thereon. Additionally, if a Purchaser fails for any reason to close title on the originally scheduled closing date and Sponsor elects not to cancel the Purchase 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 Unit in question for each day that the closing is adjourned.

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

Purchasers are further advised that if a Purchaser makes a Down Payment in excess of \$250,000 for the purchase of a Unit, such Down Payment will not be federally insured in excess of \$250,000; and (ii) while the Down Payment is in the non-interest bearing checking portion of the Master Escrow Account, the Down Payment may not be fully federally insured even if the Down Payment does not exceed \$250,000. Funds drawn on out-of-state or foreign banks will not be accepted as payment of the Down Payment of the Purchase Price for a Unit unless otherwise agreed by Sponsor.

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

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

(See the Section entitled "Procedure to Purchase" for the further discussion of the foregoing.)

3. **No Financing Contingency.** Although a Purchaser may obtain financing from a lending institution or any other source, his or her obligation to purchase a Unit pursuant to his or her Purchase Agreement shall not be contingent on obtaining financing for such purchase.

Neither Sponsor nor the Selling Agent makes any representations as to the terms or availability of any mortgage financing. Prospective Purchasers are, therefore, advised to pre-qualify for financing with their lender before signing a Purchase Agreement. However, prospective Purchasers should be aware that even if a loan commitment is obtained, its term may be fixed, and it could expire before the Closing Date. In addition, given the current economic climate, a lending institution could withdraw its commitment if, for example, it believes a Purchaser's financial condition has worsened or that the Unit's appraised value has decreased. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan for further details.

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

To the extent permitted by applicable Law, the provisions of the Declaration and By-Laws may comply with certain requirements of Federal National Mortgage Association ("Fannie Mae") and the Federal Housing Authority ("FHA"). Sponsor, at its sole cost and expense, may file applications with Fannie Mae and FHA in order to have the Condominium added to a list of "approved" condominiums. There is no guaranty or assurance that Sponsor will complete said applications or satisfy the criteria for approvals, or in the event that either or both of the Fannie Mae and FHA requirements are satisfied, whether the Condominium will continue to satisfy such criteria. Purchasers should further be advised that if FHA approval is granted to the Condominium, no more than thirty percent (30%) of the total Units may be encumbered by FHA securitized, guaranteed or insured loans. It shall not be a basis for a Purchaser to rescind a Purchase Agreement if for any reason, Sponsor's application to either or both of Fannie Mae and FHA, is not submitted or approved. In addition, in accordance with the requirements of Fannie Mae and FHA, at least ten percent (10%) of the total operating budget for the first year of Condominium operation is required to be set aside for a capital repair and replacement reserve fund in order to fund the replacement reserves for capital expenditures and deferred maintenance (the "Reserve Contribution"), as more particularly described in the projected "Budget for First Year of Condominium Operation, Schedule B", in Part I of the Plan. There is no guarantee or assurance that the Reserve Contribution will be provided as a line item in the operating budget after the first year of Condominium operation or that Purchasers will be able to obtain mortgages insured by Fannie Mae and/or FHA. The applicable Board reserves the right, in its sole discretion (including without limitation during the Initial Control Period) to use the Reserve Contribution towards any capital expenditures it deems appropriate. The Reserve Contribution can only be used for the repair and replacement of the Common Elements. Please refer to the Section entitled "Introduction" in Part I of the Plan.

If Purchaser obtains a mortgage loan for the purchase of the Unit (the "Purchase

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

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

5. **Control of the Condominium.** The Condominium will have a Condominium Board, which is elected by the owners of the Units. Sponsor as the owner of Unsold Units will have voting control of the Condominium Board during the period which continues until the later to occur of: (i) the sale by the Sponsor of more than ninety-five percent (95%) of the aggregate Common Interests of the Units or (ii) five (5) years after the First Closing (the “Initial Control Period”). During the period that Sponsor controls the Condominium Board, Sponsor will have control of maintenance, facilities and services to be provided to Unit Owners and will determine the Common Charges to be paid by all Unit Owners. At all meetings, each Unit Owner (or his or her proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Units) shall be entitled to cast one vote for each percentage of Common Interests pertaining to the Unit Owner’s Unit.

Sponsor and its designees may exercise veto power over some actions of the Condominium Board. Sponsor may not exercise veto power over expenses in Schedule B, or expenses required to remedy any notice of violation, or to remedy any work ordered by an insurer, or over any matter affecting the health and safety of the occupants of the Condominium. Sponsor may exercise veto power over expenses other than those described in the foregoing sentence, for a period ending not more than five (5) years after the closing of the first Unit or whenever the Unsold Units constitute less than five percent (5%) of the Common Interest, whichever is sooner. Until Sponsor and its designees have conveyed title to ninety-five percent (95%) of the Units, but in no event later than five (5) years after the closing of the first Unit (the “First Closing”), the Condominium Board may not take any of the following actions without Sponsor’s prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Unit, or (b) assess any Common Charges, including Common Charges for the creation of, addition to or replacement of all or part of a working capital, reserve, Reserve Contribution or surplus fund, or (c) increase or decrease the number, or change the kind

of, employees referred to in the Plan, or (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as it required to reflect normal annual increases in operating services, or (e) borrow money on behalf of the Condominium, or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary (and no other alternative is available) to enable the Condominium Board to comply with laws, rules or regulations of any governmental authority having jurisdiction over the Condominium (see the Section entitled "Control By Sponsor" for further details).

During the Initial Control Period, the Condominium Board shall consist of three (3) persons designated by Sponsor. During the Initial Control Period, Sponsor reserves the right to designate fewer than three (3) persons to the Condominium Board. Commencing with the First Annual Meeting, the Condominium Board shall consist of five (5) persons.

The Condominium Board shall have the powers and duties necessary and incidental to the administration of the affairs of the Condominium. 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.

All determinations with respect to the continuance or discontinuance of any of the services in the Building, if initially made available, will be made by the Condominium Board, which will be controlled by Sponsor for so long as the Units owned by Sponsor have appurtenant thereto more than five percent (5%) of the Common Interests of the Condominium or until five (5) years after the First Closing, whichever is later. (See the Section entitled "Control by Sponsor"). Please refer to the Description of the Property set forth in its entirety in Part II of the Plan for further details regarding services and facilities at the Property. Neither Sponsor, the Managing Agent nor the Condominium Board will in any event be liable for the availability, interruption, discontinuance or quality of any services in the Building, including, but not limited to, any services provided by any outside company or person, or for any injury to person or damage to property resulting from any act or omission of such company or persons or their employees or agents, except to the extent that any such injury to person or damage to property occurs as a result of the negligence of Sponsor, the Managing Agent or the Board, as the case may be. (For more information, see "General Provisions Concerning Services and Facilities".)

The sale or lease of Units is subject to a right of first refusal by the Condominium Board. Leases of Units, other than Unsold Units, may not be for terms shorter than one (1) year. The Condominium Board has the right to reject sales and leases to Purchasers and tenants who themselves (or residents of their Units) have diplomatic immunity or have been convicted of violent crimes or child molestation without being required to exercise the right of first refusal.

At meetings of the Unit Owners, Sponsor will have the right to vote all of the Common Interests appurtenant to the Units owned by Sponsor as it sees fit. In addition, at elections of members to the Condominium Board held after the Initial Control Period, (a) Sponsor and/or its designee shall have the right to elect two of the five members of the

Condominium Board otherwise to be elected by the Unit Owners (including Sponsor), who are family members or employees of Sponsor, such designee or other Unsold Unit Owner(s), and (b) Sponsor, such designee and all other Unit Owners shall have the right to vote for the remaining three members of the Condominium Board who shall not be family members or employees of Sponsor. (For more information, see "Control by Sponsor".)

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

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

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

8. **Construction.** Construction is a complicated process requiring the coordination of numerous tasks and the balancing of complex mechanical and architectural systems. No assurance can be given with regard to the accuracy of any projected completion dates set forth herein. During at least the first year of Condominium operations, construction workers and related personnel will be at the Property from time to time making adjustments and performing various tasks related to the completion of construction. Various systems, including but not limited to the amenities, water supply, air conditioning, heating, cooling, ventilating and elevators, may require more than a year after any Unit Closing to complete. Although operable, these systems may need to be shut down temporarily from time to time. Various other adjustments, to windows and elevators and other systems and amenities, may require eighteen (18) months or more after the First Closing to complete. Sponsor may not fully complete the decoration of the Lobby or the corridors in the Building, including but not limited to installing light fixtures, hanging wall coverings or laying carpeting, until after that particular floor is fully occupied by Unit Owners. In addition, A front desk attendant will be available twenty four (24) hours a day, seven (7) days a week, in the Lobby, beginning with the First Closing, however

anticipated that all other listed services, facilities and amenities shall be provided within one (1) year of the issuance of temporary certificates of occupancy for all of the Units, which is expected to be in the year 2017, subject to the terms, conditions and provisions set forth herein. Please refer to the Section of the Plan entitled "Description of Property" in Part I of the Plan for further details.

During the period when Sponsor is completing construction of the Building, move-ins into the Building may be restricted to certain periods when the elevators and other access to the Building are not being utilized by the construction trades. The first temporary certificate of occupancy may be issued for some but not all of the Units and Sponsor may complete construction of certain Units before others. Purchasers should also note that even if the First Closing occurs on or before July 1, 2017 (or such other date projected as the date of commencement of operation at the time the Purchase Agreement was entered into) or within the twelve (12) month period thereafter, the closing of subsequent Units may be substantially delayed beyond such dates if a temporary certificate of occupancy has not been issued for such Units or for the floor on which such Units are located. Accordingly, Purchasers may not be able to close title to their respective Unit(s) for some period of time after signing their respective Purchase Agreement and after the First Closing. In such a case, provided that the Sponsor is pursuing completion of construction and issuance of a certificate of occupancy and is otherwise in compliance with its obligations under the Plan, a Purchaser will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of substantial delays and will not be excused from paying the full purchase price for the Unit. **PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.**

As more fully set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor" Sponsor is obligated to construct the Building in accordance with all applicable Laws and codes and Department of Buildings ("DOB") Plans and Specifications as well as the provisions of the Plan. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability of any Unit or Common Element. Unless caused by a violation of the sound transmission code, noise code or other applicable code, there is no warranty as to sound transmission. Unless caused by a failure of Sponsor to comply with applicable code provisions and DOB Plans and Specifications, Sponsor is not responsible for, nor can it make any guarantees regarding odors, levels of noise or vibrations resulting from the operation of the Building or the Units or the degree of privacy which will be afforded to Unit Owners in their Units. Unless caused by a code violation or a violation of Law, there is no warranty with respect to mold, mildew, spores, fungi or other toxins. There is no warranty as to air, view or light quality. Sponsor's obligation, regardless of any limitations in the warranty, is to construct the premises in accordance with all applicable Laws and codes and DOB Plans and Specifications, and any conflict between (a) the disclaimers and (b) Sponsor's obligation to construct the premises in accordance with all applicable Laws and codes and DOB Plans and Specifications, shall be resolved in favor of the latter. In no event will Sponsor be liable for incidental, special or consequential damages.

Sponsor will obtain a temporary or permanent certificate of occupancy for the

Building. A permanent certificate of occupancy is required for permanent use of the Building. Temporary residential use of the Building is permitted upon the issuance of a temporary certificate of occupancy, but if a temporary certificate of occupancy, which may be extended up to a total of two years, expires prior to obtaining a permanent certificate of occupancy, occupancy of the Building will be in violation of the Multiple Dwelling Law, subjecting the occupants of the Building, the Unit Owners and the Condominium Board to penalties under the Multiple Dwelling Law, including, possibly, the eviction of residential occupants. It is important to note that a permanent certificate of occupancy cannot be obtained until the Units are completed. Sponsor makes no representation or warranty as to when after issuance of the first temporary certificate of occupancy the Department of Buildings will issue a permanent certificate of occupancy. (For more information, see "Rights and Obligations of Sponsor".)

Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy covering the entire building but with only a temporary certificate of occupancy, and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both temporary and permanent certificates of occupancy are issued by the New York City Department of Buildings. A temporary certificate of occupancy is intended to indicate that the property is safe for occupancy, but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the New York City Department of Buildings. All temporary certificates of occupancy have an expiration date. A temporary certificate of occupancy typically expires 90 days after the date of issuance. When a temporary certificate of occupancy expires and is not renewed, it may be difficult or impossible to buy insurance or sell or refinance a Unit. If a temporary certificate of occupancy expires before it is renewed or a permanent certificate of occupancy is obtained, residential occupancy of the premises will be in violation of the Multiple Dwelling Law. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a temporary certificate of occupancy rather than a final certificate of occupancy. Sponsor anticipates this scenario may occur. Sponsor and its principal(s) will undertake the responsibility for extending each temporary certificate of occupancy received prior to expiration thereof, and ultimately for obtaining a permanent certificate of occupancy covering the entire building within two (2) years from the date of the issuance of the first temporary certificate of occupancy. However, Sponsor and its principal(s) make no representation or guarantee that the New York City Department of Buildings will issue the permanent certificate of occupancy within such two (2) year period. Notwithstanding the foregoing, Sponsor and its principal(s) are obligated to procure the permanent certificate of occupancy for the entire building, and shall exercise best efforts to obtain the permanent certificate of occupancy within such two (2) year period while keeping the temporary certificate of occupancy current. Unit Owners and the Condominium Board shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

As a result of the unusual shape and size of the Building: the Condominium Board will need to access the units in order to replace the exterior glass panels of the Building's façade; the trash will be collected and stored on the second floor and then removal from the Building through the use of the Service Elevator; and the Service Elevator is the only elevator that can accommodate a stretcher. There may also be ongoing cracks in the ceilings and floors due to the

naturally occurring movement of the Building.

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

Purchasers are advised to visit the New York City Department of Buildings website for further recommendations when purchasing a unit in a building that does not have a final certificate of occupancy. A fact sheet on certificates of occupancy is available on its website at http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf.

Purchasers should seriously consider negotiating closing based on a permanent certificate of occupancy, not a temporary certificate of occupancy. 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. Please see the Section of the Plan entitled "Procedure to Purchase" for more information.

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

Upon Closing a Unit, the Purchaser will receive warranties for the appliances in the Unit. Except as contained on Purchaser's inspection statement Sponsor shall not be obligated to correct, repair, or replace any defects relating to construction of the Units, the Common Elements, or in the installation or operation of any appliances, fixtures, or equipment therein, except as expressly provided in this Plan.

The Sponsor as well as the Condominium Board may refuse to permit a Unit Owner to perform alterations in a Unit until such time as the Building has been completed and a permanent certificate of occupancy has been obtained therefor. In addition, certain services, such as cable, computer, and other similar services may be provided by outside suppliers and

delays in these services will not be the responsibility of the Sponsor unless such delays are caused by the Sponsor.

9. **Real Estate Taxes.** The real estate tax estimates for each Unit were calculated on the assumption that the real estate taxes for the Condominium payable with respect to each Unit for the first year of Condominium operation will be allocated in proportion to each Unit's Common Interest. Upon determination of individual tax lots and individual Unit assessments, the New York City tax authorities may allocate taxes between the Units in proportion to each Unit's purchase price or on some basis other than its Common Interest, and, if so, Units having the same percentage interest may pay different amounts of real estate taxes. The real estate taxes payable the first year of the Condominium's operation is based on an assessment of the Building as complete for only a portion of the year. Once the Building is fully assessed, the real estate taxes will be higher. Please refer to the Section of the Plan entitled "Real Estate Taxes" in Part I of the Plan for further details.

In addition, the New York City tax authorities may assess taxes against the Building in a different manner and in a different amount than that assumed by Sponsor's real estate tax attorney and, if so, Unit Owners may pay significantly different real estate taxes than those set forth on Schedule A. 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 the actual determination upon the filing of tax lots. (See the Sections entitled "Offering Prices and Related Information, Schedule A" and "Real Estate Taxes" in Part I of the Plan for further discussion.)

10. **Diplomatic Immunity.** Purchasers who have diplomatic immunity will be required to expressly waive any and all immunity from suit by the Sponsor, the Condominium Board. In addition, any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) will be required at the time of closing of title to such Purchaser's Unit, to deposit with the Condominium Board an amount equal to two years' estimated Common Charges. Please see the Section of the Plan entitled "Procedure to Purchase" for more information.

11. **Common Charges.** The Contingency provided for in the projected budget for the first year of Condominium operation (Schedule B) is intended to provide a fund for unanticipated expenses not included in the budgets and for increases in operating expenses above the amounts projected. Additionally, a Reserve Contribution has been established to conform to Fannie Mae requirements of an amount to be set aside as a reserve for capital repairs and replacements. These budget line items may not be sufficient to meet the cost of any major capital repairs or replacements which may be required. If funds are required to meet such costs, it may be necessary to increase Common Charges or institute a special assessment. See the Section of the Plan entitled "Working Capital Fund" for further discussion.

12. **Sponsor Obligations.** Sponsor reserves the right to sell ten (10) or more Units and to designate the purchaser of such blocks of Units as "sponsor" under this Plan and the Declaration. The party so designated as a "sponsor" will have those additional rights and obligations of a "Sponsor" as more fully described in the Plan.

No bond or other security has been posted by Sponsor to secure its obligation to pay Common Charges, special assessments and real estate taxes with respect to Unsold Units. Sponsor represents that it has the financial resources to meet such obligations with respect to Unsold Units. Please refer to the Section of the Plan entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further details.

13. **Common Interests.** The Common Interest of each of the Units has been determined pursuant to Section 339-i(1)(iv) of the Condominium Act and accordingly based upon a comparison of the floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of common elements for exclusive or shared use and the overall dimensions of the particular Unit. Based upon final specifications, construction conditions and/or "as-built" plans for the Building reflecting relative measurements, areas and uses of portions of the Building, application of such method of allocation of Common Interest may justify a minor increase or decrease in the aggregate Common Interest appurtenant to the Units. In such event, the Common Interest appurtenant to each individual Unit would be adjusted (by a minimal amount) pro rata. Sponsor expressly reserves the right, from time to time prior to the First Closing, to effect such a change in the Common Interests and to amend the Plan so as to reflect the same. In no event, however, will the Common Interest of any Unit be increased as a result of any of the foregoing by more than 5%.

14. **Floor Plans.** Purchasers should note that the square footage of each Unit as reflected in Schedule A and the Floor Plans set forth in Part II of the Plan is approximate within reasonable tolerances and may change due to field conditions and construction variances and tolerances. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. Because dimensions listed are based on measurements from exterior walls, they do not accurately represent the interior space in the Unit and will exceed the actual floor area. Floor area may include columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits which may be incorporated behind protruding walls or may be separately enclosed as freestanding columns thereby reducing the available floor area. Each Unit will be measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling. Ceiling heights are estimates only. The clearance between the top of the floor slab on one floor and the top of the floor slab on the next floor will vary among the Units and certain Units may have less clearance and all or portions of the ceilings in certain rooms within other Units may have a lesser clearance as the result of construction variances or the presence of beams, ducts and other and mechanical spaces in such Units. Because dimensions listed are based on measurements from floor slabs, they do not accurately represent the heights of the Units from the finished floor to the finished ceiling. Ceiling heights within any given room may also vary. Kitchens, bathrooms, closets, foyers, hallways and entryways typically have dropped ceilings. The following should be noted regarding the floors: (i) after interior walls have been installed in the Units, the floors in the units will be leveled around the wall and, therefore, if a Unit Owner removes an interior wall, the Unit Owner will be required to level the portion of the floor where the wall was located and (ii) the wood floors in the kitchen do not extend under the cabinets in the kitchen; portions of the floor under some cabinets are plywood. In addition, it should also be noted that the height of the ceiling in the model Unit located in the sales office is 6" higher than the actual height of the ceilings located in the Units. Please refer to the Notes to Schedule A in Part I of the Plan the

"Description of Property" in Part II of the Plan for further details.

15. **Windows.** The interior glass surfaces of all windows located in any Unit shall be washed and cleaned at the sole discretion of the Unit Owner or occupant thereof as such Unit Owner's sole cost and expense. In addition, to promote a consistent aesthetic appearance of the Building, each Unit Owner will be required to install window treatments having a white colored backing on the sides facing the windows in his or her Unit, which window treatments and backings must conform to any specifications (including a new color) established from time to time by the Condominium Board. Please refer to the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board" under the subsection entitled "Repairs to and Maintenance of Units and Common Elements" in Part I of the Plan for further details.

16. **Transfer Taxes.** Purchasers shall be obligated to pay the NYC Real Property Transfer Tax and NYS Real Property Transfer Tax which by law are the primary obligation of the Seller. If the purchase price of the Unit is \$1,000,000 or more, Purchaser shall also be obligated to pay the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax", currently one percent (1%) of the purchase price, which by law is the primary obligation of the Purchaser. For purposes of calculating the taxes payable, the amounts of such taxes (other than the Mansion Tax) will be included in the consideration subject to such tax. Regarding the Mansion Tax, purchase price and transfer taxes payable by Purchaser are added together by the NYS Department of Finance to arrive at total consideration. Therefore, for example, a Unit priced at \$985,000, where Purchaser pays transfer tax, would subject purchaser to liability for Mansion Tax as the aggregate of price plus tax would exceed \$1,000,000. (See the Section entitled "Closing Costs and Adjustments" for further details).

17. **Effectiveness of Plan.** Sponsor's offer to sell the Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20.3(q) of Title 13 NYCRR (i.e., purchase agreements signed by bona fide purchasers for fifteen percent (15%) of the Units offered under the Plan). Sponsor may declare the Plan effective after selling a minimum of fifteen percent (15%) of the Units offered for sale in the Building. Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to submit the Property to a condominium regime and convey Units with fewer than a minimum number of sales if purchasers counted towards effectiveness do not ultimately purchase a Unit. Please refer to the Section entitled "Effective Date" in Part I of the Plan for further details. Sponsor will endeavor in good faith to sell all of the Units in a reasonably timely manner; however, there is no certainty as to the period of time required to sell all of the Units. However, the Sponsor may decide to rent certain Units from time to time. As a consequence of the foregoing, residents of the Condominium may be comprised of both Unit Owners and tenants leasing from Sponsor or other Unit Owners. It is possible that a significant proportion of Unit Owners will not be residents of the Condominium and that a significant portion of residents in the Condominium may not be Unit Owners, and a Unit Owner seeking to resell or refinance a Unit may experience difficulty. Because Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more units than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium. See Section of the Plan entitled "Rights and Obligations of Sponsor" for further detail.

The Sponsor anticipates that the First Closing of a Unit will occur by July 1, 2017. Purchasers will be offered a right of rescission if: (i) the actual date of closing of title to the first Unit; or (ii) the projected date of closing of title to the first Unit occurs later than June 30, 2018, twelve months after the projected date for the First Closing. If the Plan is amended to provide for a later projected date for the First Closing, Purchaser will be entitled to an offer of rescission if the First Closing occurs more than twelve (12) months beyond that amended, later date. However, if the first Unit closing occurs before July 1, 2017, the Sponsor may schedule the closing of title to other Units significantly later than such date. Unless your Purchase Agreement contains an outside closing date, the Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. See the Section of the Plan entitled "Procedure to Purchase" for more information.

18. **Closing Costs.** All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's attorneys, Holland & Knight LLP ("Sponsor's Counsel"), in connection with the closing of title to Purchaser's Unit: (i) the sum of \$3,500 to reimburse Sponsor for its legal fees in handling the sale; (ii) if the Purchaser requests the Closing to occur other than at the offices of Holland & Knight LLP or such other place as Sponsor may designate in its closing notice and Sponsor consents to such change, an attendance fee of \$500 for each Closing held within Manhattan and \$750 for each Closing held in any borough outside Manhattan; (iii) if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Purchase Agreement, or for the addition, deletion or substitution of names on the Purchase Agreement, Purchaser shall pay a fee of \$1,000 to Sponsor's Counsel, payable in advance, for preparation of an assignment agreement (Purchaser may pay more than one fee pursuant to this paragraph with respect to a single Unit if there are multiple assignments), provided, however, that in the event the Purchaser is offered and exercises a right of rescission, or the Plan is abandoned, the fee described in this subsection (iii) shall be refunded to Purchaser; (iv) if Purchaser obtains mortgage financing, then Purchaser shall pay the Sponsor's Counsel an additional fee of \$750 to defray the additional costs associated therewith; (v) if the closing is adjourned through no fault of Sponsor, the Purchaser will be required to pay Sponsor's Counsel an additional fee of \$1,000 for each adjournment to help defray the cost of preparing for and coordinating the new closing; (vi) if any custom work is to be done in the Unit, then Purchaser shall pay Sponsor's Counsel an additional fee to defray the additional cost associated therewith for negotiating and preparing the requisite documents on an hourly basis at Holland & Knight LLP's customary rates; (vii) \$250 for the preparation of ACRIS transfer documents required by the City of New York; (viii) Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single unit; and, (ix) Purchaser shall pay Sponsor's counsel the sum of \$600 in connection with the consideration, review and processing of any agreement of exchange or the like which Sponsor is requested to execute in connection with any tax deferred exchange under section 1031 of the Internal Revenue Code. Other additional charges may apply. At Sponsor's option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor's Counsel shall be paid by Purchaser prior to Closing upon notice to Purchaser.

Purchasers or any other persons entering into an interim lease for a Unit shall be

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

19. **Window Guards.** In the event a child of eleven (11) years of age or less resides, or visits for an extended period of time, the Unit Owner is required to have installed (at Unit Owner's expense) child safety window guards in all windows of the Unit, as per New York City Code. The Unit Owner must notify the Managing Agent in writing when a child or children under the age of eleven (11) years lives or resides in the Unit. Windows may contain limit stops, which may not be removed. The Unit Owner shall maintain all window stops installed in the Unit and shall not remove same until permitted by applicable law. Please see the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board" for further details.

20. **Easements.** The Sponsor, for so long as Sponsor owns any Unsold Units, shall have, and the Units and Common Elements shall be subject to, an easement to use the Common Elements of the Building for any lawful purpose including, but not limited to, the purposes of (a) installing, utilizing, operating, maintaining, repairing, altering, rebuilding restoring and replacing satellite dishes and other communication equipment on the roofs and Façade of the Building and elsewhere on the Common Elements and the conduit and other Facilities relating thereto provided, however, that no wires or cables shall be hanging on the side of the Building and (b) maintaining any encroachment on any Unit, or any Common Elements or elsewhere on the Property resulting from the installation, operation, maintenance, repair, alteration, rebuilding, restoration or replacement thereof; provided that access to any unit or Common Element in furtherance of such easements shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of any assignee or licensee of Sponsor for the purpose of servicing the Condominium or any other building or area. The Condominium shall not be entitled to any portion of fees, compensation or other profits received by Sponsor for the use of the aforesaid easements or equipment. Any satellite dishes or other facilities placed upon the Roof or Façade of the Building or elsewhere on the Common Elements by Sponsor or their assignees or licensees shall be the exclusive property of Sponsor or their assignees or licensees and neither the Condominium nor any Unit Owner shall have any rights with respect thereto. Please see the section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board" under the subsection entitled "Easements" for further details.

21. **Mechanical Equipment.** Cooling towers and other mechanical equipment necessary for the maintenance and operation of the Building and the Units will be located in the Cellar and on the 7th, 33rd and 60th through 62nd Floors and on the Roof. The Condominium Board with respect to the Common Elements will be responsible for ensuring that the mechanical equipment is operated in accordance with Law, including requirements governing acceptable

levels of noise and odor emissions. Sponsor is not responsible for, nor can Sponsor make any guarantees regarding the level or noise or odors resulting from the operation of the Building or the Units. See the Section of the Plan entitled "Description of Property and Improvements" for more information.

22. **Mass Damping Systems.** As a result of the Building's overall dimensions, supplemental damping systems are located at the top of the Building to mitigate the lateral movement of the Building to reduce such movement to levels acceptable in the industry. The damping system contains steel plates which are located above the roof and could make access to the roof for certain repairs difficult

23. **Resident Manager's Unit.** On the earlier of one (1) year after the First Closing or 30 days after all of the Units have been closed, Sponsor will sell one Unit, presently intended to be Unit 11A, to the Condominium, which will own such Unit on behalf of all Unit Owners and will use the same for the residence of the Resident Manager ("Resident Manager's Unit"). The purchase price for the Resident Manager's Unit, which is currently anticipated to be Unit 11A, will be \$2,600,000, which is \$1,769.91 per square foot. If the Sponsor sells a Unit other than Unit 11A as the Resident Manager's Unit, in no event will the purchase price be greater than \$1,769.91 per square foot. In respect of such Resident Manager's Unit, at the closing of title to each Unit, the Purchaser thereof, as a closing cost, will be required to pay on behalf of the Condominium Board such Purchaser's share of the cost of the Resident Manager's Unit determined in accordance with the Common Interest the Unit purchased in proportion to the Common Interest appurtenant to all Units (other than the Resident Manager's Unit) and in the amount more particularly set forth on Schedule A, "Purchase Prices and Related Information" in Part I of the Plan. See "Notes to Schedule A" for more information. Each Purchaser's allocable portion of the cost of the Resident Manager's Unit will be included in the total consideration deemed to have been paid by such Purchaser in which case additional transfer taxes may be payable by Purchaser. Simultaneously with the First Closing, Sponsor will place the deed for the Resident Manager's Unit in escrow with Sponsor's counsel and the Condominium Board shall, at any time after the First Closing, have the option to purchase the Resident Manager's Unit, prior to all of the Units being sold.

ALTHOUGH THE CLOSING OF TITLE TO THE RESIDENT MANAGER'S UNIT MAY NOT OCCUR UNTIL AFTER A PURCHASER HAS CLOSED ON HIS OR HER UNIT, EACH PURCHASER OF A UNIT WILL PAY A PROPORTIONATE SHARE OF THE COST TO PURCHASE THE RESIDENT MANAGER'S UNIT AT SUCH PURCHASER'S CLOSING. The taxing authorities are likely to require that each Purchaser's allocable portion of the cost of the Resident Manager's Unit be included in the total consideration deemed to have been paid by such Purchaser to Sponsor; and, at Closing, Purchaser will pay the incremental additional transfer taxes attributable to such additional consideration.

Sponsor will convey the Resident Manager's Unit to the Condominium Board when the full purchase price therefor has been paid. Notwithstanding the foregoing, Sponsor reserves the right, at any time following the First Closing, to convey the Resident Manager's Unit to the Condominium Board notwithstanding the fact that the full purchase price therefor may not have been paid at such time, in which case the portion of the purchase price not collected as of such time will be payable by a promissory note from the Condominium Board to

Sponsor (the "RMU Note"). The RMU Note will be non-interest bearing. The principal balance of the RMU Note will be reduced each time Sponsor conveys a Unit and collects from the Purchaser of such Unit, such Purchaser's proportionate share of the cost to purchase the Resident Manager's Unit. The term of the RMU Note will expire when the full balance due under the RMU Note has been paid to Sponsor.

The Condominium 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 Resident Manager's Unit occurs as aforesaid.

There is also no guarantee that the Resident Manager will be residing at the Property at the time of closing of any particular Unit although all legal requirements with respect thereto will be complied with. 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 Condominium Board at all times. In addition, until such time as title to the Resident Manager's Unit has been conveyed to the Condominium Board, Sponsor may charge the Condominium Board a reasonable rental in respect of the Condominium's use thereof.

Sponsor reserves the right, in its sole discretion, to choose a different Unit other than Unit 11A to sell to the Condominium Board as the Resident Manager's Unit; provided, however that the purchase price and all costs associated with such different Unit will be the same as for the purchase of Unit 11A, that such sale shall only be made pursuant to an amendment to the Plan and that such sale shall not result in the Condominium Board incurring Common Charges which exceed by more than ten percent (10%) the costs of owning Unit 11A as set forth in Schedule B.

Prior to the sale of the RMU to the Condominium, Sponsor will lease the Resident Manager's Unit to the Board for use as the Resident Manager's residence. The rent for the Resident Manager's Unit shall consist of the Common Charges and real estate taxes payable for the Resident Manager's Unit. Sponsor does not share in any of the acquisition costs for the Resident Manager's Unit, even though the Resident Manager will service the Unsold Units. The Condominium will not be responsible for the expenses of the Resident Manager's Unit if the Resident Manager is not residing therein. See the Section of the Plan entitled "Description of Property and Improvements" for more information.

24. **Homeowners Association.** Sponsor anticipates that the Condominium will qualify as a homeowners association. Assuming the Condominium does not qualify as a homeowners association, or if it does but chooses not to make the election noted above, the present state of the law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. As discussed in the Attorney's Income Tax Opinion, the tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of such income (including the nonmembership, and possibly membership, income described above less expenses related to such income) is subject to federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax. The budget for the first year of Condominium operation, Schedule B, does not contemplate any income which might be taxable and accordingly does not budget any amounts for taxes for nonmembership or membership income.

Alternatively, it is possible that some or all of such income might be reportable directly by the Unit Owners or otherwise treated. The tax treatment of the Condominium may be affected by regulations relating to entity classification, which were adopted by the United States Treasury Department on December 17, 1996. Please refer to the Attorney's Income Tax Opinion and the Section entitled "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" in Part I of the Plan for further discussion.

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

26. **Parking and Storage Licenses.** The Sponsor will be selling licenses to park in the Garage and/or use of Storage Bins and Storage Closets. Subject to their availability, the Purchaser of any Unit will have the right to purchase a Parking License or a Storage Bin or Storage Closet License (collectively referred to as the "Licenses" or individually "License"). Licenses may only be owned by Unit Owners. A Unit Owner who owns a License will only be permitted to sell it to another Unit Owner or the Purchaser of a Unit. There is no certainty that when a Unit Owner sells his or her Unit there will be another Unit Owner, who may want to purchase the License if the Unit Owner's Purchaser is not interested in purchasing it, in which event the Unit Owner will have to surrender it to the Condominium Board. A temporary certificate of occupancy is not required for the sale of use rights with respect to Licenses. Purchasers may be required to consummate their purchase of use rights with respect to a License simultaneously with their Unit(s)' closing even though a temporary certificate of occupancy has not been issued (and access may not be available) for the Garage or the Storage Area, as the case may be. (See the Section of the Plan entitled "Procedure to Purchase" for further details.)

The ramp to the Garage is adjacent to a vault under the surface of 22nd Street that Con Ed utilizes for equipment. The use of the Garage ramp may be affected by the requirements of Con Ed to have access to the vault which would include the possibility that the Garage would have to temporarily close.

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

28. **Maintenance of Unit.** The Units will have large glass windows, which should be covered during the portions of the day when the sun is strongest in order to maintain the temperature of the Unit's rooms at comfortable levels and to conserve energy. Portions of the Units will have wood floors. Wood is a natural product and expands and contracts with weather conditions, which causes the floors appearance to change. Moreover, in order to maintain the quality of the floor, the humidity level within the Unit should be kept between 30% and 60% and the floors should not be washed with water and should be otherwise maintained according to the manufacturer's recommendations. In addition, direct ultraviolet rays could affect the color of the wood and therefore window treatments are recommended. It should be noted that there is limited access to the fan coil unit to allow for filter changes, condensate line/pan routine maintenance and valve balancing. However, if the blower assembly or coil does need to be changed, the ceiling will need to be opened up to allow for the repair.

29. **Risk of Loss.** Purchasers are advised that the risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until a Purchaser takes possession of such Unit pursuant to an interim lease or written Purchase Agreement with Sponsor, at which time such risk to the contents of the Unit (but not to any portion of the Unit or Common Elements otherwise insured by Sponsor or the Condominium Board) shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Unit, the Purchase Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price for the subject Unit. In the event of an occurrence of a fire or other casualty, Sponsor shall notify the Purchaser as to whether or not Sponsor will restore the Unit no later than two (2) months after the date of the occurrence of the fire or other casualty. In addition, Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners, belong entirely to Sponsor. In the event that Sponsor elects to repair or restore a Unit, Sponsor will restore the Unit and Common Elements to substantially the same condition that the Unit and Common Elements existed in immediately prior to the casualty, and essential services (such as utilities and heat) and a reasonable means of ingress and egress to the street, if affected, will be restored. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board"), the Purchase Agreement shall be deemed canceled and of no further force or effect and Escrow Agent shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, whereupon the parties to the Purchase Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan.

30. **Limitations on Sale.** In order to facilitate the Sponsor's sale of the Units, prior to (a) one (1) year after a Purchaser's closing on its Unit, a Purchaser will not be permitted to sell

his or her Unit(s) without obtaining the Sponsor's written approval, and (b) a Purchaser's closing of a Unit, the Purchaser may not (i) list the Unit for resale with any broker or otherwise, or (ii) advertise, promote or publicize the availability of his or her Unit for sale or lease. See the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board" for more information.

31. **Insurance.** The Condominium Board is not required to obtain or maintain any insurance with respect to any property contained in any Unit or any liability with respect to occurrences in or about each Unit or the Common Elements, that are exclusive and/or appurtenant to the Unit. Consequently, all Unit Owners are required to obtain and maintain (i) a personal liability policy if the Unit Owner is an individual or (ii) general liability insurance if the 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 Common Elements, if any, exclusive and/or appurtenant to his or her Unit affording protection of at least \$1,000,000 per occurrence, plus at least \$3,000,000 umbrella liability coverage. Further requirements with respect to such insurance are more particularly set forth in the By-Laws. In addition, all Unit Owners are urged to obtain personal property insurance with respect to the fixtures, furniture, furnishings and other personal property located within their respective Units. Purchasers are also advised that the insurance policies to be maintained by or on behalf of the Condominium Board will be on a "replacement cost" basis and will not cover losses to the extent that "market value" of a Unit may exceed its insured replacement cost. Further, as a result of current fluctuations in the insurance market, the Condominium Board will not be required to obtain or maintain terrorism coverage but may do so, and in such event, the cost thereof shall be a Common Expense as described in the Condominium By-Laws.

32. **Development Rights.** The Sponsor and the owner of the adjacent property are parties to a Zoning Lot Development and Easement Agreement ("ZLDA"), a copy of which is contained in Part II, as Exhibit 16. Pursuant to the ZLDA, the adjoining property owner conveyed to the Declarant the Transferable Development Rights (i.e., the Development Rights). Sponsor has retained and expressly reserves all excess air or developmental rights otherwise appurtenant to the Property and not used in connection with the original construction of the Building as described in this Plan, which Sponsor may transfer to the owners of other parcels in the future. As a result, unless Development Rights are separately acquired therefor on behalf of the Condominium or a Unit Owner, as the case may be, any future expansion of the Building by the Condominium Board or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable Legal Requirements, may not be possible or may be limited. Further, as a result of such reservation by Sponsor, Sponsor may transfer or sell such Development Rights to the owner(s) of adjoining properties or offsite and in such case such properties may be increased as a result of such transfer or sale. The Development Rights reserved by Sponsor will not be used to add additional floors to the top of the Building. In the event such excess Development Rights are transferred to the owner(s) of adjoining properties or offsite, a Unit Owner's views and exposure to light may be affected. See the Section entitled "Reservation of Air and Development Rights" for more information.

33. **Alterations to Units.** All alterations to a Unit or services for a Unit Owner shall be performed in a manner which will not interfere with, or cause any labor disturbances or stoppages in, the work of Condominium employees, or other contractors or subcontractors

employed in the Units or the Building; and in all events, in compliance with the Declaration, the Condominium Bylaws, the Rules and Regulations, the overall Building standards and applicable laws. See the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board" for more information.

34. **Custom Work.** Sponsor may agree, in its sole discretion, to perform Custom Work to a Unit (including without limitation combining or further dividing Units). Unless otherwise agreed to by Sponsor, a Purchaser shall bear the costs of the Custom Work ("Custom Work Costs"), which Custom Work Costs shall be due and payable by Purchaser to Sponsor upon the execution of the Purchase Agreement for the Unit and deposited in an escrow account with Escrow Agent in accordance with the Plan, unless otherwise agreed to by Sponsor. The Custom Work Costs may be released from the Escrow Agent's escrow account upon the Escrow Agent's receipt of written notification from Sponsor's Architect to the Escrow Agent that all or any portion of the Custom Work has been commenced in the Unit. In the event that after the release of the Custom Work Costs or any portion thereof to Sponsor (i) a Purchaser becomes entitled to rescission under the Plan or (ii) the Plan is abandoned, the Purchaser shall receive a refund of the Custom Work Costs, if any, used to perform Custom Work in the Unit. See the Section entitled "Procedure to Purchase" for more information.

35. **Sponsor Principals.** In addition to Sponsor, the individual principals of Sponsor are required by the Department of Law to execute the Certification by Sponsor and Sponsor's Principals ("Certification") set forth in Part II of the Plan, solely in connection with enforcement by the Department of Law of Article 23-A of the General Business Law (the "Martin Act"). The principals of Sponsor who have executed the Certification expressly disclaim the existence of any private right of action in connection with or arising from their execution of the Certification. As decided by a unanimous appeals court in the recent case entitled 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), Appellate Division, First Department, individual principals of a sponsor are not personally liable for claims (as described in the case and pleadings) by individual unit owners or the Condominium Board to the extent such claims are premised solely on alleged violations of an offering plan and the certification of sponsor and principals contained in the offering plan, absent liability under another statute or under an alter-ego or other veil-piercing theory. (See the Section of the Plan entitled "Procedure to Purchase" and the Option Agreement set forth in Part II of the Plan for details.)

For information only, Bruce Eichner, a principal of the Sponsor, is also a principal of O. Park Central LLC and T. Park Central LLC, together the sponsor of the timeshare offering plan for the Manhattan Club. On July 24, 2014, the Attorney General of New York obtained a court order pursuant to Gen. Bus. Law § 354, which halts the sales of timeshare interests at the Manhattan Club, prohibits withdrawals from the hotel's operating accounts, stops the foreclosures of Manhattan Club purchasers during the pendency of the Attorney's General's investigation, and requires Mr. Eichner and other principals of O. Park Central LLC and T. Park Central LLC to testify in court regarding allegedly fraudulent sales tactics.

It should be noted that the preliminary injunctive relief set out in the order, and the Attorney General of New York's investigation are limited to the offering at the Manhattan Club. However there is a possibility that the outcome of that investigation could affect Mr.

Eichner's ability to publicly sell real estate securities in or from New York State. In such an instance, Mr. Eichner would be required to cease being the principal of the Sponsor at 45 East 22nd Street Condominium.

36. **Defense Costs.** Purchaser shall be obligated to reimburse Sponsor (whether or not Sponsor prevails in defending or enforcing Sponsor's rights) for any legal fees and disbursements incurred by Sponsor in defending or enforcing Sponsor's rights under the Purchase Agreement or, if Purchaser defaults under the Purchase Agreement beyond any applicable grace period, in canceling the Purchase Agreement, or in otherwise enforcing Purchaser's obligations thereunder. The Purchase Agreement also provides, that, except as prohibited by law, the parties waive trial by jury in any litigation arising out of, or connected with, or relating to, the Plan, the Purchase Agreement or the relationship created thereby. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan for further details.

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

38. **Floor Designations.** All references in the Plan and in marketing materials to "floors" are references to their "marketing" designations and will not correspond to the designation given to the floors on the plans submitted to the New York City Department of Buildings.

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

40. **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 (or until no

Unsold Units remain, if earlier), to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events and/or promotional functions (e.g., with respect to any sales programs for Unsold Units). Such activities will result in excess traffic and noise in the Building, and may interfere with owner-occupants' enjoyment of the Building. See the Section entitled "Rights and Obligations of Sponsor" for more information.

41. **Waiver of Collection of Common Charges by Sponsor.** Sponsor reserves the right, in its sole and absolute discretion, to waive the collection of Common Charges from Purchasers under the Plan for a period of time after the First Closing (the "Waiver Period"); provided, however, that Sponsor shall be solely responsible for payment of all expenses to operate the Building during the Waiver Period (the "Operating Expenses"). All Operating Expenses paid by Sponsor during the Waiver Period are based on the actual cost of operating the Building and not on estimates set forth in Schedule B – "Projected Budget for First Year of Condominium Operation". Purchasers should note that Schedule B will not be in effect until the expiration of the Waiver Period. Notwithstanding anything to the contrary set forth above, the Operating Expenses shall not include real estate taxes regardless of whether the Unit has been separately assessed. In all instances the Unit Owners will remain responsible for the payment of the real estate taxes (including such Unit Owners' allocable share of those real estate taxes attributable to the Resident Manager's Unit). Sponsor, in its sole and absolute discretion, may upon thirty (30) days prior written notice to Unit Owners, terminate the Waiver Period, which notice shall be disclosed in an amendment to the Plan.

If Sponsor shall exercise its right to waive collection of Common Charges as set forth above, Sponsor shall disclose such information in the post-closing amendment to the Plan and shall also set forth the anticipated length of the Waiver Period. Sponsor shall also file an amendment to the Plan disclosing the expiration of the Waiver Period at least thirty (30) days prior to such expiration. During any such Waiver Period, Sponsor will timely pay all expenses of the operation of the Condominium, including but not limited to insurance premiums and reserve fund payments required by lenders, if any. Upon expiration of any such Waiver Period and the commencement of assessment of Common Charges against the Units, there will not be any assessment over and above the amount of such Common Charges against Units or Unit Owners for any item set forth in the approved budget that is in effect at the time of commencement of assessment of Common Charges. During any such Waiver Period, Sponsor shall remain obligated to update the operating budget for the Condominium when and as needed, as provided in the New York State Department of Law regulations as to the same. See the Section entitled "Control by Sponsor".

42. **Light and Air Easement.** Windows on the portion of the building facing or cantilevered over Lot 28 to the west are protected by a light and air easement. Pursuant to this easement, no future development (alteration or new construction) on Lot 28 would be permitted above the existing height of the improvements on these lots except as noted in the ZLDA. See the "Description of Property" in Part II of the Plan for more information.

43. **Time Is of the Essence.** After the Plan is declared effective, Purchasers will receive at least thirty (30) days' prior notice of the originally scheduled Closing Date and, in the event Purchaser fails to close on the designated date, then Purchaser will have a thirty (30) day period after notice within which to cure, time being of the essence, such default, following which

Sponsor shall have the remedies set forth in "Procedure to Purchase" in Part I of the Plan. Time is of the essence with respect to the Purchaser's obligation to close title on the date set for closing and to pay, perform or observe all of his or her other obligations under the Purchase Agreement, and to cure a default within 30 days after Sponsor gives written notice to the Purchaser of such default. Therefore, a Purchaser who defaults under his or her Purchase Agreement and who does not cure such default within such 30-day period may not be permitted any additional time to cure such default. TIME IS OF THE ESSENCE TO PURCHASER AS TO PURCHASER'S OBLIGATIONS PURSUANT TO THE PURCHASE AGREEMENT, INCLUDING, WITHOUT LIMITATION, FOR THE PAYMENT OF THE BALANCE OF THE PURCHASE PRICE. See the Section entitled "Procedure to Purchase" for more information.

44. **Sealant.** Sponsor anticipates that there will be stone finishes used in the Units. In order to maintain the stone in good repair, Sponsor recommends that Unit Owners seal the stone with a sealant, such as 511 Impregnator by Miracle Sealants Company or a similar sealant, at least once per year, in accordance with the manufacturer's recommendations.

45. **Cellular Service.** Purchasers should note that there may not be reception for cellular phones in the Building. Sponsor may, in its sole discretion, install the technology required for one or more providers of cellular service in the Building, which installation may occur either before or after all of the Units have temporary certificates of occupancy.

46. **Provision of Services.** A front desk attendant will be available twenty four (24) hours a day, seven (7) days a week, in the Lobby, beginning with the First Closing. It is anticipated that all other listed services, facilities and amenities shall be provided within one (1) year of the issuance of temporary certificates of occupancy for all of the Units, subject to the terms, conditions and provisions set forth herein. Although Sponsor anticipates that many of the services described above will be available at the time of the First Closing, prospective Purchasers should note that some of these services (such as a full staff of personnel) may not be available until twelve months after the issuance of temporary certificates of occupancy for all of the Units. In addition, certain of the amenities described in the Plan may not be arranged or available until after such interim period.

B. INTRODUCTION

1. The Offering Plan

East 22nd Street Acquisition Holdings LLC, a Delaware limited liability company ("Sponsor"), hereby presents this offering plan (the "Plan") for the establishment of condominium ownership of certain land consisting of approximately 7,406 square feet on the north side of 22nd Street between Broadway and Park Avenue South (the "Land"), including a building with sixty-one (61) construction floors, inclusive of roof levels and Cellar and Sub-Cellar levels (the "Building") containing 83 Units, which are referred to collectively as the "Units", 17 Licenses to park in the Garage, 41 Licenses to use Storage Bins, and 9 Licenses to use Storage Closets, which are referred to collectively as the "Licenses". The Land and the Building are collectively referred to herein as the "Property". The condominium will be known as "45 East 22nd Street Condominium" and is called the "Condominium" in this Plan. Sponsor acquired the portion of the Land comprising 41-43 East 22nd Street on July 26, 2013 and the portion of the Land comprising 45 East 22nd Street on January 31, 2014.

The purpose of the Plan is to set forth in detail all material facts relating to the offering by Sponsor of the 83 Units, 17 Parking Licenses, 41 Storage Bin Licenses, and 9 Storage Closet Licenses. At this time, neither the Storage Area, nor the Garage, will be offered for sale. The Units and the Garage have entrances on 22nd Street.

The Plan is presented in two parts (in one volume) which together constitute the entire Plan. Part I sets forth a general description of the Plan and Part II contains all of the material terms of the transaction and the basic documents necessary to create the Condominium and to otherwise effectuate the provisions of the Plan. Also included in Part II is a detailed physical description of the Property, certifications of Sponsor and Sponsor's architect, certifications of an expert selected by Sponsor concerning the adequacy of the budget for the first year of Condominium operation and certain agreements to which the Condominium will be bound. In addition, Sponsor has filed exhibits to the Plan with the Department of Law, which are presented as Parts A (Certifications), B (General), C (Engineering) and D (Other Information). The Plan, including all Schedules set forth herein in Parts A, B, C and D of the exhibits, constitutes the entire offer of Sponsor. Copies of the Plan and the exhibits will be available for inspection by prospective Purchasers without charge and for copying at reasonable fees at Sponsor's office and at the offices of the Department of Law, 120 Broadway, 23rd Floor, New York, New York. Copies of the Plan and the exhibits may also be borrowed from Sponsor upon payment of two hundred and fifty dollar (\$250) deposit, which amount will be fully refunded after the earlier of (i) the prompt return of all borrowed materials in good condition within ten (10) days or (ii) the execution by the borrower of a Purchase Agreement subsequently accepted by Sponsor. All of these documents are important and should be carefully read by prospective Purchaser. Prospective Purchasers are also advised to consult with their own attorneys or other advisers before agreeing to purchase. All capitalized terms used in the Plan shall have the meanings ascribed thereto in the Section entitled "Certain Definitions", unless otherwise indicated.

2. The Condominium

The Sponsor is constructing the Building on the Land, which will be subject to a certificate of occupancy. The Building will contain 61 floors above grade exclusive of roof levels, including 61 residential floors exclusive of roof, and a total of 68 floors, inclusive of roof levels and cellar and sub-cellar levels. The floors in the Building are named (from bottom to top): Subcellar, Cellar, First Floor or "Lobby", Floors 2-60 and PH61. As more particularly described herein, the Building will include (a) 83 Units on Floors 3-PH61 and (b) the Common Elements, including the Storage Area and the Garage. The Storage Area occupies a portion of the Cellar and the First Floor Mezzanine and the Garage occupies a portion of Cellar and the First Floor. The Storage Bins are located in the Cellar.

There will be available to occupants, certain first class residential services, including, but not limited to, concierge service, doorman, automatic elevators, and cable television and internet service at an additional charge, lounge, spa, aqua spa, pool, health club, golf room, private fitness studio, stroller storage, kitchen, security systems and communication facilities.

3. Features of Condominium Ownership

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

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

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

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

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

The Condominium Board does not have the right to approve or disapprove a purchaser of

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

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

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

As more particularly set forth in the By-Laws, the Condominium Board will determine the amount of Common Expenses. On a monthly basis or at such other times as the Condominium Board determines, the Condominium Board will assess Common Charges to meet Common Expenses. Such charges will be assessed against Unit Owners in proportion to their respective Common Interests except as otherwise determined by the Condominium Board or the Condominium Board in accordance with the Condominium Act, Sections 339-(i) and (m).

After the closing of title to a Unit, a Unit Owner will be solely responsible for maintaining casualty insurance with respect to the fixtures, equipment and personal property situated within his or her Unit, as well as liability insurance with respect to occurrences in or about his or her Unit. The By-Laws require that each Unit Owner maintain such insurance coverage. The Condominium Board will be solely responsible for maintaining casualty and liability insurance with respect to the Common Elements, in accordance with the provisions of the By-Laws. See the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board" for a more complete discussion of the foregoing.

There are no limitations on who may purchase Units. Under the New York Real Property

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

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

Since the existing mortgages and construction loans covering the Property will not be satisfied at or prior to the First Closing, at or prior to the First Closing, each mortgagee will either: (i) consent to the formation of the Condominium and acknowledge that its lien will be limited to Unsold Units; (ii) subordinate the lien of its mortgage to the Declaration; or (iii) release its lien on the Unit being conveyed and its interest in the Common Elements.

The Condominium Board does not have the right to approve or disapprove purchasers, and as a result, there is no limit on the number of owners who may purchase a Unit for investment rather than for personal occupancy, and there may always be a substantial percentage of Unit Owners who are non-residents.

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

4. Offering of Units for Sale

Sponsor hereby offers 83 Units, 17 Parking Licenses, 41 Storage Bin Licenses, and 9 Storage Closet Licenses. The prices for each of the Units offered under the Plan are listed in Schedule A entitled "Offering Prices and Related Information, Schedule A" and the prices for the Parking Licenses and Storage Bin and Storage Closet Licenses are listed in Schedule A-1. **THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY ANY GOVERNMENT AGENCY.**

The estimated Common Charges for each Unit for the first year of operation of the Property as a condominium are also set forth in Schedule A.

Sponsor will endeavor in good faith to sell all of the Offered Units in a reasonably timely manner; however, there is no certainty as to the period of time required to sell all of the Offered Units. However, under the terms of this Plan, Sponsor may decide to rent certain Offered Units from time to time. As a consequence of the foregoing, residents of the Condominium may be comprised of Unit Owners and tenants leasing from Sponsor or other Unit Owners. Accordingly, it is possible that a significant proportion of Unit Owners will not be residents of the Building and that a significant portion of tenants in the Building may not be Unit Owners and a Unit Owner seeking to resell or refinance a Unit may experience difficulty. Because Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more units than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium. However, the Unit Owners will obtain control of the Condominium Board at the expiration of the Initial Control Period (as such term is defined in the Condominium By-Laws). See Section of the Plan entitled "Rights and Obligations of Sponsor" for further detail.

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

Each Purchaser of a Unit will be required to make a contribution to the Working Capital Fund. Such contribution, to be made at the time of Closing of the Unit, shall be in an amount equal to two (2) months' Common Charges in effect at the time of closing for each Unit purchased. (See the Section entitled "Working Capital Fund and Apportionments").

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

The charges for electricity consumed by each Unit Owner individually will be separately metered and billed to each Unit Owner by Con Ed. Water charges and sewer rents, assessed by The City of New York, will be billed to the Unit Owner as a Common Expense. The costs and expenses of central heat and gas will be included in Common Charges; Unit Owners will be required to pay charges for electricity consumed by the fan coil HVAC Units for each Unit which provides air conditioning and heating to each Unit. Schedule A sets forth estimates of the amounts of real estate taxes which will be payable with respect to each Unit. See the Notes to Schedule A with respect to the bases of such estimates. See Schedule B-1 for the projected Budget for Individual Energy Costs for the First Year of Condominium Operation.

C. CERTAIN DEFINITIONS

For convenience of presentation, general definitions of certain of the terms used in the Plan are set forth below, which definitions are subject in most cases to the more particular definitions of such terms set forth in the Declaration and the By-Laws:

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

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

"Board" refers to the Condominium Board.

"Building" refers to the structures and improvements including above and below grade segments, known as "45 East 22nd Street Condominium" located at 41-45 East 22nd Street, New York, New York in which the Units of the Condominiums are located.

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

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

"Cellar" refers to lower level of the Building.

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

"Closing" refers to the time, place and procedure by which fee title to the Unit in question is conveyed to a Purchaser pursuant to a fully executed Purchase Agreement.

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

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

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

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

“Common Interests” refer to those Common Elements which serve or benefit exclusively one or more but not all the Units and/or the Unit Owners.

“Completion Date” shall be the date when the Building is substantially complete and the first Temporary Certificate of Occupancy for a Unit is issued and is anticipated to be on or about July 1, 2017.

“Condominium” refers to 45 East 22nd Street Condominium.

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

“Condominium Board” refers to the board of managers of the Condominium.

“Declarant” or “Developer” refers to East 22nd Street Acquisition Holdings LLC, a Delaware limited liability company, which is developing the Property.

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

“Department of Law” refers to the New York State Department of Law.

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

“Down Payment” refers to the initial payment under the Purchase Agreement that is due prior to the Closing.

“Escrow Agent” refers to Holland & Knight LLP.

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

“First Closing”, or words of similar import, refers to the date fee title to the first Unit is conveyed to a Purchaser pursuant to the Plan.

“Floor Plans” refer to the floor plans of the Building, as the same may be amended from time to time, which are approved by the Real Property Assessment Bureau of The City of New York and filed with the City Register’s Office.

“Garage Unit” refers to the Garage located in the cellar of the Building.

“GBL” refers to the New York General Business Law.

“Initial Control Period” refers to the period ending the later to occur of: (i) the Sponsor and its designees as Holders of Unsold Units owning less than five (5%) percent of the aggregate Common Interests pertaining to all Units or (ii) five (5) years after the First Closing.

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

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

"Lobby" refers to the Ground Floor of the Building.

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

"Offered Units" refers to the Units being offered for sale by the Sponsor.

"Offeree" refers to (a) Purchasers who have executed and delivered Purchase Agreements for Units and are not in default thereunder, (b) Unit Owners, and (c) any other person or entity who, pursuant to law, is an offeree of the Plan.

"Parking Licenses" refers to the License contained in Exhibit 3 of the Plan.

"Parking Spaces" refer to the parking spaces that are located in the Garage.

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

"Permitted Mortgage" refers to a mortgage permitted to be placed upon a Unit or Units pursuant to the provisions of the By-Laws.

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

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

"Plans and Specifications" refers to the plans and specifications for the Building which (to the extent required by law) are filed with, and approved by, the Department of Buildings of The City of New York, which plans and specifications may, from time to time, have been amended or changed, or may hereafter be amended or changed in accordance with the provisions of the Plan.

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

"Property Deed" refers to the deeds pursuant to which the Declarant acquired fee title to the Property, dated as follows: 41-43 East 22nd Street on July 26, 2013, and 45 East 22nd Street on January 31, 2014.

"Purchase Agreement" refers to the option agreement/agreement to purchase a Unit pursuant to the Plan, the form of which is set forth in Part II of the Plan.

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

"Rules and Regulations" refers to the rules and regulations made in accordance with the By-Laws and attached thereto as Schedule A.

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

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

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

"Selling Agent" refers to Corcoran Sunshine Marketing Group, or any successor selling agent at the time in question.

"Service Elevator" refers to the service elevator in the Building.

"Sponsor" refers to East 22nd Street Acquisition Holdings LLC, a Delaware limited liability company, and its successors and assigns.

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

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

"Storage Area" refers to the storage rooms located in portions of the Cellar and First Floor Mezzanine of the Building.

"Storage Bin License" or "Storage Closet License" refers to the license contained in Exhibit 2 of the Plan.

"Storage Bins" refers to those storage bins located in the Cellar, which will be used for storage by Unit Owners who purchase Storage Bin Licenses.

"Storage Closets" refer to those storage closets located on the First Floor Mezzanine, which will be used for storage by Unit Owners who purchase Storage Closet Licenses.

"Time of the Essence" shall mean a failure by Purchaser to do what is required at the

time specified in the Purchase Agreement which is a material breach of the Purchase Agreement and an Event of Default.

"Unavoidable Delays" refer to delays due to strike, lockout, or other labor or industrial disturbance (whether or not on the part of employees or contractors of Sponsor), civil disturbance, future order of any government, court or regulatory body claiming jurisdiction, war, act of the public enemy, riot, sabotage, blockade, embargo, terrorist acts, shortage of or failure or inability to secure materials or labor by reason of priority or similar regulation or order of any government or regulatory body or lightning, earthquake, fire, storm, hurricane, flood, explosion, act of God or any cause similar to any of the causes hereinabove state; provided, however, that for purposes of this definition, lack of funds or inability to obtain financing shall not be deemed to be a cause similar to the causes stated above.

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

"Unit Owner" refers to the owner of any Unit Owner, and all of such Unit Owners are collectively referred to as the "Unit Owners."

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

"Waiver Period" refers to the time period during the Condominium's initial two (2) fiscal years, during which Sponsor has reserved the right for Sponsor's Board Designees to waive the collection of Common Charges from the Unit Owners for a period of time beginning from the date of the First Closing, subject to the provisions of the Plan.

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

D. DESCRIPTION OF PROPERTY AND IMPROVEMENTS

1. Construction of the Building

The Building contains Units and Common Elements.

The Building, including the individual Units therein, is a new construction project which will be completed substantially in accordance with the Plan and Specifications and all applicable zoning and building laws, regulations, codes and other government requirements. No Asbestos containing material will be present in insulating or fire-proofing material contained in the Building. Following completion of the Building, temporary certificates of occupancy for individual Units and the Building and/or a permanent certificate of occupancy for the Units and the Building will be issued by the Department of Buildings of the City of New York and copies of the Plans and Specifications for the Building will be filed with the Department of Buildings of the City of New York.

Under the present construction schedule it is anticipated that, except for finishing work to stairways, hallways, and other areas of the Building which are not intended for the exclusive use of any particular Unit Owner, and work, if any, which Sponsor performs in individual Units, certain Units will be substantially completed by the Completion Date, which is anticipated to be on or about July 1, 2017, and a first Temporary Certificate of Occupancy with respect to portions of the Building will be obtained on or about the Completion Date both subject to Unavoidable Delays. Sponsor does not, however, warrant or guarantee the foregoing completion or occupancy dates for the Building. The first Temporary Certificate of Occupancy may be issued for some but not all of the Units and Sponsor may complete construction of certain Units before others.

Sponsor has engaged Goldstein Hill and West Architects ("Sponsor's Architect") as architects for the Building, MG Engineering, P.C., as mechanical engineer for the Building and Desimone Consulting Engineers, as the structural engineer for the Building. Tutor Perini Building Corp. is the construction company responsible for the construction of the Building.

Sponsor reserves the right to amend or modify the Plans and Specifications in any way not material to this offering or in a manner disclosed in this offering, including, without limitation, changing materials, appliances, equipment, fixtures and other construction and design details set forth therein or in the "Description of Property" set forth in Part II of the Plan and to substitute in their place similar materials, appliances, equipment and/or fixtures of substantially equal or better quality, provided that any necessary approval of any governmental authority having jurisdiction thereof is timely obtained. Any or all of the foregoing shall give rise to no right of rescission on the part of any Purchaser and may be made without prior notice or amendment to the Plan.

The location in the Building, and the size, layout and approximate square footages of the Units are shown on the floor plans duplicated in Exhibit 7 of Part II of the Plan. Such floor plans are subject to the rights of Sponsor or its designee to combine two or more Unsold Units, to add additional Units by subdividing Unsold Units or to change the number of rooms in, as well as the size, layout and square foot area of, any Unsold Units, as further described in Part I, the Section

entitled "Changes in Prices and Units" hereof. Any Floor Plan or sketch shown to a Purchaser, including those set forth in this Plan are only an approximation of the dimensions and layout of each Unit. The actual layout of a Unit may have been altered, and no variation will affect a Purchaser's obligations under his or her Purchase Agreement or the Plan. Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset or reduction in the purchase price for his or her Unit or otherwise be relieved of any obligations under the Purchase Agreement, by virtue of an inaccuracy or error in the Floor Plans. Square footage calculations are only approximations for the purposes of marketing the Units and may not be exact. Such square footage calculations shall not be relied upon for loan, valuation or other purposes. If exact square footage is a concern for a Purchaser, the Purchaser should have the Unit in question independently measured. Purchasers waive and disclaim any rights to rescind their Purchase Agreement and any and all other claims against Sponsor resulting from alleged discrepancies in square footage calculations.

The Building incorporates mechanical equipment necessary for the maintenance and operation of the Building and the Units. The Condominium Board, with respect to such mechanical equipment which is a Common Element will be responsible for making sure the mechanical equipment is operated in accordance with Legal Requirements, including requirements governing acceptable levels of noise and odor emissions. Sponsor is not responsible for, nor can Sponsor make any guarantees regarding the level of noise or odors resulting from the operation of the Building or the Units.

2. Units

Subject to the rights of Sponsor and its designee to change the number of Units, there will be a total of 83 Units situated on the Sixth Floor through PH61 of the Building. Detailed descriptions of the Units including a finish schedule are set forth in the Declaration and in the "Description of Property" in Part II of the Plan. See also the Section entitled "Changes in Prices and Units." Please refer to Schedule A for further details.

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

Included in the sale of each Unit are the following: refrigerator/freezer, kitchen cabinets, gas range, automatic dishwasher, garbage disposal, washing machine and dryer and individually controlled heating and cooling units. The manufacturer, model number and specifications for the foregoing appliances and equipment are set forth in the "Description of Property." As more fully set forth under the Section entitled "Description of Property and Improvements – Construction of the Building," these fixtures, appliances and equipment are subject to change by Sponsor. Substitutions of fixtures, appliances and equipment shall be of equal or better quality than those noted in the "Description of Property" set forth in Part II of the Plan. Sponsor may negotiate to make modifications or changes in any Unit or to do special work therein to provide different or additional appliances, equipment furnishings or decorations, provided that Sponsor shall not be bound to do so unless agreed to by Sponsor in a written instrument which is incorporated as an addendum to the Purchase Agreement.

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

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

3. Common Elements

Generally, the Common Elements include, among other things, the following: (a) the Land; (b) all foundations, footings, columns, girders, concrete floor slabs and ceilings (except to the extent included as part of any Unit), beams, supports, and interior load bearing walls, together with those portions of the exterior walls of the Building, (c) corridors and all fire staircases, landings and stairs which are not part of any Unit; (d) meter rooms, electrical rooms, gas meter room, pump room, domestic hot water room, and janitorial toilet and sink; (e) general illumination fixtures and security systems; (f) all passages, hallways, stairs, corridors, mechanical and other rooms, areas and spaces located in the Building which are not part of any Unit; (g) the water tower; (h) the emergency generator room and a storage room; (i) residential elevators (including their shafts, pits, machinery and appurtenant facilities); (j) the exterior glass surfaces of all windows; (k) the entrance and lobby, vestibule, package room, toilette, elevator lobby, security system, concierge station, service vestibule and service corridor and the mailroom on the Ground floor of the Building; (l) passages, hallways, stairs and corridors; (m) electric panels, closets, feeders and risers; (n) the service vestibule and trash chutes servicing each of the Floors; (o) all mechanical space and other rooms, areas and spaces located in the Building which are not Common Elements, or part of any Unit; (p) the residential amenities located on the Ground Floor, Mezzanine and Second through Fifth Floor and the 48th Floor; (q) the Storage Area and Garage as described below, and (r) all other parts of the Building and the apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines). A detailed description of the Common Elements is set forth in the Declaration.

4. Storage Bins and Storage Closets

There will be approximately 41 Storage Bins located in the Cellar of the Building and 9 Storage Closets located on the First Floor Mezzanine of the Building. Sponsor will be offering the Storage Bins and Storage Closets to Purchasers and owners of Units at the offering prices listed on Schedule A-1. In the event a Purchaser purchases a Storage Bin or Storage Closet License, the Purchaser will enter into a Storage Bin or Storage Closet License Purchase Agreement with Sponsor prior to Closing on the Storage Bin or Storage Closet License and then

at Closing, the Purchaser will enter into a Storage Bin or Storage Closet License Agreement with Sponsor and the Board. The forms of each of these agreements are provided in Part II of the Plan. The Storage Bin or Storage Closet License Agreement grants to Licensee, its successors and assigns, a license for the exclusive use of a Storage Bin or Storage Closet, as applicable. The Storage Bins and Storage Closets may be used only for storage purposes, provided that no materials which pose a health or safety threat or otherwise create a nuisance may be stored therein, and further provided that Sponsor shall have the right to use any unsold Storage Bin or unsold Storage Closet for any lawful purpose or to change the permitted use of any unsold Storage Bin or unsold Storage Closet, subject, however, to the provisions of the By-Laws.

5. **Parking Licenses**

There will be approximately 17 parking spaces located in the Garage. Sponsor will be offering the Parking Spaces to Purchasers and owners of Units at the offering prices listed on Schedule A-1. In the event a Purchaser purchases a Parking License, the Purchaser will enter into a Parking License Purchase Agreement with Sponsor prior to Closing on the Parking License and then at Closing, the Purchaser will enter into a Parking License Agreement with Sponsor. The forms of each of these agreements are provided in Part II of the Plan. The Parking License Agreement grants to Licensee, its successors and assigns, a license for the exclusive use of a Parking space. The Parking Space may be used only for storage of a motor vehicle. Nothing contained in the vehicle may pose a health or safety threat or otherwise create a nuisance may be stored therein, and further provided that Sponsor shall have the right to use any unsold Parking Space for any lawful purpose or to change the permitted use of any unsold Parking Space, subject, however, to the provisions of the By-Laws. Except for Sponsor, no Unit Owner may own a Parking Space independently of a Unit. Purchasers of Parking Licenses will pay a monthly fee to the Board equal to the licensee's share of the cost of operating the Garage.

6. **Resident Manager's Unit**

On the earlier of one (1) year after the First Closing or 30 days after all of the Units have been closed, Sponsor will sell one Unit, presently intended to be Unit 11A to the Condominium, which will own such Unit on behalf of all Unit Owners and will use the same for the residence of the Resident Manager ("Resident Manager's Unit"). The purchase price for the Resident Manager's Unit, which is currently anticipated to be Unit 11A will be \$2,600,000 which is \$1,769.91 per square foot. If the Sponsor sells a Unit other than Unit 11A as the Resident Manager's Unit, in no event will the purchase price be greater than \$1,769.91 per square foot. In respect of such Resident Manager's Unit, at the closing of title to each Unit, the Purchaser thereof, as a closing cost, will be required to pay on behalf of the Condominium Board such Purchaser's share of the cost of the Resident Manager's Unit determined in accordance with the Common Interest of the Unit purchased in proportion to the Common Interest appurtenant to all Units (other than the Resident Manager's Unit) and in the amount more particularly set forth on Schedule A, "Purchase Prices and Related Information" in Part I of the Plan. See "Notes to Schedule A" for more information. Each Purchaser's allocable portion of the cost of the Resident Manager's Unit will be included in the total consideration deemed to have been paid by such Purchaser in which case additional transfer taxes may be payable by Purchaser. Simultaneously with the First Closing, Sponsor will place the deed for the Resident Manager's Unit in escrow with Sponsor's counsel and the Condominium Board shall, at any time after the

First Closing, have the option to purchase the Resident Manager's Unit, prior to all of the Units being sold. There is no guaranty that the Resident Manager will be residing in the Building at the time of closing of any particular Unit although all legal requirements with respect thereto will be complied with. The Board will pay all of the same closing costs to purchase the Resident Manager's Unit as any other Purchaser would pay to purchase a Unit under this Plan. The closing costs for the Resident Manager's Unit will be paid from the initial Working Capital Fund to be established out of payments made on account thereof by Purchasers at the closings of the purchase of their Units.

Sponsor reserves the right, at any time following the first anniversary of the First Closing, to cause the Condominium Board to borrow funds sufficient to pay Sponsor the aggregate amount of the then unpaid portion of the purchase price for the Resident Manager's Unit. Any mortgage given by the Condominium Board in respect of such loan shall be secured solely by the Resident Manager's Unit and shall not constitute or cause any lien to be placed on any other Unit Owner's Unit. In such circumstances, however, the additional Common Charges necessary to pay the principal and interest under such mortgage and note shall be allocated exclusively to the Units with respect to which the pro rata share of the purchase price therefore has not theretofore been paid as of the time of such borrowing and payment to Sponsor.

In the event the Condominium Board defaults under the note and mortgage, including, but not limited to a default as a result of the Condominium Board's failure to pay the balance of the purchase money note due at maturity, the lender 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 Unit Owners could be liable for the deficiency. In the event of such a foreclosure, the Condominium will be without a Resident Manager's Unit and, accordingly, alternate arrangements will be necessary to shelter the Resident Manager in the Condominium or within such distance of the Condominium as is then required by Legal Requirements. (See the Section of the Plan entitled "Schedule B - Budget for First Year of Condominium Operation" for further details.)

Prior to the sale of the Resident Manager's Unit to the Condominium, Sponsor will lease the Resident Manager's Unit to the Board for use as the Resident Manager's residence. The rent for the Resident Manager's Unit shall consist of the Common Charges and real estate taxes payable for the Resident Manager's Unit. Sponsor will pay the portion of the Common Charges for the Unsold Units attributable to the Resident Manager's Unit. Sponsor does not share in any of the acquisition costs for the Resident Manager's Unit, even though the Resident Manager will service the Unsold Units. The Condominium will not be responsible for the expenses of the Resident Manager's Unit if the Resident Manager is not residing therein.

(See Footnote (12) to the Section of the Plan entitled "Schedule B - Projected Budget for First Year of Condominium Operation" for more details.)

7. Services and Facilities

Generally, all services normally associated with the operation and maintenance of a luxury residential condominium will be provided to Unit Owners at no cost other than Common Charges; these services and facilities are described below. There will be a variety of other

services offered which will be available to Unit Owners at their option. Notwithstanding the foregoing, however, the Board shall at all times maintain, operate and staff the Building in compliance with, and subject to, all applicable Legal Requirements.

Under present plans, all of the services and facilities described herein will initially be provided and made available to Unit Owners immediately following the First Closing, except as otherwise indicated.

a. Entrance

The Units and the Garage will each have separate entrances on 22nd Street.

b. Doorman and Concierge

It is anticipated that a front desk attendant will be on duty at the Lobby of the Building twenty-four (24) hours a day, seven (7) days a week, who will be available as of the First Closing. The Lobby will also be attended doorman and concierge during certain hours.

c. Elevator Service

Two (2) automatic passenger elevators will be in service, twenty-four (24) hours a day, seven (7) days a week, for the exclusive use of Unit Owners residing in the Building. The Building will also have a Service Elevator.

d. Cable Television Service

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

e. Electrical Systems, Telephone Service and Internet Access

Electrical service will be metered and separately billed to each Unit Owner by Con Ed. Local and long distance telephone, internet and cable service will be provided by a local

telephone service provider and separately billed to each Unit Owner. Each Unit will be prewired for telephone service. All charges for hi-speed internet service (including activation, installation and subscription charges) will be paid by each Unit Owner who subscribes directly to the hi-speed internet service provider. Purchasers should note that there may not be reception for cellular phones in the Building. Sponsor may, in its sole discretion, install the technology required for one or more providers of cellular service in the Building, which installation may occur either before or after all of the Units have temporary certificates of occupancy.

f. Mail & Packages

All incoming mail for the Units will be delivered by the United States Postal Service, who will place it in mailboxes on the First Floor. Doormen will be available to accept packages on behalf of Unit Owners and there will also be a cold storage room for limited food deliveries or other items requiring refrigeration.

g. Laundry

Each Unit will contain a washer and dryer and there will be an additional laundry room located in the Cellar with commercial washers and dryers.

h. Refuse Disposal

There will be one refuse chute on each floor serving the Units leading directly to the trash room on the Second Floor.

i. Emergency Generator

The Condominium contains an emergency generator to provide power in the case of an electrical power failure to life safety systems including the fire alarm system, fire command center, exit signage and means of egress illumination, emergency voice communication systems and all elevators to support at least one elevator at any time.

j. Bicycle Storage

Forty five (45) spaces for bicycle storage will be provided in the Building, twenty (20) of which shall be reserved for the Unit Owners of the nine (9) full-floor Units and the Penthouse (two (2) bicycle spaces per each of those Units). The other bicycle spaces shall be provided to Unit Owners on a first-come, first-served basis, provided that no Unit Owner shall be entitled to more than one (1) bicycle space. Sponsor makes no representation or warranty as to the availability of bicycle storage for all Unit Owners.

8. Amenities.

The anticipated amenities include the following: library; planted rear yard accessible from the lobby; basketball hoop area; boxing training area; golf simulator; training studios; shower and steam room; gymnasium; pantry; children's room; pool table; card tables; full kitchen for parties adjacent to a great room.

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

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

A front desk attendant will be available twenty four (24) hours a day, seven (7) days a week, in the Lobby, beginning with the First Closing. It is anticipated that all other listed services, facilities and amenities shall be provided within one (1) year of the issuance of temporary certificates of occupancy for all of the Units, which is expected to be in the year 2017, subject to the terms, conditions and provisions set forth herein. In all likelihood, the nature of the services listed above, the hours during which they are provided and the rates charged for same will change from time to time, in the discretion of the Board, the Managing Agent or other party providing the service. However, all services required by law will be provided at all times. Neither Sponsor, the Managing Agent, the Selling Agent, nor the Board will in any event be liable for the availability, interruption, discontinuance or quality of any of such services, including, but not limited to, any services provided by any outside company or person, other than Building personnel, or for any injury to person or damage to property resulting from any act or omission of such company or persons or their employees or agents, except to the extent that any such injury or damage occurs as a result of the gross negligence or willful misconduct of Sponsor, the Managing Agent, the Selling Agent, or the Board, as the case may be.

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

Although Sponsor anticipates that many of the services described above will be available at the time of the First Closing, prospective Purchasers should note that some of these services (such as a full staff of personnel) may not be available until twelve months after the issuance of temporary certificates of occupancy for all of the Units. In addition, certain of the amenities described in the Plan may not be arranged or available until after such interim period. However, it is anticipated that at all times after the First Closing, the lobby will be attended 24 hours per day, seven days per week (provided, however, that neither the doorman nor the concierge may be available for the full 24 hours a day, seven days per week), and there will be at least one elevator servicing every floor on which there are occupied Units. The interim level staffing will at all times during this period be commensurate with the levels of occupancy from time to time and adequate to properly maintain the Building. Purchasers are also advised that during such period and beyond, various systems, including, but not limited to, water supply, air conditioning, heating, cooling, ventilating and elevators, may be incomplete and may be disrupted temporarily and from time to time.

Purchasers are further advised to note that construction in general is a complicated process which requires the coordination of numerous concurrent tasks, contractors, and suppliers

and the balancing of complex mechanical and architectural systems, all of which is subject to unanticipated delays and difficulties and necessarily involves noise, disruption, construction dust, debris and inconvenience. Thus, for a period of time following the First Closing through, including and beyond the closing of title to any particular purchaser's Unit, work should be expected to be undertaken and continue by or on behalf of: (i) Sponsor to complete the balance of the Building; (ii) individual Unit Owners within their Units (to perform custom renovations, etc.). During at least the first year of operation, construction workers and related personnel of Sponsor and others will be at the Property from time to time performing construction work, making adjustments and performing various other tasks related to the completion of renovation, fitting out of, and moving into, the Units and other portions of the Building which may compromise the security of the Building from time to time. Elevators and personnel may be taken out of service and diverted to facilitate renovation and exterior hoists may be in place during at least the year following the First Closing and from time to time thereafter, as needed, in connection with construction being performed in Units by the Unit Owners thereof. Sponsor may not fully complete the decoration or finishing of the lobby, corridors, elevator finishes and other portions of the Building, including, but not limited to, installing light fixtures, painting, hanging wall coverings or laying carpeting, until that particular floor is fully occupied by Unit Owners or, if additional construction within a Unit is anticipated, for some period thereafter. All of the foregoing work and conditions may create a noisy and otherwise disruptive condition in the Building during the period such work is being performed. Certain portions of the Common Elements may be completed before or after completion of any particular Purchaser's Unit. As a result, certain amenities and benefits anticipated to be available to Unit Owners may not be available until such other portions of the Building are completed and fully operational. Sponsor shall have no liability whatsoever in the event these services are delayed, not made available, or discontinued or disrupted. Further, the Board and/or Sponsor may impose conditions and deadlines upon the planning, performing and completion of such work. No assurance can be given with regard to the accuracy of any projected schedules or completion dates set forth herein or with respect to the duration of any interim service periods or periods of potential disruption of the Unit Owners and their tenants or occupants, all such dates and timetables, to the extent provided, being only good faith estimates.

10. **Security Procedures**

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

No representation or warranty is made and no assurance is given that the security systems and procedures of the Condominium will prevent personal injury or damage to or loss of personal property. While Unsold Units are being offered for sale or lease by Sponsor or its designees there will be a greater number of visitors to the Building than would otherwise be the case. No representation or warranty is made and no assurance is given as to when such selling or leasing activity will terminate. Neither Sponsor nor its designee nor the Managing Agent shall be liable or responsible for any personal injury or for any loss or damage to personal property which may result from the failure of the Condominium's security systems and procedures, including, without limitation, those procedures with regard to any delivery of packages, provided

that any such failure is not caused by the negligence of Sponsor or its designees, the Managing Agent or their respective agents. Please refer to the Description of Property set forth in its entirety in Part II of the Plan for further details regarding security procedures.

E. LOCATION AND AREA INFORMATION

1. Location and Services

The Condominium is located in Midtown Manhattan in the City of New York, on East 22nd Street between Broadway and Park Avenue South.

New York City is the largest city in the United States, as well as one of the principal urban centers of the world. Manhattan is the center of New York City, containing numerous business and financial centers, excellent regional transportation, cultural activities, recreational and open-space park areas, educational facilities, superb medical centers and a vast array of Garages. New York is the nation's principal financial center. It is the home of the New York Stock Exchange. About 50 of the country's "Fortune 500" corporations have their principal corporate headquarters in Manhattan; almost a quarter of the nation's major law firms, and the "big four" accounting firms maintain offices in Manhattan. Manhattan is also recognized as the national center of the advertising, communications, broadcasting, publishing and garment industries.

a. Surrounding Area

The Building is located in the midst of the Union Square-Flatiron District-Gramercy Park Area. Currently, there is a new growth of residential apartments in the area. This growth encompasses both renovations and new buildings. Some of the buildings in the area have been converted to cooperative or condominium ownership. East 22nd Street is primarily residential. The adjacent property facing 22nd Street lying to the west of the Condominium is improved by a five-story residential building and the property located to the east of the Building on East 22nd is improved by a building containing approximately ten (10) stories with retail space located on the ground floor. East 23rd Street is primarily commercial. The properties immediately adjacent to the Building on East 22nd Street are presently occupied by apartment buildings.

Madison Square, the site of the original Madison Square Garden is dominated by the Metropolitan Life Tower and the Flatiron Building (20 stories and triangular). It was once the end of "Ladies Mile", the city's most fashionable shopping district along Broadway and Sixth Avenues.

There are a wide variety of parks in the vicinity. Madison Square Park is located between East 23rd and East 26th Streets, between Madison and Fifth Avenues. In recent years, many popular stores have opened locations on Sixth Avenue. Union Square is south of the premises between 17th and 14th Streets. There is a green market in Union Square on a weekly basis. The Building will be a member of the Madison Square Park Conservancy which pays for maintenance, upkeep and repair of Madison Square Park. Such amounts are included in the Common Charges.

b. Shopping, Commercial and Recreational Facilities

There is a wide variety of commercial establishments located near the premises located on Fifth Avenue and on Broadway including pharmacies, groceries, banks, restaurants