EXHIBIT 1

CONTRACT OF SALE

by and between

VERIZON NEW YORK INC.,

a New York corporation,

as Seller

and

50 VARICK LLC,

a New York limited liability company,

as Purchaser

Property: Condominium Unit at 50 Varick Street Condominium

50 Varick Street, New York, New York

TABLE OF CONTENTS

TABLE OF CONTENTS
(continued)

Page

TABLE OF CONTENTS
(continued)

Page

SCHEDULES

A Contracts to be Assigned

B Material Litigation

EXHIBITS

A Property Legal Description

B Declaration of Condominium

C Form of Lease

D Title Certificate and Indemnity

E Form of Assignment and Assumption of Contracts

F Form of General Assignment and Assumption Agreement

G Form of Bill of Sale

H Form of Deed

CONTRACT OF SALE

THIS CONTRACT OF SALE ("Agreement") made as of December 22, 2009 (the "Effective Date") between VERIZON NEW YORK INC., a New York corporation having an office at 140 West Street, New York, New York 10007 ("Seller") and 50 VARICK LLC, a New York limited liability company, having an address of c/o Colonnade Group LLC, 77 Fifth Avenue, Suite 4A, New York, New York 10003 ("Purchaser").

W I T N E S S E T H:

WHEREAS, Seller is the owner in fee of that certain parcel of land in the Borough of Manhattan, County and State of New York, commonly known as 50 Varick Street and identified as Block 212, Lot 9, of the Tax Map of the City of New York, Borough of Manhattan, as more particularly described on Exhibit A attached hereto (the "Land");

WHEREAS, the Land is currently improved with a building (the "Building") containing seven (7) above-grade stories plus mechanical and electrical equipment and structures with certain below-grade improvements (such Building, equipment, structures and improvements, the "Improvements"). The Improvements are currently used primarily (i) for office purposes by Seller and Seller Affiliates (as hereinafter defined) and (ii) as a telecommunications switching station (such switching station, the "Central Office") and a telecommunications vault (such telecommunications vault, the "Cable Vault"). The Land and Improvements are herein collectively referred to as the "Property";

WHEREAS, Seller, on or prior to the Closing Date (as hereinafter defined) and subject to the satisfaction of certain conditions precedent contained herein, intends to enter into and record a declaration of condominium for the Property in substantially the form annexed hereto as Exhibit B (the "Declaration"), condominium plans for the Property in substantially the form attached to the Declaration (the "Condominium Plans"), and bylaws of the organization of unit owners (the "Bylaws") in substantially the form attached to the Declaration, as each may be modified in accordance with Section 9.02 hereof (the Declaration together with, as applicable, the Condominium Plans and Bylaws, as each may be so amended, the "Condominium Documents"), submitting the Property to a condominium form of ownership. The condominium formed thereby (the "Condominium") shall contain six (6) units (individually, a "Unit" and collectively, the "Units"), as identified in the Declaration;

WHEREAS, Seller desires to sell to Purchaser the Unit in the Condominium referred to in the Declaration as "Unit A" including the undivided interest in the General Common Elements appurtenant to such Unit and all rights, under the Condominium Documents, of the owner of such Unit with respect to the Limited Common Elements (as each such term is defined in the Declaration) appurtenant to such Unit (the "Purchaser's Unit"; the remaining Units not being sold to Purchaser are sometimes referred to herein as the "Verizon Units"), and Purchaser desires to purchase Purchaser's Unit from Seller, subject to the terms and conditions set forth herein;

WHEREAS, Seller intends to relocate most of its office functions from the Property but to retain the Central Office, ancillary office uses and the Cable Vault at the Property;

WHEREAS, it is anticipated that a portion of such relocation may not be complete by the Closing Date (as hereinafter defined) and Seller shall for a temporary period lease back the Purchaser's Unit; and

WHEREAS, accordingly Seller desires to lease the Purchaser's Unit (the area so leased, the "Leaseback Premises") from Purchaser and Purchaser desires to lease the Leaseback Premises to Seller on and as of the Closing Date pursuant to the Lease substantially in the form attached hereto as Exhibit C (the "Lease").

NOW, THEREFORE, in consideration of the provisions and the mutual covenants hereinafter set forth, and subject to the terms, conditions, and contingencies hereof, Seller and Purchaser hereby agree as follows:

ARTICLE 1. Definitions. The following terms, as used in this Agreement shall have the meanings given in the sections of this Agreement set forth below.

ARTICLE 2. Sale and Purchase of the Purchaser's Unit; Purchase Price.

(a) Seller shall sell and convey to Purchaser, and Purchaser shall purchase from Seller, upon and subject to the terms hereinafter set forth, all of Seller's right, title and interest in and to the Purchaser's Unit (including an undivided interest in the General Common Elements and all rights of the owner of the Purchaser's Unit with respect to the Limited Common Elements appurtenant to the Purchaser's Unit), and all rights of the owner of the Purchaser's Unit under the Condominium Documents.

(b) The purchase price for the Purchaser's Unit shall be TWELVE MILLION DOLLARS ($12,000,000) (the "Purchase Price"), payable by Purchaser as follows:

(i) ONE MILLION TWO HUNDRED THOUSAND DOLLARS ($1,200,000) as a downpayment (the "Downpayment"), paid to Seller simultaneously herewith by good bank check drawn on a New York clearinghouse bank or other commercial bank reasonably acceptable to Seller;

(ii) The balance of the Purchase Price (i.e., the remainder of the Purchase Price after deducting the Downpayment) (the "Balance") shall be paid to Seller on the Closing Date (as hereinafter defined), by wire transfer of immediately available funds to an account or accounts designated by Seller.

ARTICLE 3. Closing. The closing of title (the "Closing") shall take place on the first Business Day that is ten (10) days after the occurrence of the last to occur of all of the following: (i) receipt by Seller of PSC Approval, (ii) receipt by Seller of the No Action Letter, (iii) receipt by Seller of Tax Lot Approval and (iv) the Condominium Document Recordation (such scheduled closing date as the same may be extended in accordance with the terms of this Agreement or by agreement of Seller and Purchaser, the "Closing Date"). The Closing shall take place at the offices of Seller's counsel, Goulston & Storrs, P.C., 750 Third Avenue, 22nd Floor, New York, New York 10017. Time is of the essence as to Purchaser's obligation to close the transactions contemplated hereunder on or before the date provided in this Agreement. Purchaser shall have the right to extend the Closing Date from time-to-time for up to ten (10) Business Days in the aggregate, by notice given to Seller on or before the Business Day prior to the then scheduled Closing Date, time being of the essence as to Purchaser's obligation to close the transactions contemplated hereunder on or before the Closing Date, as so extended. As used herein, the term "Business Day" shall mean every day other than Saturdays, Sundays, all days observed by the federal government or the State as legal holidays and all days on which commercial banks in the State are required by law to be closed.

ARTICLE 4. Conditions to Closing; Financing Not a Condition to Closing.

Section 4.01. Conditions to Seller's Obligation to Close. Seller's obligations under this Agreement are contingent upon the following matters:

(a) the approval by the New York Public Service Commission ("PSC") of the transactions contemplated by this Agreement without the imposition by the PSC of any conditions or requirements, including any condition or requirement relating to the application of proceeds or relating to the location or relocation of the offices or employees of Seller or Seller Affiliates, as are unacceptable to Seller in its sole discretion (such approval by the PSC, the "PSC Approval");

(b) the receipt by Seller of a so-called "no-action letter" from the New York State Attorney General's Office exempting the sale of Purchaser's Unit to Purchaser from the provisions of Article 23-A of the General Business Law of the State of New York requiring the filing of an offering plan (a "No Action Letter");

(c) the recording of the Declaration in the Office of the New York City Register ("Condominium Document Recordation")

(d) the receipt of final approval from the New York City Department of Finance of the Units as separate tax lots, and the assignment of tentative or permanent tax lot numbers to the Units (the "Tax Lot Approval"); and

(e) all representations of Purchaser contained herein being true and correct, in all material respects, as of the date made and on the Closing Date, subject to any changes in such representations permitted under Section 10.02(d) of this Agreement, unless waived by Seller, and Purchaser shall have performed all of its obligations to be performed at the Closing under this Agreement.

Section 4.02. Conditions to Purchaser's Obligation to Close. Purchaser's obligations under this Agreement are contingent upon the following matters:

(a) Seller's receipt of the PSC Approval;

(b) Seller's receipt of the No Action Letter;

(c) receipt of the Tax Lot Approval;

(d) the Condominium Document Recordation; and

(e) all representations of Seller contained herein being true and correct, in all material respects, as of the date made and on the Closing Date, subject to (i) any changes in such representations permitted under Section 10.01(f) of this Agreement, and (ii) casualty or condemnation (which shall be governed by Article 16), and Seller shall have performed all of its obligations to be performed at the Closing under this Agreement.

Section 4.03. Satisfaction of Conditions.

(a) Promptly following the date hereof, Purchaser and Seller will each execute supporting affidavits in support of Seller's application for a No Action Letter, and Seller will, promptly following such execution, request a No Action Letter from the New York State Attorney General's Office and will deliver a copy of such request (together with all attachments thereto and related documents) to Purchaser; provided, that Seller shall not be required to deliver to Purchaser a copy of any portion of such request, any attachment thereto or any related documents to the extent the same contain any personal information regarding any officer of Seller or Seller's Affiliates. Seller shall promptly notify Purchaser of its receipt of a No Action Letter, together with a copy thereof.

(b) Seller shall file with the PSC a request for the PSC Approval promptly after the date of this Agreement. Seller shall promptly notify Purchaser of its receipt of PSC Approval, together with a copy thereof.

(c) Seller shall use commercially reasonable efforts to obtain the Tax Lot Approval and, subject to receipt of the No Action Letter, to submit the Declaration for recording.

(d) Within thirty (30) days after the latest of (a) Seller's receipt of the PSC Approval, (b) Seller's receipt of the Tax Lot Approval and (c) Seller's receipt of the No Action Letter, Seller shall submit the Declaration for recording. Seller shall promptly thereafter notify Purchaser of such submission and deliver to Purchaser true, correct and complete copies of the Declaration submitted for recording.

Section 4.04. Failure of Conditions to Close.

The parties acknowledge that there is no assurance that the conditions to their respective obligations to close set forth in Section 4.01 and 4.02 will be satisfied, and neither party shall have any liability to the other if said conditions are not satisfied, except that Seller shall return the Downpayment to Purchaser if either (i) the PSC Approval is not obtained, (ii) the No Action Letter is not obtained, (iii) the Condominium Document Recordation does not occur or (iv) the Tax Lot Approval is not obtained. If said conditions have not been satisfied (or waived, as aforesaid) within one hundred fifty (150) days after the date of this Agreement (or the following Business Day if such date is a Saturday, Sunday or federal or state holiday), then Purchaser and Seller each shall have the right to terminate this Agreement upon not less than ten (10) days' written notice to the other party (unless such condition is satisfied prior to the date specified in such notice) and in such event (x) the Downpayment shall be returned to Purchaser, (y) this Agreement shall terminate and be of no further force or effect, and (z) Purchaser and Seller shall have no further rights or obligations under this Agreement except with respect to the provisions which by their terms expressly survive the termination of this Agreement.

Section 4.05. No Financing Contingency. Purchaser's obligation to purchase Purchaser's Unit shall not be contingent or conditioned upon Purchaser's ability to obtain, or Purchaser's receipt of, financing of any kind.

ARTICLE 5. Permitted Exceptions.

Section 5.01. Permitted Exceptions. The Purchaser's Unit is being sold, and shall be conveyed, and Purchaser shall accept title to the Purchaser's Unit, subject to the following matters (collectively, the "Permitted Exceptions"):

(a) Any state of facts, disclosed on the survey (the "Existing Survey") prepared by U.S. Surveyor (the "Surveyor"), dated February 12, 2008 or on the Condominium Plans (such state of facts, the "Disclosed Survey Items"), any further state of facts which are not Disclosed Survey Items as would be disclosed in a current survey of the Property provided that such further state of facts would not materially and adversely affect the use, operation or value of the Purchaser's Unit (or the Limited Common Elements appurtenant thereto), and any state of facts that a personal inspection of the Property would disclose;

(b) All covenants, easements, reservations, restrictions, agreements and other title matters which are (x) set forth on in the Title Commitment No. 289581NY78 issued by First American Title Insurance Company of New York with respect to the Property with an effective date of December 5, 2007 (the "Seller Title Commitment") or (y) provided for by this Agreement;

(c) All grants, licenses or other rights (if any) existing on the date hereof in favor of any public or private utility company or governmental entity for, or pertaining to, utilities, sewers, water mains or drainage at, upon or serving the Purchaser's Unit, the Limited Common Elements appurtenant thereto, the General Common Elements or any portion thereof;

(d) Any and all present and future laws, regulations, restrictions, requirements, ordinances, resolutions and orders (including, without limitation, any of the foregoing relating to zoning, building and environmental protection) (collectively, "Laws") as to the use, occupancy, subdivision or improvement of the Property adopted or imposed by any bureau, board, commission, legislature, department or other governmental body having jurisdiction over or affecting the Purchaser's Unit, the Limited Common Elements appurtenant thereto, the General Common Elements or any portion thereof;

(e) All notations and/or notes or notices of violations of law or municipal ordinances, orders or requirements noted in or issued by any governmental authority having jurisdiction over or affecting the Purchaser's Unit, the Limited Common Elements appurtenant thereto, the General Common Elements or any portion thereof (collectively, "Violations"), and any liens arising from any such Violations, if any;

(f) Any lien for real estate taxes, special assessments, business improvement district charges, water and sewer taxes, rents and charges, and other governmental charges and impositions assessed against the Property not yet due and payable or which are being apportioned;

(g) The Condominium Documents;

(h) Any other matter that would otherwise constitute an Objection (as defined in Section 6.03 hereof) or Update Objection (as defined in Section 6.05) and (i) that is (A) consented to by Purchaser, (B) waived by Purchaser or (C) deemed waived by Purchaser pursuant to the terms of Article 6 hereof or (ii) with respect to which First American Title

Insurance Company, or another reputable, nationally recognized title company ("Title Company") agrees that it will omit such matter and/or insure over such matter in accordance with Section 6.08;

(i) The standard printed exceptions appearing in the Title Commitment, other than those which will be removed or modified pursuant to a certificate of Seller in the form of Exhibit D; and

(j) Anything else that constitutes a Permitted Exception under the terms of this Agreement.

Section 5.02. Indemnity for Certain Judgments and Liens. Without limitation of the foregoing Section 5.01, Purchaser acknowledges that Seller, by virtue of the large scale of its business activities throughout the State, is named as a defendant in numerous lawsuits, some of which may result in judgments, which Seller may be unable to vacate or otherwise satisfy against collection of or resolve prior to the Closing. As to such judgments and liens, if any, that appear in the public records as of the Closing, Purchaser shall accept title to Purchaser's Unit subject thereto (and the same shall constitute Permitted Exceptions) provided that Seller indemnifies Title Company at the Closing, by an indemnity in the form of Exhibit D attached hereto, against any loss arising from enforcement of any such judgments or liens against Purchaser's Unit and Title Company provides (or another title company will provide) affirmative insurance with respect to the same or otherwise insures Purchaser's title to the Purchaser's Unit against collection of any such judgments and liens. In such event, Seller shall not be required to satisfy such judgments or liens of record at or before the Closing and they will constitute Permitted Exceptions.

ARTICLE 6. State of Title.

Section 6.01. Delivery of Title. At the Closing, Seller shall deliver and Purchaser shall accept, such title to the Purchaser's Unit as Title Company or another title insurance company shall be willing to insure, subject only to the Permitted Exceptions. Purchaser has received from Seller a copy of the Seller Title Commitment. Within a reasonable period after the date of this Agreement, Purchaser shall cause Title Company to prepare and furnish to Purchaser (with a copy to Seller) an update of the Seller Title Commitment or a new title commitment for the Property (such update or new commitment, the "Title Commitment"), together with copies of all instruments referred to thereon as exceptions to title; and (ii) at Purchaser's option order an update of the Existing Survey (the Existing Survey, together with any updates, is collectively referred to herein as the "Survey") and provide a copy of the Survey to Seller promptly upon receipt thereof by Purchaser.

Section 6.02. Updates to Title and Survey. Purchaser shall cause Title Company to deliver directly to each of Purchaser and Seller copies of any updates or continuations of, and supplements to, the Title Commitment and the Survey ordered by Purchaser or otherwise issued by the Title Company or Surveyor.

Section 6.03. Objections to Title and Survey. Purchaser shall have until thirty (30) days after the Effective Date (such date is the "Objection Date"), time being of the essence, to deliver

to Seller written notice (the "Objection Notice") specifying any item or items (other than the Permitted Exceptions) in the Title Commitment or Survey, as the case may be, to which Purchaser objects (any such item, an "Objection"). Permitted Exceptions shall not be Objections. If Purchaser fails to deliver an Objection Notice by the Objection Date, then Purchaser shall be deemed to have waived its right to object to any liens, encumbrances, or other matters appearing on the Title Commitment or Survey, and the same shall not be deemed Objections and shall be deemed Permitted Exceptions. If Purchaser delivers such Objection Notice by the Objection Date, any lien, encumbrance or other matter appearing on the Title Commitment or Survey which is not objected to in such Objection Notice shall not constitute an Objection and shall be deemed a Permitted Exception.

Section 6.04. Seller's Right to Cure Objections. Subject to Seller's obligations set forth in Section 6.07 below, Seller shall have the right but not the obligation to cure any Objections, the determination as to whether to do so shall be in Seller's sole and absolute discretion. Seller shall notify Purchaser in writing as to whether or not Seller elects to cure such Objections (such notice, a "Seller Election Notice"). If the Seller Election Notice states that Seller has determined not to cure any Objections, Purchaser shall have the right to elect either (i) to accept the title as it then is, without any reduction of the Purchase Price or any credit or allowance on account thereof or any other claim against Seller, or (ii) to terminate this Agreement. If Purchaser elects to terminate this Agreement pursuant to clause (ii) of the preceding sentence, then (w) the Downpayment shall be returned to Purchaser, (x) this Agreement shall be null, void and of no further force or effect, and (y) Purchaser and Seller shall have no further rights or obligations under this Agreement except with respect to the provisions hereof which by their terms expressly survive the termination hereof. Purchaser shall make its election between clauses (i) and (ii) of the second preceding sentence by written notice to Seller given not later than the fifth (5th) Business Day after the giving of the Seller Election Notice by Seller to Purchaser of Seller's determination not to cure any Objection(s). If Purchaser shall fail to give such notice as aforesaid, Purchaser shall be deemed to have elected clause (i) above and the Closing shall take place on the Closing Date. If, pursuant to the Seller Election Notice, Seller elects to cure such Objection, Seller shall be entitled to adjourn the Closing one or more times for an aggregate period of not more than sixty (60) days, and the Seller's Election Notice (or a subsequent notice in the case of any further adjournment after the first adjournment) shall indicate an adjourned date for Closing, which date shall be deemed the Closing Date for purposes of this Agreement, and Purchaser's obligations under this Agreement shall remain in full force and effect during any such adjournment period. Notwithstanding the foregoing, Seller shall not incur any liability or obligation to Purchaser in the event Seller is unable to cure an Objection prior to the last adjourned Closing Date, and in such event Purchaser shall have the rights of election set forth in clauses (i) and (ii) of this Section 6.04.

Section 6.05. Objections to Updated Title and Survey. If, after the Objection Date but before the Closing Date, Purchaser first receives (x) any update or continuation of, or supplement to, the Title Commitment or (y) any update to the Survey, that discloses matters that were not shown on the Title Commitment or Survey (other than Permitted Exceptions) and to which Purchaser objects (any such item, an "Update Objection"), Purchaser shall have the right to deliver to Seller within ten (10) Business Days after receipt of such update or continuation of, or supplement to, the Title Commitment or update to the Survey (said tenth Business Day, the "Update Objection Date"), time being of the essence, written notice (the "Update Objection

Notice") specifying such matters. Permitted Exceptions shall not be Update Objections. If Purchaser fails to deliver an Update Objection Notice by the Update Objection Date applicable thereto, then Purchaser shall be deemed to have waived its right to object to any liens, encumbrances, or other title exceptions appearing on the update, continuation, supplement or updated survey in question, and the same shall not be deemed Update Objections and shall be deemed Permitted Exceptions. If Purchaser delivers such Update Objection Notice by the Update Objection Date applicable thereto, any lien, encumbrance or other title exception appearing on the update, continuation, supplement or updated survey which is not objected to in such Update Objection Notice shall not constitute an Update Objection and shall be deemed a Permitted Exception.

Section 6.06. Seller's Right to Cure Update Objections. Subject to Seller's obligations set forth in Section 6.07 below, Seller shall have the right but not the obligation to cure any Update Objections, the determination as to whether to do so shall be in Seller's sole and absolute discretion. Seller shall notify Purchaser in writing as to whether or not Seller elects to cure such Update Objections (such notice, a "Seller Update Election Notice"). If the Seller Update Election Notice states that Seller has determined not to cure any Update Objections, Purchaser shall have the right to elect either (i) to accept the title as it then is, without any reduction of the Purchase Price or any credit or allowance on account thereof or any other claim against Seller, or (ii) to terminate this Agreement. If Purchaser elects to terminate this Agreement pursuant to clause (ii) of the preceding sentence, then (w) the Downpayment shall be returned to Purchaser, (x) this Agreement shall be null, void and of no further force or effect, and (y) Purchaser and Seller shall have no further rights or obligations under this Agreement except with respect to the provisions hereof which by their terms expressly survive the termination hereof. Purchaser shall make its election between clauses (i) and (ii) of the second preceding sentence by written notice to Seller given not later than the tenth (10th) Business Day after the giving of the Seller Update Election Notice by Seller to Purchaser of Seller's determination not to cure any Update Objection(s). If Purchaser shall fail to give such notice as aforesaid, Purchaser shall be deemed to have elected clause (i) above and the Closing shall take place on the Closing Date. If, pursuant to the Seller Update Election Notice, Seller elects to cure such Update Objection, Seller shall be entitled to adjourn the Closing one or more times for an aggregate period of not more than sixty (60) days, and the Seller Update Election Notice (or a subsequent notice in the case of any further adjournment after the first adjournment) shall indicate an adjourned date for Closing, which date shall be deemed the Closing Date for purposes of this Agreement, and Purchaser's obligations under this Agreement shall remain in full force and effect during any such adjournment period. Notwithstanding the foregoing, Seller shall not incur any liability or obligation to Purchaser in the event Seller is unable to cure an Update Objection prior to the last adjourned Closing Date, and in such event Purchaser shall have the rights of election set forth in clauses (i) and (ii) of this Section 6.06.

Section 6.07. Seller's Obligation to Cure. Notwithstanding anything contained in Section 6.04 or Section 6.06, to the contrary, but subject to the provisions of this Section 6.07, Seller shall be required to cure, by payment, bonding or otherwise, any Objections or Update Objections that can be cured by the payment of a liquidated sum of money, provided that Seller shall not be obligated (i) to expend amounts in excess of One Hundred Fifty Thousand Dollars ($150,000) in the aggregate pursuant to the provisions of this sentence or (ii) to bring suit to effect such cure. Seller shall be obligated to cure, and there shall be no spending limit on, as

aforesaid, (x) mortgages and deeds of trust that constitute Objections or Update Objections hereunder and that are voluntarily placed on the Property by Seller, and (y) mechanics liens that constitute Objections or Update Objections hereunder and that are placed on the Property as a result of work performed by Seller at the Property. Notwithstanding the foregoing, in the event that Seller fails to cure, by payment, bonding or otherwise, any mechanics liens that are placed on the Property as a result of work performed by Seller at the Property prior to the Closing Date, Seller shall indemnify and hold Purchaser harmless from and against all cost and expense resulting from such mechanics liens, provided that any request for indemnification pursuant to this sentence shall be made by Purchaser promptly following Purchaser's receipt of notice that a lien subject to indemnification under this sentence has been filed. Seller shall have the right to defend any such claim with counsel acceptable to Seller.

Section 6.08. Manner of Cure of Objections and Update Objections. Seller may, if Seller so elects pursuant to Section 6.04 or Section 6.06, and Seller shall, if Seller is obligated pursuant to Section 6.07, (i) use any portion of the Balance to cure or discharge any Objection(s) or Update Objection(s) or (ii) deposit with Title Company monies (which may include a portion of the Purchase Price) and/or documents sufficient to effect the issuance of title insurance over any Objection or Update Objection. If written request is made by Seller or Seller's attorneys at least one Business Day prior to the Closing Date, Purchaser shall wire funds to separate accounts, aggregating the amount of the Balance, to facilitate the cure and discharge of any Objections or Update Objections and the discharge of Seller's other monetary obligations under this Agreement, including the payment of real estate transfer taxes. Any Objection or Update Objection shall be deemed resolved to the satisfaction of Purchaser if such Objection or Update Objection is (i) removed as a title exception by Title Company; or (ii) discharged in a manner acceptable to Title Company; or (iii) affirmatively insured over by Title Company for the benefit of Purchaser and its mortgagee without cost or expense to Purchaser (including, at Seller's option, by Seller paying any cost or expense of such removal or discharge or affirmative insurance) and that, in the exercise of reasonable business judgment of Purchaser, does not have a Purchaser Material Adverse Effect.

Section 6.09. Certain Items Not Objections or Update Objections. In no event shall any lien, encumbrance or other title exception arising as a result of any act or omission of Purchaser or anyone acting on behalf of Purchaser, including any contractor, be deemed an Objection or Update Objection.

ARTICLE 7. Representations.

Section 7.01. Seller's Representations. Seller represents and warrants as of the date hereof (or as of such other date expressly provided below) that:

(a) Seller is a corporation duly organized and in good standing under the laws of the State of New York and has the power and authority to enter into and perform its obligations under this Agreement, subject to satisfaction of the conditions set forth in Section 4.01 hereof. The individual executing this Agreement on behalf of Seller has the authority to bind Seller to the terms of this Agreement.

(b) Subject to satisfaction of the conditions set forth in Section 4.01 hereof, the execution, delivery and performance of this Agreement by Seller have been duly authorized by all necessary action on the part of Seller and do not require the consent of any third party.

(c) As of the Closing Date, there will be no leases or tenancies of any portion of the Purchaser's Unit other than the Lease;

(d) Attached hereto as Schedule A is a true, correct and complete list of the Contracts (as such term is defined in Section 9.03(a)) in effect as of the date hereof that Seller intends to assign to the Board (as defined in the Declaration), on behalf of the Condominium, at or prior to the Closing; it being acknowledged that the failure to list any Contract which is not intended to be assigned to the Board, on behalf of the Condominium, pursuant to Section 9.03(a) hereof or, if assigned, which will be terminated by or on behalf of the Board at or prior to the Lease Expiration Date, or which may be terminated by the Board without penalty upon not more than thirty (30) days' prior notice, shall not constitute a breach of this representation. The term "Lease Expiration Date" means the expiration date of the Lease as to the entirety of the Demised Premises.

(e) Except for the matters set forth on Schedule B and any Violations existing on the date hereof, there is no action, suit, litigation, hearing or administrative proceeding pending, or, to the best of Seller's knowledge, threatened against Seller with respect to all or any portion of the Property which could have a Purchaser Material Adverse Effect.

(f) There are no employment, union or other similar agreements to which Seller is a party which will, on or after the Closing Date, be binding on Purchaser or on the Board, or, relate to the operation of the Purchaser's Unit, the Limited Common Elements appurtenant thereto or the General Common Elements, except, insofar as Seller performs telecommunications work at the Property, its employees may be members of the Communications Workers of America and the International Brotherhood of Electrical Workers. In addition, Seller has advised Purchaser that Seller has (and after the Closing Date will have) other employees located in the portions of the Property that Seller occupies who are members of the Communications Workers of America and the International Brotherhood of Electrical Workers. The foregoing representation excludes employees of contractors who provide services to the Property, which employees may be members of unions, although Seller is itself not a party to such union agreements.

(g) Seller shall take any actions that may be required to comply with the terms of the USA Patriot Act of 2001, as amended, any regulations promulgated under the foregoing law, Executive Order No. 13224 on Terrorist Financing, any sanctions program administrated by the U.S. Department of Treasury's Office of Foreign Asset Control or Financial Crimes Enforcement Network, or any other laws, regulations, executive orders or government programs designed to combat terrorism or money laundering, if applicable, on the transactions described in this Agreement. Seller represents and warrants that Seller is not an entity named on the List of Specially Designated Nationals and Blocked Persons maintained by the U.S. Department of Treasury, as last updated prior to the date of this Agreement.

Section 7.02. Seller's Knowledge. Any and all uses of the phrase, "to the best of the Seller's knowledge" or other references to Seller's knowledge in this Agreement shall mean the

actual, present knowledge of Allison Payer, Manager – Real Estate Portfolio Management (the "Seller Knowledge Individual") as to a fact at the time given without investigation or inquiry. The Seller Knowledge Individual is currently employed by the Seller or Seller Affiliates and has actual knowledge of the condition of the Property. Without limiting the foregoing, Purchaser acknowledges that the Seller Knowledge Individual has not performed and is not obligated to perform any investigation or review of any files or other information in the possession of Seller, or to make any inquiry of any persons, or to take any other actions in connection with the representations and warranties of Seller set forth in this Agreement. Neither the actual, present, conscious knowledge of any other individual or entity, nor the constructive knowledge of the Seller Knowledge Individual or of any other individual or entity, shall be imputed to the Seller Knowledge Individual. The representations and warranties of Seller set forth in Section 7.01 are subject to the limitation that, (i) Seller does not represent or warrant that any particular lease, license, Contract or other agreement will be in force or effect as of the Closing Date or that the tenants or contractors thereunder will not be in default thereunder and (ii) to the extent that Seller has delivered to Purchaser copies of any leases, licenses, contracts, other agreements or information concerning (x) employment, (y) union agreements or (z) employees of Seller at any time prior to the date of this Agreement, and such leases, licenses, contracts, other agreements or information concerning (x) employment, (y) union agreements or (z) employees of Seller contain provisions inconsistent with any of such representations and warranties, then such representations and warranties shall be deemed modified to conform to such provisions.

Section 7.03. Survival and Breach. The representations and warranties of Seller contained in Section 7.01 shall survive the Closing for six (6) months following the Closing Date. Each such representation and warranty in Section 7.01 shall automatically be null and void and of no further force and effect on the day which is six (6) months following the Closing Date. Notwithstanding the foregoing, however, if the Closing occurs, Purchaser hereby expressly waives, relinquishes and releases any right or remedy available to it at law, in equity, under this Agreement or otherwise to make a claim against Seller for damages that Purchaser may incur, or to rescind this Agreement and the transactions contemplated hereby, as the result of any of Seller's representations or warranties in this Agreement or any document executed by Seller in connection herewith being untrue, inaccurate or incorrect if Purchaser had actual knowledge that such representation or warranty was untrue, inaccurate or incorrect at the time of the Closing. In no event shall Purchaser be entitled to receive, in connection with any and all breaches of the representations and warranties of Seller hereunder, an amount in excess of the Purchase Price. Purchaser acknowledges and agrees that, in the event that Seller shall be in breach of any of the representations and warranties contained herein, Purchaser shall have no recourse to the property or other assets of Seller (excluding the Purchase Price), and Purchaser's sole remedy, in such event, shall be to recover from Seller an amount not to exceed the Purchase Price.

Section 7.04. Purchaser's Representations. Purchaser represents and warrants as of the date hereof that:

(a) Purchaser is a limited liability company duly organized and in good standing under the laws of the State of New York, and has the power and authority to enter into and perform its obligations under this Agreement;

(b) The execution, delivery and performance of this Agreement by Purchaser have been duly authorized by all necessary action on the part of Purchaser and do not require the consent of any third party. The individual executing this Agreement on behalf of Purchaser has the authority to bind Purchaser to the terms of this Agreement;

(c) Purchaser shall take any actions that may be required to comply with the terms of the USA Patriot Act of 2001, as amended, any regulations promulgated under the foregoing law, Executive Order No. 13224 on Terrorist Financing, any sanctions program administrated by the U.S. Department of Treasury's Office of Foreign Asset Control or Financial Crimes Enforcement Network, or any other laws, regulations, executive orders or government programs designed to combat terrorism or money laundering, if applicable, on the transactions described in this Agreement. Purchaser represents and warrants that Purchaser is not an entity named on the List of Specially Designated Nationals and Blocked Persons maintained by the U.S. Department of Treasury, as last updated prior to the date of this Agreement.

Purchaser's representations and warranties set forth in this Section 7.04 shall survive for six (6) months following the Closing.

ARTICLE 8. Condition of the Property; Hazardous Materials.

Section 8.01. Property Sold As-Is.

(a) Purchaser shall accept the Purchaser's Unit (including its undivided interest in the General Common Elements and all rights of the owner of the Purchaser's Unit with respect to the Limited Common Elements appurtenant to the Purchaser's Unit) "as is," where is, and in its present physical condition, subject to (i) reasonable use, wear, tear and natural deterioration thereto between now and the Closing Date, (ii) damage due to casualty or condemnation or third party actions (subject to any right to terminate under Article 16), (iii) the right of Seller to remove certain improvements, furniture, fixtures, equipment and other property therefrom as permitted herein, (iv) changes arising out of the Verizon Separation Work (as defined in the Declaration), and (v) damages or changes arising out of work performed by Purchaser or Purchaser's Representatives, in each case without any abatement of, set-off against, or reduction in the Purchase Price for any change in such condition by reason of any of the events described in the foregoing clauses (i)-(v).

(b) Purchaser acknowledges and agrees that Seller has not made and does not make any representations or warranties of any kind (except as expressly set forth herein) and shall have no liability or obligation with respect to any matter relating to the Purchaser's Unit, the Limited Common Elements appurtenant thereto, the General Common Elements or any other portion of the Property (except for obligations under the Condominium Documents) including, without limitation, (i) expenses, operation, rental income, income-producing potential, physical condition, zoning, gross or rentable square footage, access, fitness for any specific use, including the present use, merchantability or habitability; (ii) any Violations; (iii) any patent or latent defect in or about the Property; (iv) any laws pertaining to the Property or this transaction; (v) the presence or absence of asbestos or any Hazardous Substances (as hereinafter defined) in, under or upon any portion of the Property; (vi) the existence, location or availability of utility lines for water, sewer, drainage, telephone, electricity or any other utility; (vii) the existence,

availability, quality, quantity or location of building systems; (viii) any licenses, permits, approvals or commitments from governmental authority(ies) with respect to the Property (or any portion thereof); (ix) the effect on the value, use or operation of the Purchaser's Unit, the Limited Common Elements appurtenant thereto or the General Common Elements, caused by the operation of the Central Office or other operations occurring in the Verizon Units and the Limited Common Elements appurtenant thereto; (x) compliance or non-compliance with the Permitted Exceptions or (xi) any other matter affecting or relating to the Purchaser's Unit, the Limited Common Elements appurtenant thereto, the General Common Elements or any other portion of the Property, including the state of title to the Purchaser's Unit or any other portion of the Property. Notwithstanding anything to the contrary contained herein, Purchaser acknowledges that it has had an adequate opportunity to perform, and will have completed, its due diligence of the Property (including, without limitation, the review of the due diligence materials made available by Seller and its representatives or otherwise available for the Property), Purchaser will be deemed to have approved all aspects of the Condominium Documents, the Purchaser's Unit, the Limited Common Elements appurtenant thereto and the General Common Elements of the Property, subject to Purchaser's rights under Article 7, and will be deemed to have elected to purchase the Purchaser's Unit "as is", subject to such further changes thereto as may occur after the date hereof and are referenced in Section 8.01(a) above, and to proceed with the purchase of the Purchaser's Unit pursuant to the terms hereof. Purchaser expressly represents, warrants, and agrees that it has had a full and fair opportunity to inspect the Property for the presence of any Hazardous Substance on, under, or adjacent to the Property. Purchaser acknowledges that Seller has made available to Purchaser, without representation or warranty, a copy of (i) the Phase I Environmental Site Assessment, dated February 7, 2008, prepared by ATC Associates Inc and (ii) those certain plans, drawings and other materials with respect to the presence of asbestos at the Property prepared by Hygienetics Environmental and included as part of the due diligence materials available on-line. Without limiting Seller's representations or warranties contained in Section 7.01 hereof, and without affecting the generality of this Section 8.01, Purchaser acknowledges and agrees that Seller has not made any representation or warranty of any kind and shall have no liability or obligation with respect to the truth, accuracy or completeness of any due diligence materials (or the information contained therein) provided to Purchaser or its affiliates or representatives by Seller and its representatives or otherwise.

(c) In addition to and without limiting the foregoing, Purchaser waives any claim, defense or setoff it may have against Seller, the Board or its officers, agents or contractors, whether under the Condominium Documents (including any indemnification provision contained therein) or otherwise at law or in equity, for (x) any act or omission which occurs prior to the Closing Date with respect to the Property, the Condominium, or the operation, maintenance, insurance, management, repair, alteration, replacement or restoration of the Property (or any portion thereof) or (y) any default under the Condominium Documents occurring prior to the Closing Date, except the foregoing is not intended to limit Seller's obligations and Purchaser's rights and remedies under this Agreement.

(d) Notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed that Seller's furniture, fixtures, equipment and other personal property shall remain in Purchaser's Unit on the Closing Date, shall not be conveyed to Purchaser pursuant to this Agreement and shall be subject to the further provisions of the Lease.

(e) The provisions of this Section 8.01 shall survive the Closing.

Section 8.02. Purchaser's Inspection of Property.

(a) Seller acknowledges and agrees that, prior to Closing, Purchaser may conduct further inspections, testing, investigation and surveying in the Building, subject to and in accordance with the further provisions of this Agreement. If Purchaser shall hereafter inspect, test, investigate or survey any of the Purchaser's Unit, the Limited Common Elements appurtenant thereto or the General Common Elements, Purchaser shall restore such portion of the Property to its condition existing immediately prior to Purchaser's inspection, testing, investigation and survey thereof. Purchaser shall be liable for all damage or injury to any person or property (including other portions of the Property) resulting from, relating to or arising out of any such inspection, testing, investigation or survey, whether occasioned by the acts of Purchaser or any of its employees, agents, shareholders, directors, partners, members, consultants, engineers, inspectors, representatives or contractors (collectively "Purchaser's Representatives"), and Purchaser shall promptly satisfy any lien that may arise or be filed against Seller or the Property in connection with any such inspection, testing, investigation or survey. Purchaser shall indemnify, defend and hold harmless Seller and its agents, employees, officers, directors, affiliates, advisors and asset managers from any liability resulting from any such inspection, testing, investigation or survey and any lien filed against Seller or the Property in connection therewith. This indemnification by Purchaser shall survive the Closing or the termination of this Agreement.

(b) In conducting any inspection, testing, investigation or surveying of the Purchaser's Unit, the Limited Common Elements appurtenant thereto or the General Common Elements prior to the Closing, neither Purchaser nor any of Purchaser's Representatives shall (i) contact or have any discussions with any of Seller's employees, agents or representatives, or with any licensees at, or contractors providing services to, the Property, unless in each case Purchaser obtains the prior written consent of Seller, it being agreed that all such contacts or discussions shall, pending any such approval, be directed to Gloria Derosa at (212) 730-5966, (ii) interfere with the business of Seller conducted at the Property (except to a *de minimis* extent) or (iii) damage the Property or any portion thereof. In conducting any inspection, testing, investigation or surveying prior to the Closing, Purchaser and Purchaser's Representatives shall at all times comply with, and shall be subject to, all other terms, covenants and conditions of this Agreement. Seller may from time to time establish reasonable rules of conduct for Purchaser and Purchaser's Representatives in furtherance of the foregoing. Purchaser shall schedule and coordinate all such inspections, testing, investigation, or surveying, including, without limitation, any environmental test, with Seller and shall give Seller at least two (2) Business Days prior notice thereof. Seller shall be entitled to have a representative present at all times during each such inspection, testing, investigation or surveying. All inspection fees, appraisal fees, survey fees, engineering fees and other costs and expenses of any kind incurred by Purchaser or Purchaser's Representatives relating to such inspection, testing, investigation or surveying of the Purchaser's Unit, the Limited Common Elements appurtenant thereto or the General Common Elements shall be borne solely by Purchaser. Without limiting any other requirements contained herein, prior to conducting any pre-Closing physical inspection, testing, investigation or surveying of the Purchaser's Unit, the Limited Common Elements appurtenant thereto or the General Common Elements, other than mere visual examination, Purchaser shall obtain, and

during the period of inspection, testing, investigation or surveying shall maintain, at Purchaser's sole cost and expense, commercial general liability insurance, including a contractual liability endorsement, and personal injury liability coverage, naming Seller and Verizon Communications Inc. as additional insureds, from an insurer reasonably acceptable to Seller, which insurance shall be primary and not contributing coverage and must have limits for bodily injury and death or damage to property of not less than $2,000,000 for any one occurrence. Prior to making any such physical inspection, testing, investigation or surveying, Purchaser shall furnish to Seller a certificate of insurance evidencing the foregoing coverage. Purchaser and Purchaser's Representatives shall not be permitted to conduct borings of the Property or drilling in or on the Property in connection with the preparation of an environmental audit or in connection with any other testing, inspection or investigation of the Property without the prior written consent of Seller, which consent shall not be unreasonably withheld (and, if such consent is given, Purchaser shall be obligated to pay to Seller on demand the cost of repairing and restoring any damage as aforesaid). The provisions of this Section 8.02(b) shall survive any termination of this Agreement.

(c) Purchaser acknowledges that it shall have no right to terminate this Agreement, or to claim any adjustment of the Purchase Price, on account of any inspection, testing, investigation or survey conducted by Purchaser after the Effective Date.

Section 8.03. Purchaser's Waiver of Certain Environmental Claims. Purchaser, for itself and its successors and assigns, hereby absolutely waives, and agrees that neither it nor its successors and assigns, if any, shall have or make, any claim for damages, contribution, indemnification or otherwise against Seller or any entity which controls, which is controlled by or which is under common control with, Seller (individually, a "Seller Affiliate" and collectively, "Seller Affiliates") arising from or in connection with Hazardous Substances on, in, at, under, beneath, emanating from or affecting the Property, or in connection with any voluntary or required removal or remediation thereof (including, without limitation, claims relating to the release, threatened release, disturbance, emission or discharge of Hazardous Substances), except to the extent such claim is expressly permitted against Seller, as owner of the Verizon Units, under the Condominium Documents for its acts and omissions after the Closing Date. Such waiver of liability shall cover, without limitation, any and all liability to Purchaser, its successors and assigns, both known and unknown, present and future, for any and all environmental liabilities, including, without limitation, any and all strict and other liabilities, costs, claims, fines, penalties and damages under any and all Environmental Laws (as hereinafter defined) with respect to investigating, remediating, mitigating, removing, treating, encapsulating, containing, monitoring, abating, or disposing of any Hazardous Substance and any costs incurred to comply with Environmental Laws. Nothing in this waiver shall be construed as preventing or limiting in any way the right of Purchaser to make claims against any party other than Seller and Seller Affiliates who may be liable under any Environmental Law.

Section 8.04. Hazardous Substances and Environmental Laws Defined. For purposes of this Agreement:

(a) "Hazardous Substances" shall mean any substance, whether solid, liquid or gaseous that is listed, defined or regulated as a "hazardous substance", "hazardous waste" or "solid waste", or is otherwise classified as hazardous or toxic, in or pursuant to any

Environmental Law, including asbestos, radon, any polychlorinated biphenyl, explosive or radioactive material, oil or motor fuel or other petroleum hydrocarbons.

(b) "Environmental Laws" shall mean, collectively all federal, state or local laws, statutes, ordinances, rules, regulations, orders, directives, codes and common law relating to the protection of the Environment or governing the discharge of pollutants or the use, storage, treatment, generation, transportation, processing, handling, production or disposal of Hazardous Substances, including but not limited to the Clean Water Act, as amended, the Resource Conservation and Recovery Act of 1976 as amended, the Clean Air Act as amended, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 as amended, the Toxic Substances Control Act as amended, the Occupational Safety and Health Act of 1970, as amended, the respective regulations issued under such laws and the State and local counterparts of such laws and regulations.

Section 8.05. Seller Not Liable for Certain Representations. In no event shall Seller be liable or bound in any manner by any express or implied warranty, guarantee, promise, statement, representation or information pertaining to the Purchaser's Unit, the Limited Common Elements appurtenant thereto, the General Common Elements or any other portion of the Property made or furnished (in writing or otherwise) by any broker, attorney, consultant, agent, contractor, employee, servant or other person representing or purporting to represent Seller.

Section 8.06. Survival. The provisions of this Article 8 and the obligations of the Seller and Purchaser, and their respective successors and assigns hereunder shall survive the Closing.

ARTICLE 9. Certain Covenants.

Section 9.01. Operation of the Property.

(a) During the period from the date of this Agreement until the Closing Date:

(i) Seller shall be permitted to enter into, amend, modify or renew any agreements with respect to all or any portion of the Property provided that such agreements, amendments, modifications or renewals, as the case may be, (A) expire by their terms on or prior to the Lease Expiration Date, (B) relate only to the Verizon Units (or the Limited Common Elements appurtenant thereto), (C) are not binding on the Board or the owner of Purchaser's Unit after the Lease Expiration Date (provided, however, that the same may be binding on Seller in performing its obligations under the Condominium Documents), (D) if such agreements, amendments, modifications or renewals constitute Contracts, such Contracts may be terminated by the Board without penalty upon not more than thirty (30) days' prior notice, (E) are permitted under paragraph (b) below or otherwise have been consented to or deemed consented to by the Purchaser, (F) are for the design and implementation of the Verizon Separation Work (as defined in Section 9.01(c) below) or (G) are agreements, amendments, modifications or renewals, as the case may be, for which Purchaser has given its prior written consent.

(ii) Seller shall maintain in full force and effect the insurance policies currently in effect (or replacement policies with similar levels of coverage to the extent then commercially reasonable) with respect to the Property; and

(iii) Seller shall operate and manage the Property in a manner consistent with current practice; it being understood that Seller and Seller Affiliates intend to vacate, prior to the Lease Expiration Date, the Purchaser's Unit and that, accordingly, operation and management of the Property may vary to reflect the same.

(b) During the period from the date of this Agreement until the Closing Date, Seller shall not, except as permitted under Section 9.01(a) above or elsewhere in this Agreement, without Purchaser's prior approval:

(i) enter into any new lease, license or other occupancy agreement for space in the portion of the Property which will constitute part of the Purchaser's Unit, the Limited Common Elements appurtenant thereto or the General Common Elements;

(ii) amend or modify (other than non-material amendments or modifications) or renew any of the Contracts; or

(iii) enter into any new Contracts.

(c) Seller has commenced prior to the date hereof the planning of the Verizon Separation Work. Seller shall endeavor to complete any of the Verizon Separation Work to be performed in Unit A no later than the date that is eighteen (18) months following the Closing Date and, subject to Force Majeure, Seller shall complete all of the Verizon Separation Work to be performed in Unit A no later than the date that is twenty four (24) months following the Closing Date. Force Majeure, as used in this Section 9.01(c), shall mean actual delays in the performance of the Verizon Separation Work due to strikes, acts of God, shortages of labor or materials, war, terrorist acts, civil disturbances and other causes beyond the reasonable control of Seller ("Force Majeure"). Purchaser acknowledges that Seller shall retain the right pursuant to the Lease to access any portion of the Property as may be reasonably necessary for the purpose of completing the Verizon Separation Work in accordance with the terms and provisions of the Declaration. The provisions of this Section 9.01(c) shall survive the Closing.

(d) Whenever in this Section 9.01 Seller is required to obtain Purchaser's approval with respect to any matter described herein, Purchaser shall, within five (5) Business Days after receipt of Seller's request therefor, which request shall be accompanied by a description of the material terms of the proposed transaction (which shall include, in the case of a request for approval under Section 9.01(a) or (b) above, the identification of the parties involved), notify Seller of its approval or disapproval of same and, if Purchaser fails to notify Seller of its approval or disapproval within said five (5) Business Day period, setting forth the reasons for any disapproval in reasonable detail, Purchaser shall be deemed to have approved same, provided that any such request includes a notice at the top or on the outside of the envelope in bold type that the failure to respond within five (5) Business Days will result in a deemed approval.

Section 9.02. Condominium Documents; Recordation and Modification.

(a) Seller and Purchaser acknowledge that the Condominium Documents have not yet been entered into and the Condominium Document Recordation has not yet occurred and, accordingly, Seller's and Purchaser's obligation to close hereunder, is subject to the Condominium Document Recordation. Prior to Closing, the form of the Condominium

Documents annexed hereto as Exhibit B (including the Bylaws and the Condominium Plans attached to the Declaration), shall not be modified or amended other than by Seller, provided, that such modification or amendment has no Purchaser Material Adverse Effect. Should Seller wish to modify or amend the Condominium Documents, Seller shall give Purchaser at least five (5) Business Days' notice prior to effectuating such modification or amendment and Seller shall request in writing Purchaser's consent to such modification or amendment, except that no consent shall be required if such modification or amendment has no Purchaser Material Adverse Effect. Purchaser shall advise Seller within five (5) Business Days after such notice of proposed modification or amendment of the Condominium Documents whether or not it is consenting thereto, and if it is denying its consent, the reasons therefor in reasonable detail. If the parties are unable to agree on such modification or amendment requested by Seller and timely denied by Purchaser, then any dispute with respect thereto shall be resolved by expedited arbitration in accordance with Section 16.03. The issue, if any, to be arbitrated shall be whether there was a Purchaser Material Adverse Effect. If Purchaser shall fail to notify Seller that it has consented to or denied its consent to any such request within such five (5) Business Day period, Purchaser shall be deemed to have consented to the modification or amendment in question, provided that any such request includes a notice at the top or on the outside of the envelope in bold type that the failure to respond within five (5) Business Days will result in a deemed approval.

For purposes hereof, a "Purchaser Material Adverse Effect" means (A) a material adverse effect on (x) any physical characteristic of the Purchaser's Unit, the General Common Elements or the Limited Common Elements which benefit the Purchaser's Unit, (y) the use, operations, leasability, marketability, value or appearance of the Purchaser's Unit (or the Limited Common Elements appurtenant thereto) or the General Common Elements, or the compliance of Purchaser's Unit (or the Limited Common Elements appurtenant thereto) or the General Common Elements with laws, or (z) Purchaser (or its ability to consummate the transactions contemplated hereby) or (B) a material increase in the costs and expenses, pursuant to the Declaration, associated with the ownership of Unit A.

(b) Purchaser agrees that de minimis modifications or amendments to correct errors in the Condominium Documents will not have a Purchaser Material Adverse Effect.

(c) From the date of the Condominium Document Recordation through the Closing Date, Seller shall comply, in all substantial respects, with the terms of the Condominium Documents, subject to the terms of this Agreement and the Lease.

Section 9.03. Assignment and Assumption of Contracts; General Assignment and Assumption; Bill of Sale.

(a) Within fifteen (15) Business Days after the Condominium Document Recordation, but in no event later than the Closing Date, if any Contracts (as hereinafter defined) are to be assigned by Seller to the Board, Seller and the Board shall execute and deliver to each other, effective as of the date of the Condominium Document Recordation, an Assignment and Assumption of Contracts in the form attached hereto as Exhibit E pursuant to which Seller shall assign to the Board on behalf of the Condominium, to the extent assignable, the service, maintenance, supply and other agreements, including any purchase order and equipment leases, relating to the operation of any portion of the Property which constitutes General Common

Elements or services that the Board will be obligated under the Condominium Documents to provide, including all modifications, amendments and supplements relating thereto (collectively, the "Contracts") which are then in effect, and the Board will assume all obligations thereafter accruing under the Contracts being assigned thereby. Promptly after execution and delivery thereof, Seller shall deliver to Purchaser a true, correct and complete copy of the aforementioned Assignment and Assumption of Contracts. Seller will not assign, and "Contracts" will not include, contracts which cover multiple buildings or other property of Seller or any Seller Affiliates. To the extent any Contracts to be assigned and assumed cover portions of the Property in addition to the General Common Elements or services in addition to those that are to be provided by the Board, Seller shall at its sole cost and expense modify such Contracts at or prior to Closing to limit the same to the General Common Elements or services to be provided by the Board under the Condominium Documents, as the case may be, or Seller shall terminate the same at or prior to Closing. In the case of any Contract which requires the consent of the other party thereto to an assignment by Seller to the Board, if no consent is obtained to such assignment, Seller shall terminate such Contract as of the Closing Date, as if such termination was required under Section 10.04.

(b) Within fifteen (15) Business Days after the Condominium Document Recordation, but in no event later than the Closing Date, Seller and the Board on behalf of the Condominium shall execute and deliver to each other, effective as of the date of the Closing Date, a General Assignment and Assumption Agreement in the form attached as Exhibit F to this Agreement. Promptly after execution and delivery thereof, Seller shall deliver to Purchaser a true, correct and complete copy of the aforementioned General Assignment and Assumption Agreement.

(c) Within fifteen (15) Business Days after the Condominium Document Recordation, but in no event later than the Closing Date, Seller shall execute and deliver to the Board on behalf of the Condominium a Bill of Sale in the form attached as Exhibit G to this Agreement. Promptly after execution and delivery thereof, Seller shall deliver to Purchaser a true, correct and complete copy of the aforementioned Bill of Sale.

Section 9.04. Intentionally omitted.

ARTICLE 10. Closing Documents.

Section 10.01. Seller's Closing Documents. On the Closing Date, Seller shall deliver the following items and documents to Purchaser, duly executed and, where appropriate, acknowledged by Seller:

(a) a bargain and sale deed without covenants against grantor's acts, in the form attached hereto as Exhibit H (the "Deed");

(b) an affidavit of Seller pursuant to Section 1445(b)(2) of the Internal Revenue Code of 1986, as amended, stating that Seller is not a foreign person within the meaning of such Section;

(c) a certification by the Secretary or Assistant Secretary of Seller that the transactions contemplated herein have been duly authorized by Seller;

(d) wire transfers of immediately available funds in payment of any amounts payable by Seller under Section 12.01 hereof, if Seller has not elected to have Purchaser pay the same as part of the payment of the Balance of the Purchase Price (as provided in Section 6.08);

(e) a title certificate and indemnity in the form attached hereto as Exhibit D;

(f) a certificate, dated as of the Closing Date, from Seller stating that the representations and warranties of Seller contained in this Agreement are true and correct in all material respects as of the Closing Date, except to the extent Seller has identified in such certificate any such representations and warranties which are no longer, true and correct and the state of facts giving rise to the change do not constitute a Purchaser Material Adverse Effect;

(g) a written notice setting forth the name and contact information of the Cable Vault Unit Owner Designated Recipient (as defined in the Condominium Documents);

(h) certificates of insurance evidencing the insurance coverage which Seller is otherwise required to maintain under the Lease;

(i) the appointment of one (1) member to the Board by Seller;

(j) Seller's share of the initial Condominium reserves (which may be funded using a portion of the Purchase Price); and

(k) the Lease and, if Purchaser's Unit is to be encumbered by a mortgage, a subordination, non-disturbance and attornment agreement in the form required by the Lease (the "Subordination and Non-Disturbance Agreement") executed and acknowledged by Seller and such mortgagee of Purchaser's interest in the Purchaser's Unit;

(l) any other documents or items required by this Agreement or reasonably requested by Title Company.

Section 10.02. Purchaser's Closing Documents. On the Closing Date, Purchaser shall deliver the following items and documents to Seller duly executed and, where applicable, acknowledged by Purchaser:

(a) the Balance required pursuant to Article 2 hereof, as adjusted for apportionments under Article 11 hereof and any other credits against the Purchase Price expressly provided for in this Agreement (payment of which shall be subject to any written direction made by Seller or Seller's attorney pursuant to Section 6.08);

(b) wire transfer of immediately available funds in payment of all amounts payable by Purchaser under Section 6.08, and Section 12.02 hereof;

(c) certificates of insurance evidencing the insurance coverage which Purchaser is otherwise required to maintain under the Condominium Documents;

(d) a certificate, dated as of the Closing Date, from Purchaser stating that the representations and warranties of Purchaser contained in this Agreement are true and correct in

all material respects as of the Closing Date, except to the extent Purchaser has identified in such certificate any such representations and warranties (other than those set forth in Section 7.04(b)) which are no longer, true and correct and the state of facts giving rise to the change do not constitute a breach by Purchaser of its obligations hereunder;

(e) the appointment of two (2) members to the Board by Purchaser;

(f) Purchaser's share of the initial Condominium reserves; and

(g) the Lease and, if Purchaser's estate is to be encumbered by a mortgage, the Subordination and Non-Disturbance Agreement signed by Purchaser and the holder of any mortgage encumbering the Purchaser's Unit or any portion thereof;

(h) any other documents, items or payments required by this Agreement or reasonably requested by Title Company to be delivered by Purchaser.

Section 10.03. Seller's Deliverables to Board. On the Closing Date, Seller shall cause the Board to have in its possession the following:

(i) Originals or, if unavailable, copies of the Contracts which the Board has assumed or entered into and which are then in effect (and not being terminated);

(ii) To the extent in Seller's possession at the Property, originals or, if unavailable, copies of plans and specifications, technical manuals and similar materials for the Improvements and any equipment transferred to the Board pursuant to the Condominium Documents or the Bill of Sale referenced in Section 9.03(c);

(iii) To the extent in Seller's possession at the Property, originals or, if unavailable, copies, of all books and records relating to the ownership, operation, maintenance and repair of the Property (other than those exclusively relating to the Central Office or Seller's telecommunications operations);

(iv) To the extent in Seller's possession at the Property, originals or, if unavailable, copies of all permits, licenses and approvals relating to the ownership, use or operation of the Property (other than those exclusively relating to the Central Office or Seller's telecommunications operations); and

(v) Keys and combinations in Seller's possession at the Property relating to the operation of the Property (other than those exclusively relating to the Central Office, the Verizon Units or Seller's telecommunications operations).

Seller shall be deemed to have satisfied its obligations under this Section 10.03 if the same are left at the Building's management office on the Closing Date to which Purchaser shall have unrestricted access. Seller shall have the right, from and after the Closing Date, to review and copy the materials described in clauses (ii), (iii) and (iv) of this Section 10.03, which right shall survive the Closing.

Section 10.04. Termination of Contracts. On the Lease Expiration Date, (i) Seller shall terminate, at Seller's sole cost and expense, any Contracts to which the Board is bound or is a party immediately prior to the Lease Expiration Date unless such Contracts (a) were listed on Schedule A or (b) were entered into by Seller or the Board in accordance with Section 9.01(a)(i) hereof, (ii) Seller shall terminate or cause to be terminated, at Seller's sole cost and expense, any management agreements to which the Board is a party or by which the Board is bound and (iii) Seller shall terminate or cause to be terminated any other agreement which the Board entered into or assumed responsibility for prior to the Lease Expiration Date which shall not include (A) agreements described in clauses (a) and (b) of this Section 10.04 or (B) any Permitted Exceptions or any other liens, encumbrances or other title matters (except as provided in Article 6). The provisions of this Section 10.04 shall survive the Closing.

Section 10.05. Value of Personalty. Seller and Purchaser agree the value of any personalty transferred on the Closing Date pursuant to this Agreement and the instruments to be entered into on the Closing Date is *de minimis* and no part of the Purchase Price is allocable thereto.

ARTICLE 11. Apportionments.

(a) The following shall be apportioned between Seller and Purchaser as of 11:59 p.m. on the day immediately preceding the Closing Date (the "Apportionment Date"), provided that to the extent any such amount to be apportioned is the obligation of Seller as tenant under the Lease, the apportionment shall occur as of the date Seller ceases to be required to pay the same under the Lease and no payment shall be due in respect thereof on the Closing Date:

(i) real estate taxes, payments in lieu of taxes, sewer rents and taxes, water rates and charges, vault charges and taxes, business improvement district taxes and assessments and any other governmental taxes, charges or assessments (collectively, "Property Taxes") levied or assessed against the Purchaser's Unit, on the basis of the respective periods for which each is assessed or imposed, to be apportioned in accordance with paragraphs (b) and (c) of Article 11 hereof;

(ii) fuel, if any, supplied to the Purchaser's Unit, based on a reading Seller will endeavor to have completed within five (5) days prior to Closing or if not so completed, as estimated by Seller's supplier, at current cost, together with any sales taxes payable in connection therewith, if any (a letter dated within five (5) Business Days of the Closing Date from Seller's fuel supplier shall be conclusive evidence as to the quantity of fuel on hand and the current cost therefor), provided that in calculating the apportionment described in this paragraph (a)(ii), no apportionment shall be made with respect to any fuel tank that serves only the Verizon Units. In all other circumstances, the apportionment described in this paragraph (a)(ii) shall be multiplied by a fraction equal to the Purchaser's Unit Percentage Interest;

(iii) any amounts prepaid or payable under all Contracts which have been entered into by Seller, other than those Contracts which pursuant to Section 10.04 are to be terminated by Seller;

(iv) all other operating expenses with respect to the Purchaser's Unit;

(v) such other items with respect to the Purchaser's Unit as are customarily apportioned in accordance with real estate closings of commercial properties in the State and County in which the Property is located; and

(vi) charges for all electricity, steam and other utility services consumed in the Purchaser's Unit.

(b) All Property Taxes assessed against the Property shall be prorated between Seller and Purchaser on an accrual basis based upon the actual current tax bill and on the basis of their relative Percentage Interests (as defined in the Declaration) in the Property submitted to the Condominium. If the most recent tax bill received by Seller before the Closing Date is not the actual current tax bill, then Seller and Purchaser shall initially prorate the Property Taxes as of the Apportionment Date by applying 100% of the tax rate for the period covered by the most current available tax bill to the latest assessed valuation, and shall reprorate the Property Taxes retroactively when the actual current tax bill is then available. All Property Taxes on the Property accruing before the Closing Date shall be the obligation of Seller. All Property Taxes on the Purchaser's Unit accruing on and after the Closing Date shall be the obligation of Purchaser, subject to the provisions of the Lease, and all Property Taxes on the Verizon Units accruing on and after the Closing Date shall be the obligation of Seller. Any refunds of Property Taxes made after the Closing shall first be applied to the unreimbursed third-party costs incurred by Seller or Purchaser in obtaining the refund, and the balance, if any, shall be paid to Seller (for the period prior to the Closing Date) and, unless paid by Seller pursuant to the Lease (in which event such refunds shall be allocated to Seller), allocated to Purchaser and Seller based on their Percentage Interests (for the period commencing on and after the Closing Date until their respective Units are separately assessed). If any proceeding to determine the assessed value of the Property or the Property Taxes payable with respect to the Property has been commenced before the date of this Agreement and shall be continuing as of the Closing Date, Seller shall be authorized to continue to prosecute such proceeding and shall be entitled to any abatement proceeds therefrom allocable to any period before the Closing Date, and Purchaser agrees to cooperate as reasonably requested with Seller and to execute any and all documents reasonably requested by Seller in furtherance of the foregoing.

(c) Property Taxes for the fiscal year in which the Closing occurs will reflect amounts payable for the Property as a whole and not for each Unit. In light of the foregoing, the amount to be paid by Purchaser as an apportionment hereunder shall be a percentage of the Property Taxes accruing on and after the Closing Date, such percentage to be the Percentage Interest attributable to Purchaser's Unit, as set forth in the Condominium Documents (the "Purchaser's Unit Percentage Interest"). Until such time as the City in which the Property is located has commenced assessing each Unit as a separate tax lot, Purchaser and Seller shall pay to the Board monthly a sum equal to one twelfth (1/12) of the estimated Property Taxes assessed upon the Condominium and allocated to the Unit based on its Percentage Interest in order to provide a sum sufficient to pay the total Property Taxes as they fall due. Purchaser and Seller shall pay any additional sums necessary to pay each party's respective portion of the shortfall between the estimated payments collected and the amount of the actual Property Tax bill, and shall be credited by the Board with the amount of any excess payments. In the event of any conflict between this provision and the terms and provisions of the Condominium Documents

and the Lease, with respect to this subject, the terms and provisions of the Condominium Documents and the Lease shall govern.

(d) With respect to amounts apportioned in accordance with clause (iii) or (iv) of paragraph (a) above, Seller and Purchaser acknowledge that such expenses are for more than just the Purchaser's Unit and, after the Closing, are to be paid not by Purchaser, but by the Board on behalf of the Condominium. Accordingly, in calculating the amount of such apportionment, (i) if such amount has been paid by Seller prior to Closing, such apportionment (and the amount Purchaser has to pay as a result) shall be made and calculated based on a fraction of such amount, such fraction equal to the portion of such cost which would be charged to the Purchaser's Unit (whether as a common area charge or other assessment) if the Board had paid such fee on behalf of the Condominium after the Closing and (ii) if such amount has not been paid by Seller prior to Closing, such apportionment (and the amount Seller has to pay as a result) shall be made and calculated based only on the amount paid or to be paid by Purchaser as a common area charge or other assessment with respect to the payment of such amounts by the Board on behalf of the Condominium. Seller and Purchaser shall cause the Board to cooperate with Seller and Purchaser in making these calculations.

(e) At the Closing, Seller shall have the right to prepay the fixed annual base rent payable under the Lease (i) for the period from the Closing Date to the end of the month in which the Closing Date occurs, (ii) for the calendar month immediately succeeding the month in which the Closing Date occurs and (iii) for such other period (if any) as Seller may elect in its sole discretion. If Seller exercises such right, then Purchaser shall receive a credit against the Balance in the amount of such prepayment.

(f) All prorations shall be complete and final no later than six (6) months after Closing or, if applicable, the Lease Expiration Date.

(g) The provisions of this Article 11 shall survive the Closing.

ARTICLE 12. Taxes and Other Expenses.

Section 12.01. Transfer Taxes. New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax in connection with the sale contemplated by this Agreement shall be paid by Seller at the Closing.

Section 12.02. Recording Fees, Title Insurance and Survey Costs. All state, city, county and municipal recording fees (other than the fee for recordation of the Condominium Documents) and all premiums and fees for title examination and title insurance obtained by Purchaser, and all related charges and costs in connection therewith, including the update to the Existing Survey, shall be paid by Purchaser.

Section 12.03. Financing and Due Diligence Costs. Purchaser shall pay all costs and expenses incurred in connection with its purchase of the Purchaser's Unit and any financing of this transaction, including but not limited to any engineering or inspection reports obtained by Purchaser in connection therewith (other than the due diligence materials supplied by Seller), mortgage recording tax, title insurance, and the fees and expenses of Purchaser's legal counsel and other advisors.

Section 12.04. Seller's Legal Costs. Seller shall pay the fees and expenses of Seller's legal counsel and other advisors, including the costs of the Condominium Document Recordation.

Section 12.05. Survival. The provisions of this Article 12 shall survive the Closing.

ARTICLE 13. Brokerage.

Section 13.01. Seller's Representation. Seller represents and warrants to Purchaser that it has not hired, retained or dealt with any broker, finder, consultant, person, firm, or corporation in connection with the negotiation, execution or delivery of this Agreement or the transaction contemplated hereby, other than Newmark Knight Frank Capital Group ("Broker").

Section 13.02. Indemnity by Seller. Seller covenants that should any claim be made against Purchaser for any commission or other compensation by any broker, finder, person, firm or corporation based upon or alleging negotiations, dealings or communications with Seller in connection with this transaction or the Property, Seller shall indemnify and hold Purchaser harmless from any and all damages, expenses (including attorneys' fees and disbursements) and liability arising from such claim. Seller shall pay any commissions owed to Broker pursuant to a separate agreement.

Section 13.03. Purchaser's Representation. Purchaser represents and warrants to Seller that it has not hired, retained or dealt with any broker, finder, consultant, person, firm, or corporation in connection with the negotiation, execution or delivery of this Agreement or the transaction contemplated hereby except the Broker.

Section 13.04. Indemnity by Purchaser. Purchaser covenants that should any claim be made against Seller for any commission or other compensation by any broker, finder, person, firm or corporation (other than the Broker) based upon or alleging negotiations, dealings or communications with Purchaser in connection with this transaction or the Property, Purchaser shall indemnify and hold Seller harmless from any and all damages, expenses (including attorneys' fees and disbursements) and liability arising from such claim.

Section 13.05. Survival. The provisions of this Article 13 shall survive the termination of this Agreement and/or the Closing.

ARTICLE 14. Merger Provision. All understandings and agreements heretofore had between the parties hereto with respect to the subject matter of this Agreement, whether oral or written, are merged in this Agreement and the Condominium Documents and the Lease which alone completely express their agreement, and this Agreement is entered into after full investigation, neither party relying upon any statement or representation made by the other not embodied in this Agreement or the Condominium Documents. Purchaser expressly acknowledges that Seller has neither undertaken nor has any duty of disclosure to Purchaser with respect to the Property or anything related thereto or to this transaction. The provisions of this Article 14 shall survive the termination of this Agreement and/or the Closing.

ARTICLE 15. Acceptance of Deed; Survival. The acceptance of the Deed by Purchaser shall be deemed an acknowledgment by Purchaser that Seller has fully complied with

all of its obligations hereunder and that Seller is discharged therefrom and that Seller shall have no further obligation or liability with respect to any of the agreements, warranties or representations made by Seller in this Agreement, except for those provisions of this Agreement which expressly provide that any obligation of Seller shall survive the Closing. The provisions of this Article 15 shall survive the Closing.

ARTICLE 16. Condemnation; Casualty.

Section 16.01. Condemnation.

(a) If, prior to the Closing Date, all or any significant portion (as defined in this Section 16.01(a)) of the Property is taken by eminent domain (or is the subject of a pending taking which has not yet been consummated), Seller shall notify Purchaser of such fact promptly after obtaining knowledge thereof and both Seller and Purchaser shall have the independent right to terminate this Agreement by giving notice to the other party not later than fifteen (15) days after the giving of Seller's initial notice. For the purposes hereof, a "significant portion" of the Property shall mean:

(i) a portion of the Property comprising at least ten percent (10%) of either (x) the square footage of the Purchaser's Unit or (y) the aggregate square footage of the Verizon Units,

(ii) any portion of the Limited Common Elements or General Common Elements which would have a Purchaser Material Adverse Effect or, in the sole judgment of Seller, a material adverse effect on the operation of the Central Office, or

(iii) in any case, more than twenty percent (20%) of the lot area of the Land.

Notwithstanding the foregoing, if the only reason a "significant portion" of the Property is deemed taken is because there is a material adverse effect on the utility, operations or leasability of the Verizon Units or the operation of the Central Office, only Seller shall be entitled to exercise the termination right described herein. Notwithstanding the foregoing, if the only reason a "significant portion" of the Property is deemed taken is because there is a Purchaser Material Adverse Effect, only Purchaser shall be entitled to exercise the termination right described herein.

(b) If either party elects to terminate this Agreement as aforesaid, this Agreement shall terminate on the date of any such notice of termination, Seller shall return the Downpayment to Purchaser, Seller and Purchaser shall have no further rights or obligations under this Agreement except for those provisions which by their terms survive the termination hereof, and Seller shall be entitled to any and all condemnation awards.

(c) If (x) neither party elects to terminate this Agreement as aforesaid, following the taking by eminent domain of a significant portion of the Property, or (y) an "insignificant portion" (i.e., anything other than a significant portion) of the Property is taken by eminent domain (or becomes the subject of a pending taking), then there shall be no abatement of the Purchase Price and Seller shall (i) assign to Purchaser (without recourse) at the Closing the rights of Seller to the portion of the awards, if any, for the taking not yet received by Seller, which

portion is the amount Purchaser would have been entitled to receive therefrom as if the Condominium Documents had been in effect at the time of the taking, Purchaser shall be entitled to receive and keep such portion of any awards for such taking, and Purchaser shall reimburse Seller for Purchaser's share (based on the portion of such awards which would be allocated to the Purchaser's Unit) of any reasonable costs incurred by Seller in obtaining such condemnation award, including attorneys' fees and disbursements and any reasonable costs incurred by Seller in repairing or restoring the Purchaser's Unit or the Limited Common Elements appurtenant thereto or the General Common Elements (but with respect to the General Common Elements, only Purchaser's Percentage Interest of such cost) as a result of such taking, (ii) pay to Purchaser the portion of any sums of money collected by Seller as a condemnation award for any taking by eminent domain, after deducting any reasonable costs or expenses which Seller may have incurred in obtaining such condemnation award, including attorneys' fees and disbursements, and any reasonable costs Seller may have incurred in repairing or restoring the Property as a result of such taking, which portion would have been distributed to Purchaser under the Condominium Documents if the condemnation had occurred while the Condominium Documents were in effect, and (iii) not settle any condemnation claim without the prior written consent of Purchaser; provided, however, that Seller shall be entitled to receive and keep the portion of any such awards allocable to the Verizon Units and Seller's equipment, trade fixtures and other property as well as consequential damages for the relocation or impairment of its public service function. With the consent of Purchaser, not to be unreasonably withheld, Seller shall make such changes to the Condominium Documents as shall be reasonably necessary to reflect that a portion of the Property was taken.

Section 16.02. Casualty.

(a) If all or any part of the Improvements are damaged by fire or other casualty occurring following the date hereof and prior to the Closing Date, whether or not such damage affects a material part of the Improvements, Seller shall promptly notify the Purchaser of such casualty and then:

(i) If the estimated cost of repair or restoration of the Purchaser's Unit, the Limited Common Elements appurtenant thereto and the General Common Elements is less than or equal to One Million Dollars ($1,000,000) in the aggregate and the estimated time to complete such repair or restoration is twelve (12) months or less from the occurrence of the casualty, and the restoration can lawfully be completed, neither party shall have the right to terminate this Agreement and the parties shall nonetheless consummate this transaction in accordance with this Agreement, without any abatement of the Purchase Price or any liability or obligation on the part of Seller by reason of said destruction or damage. In such event, at Closing, Seller shall assign to Purchaser and Purchaser shall then have the right to make a claim for and retain, (I) an amount equal to the portion of any casualty insurance proceeds received or receivable under the insurance policies in effect with respect to the Property on account of said physical damage or destruction, but only to the extent such amount would be payable to the Owner of the Purchaser's Unit under the terms of the Condominium Documents (and not to the Board or the Owner of the Verizon Units), assuming for such purposes (aa) the Condominium Documents were in effect at the time of such casualty, (bb) any casualty insurance maintained by Seller and covering the Property (not including rent or business interruption insurance) was instead maintained by the Board, and (cc) to the extent any such casualty insurance maintained by Seller

covered more than just the General Common Elements, such insurance will be treated as having been obtained by the Board for each of the Owners pursuant to the Declaration and disbursed accordingly, less (II) the Purchaser's Unit Percentage Interest of the costs of settlement, collection and adjustment incurred by Seller (or incurred and paid for by the Board prior to the Closing Date) together with any reasonable costs incurred by Seller (or incurred and paid for by the Board prior to the Closing Date) in the repair or restoration of the Purchaser's Unit and the Limited Common Elements appurtenant thereto. At Closing, Seller shall assign to the Board on behalf of the Condominium, and the Board shall then have the right to make claim for and retain (A) an amount equal to the portion of any casualty insurance proceeds received or receivable under the insurance policies in effect with respect to the Property on account of said physical damage or destruction, but only to the extent such amount would be payable to the Board (or its Depository, as defined in the Condominium Documents) as loss payee under the terms of the Condominium Documents, assuming for such purposes (xx) the Condominium Documents were in effect at the time of such casualty, (yy) any casualty insurance maintained by Seller and covering the General Common Elements only (and not including, in any event, rent or business interruption insurance), as opposed to any other portions of the Property (such as improvements located in a Unit or Owner's installations), was instead maintained by the Board and (zz) that such insurance does not include any claim assigned to Purchaser as provided above, less (B) if not deducted in calculating the amount in clause (A) above, the reasonable costs of settlement, collection and adjustment incurred by Seller together with any reasonable costs incurred by Seller in the repair or restoration of the General Common Elements. In such event, such assigned proceeds (or any proceeds the Board was entitled to receive without such assignment) shall be held and applied in accordance with the Condominium Documents, and the Board shall complete the repair and restoration of the damage to the General Common Elements as if the casualty had occurred while the Condominium Documents had been in effect. With respect to any deductible, such deductible will be allocated based on the relative costs of restoration of the portions of the Property that are damaged or destroyed and, Seller shall pay the Board and/or Purchaser (as applicable) the amount of the deductible on such casualty insurance policy allocable to the portion of the Property such party is responsible to repair or restore.

(ii) If the estimated cost of repair or restoration of the Purchaser's Unit, the Limited Common Elements appurtenant thereto and the General Common Elements is greater than One Million Dollars ($1,000,000) in the aggregate and the estimated time to complete such repair or restoration is more than twelve (12) months from the occurrence of the casualty, or if the restoration cannot be lawfully completed, both Seller and Purchaser shall have the independent right to terminate this Agreement by giving notice to the other party not later than fifteen (15) days after the giving of Seller's initial notice. If either party elects to terminate this Agreement as aforesaid, this Agreement shall terminate on the date of any such notice of termination, Seller shall return the Downpayment to Purchaser, Seller and Purchaser shall have no further rights or obligations under this Agreement except for those provisions which by their terms survive the termination hereof, and Seller shall be entitled to any and all casualty insurance proceeds.

(iii) if a fire or other casualty disrupting or adversely affecting the provision of telecommunication services from the Central Office and/or the Cable Vault Unit shall occur (each, a "Central Office Casualty"), Seller shall have the right exercisable within thirty (30) days thereafter, time being of the essence, either (x) to terminate this Agreement by delivering notice

thereof to Purchaser, whereupon the Downpayment shall be returned to Purchaser and this Agreement shall be deemed canceled and of no further force or effect, and neither party shall have any further rights or obligations against or to the other except for such provisions which are expressly provided in this Agreement to survive the termination hereof or (y) to waive unconditionally its right to terminate this Agreement by delivering notice thereof to Purchaser. If Seller shall not deliver notice under either clause (x) or (y) above within such thirty (30) day period, then Seller shall be deemed to have elected to terminate this Agreement, as if it had sent a notice under clause (x) above. If such Casualty shall occur and Seller timely delivers a notice under clause (y) above, then Purchaser and Seller shall consummate the transactions hereunder in accordance with this Agreement without any abatement of the Purchase Price or any liability or obligation on the part of Seller by reason of said destruction or damage and, in such event, the provisions of subparagraph (i) above shall apply as if a Central Office Casualty had not occurred.

(b) The estimated cost to repair and/or restore and the estimated time to complete contemplated in subsection (a) above shall be established by estimates obtained by Seller from independent contractors, subject to Purchaser's review and reasonable approval of the same and the provisions of Section 16.03 below.

(c) Notwithstanding anything to the contrary contained above, Seller shall be entitled to receive and retain, without Purchaser being entitled to any credit in respect thereof, all insurance proceeds allocable to the Central Office and to Seller's other equipment, trade fixtures and other property which are not required to be conveyed (i) at Closing pursuant to this Agreement or (ii) pursuant to the Bill of Sale described in Section 9.03(c).

Section 16.03. Dispute Resolution. Any disputes under this Article 16 as to the cost of repair or restoration or the time for completion of such repair or restoration or whether a "significant portion" of the Property has been condemned shall be resolved by expedited arbitration before a single arbitrator acceptable to both Seller and Purchaser in their reasonable judgment in accordance with the Commercial Arbitration Rules of the American Arbitration Board (Expedited Procedures); provided, that if Seller and Purchaser fail to agree on an arbitrator within five days after a dispute arises, then either party may request the Chairman of the local Bar Association, to designate an arbitrator. Such arbitrator shall be an independent architect or engineer having at least ten (10) years of experience in the construction of office buildings in the area in which the Property is located. The determination of the arbitrator shall be conclusive and binding upon the parties. The costs and expenses of such Arbitrator shall be borne equally by Seller and Purchaser.

Section 16.04. Waiver of GOL Section 5-1311; Survival. The parties hereby waive the provisions of Section 5-1311 of the New York General Obligations Law, and agree that the same shall not apply to this Agreement. The provisions of this Article 16 shall survive the Closing.

ARTICLE 17. Remedies.

Section 17.01. Seller's Remedies.

(a) Purchaser acknowledges that (i) Seller has received offers from other parties to purchase the Purchaser's Unit, (ii) Seller, by executing and delivering this Agreement, will be

forgoing other opportunities to sell the Purchaser's Unit, and (iii) Seller, in entering into this Agreement, has agreed to do so only if the Downpayment is paid to Seller unconditionally and on a non-refundable basis, as liquidated damages in the event that Purchaser defaults in the performance of any of its obligations under this Agreement, including the failure to purchase the Purchaser's Unit, as set forth below. Seller and Purchaser agree that it would be impractical and extremely difficult, if not impossible, to fix actual damages that would be suffered by Seller as a result of such default. The parties therefore agree that if (i) Purchaser shall default in the payment of the Purchase Price or if Purchaser shall default in the performance of any of its other obligations to be performed on the Closing Date such that Purchaser fails to close on the acquisition of Purchaser's Unit, or (ii) Purchaser shall default in the performance of any of its material obligations to be performed prior to the Closing Date and, with respect to any default under this clause (ii) only, such default shall continue for fifteen (15) days after notice to Purchaser, Seller's sole remedy by reason thereof shall be to terminate this Agreement and, upon such termination, Seller shall be entitled to retain the Downpayment, as and for its sole remedy hereunder and at law or in equity, as Seller's liquidated damages, and Seller thereafter shall not have any further liability or obligation to Purchaser hereunder nor shall Purchaser have any further liability or obligation to Seller hereunder, except for such liabilities or obligations which are specifically stated herein to survive the termination of this Agreement. The parties have consulted with their respective advisors and attorneys and have negotiated with each other and have agreed upon an amount for the Downpayment that both believe is fair and reasonable under the circumstances and a suitable proxy for actual damages. The payment of the Downpayment to Seller as liquidated damages is not intended to be a forfeiture or penalty, but instead to constitute liquidated damages to Seller and is a reasonable estimate of the damages that will be incurred by Seller if Purchaser defaults under or breaches this Agreement as set forth above and fails to purchase the Purchaser's Unit. Purchaser covenants not to bring any action or suit challenging the amount of liquidated damages provided hereunder in the event of such default.

(b) If Seller terminates this Agreement pursuant to a right given to it hereunder and Purchaser takes any action which interferes with Seller's ability to sell, exchange, transfer, lease, dispose of or finance the Property or, if applicable, the Purchaser's Unit, the Verizon Units or any of the Common Elements or takes any other actions with respect thereto (including, without limitation, the filing of any lis pendens or other form of attachment against the Property or, if applicable, the Purchaser's Unit, the Verizon Units or any of the Common Elements), then the named Purchaser (and any assignee of Purchaser's interest hereunder) shall be liable for, and indemnify and hold harmless Seller from and against, any and all loss, cost, damage, liability or expense (including, without limitation, reasonable attorneys' fees, court costs and disbursements and consequential damages) incurred by Seller by reason of such action by Purchaser.

Section 17.02. Purchaser's Remedies. If (x) Seller shall default in any of its obligations to be performed on the Closing Date or (y) Seller shall default, and such default continues for fifteen (15) days after written notice from Purchaser, in the performance of any of its materials obligations to be performed prior to the Closing Date, Purchaser as its sole and exclusive remedy by reason thereof (in lieu of prosecuting an action for damages or proceeding with any other legal course of conduct, the right to bring such actions or proceedings being hereby expressly and voluntarily waived by Purchaser following and upon advice of its counsel) shall have the right (i) to seek to obtain specific performance of Seller's obligations hereunder, or (ii) to terminate this Agreement and receive a return of the Downpayment (and, if Seller's default shall

have been determined by a court of competent jurisdiction to have been willful, to be reimbursed for Purchaser's reasonable legal fees in connection with, and its documented, out-of-pocket costs incurred in connection with its due diligence investigation under, this Agreement, in an amount not to exceed One Hundred Thousand Dollars ($100,000) ("Purchaser's Reimbursement")). Upon such return of the Downpayment (and, if Seller's default shall have been determined by a court of competent jurisdiction to have been willful, payment of Purchaser's Reimbursement), this Agreement shall terminate and neither party hereto shall have any further rights or obligations hereunder except for those that are expressly provided in this Agreement to survive the termination hereof. Purchaser shall have no right of specific performance if Purchaser fails to commence an action for specific performance within sixty (60) days after Seller's default or if Seller shall be prohibited from performing its obligations hereunder by reason of any law, regulation, or other legal requirement applicable to Seller.

Section 17.03. Survival. The provisions of this Article 17 shall survive the termination hereof.

ARTICLE 18. No Oral Modification or Reliance. This Agreement may not be amended, modified or terminated, nor may any provision hereof be waived, except by a written instrument signed by both Purchaser and Seller. The provisions of this Article 18 shall survive the Closing or the termination hereof.

ARTICLE 19. No Reliance by or Benefit to Third-Parties. No person or entity other than a party to this Agreement (and their successors and assigns) shall be entitled to rely on this Agreement, and this Agreement is not made for the benefit of any person or entity not a party hereto (or their successors or assigns). The provisions of this Article 19 shall survive the Closing or the termination hereof.

ARTICLE 20. Severability. If any provision of this Agreement or the application thereof to any party or circumstances shall to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to parties or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision shall be valid and be enforced to the fullest extent permitted by law.

ARTICLE 21. Governing Law and Venue. The validity of this Agreement and the rights, obligations and relations of the parties hereunder shall be construed and determined under and in accordance with the laws of the State of New York. All actions or proceedings relating to this Agreement shall be litigated only in courts located within the City and State of New York. Each party hereby subjects itself to the jurisdiction and venue of any state or federal court located within such city and state. The provisions of this Article 21 shall survive the Closing or the termination hereof.

ARTICLE 22. Captions. The captions of the various Articles in this Agreement are for convenience only and do not, and shall not be deemed to, define, limit or construe the contents of such Articles.

ARTICLE 23. Notices. Any notice or other communication given by either party hereto to the other relating to this Agreement (a "notice") shall be in writing and shall be hand

delivered or sent by certified mail, return receipt requested, or by recognized overnight courier service, addressed to the parties at their respective addresses set below:

If to Seller, to:

Verizon Service Operations
125 High Street – Oliver Tower
2nd Floor
Boston, Massachusetts 02110
Attn: Allison M. Payer,
Real Estate Portfolio Management

with a copy to:

Verizon Legal Department
600 Hidden Ridge, HQE03H20
Irving, Texas 75038
Attn: Debra D. Weldon,
Asst. General Counsel - Real Estate

and a copy to:

Goulston & Storrs, P.C.
750 Third Avenue, 22nd Floor
New York, New York 10017
Attn: Max Friedman, Esq.

if to Purchaser, to:

c/o Colonnade Group LLC
77 Fifth Avenue, Suite 4A
New York, New York 10003
Attn: Greg Altshuler

with a copy to:

Finkelstein Newman Ferrara LLP
225 Broadway, 8th Floor
New York, New York 10007
Attn: Robert C. Epstein, Esq.

Notice shall be deemed given upon receipt or upon refusal to accept delivery or upon failure to deliver due to a change of address of which no notice is given in accordance with this Article 23. Notices may be signed by the attorney for either party and shall be deemed binding upon such party. Either party may by notice change the person or address for receipt of notices by not less than five (5) days notice given in accordance with this Article 23.

ARTICLE 24. Waiver. No waiver by either party of any failure or refusal by the other party to comply with its obligations shall be deemed a waiver of any other or subsequent failure or refusal to so comply.

ARTICLE 25. No Access Charge. From and after the Closing Date, neither the Board nor Purchaser or its successors and assigns shall charge Seller or any Seller Affiliates any access or similar charge in order for Seller or any Seller Affiliates to provide telecommunications services to any Occupant (as such term is defined in the Condominium Documents) or to have customary access to space in the Property to do so. Purchaser shall cause its representatives on the Board to act in accordance with this Article 25. The provisions of this Article 25 shall survive the Closing.

ARTICLE 26. Waiver of Trial by Jury. SELLER AND PURCHASER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT OR COUNTERCLAIM ARISING IN CONNECTION WITH OR OTHERWISE RELATING TO THIS AGREEMENT. THE PROVISIONS OF THIS ARTICLE 26 SHALL SURVIVE THE CLOSING OR THE TERMINATION HEREOF.

ARTICLE 27. Assignment by Purchaser; Binding Effect.

Section 27.01. Assignment. Without the prior written consent of Seller in its sole discretion, Purchaser shall not, directly or indirectly, assign this Agreement or any of its rights hereunder. Any attempted assignment in violation hereof shall, at the election of Seller, be of no force or effect and shall constitute a default by Purchaser. Notwithstanding the foregoing, Purchaser may assign its rights under this Agreement subject to the following conditions: (a) the assignment must be to a limited partnership, limited liability company or other entity controlled, directly or indirectly, by Alessandro Cajrati Crivelli, as of the Closing Date, and in which Purchaser, the owners of Purchaser or the immediate family of Alessandro Cajrati Crivelli (including any siblings of Alessandro Cajrati Crivelli) or their descendants or a trust established principally for the benefit of the foregoing persons, as of the Closing Date, in the aggregate, own(s), directly or indirectly, at least a ten percent (10%) interest; (b) such assignee must assume all of Purchaser's obligations hereunder in a manner reasonably acceptable to Seller and become jointly and severally liable with Purchaser for all such obligations; (c) there shall be no "mark-up" or increase in the Purchase Price; and (d) at least five (5) days prior to the proposed assignment, Purchaser shall provide Seller with notice thereof and evidence that the foregoing conditions are satisfied. The term "control" as used in this Section shall mean, in the case of a limited liability company, partnership, joint venture, corporation or other entity, the power to direct the day to day management decisions of such entity.

Section 27.02. Purchaser's Liability After Assignment. Neither the consent of Seller to an assignment by Purchaser, nor the assignment itself, shall release Purchaser in any respect from the performance or observance of any of the covenants to be performed or observed by Purchaser under this Agreement, Purchaser in such case being jointly and severally liable with each assignee, nor shall such consent or assignment relieve a permitted assignee from obtaining Seller's prior written consent to any further assignment.

Section 27.03. Binding Effect. Subject to Section 27.01, this Agreement shall be binding

upon and inure to the benefit of Purchaser and Seller and their respective legal representatives, successors in interest and permitted assigns.

ARTICLE 28. Like-Kind Exchange. Each of Purchaser and Seller has informed the other that in connection with the transaction contemplated hereby it may be effectuating an exchange pursuant to Section 1031 of the Internal Revenue Code, and the regulations promulgated thereunder. To facilitate such exchange, and as a material inducement to enter into this Agreement, Purchaser and Seller each consents (i) to an assignment by the other party of this Agreement or of any of such other party's rights hereunder to a Qualified Intermediary (as defined in Treasury Regulations Section 1.1031(k)-1(g)(4)) and (ii) to take such other actions as are reasonably necessary to facilitate such like-kind exchange, which shall in no event involve Seller or Purchaser acquiring title to or owning any replacement property on behalf of the other or the party not participating in such exchange incurring material expenses or liability (unless such expenses or liability, if material, are reimbursed by the other party) or result in any delay of the Closing Date. Seller and Purchaser each agrees to reasonably cooperate with the other in effectuating the like-kind exchange and to execute all documents reasonably necessary in connection therewith. Purchaser and Seller each acknowledges that Purchaser's purchase of the Property and/or Seller's sale of the Property pursuant to a like-kind exchange is not, and shall in no event be construed as, a condition of this transaction, and in no event shall Seller or Purchaser have any liability to the other in respect of such like-kind exchange if such like-kind exchange is not effectuated for any reason.

ARTICLE 29. Miscellaneous.

(a) This Agreement may be executed in multiple counterparts, each of which shall be deemed an original and together constitute one and the same instrument. Signatures to this Agreement (and any amendment hereof) executed and transmitted by facsimile (or by copies of physically signed documents exchanged via email attachments in PDF format or its equivalent) shall be valid and effective to bind the party so signing.

(b) Any consent or approval to be given hereunder (whether by Seller or Purchaser) shall not be effective unless the same shall be in writing. Except as otherwise expressly provided herein, any consent or approval requested of Seller or Purchaser may be withheld by Seller or Purchaser in its sole and absolute discretion.

(c) In no event whatsoever shall any director, officer, shareholder, parent, manager, affiliate (except in the case of a transfer of this Agreement by Purchaser to an affiliate of Purchaser) or agent of Seller or Purchaser have any obligation or liability arising from, or in connection with, this Agreement or the transactions contemplated herein.

(d) Purchaser acknowledges that Seller shall not be responsible for removing any abandoned telecommunications cabling or wiring in the Purchaser's Unit or the General Common Elements and, to the extent any Laws require such removal, Purchaser, at its sole cost and expense, with respect to those that are in the Purchaser's Unit or the Limited Common Elements appurtenant thereto, and the Board, as a Common Expense, with respect to those that are in the General Common Elements, will remove the same.

(e) The provisions of this Article 29 shall survive the Closing or the termination hereof.

[NO FURTHER TEXT ON THIS PAGE]

ARTICLE 30. Nonrecordability. Neither this Agreement nor any memorandum hereof shall be recorded by Purchaser and all recordation officers are hereby directed not to record this Agreement. Any recordation by Purchaser shall be a default by Purchaser hereunder.

IN WITNESS WHEREOF, Seller and Purchaser have each duly executed this Agreement as an instrument under seal as of the date first above written.

SELLER:

VERIZON NEW YORK INC.

By: _____
Name: Tanya Penny
Title: Vice President - Real Estate
Federal Tax ID#: 13-5275510

PURCHASER:

50 VARICK LLC

By: _____
Name:
Title:
Federal Tax ID#: 68-0679521

ARTICLE 30. Nonrecordability. Neither this Agreement nor any memorandum hereof shall be recorded by Purchaser and all recordation officers are hereby directed not to record this Agreement. Any recordation by Purchaser shall be a default by Purchaser hereunder.

IN WITNESS WHEREOF, Seller and Purchaser have each duly executed this Agreement as an instrument under seal as of the date first above written.

SELLER:

VERIZON NEW YORK INC.

By: _____
Name:
Title:
Federal Tax ID#: 13-5275510

PURCHASER:

50 VARICK LLC

By: _____
Name: ALESSANDRO CAIRATI CRIVELLI
Title: SOLE MEMBER AND MANAGER
Federal Tax ID#: 68-0679521

Schedule A

Contracts to Be Assigned

None.

Schedule B

Material Litigation

None.

EXHIBIT A

Property Legal Description

ALL THAT CERTAIN PLOT, PIECE OR PARCEL OF LAND, SITUATE, LYING AND BEING IN THE BOROUGH OF MANHATTAN, COUNTY AND STATE OF NEW YORK, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE EASTERLY SIDE OF VARICK STREET DISTANT ONE HUNDRED AND ONE FEET, SIX INCHES NORTHERLY FROM THE CORNER FORMED BY THE INTERSECTION OF THE EASTERLY SIDE OF VARICK STREET WITH THE NORTHERLY SIDE OF BEACH STREET;

RUNNING THENCE EASTERLY AND PARALLEL WITH THE NORTHERLY SIDE OF BEACH STREET, SOUTH 80° 22’ 00” EAST, ONE HUNDRED FORTY FEET AND FIVE EIGHTHS OF AN INCH TO THE WESTERLY SIDE OF ST. JOHN’S LANE;

THENCE NORTHERLY ALONG THE WESTERLY SIDE OF ST. JOHN’S LANE, NORTH 9° 38’ 20” EAST, TWO HUNDRED THIRTY-NINE FEET NINE INCHES (DEED; 239.48 FEET ACTUAL)’

THENCE WESTERLY AND PARALLEL WITH THE SOUTHERLY SIDE OF LAIGHT STREET NORTH 80° 22’ 00” WEST ONE HUNDRED AND FORTY FEET AND SEVEN EIGHTHS OF AN INCH TO THE EASTERLY SIDE OF VARICK STREET;

AND THENCE SOUTHERLY ALONG THE EASTERLY SIDE OF VARICK STREET SOUTH 8° 38’ 00” WEST, TWO HUNDRED THIRTY-NINE FEET, FIVE INCHES AND THREE-QUARTER INCHES TO THE POINT OR PLACE OF BEGINNING.

EXHIBIT B

DECLARATION OF CONDOMINIUM

[See Attached]

DECLARATION

Establishing a Plan for Condominium Ownership
of the Premises Located at:

50 Varick Street
New York, New York 10013

Pursuant to Article 9-B of the Real Property Law of the State of New York

Name: **50 VARICK STREET CONDOMINIUM**

Declarant: VERIZON NEW YORK INC.

Date of Declaration: _____, 20___

Block 212
Lots ___, ____, ____, ____, ____, and ____
(formerly known as Block 212, Lot 9)
Borough of Manhattan

TABLE OF CONTENTS

Page

TABLE OF CONTENTS
(continued)

Page

TABLE OF EXHIBITS

DECLARATION

OF

50 VARICK STREET CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

VERIZON NEW YORK INC., a New York Corporation, ("Declarant" or "Verizon") does hereby declare as follows:

Declarant is the owner in fee simple of the real property located at 50 Varick Street, New York, New York, and more particularly described in Exhibit A annexed hereto and made a part hereof (the "Land") together with the building located thereon (the "Building") and all of the easements, rights and appurtenances belonging or appurtenant to any of the foregoing (the Land, the Building and such easements, rights and appurtenances, excluding the Reserved Interests (defined below), collectively, the "Property").

Declarant is a Public Utility engaged in the business of providing Telecommunications Services. Declarant utilizes portions of the Building as a Central Office, which is a critical component of its telecommunications network.

Declarant desires to create a commercial condominium (the "Condominium") under the provisions of Article 9-B of the Real Property Laws of the State of New York (as the same is from time to time amended, the "Condominium Act"); to maintain ownership of the portions of the Building housing the Central Office and to modify certain Building systems and facilities (which may include mechanical, electrical, backup generation systems (and the fuel distribution system serving the same), chiller water and ventilation systems, and emergency/essential power systems) to support only the Verizon Units and leave other systems to support the remainder of the Building as further described in the Verizon Separation Plans (as defined below) (such modifications, herein referred to as the "Verizon Separation Work"). Such systems and facilities shall be located in the Verizon Units or in the Limited Common Elements appurtenant to the Verizon Units.

In addition, Declarant desires to reserve the Verizon Special Rights (as defined below) in order to protect the Telecommunications Services and meet its regulatory and public service commitments. The Verizon Special Rights shall control in the event any other provision of the Condominium Documents conflicts with Exhibit F until the Verizon Special Rights Termination Date.

NOW, THEREFORE, Declarant does hereby declare and state on behalf of itself, its successors and assigns, and on behalf of all persons having or seeking to acquire any interest of any nature whatsoever in the Property, as follows:

ARTICLE 1

DEFINITIONS

The terms used in this Declaration shall generally be given their natural, commonly accepted definitions unless otherwise specified. Capitalized terms shall be defined as set forth below.

"AAA" As defined in Section 15.4A.

"Accessed Unit Owner" As defined in Section 3.6B.

"Additional Service Work" As defined in Section 3.6G.

"Affiliate" means, except as otherwise provided in the Condominium Documents, with respect to any Person, any other Person which, directly or indirectly, (i) controls, is controlled by or is under common control with such Person or (ii) owns at least twenty five percent (25%) of the stock or other ownership interest of such Person, except that, for purposes of Section 4(a)(ii)(2)(a) of Exhibit H attached hereto, the required ownership shall be at least ten percent (10%) of the stock or other ownership interest of such Person. For purposes of the foregoing definition, "control" (including correlative meanings of "controlled by" and "under common control with") shall mean possession, directly or indirectly, of the power to direct or cause the direction of the management policies of the entity in question, whether through ownership of voting securities, partnership interests, or by contract or otherwise.

"Alteration" Any capital improvement (in the case of the Board) or any alterations, additions, improvements or repairs (with respect to any Unit Owner or Occupant) which is to be performed within or to the Building or on the exterior of the Building, including, without limitation, the air space above and around the Building.

"Applicable Arbitration Rules" As defined in Section 15.4A.

"Arbitration Notice" As defined in Section 15.4B.

"Base Rate" The "prime rate" as published by The Wall Street Journal for the relevant date or period or, if The Wall Street Journal ceases to publish a "prime rate, a rate of interest, determined daily, which is three percentage points (3.0%) above the 14-day moving average closing trading price of 90-day Treasury bills.

"Board" or "Board of Managers" The Board of Managers of the 50 Varick Street Condominium appointed as provided in Article 4 of the Bylaws.

"Building" As defined in the Recitals.

"Bylaws" means the Bylaws of the Condominium annexed hereto as Exhibit D and made a part hereof, as the same may from time to time be amended, restated or supplemented in accordance with the terms thereof.

"Cable Vault Unit" The Cable Vault Unit shown on the Plans.

"Capital Sharing Notice" As defined in Section 3.3G hereto.

"Central Office" The telecommunications central office located within the Verizon Units (and the Limited Common Elements appurtenant thereto), including the cables, fiber optics, waveguides, switching equipment, video equipment and other transmission media which carry telecommunications signals and related business equipment and utility facilities (including utility facilities providing direct current power and air compression/dehydration).

"Central Office Adverse Effect" Until the Verizon Special Rights Termination Date, an adverse effect, as determined in the sole judgment of the Cable Vault Unit Owner, on (x) the then current or future operation of the Central Office, including the uninterrupted provision of Telecommunications Services therefrom without any impairment of the quality of such service or (y) the ability of Verizon, its Affiliates or Occupants (provided any such Affiliate or Occupant is a Public Utility or is providing Telecommunications Services) to comply with any Legal Requirements with respect to the provision of such Telecommunications Services, without additional cost or liability thereto.

"Common Elements" The General Common Elements and the Limited Common Elements.

"Common Charges" As defined in Section 3.3C.

"Condominium" As defined in the Recitals.

"Condominium Act" As defined in the Recitals.

"Condominium Documents" This Declaration, the Bylaws, all Exhibits to either of the foregoing, and the Rules and Regulations attached as Appendix 1 to the Bylaws, as the same may be amended from time to time.

"Condominium Insured Property" As defined in Section 7.1A hereto.

"Controlling Interest" A direct or indirect ownership interest in a Unit (whether the same constitutes shares, partnership interests, membership interests or otherwise) where the Transfer of such interest, directly or indirectly, would transfer either (A) the power to direct or cause the direction of the day-to-day management policies of the entity in question, whether through ownership of voting securities, partnership interests, or by contract or otherwise, or (B) when aggregated with other transfers, voting control in such Unit Owner.

"CPI" means the Consumer Price Index (CPI-U) Northeast; All Items; 1982-84 = 100 standard reference base period), as published by the Bureau of Labor Statistics, United States Department of Labor or, if the same ceases to be published, a commonly used substitute therefor reasonably selected by the Board.

"Declarant" As defined in the Recitals.

"Declaration" This Declaration of Condominium.

"Emergency" A condition requiring repair, replacement or other action immediately necessary for the preservation of the Building or the property of the Condominium or Occupants located thereat or for the safety of the Occupants or other persons, or required to avoid the suspension of any necessary service in the Building or so designated by any Legal Requirement. Until the Verizon Special Rights Termination Date, with respect to the rights of the Verizon Units Owner to take any action, "Emergency" shall also include a situation causing or threatening to cause, in the sole judgment of the Cable Vault Unit Owner, (a) an imminent interruption in Telecommunications Services provided by such owner of the Verizon Units, its Affiliates or Occupants or (b) some other Central Office Adverse Effect. For purposes of Section 3.6 hereto, with respect to entry by the Board or any Unit Owner or Occupant (or any designee) into the Verizon Units or the Limited Common Elements appurtenant thereto which are then being utilized in the operation of the Central Office, "Emergency" shall only include conditions which require action immediately necessary for the preservation of the Building or for the safety of the Occupants or other persons or to prevent imminent damage to another Unit.

"Entering Unit Owner" As defined in Section 3.6B.

"Expedited Procedures" As defined in Section 15.4A.

"General Common Elements" As defined in Section 3.3A.

"HVAC" means the heating, ventilation, and air conditioning system for the Building.

"Initial Board Member" As defined in Article 12.

"Initial Unit A Owner" The Unit A Owner which acquires Unit A from Verizon at the Unit A Closing.

"Institutional Lender" means (a) a savings and loan association; (b) a savings bank; (c) a commercial bank or trust company; (d) an insurance company; (e) an educational, state, municipal or similar public employees' welfare, pension or retirement fund or system or any other corporation or organization subject to supervision and regulation by the insurance or banking departments of any State of the United States or the United States Treasury, or any successor department or departments hereafter exercising the same functions as said departments; (f) an investment banking firm or other financial institution, a real estate investment trust, an institution that qualifies as a REMIC under the Internal Revenue Code of 1986, as amended (whether any of the foregoing shall be acting individually or in any fiduciary capacity); (g) any sovereign wealth fund; (h) any governmental agency or entity insured by a governmental agency; or (i) any entity substantially similar to any of the foregoing and which is generally commercially treated as an institutional investor or any other entity all of the equity owners of which are Institutional Lenders under another clause of this definition; provided any of the foregoing Persons in clauses (a) through (i) inclusive shall be subject to service of process within the United States of America and shall either have a net worth or a combined capital, surplus and undivided profits (as shown by its most recent financial statement) of at least $100,000,000, as adjusted every five (5) years to reflect any increase in CPI, or shall otherwise be reasonably satisfactory to the Owners, by Supermajority Approval.

"Insurance Requirements" The rules, regulations, orders and other requirements of any board of fire underwriters or fire insurance rating organization or any other similar body performing the same or similar functions and having jurisdiction over the Land and/or the Building or any Unit, and the requirements of any insurance policy applicable to the Property and maintained by the Board pursuant to Article 7 of this Declaration.

"Insurance Trustee" As defined in Section 7.1D.

"Land" As defined in the Recitals.

"Legal Requirements" As defined in Section 5.4.

"Limited Common Elements" The Unit A Limited Common Elements and Verizon Units Limited Common Elements.

"Listed Mortgagee" A mortgagee which is an Institutional Lender holding a mortgage of record on a Unit of which the Board has received written notice pursuant to and in conformance with the provisions of Section 11.1 and, if applicable, the Condominium Act.

"Listed Mortgage" A mortgage encumbering a Unit and held by a Listed Mortgagee.

"Major Capital Expenditure" or "Major Improvement" shall mean any capital expenditure related to any General Common Element or any improvement to any General Common Element, which (i) is structural in nature, (ii) restricts access to any portion of the Building, (iii) could have a Central Office Adverse Effect, or (iv) is estimated by the Board to cost in excess of One Hundred Thousand Dollars ($100,000.00).

"Mortgagee" Any holder of a mortgage of record on a Unit.

"Occupant" Both: (i) the Unit Owner of a Unit, whether or not occupying such Unit or a portion thereof; and (ii) any Person lawfully occupying all or a portion of a Unit pursuant to a lease, sublease or license granted by the Unit Owner of such Unit.

"Percentage Interest" As defined in Section 3.3D.

"Person" means a natural person, corporation, partnership, limited liability company, association, trustee, governmental authority or other legal entity.

"Plans" The site plan and floor plans depicting the Condominium, as more particularly described in Article 4 and listed on Exhibit C and filed in accordance with New York Real Property Law § 339-p, as the same may be amended from time to time as provided herein and in accordance with applicable law.

"Property" As defined in the Recitals.

"Public Utility" Verizon, any Affiliate of Verizon or any other Person which is a public utility under the laws of the State in which the Property is located.

"Qualified Arbitrator" As defined in Section 15.4A.

"Reallocated Percentage Interest" The Percentage Interest appurtenant to any Unit as reallocated to exclude the Percentage Interest appurtenant to the Cable Vault Unit in accordance with Section 3.3F.

"Registry" The Office of the Register of the City of New York, New York County.

"Reserve Fund" As defined in the Bylaws attached hereto as Exhibit D.

"Reserved Interests" All of the right, title and interest of Declarant, its successors and assigns, in and to all those ducts, conduits, manholes, cables, wires, poles, fixtures, appurtenances and facilities for telecommunications purposes which may presently be located in, on, over, under and through the streets and sidewalks adjoining or on the Property to which Declarant has, as of the date hereof, exclusive or non-exclusive use, and further the permanent and perpetual right, privilege, authority, easement and right of way to place, replace, construct, reconstruct, install, operate, use, repair, maintain, relocate and remove such ducts, conduits, manholes, cables, wires, poles, fixtures, appurtenances and facilities for telecommunications purposes as Declarant and its successors and assigns may from time to time deem necessary in, on, over, under and through the streets and sidewalks adjoining or on the Property.

"Rules and Regulations" The rules and regulations adopted or amended pursuant to the provisions of Article 9. The initial Rules and Regulations are attached as Appendix 1 to the Bylaws.

"Sale," "Sell," "Sold" or like terms, including the term "conveyance" shall be deemed to refer to the sale, conveyance or transfer by a Unit Owner of its fee interest in its Unit (and the Percentage Interest appurtenant thereto), whether or not for consideration.

"Special Protections Floor" As defined in Section 3 of Exhibit G hereto.

"Supermajority Approval" As to any action, decision or other matter, consent or approval of such action, decision or other matter by both (i) the Cable Vault Unit Owner and (ii) Unit Owners (other than the Cable Vault Unit Owner) representing at least 80% of the Reallocated Percentage Interest. If any action, decision or other matter is to be consented to or approved by a group of Unit Owners which is less than all of the Unit Owners, then the reference to 80% of the Reallocated Percentage Interest in such circumstances shall refer to 80% of the Reallocated Percentage Interest held by such group of Unit Owners.

"Telecommunications Services" Any telecommunications, data or video transmission services provided by a common carrier, including, without limitation, telecommunications, data or video transmission services provided by a Public Utility.

"Transfer" As defined in Section 4(a)(ii) of Exhibit H hereto.

"Unit(s)" Unit A and the Verizon Units. Units which are initially Verizon Units shall continue to be Units even if later ceasing to be Verizon Units.

"Unit A" Unit A shown on the Plans.

"Unit A Closing" The closing of the initial sale by Verizon of Unit A.

"Unit A Closing Date" The date on which the Unit A Closing occurs.

"Unit A Limited Common Elements" As defined in Section 3.4A.

"Unit A Owner" The record owner of Unit A, from time to time.

"Unit A Renovations" The initial Alterations to Unit A and the Common Elements to be made by the Initial Unit A Owner as generally described in Exhibit I, subject to the approval rights of the Verizon Units Owner set forth herein.

"Unit Expense" means any amount (with the exception of Common Charges) that is required by the Condominium Documents to be paid by a Unit Owner either directly or to the Board or another Unit Owner.

"Unit Owner(s)" The record owner(s) of any Unit.

"Verizon Separation Plans" The projects and work listed in Exhibit E, pursuant to which Verizon will be segregating essential systems and facilities within the Building to serve the Verizon Units separately from the base Building systems.

"Verizon Separation Work" As defined in the Recitals hereto.

"Verizon Special Rights" The rights of the Verizon Units Owner under the Condominium Documents that are in addition to the rights of the other Unit Owners with respect to its ability to access the Units of the other Unit Owners, to perform work in the Units of other Unit Owners, the ability to impact the business and operations of the Occupants therein in the event of an Emergency and the other special rights the Verizon Units Owner has under the Condominium Documents to disrupt the normal operations of such other Unit Owner in its Unit(s) and the peaceful possession and quiet enjoyment of any Occupants thereof, as well as the ability of Verizon to access both General Common Elements and Limited Common Elements servicing a Verizon Unit and to perform work therein or thereon, arising out the use of any portion of the Verizon Units for the provision of Telecommunications Services, including without limitation the rights under Exhibit F hereto.

"Verizon Special Rights Termination Date" The date which is the earlier to occur of (a) the date which is two (2) years after the date upon which none of the Verizon Units is being used primarily for the provision of Telecommunications Services (excluding any period of non-use due to casualty or restoration) or (b) the date the Verizon Units Owner acknowledges in writing that none of the Verizon Units is being used primarily for the provision of Telecommunications Services and that the Verizon Units Owner does not intend to use any of the Verizon Units primarily for the provision of Telecommunications Services during the following two (2) years.

"Verizon Units" The Verizon Units shown on the Plans, including the Cable Vault Unit and the First Floor Unit, the Second Floor Unit, the Third Floor Unit and the Fourth Floor Unit

as shown on the Plans. If any Unit which comprises a Verizon Unit (other than the Cable Vault Unit) is Sold (including by reason of foreclosure or deed in lieu of foreclosure) to a third party which is not any of: a Public Utility, an Affiliate of Verizon, a successor to Verizon by merger, consolidation or other operation of law, a Person receiving a spin-off of Verizon assets who intends to continue use of the Unit to provide Telecommunications Services; then such Unit shall no longer constitute a "Verizon Unit" except for the purpose of the right to use the Limited Common Elements appurtenant to the Verizon Units for the provision of utilities and services exclusively serving the Verizon Units. If there is sufficient capacity in the base Building systems, Verizon shall have the right to disconnect such Unit from the separated Verizon systems and reconnect such Unit's systems to the base Building systems (at Verizon's sole cost and expense) and such Unit shall thereafter no longer constitute a "Verizon Unit" for any purpose and shall no longer have a right to Limited Common Elements appurtenant to the Verizon Units. In any event, such Unit shall continue to be a Unit in the Condominium.

"Verizon Units Limited Common Elements" As defined in Section 3.4B.

"Verizon Units Owner" The record owner of the Verizon Units, from time to time.

ARTICLE 2

SUBMISSION TO CONDOMINIUM REGIME

Declarant hereby submits the Property to the provisions of the Condominium Act, excepting and reserving unto Declarant, its successors and assigns, forever, the Reserved Interests, and hereby creates a commercial condominium to be governed by and subject to the provisions of the Condominium Act.

ARTICLE 3

DESCRIPTION OF THE CONDOMINIUM

Section 3.1 Name and Components of the Condominium. The name of the Condominium shall be "50 Varick Street Condominium," and it shall consist of: the Land; the Building located thereon, including six (6) commercial condominium units, the Limited Common Elements and the General Common Elements, seven (7) above grade floors, a basement, below-grade, as shown on the Plans, and two (2) entrances to the Building located, at 50 Varick Street and on St. Johns Lane at the rear of the Building.

Section 3.2 Description of the Units.

A. Annexed hereto and made a part hereof as Exhibit B is a list of the Units. Exhibit B contains the Unit designations, approximate area, location, and the Limited Common Elements appurtenant to each Unit. The location of each Unit is further shown on the Plans.

B. Each Unit includes: all non-structural walls within such Unit, all utility lines, conduits, ducts, shafts, pipes, plumbing, wiring, chimneys, flues, vents, equipment, fixtures, machinery, furnishings, landscaping and other services, facilities and equipment for the furnishing of utilities or services exclusively used in connection with such Unit and located

within such Unit, but excluding any such items located in any portion of the Building contributing to the structure or support thereof. Soundproofing materials, pipes, wires, conduits or other enclosures (and any related vents, ducts and flues within any pipe chase, shaft or other enclosure) located within any Unit that serve more than one Unit shall be part of the General Common Elements, unless otherwise designated in this Declaration.

C. The boundaries of each Unit with respect to floors, ceilings, walls, doors and windows thereof are as follows:

(i) *Floors*: The upper surface of the unfinished concrete floor slab.

(ii) *Ceilings*: The lower surface of structural elements, deck, fireproofing or building utilities.

(iii) *Interior Building Walls Between Units or Between Unit and Common Elements*: The centerline of the wall separating the Unit from another Unit or Common Elements.

(iv) *Exterior Building Walls without Windows or Glazing*: The centerline of the exterior wall; excluding, however, the portion of any exterior building walls bounded by the interior surface of the exterior curtainwall system including the back up wall studs and interior surface of the concrete or masonry wall, which shall be maintained by the Board as a General Common Element.

(v) *Exterior Building Walls Consisting in Whole or in Part of Windows, Glazed Doors or other Glazing Elements*: An imaginary line along the entire wall defined by the vertical plane of the exterior face of the glass, such that all glass windows, glass panels and other glass elements shall be part of each of the Units.

(vi) *Doors*: The exterior surface thereof, including door glass (if any) and door frames.

Section 3.3 General Common Elements.

A. Description of General Common Elements. The "General Common Elements" shall mean those areas and facilities, easements and services of the Condominium that are for the common use of all Unit Owners. As of the date of this Declaration, the General Common Elements include:

(i) the Land, the air space above and around the Building and all rights, if any, in and to the street or roadway areas bordering the Land, together with the benefit of and subject to all other rights and easements referred to herein and in Exhibit A, other than the Reserved Interests;

(ii) the foundations, footings, structural columns, girders, beams, supports, exterior walls, and interior structural or bearing walls, and those portions of the floors, exterior and interior building walls and ceilings of the Building that are not included within the boundaries of the Units or the Limited Common Elements appurtenant thereto;

(iii) any areas designated on the respective sheets of the Plans as "General Common Element";

(iv) all conduits, ducts, pipes, plumbing, wiring, chimneys, flues, equipment, fixtures, machinery, furnishings, landscaping, and other facilities for the furnishing of utilities or services or data transmission to both Unit A and to one or more of the Verizon Units;

(v) the four (4) passenger elevators, including their associated shafts, pits, mechanics' rooms, machine rooms (including the elevator machine room located on the roof of the Building), motors, control and related equipment;

(vi) the two (2) freight elevators, including their associated shafts, pits, mechanics' rooms, machine rooms, motors, control and related equipment;

(vii) the Building's fire stairs and stairwells, including the hose racks located in stairwells A, B, E and F;

(viii) the Building-wide addressable Class E fire alarm system (including alarms and the fire command center), other than any branch systems or sub-systems or components thereof exclusively serving only Unit A or only one or more Verizon Units;

(ix) the air-handling units located in, or serving, the General Common Elements;

(x) the sump pumps, storm drainage, and sewer facilities serving the Building, including the existing sewage ejector pumps located in the Basement;

(xi) the roof drainage system servicing the Building;

(xii) the existing domestic water and fire standpipe systems servicing the Building, including the domestic water storage tank located on the roof of the Building;

(xiii) the existing steam system servicing the Building, including the steam room located in the Basement, the pressure-reducing valve located in the Basement and the steam riser up to the seventh (7th) floor of the Building;

(xiv) any mechanical systems for the Building identified as General Common Elements on the Plans; and

(xv) all other elements and features of the Condominium, however designated or described, excepting only the Units themselves and the Limited Common Elements.

Each Unit Owner shall be entitled to an undivided interest in the General Common Elements.

Notwithstanding Section 3.2C(iii) above, any portion of interior building walls between Units or between a Unit and Common Elements bounded by the plane on the Unit side of the studs

serving as the framework of each such wall shall be maintained by the Board as a General Common Element.

To the extent of any interpretive conflict or ambiguity between the description of a General Common Element or Limited Common Element, the description of the Limited Common Element shall govern.

B. **Repair and Maintenance of General Common Elements.** The Board shall be responsible for operating, maintaining, repairing and replacing the General Common Elements in a commercially reasonable manner.

C. **Common Charges**. Unless otherwise stated in the Condominium Documents, all costs and expenses incurred in connection with the management, operation, and maintenance of the General Common Elements ("Common Charges") shall be allocated and assessed among the Unit Owners in accordance with the Percentage Interests. Until such time as the Units are separately assessed for real estate tax purposes by the local assessor's office, real estate taxes and any other amounts assessed with respect to the Condominium Property shall be Common Charges. Notwithstanding the foregoing or anything set forth herein to the contrary, the following General Common Element costs and expenses shall be allocated and assessed among the Unit Owners as a Unit Expense:

(i) *HVAC*: The Board shall allocate the costs and expenses relating to the Building heating and air conditioning systems and usage thereof (A) to all Unit Owners in accordance with their Reallocated Percentage Interests, to the extent such costs relate to heating and air conditioning supplied to the General Common Elements and (B) to the benefitted Unit Owner, to the extent such costs relate to heating and air conditioning supplied to a specific Unit benefiting from such system.

(ii) *Other easements and services*: Other charges for easements and services rendered for the benefit of a particular Unit Owner or otherwise allocated under this Declaration to a particular Unit Owner.

(iii) *Damage to General Common Elements*: Cost and expenses necessitated by the negligence, misuse, abuse or neglect of a Unit Owner, its agents, contractors, employees, tenants, licensees or invitees.

Notwithstanding anything set forth herein to the contrary, the special allocation rules set forth in paragraphs F and G below, shall always control and govern, and if the Board determines from time to time that the actual use of any General Common Elements by the Unit Owners is not appropriately reflected in the allocations of Common Charges and Unit Expenses set forth in this Section 3.3C (or elsewhere in the Condominium Documents), subject to the provisions of paragraphs F and G, which shall always govern and control, the Board shall make an appropriate adjustment, which may be retroactive, and charge and/or credit the appropriate Unit Owners accordingly.

D. **Determination of Percentage Interest**. The percentage interest of each Unit in the General Common Elements as set forth on Exhibit B (the "Percentage Interest") has been determined by the Declarant in accordance with Section 339-(i)(1) of the Condominium Act

based upon floor space. All calculation of floor areas used in the allocation of the Percentage Interests of the Units are approximations within a tolerance of about five percent (5%). Any reapportionment of the Percentage Interests appurtenant to the Units permitted under this Declaration shall be computed in accordance with Section 339-(i)(1)(iv) of the Condominium Act. The aggregate Percentage Interest for all Units is 100%. The Percentage Interest appurtenant to any Unit may not be severed from the Unit to which it is appurtenant except to the extent a Unit is subdivided as provided for in this Declaration.

E. **Easements, Rights and Interests**. Subject to and in accordance with the provisions and requirements of the Condominium Documents, each Unit Owner and its Occupants shall have the right and easement, in common with all other Unit Owners, to use the General Common Elements, wherever located.

F. **Special Allocation of Common Charges for the Cable Vault Unit Owner**. Without limiting any other applicable provisions of the Declaration or the Bylaws which may further modify the method of allocation, the provisions of this paragraph F shall apply in allocating Common Charges among Unit Owners. The Cable Vault Unit is not intended for regular occupation by persons. Accordingly, no costs or expenses with respect to the Common Elements shall be allocated to the Cable Vault Unit Owner, solely in its capacity as such, except for (i) insurance premiums for the coverage described in Section 7.1 of the Declaration and (ii) real estate taxes until the Units are separately assessed. In any circumstance where a Common Charge is to be allocated among Unit Owners or a limited group of Unit Owners based on Percentage Interest or relative square footage, all such calculations (except where clause (i) below is applicable) shall be made as if such Percentage Interest or square footage had instead been allocated among such Unit Owners (other than the Cable Vault Unit Owner) based on relative Percentage Interests or relative square footages, excluding those of the Cable Vault Unit Owner (as so reallocated, the "Reallocated Percentage Interest"). Nothing contained in this paragraph F is intended to limit the obligation of the Cable Vault Unit Owner: (i) to pay its Percentage Interest of real estate taxes and business improvement district charges while the same are being paid by the Board, (ii) to pay all Unit Expenses which are its Unit Expenses, or (iii) to pay Common Charges in its capacity as a Unit Owner of any Unit other than the Cable Vault Unit.

G. **Special Allocation of Common Profits**. If at any time it is anticipated that revenues will be generated by any Common Element or other asset of the Condominium as a result of the performance by the Board of capital improvements (the cost of which is not being paid or reimbursed by the tenant or other party who will be the source of such revenues) and any Unit Owner (other than the Cable Vault Unit Owner in its capacity as such) will not be responsible for paying as a Common Charge at least its Reallocated Percentage Interest of the cost of such capital improvement project pursuant to paragraph F above, then, prior to the incurrence of such capital improvement costs, the Unit A Owner may send a notice (a "Capital Sharing Notice") to such other Unit Owner referencing this paragraph G and advising such Unit Owner that if such Unit Owner does not elect within thirty (30) days thereafter to be responsible for its Reallocated Percentage Interest of the cost of such capital improvement project described in such notice, then such Unit Owner shall not participate in the profits therefrom, as described in clause (ii) below. In order to be effective, a Capital Sharing Notice shall contain a description of the circumstances (e.g., sign lease, kiosk rental, etc.) which would give rise to such revenues

(including the identity of any anticipated counterparty and material economic terms of the arrangement) as well as a good faith estimate of the projected revenues and expenses (including capital improvement costs) associated therewith. The Board and the Unit A Owner shall promptly provide to each Unit Owner to whom a Capital Sharing Notice is given, such other information as such Unit Owner may reasonably request in connection therewith. Each Unit Owner who receives such Capital Sharing Notice from the Unit A Owner shall have the right, at its option by notice to the Unit A Owner or the Board, to elect, within thirty (30) days after receipt of the Capital Sharing Notice, either (i) to contribute to the cost of such capital improvement project in accordance with its Reallocated Percentage Interest, which election shall override any contrary allocation rule of paragraph F above with respect to the capital improvement project described in the Capital Sharing Notice and shall constitute consent for such project, and such Unit Owner shall continue to be entitled to receive its Reallocated Percentage Interest of such revenues or (ii) not to contribute to the cost thereof, in which event such Unit Owner (aa) shall not be charged (as a Common Charge or Unit Expense) any portion of the capital improvement costs of such capital improvement project or other expenses of obtaining such revenue (e.g., brokerage costs) beyond those which would have been incurred if no such arrangements had been entered into and such Unit Owner's share of such common costs and expenses shall be borne solely by the Unit A Owner, and (bb) shall not be entitled to receive any portion of such revenues and the Unit A Owner shall instead be entitled to such Unit Owner's share of such revenue. Such revenue which is reallocated as provided in clause (ii) above shall not be applied to any costs or expenses with respect to any Common Elements as provided in Section 6.2 of the Bylaws, other than expenses that themselves are specially reallocated pursuant to clause (ii) above. If a Unit Owner shall fail to deliver notice of its election as described above, such Unit Owner shall be deemed to have elected to proceed under clause (ii) above.

Section 3.4 Limited Common Elements. The Limited Common Elements are those areas and facilities, easements and services of the Condominium that are designated for the exclusive use of one or more (but not all) of the Unit Owners. As of the date of this Declaration, the Limited Common Elements include the following:

(i) That portion of the equipment, fixtures or facilities serving or benefiting one Unit, to the extent located within another Unit or within a Common Element to which there is direct and exclusive access from the interior of a Unit, which shall be deemed a Limited Common Element benefiting that Unit.

(ii) All other facilities exclusively serving one or more but not all Units, which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of one or more (but not all) of the Units.

Section 3.5 Unit A. The "Unit A Limited Common Elements" shall be those areas and systems designated as "Unit A Limited Common Element" on the Plans, including the exclusive right and easement to the use of all utility lines, pipes, wires, conduits, building services and facilities, chimneys, vents, ducts and flues which exclusively serve Unit A and which are located outside of Unit A. The "Unit A Limited Common Elements" specifically include, without limitation:

(i) the fan rooms located on the roof of the Building;

(ii) the electrical service identified as service "1", together with the electrical switchboard related thereto;

(iii) the 15,000 gallon kerosene fuel tank located in the Basement;

(iv) the air-handling units located in, or serving, Unit A; and

(v) the hot water hydronic system located in and servicing the fifth (5^{th}), sixth (6^{th}) and seventh (7^{th}) floors of the Building.

B. **Verizon Units**. The "Verizon Units Limited Common Elements" shall be those areas and systems designated as "Verizon Units Limited Common Element" on the Plans, subject to the Verizon Unit Owner's right to relocate Limited Common Elements in accordance with this Declaration, including the exclusive right and easement to the use of all utility lines, pipes, wires, conduits, vaults, building services and facilities, chimneys, vents, ducts and flues which exclusively serve any of the Verizon Units and which are located outside of the Verizon Units. The Verizon Units Limited Common Elements specifically include, without limitation:

(i) the Building's chiller plant, including three (3) three hundred (300) ton R-22 chillers, three (3) chilled water pumps, three (3) condenser water pumps and the control panels on the roof of the Building;

(ii) the electrical room located in the Basement;

(iii) the electrical services identified as services "2", "3", "A" and "B" together with the electrical switchboards and bus ducts related thereto;

(iv) the 19,500 gallon kerosene fuel tank located in the Basement;

(v) the two (2) 750 kilowatt generators, the one (1) 1,250 kilowatt generator and the "day tank", located on the roof of the Building;

(vi) the air-handling units located in the Verizon Units;

(vii) the perimeter heating system (steam radiators and vacuum return) located on the first (1^{st}), second (2^{nd}), third (3^{rd}) and fourth (4^{th}) floors of the Building;

(viii) conduit banks on the penthouse level roof;

(ix) the computer room located on the seventh (7^{th}) floor of the Building, as depicted in the Plans; and

(x) those areas of any floor or the roofs of the Building where equipment dedicated to one or more of the Verizon Units is located (e.g. cooling systems, telecommunications equipment, generators and day tanks, GPS antennae, etc.) or which is otherwise designated on the Plans as a Verizon Units Limited Common Element.

The underground telecommunications, vaults, manholes, cables, conduit, duct banks and chases in existing locations from public ways to the Cable Vault Unit, the location of which is shown on the Plans, shall constitute Verizon Unit Limited Common Elements appurtenant to the Cable Vault Unit.

C. **Repair and Maintenance of Limited Common Elements; Limited Common Charges**. The costs for maintaining, operating, repairing and replacing the Limited Common Elements shall be borne by the Unit Owner having the exclusive right to such Limited Common Elements, and all such costs and expenses thereof shall be paid by such Unit Owner(s) or, if paid by the Board, shall be allocated and assessed to such Unit Owner as a Unit Expense.

D. **Easements, Rights and Interests**. Subject to and in accordance with the provisions and requirements of the Condominium Documents, the Unit Owners shall each have the exclusive right and easement to use the Limited Common Elements appurtenant to its Unit(s), wherever located.

Section 3.6 Common Elements.

A. **Common Elements to Remain Undivided**. The Common Elements shall remain undivided and no Unit Owner or other person shall bring or shall have the right to bring any action for partition or division thereof, except as may be specifically provided in the Condominium Documents.

B. **Exercise of Easement Rights to Use the Common Elements**. Each Unit Owner shall exercise its easement rights to use the Common Elements in a manner which does not interfere unreasonably with the use of other Units for their permitted purposes. Such easements shall be subject to the right of the Board to adopt reasonable Rules and Regulations governing the use of the General Common Elements.

C. **Rights in Common Elements Subject to Condominium Documents**. Notwithstanding anything to the contrary contained herein, the rights of the Unit Owners with respect to the Common Elements are subject to: (i) any rights, easements and limitations on use contained in other portions of the Condominium Documents, as the same may be amended from time to time, and (ii) the rights, easements and other restrictions set forth in Exhibit A.

D. **Encroachments**. If any portion of the Common Elements encroaches upon any Unit or any Unit encroaches upon any other Unit or any portion of any Common Elements as a result of (a) settling or shifting to the Building, (b) any alteration, repair or restoration of the Common Elements made by or with the consent of the Board, when and as required in the Condominium Documents, or (c) any alteration, repair or restoration of any portion of the Condominium after damage by fire or other casualty or as a result of eminent domain proceeding, a valid easement shall exist for such encroachment and for the maintenance of the same to the extent of and for the duration of the encroachment.

E. Emergency Generator. The base Building's emergency life safety generator system is currently connected to the Verizon Unit's emergency power system, which system will provide back-up power for the General Common Elements until the Unit A Owner's construction and installation of a new emergency back up generator system is complete, which completion

date shall be no later to occur than the fifth (5th) year anniversary of the Unit A Closing Date. Prior to completion of such generator system in Unit A, the Unit A Owner shall pay to the Verizon Units Owner, the cost of testing, maintaining, repairing and operating the Building's emergency life safety generator system in an amount equal to the Unit A Owner's Percentage Interest. After the Unit A Owner's completion of such generator system in Unit A, neither the Verizon Unit Owner, nor the Board, shall have any obligation to continue to operate any emergency life safety generator system or otherwise provide back-up power to the Common Elements, but the foregoing shall not limit the obligation of the Board to provide power to life safety systems in accordance with this Declaration. The Verizon Units Owner will not shut down the referenced emergency back-up generator system until the installation and testing of Unit A's new emergency back-up generator system is completed, which installation and testing the Unit A Owner covenants and agrees to complete on or before the fifth (5th) year anniversary of the Unit A Closing Date. The Unit A Owner shall advise the Verizon Unit Owner when such installation and testing is complete and the Verizon Unit Owner shall not act with respect thereto until such notice is so given. The Unit A Owner agrees that it will obtain the required New York State Department of Environmental Conservation permit, and any other permits, required to allow it to connect and operate its emergency back-up generators.

F. Electrical Service. The Unit A Owner and the Verizon Units Owner agree that all of the electrical loads associated with the General Common Elements will be disconnected from that portion of the Building electrical system constituting Verizon Unit Limited Common Elements and reconnected to that portion of the Building electrical system constituting Unit A Limited Common Elements. The Unit A Owner agrees to complete all work necessary to complete such reconnection on or before the third (3rd) anniversary of the Unit A Closing Date. The cost of electricity provided to the General Common Elements shall constitute a Common Charge, in accordance with Section 3.3C. The Unit A Owner and the Verizon Units Owners shall agree on a reasonable basis by which to segregate such costs from the cost of providing electrical service to Unit A.

G. Additional Electrical Service to Unit A. The Verizon Units Owner will consider, in good faith, whether it is feasible to provide an additional 750 kilowatt electrical service to the Unit A Owner, taking into consideration (among other things) Central Office needs and applicable legal and utility company requirements. If the Verizon Units Owner determines that it is feasible to provide such additional electrical service, the Verizon Units Owner shall perform the work, including any design and engineering work, necessary to provide such additional electrical service (the "Additional Service Work"), provided that all costs associated therewith shall be borne by the Unit A Owner. Prior to, and as a condition of, commencing any Additional Service Work, the Unit A Owner shall deposit the estimated cost of the Additional Service Work with the Verizon Units Owner, which shall be applied by the Verizon Units Owner to the cost of the work, as and when incurred. If, from time to time, there is any increase in the estimated cost of the Additional Service Work, the Unit A Owner shall deposit such additional amount with the Verizon Units Owner. Any amounts remaining to be paid at the completion of the Additional Service Work (for which funds have not been deposited) shall be paid by the Unit A Owner to the Verizon Units Owner within twenty (20) days of demand. Any estimated amounts paid but not applied to the cost of the Additional Service Work shall be repaid to the Unit A Owner at the completion of the Additional Service Work.

Section 3.7 Access.

A. **Board's Right of Access**. The Board shall have the right of access at all reasonable times, to the extent necessary, and upon not less than one (1) business days' prior notice (except during an Emergency) to each Unit for purposes of operating, inspecting, protecting, maintaining, repairing and replacing any General Common Element, and correcting, terminating and removing acts or things which unreasonably and materially interfere with each Unit Owner's use and enjoyment of its Unit or the Common Elements or are otherwise contrary to or in violation of provisions of the Condominium Documents or any Legal Requirements; provided that the Unit Owner or property manager of any Unit shall have the right to accompany the Board exercising such right of access. In the exercise of the foregoing rights, the Board exercising such right of access shall not unreasonably interfere with the conduct of business in any Unit or any Limited Common Element by a Unit Owner or those claiming by, through or under the Unit Owner.

B. **Unit Owner's Right of Access to Another's Units**. Each Unit Owner shall have a right of easement into and through any other Unit, any other Unit's Limited Common Element or any General Common Elements to access the same for the purposes of operating, inspecting, protecting, maintaining, repairing and replacing such Unit Owner's (the "Entering Unit Owner") Units or its Limited Common Elements or the General Common Elements, provided that the Entering Unit Owner shall (a) provide at least three (3) business days (except during an Emergency) prior notice to the other Unit Owner (the "Accessed Unit Owner") or the Board, as the case may be, (b) at the election of the Accessed Unit Owner or the Board, as applicable, the Entering Unit Owner's exercise of the right of access shall be supervised at all times during such access by a representative of the Accessed Unit Owner or the Board, as the case may be, (c) undertake no action having a materially adverse impact on the operation or ownership of the accessed Unit or the business conducted therein, or Common Elements, without prior written consent from the Accessed Unit Owner, (d) restore any disturbed Elements to the condition they were at the time of entry and (e) obtain, at the Entering Unit Owner's sole cost and expense, all necessary permits that may be required.

C. **Seventh Floor Computer Room.** The Verizon Units Owner shall have a right of easement into and through the portion of Unit A located on the seventh (7^{th}) floor (in the area between the elevators and the computer room identified on the Plans as a Verizon Limited Common Element) to access such computer room for all purposes.

D. **Special Rights**. The rights of access set forth in Clauses (A) and (B) of this Section 3.7 shall be subject to the provisions of Exhibit F hereof.

Section 3.8 Security.

Each Unit Owner may, at its option, institute and maintain a commercially reasonable security program with respect to its Unit and the Limited Common Elements which exclusively serve its Unit, and any party entering such Unit or such Limited Common Elements shall comply with such security program. If all of the Unit Owners so agree, the Board may establish a commercially reasonable security program with respect to the General Common Elements. Notwithstanding the foregoing, no security program for the Building shall prevent any Verizon

employee from gaining access to the General Common Elements, the Verizon Units or the Limited Common Elements appurtenant thereto. It shall be deemed commercially unreasonable for such employee to be required to provide any personal information to security personnel or to use a Building specific access card, other than a Verizon employee identification card.

Section 3.9 Additional Utility Easements.

The Board shall have the right, subject to any applicable limitations set forth in the Condominium Act and this Declaration, to grant such additional electric, steam, chilled water, telecommunications, ventilation or other easements or licenses within the General Common Elements, whether for utilities or otherwise, or to relocate any existing easements or licenses (wherever located), as the Board shall deem necessary or desirable. Such additional utilities or the relocation of existing utilities shall not prevent or unreasonably interfere with the normal conduct of business of the tenants and Occupants of the Units for their permitted purposes, shall not result in the imposition of any mechanics' liens against any of the Units, shall not cause a Central Office Adverse Effect, and shall not be inconsistent with the peaceful and lawful use and enjoyment of the Common Elements. The Board shall have the right of access to any Unit and to the Common Elements in furtherance of such easement or license, provided such right of access shall be exercised in accordance with Section 3.6. The Board may grant revocable licenses in designated General Common Elements to Unit Owner(s) at no charge or at a reasonable charge therefor; provided, however, under no circumstance shall Verizon be charged for any access license to provide Telecommunications Services to any Occupant of the Building. Any such grant will not be construed as a sale or disposition of the General Common Elements.

Section 3.10 Roof and Encroachments Easement.

The Unit A Owner shall have, and the Units and Common Elements shall be subject to, an easement, to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace a garden or deck on the roof of the Building in the areas shown as "Unit A Limited Common Elements" on the Plans; provided that (i) such easement shall not interfere with the normal conduct of business of the tenants and Occupants of the Units for their permitted purposes and shall not cause a Central Office Adverse Effect and (ii) any actions taken in furtherance of such easement shall comply with applicable of the Condominium Documents. In the event of the installation of a garden or deck on the roof, in accordance with this paragraph, such garden or deck shall be characterized as a Unit A Limited Common Element.

ARTICLE 4

PLANS

The Plans show the Land, the Building and related site improvements, and adjacent public and private ways, the floor plans of the Building showing the layout, location, unit designations and dimensions of the Units, each bearing the verified statement of a registered land surveyor, engineer or architect certifying that the Plans fully and accurately depict the same, as built, in accordance with the provisions of the Condominium Act, are recorded herewith, and copies of which are attached hereto as Exhibit C attached hereto and incorporated herein by reference. In the event of a conflict between the Plans and Section 3.2 (description of the Units),

the terms and provisions of the Plans shall control; in the event of a conflict between the Plans and Sections 3.3 or 3.4 (description of General Common Elements and Limited Common Elements, respectively), the terms and provisions of the Plans shall control.

ARTICLE 5

USE OF UNITS

Section 5.1 Use. The Units and the Common Elements may be used for any lawful purpose not otherwise prohibited by the terms and provisions of the Condominium Documents, any Legal Requirements, or any document affecting title to the Land, subject to the receipt of all necessary governmental permits and approvals.

Section 5.2 Restriction of Use of Units. The Units shall be subject to the restrictions set forth in Exhibit G, and/or the Rules and Regulations, which restrictions are incorporated herein by reference as if fully set forth herein.

Section 5.3 Leasing of Units. Any lease of a Unit or portion thereof shall be in writing and shall provide that the tenancy shall be in compliance with the Condominium Documents, including, without limitation, each of Exhibits G and H, and the Rules and Regulations, if any.

Section 5.4 Compliance With Legal Requirements. Each Unit and the Common Elements shall be used only in accordance with the provisions of the Condominium Documents, and in accordance with any applicable law, order, rule, regulation, permit or approval of any court or governmental entity of competent jurisdiction, including without limitation zoning ordinances and building codes (collectively, "Legal Requirements"). In the event a notice of violation of any Legal Requirements is filed against the Property (including any Unit) with respect to or as a direct result of any work performed by the Board or any Unit Owner or the failure of the Board or any Unit Owner to perform any obligation on its part to be performed hereunder, then, subject to the contest rights of the Board or such Unit Owner in this Section 5.4, the Board or such Unit Owner, as the case may be, shall promptly after notice thereof to the Board or such Unit Owner, as applicable, at its own cost and expense, do whatever is necessary to cause the cancellation of such notice and such violation, and upon the completion of such work, shall obtain all certificates required in connection therewith from the appropriate governmental agency. Notwithstanding the foregoing, any Unit Owner may, at its sole cost and expense, defer compliance with and contest by appropriate proceedings prosecuted diligently and in good faith, the validity or applicability of any Legal Requirements affecting its Unit, or any portion of the Common Elements which such Unit Owner is obligated to maintain and repair. The Board shall cooperate with the Unit Owner in such proceedings, provided that the Unit Owner shall (i) indemnify and hold harmless the Board and each other Unit Owner against all liability, loss or damage that any of them respectively shall suffer by reason of such contest or noncompliance, including reasonable attorney's fees, court costs and other reasonably incurred expenses (the Board hereby retaining the right to enforce such obligation by assessing the same to such Unit Owner as a Unit Expense, and until such charges are paid by the Unit Owner, the same shall constitute a lien against such Unit pursuant to the provisions of the Condominium Documents and the Condominium Act); and (ii) periodically keep the Board advised as to the

status of the proceedings. Such Unit Owner need not comply with such Legal Requirement for so long as it is contesting the validity or applicability thereof, provided (a) the noncompliance shall not create a dangerous condition or constitute a crime or an offense punishable by fine or imprisonment, (b) the noncompliance shall not adversely affect any other Unit Owner's use and enjoyment of its Unit or of the Common Elements, and (c) no part of the Condominium shall be subject to imposition of a lien or being condemned or vacated by reason of any such noncompliance.

Section 5.5 Nuisance Uses Prohibited. No Unit Owner shall cause or permit to exist in any portion of its Unit or the Condominium, any nuisance, offensive noise, odor or fumes, or any condition reasonably likely to be hazardous to health or in violation of Legal Requirements; provided, however, that the current and future operation of the Central Office or of the Cable Vault Unit to provide Telecommunications Services (including complying with all Legal Requirements applicable thereto) and activities associated therewith shall not be deemed a violation of this Section 5.5.

Section 5.6 Benefit of Restrictions; Enforcement. The foregoing restrictions on the permitted uses of the Units shall be for the benefit of all Unit Owners, and shall be enforceable by the Board and any Unit Owner. Such restrictions are intended to be perpetual, and, to that end, may be extended by the Board as permitted or required by law for the continued enforceability thereof.

ARTICLE 6

ALTERATION; NO SUBDIVISION OR COMBINATION OF UNITS WITHOUT UNANIMOUS CONSENT

Section 6.1 Alteration of Unit(s).

A. Any Unit Owner making an Alteration to its Unit or the Limited Common Elements appurtenant thereto shall:

(i) perform such work (a) in a good and workmanlike manner, (b) in a manner compatible with the original construction materials incorporated into the Condominium, (c) in compliance with the Condominium Documents and all Legal Requirements, and (d) in a manner that will not unreasonably interfere with any other Unit Owner's use or enjoyment of its Unit or the Common Elements, or interfere with, or cause any labor disturbances or stoppages in, work within the Building being performed by the Board or any other Unit Owner;

(ii) ensure such work is only performed during such days and hours as may be specified by the Board in its reasonable judgment and by only those architects, engineers, contractors, subcontractors, suppliers and other laborers who are on the then approved list of the Board, which list is to be prepared and amended from time to time by the Board in its reasonable judgment; provided, however, that any such alterations, additions or improvements made by the Unit Owner of a Verizon Unit for the purpose of maintaining, enhancing or restoring the operations of the Central Office shall not require any approval

of the Board or require the use of any particular architect, engineer, contractor, subcontractor, supplier or other laborers;

(iii) be responsible for all costs related thereto, including, but not limited to, any fees incurred by the Board or other Unit Owners for reasonable architectural, engineering and legal fees;

(iv) repair any damage to other Units or any Common Elements caused by or attributable to such work and the Board and other Unit Owners shall have no liability therefore; and

(v) maintain additional insurance in full force and effect throughout the construction period, as may be reasonably required by the Board.

B. Subject to Section 2 of Exhibit F, any Alterations proposed by a Unit Owner that affect only such Unit Owner's Unit and/or its Limited Common Elements, and do not have a material adverse effect on the General Common Elements, any other Unit Owner's Unit or Limited Common Elements appurtenant thereto, or the exterior of the Building, shall not require the consent of the Board or another Unit Owner, provided that such improvements comply with and are carried out in accordance with the Condominium Documents and all applicable Legal Requirements. All other Alterations shall require the prior written consent of the Board and any Unit Owner that might be adversely affected thereby, which consent shall not be unreasonably withheld, conditioned or delayed. The Board may, at its option, require the Unit Owner to execute an agreement, in form and substance reasonably satisfactory to the Board, setting forth the terms and conditions under which such Alteration may be made. Notwithstanding the foregoing provisions of this Section 6.1B, certain Alterations require the prior approval of the Cable Vault Unit Owner in accordance with Section 2 of Exhibit F to this Declaration.

Section 6.2 Improvements to General Common Elements.

A. **Improvements by Board**. If the Board proposes to make any improvements to any of the General Common Elements and such improvements constitute Major Capital Expenditures or Major Improvements or involve expenditures that are not included in a budget approved by the Board under Article 6 of the Bylaws, then such improvements shall require the approval of all Unit Owners.

B. **Improvements by Unit Owner**. If and whenever any Unit Owner shall propose to make an improvement to the General Common Elements at such Unit Owner's own expense, (i) any Major Improvements to the General Common Elements shall require the prior written reasonable approval of all Unit Owners (except that nothing herein shall qualify the provisions of, or impose any reasonableness standards on approvals to be obtained from the Cable Vault Unit Owner pursuant to, Exhibit F attached hereto) and (ii) with respect to other improvements to the General Common Elements, the Board shall determine whether such improvement would be compatible with the provisions and intent of the Condominium Documents. Subject to the Verizon Special Rights, if the Board so determines, the Board may authorize such improvement to be made at the sole expense of the Unit Owner proposing the same, without the consent or

approval of the other Unit Owners, subject to such contractual undertakings of the Unit Owner proposing such improvement as the Board deems to be necessary or desirable.

Section 6.3 Scaffolding. To the extent the making of any Alteration by the Board or any Unit Owner requires the erection of scaffolding on the exterior of the Building, the design of such scaffolding shall be subject to the prior written approval of the Verizon Units owner as to the entrance heights at ground level.

Section 6.4 No Subdivision or Combination of Unit(s). No Unit Owner shall, without the unanimous consent of all other Unit Owners, which consent may be granted or withheld in each such other Unit Owner's sole discretion, (i) directly or indirectly divide (which term shall include the relocation of interior walls, ceilings, or other boundaries within its Unit) its Unit into two or more separate Units, including by Sale of only a portion of a Unit; (ii) designate any part of the Unit so subdivided as "Subdivided Limited Common Elements" appurtenant to all or less than all of the Units resulting from such subdivision; (iii) combine two or more Units into one or more larger Units; (iv) reconfigure a portion of a Unit to remove such portion from the original Unit and combine such portion with a different Unit to create one smaller Unit and one larger Unit; or (v) subject to Section 6.4 below, Sell any Unit or any portion of a Unit Owner's interest therein in a manner so as to create more than one Unit Owner of such Unit at any time.

ARTICLE 7

INSURANCE

Section 7.1 Required Property Insurance.

A. The Board shall obtain and maintain, to the extent obtainable, (a) master policies of commercial property insurance, insuring the Condominium, including, without limitation, the buildings and all other insurable improvements forming part of the General Common Elements, the Limited Common Elements and the Units, including any elevators, central heating and air conditioning facilities and equipment, and other service machinery, apparatus, equipment and installations and other portions of the General Common Elements, the Limited Common Elements and the Units as are for insurance purposes normally deemed to constitute part of the real property (the "Condominium Insured Property"), but not including any fixtures, furniture, furnishings, carpeting, drapes or other personal property of the Unit Owners, or improvements and betterments (including tenant improvements) made to a Unit by such Unit Owner (other than as set forth in this paragraph above), but including Business Interruption and Extra Expense and Loss of Rents insurance the Condominium, and (b) if requested in writing by a Unit Owner, Expediting Expense coverage. If a Unit Owner so requests the coverage in clause (b), such Unit Owner shall reimburse the Board, within thirty (30) days of demand, for the increase in premium, if any, associated with such coverage. If the Board so agrees, all or any portion of such insurance may be carried by one Unit Owner, under such Unit Owner's master insurance policy or otherwise, with the costs of such insurance to be paid by the Unit Owners in accordance with Section 7.3C of this Declaration. Each Unit Owner will from time to time supply to the Board such information as the Board may reasonably request in connection with the placement and maintenance of such insurance.

B. Such insurance (i) shall be maintained in an amount equal to not less than one hundred percent (100%) of the full replacement value of the insured property (exclusive of land, foundations and other items normally excluded from such coverage), as determined by the Board, who shall review such value not less frequently than on the renewal date of the policy; (ii) shall contain an "agreed amount" endorsement, if obtainable; (iii) shall insure against (a) all risks of physical loss or damages including but not limited to fire and other hazards, flood, named windstorm, vandalism, and malicious mischief, (b) loss resulting from perils and acts of terrorism provided that such insurance is commercially available at reasonable rates; (iv) shall include comprehensive boiler and machinery insurance in an amount sufficient to cover boilers, machinery and other property and equipment as well as any business interruption exposures; (v) if property damage insurance and comprehensive boiler and machinery are written as separate policies, a "joint loss agreement" shall be attached to each policy; (vi) if the Condominium is located in an area identified by the Secretary of Housing and Urban Development as an area having special flood hazards, shall include a policy of flood insurance on the Condominium in the amount of the aggregate of the outstanding principal balances of the mortgage loans on the Units or one hundred percent (100%) of the full replacement value of the insured property or the maximum amount available under the National Flood Insurance Protection (NFIP) program; (vii) shall include the standard mortgagee clause commonly accepted by private institutional mortgage lenders for projects similar in construction, location and use; and (viii) shall include such other coverage, endorsements and waivers, if any, reasonably available in the form of standard so-called "special condominium" and "inflation guard" endorsements.

C. Such insurance may provide for reasonable deductible amounts, as determined by the Board in its reasonable discretion. In the event of any loss that relates solely to the General Common Elements, such deductible amount may be assessed to the Unit Owners as a special assessment of Common Charges. In the event of any loss covered by such insurance that relates in whole or in part to insurable improvements forming part of a Unit, or of the Limited Common Elements, the Board may assess to the applicable Unit Owner, as an additional special assessment of Unit Expenses, all or part of such deductible amount, in an amount directly proportional to the amount of such loss related to such Unit improvements, or to such Limited Common Elements, as applicable.

D. All policies of property damage insurance shall name as additional insureds the Board, the Unit Owners and their Mortgagees, as their interests may appear, pursuant to such standard condominium property endorsements as may from time to time be customarily used in the State in which the Property is located with the standard mortgagee clause in favor of each Mortgagee, with loss payable to and adjusted by the Board in accordance with the provisions of this Declaration. All policies of property damage insurance shall also name the Listed Mortgagee of Unit A as Insurance Trustee for the Condominium (the "Insurance Trustee").

E. Notwithstanding the foregoing, if and for so long as that certain Lease to be entered into on the Unit A Closing Date, by and between the Unit A Owner, as landlord, and the Verizon Units Owner, as tenant, is in full force and effect, the provisions of such Lease with respect to the maintenance of insurance, including the insurance required to be maintained by Section 10(f) of the Lease, shall control.

Section 7.2 Requirements of Property Insurance Policies. All policies of property insurance required pursuant to Section 7.1, insofar as obtainable, shall provide: (i) that such policies may not be canceled or non-renewed without at least sixty (60) days' prior written notice to the insureds and at least thirty (30) days' prior written notice to Mortgagees of Units to whom certificates of insurance have been issued; (ii) that, notwithstanding any provisions of such policy that give the insurer the right to elect to restore damage in lieu of making a cash settlement, such election may not be exercisable without the approval of the Board or if in conflict with the terms of the Condominium Documents or the Condominium Act; (iii) that the insurance company waives any right of subrogation against the Board and their agents and employees and the Unit Owners, and their respective employees, agents, managers, Occupants, tenants and guests; (iv) that the insurance shall not be prejudiced by an act or negligence of any Unit Owner, or any other person or firm (including employees and agents of the Board); and (v) that recovery shall not be affected on account of the availability of proceeds under any policies obtained by Unit Owners covering their Units.

Section 7.3 Other Insurance Requirements.

A. The Board will also obtain and maintain, policies of insurance for the use, benefit and protection of the Board, any managing agent of the Condominium, all of the Unit Owners, and their respective agents and employees, including the following types of insurance:

(i) commercial general liability in such amounts as the Board may, from time to time, determine, but at least in the amount of $5,000,000 combined single limit for bodily injury (including death) and property damage with a $10,000,000 annual aggregate including contractual liability coverage and personal injury and products and completed operations coverage, covering the Condominium, the Board, any managing agent or other employees of the Board, and each Unit Owner with respect to the General Common Elements, such insurance to provide for cross liability coverage with respect to liability claims of any insured thereunder against any other insured thereunder. Such insurance policy shall: (a) contain a "severability of interest" clause that shall preclude the insurer from denying the claim of any insured because of negligent acts of the Board or other Unit Owners or insureds; (b) provide that the policy shall not be canceled, non-renewed or adversely modified without at least thirty (30) days' prior written notice to the insureds, and to Mortgagees of Units to whom certificates of insurance have been issued; and (c) include all other coverage in the kinds and amounts commonly required by private institutional mortgage lenders for projects similar in construction, location and use. This policy shall be considered primary and non-contributing to owner's policies for losses occurring on or from General Common Elements or from the Board's negligence;

(ii) Umbrella or excess liability coverage in the amount of not less than $10,000,000 per occurrence and in annual aggregate, or in such greater limits as the Board may from time to time determine;

(iii) Automobile liability insurance covering all owned, non-owned and hired vehicles with a combined single limit of not less than $2,000,000 each accident;

(iv) Crime insurance including Blanket Employee Dishonesty, Premise & Transit, Forgery or Alteration, and Computer Fraud and Funds Transfer Fraud coverage covering all Board Members and all officers, directors, and employees of the Board and every management agent appointed by the Board, naming the Condominium as the named insured. The crime insurance shall provide for coverage in an amount which the Board determines to be adequate, but in no event less than the greater of (a) the amount of funds (including the Reserve Fund) estimated by the Board to be in the custody of the Board and/or manager at any given time; (b) one and one-half times the funds estimated by the Board to be the annual operating expenses and reserves; or (c) the minimum amount required under any state law or regulation governing the maintenance of such crime insurance. Such crime insurance shall include non-compensated individuals that work for or on behalf of the board within definition of "employee";

(v) worker's compensation and employers' liability with respect to any manager, agent or other employee of the Board, but excluding any independent agent or manager, as required by law;

(vi) so-called "directors' and officers'" liability insurance in a minimum amount of $1,000,000 per claim and aggregate;

(vii) during any period when any repair or reconstruction of the Condominium is taking place pursuant to Article 8 and the insurance carried under Section 7.1 would not be applicable, Builder's Risk Insurance on the Building, with the inclusions and exclusions meeting the requirements of Section 7.1, in completed value form against all risks of physical loss specified in Section 7.1 in amounts not less than specified in Section 7.1; and

(viii) insurance for such other risks as the Board determine to be appropriate.

The Board shall also have the right to place master insurance policies for commercial general liability and umbrella liability insurance to include not only the coverage for the General Common Elements, but to extend, as deemed appropriate by the Board, to include coverage for the Units and Limited Common Elements.

B. **General Requirements**. Subject to the requirements of applicable insurance and other law, all insurance maintained under this Article 7 shall, to the extent obtainable, be in such amounts and forms as the Board shall in their discretion deem appropriate, and be carried with reputable insurance companies (satisfying in all material respects applicable customary and reasonable requirements of private institutional mortgage lenders for projects similar in construction, location and use) authorized to do business in the State in which the Property is located with an A.M. Best rating of A-VII or better. All liability insurance policies shall include the Board, the Unit Owners, and their Mortgagees as additional insureds. The Board shall not be liable for failure to obtain any of the coverages required by this Article 7 or for any loss or damage resulting from such failure if such failure is due to the unavailability of such coverages from reputable insurance companies, or if such coverages are so available only at demonstrably unreasonable cost. Certificates evidencing all or any portion of the insurance carried pursuant to

this Article 7, designating such proper Mortgagees as additional insureds, shall be furnished to any Unit Owner or Mortgagee requesting to be furnished with such certificate.

C. **Cost of Insurance a Common Charge**. The cost of all insurance obtained and maintained by the Board pursuant to this Article 7 shall be a Common Charge allocated and assessed by the Board to the Unit Owners in accordance with the Declaration; provided that if a particular use or a particular characteristic of a Unit results in an increase in the costs of insurance costs with respect to the Condominium, such increased costs shall be allocated and assessed by the Board to the applicable Unit Owner as a Unit Expense.

D. **Insurance to be Maintained by Unit Owners**. Each Unit Owner shall be solely responsible for insuring those contents of such Unit Owner's Unit and Limited Common Elements that are not as a matter of law part of the real property comprising such Unit, for the full replacement value, covering the Unit, the appliances, fixtures, furniture, wall coverings, floor coverings, furnishings, as well as any improvements, betterments and additions (including tenant improvements) made to the Unit by such Unit Owner (under coverage normally called "improvements and betterments coverage"). Each Unit Owner shall procure and maintain with insurance companies with an A.M. Best rating of A-VII or better a minimum of: (a) commercial general liability insurance against claims for bodily injury, death or property damage occurring or, in or about their Units including the Limited Common Elements with a combined single limit for each occurrence in customary amounts reasonably satisfactory to the Board, but at least in the amount of $1,000,000 per occurrence with a $2,000,000 general aggregate for bodily and personal injury (including death) and property damage, including contractual liability coverage and products and completed operations coverage and umbrella liability insurance in the minimum amount of at least $10,000,000 per occurrence or in such greater limits as the Board may from time to time determine; (b) to the extent applicable, liquor liability insurance and automobile liability insurance on vehicles operated in conjunction with the their Units; (c) Worker's Compensation Insurance as may be required under applicable law; and (d) employer's liability insurance, in such amounts as are customarily obtained by operators of comparable businesses. All liability insurance policies carried by the Unit Owners shall name the Board as additional insureds. All property insurance policies shall contain standard waivers of subrogation providing that the insurance shall not be invalidated should the insured waive, prior to loss, any right of recovery against the Board, and other Unit Owners (and tenants, subtenants and Occupants of Units). Any lease or occupancy agreement of all or any portion of a Unit shall obligate the tenant under such lease or occupancy agreement to comply with the provisions of this Article 7 as to its demised premises. Notwithstanding any of the foregoing, the Verizon Units Owner may provide any of the coverages required to be maintained by it hereunder through self-insurance, provided the Verizon Units Owner providing such self-insurance is the Declarant hereunder (or a successor thereto that is a Public Utility) and has assets of at least One Billion Dollars ($1,000,000,000).

E. **Insurance Review**. All insurance requirements and coverage limitations set forth in this Article 7 shall be subject to periodic review and adjustment by the Board to correspond to the types and limits of insurance typically carried by prudent owners of properties similar to the Condominium; such review shall be subject to the approval of the Unit Owners. Unless otherwise agreed by the Unit Owners, the required types and levels of insurance shall be consistent with the insurance last carried by the Board. If the Unit Owners cannot agree on the

required types and levels of insurance with respect to the initial or any subsequent policies, the Board shall continue to carry the types and levels of insurance last carried by the Board and the matter shall be submitted to arbitration in accordance with the provisions of Section 15.4. If insurance then being carried by the Board lapses prior to any such agreement or determination, the Cable Vault Unit Owner shall have the right, but not the obligation, to obtain any such insurance on behalf of the Board; provided, however, that the Cable Vault Unit Owner shall not have the aforesaid right if, in the reasonable judgment of the Cable Vault Unit Owner, the cost of previously obtained coverage(s) have significantly changed and it is not uncommon for owners of comparable properties in the City in which the Property is located not to obtain such coverage(s). The cost of all insurance obtained and maintained by the Cable Vault Unit Owner pursuant to this Section 7.3E shall be a Common Charge allocated and assessed by the Board to the Unit Owners in accordance with this Declaration.

Section 7.4 Compliance with Insurance Requirements. Subject to Section 11 of Exhibit F hereto, no Unit Owner shall do or permit any act or thing to be done in or to its Unit or the Limited Common Elements appurtenant thereto which will invalidate or be in conflict with any public liability, property or other policy of insurance at any time carried by the Board with respect to the Property. Notwithstanding anything to the contrary in this Article 7 or this Declaration, nothing in this Declaration shall require the Cable Vault Owner to install any sprinkler systems in the Verizon Units or the Cable Vault Unit (including any Verizon Units Limited Common Element) or to comply with any Insurance Requirements in the Verizon Units (including any Verizon Units Limited Common Element) which would have a Central Office Adverse Effect) . Notwithstanding the foregoing, if the Verizon Units Owner or the Cable Vault Unit Owner takes any action that would result in the cancellation of any insurance carried by the Board or any other Unit Owner hereunder, the Verizon Units Owner or the Cable Vault Unit Owner, as applicable, shall either (a) (i) arrange for the Board or such Unit Owner, as applicable, to obtain insurance coverage that is materially the same as the insurance coverage which was cancelled due to the actions of the Verizon Units Owner or the Cable Vault Unit Owner, as applicable, and (ii) reimburse the Board or such Unit Owner, as applicable, for the difference between the cost of the premiums for cancelled insurance and such new insurance within thirty (30) days of receipt of a request for reimbursement accompanied by evidence reasonably satisfactory to the Verizon Units Owner or the Cable Vault Unit Owner, as applicable, of the current cost of such new insurance and the current cost of the cancelled insurance, or (b) for so long as no such insurance coverage is available, (x) provide insurance coverage (or self-insure against such perils) that is materially the same as the insurance coverage which was cancelled due to the actions of the Verizon Units Owner or the Cable Vault Unit Owner, as the applicable, and (y) the Board or such Unit Owner, as applicable, shall pay the Verizon Units Owner or the Cable Vault Unit Owner, as applicable, the current cost of the insurance premiums at the same times that such premiums would have been due under the cancelled insurance policy.

ARTICLE 8

CASUALTY AND CONDEMNATION

Section 8.1 Casualty.

A. The Board shall notify all Unit Owners of any damage to or destruction of the Condominium Insured Property or any portion thereof as a result of fire or other casualty and shall determine as promptly as circumstances permit the cost of restoration of such Condominium Insured Property or portion thereof as well as the amount of insurance proceeds available for such restoration. Subject to Section 8.2 below, the Board shall arrange for the prompt repair and restoration of such Condominium Insured Property or portion thereof which is covered by insurance maintained under Article 7. The Board shall not be required to restore any portions of the Units (other than the Condominium Insured Property).

B. All insurance proceeds paid to the Board on account of any casualty, net of the expenses of collection thereof, shall be first applied to the repair or restoration of the loss. In the event that the total cost of repair or restoration of the Condominium Insured Property or any portion thereof, as estimated on the basis of an independent appraisal, or as determined during the course of repair or restoration, exceeds the total sum of available insurance proceeds, the Board shall assess the Unit Owners as a Common Charge in proportion to the respective replacement values of the Units the amount estimated to repair or restore in excess of the available insurance proceeds. If there shall be a repair or restoration pursuant to the foregoing and the amount of the available insurance proceeds exceeds the cost of such repair or restoration, such excess shall be divided among all Unit Owners by the Board in proportion to the respective replacement values of the Units.

C. Notwithstanding the foregoing or anything set forth herein to the contrary, if (a) the cost of restoration will exceed the amount of insurance proceeds available for restoration plus any other sums available for restoration, (b) the Cable Vault Unit Owner elects in writing not to exercise its restoration rights under Section 4B of Exhibit F, and (c) the Unit Owners holding one hundred percent (100%) of all of the Percentage Interests vote to terminate the Condominium rather than to proceed with restoration, the Condominium shall thereafter be subject to partition at the suit of any Unit Owner. Otherwise, the Condominium or the portion described in Section 4B of Exhibit F shall be promptly restored. Such a suit for partition shall be subject to dismissal at any time prior to entry of an order to sell if an appropriate agreement to rebuild is filed. If the Condominium is partitioned, then the net proceeds of any partition sale together with the Reserve Fund of the Condominium shall be divided in proportion to the Unit Owners' respective Percentage Interests in each class of the Common Elements of the Condominium as set forth in Exhibit B. However, no payment shall be made to a Unit Owner until there has been first paid out of its share of such funds such amounts as may be necessary to discharge or reduce all unpaid liens on such Unit. Upon such partition sale, the Condominium shall be deemed removed from the provisions of the Condominium Act. The Declarant intends, and by its acceptance of a deed to any Unit, each Unit Owner agrees, that, notwithstanding the provisions of Section 15.1 to the contrary, the provisions of this paragraph C will control to the maximum extent permitted by law in order to provide a mechanism for restoring a vital public service unless the provisions of clauses (a) through (c), above, are satisfied following the occurrence of such damage or destruction.

D. Notwithstanding anything to the contrary in the Declaration (including without limitation this Article 8), subject to the provisions of Sections 3 and 4 of Exhibit F, the Board shall promptly prepare a plan of action for any restoration project setting forth the anticipated order of priority of the work to be performed in the restoration project, the anticipated timing for

each phase of the restoration, the anticipated effect of the restoration project on the access available to the Unit Owners to their Units, including access which will allow each Unit Owner to restore the same, a proposed budget and such other matters as would customarily be included in such a plan. Any plan of action for restoration shall not be in conflict with the Board's restoration obligations hereunder, unless each affected Unit Owner and each Listed Mortgagee (whose consent is required under the terms of its Listed Mortgage) of such affected Unit Owner has consented thereto or has waived compliance with the conflicted obligation. The Board shall use reasonable efforts (subject to force majeure) to repair and restore the Common Elements, and make access available, in accordance with any plan of action for restoration which has been approved by the Unit Owners as aforesaid.

E. Any work required to stabilize the Property, to ensure the Property is safe and secure, and to comply with any Legal Requirements, may be commenced and performed by the Board notwithstanding that the restoration plan described in paragraph D above has not been prepared and/or approved.

Section 8.2 Condemnation.

A. Each Unit Owner shall have the right to represent itself with respect to a taking by eminent domain of all or any portion of its Unit or any Limited Common Elements appurtenant thereto. With respect to a taking by eminent domain of all or any portion of the General Common Elements, the Board shall have the authority to represent each of the Unit Owners in an action to recover all awards with respect to the same, and unless all Unit Owners agree that repair or restoration of the loss shall not be undertaken, the "net proceeds" of the awards shall be held by the Board and first applied to repair or restoration of the General Common Elements (but not the property of individual Unit Owners) to as nearly their condition prior to the taking as may be feasible and in the same manner as provided in Section 8.1 for disbursement of proceeds of insurance policies in the event of a casualty. "Net proceeds" shall mean those proceeds remaining after deducting: (a) related fees and expenses; and (b) the portions of the awards attributable in the taking proceedings (or failing such attribution as may be attributable by the Board), to Units totally taken or partially taken and not economically feasible to restore.

B. If, at a special meeting of Unit Owners at which a quorum is present, Unit Owners holding one hundred percent (100%) of all of the Percentage Interests, vote that repair or restoration of a loss pursuant to a condemnation shall not be undertaken, the Condominium shall be subject to partition at the suit of any Unit Owner. Such suit shall be subject to dismissal at any time prior to entry of an order to sell if an appropriate agreement to repair or restore is filed. The net proceeds of all condemnation awards with respect to Common Elements and of the partition sale, together with any Reserve Fund of the Condominium, shall be divided in proportion to the Unit Owners' respective Percentage Interests provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of its share of funds such amounts as may be necessary to discharge or reduce all unpaid liens on such Unit. Upon such sale, the Condominium shall be removed from the Condominium Act.

C. In the event that the total cost of repair or restoration of the General Common Elements, as estimated on the basis of an independent appraisal, or as determined during the course of repair or restoration, exceeds the total sum of available condemnation proceeds, the

Board shall assess the Unit Owners as a Common Charge, the amount estimated to repair or restore in excess of the available condemnation proceeds. If there shall be a repair or restoration pursuant to the foregoing and the amount of the available condemnation proceeds exceeds the cost of such repair or restoration, such excess shall be divided among all Unit Owners by the Board in proportion to their respective Percentage Interests.

D. Following any taking which reduces the number of Units, the Condominium and the Board shall continue subject to and with the benefit of all the provisions of the Condominium Documents, as so far as the same are applicable to the remaining Units, and the interests of the Unit Owners shall be apportioned in the same relative proportion with respect to the remaining Units as existed among the remaining Units prior to the taking, except as readjusted under the preceding provisions.

E. Where all or part of the Condominium is taken by eminent domain, each Unit Owner shall have the exclusive right to claim all of the award made with respect to its individual property (including its Unit and Limited Common Elements and equipment and trade fixtures), and any relocation, moving expense, or other allowance of a similar nature designed to facilitate relocation of a displaced business concern or residence.

F. The Board may perform emergency work essential to the preservation and safety of the Condominium or the safety of persons, or required to avoid the suspension of any essential service to the Condominium, without having first adjusted the loss or obtained proceeds of insurance, or prosecuted the proceedings for the taking awards or obtained the awards.

G. Whenever the Board deems it appropriate, the Board may retain a registered architect or registered engineer to supervise the work of restoration. No sums shall be paid by the Board on account of such restoration except upon certification to it by such architect or engineer that: (i) the work for which payment is being made has been completed in a good and workmanlike manner in accordance with approved plans and specifications, and (ii) the estimated total cost of completion of the restoration, less amounts theretofore advanced, does not exceed the undisbursed proceeds of available insurance proceeds or of taking awards proceeds augmented by funds obtained by any assessment(s) levied or chargeable to the Unit Owners as a Common Charge.

H. The Listed Mortgagee of Unit A designated as Insurance Trustee as provided above shall hold, use, apply and disburse the same in accordance with applicable provisions of this Article 8.

ARTICLE 9

RULES AND REGULATIONS

Section 9.1 Rules and Regulations. The Board may from time to time adopt, amend and rescind, in accordance with the applicable provisions of Article 7 of the Bylaws, reasonable rules and regulations of general applicability governing the operation and use of the Units and Common Elements and such restrictions on and requirements respecting the use and maintenance of the Units and the use of the Common Elements as are consistent with the Condominium

Documents and are designed to prevent unreasonable interference with the use by Unit Owners of their Units and the Common Elements ("Rules and Regulations"). The Rules and Regulations are intended to be considered bylaws and shall be amended only in accordance with the procedures governing amendment of the Bylaws. The initial Rules and Regulations are set forth in Appendix 1 annexed to the Bylaws. The Board shall further have the non-delegable right to adopt, amend, and rescind administrative rules and regulations governing the details of the operation and use of the Common Elements, provided the same are consistent with the Condominium Documents.

Section 9.2 Enforcement. The Board shall administer the Rules and Regulations uniformly and non-discriminatorily. The cost and expense incurred by the Board in enforcing the Rules and Regulations shall constitute a Common Charge or Unit Expense, as applicable. If a violation is caused in whole or in part by any Unit Owner, its agents or invitees, the portion of the cost and expense of eliminating such violation as the Board may determine and any reasonable fine which the Board may impose for repeated and continuing violations shall be charged to such Unit Owner as a Unit Expense, which shall be payable by such Unit Owner upon demand, and shall be enforced and constitute a lien against the Unit of such Unit Owner in accordance with the provisions of Article 14 hereto.

ARTICLE 10

AMENDMENT

Except as otherwise provided in this Declaration, this Declaration may be amended only by an instrument in writing (i) signed by both the Cable Vault Unit Owner and the Unit Owners entitled to eighty percent (80%) or more of the undivided interests in the General Common Elements; (ii) acknowledged by the Board Members representing both the Cable Vault Unit Owner and Unit Owners holding a majority of the undivided interests in the General Common Elements; and (iii) duly recorded with the Registry. No such instrument shall be of any force or effect unless it has been so recorded.

ARTICLE 11

MORTGAGEE PROVISIONS

Section 11.1 Notice to Board. All notices sent or required to be sent to the Board under the provisions of the Condominium Documents or the Condominium Act shall be sent to the Board at 50 Varick Street, New York, New York 10013, as the same may be changed by notice from time to time in accordance with the foregoing and the Condominium Act. A Unit Owner who mortgages a Unit to a Mortgagee, and the Mortgagee, shall each notify the Board of the name and address of (and any changes to) such Mortgagee. The Board shall list and maintain such information in a separate book, and such a Mortgagee shall be deemed a Listed Mortgagee. For the purposes of notices which may be given to the Board and other insureds by any insurance carrier, the Board shall notify the Board's insurance agent placing insurance for the benefit of Unit Owners of the names and addresses of such Listed Mortgagees. All provisions in the Condominium Documents calling for notice to be given to (or for consent to be obtained from)

Mortgagees shall require only the giving by United States mail (postage prepaid) of such notice to (and obtaining such consent from) Listed Mortgagees.

Section 11.2 Notice to Mortgagees. Whenever so requested by a Listed Mortgagee, the Board shall promptly provide to such Listed Mortgagee written notification of: (i) any then unpaid Common Charges or Unit Expenses due from, or any other default by, the Unit Owner of the mortgaged Unit if any such default is not cured within sixty (60) days of notice of such default to the Unit Owner (or such shorter cure period as may otherwise be provided for in the Condominium Documents); (ii) any condemnation or casualty loss that affects a material portion of the Condominium or any Unit on which there is a mortgage held by such Listed Mortgagee; (iii) any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Board; (iv) any proposed action that would, under the provisions of the Condominium Documents or the Condominium Act, expressly require the prior written consent or approval of a specified percentage of Mortgagees or of such Mortgagee in particular; and/or (v) all meetings of Unit Owners; and/or (vi) any proposed amendment to the Declaration pursuant to Article 10 hereof.

Section 11.3 Liens. All taxes, assessments and charges that may become liens prior to a mortgage held by a Mortgagee on a Unit under local law shall relate only to the individual Unit and not to the Condominium as a whole. Any lien of any mortgage held by a Mortgagee encumbering any Unit shall be subordinated to the lien in favor of the Board for Common Charge and/or Unit Expense assessments and/or other charges against any Unit, except to the extent of any priority lien provided for in the Condominium Act.

Section 11.4 Priority Rights. No Unit Owner or any other party shall have a priority over any rights of a Mortgagee of a Unit pursuant to its mortgage in the case of a distribution to such Unit Owner of insurance proceeds or condemnation awards.

Section 11.5 Mortgagee Protection. No instrument of amendment affecting any Unit in a manner which materially impairs the security of a mortgage held by a Listed Mortgagee shall be of any force or effect unless the same has been consented to by such Listed Mortgagee. No amendment of this Declaration pursuant to the specific provisions hereof relative to subdivisions, partitions and/or combination of Units, or Section 11.6 below, shall be treated as an instrument impairing the security of any mortgage other than the mortgage(s) encumbering such Units. Any consent of Listed Mortgagees required under this Article 11 or under any other provision of this Declaration shall not be unreasonably withheld or delayed and any consent of Listed Mortgagees required under the Condominium Act shall not be withheld unless the interests of the Listed Mortgagee would be materially impaired by the proposed action.

Section 11.6 No Amendments Contrary to Condominium Act. No instrument of amendment which alters this Declaration in any manner which would render it contrary to or inconsistent with any requirements or provisions of the Condominium Act shall be of any force or effect.

Section 11.7 Estoppel Certificate from Board. Upon the request of an Owner or its mortgagee, the Board shall deliver an estoppel certificate to such Owner and its mortgagee certifying (a) that such Mortgagee is a Listed Mortgagee (provided such mortgagee meets the

requirements set forth herein to qualify as a Listed Mortgagee and such Owner has delivered to the Board sufficient evidence to make such determination), (b) whether or not there exist any known material defaults by, or uncured notices of default given to, the Owner of a Unit under this Declaration or the By-laws and, if so, specifying each such known or noticed default and (c) whether or not, to the best of its knowledge, there exists any material default by the Board under this Declaration or the By-laws.

ARTICLE 12

GOVERNANCE BY THE BOARD

The Unit Owners will manage and regulate the Condominium through the Board. The Declarant shall designate the sole initial member of the Board (the "Initial Board Member"), and successors to the Initial Board Member shall be appointed in the manner and in the timeframe provided for in the Bylaws.

ARTICLE 13

TERMINATION OF CONDOMINIUM

The Condominium shall continue and shall not be subject to an action for partition (unless terminated by casualty, loss, condemnation, or eminent domain, and in such cases the termination of the Condominium shall be governed by Article 8 hereof) until such time as its withdrawal from the provisions of the Condominium Act is authorized by unanimous vote of the Unit Owners. No such vote shall be effective, however, without the written consent (which consent shall not be unreasonably withheld, conditioned or delayed) of all Listed Mortgagees of Units. In the event such withdrawal is authorized, the Condominium shall be subject to an action for partition by any Unit Owner as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Percentage Interests in the General Common Elements and/or Limited Common Elements; provided, however, that no payment shall be made to a Unit Owner until all liens on its Unit have been satisfied in full in the order of priority of the liens.

ARTICLE 14

COMMON CHARGES; LIENS

Each Unit Owner shall pay its share of Common Charges and Unit Expenses as required under Section 5.2.3 of the Bylaws. If any Unit Owner shall fail to pay or reimburse the Board for such Unit Owner's share of Common Charges or Unit Expenses, such Common Charges and Unit Expenses shall constitute a lien against such Unit pursuant to the provisions of this Declaration and the Condominium Act, until such share is paid by such Unit Owner, and such lien shall have the priority over liens of any mortgage as set forth in Section 11.3 hereto. Each Unit Owner, by acceptance of a deed to its Unit (whether or not it is so expressed in any such deed) or its occupancy of its Unit shall irrevocably be deemed to covenant and agree with the Board and all other Unit Owners, to pay such Common Charges and Unit Expenses as are assessed upon any such Unit and, if not otherwise provided by the Condominium Act, to suffer a

lien upon such Unit on account of any such Common Element Charge and Unit Expense until so paid, which lien shall, to the maximum extent possible under law, be enforced in the manner of liens under the Condominium Act.

ARTICLE 15

MISCELLANEOUS

Section 15.1 Condominium Act. This Declaration is intended to comply with the requirements of the Condominium Act. In all respects not specified in the Condominium Documents, the relationship of the Units, the Common Elements, the Unit Owners and the Board to each other and the Condominium shall be governed by provisions of the Condominium Act applicable to the most flexible type of commercial condominium under the Condominium Act, including, without limitation, provisions with respect to common expenses, funds and profits, improvement and rebuilding of Common Elements and facilities, and removal of the Condominium or any portion thereof from the provisions of the Condominium Act to give maximum effect to the arrangements established in the Condominium Documents in light of the commercial nature of the Condominium and the critical, public purpose served by the Central Office. In case any of the provisions of this Declaration conflict with the provisions of the Condominium Act, subject to the last sentence of Section 8.1C, the provisions of the Condominium Act shall control.

Section 15.2 Covenants Running with the Land. All provisions of the Condominium Documents shall, to the extent applicable, and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the owners of all or any part thereof, or interest therein, and their heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in or for the benefit of the general public. All present and future owners, tenants, subtenants, licensees, and other Occupants of Units shall be subject to and shall comply with the provisions of the Condominium Documents, as the same may be amended from time to time. The acceptance of a deed or the execution of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of the Condominium Documents, as the same may be amended from time to time, are accepted and ratified by such owner, tenant or Occupant, and all such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, lease or use and occupancy agreement thereof.

Section 15.3 Rights to Cure by Board and Unit Owners. If any Unit Owner shall fail to perform any work or take any action required to be done or taken by such Unit Owner pursuant to the Condominium Documents, the Board, after giving written notice to such Unit Owner and to any Listed Mortgagee of such Unit of such failure to perform or take action and (except in the case of an Emergency) allowing such Unit Owner and such Listed Mortgagee not less than thirty (30) days to cure any such failure, may, but shall not be required to, perform such work or take such action and so assess such Unit Owner for the costs thereof as a Unit Expense,

for which such Unit Owner shall be liable for in addition to and as part of such Unit Owner's share of the Common Charges, and until such charges are paid by such Unit Owner, the same shall constitute a lien against such Unit pursuant to the provisions of this paragraph and the provisions of the Condominium Act. Further, in addition to any late charges which may be imposed by the Board on account of any delinquency by a Unit Owner in the payment of charges assessed to such Unit under this Declaration and/or the Bylaws, the amount of any such charge shall bear interest at an annual rate, determined daily and compounded monthly, equal to the sum of the Base Rate and five percent (5%) (but not to exceed the highest rate of interest which may be charged under applicable law) on such unpaid amounts computed from the due date thereof until paid. Such accrued interest, together with the reasonable cost of collection of any such charges (including reasonable attorneys' fees) shall be added to the amount of such charge and shall, as in the Condominium Act.

In the event that the Board either fails to fulfill any of its obligations under the Condominium Documents, or fails to cure a default by a Unit Owner in the fulfillment of its obligations under the Condominium Documents as permitted under the preceding paragraph within the time period permitted under the preceding paragraph, within ten (10) days after receipt of written notice of such default from any Unit Owner (or immediately in the case of an Emergency), any Unit Owner may, but shall not be obligated to, carry out such defaulted obligation. If an Emergency exists, then, whether or not the Board is timely commencing and diligently proceeding to fulfill such obligation, a Unit Owner may perform the same as if the Board had failed to timely commence or diligently proceed to perform the same, provided that the Unit Owner first has given the Board notice, if possible, of its intent to cure, so that efforts to address the Emergency may be coordinated. The Board shall, upon demand, reimburse such Unit Owner for the reasonable cost of such performance (but only to the extent the same would not, if it had instead been performed by the Board, otherwise have constituted a Unit Expense of such Unit Owner hereunder) and such amount paid as reimbursement shall constitute a Unit Expense or Common Element Charge to be paid by such Unit Owner(s) (which may include the Unit Owner performing such cure) who would have paid the same as a Unit Expense or Common Element Charge if the same had been performed by the Board. If the Board shall fail to reimburse such Unit Owner, then any unsatisfied amounts may be offset against future payments of Common Charges or Unit Expenses of such Unit Owner's Unit(s) under the Condominium Documents.

Section 15.4 Arbitration. With respect to any dispute hereunder that (i) is expressly required or permitted by the terms of the Condominium Documents to be resolved by arbitration, or (ii) is a dispute, claim or controversy regarding whether a consent or approval required not to be unreasonably withheld has been reasonably or unreasonably withheld or (iii) that the parties to such dispute agree to submit to arbitration shall be determined and shall be resolved by binding arbitration (and not by litigation, except with respect to the enforcement of an arbitrator's decision) in accordance with the following:

A. If any matter is to be submitted to arbitration pursuant to the Condominium Documents and in accordance with this Section 15.4, such arbitration shall be conducted before a single Qualified Arbitrator in the City in which the Property is located in accordance with then Applicable Arbitration Rules of the American Arbitration Association (or any successor organization) ("AAA") for expedited procedures ("Expedited Procedures"); provided, however,

that if the terms of this Section 15.4 differ from or conflict with then applicable Expedited Procedures, the arbitrator shall be chosen in accordance with, and the arbitration shall be governed by, the terms and provisions of this Section 15.4. The term "Applicable Arbitration Rules" shall mean (i) with respect to construction disputes, the Construction Industry Arbitration Rules and Arbitration Procedures of the AAA then in effect, (ii) with respect to real estate disputes, the AAA Arbitration Rules for the Real Estate Industry then in effect, and (iii) with respect to all other disputes subject to arbitration pursuant to the provisions hereof, the AAA Commercial Arbitration Rules then in effect. The term "Qualified Arbitrator" shall mean a person who has at least ten (10) years' experience in a calling reasonably connected with the subject matter of the arbitration and shall be a disinterested and impartial person of recognized competence.

B. In the event that the Board or a Unit Owner shall elect to arbitrate a dispute, claim or controversy in accordance with, and where permitted by, this Section 15.4, the Board or the Unit Owner desiring arbitration shall deliver written notice thereof (such notice, an "Arbitration Notice") to each of the other Unit Owners (which notice, if so delivered by a Unit Owner, shall also be deemed to constitute notice thereof to the Board) of the Board's or such Unit Owner's, as the case may be, desire to enter into arbitration to resolve the dispute in question; which notice shall include a brief statement of the nature of the dispute and the relief being sought. Contemporaneously with delivery of the Arbitration Notice, the party delivering the Arbitration Notice shall also request from the other parties to the Arbitration the production of documents relating to such dispute, which documents shall be produced within fourteen (14) days of appointment of the Qualified Arbitrator. Within the ten day period after the delivery of any Arbitration Notice, any Unit Owner who is not one of the initial disputing parties but believes it may be affected by such arbitration may, by notice to each of the other Unit Owners (which notice shall also be deemed to constitute notice thereof to the Board), elect to intervene and participate in such dispute, in which event such Unit Owner shall have the right to so intervene and shall thereafter be deemed a disputing party with all the same rights and obligations as the other disputing parties; provided, however, the Qualified Arbitrator may exclude unduly repetitious evidence and may require two (2) or more of the Unit Owners who so elect to join in to consolidate the presentation of their cases as may be necessary or proper to the effective and efficient administration of the proceedings.

C. Within ten (10) business days after the giving of an Arbitration Notice, the parties to the arbitration shall attempt to select a Qualified Arbitrator to resolve the dispute described in the Arbitration Notice by arbitration in accordance with this Section 15.4. If the disputing parties have not resolved the dispute in question or agreed on a single Qualified Arbitrator within said ten (10) business day period, then any disputing party (including the party who delivered the Arbitration Notice) may apply to the local office of the AAA to appoint a Qualified Arbitrator in accordance with the Expedited Procedures to decide the dispute raised in the Arbitration Notice or if the AAA shall not then exist or shall fail, refuse or be unable to act such that the Qualified Arbitrator is not so appointed by the AAA within thirty (30) days after application therefor, then any disputing party (including the party who delivered the Arbitration Notice) may apply to any of the then-President of the local bar association, the Chief Justice of the highest court of the State in which the Property is located or any serving justice of any court of such State for the appointment of the Qualified Arbitrator.

D. Within five (5) days of the giving of an Arbitration Notice, the Board shall make available to each disputing party all applicable books and records in connection with such dispute. The hearing shall be conducted in accordance with the Expedited Procedures, or as the disputing parties may otherwise agree. The decision and award of the Qualified Arbitrator shall be binding on the Unit Owners and the Board and shall be enforceable in any court of competent jurisdiction. Notwithstanding anything to the contrary contained herein, the Qualified Arbitrator may take whatever interim measures are deemed necessary, including injunctive relief; provided, however, that each party shall also be permitted recourse to a court for such interim or provisional relief necessary to preserve its right to arbitrate so long as it is not incompatible with the agreement to arbitrate and no such recourse shall constitute a waiver of the right to arbitrate the dispute in question.

E. The Qualified Arbitrator's decision shall be based on the standards and provisions set forth in, and the purposes of, the Condominium Documents, and absent such specific standards and provisions, shall be based on what a reasonably prudent owner of a comparable property in a comparable location would determine under similar circumstances. The Qualified Arbitrator shall consider only the specific issues submitted to it for resolution, as initially set forth in the Arbitration Notice. The Unit Owners and the Board shall execute all documents and do all other things necessary to submit to an arbitration and hereby waive any and all rights they or any of them may have to revoke their agreement as aforesaid to submit to arbitration and to abide by the decision rendered thereunder. The Qualified Arbitrator shall apply the law of the State in which the Property is located without regard to conflicts of laws principles and shall have no power to vary or modify any of the provisions of the Condominium Documents, and its powers and jurisdiction are hereby limited accordingly. In no event shall any Unit Owner seek (or shall the Qualified Arbitrator award) consequential or punitive damages, and the Qualified Arbitrator's powers shall be so limited. No failure or refusal of a Unit Owner to consent to any proposed action shall be subject to arbitration, except to the extent (i) such Unit Owner is required pursuant to the express provisions of the Condominium Documents to act in accordance with certain standards, (ii) such arbitration is to determine whether such Unit Owner acted within such standards, and (iii) such arbitration is otherwise permitted as provided in this Section 15.4. In the event that separate arbitration proceedings are commenced under this Section 15.4, and the same or similar issues arise in two (2) or more such arbitration proceedings, all such arbitration proceedings shall be consolidated with, and heard by the Qualified Arbitrator appointed in the proceeding in which the Arbitration Notice was first given.

F. The arbitration costs may be charged to the losing Unit Owner or allocated between the Unit Owners as may be determined by the Qualified Arbitrator; provided if no such allocation is made by the Qualified Arbitrator, the arbitration costs shall be split equally by the parties to the arbitration.

Section 15.5 Special Provisions Relative to Uniqueness and Public Purpose of Central Office Use of Verizon Units. The terms and provisions of each of Exhibits E through and including Exhibit H are hereby incorporated in this Declaration and made a part of this Declaration. Notwithstanding any other provision of any Condominium Document to the contrary, the terms and provisions of such Exhibits E through H shall govern and control; provided, however, that the provisions of Exhibit F shall terminate on the Verizon Special Rights Termination Date.

Section 15.6 Construction. Words used in the singular or in the plural, respectively, include both the plural and the singular, words denoting males include females, and words denoting persons include individuals, firms, associations, companies (joint stock or otherwise), trusts, and corporations unless a contrary intention is to be inferred from or required by the subject matter or context. Any cover, captions, and table of contents are inserted only for convenience of reference and are not to control or affect the meaning, construction, interpretation, or effect of this Declaration. Unless the context otherwise indicates, words defined in the Condominium Act shall have the same meaning herein as defined in such statute. References in the descriptions contained in this Declaration or the Plans which include terms like "storage room" and "mechanical room," and the like are made only for the sake of convenience and shall not imply any limitation on the use of such Elements.

Section 15.7 Severability. The invalidity of any provision of this Declaration shall not impair or affect the validity of the remainder of this Declaration. In such event, all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provisions had never been included herein.

Section 15.8 Waiver. No provision of this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce such provision, irrespective of the number of violations or breaches which may occur.

ARTICLE 16

PERSON TO RECEIVE SERVICE OF PROCESS

In accordance with Section 339-n of the Condominium Act, the Secretary of State of the State of New York is hereby designated to receive service of process on behalf of the Board in any action or proceeding which may be brought against the Condominium, the Board or any Unit. The Secretary of State, in such event, shall deliver a copy of any papers which have been so served on it to the Board at its office at 50 Varick Street, New York, New York 10013. The Board shall promptly notify each Unit Owner (or its representatives on the Board) of the bringing of any claim, or the commencement of any action or proceeding against the Condominium, the Board, or a Unit Owner, unless the same is fully covered by insurance. The Board may at any time change the address to which the Secretary of State is to deliver copies of papers so served on it, provided that the Board notifies each of the Owners of such new address and delivers copies of any papers that it receives to each person then serving on the Board.

[Signature page attached.]

IN WITNESS HEREOF, the undersigned Declarant has caused this Declaration to be executed as of the day and year first above written.

VERIZON NEW YORK INC.

By: _____

Name:
Title:

STATE OF NEW YORK)
) ss.:
COUNTY OF)

On the ____ day of _____ in the year 2010 before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

EXHIBIT A

LEGAL DESCRIPTION OF LAND

ALL THAT CERTAIN PLOT, PIECE OR PARCEL OF LAND, SITUATE, LYING AND BEING IN THE BOROUGH OF MANHATTAN, COUNTY AND STATE OF NEW YORK, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE EASTERLY SIDE OF VARICK STREET DISTANT ONE HUNDRED AND ONE FEET, SIX INCHES NORTHERLY FROM THE CORNER FORMED BY THE INTERSECTION OF THE EASTERLY SIDE OF VARICK STREET WITH THE NORTHERLY SIDE OF BEACH STREET;

RUNNING THENCE EASTERLY AND PARALLEL WITH THE NORTHERLY SIDE OF BEACH STREET, SOUTH 80° 22’ 00” EAST, ONE HUNDRED FORTY FEET AND FIVE EIGHTHS OF AN INCH TO THE WESTERLY SIDE OF ST. JOHN’S LANE;

THENCE NORTHERLY ALONG THE WESTERLY SIDE OF ST. JOHN’S LANE, NORTH 9° 38’ 20” EAST, TWO HUNDRED THIRTY-NINE FEET NINE INCHES (DEED; 239.48 FEET ACTUAL)’

THENCE WESTERLY AND PARALLEL WITH THE SOUTHERLY SIDE OF LAIGHT STREET NORTH 80° 22’ 00” WEST ONE HUNDRED AND FORTY FEET AND SEVEN EIGHTHS OF AN INCH TO THE EASTERLY SIDE OF VARICK STREET;

AND THENCE SOUTHERLY ALONG THE EASTERLY SIDE OF VARICK STREET SOUTH 8° 38’ 00” WEST, TWO HUNDRED THIRTY-NINE FEET, FIVE INCHES AND THREE-QUARTER INCHES TO THE POINT OR PLACE OF BEGINNING.

EXHIBIT B

See attached.

Note that references to "Principal Unit" in the attached shall be construed to refer to "Unit A" in this Declaration.

EXHIBIT B
DESCRIPTION OF UNITS
50 Varick Street

Unit Designation	Tax Lot #	Location by Floor	Common Elements to Which Unit has Immediate Access	Approximate Aggregate Area (sq. ft.)	Common Interest (%)	Limited Common Element Approximate Aggregate Area (sq. ft.)
Principal Unit	1001	5 - 7, 1, Basement	General Common Element, Verizon Units LCE, Principal Unit LCE	101,944	45.772065%	5,789
Principal Unit LCE Sub-Total:						5,789
Fourth Floor Unit	1005	4	General Common Element, Verizon Units LCE, Principal Unit LCE	30,843	13.848268%	2,773
Third Floor Unit	1004	3	General Common Element, Verizon Units LCE, Principal Unit LCE	30,904	13.875656%	2,779
Second Floor Unit	1003	2	General Common Element, Verizon Units LCE, Principal Unit LCE	30,914	13.880146%	2,780
First Floor Unit	1002	1	General Common Element, Verizon Units LCE, Principal Unit LCE	10,851	4.872015%	976
Cable Vault Unit	1006	Basement	General Common Element, Verizon Units LCE	17,265	7.751850%	1,552
Verizon Units LCE Sub-Total:						10,860
Totals:				222,721	100.000000%	

EXHIBIT C

PLANS DEPICTING THE CONDOMINIUM

See attached.

Note that references to "Principal Unit" in the attached shall be construed to refer to "Unit A" in this Declaration.

Condominium Plan No. _____

Name of Condominium

50 Varick Street Condominium

Address of Condominium

50 Varick Street, New York, New York, 10013

Declarant

Verizon New York Inc.

SECTION X, TAX BLOCK 212

N/K/A TAX LOTS 1001 - 1006

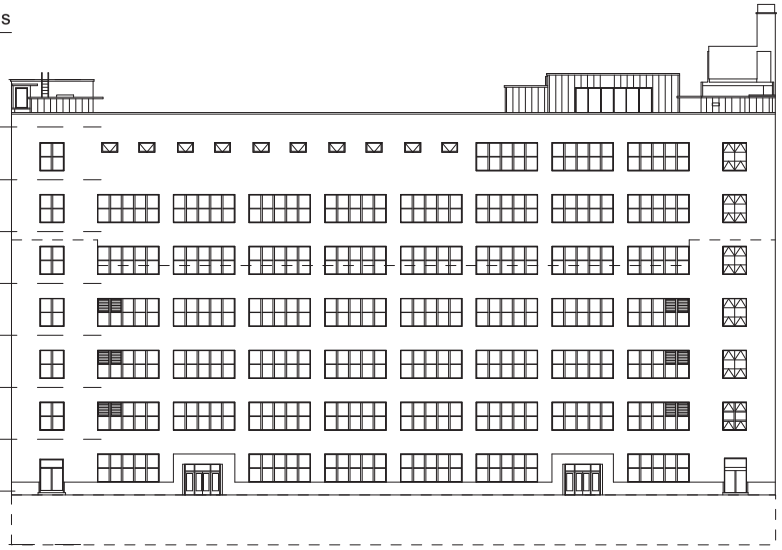
F/K/A LOT 9

APPROVED TAX MAP UNIT _____

FILED IN NEW YORK CITY LAND RECORDS DIVISION _____

THE LAND AFFECTED BY THE WITHIN INSTRUMENT LIES IN SECTION X IN TAX BLOCK 212
ON THE BLOCK MAP OF TAXES AND ASSESSMENTS IN THE BOROUGH OF MANHATTAN

Primary Unit	Floor No.	Slab to Slab Dimensions
Verizon Units LCE, General Common Element	Penthouse Roof	
Verizon Units LCE, Principal Unit LCE, General Common Element	Penthouse	14' 10"
Principal Unit	07	16' 7 1/2"
	06	16' 4"
	05	16' 4"
Fourth Floor Unit	04	16' 4"
Third Floor Unit	03	16' 4"
Second Floor Unit	02	16' 4"
Principal Unit, First Floor Unit, Verizon Units LCE, General Common Element	01	16' 4"
Principal Unit, Cable Vault Unit, Verizon Units LCE, General Common Element	Basement	16' 10"



Version v13
Revised 12/17/2009
Printed 12/17/2009

Project Name: 50 Varick Street Condo v13 0107
Drawing Name: 01 Varick St Section Land Allo

50 Varick Street
Varick Street Elevation Exhibit

0 10 20 40 60

CONDOMINIUM PLAN CERTIFICATION

Tax Map Unit
City of New York
Certifies That

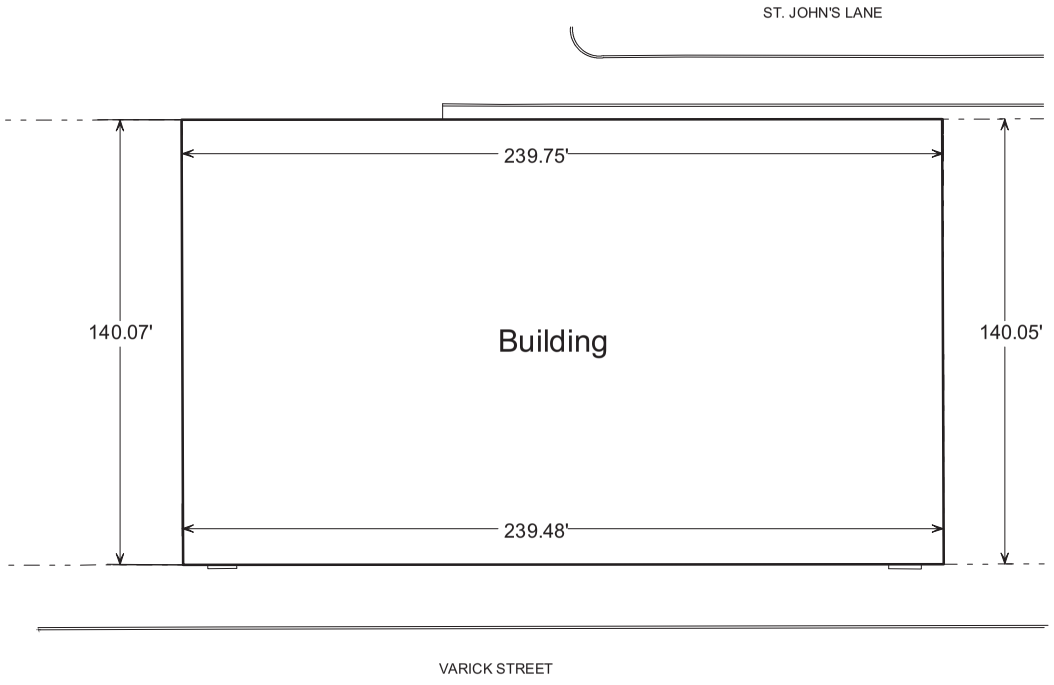
(A) The annexed floor plans consisting of 11 pages, including this page, covering below grade levels, lobby, floors 1 through 7,roofs and penthouses in premesis known as

50 Varick STREET CONDOMINIUM
50 Varick Street, New York, New York, 10013

(B) The lot designations for the separate unit shown thereon conform to the official tax lot number map of taxes and assessments of the City of New York, Borough of Manhattan

CARTOGRAPHER
TAX MAP UNIT

DATE



Legend

Building Line

Property Line

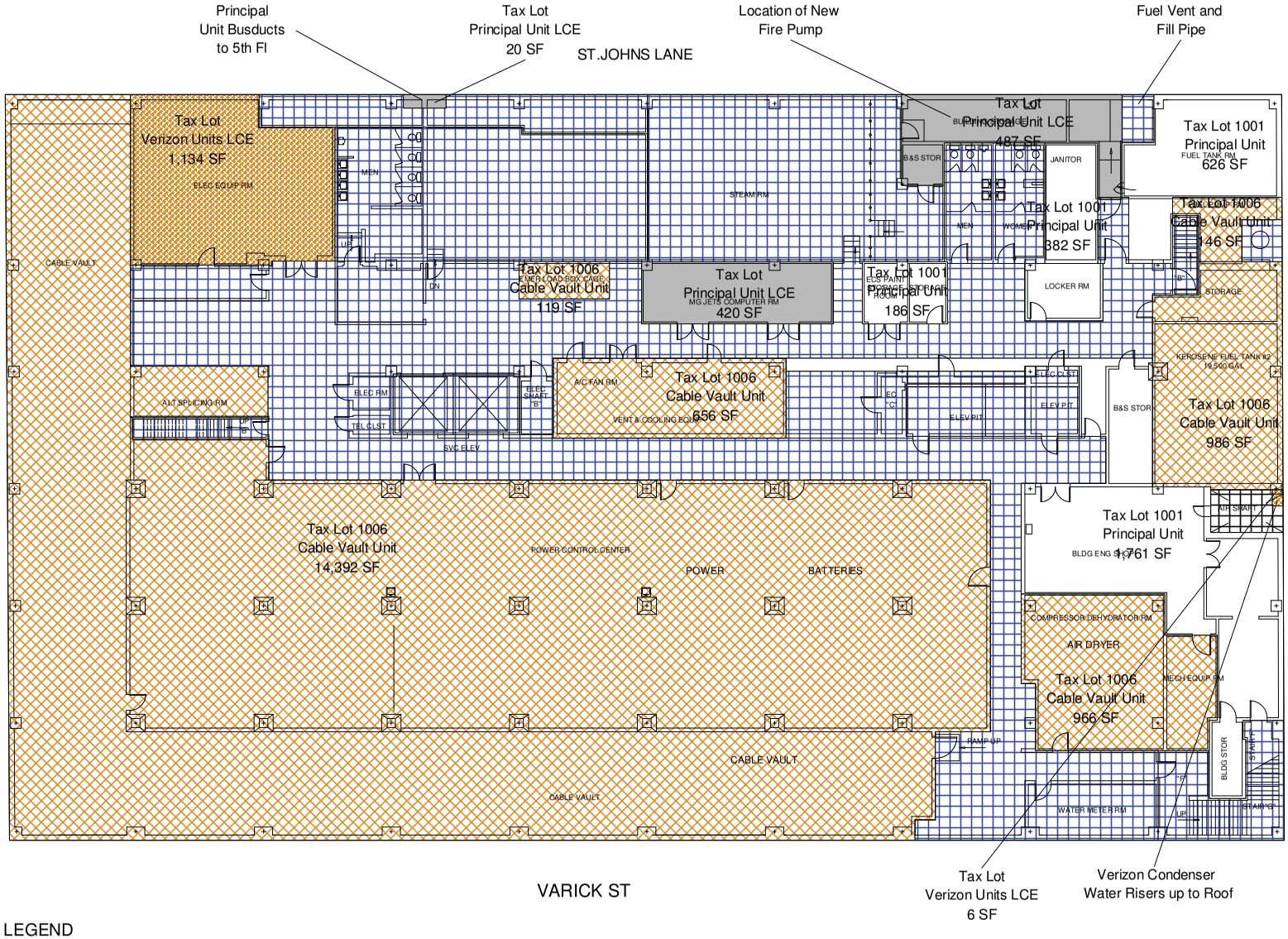
Note:
All Dimenstions are Approximate

Version v13
Revised 12/17/2009
Printed 12/17/2009

Project Name: 50 Varick Street Condo v13 0107
Drawing Name: 50 Varick St Studio Land Allo

50 Varick Street
Land Allocation Exhibit
Page 1

0 10 20 40 60



LEGEND

Tax Lot Number	Unit / Element Name	SF This Floor	SF Total Bldg
1001	Principal Unit	2,955	101,944
1006	Cable Vault Unit	17,265	17,265
	Verizon Units LCE	1,140	10,860
	General Common Element	11,160	39,376
	Principal Unit LCE	927	5,789

Areas enclosed by this heavy dotted line indicate horizontal conveyance of pipes or ducting, usually ceiling hung, and are not included in the square footage displayed.

Limited Common Elements (LCE) Notes:
- Principal Unit LCE is appurtenant to Tax Lot Number 1001-Principal Unit
- Verizon Units LCE is appurtenant to Tax Lot numbers 1006-Cable Vault Unit, 1002-First Floor Unit, 1003-Second Floor Unit, 1004-Third Floor Unit, 1005-Fourth Floor Unit

Gross Floor Area SF: 33,455

Horizontal and Vertical Dimensions.

Each unit of the area measured as follows: (i) vertically, from the upper surface of the unfinished concrete floor slab to the lower surface of structural elements, deck, fireproofing or building utilities; (ii) horizontally, from the centerline of the wall separating the unit from another unit or common elements to (a) the centerline of exterior walls without windows or glazing; excluding, however, the portion of any exterior building walls bounded by the interior surface of the exterior curtainwall system including the back up wall studs and interior surface of the concrete or masonry wall, (b) an imaginary line along the entire wall defined by the vertical plane of the exterior face of the glass of exterior building walls consisting in whole or in part of windows, glazed doors or other glazing areas, such that all glass windows, glass panels and other glass elements shall be part of each of the units, and (c) to the exterior surface of doors, including door glass (if any) and door frames.

Declarant:

Name: Verizon New York Inc.
Address: 140 West Street, NYC, NY 10007

Architect's Certification

State of New York
County of New York
This plan is an accurate copy of a portion of the plans of the building as filed and approved by the Department of Buildings, City of New York and fairly depicts the layout, location of unit designations and approximate dimensions of the units as built.

_____
Jan L. Gross, AIA

Notarization

Sworn to before me this
_____ day _____ of 2009.

_____
(Signature above)

Tax Lot Certification

The unit designation and the tax lot numbers shown hereon conform to the official tax lot numbers shown on the block map of Taxes and Assessments of Property Assessment Bureau of the City of New York, Borough of Manhattan.

_____ _____
Date Cartographer

Project: 50 Varick Street Condo Conversion
Client: Verizon New York Inc.
Architect: Gensler Architecture, Design & Planning, P.C.

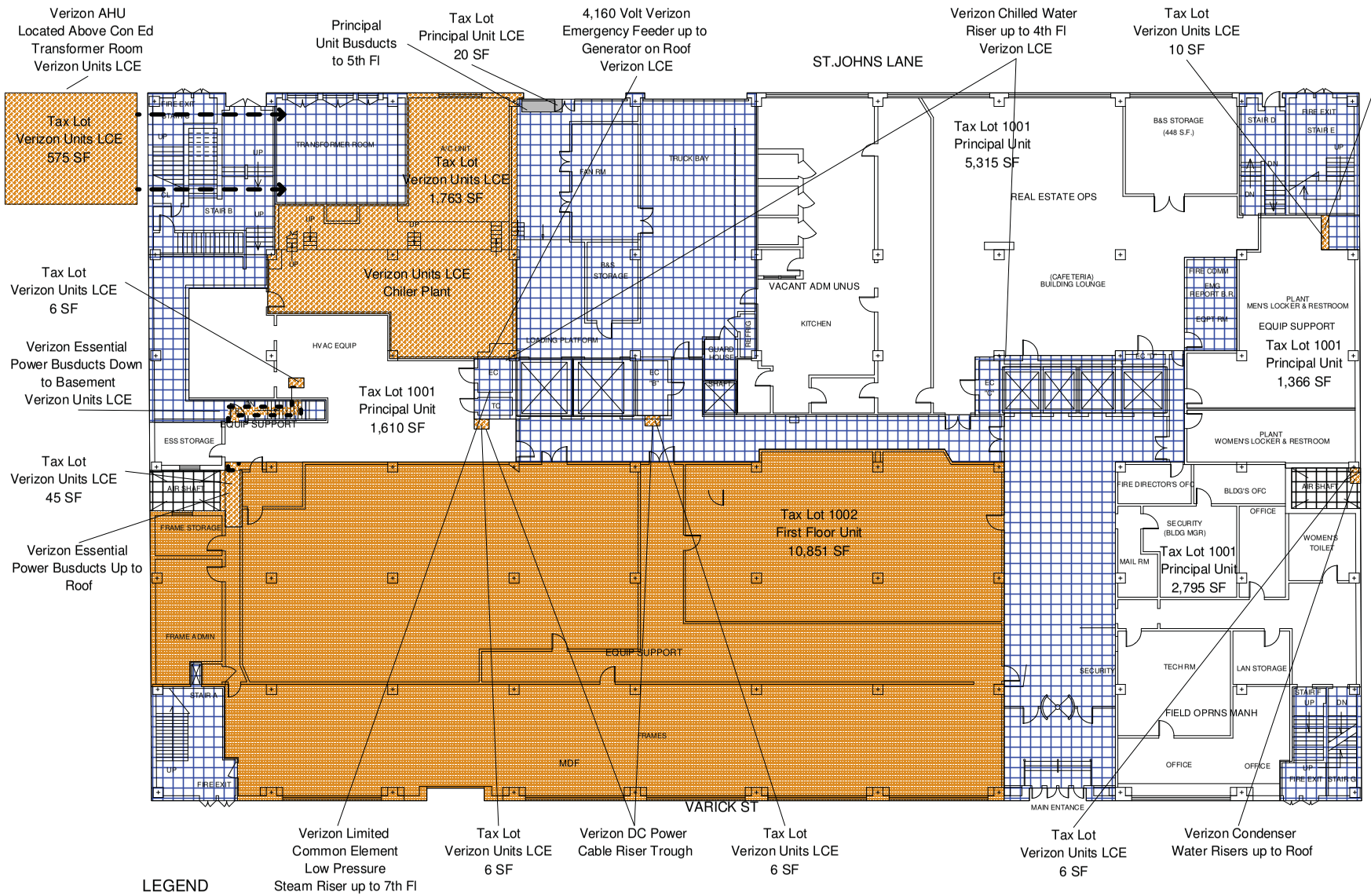
Version v13
Revised 12/17/2009
Printed 12/17/2009

Project Name: 50 Varick Street Condo v13 091217
Drawing Name: 50 Varick St Condo v13 091217

10 20 40 60

50 Varick Street

Basement
Page 02



LEGEND

Tax Lot Number	Unit / Element Name	SF This Floor	SF Total Bldg
1001	Principal Unit	11,086	101,944
1002	First Floor Unit	10,851	10,851
	Verizon Units LCE	2,417	10,860
	General Common Element	9,396	39,376
	Principal Unit LCE	20	5,789

Areas enclosed by this heavy dotted line indicate horizontal conveyance of pipes or ducting, usually ceiling hung, and are not included in the square footage displayed.

Limited Common Elements (LCE) Notes:
- Principal Unit LCE is appurtenant to Tax Lot Number 1001-Principal Unit
- Verizon Units LCE is appurtenant to Tax Lot numbers 1006-Cable Vault Unit, 1002-First Floor Unit, 1003-Second Floor Unit, 1004-Third Floor Unit, 1005-Fourth Floor Unit

Gross Floor Area SF: 33,203

Horizontal and Vertical Dimensions.

Each unit of the area measured as follows: (i) vertically, from the upper surface of the unfinished concrete floor slab to the lower surface of structural elements, deck, fireproofing or building utilities; (ii) horizontally, from the centerline of the wall separating the unit from another unit or common elements to (a) the centerline of exterior walls without windows or glazing; excluding, however, the portion of any exterior building walls bounded by the interior surface of the exterior curtainwall system including the back up wall studs and interior surface of the concrete or masonry wall, (b) an imaginary line along the entire wall defined by the vertical plane of the exterior face of the glass of exterior building walls consisting in whole or in part of windows, glazed doors or other glazing areas, such that all glass windows, glass panels and other glass elements shall be part of each of the units, and (c) to the exterior surface of doors, including door glass (if any) and door frames.

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Architect's Certification

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County of New York
This plan is an accurate copy of a portion of the plans of the building as filed and approved by the Department of Buildings, City of New York and fairly depicts the layout, location of unit designations and approximate dimensions of the units as built.

_____
Jan L. Gross, AIA

Notarization

Sworn to before me this
_____ day _____ of 2009.

_____
(Signature above)

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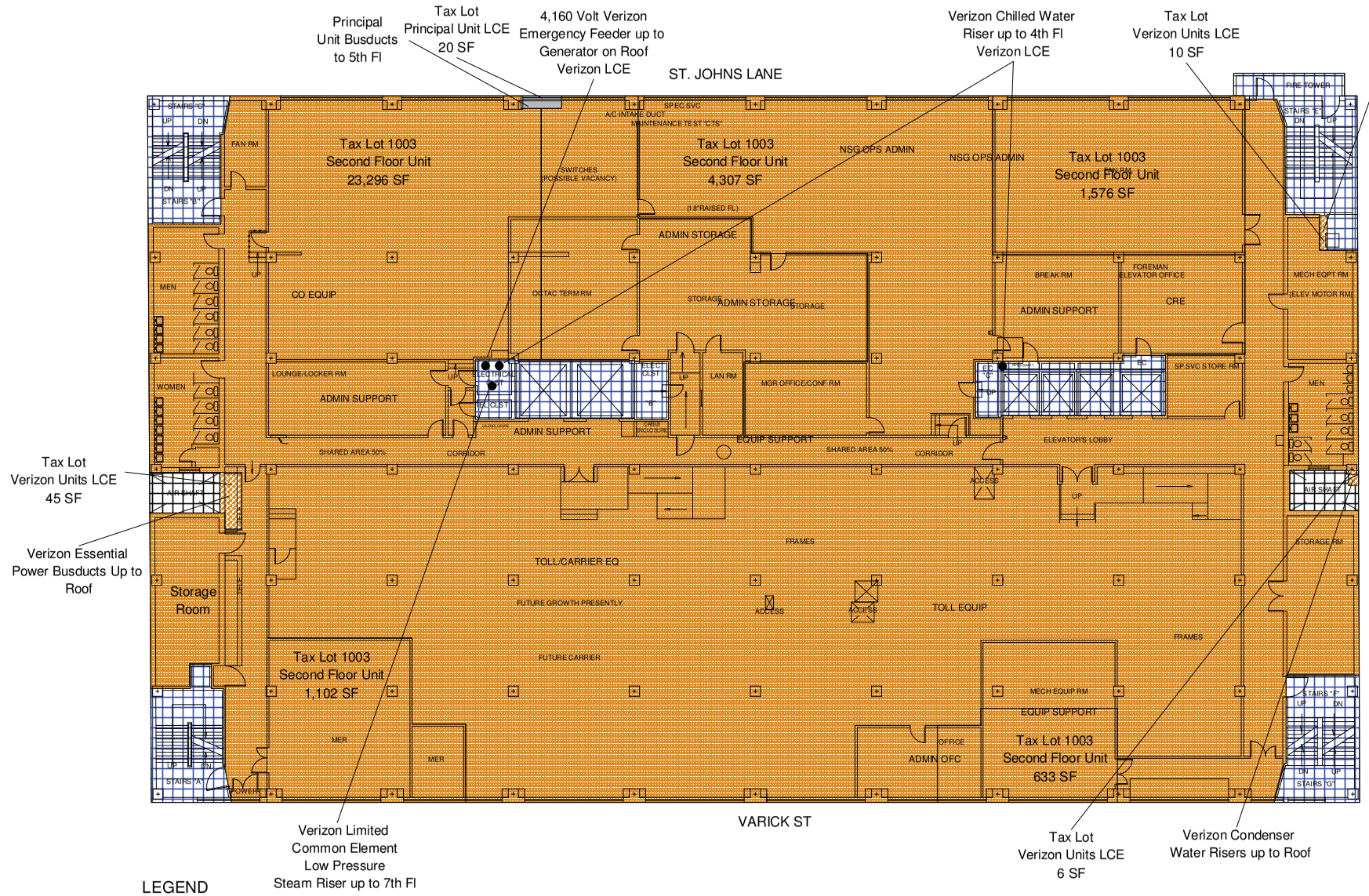
Printed 12/17/2009

Project Name: 50 Varick Street Condo v13 091217
Drawing Name: 50 Varick St Condo v13 091217

10 20 40 60

50 Varick Street

1st Floor



LEGEND

Tax Lot Number	Unit / Element Name	SF This Floor	SF Total Bldg
1003	Second Floor Unit	30,914	30,914
	Verizon Units LCE	61	10,860
	General Common Element	2,444	39,376
	Principal Unit LCE	20	5,789

Areas enclosed by this heavy dotted line indicate horizontal conveyance of pipes or ducting, usually ceiling hung, and are not included in the square footage displayed.

Limited Common Elements (LCE) Notes:
- Principal Unit LCE is appurtenant to Tax Lot Number 1001-Principal Unit
- Verizon Units LCE is appurtenant to Tax Lot numbers 1006-Cable Vault Unit, 1002-First Floor Unit, 1003-Second Floor Unit, 1004-Third Floor Unit, 1005-Fourth Floor Unit

Gross Floor Area SF: 33,442

Horizontal and Vertical Dimensions.

Each unit of the area measured as follows: (i) vertically, from the upper surface of the unfinished concrete floor slab to the lower surface of structural elements, deck, fireproofing or building utilities; (ii) horizontally, from the centerline of the wall separating the unit from another unit or common elements to (a) the centerline of exterior walls without windows or glazing; excluding, however, the portion of any exterior building walls bounded by the interior surface of the exterior curtainwall system including the back up wall studs and interior surface of the concrete or masonry wall, (b) an imaginary line along the entire wall defined by the vertical plane of the exterior face of the glass of exterior building walls consisting in whole or in part of windows, glazed doors or other glazing areas, such that all glass windows, glass panels and other glass elements shall be part of each of the units, and (c) to the exterior surface of doors, including door glass (if any) and door frames.

Declarant:

Name: Verizon New York Inc.
Address: 140 West Street, NYC, NY 10007

Architect's Certification

State of New York
County of New York
This plan is an accurate copy of a portion of the plans of the building as filed and approved by the Department of Buildings, City of New York and fairly depicts the layout, location of unit designations and approximate dimensions of the units as built.

_____
Jan L. Gross, AIA

Notarization

Sworn to before me this
_____ day _____ of 2009.

_____
(Signature above)

Tax Lot Certification

The unit designation and the tax lot numbers shown hereon conform to the official tax lot numbers shown on the block map of Taxes and Assessments of Property Assessment Bureau of the City of New York, Borough of Manhattan.

_____ _____
Date Cartographer

Project: 50 Varick Street Condo Conversion
Client: Verizon New York Inc.
Architect: Gensler Architecture, Design & Planning, P.C.

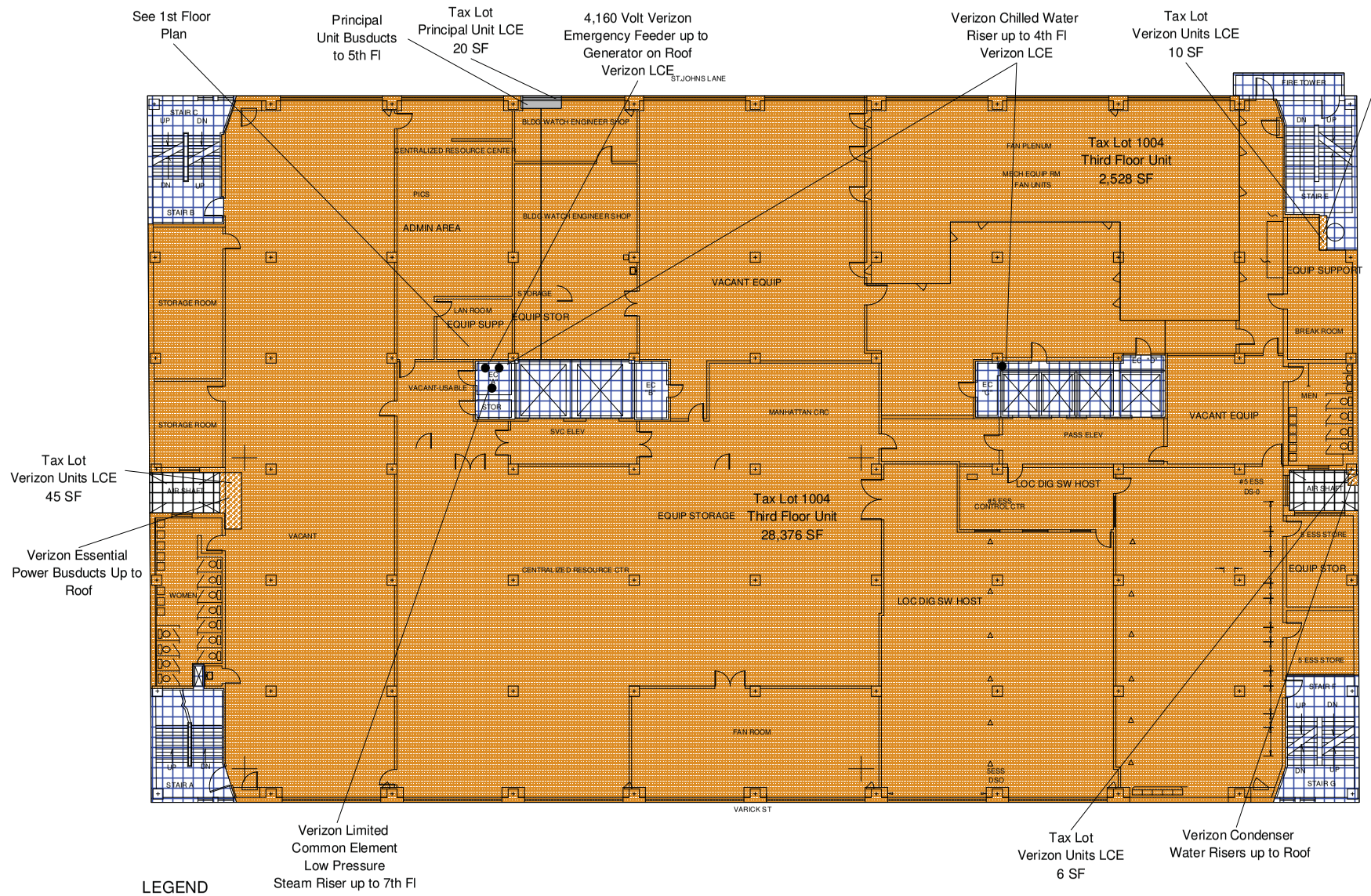
Version v13
Revised 12/17/2009
Printed 12/17/2009

Project Name: 50 Varick Street Condo v13 091217
Drawing Name: 50 Varick St Condo v13 091217

10 20 40 60

50 Varick Street

2nd Floor



LEGEND

Tax Lot Number	Unit / Element Name	SF This Floor	SF Total Bldg
1004	Third Floor Unit	30,904	30,904
	Verizon Units LCE	61	10,860
	General Common Element	2,456	39,376
	Principal Unit LCE	20	5,789

Areas enclosed by this heavy dotted line indicate horizontal conveyance of pipes or ducting, usually ceiling hung, and are not included in the square footage displayed.

Limited Common Elements (LCE) Notes:
- Principal Unit LCE is appurtenant to Tax Lot Number 1001-Principal Unit
- Verizon Units LCE is appurtenant to Tax Lot numbers 1006-Cable Vault Unit, 1002-First Floor Unit, 1003-Second Floor Unit, 1004-Third Floor Unit, 1005-Fourth Floor Unit

Gross Floor Area SF: 33,442

10 20 40 60

Horizontal and Vertical Dimensions.

Each unit of the area measured as follows: (i) vertically, from the upper surface of the unfinished concrete floor slab to the lower surface of structural elements, deck, fireproofing or building utilities; (ii) horizontally, from the centerline of the wall separating the unit from another unit or common elements to (a) the centerline of exterior walls without windows or glazing; excluding, however, the portion of any exterior building walls bounded by the interior surface of the exterior curtainwall system including the back up wall studs and interior surface of the concrete or masonry wall, (b) an imaginary line along the entire wall defined by the vertical plane of the exterior face of the glass of exterior building walls consisting in whole or in part of windows, glazed doors or other glazing areas, such that all glass windows, glass panels and other glass elements shall be part of each of the units, and (c) to the exterior surface of doors, including door glass (if any) and door frames.

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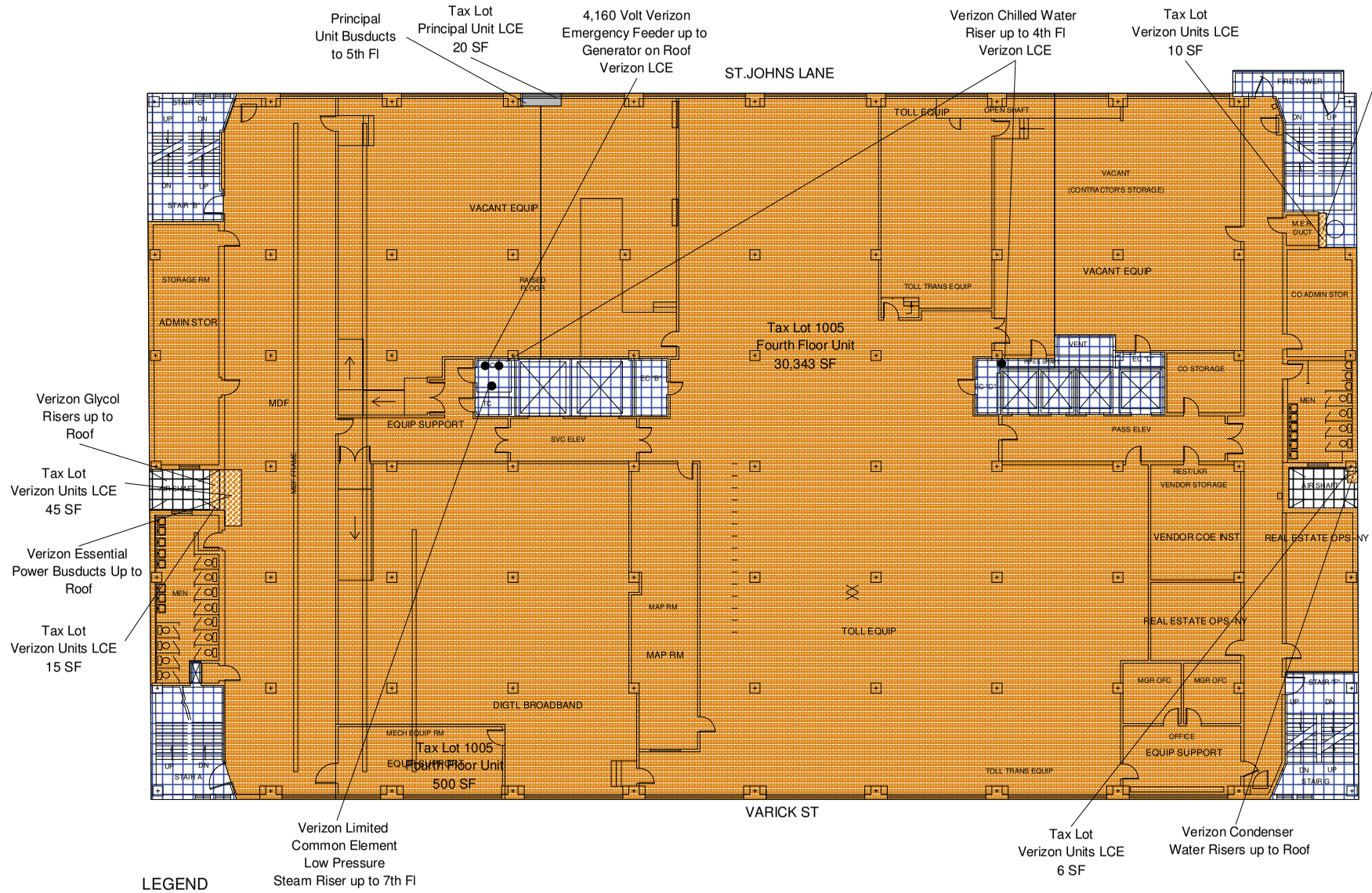
Version v13
Revised 12/17/2009
Printed 12/17/2009

Project Name: 50 Varick Street Condo v13 091217
Drawing Name: 50 Varick St Condo v13 091217

50 Varick Street

3rd Floor



Horizontal and Vertical Dimensions.

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County of New York
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Date Cartographer

Project: 50 Varick Street Condo Conversion
Client: Verizon New York Inc.
Architect: Gensler Architecture, Design & Planning, P.C.

LEGEND

Tax Lot Number	Unit / Element Name	SF This Floor	SF Total Bldg
1005	Fourth Floor Unit	30,843	30,843
	Verizon Units LCE	76	10,860
	General Common Element	2,516	39,376
	Principal Unit LCE	20	5,789

Areas enclosed by this heavy dotted line indicate horizontal conveyance of pipes or ducting, usually ceiling hung, and are not included in the square footage displayed.

Limited Common Elements (LCE) Notes:
- Principal Unit LCE is appurtenant to Tax Lot Number 1001-Principal Unit
- Verizon Units LCE is appurtenant to Tax Lot numbers 1006-Cable Vault Unit, 1002-First Floor Unit, 1003-Second Floor Unit, 1004-Third Floor Unit, 1005-Fourth Floor Unit

Gross Floor Area SF: 33,442

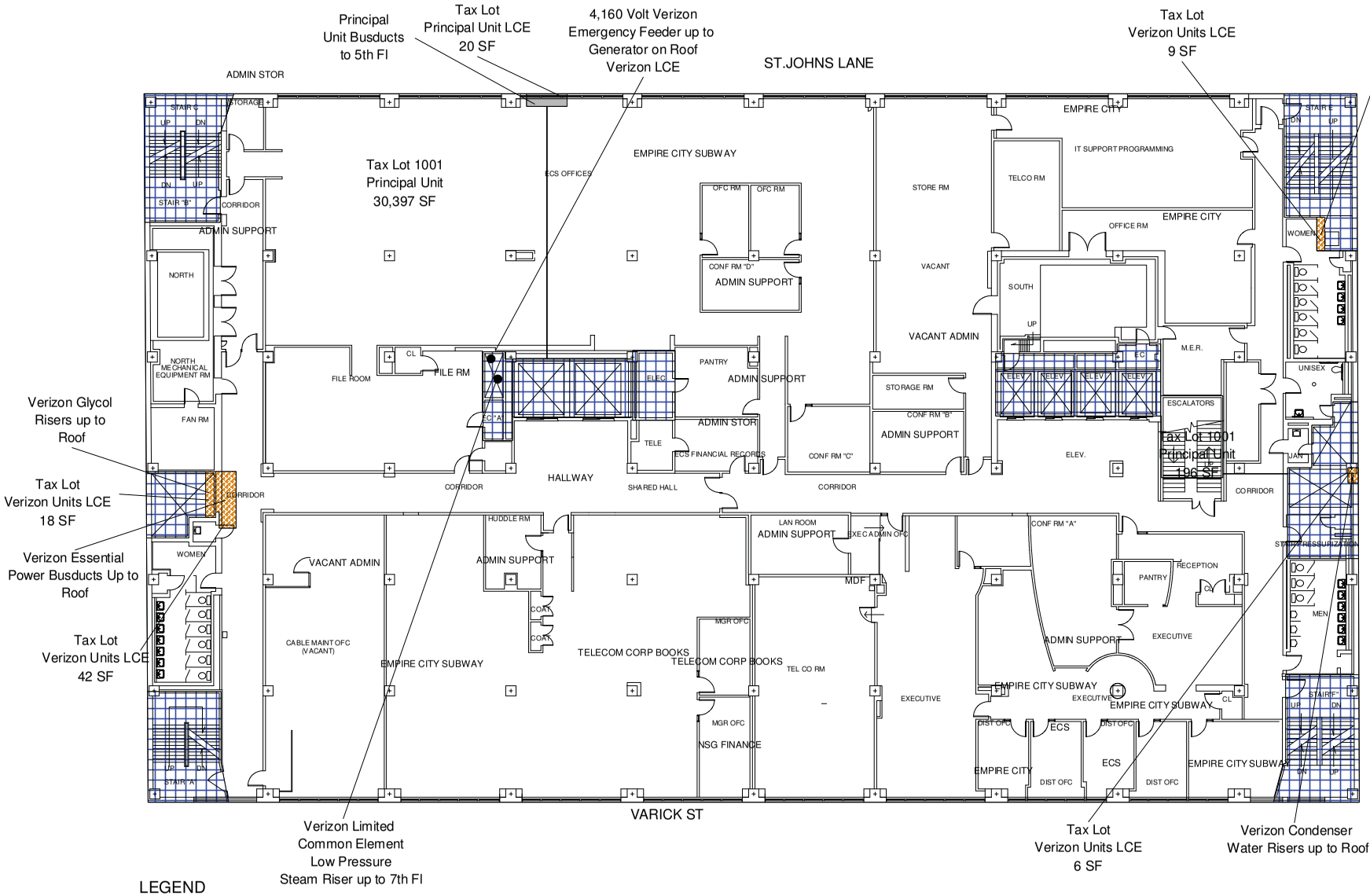
Version v13
Revised 12/17/2009
Printed 12/17/2009

Project Name: 50 Varick Street Condo v13 091217
Drawing Name: 50 Varick St Condo v13 091217

10 20 40 60

50 Varick Street

4th Floor



LEGEND

Tax Lot Number	Unit / Element Name	SF This Floor	SF Total Bldg
1001	Principal Unit	30,593	101,944
	Verizon Units LCE	75	10,860
	General Common Element	2,867	39,376
	Principal Unit LCE	20	5,789

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Limited Common Elements (LCE) Notes:
- Principal Unit LCE is appurtenant to Tax Lot Number 1001-Principal Unit
- Verizon Units LCE is appurtenant to Tax Lot numbers 1006-Cable Vault Unit, 1002-First Floor Unit, 1003-Second Floor Unit, 1004-Third Floor Unit, 1005-Fourth Floor Unit

Gross Floor Area SF: 33,563

Horizontal and Vertical Dimensions.

Each unit of the area measured as follows: (i) vertically, from the upper surface of the unfinished concrete floor slab to the lower surface of structural elements, deck, fireproofing or building utilities; (ii) horizontally, from the centerline of the wall separating the unit from another unit or common elements to (a) the centerline of exterior walls without windows or glazing; excluding, however, the portion of any exterior building walls bounded by the interior surface of the exterior curtainwall system including the back up wall studs and interior surface of the concrete or masonry wall, (b) an imaginary line along the entire wall defined by the vertical plane of the exterior face of the glass of exterior building walls consisting in whole or in part of windows, glazed doors or other glazing areas, such that all glass windows, glass panels and other glass elements shall be part of each of the units, and (c) to the exterior surface of doors, including door glass (if any) and door frames.

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Architect's Certification

State of New York
County of New York
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Jan L. Gross, AIA

Notarization

Sworn to before me this
_____ day _____ of 2009.

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(Signature above)

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Date Cartographer

Project: 50 Varick Street Condo Conversion
Client: Verizon New York Inc.
Architect: Gensler Architecture, Design & Planning, P.C.

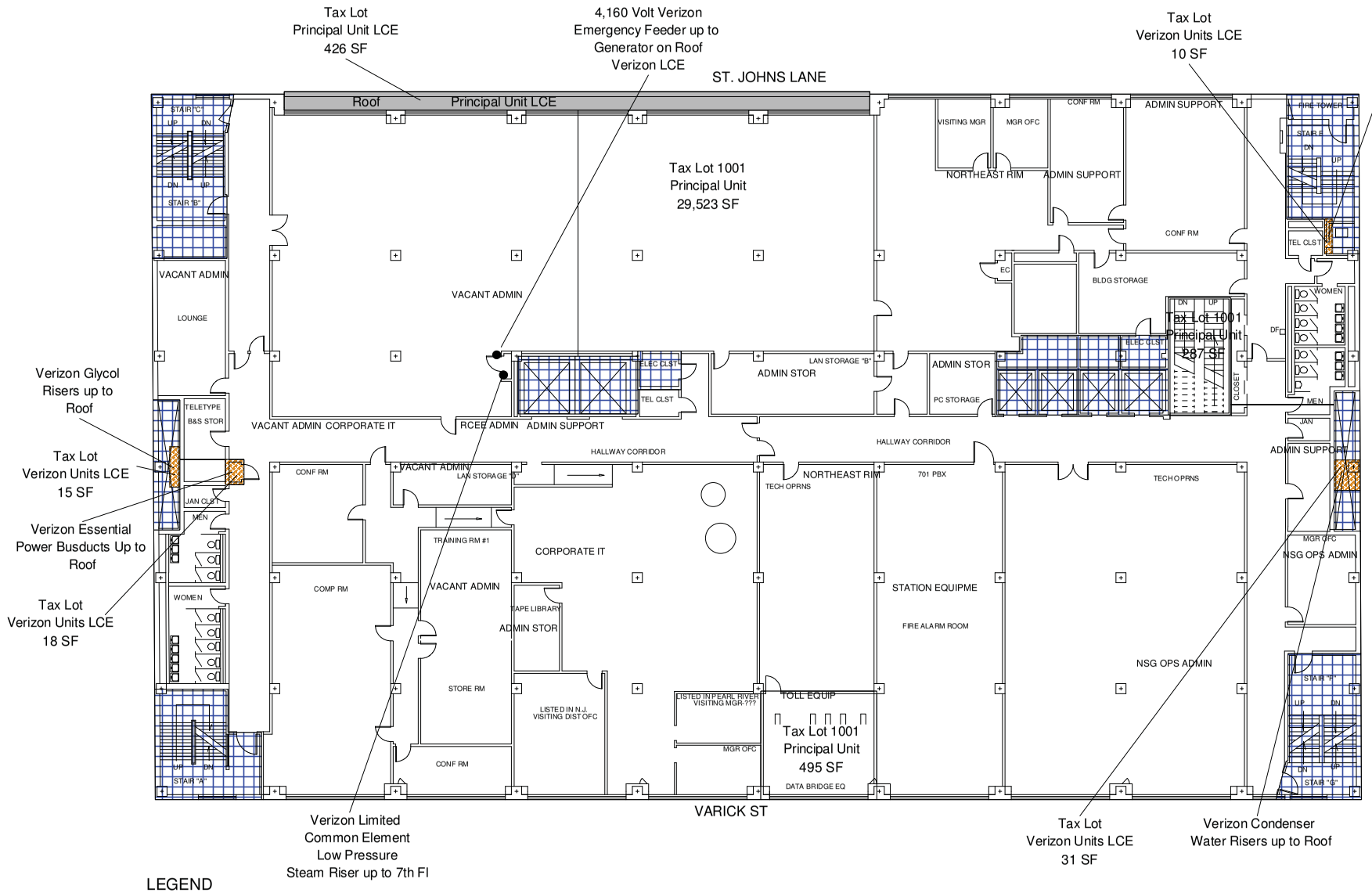
Version v13
Revised 12/17/2009
Printed 12/17/2009

Project Name: 50 Varick Street Condo v13 091217
Drawing Name: 50 Varick St Condo v13 091217

10 20 40 60

50 Varick Street

5th Floor



LEGEND

Tax Lot Number	Unit / Element Name	SF This Floor	SF Total Bldg
1001	Principal Unit	30,305	101,944
	Verizon Units LCE	74	10,860
	General Common Element	2,806	39,376
	Principal Unit LCE	426	5,789

Areas enclosed by this heavy dotted line indicate horizontal conveyance of pipes or ducting, usually ceiling hung, and are not included in the square footage displayed.

Limited Common Elements (LCE) Notes:
- Principal Unit LCE is appurtenant to Tax Lot Number 1001-Principal Unit
- Verizon Units LCE is appurtenant to Tax Lot numbers 1006-Cable Vault Unit, 1002-First Floor Unit, 1003-Second Floor Unit, 1004-Third Floor Unit, 1005-Fourth Floor Unit

Gross Floor Area SF: 33,195

Horizontal and Vertical Dimensions.

Each unit of the area measured as follows: (i) vertically, from the upper surface of the unfinished concrete floor slab to the lower surface of structural elements, deck, fireproofing or building utilities; (ii) horizontally, from the centerline of the wall separating the unit from another unit or common elements to (a) the centerline of exterior walls without windows or glazing; excluding, however, the portion of any exterior building walls bounded by the interior surface of the exterior curtainwall system including the back up wall studs and interior surface of the concrete or masonry wall, (b) an imaginary line along the entire wall defined by the vertical plane of the exterior face of the glass of exterior building walls consisting in whole or in part of windows, glazed doors or other glazing areas, such that all glass windows, glass panels and other glass elements shall be part of each of the units, and (c) to the exterior surface of doors, including door glass (if any) and door frames.

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Address: 140 West Street, NYC, NY 10007

Architect's Certification

State of New York
County of New York
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Jan L. Gross, AIA

Notarization

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_____ day _____ of 2009.

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(Signature above)

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Date Cartographer

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Client: Verizon New York Inc.
Architect: Gensler Architecture, Design & Planning, P.C.

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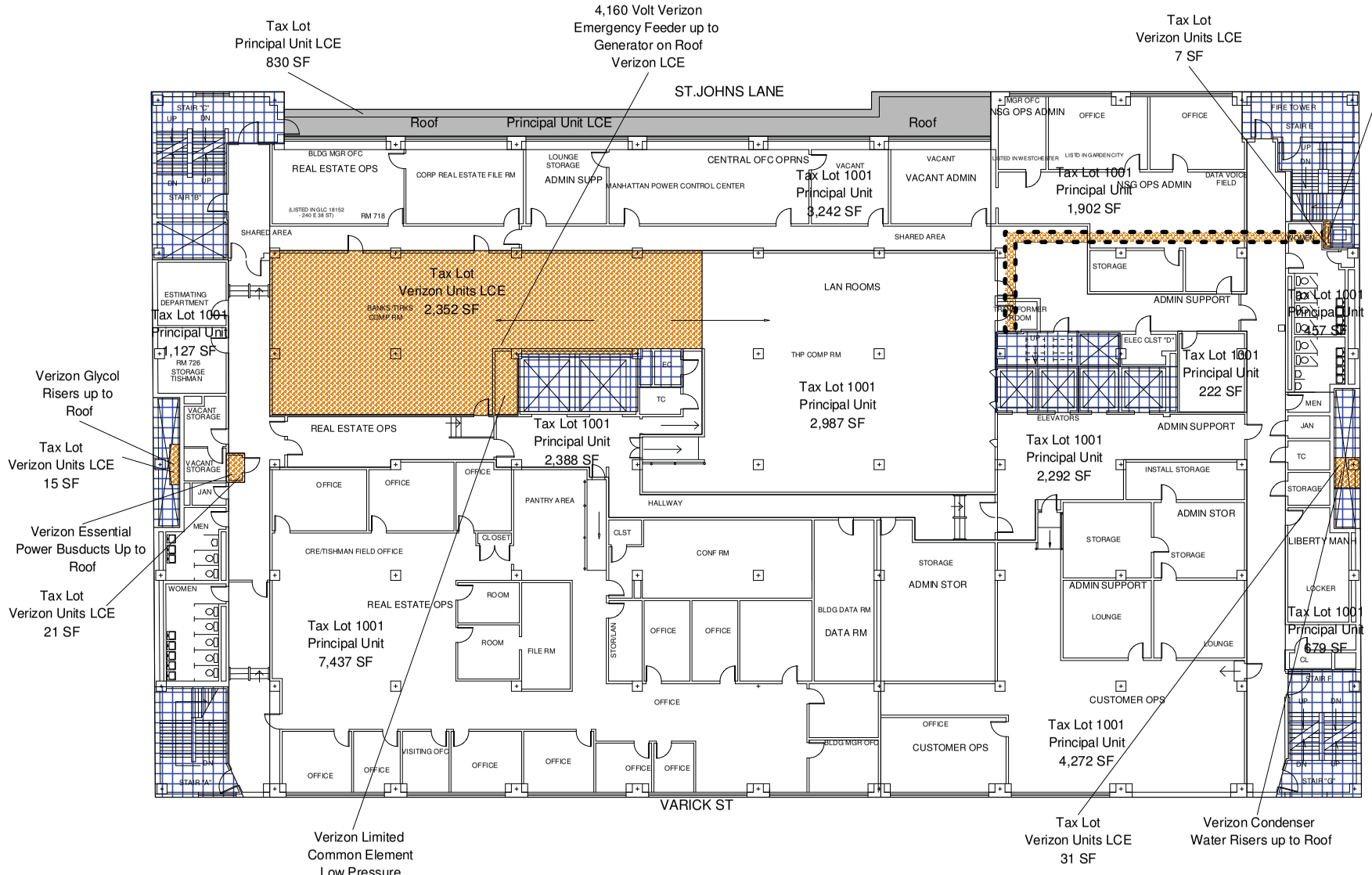
Revised 12/17/2009
Printed 12/17/2009

Project Name: 50 Varick Street Condo v13 091217
Drawing Name: 50 Varick St Condo v13 091217

10 20 40 60

50 Varick Street

6th Floor



LEGEND

Tax Lot Number	Unit / Element Name	SF This Floor	SF Total Bldg
1001	Principal Unit	27,005	101,944
	Verizon Units LCE	2,426	10,860
	General Common Element	2,877	39,376
	Principal Unit LCE	830	5,789

Areas enclosed by this heavy dotted line indicate horizontal conveyance of pipes or ducting, usually ceiling hung, and are not included in the square footage displayed.

Limited Common Elements (LCE) Notes:
- Principal Unit LCE is appurtenant to Tax Lot Number 1001-Principal Unit
- Verizon Units LCE is appurtenant to Tax Lot numbers 1006-Cable Vault Unit, 1002-First Floor Unit, 1003-Second Floor Unit, 1004-Third Floor Unit, 1005-Fourth Floor Unit

Gross Floor Area SF: 33,325

Horizontal and Vertical Dimensions.

Each unit of the area measured as follows: (i) vertically, from the upper surface of the unfinished concrete floor slab to the lower surface of structural elements, deck, fireproofing or building utilities; (ii) horizontally, from the centerline of the wall separating the unit from another unit or common elements to (a) the centerline of exterior walls without windows or glazing; excluding, however, the portion of any exterior building walls bounded by the interior surface of the exterior curtainwall system including the back up wall studs and interior surface of the concrete or masonry wall, (b) an imaginary line along the entire wall defined by the vertical plane of the exterior face of the glass of exterior building walls consisting in whole or in part of windows, glazed doors or other glazing areas, such that all glass windows, glass panels and other glass elements shall be part of each of the units, and (c) to the exterior surface of doors, including door glass (if any) and door frames.

Declarant:

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Address: 140 West Street, NYC, NY 10007

Architect's Certification

State of New York
County of New York
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Notarization

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____ day ____ of 2009.

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(Signature above)

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Project: 50 Varick Street Condo Conversion
Client: Verizon New York Inc.
Architect: Gensler Architecture, Design & Planning, P.C.

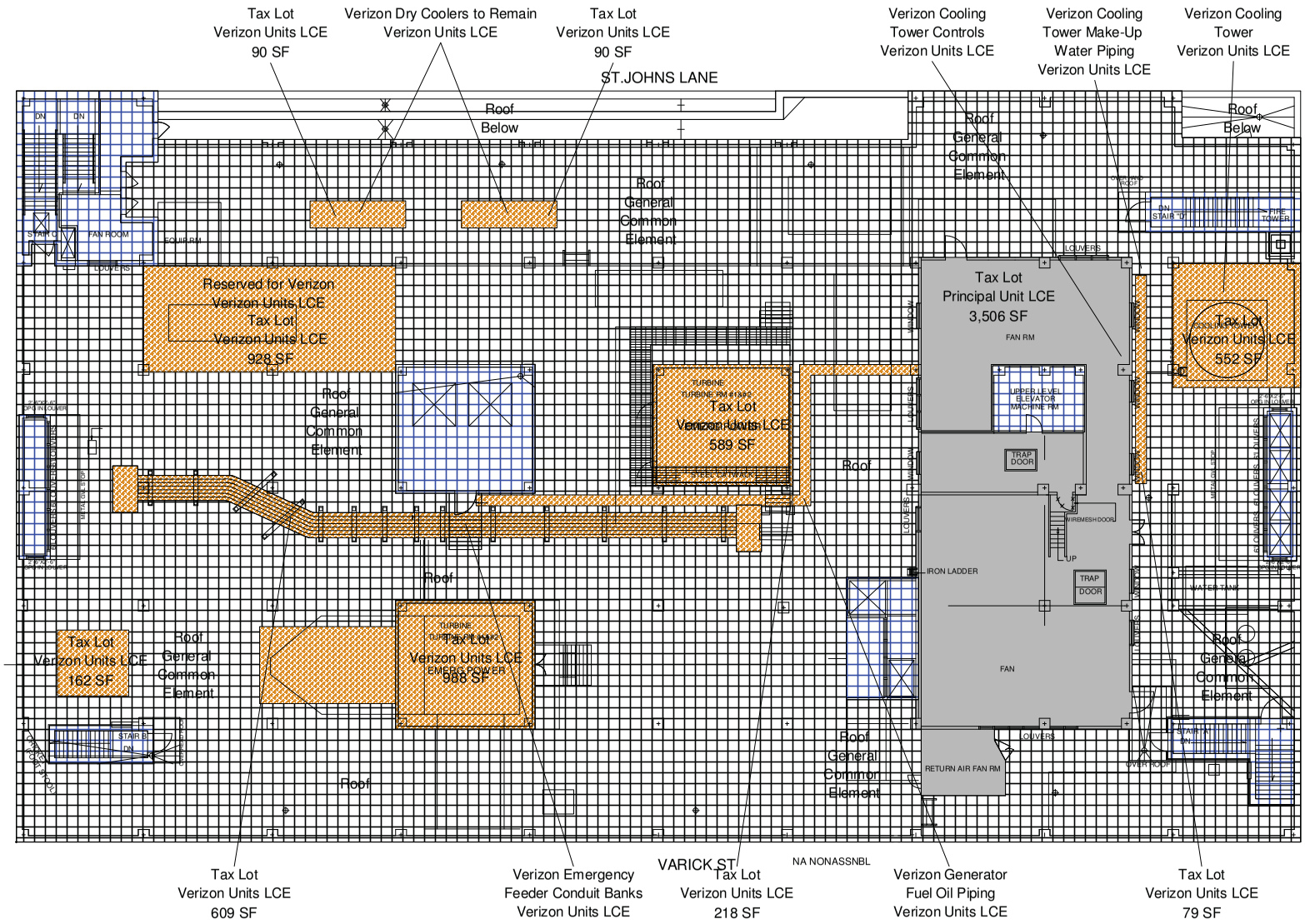
Version v13
Revised 12/17/2009
Printed 12/17/2009

Project Name: 50 Varick Street Condo v13 091217
Drawing Name: 50 Varick St Condo v13 091217

10 20 40 60

50 Varick Street

7th Floor



LEGEND

Tax Lot Number	Unit / Element Name	SF This Floor	SF Total Bldg
	Verizon Units LCE	4,305	10,860
	General Common Element	2,854	39,376
	Principal Unit LCE	3,506	5,789

Areas enclosed by this heavy dotted line indicate horizontal conveyance of pipes or ducting, usually ceiling hung, and are not included in the square footage displayed.

Limited Common Elements (LCE) Notes:
- Principal Unit LCE is appurtenant to Tax Lot Number 1001-Principal Unit
- Verizon Units LCE is appurtenant to Tax Lot numbers 1006-Cable Vault Unit, 1002-First Floor Unit, 1003-Second Floor Unit, 1004-Third Floor Unit, 1005-Fourth Floor Unit

Gross Floor Area SF: 7,579

Horizontal and Vertical Dimensions.

Each unit of the area measured as follows: (i) vertically, from the upper surface of the unfinished concrete floor slab to the lower surface of structural elements, deck, fireproofing or building utilities; (ii) horizontally, from the centerline of the wall separating the unit from another unit or common elements to (a) the centerline of exterior walls without windows or glazing; excluding, however, the portion of any exterior building walls bounded by the interior surface of the exterior curtainwall system including the back up wall studs and interior surface of the concrete or masonry wall, (b) an imaginary line along the entire wall defined by the vertical plane of the exterior face of the glass of exterior building walls consisting in whole or in part of windows, glazed doors or other glazing areas, such that all glass windows, glass panels and other glass elements shall be part of each of the units, and (c) to the exterior surface of doors, including door glass (if any) and door frames.

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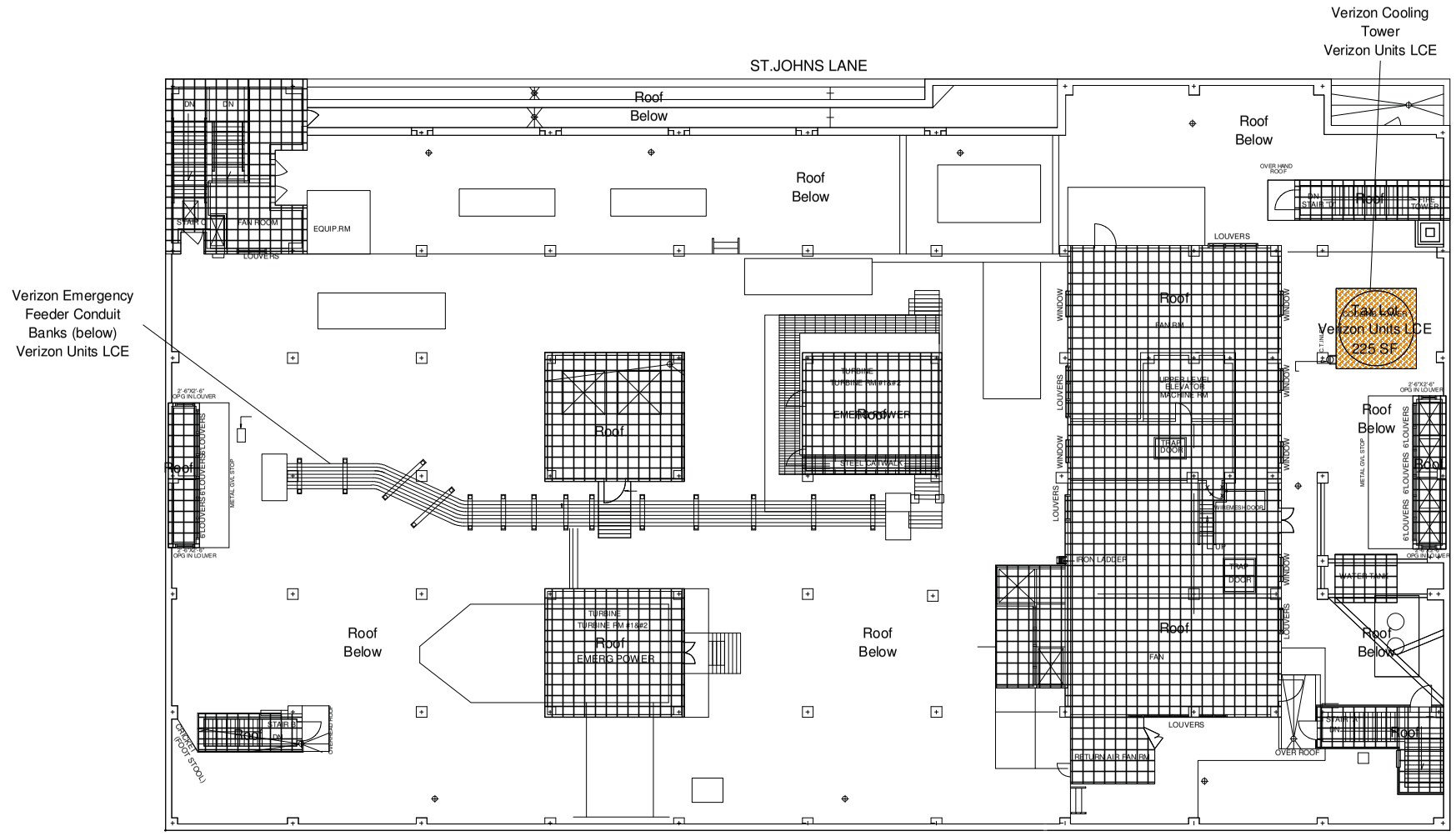
10 20 40 60

50 Varick Street
Penthouse



LEGEND

Tax Lot Number	Unit / Element Name	SF This Floor	SF Total Bldg
	Verizon Units LCE	225	10,860
	General Common Element	0	41,764

Areas enclosed by this heavy dotted line indicate horizontal conveyance of pipes or ducting, usually ceiling hung, and are not included in the square footage displayed.

Limited Common Elements (LCE) Notes:
- Principal Unit LCE is appurtenant to Tax Lot Number 1001-Principal Unit
- Verizon Units LCE is appurtenant to Tax Lot numbers 1006-Cable Vault Unit, 1002-First Floor Unit, 1003-Second Floor Unit, 1004-Third Floor Unit, 1005-Fourth Floor Unit

Horizontal and Vertical Dimensions.

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Printed 12/17/2009

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Drawing Name: 50 Varick St Condo v13 091217

10 20 40 60

50 Varick Street
Penthouse Roof

EXHIBIT D

BYLAWS

OF

50 VARICK STREET CONDOMINIUM

See attached.

BYLAWS

TABLE OF CONTENTS

Page

ARTICLE 1

NAME OF THE CONDOMINIUM

The name of the Condominium shall be as set forth in Section 3.1 of the Declaration. So far as legal, convenient and practicable, all business carried on by the Board shall be conducted and all instruments in writing by the Board shall be executed under the name of the Board.

ARTICLE 2

DEFINITIONS

The terms used in these Bylaws shall generally be given their natural, commonly accepted definitions unless otherwise specified. Capitalized terms shall be defined as set forth below. Capitalized terms not otherwise defined herein shall have the same meanings as set forth in the Declaration.

"Base Rate": As defined in the Declaration.

"Board": As defined in the Declaration.

"Cable Vault Unit Board Member": As defined in Section 4.1.2.

"Common Elements": As defined in the Declaration.

"Condominium": As defined in the Declaration.

"Condominium Act": As defined in the Declaration.

"Condominium Documents": As defined in the Declaration.

"Declarant": As defined in the Declaration.

"Declaration": The Condominium Declaration of even date and record herewith establishing the Condominium, as the same may be amended from time to time.

"Expanded Board": As defined in Section 4.1.3.

"Fifth Expanded Board Member": As defined in Section 4.1.3.

"Fourth Expanded Board Member": As defined in Section 4.1.3.

"Governance Bylaws": The provisions set forth in Article 5 of these Bylaws.

"Initial Board Member": As defined in the Declaration.

"Listed Mortgagee": As defined in the Declaration.

"Mortgagee": As defined in the Declaration.

"Percentage Interest": As defined in the Declaration.

"Unit A Board Member": As defined in Section 4.1.2.

"Registry": As defined in the Declaration.

"Reserve Fund": As defined in Section 5.2.1.

"Rules and Regulations": As defined in the Declaration.

"Third Party Common Interest Majority": As defined in Section 4.1.3.

"Unit(s)": As defined in the Declaration

"Unit Owner(s)": As defined in the Declaration.

ARTICLE 3

PURPOSE OF BOARD OF MANAGERS

Section 3.1. Board of Managers.

The Board shall have all of the rights and powers in and with respect to the Condominium that are conferred under the Condominium Act upon or exercisable by the Board, and all real, personal, tangible and intangible property conveyed to the Board.

Section 3.2. Applicability to Condominium.

The terms and provisions of these Bylaws shall apply to the Condominium and the use and occupancy thereof.

ARTICLE 4

THE BOARD OF MANAGERS

Section 4.1. Board of Managers.

4.1.1 The initial Board shall consist of the Initial Board Member. The term of the Initial Board Member shall commence upon the recording of the Condominium Documents and shall continue until such time that the first deed of any Unit within the Condominium is

recorded in the Registry. The Initial Board Member shall serve, unless earlier removed, until his successors are elected as provided in Section 4.2 below.

4.1.2 After the term of the Initial Board Member and until the occurrence of the event described in Section 4.1.3, the Board shall at all times be a Board consisting of three (3) members, as follows:

(i) *Unit A Board Members*: Two (2) members of the Board shall be chosen and appointed by the Unit A Owner (each a "Unit A Board Member"); and

(ii) *Cable Vault Unit Board Member*: One (1) member of the Board shall be chosen and appointed by the Cable Vault Unit Owner ("Cable Vault Unit Board Member").

4.1.3 In the event that any of the Verizon Units are Sold or otherwise conveyed such that any Unit, other than Unit A, is no longer a Verizon Unit and is not owned by the Unit A Owner or its Affiliates, then the Board shall be fixed at five (5) individuals (the "Expanded Board"). The Expanded Board shall be constituted as follows: (A) two (2) members shall be chosen and appointed by the Unit A Owner; (B) one (1) member shall be chosen and appointed by the Cable Vault Unit Owner; (C) one (1) member (the "Fourth Expanded Board Member") shall be chosen and appointed by the owner(s) of a majority of the Percentage Interests held by the Unit Owners of Units other than Unit A, the Verizon Units and any other Units owned by the Unit A Owner, the Verizon Units Owner or their Affiliates (the "Third Party Common Interest Majority") and (D) one (1) member (the "Fifth Expanded Board Member") shall be chosen and appointed by either (i) the Unit A Owner or (ii) the Third Party Common Interest Majority, whichever holds the larger Percentage Interest. The Board shall not have the power to fix or change the number of Board Members.

Section 4.2. Term of Board Members; Vacancies.

The terms of office of the Board Members shall, except as hereinafter provided, be two (2) years, and upon the expiration thereof such terms shall be deemed vacant but shall not expire until such vacancies have been filled from among the Unit Owners in the manner hereinafter set forth.

All Board Members must be natural persons and must (i) own a Unit of record or be an Affiliate of a Unit Owner; (ii) be an officer, manager, shareholder, partner, principal, trustee, beneficiary, employee or attorney-in-fact of a Unit Owner, or an Affiliate thereof; or (iii) be a Listed Mortgagee of a Unit (or an Affiliate thereof) or an employee of such a Listed Mortgagee (or an Affiliate thereof).

After the expiration of the term of the Initial Board Member, if and when the number of Board Members shall become less than the number provided for in Section 4.1, a vacancy in such office shall be deemed to exist. Each such vacancy shall be filled by a new Board member designated by the then current Unit Owner of the Unit whose Unit Owner nominated the Board member who created the vacancy or, in the case of the Fourth Expanded Board Member, by the Third Party Common Interest Majority, or, in the case of the Fifth Expanded Board Member, by

the Third Party Common Interest Majority or the Unit A Owner, as the case may be, in each case, by written notice to the Board designating the Person who shall fill such vacancy.

The foregoing provisions of this Section 4.2 notwithstanding, despite any vacancy in the office of Board Member, the remaining Board Members shall continue to exercise and discharge all of the powers, discretions and duties hereby conferred or imposed upon the Board Members, except that, other than in the case of an Emergency requiring immediate action to prevent injury to persons or property or except as approved by the Unit Owner entitled to make the appointment to fill such vacancy in the office of Board Member, the remaining Board Members shall not borrow money, impose new assessments on the Unit Owners, raise fees or common expenses payable by the Unit Owners, or make any expenditures which are not included in a budget approved in accordance with the terms of these Bylaws prior to such vacancy.

Section 4.3. Resignation; Removal.

Any Board Member may resign at any time by instrument in writing, signed by such Board Member. Any Board Member may be removed from office with or without cause by an instrument in writing signed by the applicable Unit Owner who had appointed such Board Member, or, in the case of the Fourth Expanded Board Member, by the Third Party Common Interest Majority, or, in the case of the Fifth Expanded Board Member, by the Third Party Common Interest Majority or the Unit A Owner, as the case may be.

Section 4.4. No Bonding By Board Member(s).

Except as otherwise provided in Section 7.3 of the Declaration, no Board Member shall be obliged to give any bond, surety or other security for the performance of his or her duties, unless an instrument in writing signed by the Cable Vault Unit Owner and the Unit A Owner present in person or by proxy at a duly held meeting of Unit Owners (as provided in Section 5.3.1) which is delivered to the affected Board Members requires that all Board Members give bond in such amount and with such sureties as are specified in such instrument. All expenses incident to any such bond shall be charged as a Common Charge.

Section 4.5. Self-Dealing.

Each Board Member shall exercise such Board Member's powers and duties in good faith and with a view to the interests of the Condominium. No contract or other transaction between a Board Member, or any corporation, firm, association in which the Board Member is an owner, director or officer or is pecuniarily or otherwise interested, and the Board or any Unit Owner is either void or voidable because any such Board Member is present at the meeting of the Board Members or any subcommittee which authorizes, approves or ratifies the contract or the transaction, or because such Board Member's vote is counted for such purpose, and no Board member or Unit Owner shall incur any liability for self-dealing, provided the conditions specified in the following subsections exist:

(a) The Board Member shall act in good faith and shall disclose to the other Board Members the nature of such Board Member's interest prior to such contract or transaction being entered into; and

(b) Such contract or transaction shall be no less favorable to the Board and the Unit Owners than any dealing, contract or arrangement with an independent third party.

Section 4.6. Indemnification of Board Members.

Each Board Member shall be entitled to indemnity by the Unit Owners against any liability incurred in the execution of such Board Member's duties hereunder, including, without limitation, liabilities in contract, in tort and for damages, penalties, and fines, but not occasioned by such Board Member's own personal and willful malfeasance and defaults.

Section 4.7. No Compensation.

No Board Member shall be entitled to compensation for its services in such capacity unless agreed to in writing by all Owners.

Section 4.8. No Personal Liability.

Notwithstanding anything to the contrary contained herein, Board Members shall have no personal liability in their capacity as Board Members, except in the event of willful misconduct or bad faith by such Board Member.

ARTICLE 5

GOVERNANCE BYLAWS

The provisions of this Article shall constitute the Governance Bylaws of the Condominium. Any provisions of other Articles of these Bylaws which are required to be contained in the Governance Bylaws of a commercial condominium in order to be effective the Condominium Act shall be deemed incorporated in this Article by reference as if fully set forth herein.

Section 5.1. Power of the Board.

The Board shall have such powers necessary for the administration of the affairs of the Condominium and may do all such acts and things in connection therewith, subject to and in accordance with the Condominium Act, the Declaration and these Bylaws. Without the necessity of further approval by any court or the Unit Owners, the Board shall have the powers to do the following, in all cases subject to any applicable limitations set forth in the Condominium Act and in all cases in their reasonable good faith judgment exercised in the best interests of the Unit Owners and the Condominium:

5.1.1 Provide for the operation, care, upkeep and management of the General Common Elements, or any part thereof;

5.1.2 Levy fines and engage in litigation in the name of and on behalf of the Condominium as they reasonably deem necessary and proper to further the purpose of these Bylaws;

5.1.3 Determine and budget the Common Charges and Unit Expenses required for the affairs of the Condominium, and collect the Common Charges and Unit Expenses from the Unit Owners;

5.1.4 Manage and dispose of the Condominium property as if the Board was the owner thereof, and do any and all acts, including the execution of any instruments, which shall be in their judgment for the best interest of the Unit Owners;

5.1.5 Own, convey, encumber, and otherwise deal with the Condominium property, including, without limitation, Units conveyed to them or purchased by them as the result of enforcement of the lien for Common Charges and Unit Expenses, and any right of first refusal, or otherwise, for cash or on credit, and on such terms and subject to such restrictions and agreements as they shall deem proper, including the power to take back mortgages to secure the whole or any part of the purchase price of any of the Condominium property conveyed by them;

5.1.6 Provide non-disturbance protections to any tenant of a Unit following enforcement of a lien for Common Charges and Unit Expenses, and in connection therewith enter into subordination, non-disturbance and attornment agreements in such commercially reasonable form as may be adopted by the Board;

5.1.7 Purchase or otherwise acquire title to, and rent, lease, or hire from others, for terms that may extend beyond the termination of these Bylaws any real or personal property or rights to such property, and own, manage, use, and hold such property and such rights;

5.1.8 Borrow or in any other manner raise such sums of money or other property as they shall deem advisable, in any manner and on any terms, and evidence the same by notes, bonds, securities, or other evidence of indebtedness, which may mature at a time which may extend beyond the termination of these Bylaws, and, only with the prior consent of both the Cable Vault Unit Owner and the Unit A Owner execute and deliver any mortgage, pledge, or other instrument to secure any such borrowing;

5.1.9 Enter into any arrangement for the use or occupancy of the Condominium property, or any part thereof, including, without limitation, leases, subleases, permits, easements, licenses, or concessions, upon such terms and conditions, and with such stipulations and agreements as they shall deem desirable, even if the same extend beyond the termination of these Bylaws; in all cases, however, subject to the limitations set forth in the Condominium Act; provided that any such leasing or brokerage entered into with an Affiliate of a Unit Owner can only be entered into with the express written consent of the Cable Vault Unit Owner;

5.1.10 Invest and reinvest the Condominium property or any part thereof, and, from time to time, change investments, including power to invest in all types of securities and other property, as they determine to be proper, and without liability for loss, even though such property or such investments shall be of a character or in an amount not customarily considered proper for the investment of trust funds;

5.1.11 Incur such liabilities, obligations, and expenses, and pay from the principal or the income of the Condominium property all sums as they shall deem necessary or

proper for the furtherance of the purposes of these Bylaws. Without limitation, provide for payment by the Board of real estate taxes and other impositions due and payable for the period following the date of recording of the Declaration that are assessed upon the land and/or improvements included within the Condominium (instead of upon individual Units and their Percentage Interests in the General Common Elements) or are imposed pursuant to covenants or obligations which run therewith, and assess and collect such amounts as Common Charges of the Condominium;

5.1.12 Deposit any funds of the Condominium in any bank or trust company, and delegate to any Board Member(s), or to any other person, the power to deposit, withdraw and draw checks on any funds of the Condominium;

5.1.13 Employ, appoint, and remove such agents, managers, officers, board of managers, brokers, engineers, architects, employees, servants, assistants, advisers, consultants, and counsel (which counsel may be a firm of which one or more of the Board Members are members) as they shall deem proper, for the purchase, sale, or management of the Condominium property, or any part(s) thereof, or for conducting the business of the Board, and to define their respective duties and fix and pay their compensation. The Board Members shall not be answerable for the acts and defaults of any such person. The Board Members may delegate to any such agent, manager, officer, board, broker, engineer, architect, employee, servant, assistant, advisor, consultant or counsel any or all of their powers (including discretionary power, except that the power to join in amending or terminating these Bylaws and any other powers specified herein to be non-delegable shall not be delegated) all for such times and purposes as they shall deem proper.

Notwithstanding the foregoing, unless required by applicable Legal Requirements or unless waived by the Verizon Units Owner, the Board shall not do or suffer or permit to be done anything in any Unit or the Common Elements which would materially interfere with the mechanical and utility systems of the Building or any Unit or in any manner cause a Central Office Adverse Effect.

Subject to Section 3 of Exhibit F of the Declaration, any agreement entered into by the Board for professional management of the General Common Elements of the Condominium, or any other service contract or lease entered into by the Board, must be on competitive terms with other agreements with management companies managing buildings similar to the Building in the metropolitan area in which the Property is located and must provide, as follows: (i) for termination by the Board, without cause and without payment of a termination fee upon thirty (30) days, or with cause upon three (3) days, or less written notice to the other party; and (ii) any decision to establish nonprofessional self-management of the Condominium by the Board or Unit Owners themselves shall require the prior consent of both the Cable Vault Unit Owner and the Unit A Owner. Without hereby limiting the generality of the foregoing, the Board, at least as often as annually, may designate from their members a Chairman, a Treasurer, a Secretary, and such other officers as they deem fit, and may from time to time designate one or more of their own members to be the "Managing Board Member(s)" for the management and administration of any property and the business of the Condominium;

5.1.14 Obtain and maintain casualty, liability and other insurance pursuant to the provision of the Declaration;

5.1.15 Make repairs, additions and improvements to, or alterations of, the General Common Elements and the Condominium property, in accordance with the provisions of these Bylaws, as required for maintenance or renovation or after damage or destruction by casualty or as a result of eminent domain proceedings;

5.1.16 Determine whether and to what extent (i) all sums of money and other things of value received by them shall be accounted for as principal or as income, (ii) charges or expenses paid by them shall be charged against principal or against income, including, without limitation, the apportionment of any receipt or expense between principal and income, and (iii) any portion of the actual income received upon any asset purchased or acquired at a premium or any wasting investment shall be added to principal to prevent a diminution thereof upon the maturity or exhaustion of such asset or investment;

5.1.17 Vote in such manner as they shall think fit any shares in any corporation or trust that shall be comprised of the Condominium property, and give proxies to any person(s) or to any other Board Member(s), to vote, waive any notice, or otherwise act in respect of any such shares;

5.1.18 Maintain such places of business as they shall deem necessary or proper and to engage in business in the State in which the Property is located or elsewhere;

5.1.19 Provide and contract for maintenance, repair, cleaning, and other services to Unit Owners in the Condominium;

5.1.20 Enter and have access into Units as reasonably necessary to the performance and exercise of the duties, obligations, rights, and powers of the Board under these Bylaws and the Declaration;

5.1.21 Make improvements to the General Common Elements as provided in Section 6.2A of the Declaration;

5.1.22 Subject to Section 3.8 of the Declaration, establish a commercially reasonable security program with respect to the General Common Elements;

5.1.23 Establish an emergency response plan with respect to the General Common Elements; and

5.1.24 Generally, in all matters not otherwise specified, control and do any and all acts necessary, suitable, convenient or proper for the accomplishment of the purposes of the Condominium incidental to the powers set forth herein or in the Condominium Act.

Section 5.2. Common Expenses, Profits, and Funds.

5.2.1 Reserve Fund. The Board shall establish and maintain a reserve fund (the "Reserve Fund") with respect to the operation, management, maintenance and repair of the

General Common Elements on behalf of all Unit Owners. The initial Reserve Fund shall be an amount equal to six (6) months' of Common Charges. Such initial Reserve Fund shall be contributed by the Unit Owners in proportion to their relative Percentage Interests. At the request of any Unit Owner, the Board shall cause a replacement reserve study to be conducted (no more often than every five (5) years) by a reputable, third-party consultant who is not an Affiliate of any Unit Owner, unless such requirement is waived by the Unit Owners in writing by Supermajority Approval.

The contribution to the Reserve Fund attributable and assessed to each Unit shall be determined by the Board (i) with respect to assessments related to General Common Elements, in accordance with the respective Percentage Interest of such Unit; (ii) with respect to assessments related to Common Elements which are subject to an exclusive easement in favor of a Unit Owner, to that Unit Owner having an exclusive easement to such Common Elements; and (iii) with respect to expenses otherwise addressed in Section 3.3C of the Declaration, as set forth in Section 3.3C of the Declaration.

Such contributions to the Reserve Fund by Unit Owners shall not be considered as advance payment of the Common Charges or Unit Expenses referred to below. In addition, the Board may, to such extent as they reasonably deem advisable, set aside common funds of the Condominium to be included in such Reserve Fund for use in reduction of indebtedness or any other lawful purpose. The funds in the Reserve Fund shall not be deemed to be common profits available for distribution to Unit Owners, other than upon the termination of the Condominium and removal from the provisions of the Condominium Act.

The Reserve Fund shall be used for unforeseen expenditures on account of or for acquisition of additional equipment or services which are part of the General Common Elements and for maintenance, repairs, and replacement of any of those items in the General Common Elements that must be replaced on a periodic basis, all at the reasonable discretion of the Board.

The Board may also establish one or more working capital or operating funds for the Condominium.

5.2.2 Liability for Common Charges and Unit Expenses. The Unit Owners shall be liable for Common Charges and Unit Expenses, in addition to contributions to the Reserve Fund, and entitled to common profits of the Condominium. Such liability and entitlement shall be as provided in the Declaration and Condominium Act and shall be: (i) with respect to General Common Elements, each Unit Owner's respective undivided Percentage Interest set forth in Exhibit B of the Declaration, (ii) with respect to those Common Elements which are subject to an exclusive easement for the benefit of a Unit Owner, to that Unit Owner having the exclusive easement in such portion of the Common Elements, or (iii) with respect to expenses otherwise addressed in Section 3.3C of the Declaration, as set forth in Section 3.3C of the Declaration. The Common Charges and Unit Expenses shall include adequate reserve funds to be held in the Reserve Fund for maintenance, repairs, and replacement of any of those items in the General Common Elements that must be replaced on a periodic basis, which shall be payable in regular installments rather than by special assessments.

5.2.3 Budget and Payment of Common Charges and Unit Expenses. At least thirty (30) days prior to the commencement of each fiscal year (which shall be the calendar year) of the Condominium, and within thirty (30) days after the execution of these Bylaws with respect to the portion of a fiscal year then remaining, the Board shall estimate the Common Charges and Unit Expenses expected to be incurred during such fiscal year, together with a reasonable provision for contingencies and reserves, and, after taking into account any undistributed common profits from prior years, shall determine the assessment(s) to be made for such fiscal year. Such estimates shall be done separately for the General Common Elements, for those Common Elements in which an exclusive easement has been granted to a Unit Owner, and for those expenses otherwise addressed in Section 3.3C of the Declaration, as set forth in Section 3.3C of the Declaration. The Board shall promptly render statements to the Unit Owners for their respective shares of such assessments. Such statements shall, unless otherwise determined by the Board as provided therein, be due and payable within thirty (30) days after the same are rendered. In the event that the Board shall determine at any time during any fiscal year that the assessment so made is less than the Common Charges and Unit Expenses actually incurred, or in the reasonable opinion of the Board, likely to be incurred, the Board may make one or more supplemental assessment(s) and render statements to the Unit Owners for such assessment(s) in the same manner as is done for annual assessments. The Board shall, insofar as feasible, provide for payments of statements in monthly, substantially equal installments, which shall be payable on the first day of each month, but may in their discretion determine that payments of statements shall be made in other installments.

5.2.4 Failure to Pay Assessments. The amount of Common Charges and special assessments shall be a liability of the Unit Owner. In the event any Unit Owner fails to make prompt payment of any of such Unit Owner's Common Charges and Unit Expenses when due, such Unit Owner shall be obligated to pay (i) interest at an annual rate, determined daily and compounded monthly, equal to the sum of the Base Rate and five percent (5%) (but not to exceed the highest rate of interest which may be charged under applicable law) on such unpaid amounts computed from the due date thereof until paid; and (ii) all expenses, including, without limitation, reasonable attorneys' fees incurred in any proceeding to collect such unpaid Common Charges and Unit Expenses or in any action to enforce the lien on such Unit arising from such unpaid Common Charges and Unit Expenses. The amount of such statement assessed pursuant to the provisions of this paragraph together with all of the foregoing shall be secured by a lien on the Unit of the Unit Owner under the Condominium Act.

If the lien on a Unit because of unpaid Common Charges and Unit Expenses shall be foreclosed in an action brought by the Board, then the Unit Owner shall be required to pay a reasonable rental for the use of such Unit for such period as the Unit Owner shall continue to use such Unit, and the plaintiff in such action shall be entitled to the appointment of a receiver to collect such rental. The Board, acting on behalf of all Unit Owners, shall have the power to purchase such Unit at the foreclosure sale and to hold, lease, mortgage, convey, or otherwise deal with the same, except as otherwise provided in these Bylaws. A suit to recover a money judgment for unpaid Common Charges and Unit Expenses shall be maintainable without enforcing or waiving the lien securing the unpaid Common Charges and Unit Expenses.

Pursuant to RPAPL §339-z, upon the sale or conveyance of a unit, unpaid Common Charges shall be paid out of the sale proceeds or by the Unit's grantee. Any purchaser or seller of

a Unit shall be entitled to a statement from the Board, setting forth the amount of the unpaid common charges accrued against the Unit, and neither such purchaser or seller shall be liable for, nor shall the Unit conveyed be subject to a lien for, any unpaid common charges against such unit accrued prior to such conveyance in excess of the amount therein set forth. Each new Unit Owner, by taking title to the Unit, shall thereby assume and become personally liable for the payment of all unpaid Common Charges and Unit Expenses assessed against such Unit prior to its acquisition by the new Unit Owner.

5.2.5 Expenditure of Common Funds. The Board shall expend common funds only for common expenses and lawful purposes permitted hereby and by the Condominium Act.

5.2.6 Audit Rights. Each Unit Owner shall, at any time upon reasonable prior notice to the Board, have the right to inspect the books and records of the Board pertaining to the Condominium. Each Unit Owner shall further have the right to cause an audit of such books and records, at the sole cost and expense of such Unit Owner (except as provided below), to be made at any time upon reasonable prior notice. If an audit of such books and records reveals an overcharge, in the aggregate, of three percent (3%) or more, the cost of such audit shall be paid by the Board out of Condominium funds. If any such audit reveals any underpayment of Common Charges or Unit Expenses by any Unit Owner, such Unit Owner shall promptly make an appropriate payment to the Board. If any such audit reveals any overpayment of Common Charges or Unit Expenses by any Unit Owner, such Unit Owner shall receive a credit in the amount of the overpayment on the next assessment of Common Charges and Unit Expenses.

Section 5.3. Meetings and Voting.

5.3.1 Meetings and Voting of Unit Owners. There shall be an annual meeting of the Unit Owners on the second Wednesday of September in each year at 12:00 noon at the Condominium premises or at such other reasonable place and time as may be designated by the Board by written notice given to the Unit Owners at least fourteen (14) days prior to the date so designated. At the annual meeting of the Unit Owners, the Board shall submit reports of the management and finances of the Condominium. Special meetings of the Unit Owners may be called at any time by the Board and shall be called by the Board upon the written request of Unit Owners holding not less than fifty percent (50%) of the Percentage Interests. Written notice of any such special meeting designating the place, day, and hour thereof shall be given by the Board to the Unit Owners at least fourteen (14) days prior to the date so designated.

Each Unit Owner, or a person designated in accordance with Section 4.2 to act as proxy on behalf of such Unit Owner, shall be entitled to cast the votes appurtenant to the Unit of such Unit Owner at all meetings of Unit Owners. Any such designation of proxy may be revoked as provided in Section 4.2 by the designating Unit Owner at any time prior to a meeting at which it is to be used. Each Unit Owner shall be entitled to cast one vote for each one percent of such Unit Owner's Percentage Interest.

Except as otherwise provided in the Condominium Documents, the presence in person or by proxy of Unit Owners holding eighty percent (80%) or more of the Percentage Interests shall constitute a quorum at all meetings of the Unit Owners, and the vote of eighty percent (80%) or more of the Percentage Interests at a meeting at which a quorum is present shall be binding upon

all Unit Owners for all purposes, except where otherwise provided in the Declaration or these Bylaws.

Any action required or permitted to be taken at any meeting of the Unit Owners may be taken without a meeting if all Unit Owners consent to the action in writing and the written consents are filed with the records of the Condominium. Such consents shall be treated for all purposes as a vote at a meeting.

5.3.2 Meetings and Voting of the Board. The Board shall meet annually on the date of the annual meeting of the Unit Owners and at such meeting may elect such officers as they deem expedient. Other meetings may be called by any Board Member, provided that written notice of each such other meeting stating the place, day, and hour thereof shall be given at least five (5) days before such meeting to the other Board Members. No meeting shall be held unless there is a quorum present which shall consist of eighty percent (80%) of all Board Members. Unless otherwise provided hereunder, the Board may act by a majority vote at any duly called meeting at which a quorum is present. Such meetings shall be conducted in accordance with such rules as the Board may adopt and may in any event be held via conference call so long as all Board Members are simultaneously audible to each other. Any action required or permitted to be taken at any meeting of the Board may be taken without a meeting if all Board Members consent to the action in writing and the written consents are filed with the records of the Board. Such consents shall be treated for all purposes as a vote at a meeting. Notwithstanding the foregoing, with regard to any vote to be taken by the Board to exercise or enforce any rights or remedies granted herein or in the Declaration or otherwise available at law or in equity to the Board with respect to a default by a Unit Owner (or an Affiliate of a Unit Owner) hereunder or under the Declaration, including determining: (i) whether to have the Board send a notice of default, (ii) whether to have to have the Board exercise its right to cure a Unit Owner's failure to perform its obligations under the Declaration as described in Section 15.3 of the Declaration, or (iii) whether to exercise or waive any default or remedy available to the Board, a majority in number of the members of the Board appointed or elected by the non-defaulting Unit Owner(s) shall constitute a quorum (except, if the Unit A Owner is the defaulting Unit Owner (and the Cable Vault Unit Owner is not a defaulting Unit Owner) the attendance at a meeting of the Director appointed by the Cable Vault Unit Owner shall also constitute a quorum) and the vote of one or more of such Director(s) selected or elected by Unit Owner(s) having a majority of the Percentage Interests of the non-defaulting Unit Owner(s) shall prevail.

Section 5.4. Notices to Unit Owners.

Except as otherwise provided in these Bylaws, every notice to the Board Members or a Unit Owner that is required or permitted under the provisions of the Declaration or these Bylaws, or that may be ordered in any judicial proceeding, shall be deemed sufficient and binding if a written copy of such notice shall be given by a reputable overnight courier or by hand delivery with evidence of receipt, and addressed to the Board Members or such Unit Owner at such person's address as it appears upon the records of the Board, at least ten (10) business days prior to the date fixed for the matter, thing or event to which such notice relates. All notices shall be delivered or mailed at least ten (10) business days prior to the date fixed for the happening of the matter, thing or event of which such notice is given, except in the event of emergencies in which case reasonable prior notice shall be required to the extent practicable. Whenever at any meeting

the Board proposes to submit to the Unit Owners any matter with respect to which specific approval of, or action by, the Unit Owners is required by law or the Declaration or these Bylaws, the notice of such meeting shall so state and reasonably specify such matter.

Section 5.5. Inspection of Books; Tax Identification Number; Report to Unit Owners.

The Board shall keep (themselves, or by or through their managing agent) complete books, accounts, and records, including complete financial records including receipts, bank statements, etc. with respect to Common Charges, Unit Expenses, charges and payments, and regular and reserve accounts. Such books, accounts and records shall be open to inspection by the Board Members, the Unit Owners and/or Listed Mortgagees, at all reasonable times. The Board shall obtain a Federal tax identification number for the Condominium. The Board shall, as soon as reasonably possible after the close of each fiscal year, or more often if convenient to them, submit to the Unit Owners a report of the operations of the Board for such year that shall include financial statements in such summary form and in such detail as the Board shall deem proper. Any person who has been furnished with such report and shall have failed to object thereto by written notice to the Board within a period of six (6) months of the date of its receipt by such person shall be deemed to have assented thereto. Any Listed Mortgagee shall be entitled to have, promptly upon written request to the Board, an audited financial statement for the immediately preceding fiscal year prepared at such Listed Mortgagee's expense, if such statement is not otherwise available.

Section 5.6. Checks, Notes, Drafts, and Other Instruments.

Checks, notes, drafts and other instruments for the payment of money drawn or endorsed in the names of the Board or of the Condominium may be signed by any person to whom such power may have been delegated by not less than a majority of the Board.

Section 5.7. Fiscal Year.

The fiscal year of the Condominium shall be the year ending December 31 or such other date as may be determined by the Board.

Section 5.8. Condominium Liens.

The lien imposed pursuant to any provision of these Bylaws or the Declaration is a lien imposed by virtue of the covenants and contractual obligations contained herein, and is also a statutory lien created by virtue of the provisions of the Condominium Act. Such lien imposed pursuant to the covenants and contractual provisions of these Bylaws or the Declaration shall be enforced to the fullest extent permitted by law and, without limitation, to the fullest extent permitted by law shall be coextensive with and have the same priority as a lien created pursuant to the provisions of the Condominium Act. Wherever, in these Bylaws or in the Declaration, it is provided that a Unit Owner is responsible or liable for any costs or expenses which may be incurred by or on behalf of the Condominium or Board, the Board may assess the same to such

Unit Owner. Until paid, such assessments shall constitute a lien against the Unit of such Unit Owner pursuant to the provisions of these Bylaws and the provisions of the Condominium Act.

ARTICLE 6

RIGHTS AND OBLIGATIONS OF THIRD PARTIES DEALING WITH THE BOARD

Section 6.1. Reliance on Identity of Board.

No purchaser, Mortgagee, lender, or other person dealing with the Board shall be bound to ascertain or inquire further as to the identity of such Board, or be affected by any implied or actual notice, other than a certificate thereof, which record or certificate shall be conclusive evidence of the identity of the Board Members. The receipt of the Board Member(s) for moneys or things paid or delivered to them shall effectively discharge the persons paying or delivering the same, and such persons shall not be required to see to the application thereof. No purchaser, Mortgagee, lender, or other person dealing with the Board or with any real or personal property which then is or formerly was Condominium property shall be bound to ascertain or inquire as to the existence or occurrence of any event or purpose in or for which a sale, mortgage, pledge, or charge is herein authorized or directed, nor otherwise as to the purpose or regularity of any of the acts of the Board. Any instrument of appointment of a new Board Member or of discharge or resignation of an old Board Member purporting to be executed by the Board, Unit Owners, or other persons required by these Bylaws to execute the same, shall be conclusive evidence in favor of any such purchaser or other person dealing with the Board of the matters recited therein relating to such discharge, resignation, or appointment or the occasion thereof.

Section 6.2. No Personal Liability in Board Members or Unit Owners.

No Board Member shall under any circumstances or in any event be held liable or accountable out of his or her personal assets by reason of any action taken, suffered or omitted in good faith, for allowing the other Board Members to have possession of the Condominium books or property, or by reason of honest errors of judgment or mistakes of fact or law, or by reason of anything except such person's own personal and willful malfeasance and defaults. No Unit Owner shall ever be liable to the Condominium, the Board or to any other Unit Owner(s) except to the extent of its interest from time to time owned in any Unit(s), and no director, officer, shareholder, holder of any beneficial interest in, or employees or agent of any Unit Owner shall ever be personally liable for any obligations of such Unit Owner arising under these Bylaws, except for such director's, officer's, shareholder's, holder's, employee's or agent's own personal and willful malfeasance and defaults.

Section 6.3. All Obligations Subject to these Bylaws.

Every oral or written note, bond, contract, order, instrument, certificate, undertaking, obligation, covenant, or agreement made, issued, or executed by the Board, their agents or employees, shall he deemed to have been entered into subject to the terms, conditions,

provisions, and restrictions of these Bylaws, whether or not express references shall have been made to this instrument.

Section 6.4. Further Matters of Reliance.

These Bylaws, any amendments hereto, and any certificate required to be recorded shall be recorded with the Registry and any other certificate or paper signed by any Board Member which it may be deemed desirable to record may be recorded with the Registry. Such recording shall be deemed conclusive evidence of the contents and effectiveness of such instrument. All persons dealing with the Board, the Condominium property or any beneficiary shall be held to have notice of any matter relating to the Condominium when the same or a notice thereof shall be recorded with the Registry. Any certificate signed by a majority of the Board in office at the time, setting forth as facts any matters affecting the Condominium, including a certificate of unpaid Common Charges or Unit Expenses as provided in the Condominium Act, statements as to who are the beneficiaries, what action has been taken by the beneficiaries, and matters determining the authority of the Board to do any act, when duly acknowledged and recorded with the Registry, shall be conclusive evidence as to the existence of such alleged facts in favor of all third persons, including the Board, acting in good faith in reliance thereon. Any certificate executed by any Board Member setting forth the existence of any facts, the existence of which is necessary to authorize the execution of any instrument or the taking of any action by such Board Member shall, as to all persons acting in good faith in reliance, be conclusive evidence of the truth of the statements made and of the existence of the facts set forth in such certificate.

ARTICLE 7

AMENDMENTS AND TERMINATION

Section 7.1. Amendments.

7.1.1 These Bylaws may be amended from time to time by vote of Unit Owners holding one hundred percent (100%) of all of the Percentage Interests present in person or by proxy at a duly held meeting of Unit Owners.

7.1.2 No amendment which alters the rights, including without limitation the Percentage Interests, of any Unit Owner or adversely affects a Unit Owner's exclusive rights to use its Unit or any Common Elements or adversely affects a Unit Owner's other appurtenant rights or easements shall be effective unless expressly consented to in writing by the Unit Owner of the affected Unit. No amendment shall be valid or effective that would render these Bylaws contrary to or inconsistent with any requirements of the Condominium Act.

7.1.3 No amendment of these Bylaws affecting any Unit in a manner which materially impairs the security of a mortgage held by a Listed Mortgagee shall be of any force or effect unless expressly consented to by the Listed Mortgagee. However, no amendment of these Bylaws in connection with combinations, subdivisions and/or partitions of Units expressly permitted under the Declaration shall be treated as impairing the security of any Mortgagee other

than the Mortgagee(s) securing such Units. Any consent of a Listed Mortgagee so required pursuant to the preceding sentence shall not be unreasonably withheld or delayed.

7.1.4 No amendment shall be effective until an instrument signed and acknowledged in proper form by a majority of the Board, who certify under oath in such instrument that the amendment has been approved by the requisite vote of the Unit Owners and Listed Mortgagees, shall have been recorded in the Registry.

Section 7.2. Termination of Bylaws.

These Bylaws shall terminate only upon the removal of the Condominium from the provisions of the Condominium Act in accordance with the procedure set forth therein, provided such termination is consented to in writing by (i) Unit Owners holding one hundred percent (100%) of all of the Percentage Interests present in person or by proxy at a duly held meeting of Unit Owners at which a quorum is present (as such quorum is provided for in Section 5.3.1); and (ii) all Listed Mortgagees of Units.

Any termination pursuant to the foregoing shall become effective upon the recording with the Registry of an instrument of termination or a certificate of termination signed by the Board, reciting the consent of the Unit Owners and the Listed Mortgagees required to consent thereto. Such instrument or certificate shall be conclusive evidence of the existence of all facts and of compliance with all prerequisites to the validity of such termination.

Section 7.3. Winding Up of Condominium After Termination.

Upon the termination of the Condominium, the Board may, subject to and in accordance with provisions of the Condominium Act, sell and convert into money the whole or any part(s) of the Condominium property. After paying or retiring all known liabilities and obligations of the Condominium and providing for indemnity against any other outstanding liabilities and obligations, the Board shall divide the proceeds among and distribute in kind all other property then held by the Board in trust to the Unit Owners according to their respective Percentage Interests in the various classes of the Common Elements, as applicable. All valuations made by the Board shall be conclusive. In making any sale under this provision, the Board shall have power to sell by public auction, private sale or contract, to buy in or rescind or vary any contract of sale, to resell without being answerable for loss, and to do all things, including the execution and delivery of instruments, as may be necessary or desirable in their judgment for such purposes. Such powers of sale and all other powers given to the Board hereunder shall continue as to all property at any time remaining in their hands or ownership, even though all times fixed herein for distribution of property of the Condominium may have passed.

ARTICLE 8

MISCELLANEOUS

Section 8.1. Construction.

Words used in the singular or in the plural, respectively, include both the plural and the singular, words denoting males include females, and words denoting persons include individuals, firms, associations, companies (joint stock or otherwise), trusts, and corporations unless a contrary intention is to be inferred from or required by the subject matter or context. Any cover, title, headings, table of contents and the marginal notes are inserted only for convenience of reference and are not to control or affect the meaning, construction, interpretation, or effect of this instrument. Unless the context otherwise indicates, words defined in the Condominium Act shall have the same meaning herein as defined in such statute.

Section 8.2. Severability.

The invalidity of any provision of these Bylaws shall not impair or affect the validity of the remainder of these Bylaws. All valid provisions shall remain enforceable and in effect notwithstanding such invalidity.

Section 8.3. Conflict.

In the event of any conflict between the provisions of these Bylaws and the provisions of the Condominium Act or the Declaration, the provisions of the Condominium Act or of the Declaration, as the case may be, shall control.

APPENDIX 1 TO BYLAWS

RULES AND REGULATIONS

OF

50 VARICK STREET CONDOMINIUM

The activities at the Condominium shall conform to the following Rules and Regulations:

1. No Unit Owner shall invite to the Unit Owner's Unit, or permit the visit of, persons in such numbers or under such conditions as to interfere with the use or enjoyment of any of the sidewalks, entrances, corridors, escalators, elevators (if any) and other facilities of the Condominium by other Unit Owners. Subject to the provisions of the Declaration, including Article 3 thereof, no Unit Owner shall encumber or obstruct, or permit the encumbrance or obstruction of, any of the sidewalks, entrances, corridors, escalators, elevators (if any), fire exits or stairways of the Condominium. Subject to compliance with the provisions of this Clause (1) and applicable laws, this Clause (1) shall not be construed to prohibit Unit Owners from hosting events in the Unit Owner's Unit.

2. Nothing shall be done or permitted in any Unit Owner's Unit, and nothing shall be brought into or kept in any Unit Owner's Unit which would materially impair or interfere with any of the Building's services or the proper and economic heating, cleaning or other servicing of the Building, but nothing herein shall be construed to limit the right to maintain the Central Office.

3. The water and wash closets and other plumbing fixtures in or servicing any Unit Owner's Unit shall not be used for any purpose other than the purpose for which they were designed or constructed, and no sweepings, rubbish, rags, acids or other foreign substances shall be deposited therein.

4. All entrance doors in each Unit Owner's Unit shall be left locked and all windows shall be left closed by the Unit Owner when the Unit Owner's Unit is not in use. Entrance doors shall not be left open at any time.

5. Hand trucks not equipped with rubber tires and side guards shall not be used within the Building.

6. Except as hereinafter expressly provided to the contrary in this paragraph, no bicycles, vehicles or animals shall be permitted to enter any Unit or the Building. Motor vehicles shall be permitted to enter the loading docks of the Building. Power wheelchairs and similar motorized devices for the handicapped and seeing eye dogs shall be permitted to enter all Units and the Building.

7. If any Unit Owner shall be permitted by the Board to use any portion of its Unit for the preparation and/or serving of food, such Unit Owner shall, at its own expense, contract

for extermination service to keep the Unit free of vermin to the reasonable satisfaction of the Board.

8. If a Unit Owner is permitted or required to perform alterations or repairs in the Building (including such Unit Owner's Unit), and such alterations or repairs require the installation of studs, such studs must be metal, and not wood. Stud guns for driving rivets are not allowed in the Building at any time. Low-velocity ram sets or equivalent may be used in the Building, but only for fastening into floors or ceilings, never into walls, studs, doors or other vertical elements. Notwithstanding the foregoing, no ram sets or equivalent may be used on any Special Protections Floor requiring waterproof membranes.

9. No smoking is permitted in any portion of the Building. Each Unit Owner will use its best efforts to prevent its employees and guests from smoking in its Unit.

10. Firearms are not permitted in any Unit Owner's Unit or the Building at any time, whether or not licensed.

EXHIBIT E

VERIZON SEPARATION WORK

1. Verizon Separation Work and Verizon Separation Plans.

The Verizon Units Owner has commenced or intends to commence the Verizon Separation Work, which is more particularly described in the Verizon Separation Plans attached as Appendix 1 to this Exhibit E, and incorporated herein by reference. Prior to the completion of the Verizon Separation Work, the services provided by the existing Building systems shall continue to be provided to the Units, including without limitation providing back-up power to the Verizon Units, including the Central Office, at the same level of capacity and priority as exists on the date hereof. The Verizon Separation Plans are deemed approved by the Board and each Unit Owner, and no further approval of the work to be effectuated thereby shall be required, including in connection with any modifications thereof or supplements thereto provided such modifications do not violate the standards for Alterations set forth in Section 6.1 of the Declaration. In the event the Verizon Separation Work results in the necessity to amend the Condominium Documents, neither the Unit A Owner nor the Verizon Units Owner shall unreasonably withhold, condition or delay its consent to any such amendment; provided that: (i) the provision of utilities and services to the Units will not be adversely affected (other than in a *de minimis* manner or as contemplated in the Verizon Separation Plans), (ii) the usability of the Units is not adversely affected (other than in a *de minimis* manner), except as contemplated by the Verizon Separation Plans, (iii) there is no encroachment on the Cable Vault Unit, and (iv) there is no adverse effect on the Central Office or to the affected Unit Owner's business operations (as determined by the affected Unit Owner in its sole judgment). The Verizon Units Owner shall bear the costs and expenses of the initial preparation of and all recording costs of any such amendments.

2. Reservation of Temporary Easement to Perform Verizon Separation Work.

Without limiting any other provision of this Declaration, Verizon hereby reserves the right and easement, as Declarant, to access any portion of the Property as may be reasonably necessary for the purpose of completing the Verizon Separation Work in accordance with the terms and provisions of this Declaration; provided, however, Verizon shall make commercially reasonable efforts to exercise such rights in a manner that minimizes any interference with the use of the General Common Elements. The foregoing right reserved by Verizon shall expire no later than two (2) years after the date hereof.

3. Verizon's Right to Reconnect to Building Systems.

Upon completion of the Verizon Separation Work, the Verizon Units Owner shall have the right to disconnect a Verizon Unit from the separated base Building systems. The Verizon Units Owner shall have the right at its sole expense to reconnect such Verizon Unit's systems to the base Building systems upon the future Sale of such Verizon Unit where such Sale would cause the Unit to no longer be a Verizon Unit, so long as there is sufficient capacity in the base Building systems for such reconnection.

APPENDIX 1 TO EXHIBIT E

VERIZON SEPARATION PLANS

The following represents a description of the scope of work involved with segregating the Verizon Units from Unit A at 50 Varick Street, New York, NY. This Appendix 1 is intended as a summary and shall not be construed as a limitation on the plans to be developed to effectuate the Verizon Separation Work.

1. In order to segregate the existing chilled water plant, cooling towers and controls, chilled water piping, condensor water piping, and HVAC distribution system from Unit A, the horizontal branch piping on the Unit A Owner's floors will be cut and capped at the riser.

2. The existing Fire Standpipe and Sprinkler System Infrastructure shall be upgraded, including flow tamper switches, fire pump assembly and controls, and valve assemblies, by Verizon in anticipation of future compliance with NYC Building Code Local Law No. 26. Verizon to provide taps on each floor.

3. Verizon to install sub-meters to measure Verizon's steam and domestic water usage.

4. Verizon will turn over the electrical service labeled as "1" to the Unit A Owner, install a bus duct to the 5th floor, and install a pull-box on the 5th floor. In addition, Verizon will disconnect Unit A from the electrical services retained by Verizon.

5. Verizon may enhance existing security systems on the Verizon Units.

6. Verizon shall physically protect existing bus ducts, risers and cables located in Unit A.

7. Verizon shall protect or relocate existing cable risers located on the 5th and 6th floors, and shall relocate the Empire City Subway operations and the data service room located in these areas. Verizon shall identify all active cables and cut any non-active cables and abandon them in place in Unit A.

8. Verizon shall construct a demising wall on the 7th floor to separate the Verizon Limited Common Element from Unit A. Verizon shall identify all active cables and cut any non-active cables and abandon them in place in Unit A.

9. Verizon will remove the escalator to the south of the passenger elevators on the 5th and 6th floors, and will repair such space in accordance with local building codes.

Nothing herein is intended to modify the terms and conditions of the Declaration.

EXHIBIT F

VERIZON SPECIAL RIGHTS

Due to the importance of the telecommunications equipment contained in, and the Telecommunications Services provided through, the Central Office, the Verizon Units Owner shall have the following rights set forth in this Exhibit F until the Verizon Special Rights Termination Date. From and after the Verizon Special Rights Termination Date (if such date shall hereafter occur), the provisions of this Exhibit F shall be of no further force or effect and the Unit Owners shall execute such documentation as any Unit Owner may reasonably request to evidence the same. Additionally, if Verizon sells a Verizon Unit to the Unit A Owner or to another third party, and such Sale would cause such Unit to cease to be a Verizon Unit pursuant to the definition of the Verizon Units, then the Verizon Special Rights will no longer inure to the benefit of the Unit Owner of such Verizon Unit after such Sale.

1. Definitions.

"Adverse Effect" As defined in Section 2A of this Exhibit F.

"Cable Chase Protection Plan" As defined in Section 5B of this Exhibit F.

"Cable Chases" shall mean vertical risers shafts and/or cable chases connecting the Cable Vault Unit to other portions of the Central Office.

"Cable Vault Unit Owner Designated Recipient" As defined in Section 2B of this Exhibit F.

"Hazardous Materials" As defined in Section 8B of this Exhibit F.

"Installed Chase Protection" As defined in Section 5B of this Exhibit F.

"Safety Work" As defined in Section 4B of this Exhibit F.

"Significant Casualty" As defined in Section 4B of this Exhibit F.

"Verizon Central Office Work" As defined in Section 4B of this Exhibit F.

2. Cable Vault Unit Owner's Right to Approve Alterations.

A. Right to Approve. The Cable Vault Unit Owner shall have the right to approve any Alteration (other than changes which are purely cosmetic, such as painting, carpeting and spackling), such approval not to be withheld unless, in the sole judgment of the Cable Vault Unit Owner, such proposed Alteration (or the method of construction or installation thereof) (x) could have a Central Office Adverse Effect or (y) violates any of the other applicable terms of the Condominium Documents (together, an "Adverse Effect"). The foregoing approval right is in addition to any other approval rights that the Verizon Units Owner may have with respect to such Alterations under any other provision of the Declaration. No such Alteration shall be commenced unless and until such Cable Vault Unit Owner's approval has been obtained (or as provided below, been deemed obtained). The Cable Vault Unit Owner shall have the right to stop any work commenced without its approval or not being performed in substantial conformity with the approved plans and specifications.

B. Submission of Plans. With respect to an approval of an Alteration under Section 2A above, the Board or Unit Owner or Occupant shall submit to the Cable Vault Unit Owner reasonably detailed plans and specifications (including any subsequent material modification of same) and a description of construction methods sufficient to allow the Cable Vault Unit Owner to ensure such Alteration does not have an Adverse Effect, and such other information as reasonably required by the Cable Vault Unit Owner. The Cable Vault Unit Owner shall approve or reject any such submission within forty-five (45) days after receipt (or twenty (20) days with respect to any revision thereto which does not reflect a material variation in scope or concept from the original plans and specifications and description of construction methods). Such response may approve any portions of the work (including construction methods) which are acceptable and disapprove portions of the work that could create an Adverse Effect, and shall include reasonable detail as to the nature of its objection. The Cable Vault Unit Owner may impose reasonable conditions and procedures to be complied with during the construction for the purposes of ensuring that no Adverse Effect occurs, and the Board, Unit Owner or Occupant, as the case may be, shall materially comply therewith. Notwithstanding the foregoing, consent to such submissions will be deemed granted if the Cable Vault Unit Owner fails to respond within the initial forty-five (45) day period (or twenty (20) day period as the case may be) and fails to

respond, in writing, within five (5) business days after a second request for approval made no sooner than forty-five (45) days after the first request, provided that the second request contains the following inscription, in at least 14 point font, bold face lettering: "**SECOND REQUEST FOR CONSENT – FAILURE TO RESPOND WITHIN FIVE (5) BUSINESS DAYS SHALL RESULT IN DEEMED GRANTING OF SUCH REQUEST.**" The Cable Vault Unit Owner shall designate an individual or individuals (the "Cable Vault Unit Owner Designated Recipient"), from time to time, to whom requests should be delivered hereunder. Alterations shall be performed substantially in accordance with the approved plans and specifications and construction methods.

C. Approvals Not Deemed Admission of Compliance, Etc. The Cable Vault Unit Owner's approval or disapproval of any plans and specifications or any construction methods (and any comments given by the Cable Vault Unit Owner with respect thereto) shall not be deemed in any manner a representation of, or admission as to (w) the certainty that no Central Office Adverse Effect will occur, (x) the legality or accuracy of the work described in any documents submitted to the Cable Vault Unit Owner, (y) the adequacy of the design or coordination of such work or (z) the compliance of such work with any Legal Requirements, Insurance Requirements or the terms of this Declaration. The Cable Vault Unit Owner shall have no responsibility for any of the foregoing and that the responsibility for ensuring the foregoing is solely with the Board or such Unit Owner or Occupant, as the case may be.

3. Matters Requiring Supermajority Approvals.

Any of the following actions by the Board shall require the approval of a Supermajority of Unit Owners: (i) in the event of a casualty, any approval of the restoration plan pursuant to Section 8.1.D of the Declaration or the commencement and performance of portions of the restoration work prior to the approval of such restoration plan; (ii) an election not to restore the Building pursuant to Section 4B below, (iii) a vote mandating that the Board carry Business Income coverage (including Extra Expense or Loss of Rents), to adjust or settle any property insurance claim for damage in excess of $1,000,000, or otherwise requiring a modification to the Board's insurance obligations, including, but not limited to the amount of commercial general liability insurance and umbrella liability coverage; (iv) any vote to approve an insurance company not meeting the requirements set forth in Section 7.3B of the Declaration; (v) a decision by the Board to create a Reserve Fund, pursuant to Section 5.2.1 of the Bylaws, in an amount greater than the amount set forth in Section 5.2.1 of the Bylaws, as adjusted every three (3) years to reflect any increase in CPI; (vi) the approval of the engagement or retention of a property manager that is an Affiliate of any Unit Owner, and entering into any management agreement for a term in excess of one (1) year, with renewal terms of not more than one (1) year each, where the Board can terminate, without penalty, prior to each renewal term; and (vi) the Sale of any Unit otherwise prohibited pursuant to Section 2(b) of Exhibit H.

4. Special Restoration Rights in the Event of a Casualty.

D. Notwithstanding anything to the contrary contained in any Condominium Document, until the Verizon Special Rights Termination Date, priority on all aspects of the restoration work (a) shall be given to restoring such Central Office and the associated General Common Elements, Verizon Units Limited Common Elements, and access as shall be required,

in the sole determination of the Cable Vault Unit Owner, to restore fully (on both an interim and a permanent basis) the operations of such Central Office (including all related cables, switches, wave guides, fiber optics and other transmission media and related power and business equipment and utility facilities) and (b) shall include priority for all work to be performed by the Cable Vault Unit Owner (or its Affiliates, Occupants or designees) in its Units and the Limited Common Elements appurtenant thereto, which, in the sole determination of the Cable Vault Unit Owner, is necessary for the restoration of such Central Office operations. Restoration work described in the immediately preceding sentence shall commence as expeditiously as possible (including obtaining all required permits) and be performed with all diligence and, upon request of the Cable Vault Unit Owner shall be performed on an overtime or similar expedited basis (and all additional net costs of performing such work on an overtime or similar expedited basis, if so requested by the Cable Vault Unit Owner, shall be paid for by the Cable Vault Unit Owner as a Unit Expense to the extent not covered by insurance maintained by the Board). The Board shall perform the various elements of priority work described in this paragraph A in such order, and in accordance with such procedures, as the Cable Vault Unit Owner, shall request, subject to the same being in accordance with good construction practice and all applicable Legal Requirements. In connection with such restoration, the Board shall, subject to Article 6 of the Declaration and Section 2 of this Exhibit F, make such changes to the plans and specifications for the affected General Common Elements as the Cable Vault Unit Owner shall reasonably request, subject to the same not having a material adverse effect on the General Common Elements. The Board shall perform the work described in this paragraph A, notwithstanding that the restoration plan described in Section 8.1D of the Declaration has not been prepared or approved. Any such restoration plan shall reflect the priorities and other determinations set forth in this paragraph A. If the Board shall fail to promptly perform the restoration work described in this paragraph A, without limiting any other rights the Cable Vault Unit Owner may have, the Cable Vault Unit Owner shall have the right to act under Section 15.3 of this Declaration, and to be entitled to reimbursement therefor from all available funds of or owing to the Condominium.

E. Notwithstanding any provision of this Declaration or the Bylaws to the contrary, if seventy-five percent (75%) of the Building is destroyed or damaged by fire or other casualty (a "Significant Casualty") and if, at any time prior to proceeding with a material portion of the restoration work resulting from such Significant Casualty (not including, for such purposes, (x) Safety Work (as defined below) and (y) Verizon Central Office Work (as defined below)), the Unit Owners, by Supermajority Approval, and provided that all Listed Mortgagees whose Unit Owner's consent was required in order to obtain the aforesaid Supermajority Approval have consented thereto, may elect not to restore the Building, in which event, except as set forth below, neither the Board nor any Unit Owner shall have any restoration obligation hereunder. In such event, (a) subject to clause (b) below, the Board shall secure and fence in the Property boundary, except as to such points where access is not an issue, and shall raze the Building, if necessary, and put the Building and Property into compliance with all applicable Legal Requirements and otherwise make the Property and Building safe (the "Safety Work"), (b) at the election of the Cable Vault Unit Owner, if the Property can continue to be used, in whole or in part, for the Central Office which was located in the Verizon Units immediately preceding the casualty, then, the General Common Elements shall be restored to the extent necessary for such Central Office (or portion thereof) to be restored, in whole or in part, as determined by the Cable Vault Unit Owner in its sole discretion and thereafter operated on the Property (the "Verizon Central Office Work"), but the restoration work to be performed, including the

structure to be rebuilt, shall be designed to be the minimum necessary to accomplish such task, taking into account the costs of such restoration and the desire to maximize the sale value of the Property as described in clause (d) below, (c) the proceeds of insurance resulting from such Significant Casualty, net of the costs and expenses of collection and net of (1) other costs and expenses of the Board hereunder, (2) the cost of any Safety Work, and (3) the cost of the Verizon Central Office Work, shall be divided among the Unit Owners in accordance with their respective Percentage Interests in the Common Elements; provided, however (i) no payment shall be made to or at the direction of a Unit Owner unless Section 8.2 of the Declaration is satisfied and (ii) the payment to be made to the Cable Vault Unit Owner shall be reduced by the cost of the Verizon Central Office Work and the reduction in value of the Property upon sale due to the easements and other arrangements described in clause (d) below (and the amount, accordingly, to be distributed to the other Unit Owners shall be increased accordingly), and (d) the Property, or so much thereof as shall remain, shall be subject to an action for partition at the suit of any Unit Owner or Listed Mortgagee as if owned in common, provided that suitable arrangements, including easements and restrictive covenants, are entered into to fully protect the Central Office located on the Property or to be rebuilt as contemplated by clause (b) above (to the extent remaining on the Property, in whole or in part) and the rights and remedies of the Cable Vault Unit Owner with respect thereto, and all documentation to evidence such arrangements shall be in form and substance satisfactory to the Cable Vault Unit Owner in its sole judgment. In the event of any action for partition as described in clause (d) above, the net sale proceeds resulting from any sale of all or any portion of the Property shall be applied and distributed in the same manner as provided in clause (c) above for insurance proceeds.

5. Cable Chase Protections.

F. Cable Chase Access. In the event Unit A or the Common Elements house any Cable Chases, the Cable Vault Unit Owner shall have, in addition to the easements and rights granted under the Condominium Documents, an easement and right temporarily from time to time to utilize an Element radiating from the Cable Chases five (5) feet in all directions therefrom in connection with the installation, maintenance, operation, altering, repairing, restoring, and replacing, substituting, and relocating within the Cable Chases of cables, fiber optics, waveguides or other transmission media which carry telecommunications signals and other equipment used for Telecommunications Service. Such easement shall only be utilized where in the sole judgment of the Cable Vault Unit Owner (or such Affiliates, Occupants or designees), such access through any such floor is necessary because access from a floor in the Verizon Units will not allow Verizon (or such Affiliates, Occupants or designees) to act in a commercially reasonable and economic manner, and expeditiously, to properly operate and maintain the Telecommunications Services it is then providing, including the proper operation of the Central Office without a Central Office Adverse Effect occurring. The aforesaid easement is not intended to include the right to install or relocate cables, fiber optics, waveguides or other transmission media and equipment to any area outside of the Cable Chases, but is merely intended to provide access to the Cable Chases (and the cables, fiber optics, waveguides, other transmission media or equipment located therein) for the purposes of performing the work within the Cable Chases described above. Except in the event of an Emergency, all access to Unit A shall be on reasonable prior notice, and the Unit A Owner shall have the right to have a representative present during such access.

G. Cable Chase Protection. In the event the Cable Vault Unit Owner installs steel or other hardened materials around the perimeter of the Cable Chases and/or other conduits or risers constituting Verizon Units Limited Common Elements (the "Cable Chase Protection Plan") as added protection thereof (the "Installed Chase Protection"), such Installed Chase Protection shall, for purposes of this Declaration, be deemed to constitute part of the Cable Chases and shall not be removed or altered by the Board or the Unit Owner in whose Unit it is located, or any other Occupant thereof. Each Unit Owner and the Board with respect to space which is a General Common Element, shall install interior finishes over the Installed Chase Protection, and such interior finishes shall be completed prior to the use and occupancy of any such Unit. Such interior finishes shall be installed in accordance with the limitations on construction contained in Section 2 of this Exhibit F, including the need for approval of the methods of construction and installation. Neither the Board nor any Unit Owner or other Occupant of a Unit shall (i) install any partition, (ii) except as provided above, affix to the walls any improvements, equipment, fixtures or furniture or (iii) place any permanent or not readily movable improvements, equipment, fixtures or furniture (other than carpeting or other floor covering), in the Elements referred to as the "Typical no build Element" on the Cable Chase Protection Plan annexed hereto for each Cable Chase, or (iv) cause or permit anything to penetrate the Cable Chases. In no event shall the Cable Vault Unit Owner be obligated to repair or otherwise be liable for any damage to any improvements, installations, furniture, fixtures or other property which is located within such "no build Elements", except for any damage caused to the wall currently located within such "no build Element" while exercising its rights hereunder.

6. Verizon Priority Use of Loading Docks and Elevators.

Verizon and its employees, contractors or designees shall have unrestricted priority use of all loading docks and freight and service elevators and General Common Elements during a declared Emergency by Verizon, its Affiliate, Occupant or designee who is responsible for all or a portion of the Central Office without any notice being required. Such use shall be exclusive to the extent required by Verizon, such Affiliate, Occupant or designee. In addition, the Cable Vault Unit Owner shall have the right to place an emergency generator mounted on a truck or other vehicle in any loading dock, sidewalk or other available General Common Element during any maintenance, repair or replacement of any emergency generator located within or exclusively serving any of the Verizon Units or Limited Common Elements appurtenant thereto and/or during a declared Emergency; provided that (except in the case of a declared Emergency) the same (w) does not prevent the doors of the loading dock from closing, (x) allows at least one bay of one loading dock to continue to be used and (z) does not materially interfere with rubbish removal from the Building. If the Cable Vault Unit Owner exercises such right to so place an emergency back-up generator in the loading dock, the Cable Vault Unit Owner agrees to indemnify and hold harmless the Unit A Owner from and against any loss, liability, cost or expense (including reasonable attorneys' fees) arising from any alleged violation of any applicable Legal Requirements in exercising such right.

7. Interference.

Notwithstanding any provisions of the Condominium Documents to the contrary, the Verizon Units Owner shall not be required to perform any work or to exercise any easement right

or to obtain access within the General Common Elements, in its own Unit or within another Unit on an overtime basis and has the right to temporarily inconvenience other Unit Owners and Occupants, in particular, by reason of loud noises or vibrations, and the same shall not be a violation of this Declaration (or create any claim for liability), provided (except in the event of an Emergency) (i) it is related to the operation of the Central Office, and (ii) the Verizon Units Owner has made commercially reasonable efforts to avoid unreasonable interference with the peaceful possession and proper use of the other Units.

8. Use Restrictions.

The use restrictions set forth in Sections 2 and 3 of Exhibit G to the Declaration are incorporated herein by reference.

9. Utility Facilities.

Any construction or installation of new utility facilities or expansion or relocation of existing utility facilities by the Board or Unit Owners (other than Verizon) within the General Common Elements shall not have a Central Office Adverse Effect.

10. Other Conditions to Work.

Any maintenance, construction, reconstruction, demolition, alteration, restoration or repair made on the Building or Land shall be performed in accordance with the applicable terms and conditions of this Declaration (including, without limitation, Section 2 of Exhibit G of the Declaration with respect to types of equipment which may be used and Section 2 of this Exhibit F with respect to Alterations performed by the Board or a Unit Owner (or Occupant)), the Bylaws and the Rules and Regulations. Such work shall be done in a good and workmanlike manner, as expeditiously as reasonably practicable, and using materials within any General Common Elements of a quality comparable to the materials then employed therein (when new) and no such work shall cause or be permitted to cause a Central Office Adverse Effect. In addition to the foregoing, if such maintenance, construction, reconstruction, demolition, alteration, restoration or repair requires access to any Verizon Unit (or any Limited Common Element appurtenant thereto), the Board, the other Unit Owner or its Occupant (or their respective designees), as the case may be, shall comply with all reasonable conditions, procedures and rules which the Verizon Units Owner or its Affiliates or Occupants may establish to protect the Central Office from any damage or other Central Office Adverse Effect.

11. Insurance.

H. The provisions of Section 7.4 of the Declaration shall not apply to any act or thing done in the Verizon Units or the Limited Common Elements appurtenant thereto which, if not done, would have or would be likely to have a Central Office Adverse Effect; provided, however, that the foregoing exception shall not apply if, as a result of taking such act, insurance cannot be obtained by the Board meeting the requirements of this Declaration or the Bylaws, unless not taking such act would prevent Verizon (or its Affiliates, Occupants or designees) from properly operating the Central Office in accordance with applicable Legal Requirements.

I. To the extent not required by Legal Requirements, nothing in this Declaration shall require the Verizon Units to install any sprinkler systems or to comply with any Insurance Requirements which would have a Central Office Adverse Effect; provided, however, that with respect to Insurance Requirements (A) the Verizon Units shall nonetheless be required to comply with such Insurance Requirements (other than those which may require the installation of any sprinkler systems) if as a result of a failure to comply with the same, insurance cannot be obtained by the Board meeting the requirements of Article 7 of this Declaration, unless such Insurance Requirement would prevent Verizon, its Affiliates, Occupants or designees from properly operating the Central Office from the Verizon Units in accordance with applicable Legal Requirements (unless Verizon, its Affiliates, Occupants or designees no longer operates or will be operating the Central Office) and (B) if such non-compliance would cause the insurance premiums required to be paid in order for the Board to comply with its insurance obligations under said Article 7 of the Declaration to increase, then, if the Unit Owner of the Verizon Units elects not to comply after notice from the Board of the amount such premiums would increase as a result of non-compliance, the Unit Owner(s) of the applicable Verizon Units will pay as a Unit Expense the amount of such increase; provided, further, that the provisions of this clause (B) shall not apply to Insurance Requirements which require that the operation of the Central Office be terminated, in whole or in part, or which require the method of operation of such Central Office be changed, as opposed to, for example, that additional improvements or safety features be installed in the Verizon Units and the Limited Common Elements appurtenant thereto, where such additional improvements or safety features are not being required solely as a result of such use.

12. **Security**. The limitations on security programs set forth in Section 3.8 of the Declaration are hereby incorporated herein by reference.

EXHIBIT G

USE OF BUILDING AND UNITS

1. Use Restrictions.

The use of each Unit and the Building shall be subject to the following limitations and restrictions:

(i) No restaurant or other food preparation, except to the extent same complies with reasonable requirements and restrictions imposed by the Board, such as (without limitation) installation of an exhaust system exiting the Building in a manner and from a location that limits noxious odors, and includes a program of pest control and a program of wet trash storage and removal.

(ii) No manufacturing, residential, hotel or lodging purposes, or uses that require a conditional use permit, special permit, variance or other exception, but nothing herein contained shall be deemed to limit the use of the Verizon Units for the Central Office.

(iii) For a period of five (5) years after the recording of this Declaration, no signage of any provider of any wireless network services or cellular telephones or other devices or accessories that are sold for use primarily in connection with such wireless network services or cellular telephones shall be permitted on the Building to the extent such signage is visible from the exterior or lobby of the Building, without the prior written consent of Verizon.

(iv) No gas or gas service shall be permitted, and no gas system shall be installed, in the Building or any portion thereof or in or under any other portion of the Property.

(v) No welfare, drug or alcohol dependency treatment center, or similar agency, whether public or private, which provides services to clients on the premises of the Unit.

(vi) No fortune tellers, tarot card readers or similar establishments.

(vii) No business in connection with the sale, distribution, display, use, preparation or printing of any pornographic, obscene or "adult" books, films, videos, recordings, telephone services or similar material, but the same shall in no event apply to content within the

Telecommunications Services either provided by or to a Unit Owner, any of its Affiliates, its Occupants or designees.

(viii) No use by any foreign government or the United Nations, any agency, department, embassy, consulate or mission thereof, or other instrumentality entitled to diplomatic or foreign immunity.

(ix) No use by employment agencies (except for (x) executive placement firms, secretarial services placement firms, legal and other professional search firms and other private employment agencies consistent with the standards and quality of a Class B development and (y) other use as an employment agency to the extent such use is ancillary to an Occupant's primary business), schools (unless any such school's use is for office or ancillary uses by such school, as opposed to classrooms or training facilities) or messenger services (except, in each case, to the extent being provided primarily for the benefit of the Occupant's own employees and guests).

(x) No auction sales, fire sales or going-out-of-business sales.

(xi) No arcade-type use including amusement devices, games or machines or pool hall, in each case, for public use.

Nothing contained in the Declaration shall be deemed to limit the use of the Verizon Units for the Central Office.

2. Restrictions on Certain Devices.

For purposes of this Section 2, the terms "digital device" and "unintentional radiator" shall have the meanings given such terms in 47 CFR Ch.1, Part 15, as amended from time to time (the "FCC Rules"). The Property contains, as of the date hereof, and it is anticipated will continue to contain, telecommunications switching equipment and other sophisticated equipment used by the Verizon Units Owner and/or its Affiliates (or its Occupants) in connection with such Person's business (including the operation of the Central Office) and vital to the Verizon Units Owner's (or such Affiliate's or Occupant's) public service obligations. The Verizon Units Owner (or its Affiliates or Occupants) may from time to time deploy new telecommunications equipment and technology in or on the Property, and nothing contained in this Declaration or the Bylaws shall be construed as a restriction on such Person's right to do so. If the Board or any Occupant of any Unit (other than a Verizon Unit) introduces any computer, radio, digital device (including, without limitation, any magnetic resonance imaging, x-ray machine or similar device or machine), telecommunications, business, scientific, cooking or other electronic or electrical equipment in or on the Property, including, without limiting the generality of the foregoing, any unintentional radiator, all such equipment shall (a) be approved by Underwriters Laboratories or any successor organization, (b) in the case of a digital device, comply with the Class B limits set forth in the FCC Rules, and (c) be operated only in such a manner as to not interfere with the Central Office and other telecommunications (or related) equipment of the Verizon Units Owner (its Affiliates or Occupants) on the Property, it being understood that the use of any equipment by the Board or any Occupant in noncompliance with this Section 2 could cause a failure of such telecommunications (or related) equipment or a Central Office Adverse Effect. In addition, the

use and installation of any magnetic resonance imaging, x-ray machine or similar device or machine, on each Special Protections Floor shall be prohibited. If the Board or any Occupant is notified by the Verizon Units Owner and/or its Affiliates (or an Occupant of the Verizon Units) that such Person's equipment is interfering with the Central Office equipment or other telecommunications (or related) equipment of the Verizon Units Owner and/or its Affiliates (or other Occupants of the Verizon Units), the Board or such Occupant, as the case may be, shall immediately stop operating such equipment until the condition causing such interference has been corrected to the satisfaction of the Verizon Units Owner (or such Affiliate or Occupant). [2]

3. Additional Restrictions Affecting Areas Above or Adjacent to Central Office or Cable Vault Unit.

(i) Unless approved in writing by the Cable Vault Unit Owner in accordance with the procedures set forth in Section 3(iv) below, no Occupant of any floor of the Building then in whole or in part immediately above or adjacent to any Verizon Unit (a "Special Protections Floor"), shall cause or permit any penetrations through the floor slab of such Floor or the demising wall between Unit A and the Verizon Unit on such Floor.

(ii) The Unit A Owner shall, prior to any use or occupancy of a Special Protections Floor, install (a) a pre-action fire sprinkler system throughout the entire such Floor of the Building, provided such installation is permitted under, and complies with, Legal Requirements, provided further that the Unit A Owner shall use its best efforts to obtain all variances and waivers which could allow such installation and that if, despite having made such best efforts, the variances or waivers cannot be obtained to allow such installation, then the Unit A Owner shall make commercially reasonable efforts to provide equivalent protections for such floor; and (b) a waterproofing membrane (such as Dex-O-Tex or its equivalent) in accordance with the manufacturer's recommendations in all area of such Floor of the Building. The Unit A Owner shall, as applicable, test, maintain, repair and replace such waterproofing membrane and such pre-action fire sprinkler system to ensure that they retain their effectiveness. In addition, the Unit A Owner shall install a raised floor system on any Special Protection Floor for the running of all utility and drainage lines to eliminate the need for any slab penetrations through the waterproofing membrane.

(iii) Unless approved in writing by the Cable Vault Unit Owner in accordance with the procedures set forth in Section 3(iv) below, no Occupant of a Special Protections Floor of the Building shall cause or permit to be made any installations using water or other liquids (such as toilets, pantries, sinks, etc.) other than within the existing bathroom Elements of such Floor.

(iv) Any request for approval under this Section 3 shall be in writing and, at the request of the Cable Vault Unit Owner, the requesting party shall submit such other information as the Cable Vault Unit Owner shall reasonably require in considering such request

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[2] The owner's manuals for most consumer electronics and residential appliances typically confirm whether such products (a) are approved by Underwriters Laboratories or any successor organization, and (b) in the case of digital devices, comply with the Class B limits set forth in the FCC Rules.

for approval. The Cable Vault Unit Owner shall respond to any submission delivered in accordance with this Section 3(iv) within forty-five (45) days after receipt approving those portions of the request which are acceptable and disapproving those portions of the work which are unacceptable, and specifying in reasonable detail the nature of its objection. Consent to such submissions delivered in accordance with this Section 3(iv) will be deemed granted if not responded to in writing within five (5) business days after a second request for approval made no sooner than forty-five (45) days after the first request, provided that the second request contains the following inscription, in at least 14 point font, bold face lettering: "**SECOND REQUEST FOR CONSENT – FAILURE TO RESPOND WITHIN FIVE (5) BUSINESS DAYS SHALL RESULT IN DEEMED GRANTING OF SUCH REQUEST.**"

(v) Notwithstanding anything to the contrary contained in this Exhibit G or elsewhere in this Declaration, the Verizon Unit Owner and the Cable Vault Unit Owner reserve the right to place, on the ceiling of the fourth (4^{th}) floor, hanging loads affecting the floor of the fifth (5) floor in the amounts of up to 25 pounds per square foot. Accordingly, no Occupant of the fifth (5) floor of the Building shall place a load on such floor which exceeds the maximum load for which such floor was designed and which is permitted under applicable Legal Requirements and any applicable certificate of occupancy for the Building, less, in each case, 25 pounds per square foot.

4. Verizon Special Rights.

From and after the Verizon Special Rights Termination Date, Sections 2 and 3 of this Exhibit G shall be of no further force or effect and the Unit Owners shall execute such documentation as any Unit Owner may reasonably request to evidence the same.

EXHIBIT H

SALE AND TRANSFER RESTRICTIONS; RIGHT OF FIRST OFFER

1. Definitions

"Control Party" shall mean either (x) Verizon or (y) such other principal who has acquired a Unit(s) or control, direct or indirect, of a Unit Owner, in a transaction permitted under this Exhibit H, or its successor by merger, consolidation, liquidation, reorganization or acquisition of all or substantially all of the assets of such Control Party.

"Prohibited Person" As defined in Section 2(b) of this Exhibit H.

"Public Utilities Authority" As defined in Section 4(e)(v) of this Exhibit H.

"Qualified Transferee" means any one of the following Persons: (a) an Institutional Lender; (b) any manager of investment funds investing in debt or equity interests relating to commercial real estate investing through a fund with committed capital of at least three hundred million dollars ($300,000,000), as adjusted every five (5) years to reflect any increase in CPI; (c) any Person with a long-term unsecured debt rating from any nationally recognized statistical rating organization of at least Investment Grade; (d) any Person who (i) owns or operates at least four million (4,000,000) square feet of office space; and (ii) has a net worth, calculated as of a date no more than six (6) months prior to the date of such transfer, of at least three hundred million dollars ($300,000,000), as adjusted every five (5) years to reflect any increase in CPI; or (e) any Person with a net worth, calculated as of a date no more than six (6) months prior to the date of such transfer, of at least three hundred million dollars ($300,000,000), as adjusted every five (5) years to reflect any increase in CPI; provided, however, in each case such Person is not and has not been involved in any litigation related to real estate matters with the Unit Owner that is not undertaking the proposed transfer (the "Non-Transferring Owner") during the past five year period prior to the date of the transfer in question, unless the Non-Transferring Owner waives this requirement, and provided further that, in each case such person shall be subject to service of process within the United States of America.

"ROFO Contract of Sale" As defined in Section 4(e)(ii) of this Exhibit H.

"ROFO Notice Recipient" As defined in Section 4(a)(i) of this Exhibit H.

"ROFO Purchaser" As defined in Section 4(b) of this Exhibit H.

"ROFO Sale Notice" As defined in Section 4(a)(i) of this Exhibit H.

"ROFO Seller" As defined in Section 4(a)(i) of this Exhibit H.

2. Right to Sell

(a) General Provision Regarding Sale/Transfer/Subdivision. A Unit Owner shall be free to Sell its Unit, or if it owns more than one Unit, any one or more of its Units, or to Transfer a Controlling Interest in such Unit Owner, except as otherwise provided in and subject to this Exhibit H. Any Unit being sold must be sold as an entirety. No Unit Owner may subdivide any of its Units into two or more Units.

(b) Certain Prohibited Sales. Unless waived by the Board, and only upon Supermajority Approval by the Unit Owners, no Unit may be sold to any Person which is entitled to diplomatic or sovereign immunity under applicable Legal Requirements or which is not subject to service of process in the State in which the Property is located or to the jurisdiction of the courts of the State in which the Property is located and the United States. No Unit may be sold to any Person who is a Prohibited Person. Additionally, no Unit Owner shall suffer or permit any Transfer of direct or indirect control of such Unit Owner, or of any ownership interests, direct or indirect, in such Unit Owner, to occur which would result in such Unit Owner becoming a Prohibited Person or being controlled by, directly or indirectly, a Prohibited Person. As used herein the term "Prohibited Person" means any Person on the most current list of "Specifically Designated National and Blocked Persons," or on any other similarly designated lists promulgated from time to time by any agency of the U.S. government and with whom the conduct of business is prohibited.

(c) Special Restrictions Relating to the Sale of Unit A. The provisions of Sections 2(d), 2(f), and 4 hereof shall not be deemed to apply to the initial Sale of Unit A by Declarant but shall apply to any subsequent sale of Unit A. Notwithstanding Section 3(b) below, Declarant shall be released from all obligations and liabilities hereunder and under the Bylaws as Unit Owner of Unit A, whether such obligations and liabilities accrued prior to or after the date of closing of such Sale, but the foregoing shall not affect the rights and obligations of Declarant and the purchaser under any agreement pursuant to which Unit A is initially sold by Declarant.

(d) Notice of Sale. Notice of any Sale of a Unit(s) shall be provided to the other Unit Owner(s) and the Board within five (5) business days after any such Sale. Such notice shall include a copy of the deed or other instrument of conveyance and any other instruments and agreements as may be required to be entered into and/or delivered under this Exhibit H in connection therewith. No notice shall be required under this Section 2(d) with respect to the initial Sale of Unit A by Declarant.

(e) Consent of Unit Owner to Subsequent Sale. The Sale by any Unit Owner (or the Transfer of a Controlling Interest in any Unit Owner) or the occurrence of a Sale hereunder (or a Transfer hereunder of a Controlling Interest in any Unit Owner), shall not relieve any Unit Owner from the obligation of complying with this Exhibit H in connection with any subsequent Sale (or Transfer).

(f) Conditions to Effectiveness of Sale. No Sale by a Unit Owner shall be effective, and no purchaser or transferee in connection with a Sale shall be recognized as a Unit Owner hereunder unless and until all outstanding Common Charges and Unit Expenses in respect of the applicable Unit at the time of such Sale shall have been paid in full.

3. Assumption; Obligations Run With Units.

(a) Assumption. Any deed or other instrument of conveyance of a Unit Owner's interest in a Unit to any party shall expressly provide (but shall nevertheless automatically, without further action, be deemed to provide) that the acceptance thereof by the grantee/transferee shall constitute an acknowledgement and agreement by such grantee/transferee that, it shall be bound by all of the provisions of the Condominium Documents, as the same may be amended from time to time, as if such provisions were recited and stipulated at length in such deed or other instrument of conveyance and it shall comply with all of the obligations of the Unit Owner of the conveyed Unit contained therein. Acceptance of such deed or other conveyance shall also constitute:

(i) a waiver of any and all immunity from suit or other actions or proceedings arising in connection with the Property, the Unit being acquired, this Declaration, the Bylaws and any other agreement among the Unit Owners relating to the Property (or any provision of any of the foregoing);

(ii) an agreement that should any suit, action or proceeding (including an arbitration) be brought in the State in which the Property is located or any other jurisdiction to enforce any obligation or liability of such Person arising, directly or indirectly, out of or relating to the Property, the Unit being acquired, this Declaration, the Bylaws or any other agreement among the Unit Owners relating to the Property (or any provision of any of the foregoing), no immunity from such suit, action or proceeding will be claimed by or on behalf of such Person;

(iii) an acknowledgment and agreement that all such suits, actions or proceedings may be dealt with and adjudicated in the state courts of State in which the Property is located or the federal courts sitting in State in which the Property is located (or in arbitration, as provided in this Declaration, the Bylaws or any other agreement among the Unit Owners); and

(iv) an irrevocable submission of such Person to the jurisdiction of such courts in any such suit, action or proceeding (and so far as is permitted under applicable law, the foregoing consent to personal jurisdiction shall be self-operative and no further instrument or action shall be necessary in order to confer jurisdiction upon such Person in any such court).

Upon request by any other Unit Owner, such grantee/transferee shall execute and deliver to the other Unit Owner(s) an assumption agreement confirming the agreements, consents, waivers and acknowledgements described in this Section 3(a), in form and substance reasonably

acceptable to such other Unit Owner, provided that the failure of such grantee/transferee to deliver such assumption agreement shall not be deemed to negate or otherwise limit the automatic agreements, consents, waivers and acknowledgements described in this Section 3(a). Without limiting the generality of the foregoing, upon the request of the Board or any other Unit Owner, any grantee/transferee, shall execute, deliver and file all such further instruments as may be necessary in order to make effective and facilitate the power of attorney granted to the Board herein and the consent to jurisdiction and waiver of immunity hereinabove provided, including the designation of a duly authorized and lawful agent in the City in which the Property is located to receive process for and on behalf of such Person in any suit, action or proceeding (including an arbitration) in the State in which the Property is located.

(b) Release of Seller. If a Unit(s) shall be Sold in accordance with the terms of this Exhibit H, upon such Sale being effective, the transferor Unit Owner shall be deemed released from all obligations and liabilities hereunder and under the Bylaws thereafter accruing. A consent by an Unit Owner to a Sale of any other Unit Owner's Unit shall not constitute a release of such other Unit Owner unless expressly agreed by such Unit Owner.

4. Right of First Offer.

(a) Sale Notice. (i) If at any time a Unit Owner (the "ROFO Seller") (aa) shall desire to Sell its Unit or if it owns more than one Unit, shall desire to Sell one or more of its Units, or (bb) shall desire to Transfer (as defined in Section 4(a)(ii)(aa) below) a Controlling Interest in such Unit Owner, then such ROFO Seller shall first offer such Unit or Units, or such Controlling Interest, as the case may be, for sale (x) if the ROFO Seller is the Unit A Owner, to the Verizon Units Owner, (y) if the ROFO Seller is the Verizon Units Owner, to the Unit A Owner (z) if the ROFO Seller is another Unit Owner, to the Verizon Units Owner and the Unit A Owner, in each case by giving written notice (the "ROFO Sale Notice") to such other Unit Owner(s) referenced in clause (x), (y) or (z) above, as applicable (the "ROFO Notice Recipient") (I) setting forth the price and other material terms and other monetary inducements for which such selling Unit Owner is willing to sell such Unit or such Controlling Interest, as the case may be, (including any take back or assumption obligations and incentives) and (II) offering to sell the applicable Unit or Units, or Controlling Interest, as the case may be, to the ROFO Notice Recipient on the terms and conditions so set forth, as the same may be modified by the further terms and conditions of this Section 4, and subject to, and in compliance with, the terms and conditions of this Section 4 (and the remaining terms of this Exhibit H) applicable to such a Sale or Transfer, as the case may be. No terms contained in the ROFO Sale Notice shall be such that a third-party purchaser would not be reasonably capable of performing the same. No terms contained in the ROFO Sale Notice shall require the purchase of any assets other than the applicable Unit(s) or Controlling Interest in the direct ownership thereof, as the case may be, (and related rights and assets). The purchase price shall be an "all cash" purchase price, except the ROFO Sale Notice may provide that the ROFO Seller will provide purchase money financing and the material terms thereof.

(ii) (1) Subject to paragraph (2) immediately below, the term "Transfer" as used herein shall include any sale, assignment or other transfer of a direct or indirect ownership interest in a Unit Owner (whether the same constitutes a share, partnership interest, membership

interest or otherwise), and shall also include the issuance of new shares, partnership interests, membership interests or other evidence of ownership.

(2) The terms "Sell" and "Transfer" in paragraph (i) above shall not include:

a. a Sale or Transfer to an Affiliate of such Owner or to a successor entity of such Unit Owner. A "successor entity" shall mean a corporation or other legal entity into which or with which the Unit Owner, its corporate successors or assigns, is merged or consolidated, in accordance with applicable statutory provisions for the merger or consolidation of corporations, provided that by operation of law or by effective provisions contained in the instruments of merger or consolidation, the liabilities of the corporations or other entities participating in such merger or consolidation are assumed by the corporation or other entity surviving such merger or consolidation;

b. a Sale or Transfer to the Verizon Units Owner or its Affiliates or a Sale or Transfer to the Unit A Owner or its Affiliates;

c. a Sale or Transfer resulting from the death or incapacity of a Unit Owner who is an individual Unit Owner;

d. a Sale or Transfer by an individual Unit Owner to a member of his or her immediate family (including the siblings of an individual Unit Owner) or their descendants or to a trust principally for the benefit of the foregoing Persons;

e. in the case of the Verizon Units, a Sale or Transfer to another Person which is a Public Utility or as a so-called "spin-off" of Verizon assets, or otherwise where the buyer or transferee intends to continue to use such Unit(s) in the operation of the Central Office;

f. a Sale or Transfer where the Unit(s) being transferred is (are) being transferred as part of a transaction in which other assets being transferred to the purchaser (or other transferee) or its Affiliates by the ROFO Seller and its Affiliates and the value of the Unit(s) being transferred is not more than twenty-five percent (25%) of the value of all assets being so transferred;

g. the initial Sale of Unit A by Declarant;

h. the foreclosure of a mortgage or the acceptance of a deed or other conveyance in lieu of foreclosure or a Sale which results from any other exercise of remedies thereunder, in each case, to the extent the transferee thereof is the Listed Mortgagee or the holder of any note secured thereby, an Affiliate of such Listed Mortgagee or holder or a nominee thereof;

i. the first Sale by a Listed Mortgagee following any action taken by such Listed Mortgagee described in the preceding subparagraph (h);

j. any Sale or Transfer occurring by operation of law, including without limitation as part of any plan of reorganization in any bankruptcy proceeding under Chapter 11 of Title 11 of the United States Code or resulting from any other bankruptcy or insolvency proceeding of the Unit Owner of such Unit;

k. any Transfer of a Controlling Interest in Verizon or it Affiliates;

l. any Transfer of shares or other ownership interests which are listed on a nationally or internationally recognized stock exchange or over the counter market;

m. (x) a pledge made to a Qualified Transferee or (y) a Transfer to any Person pursuant to a public foreclosure or sale of such Pledge of which the other Owner is given prior written notice in accordance with the notice provisions of the Condominium Documents at the time notices are given to the public of the public foreclosure or sale, or (z) an assignment in lieu thereof, private sale or other exercise of remedies which results in a Transfer to the holder of such Pledge or the note(s) secured thereby, an Affiliate of such holder or a nominee thereof, or to another Qualified Transferee;

n. an option or other right to purchase, provided that any Transfer pursuant thereto is in compliance with this Section 4;

o. any Transfer, if, after such Transfer, the Unit Owner in whom a direct or indirect ownership interest (or direct or indirect control) is Transferred, continues to be an Affiliate of the same Control Party as it was immediately prior to such Transfer or the Control Party itself;

p. any Transfer of a direct or indirect interest in a Unit Owner to a Qualified Transferee;

and any Sale or Transfer described in any of clauses (a) through (p) above shall not be subject to, or in any manner required to comply with, the provision of this Section 4, but shall comply, unless otherwise provided herein, with the requirements of the other Sections of this Exhibit H, and any subsequent Sale, unless similarly excluded pursuant to any of clauses (a) through (p) above as applicable to such subsequent Sale, shall be subject to the provisions of this Section 4.

(iii) Notwithstanding paragraph (i) above, an ROFO Seller may also sell its Unit subject to an existing Listed Mortgage, provided such Listed Mortgage permits (or the Listed Mortgagee has on or prior to the date of the Sale Notice consented to) a Sale to the ROFO Purchaser pursuant to this Section 4, without any additional consent being required and without the same (aa) constituting a default under the Listed Mortgage, (bb) accelerating the maturity date thereof, (cc) requiring any additional security or credit support to be put up, (dd) imposing any additional obligations on the mortgagor or any other obligated party thereunder (including any additional payment being required in connection with such Sale), (ee) triggering any additional conditions to the exercise of the mortgagor/borrower's rights thereunder, or (ff) in any other manner reducing the rights and options of the mortgagor/borrower thereunder. Additionally, from and after the date of closing of a Sale to the ROFO Purchaser pursuant to this

Section 4, no default under (or right to accelerate the maturity date of) the Listed Mortgagee shall arise by reason of the acts or omissions of the ROFO Seller or its Affiliates nor shall any additional security or credit support be required as a result of such acts or omissions.

(b) Response to Sale Notice. (i) The ROFO Notice Recipient shall have sixty (60) days after the date of receipt of such Sale Notice during which to notify the ROFO Seller that such ROFO Notice Recipient accepts (such ROFO Notice Recipient, if it shall so accept, is sometimes referred to herein as the "ROFO Purchaser") the ROFO Seller's offer and agrees to purchase (or have its designee purchase) such ROFO Seller's Unit, or Controlling Interest, as the case may be, on the same terms and conditions as are described in the ROFO Sale Notice, as modified by the other terms and conditions of this Section 4, with the remaining terms of such sale to be as provided in paragraph (e) below. In order for the ROFO Purchaser's acceptance of a ROFO Sale Notice to be effective:

(1) the ROFO Purchaser must deliver to an escrow agent, who shall be one of the three (3) largest title insurance companies in the United States or otherwise reasonably satisfactory to the ROFO Seller, a deposit in escrow to secure its obligations under paragraph (e) below (and the ROFO Contract of Sale to be negotiated pursuant thereto) to purchase the ROFO Seller's Unit(s), or Controlling Interest, as the case may be, such deposit to be in an amount equal to five percent (5%) of the purchase price for such Unit(s), or Controlling Interest, as the case may be, as set forth in the ROFO Sale Notice, and held by such escrow agent pursuant to its customary form of escrow agreement or such other form of escrow agreement as shall be reasonably satisfactory to the ROFO Seller and the ROFO Purchaser (and the ROFO Seller shall be listed as a party thereto); and

(2) the notice of acceptance by the ROFO Purchaser must be accompanied by a copy of the escrow agreement referenced in clause (1) of this paragraph (b)(i) signed by the escrow agent and the ROFO Purchaser and include an acknowledgement of receipt by the escrow agent of the deposit referred to in clause (1) of this paragraph (b)(i).

(ii) The ROFO Seller shall execute and return to the escrow agent the escrow agreement referred to in the previous sentence within five (5) business days after receipt of the notice of acceptance by the other Unit Owner, provided the same is effective as provided above. The deposit (together with any interest thereon) may, at the direction of the ROFO Purchaser, be used at closing to pay a portion of the purchase price.

(iii) If the purchase fails to close for any reason, other than the default of the ROFO Purchaser, taking into account any applicable notice and grace periods in the ROFO Contract of Sale, the deposit (and any interest thereon) shall be promptly paid to the ROFO Purchaser (or its designee). If the closing fails to occur due to any default of the ROFO Purchaser, the deposit (and any interest thereon) shall be promptly paid to the ROFO Seller as liquidated damages for such default.

(iv) Time shall be of the essence with respect to the giving of the ROFO Notice Recipient's acceptance notice as provided above and if the ROFO Notice Recipient fails

to so timely deliver an effective acceptance notice, such Unit Owner shall be deemed to have waived the right to purchase the ROFO Seller's Unit, or Controlling Interest, as the case may be, (subject to the right to have such right reinstated as provided in paragraph (d) below (or, as provided in paragraph (v) below, in the case of a Sale, or Transfer, as the case may be, described in clause (z) of Section 4(a)(i) where both the Unit A Owner and the Verizon Units Owner each accept the ROFO Sale Notice offer in accordance with this Section 4(b)) or, if such Unit is Sold, or such Controlling Interest is Transferred, as the case may be, in accordance with paragraph (d) below (or to another Unit Owner in accordance with paragraph (e) below), such right will continue and be applicable if such Unit thereafter is to be Sold, or such Controlling Interest is to be Transferred, as the case may be, again (unless such subsequent Sale is otherwise excluded from the operation of this Section 4)) and the ROFO Seller shall have the right to sell such Unit, or Controlling Interest, as the case may be, as provided in paragraph (d) below.

(v) In the case of a Sale or Transfer, as the case may be, described in clause (z) of Section 4(a)(i) hereof, if both the Unit A Owner and the Verizon Units Owner each accept the offer to sell contained in the ROFO Sale Notice in accordance with this Section 4B, then, only the acceptance notice from the Unit A Owner shall be deemed effective and the provisions of this Section 4 shall apply thereto as if the Verizon Units Owner had never effectively delivered its acceptance notice (and the Verizon Units Owner shall be entitled to a return of its deposit described in paragraph (i) above), provided, however, if the purchase fails to close by reason of the default of the ROFO Purchaser, the Verizon Units Owner shall be so notified by the ROFO Seller and shall have fifteen (15) days to confirm by written notice to the ROFO Seller that it still wishes to accept the Sale offer (or Transfer offer, as the case may be) in the manner described in this Section 4(b), including redepositing its required escrow as provided above. If such confirming notice is timely and effectively delivered it shall be as if it were the timely and effective delivery of an acceptance notice under this Section 4(b); otherwise, the ROFO Seller shall be entitled to sell its Unit(s), or Controlling Interest, as the case may be, in accordance with Section 4(d) below, as if such failure to timely and effectively deliver such confirming notice were the failure to timely deliver an effective acceptance notice.

(vi) Provided the ROFO Purchaser gives the ROFO Seller at least five (5) business days' notice prior to the Closing, the ROFO Purchaser shall be permitted to designate another Person to be the grantee under the deed and transferee under any other instruments of transfer and all tax returns and other instruments to be filed with any Governmental Authority shall reflect the same. Any Person a ROFO Purchaser so designates to acquire the offered Unit(s) must be an Affiliate of such ROFO Purchaser, unless either (a) such Sale is of all of the ROFO Seller's Units in the Condominium pursuant to clause (x) or (y) of Section 4(a)(i) hereof, the Unit(s) is (are) not being sold subject to a Listed Mortgage (or the Listed Mortgage would not be violated by a Sale to such non-Affiliate) and the ROFO Seller is either the Unit A Owner or the Verizon Units Owner, (b) the ROFO Seller consents in writing to such other designee and the ROFO Seller is either the Unit A Owner or the Verizon Units Owner, or (c) if the ROFO Seller is not the Unit A Owner or the Verizon Units Owner, then, whichever of the Unit A Owner or the Verizon Units Owner is not the ROFO Purchaser consents in writing to such other designee.

(c) Document Production. (i) Together with the ROFO Sale Notice, the ROFO Seller shall deliver or cause to be delivered to, or, at the ROFO Seller's option, otherwise

promptly make or cause to be made available during Business Hours for examination and, if desired, copying by the ROFO Notice Recipient (and its representatives, designees and agents) at the office of the ROFO Seller and/or its counsel in the metropolitan Element in which the Property is located, the usual and customary documents shown to purchasers in connection with the sale or transfer of real property or controlling equity interests directly or indirectly in owners of such real property, as the case may be, in the City in which the Property is located, to the extent they are in the possession of the ROFO Seller or its Affiliates, including title policies, permits, certificates, service agreements and contracts, space leases, rent rolls, licenses, union agreements and contracts, engineering reports and plans and specifications for the Unit, mortgage and loan agreements and all other documents with respect to loans affecting the ROFO Seller's interest in its Unit, or Controlling Interest, as the case may be, but the documents to be so provided, need not be any greater than those which have directly or indirectly been made available to or would be made available to a potential third party purchaser (and its Affiliates) or would, prior to closing, be made available to a potential third party purchaser (and its Affiliates). The ROFO Seller may require the ROFO Notice Recipient to sign a confidentiality agreement in connection with the receipt of documents as aforesaid which are not already publicly known and subject to customary exceptions, which confidentiality agreement shall be in form and substance reasonably satisfactory to the ROFO Seller and the ROFO Notice Recipient.

(ii) The ROFO Notice Recipient (and its designees, agents and representatives) in connection with an offer to sell which it is considering or has accepted shall be permitted upon reasonable advance notice, at reasonable times, to tour and inspect the ROFO Seller's Unit, provided that such ROFO Notice Recipient shall not be permitted, without the prior written consent of the ROFO Seller, which consent shall not be unreasonably withheld, to conduct any physically intrusive inspection of the Property, such as sampling of soils, other media, building materials or the like unless such right would be granted to a potential third party purchaser and its Affiliates, agents and representatives. Any right to tour or inspect a Unit Owner's Unit as aforesaid shall be subject to the rights of tenants, if any, or, in the case of the Verizon Units, such additional restrictions as the Unit Owner thereof shall impose to protect the operation of the Central Office. The ROFO Notice Recipient shall defend, indemnify and hold harmless the ROFO Seller and its agents and employees from and against all loss, cost, damage, claim and liabilities (whether arising out of injury or death to persons or damage to the Unit or an Occupant's property or otherwise), including reasonable attorneys' fees and disbursements, arising out of or in connection with any inspection or, if permitted by the ROFO Seller, testing, or the ROFO Notice Recipient's (or its representatives, designees or agents) entry upon the ROFO Seller's Unit for purposes of conducting such tour, inspection or testing, unless and to the extent caused by the negligence or willful misconduct of the ROFO Seller or its agents or employees.

(d) Effect of Non-Delivery of Effective Sale Notice. (i) If the ROFO Notice Recipient(s) does not timely deliver an effective acceptance notice as provided in paragraph (b) above, or, prior to the last day on which an effective acceptance notice may be delivered, waives its right in writing (or is deemed to waive its right) under this Section 4 to purchase the applicable Unit(s), or Controlling Interest, as the case may be, then the ROFO Seller shall, subject to compliance with the other Sections of this Exhibit H which are applicable to such Sale or Transfer, as the case may be, and the further terms and conditions of this paragraph (d), be free to sell such Unit(s), or Controlling Interest, as the case may be, at a price no less than, and

otherwise on the same terms as (or, taken as a whole, no better terms than), that stated in the ROFO Sale Notice.

(ii) If either:

a. ROFO Seller shall fail to consummate a Sale of the applicable Unit(s), or a Transfer of the applicable Controlling Interest, as the case may be, in accordance with this paragraph (d) within one year (as such one-year period may be modified by written agreement of the Unit Owners) after:

(I) the earlier of:

1) the expiration of the 60-day period for the ROFO Notice Recipient to deliver an effective acceptance notice, without such ROFO Notice Recipient having timely delivered an effective acceptance notice, with TIME BEING OF THE ESSENCE;

2) the date the ROFO Notice Recipient(s) delivers a waiver of its rights under paragraph (b) above with respect to the ROFO Sale Notice in question;

3) the date the ROFO Notice Recipient is deemed to waive its right to purchase under paragraph (b)(iv) above with respect to the ROFO Sale Notice in question; or

4) if the last sentence of Section 4(e)(v) hereof applies, the earlier of nine months from the date the ROFO Notice Recipient originally accepted the ROFO Sale Notice in question and the date the Public Utilities Authority denies its approval; or

(II) if the ROFO Notice Recipient accepts a ROFO Sale Notice with respect to the Sale of such Unit, or the Transfer of such Controlling Interest, as the case may be, the date the ROFO Purchaser's rights to purchase the applicable Unit(s), or Controlling Interest, as the case may be, in accordance with such Sale Notice terminates pursuant to the provisions of Section 4(f)(i) below (or if Section 4(b)(v) hereof is then applicable, the fifteenth (15th) day after the ROFO Seller delivers the notice described in said Section 4(b)(v) without the Unit A Owner timely delivering an effective confirmatory notice as described therein), or

b. a ROFO Seller wishes to sell its Unit, or Controlling Interest, as the case may be, at a price which is less than 90% of the price set forth in the ROFO Sale Notice or on terms (other than price) which, taken as a whole, are materially less favorable to the ROFO Seller than the terms of the ROFO Sale Notice, then, in order to sell such Unit(s) (in the case of clause (b), on the terms described therein), such ROFO Seller must deliver a new Sale Notice to the ROFO Notice Recipient(s) and the provisions of this Section 4 shall apply thereto as if the prior Sale Notice had never been delivered.

(e) Conditions to Closing Upon ROFO Purchaser Acceptance.

(i) If a ROFO Notice Recipient effectively exercises its right to purchase the ROFO Seller's Unit, or Controlling Interest, as the case may be, as provided in paragraph (b) above, then the ROFO Seller shall sell to the ROFO Purchaser (or its designee) and the ROFO Purchaser (or its designee) shall purchase from the ROFO Seller, the ROFO Seller's Unit(s), or Controlling Interest, as the case may be, covered by the Sale Notice, upon all of the terms set forth in such Sale Notice, as modified by the terms and provisions of this Section 4, and otherwise on such terms and conditions as the ROFO Seller and the ROFO Purchaser shall mutually agree upon, the Unit Owners agreeing to negotiate in good faith the remaining terms for the sale of the Unit, or Controlling Interest, as the case may be, in question.

(ii) The ROFO Seller and the ROFO Purchaser, within thirty (30) days after the ROFO Purchaser's acceptance of the ROFO Seller's offer to purchase in accordance with Section 4(b)(i) above (as such thirty (30) day period may be extended from time-to-time by agreement of the Unit Owners) shall enter into a contract of sale (the "ROFO Contract of Sale") to reflect the aforesaid terms and conditions for the sale of the applicable Unit, or Controlling Interest, as the case may be, by the ROFO Seller to the ROFO Purchaser.

(iii) Without limiting the applicability elsewhere in this Declaration, if the ROFO Seller and the ROFO Purchaser are unable in good faith to agree within said thirty (30) day period (as the Owners may extend the same) on the terms of the ROFO Contract of Sale, such terms which have not been agreed to shall be determined by arbitration in accordance with Section 15.4 of this Declaration, except the arbitrator's determination as to the remaining terms of such ROFO Contract of Sale:

a. shall be based on provisions that are customary for contracts of similar size and nature, provided that the same shall be consistent with and reflect the terms of the Sale Notice, the other provisions of this Section 4 (including, without limitation, the deposit provisions of paragraph (b), the default provisions of paragraph (f) below, and the provisions of subparagraph (v) and (vi) of this paragraph (f)) and the terms and conditions of the ROFO Contract of Sale which have been agreed upon;

b. shall reflect that the ROFO Purchaser had the diligence period described in Section 4(c) (and unless the parties agree otherwise shall not be entitled to any further diligence period);

c. in no event shall require representations regarding the Common Elements or the Condominium structure and operations;

d. unless the ROFO Sale Notice provides otherwise (or the parties in their negotiation agree otherwise), the Contract of Sale shall provide for delivery of such title as is insurable by a nationally recognized title insurance company, subject only to the Condominium Documents and such other liens and encumbrances which (aa) are in existence on the date of this Declaration or thereafter entered into in accordance with the Condominium Documents, (bb) would otherwise not have a material adverse effect or (cc) in the circumstances where the Verizon Units Owner is the Seller, would otherwise constitute an exception to title in a contract of sale which Verizon typically enters into in the City in which the Property is located

(i.e. provisions governing non-consensual liens and reserved rights to its utilities entering the Property from the street); and

e. in no event shall the arbitrator have the right to modify or otherwise alter any of the terms set forth in the ROFO Sale Notice or in this Section 4.

If any of the terms of the ROFO Contract of Sale are to be determined by arbitration, as aforesaid, then the ROFO Contract of Sale shall instead be executed by the ROFO Seller and the ROFO Purchaser within ten (10) business days after the arbitrator's decision.

(iv) Whether or not a ROFO Contract of Sale is executed by the ROFO Seller and the ROFO Purchaser, the parties obligation to close on a Sale or Transfer, as the case may be, pursuant to this Section 4 in the manner provided herein, and the default provisions of paragraph (f) below, shall apply as if the ROFO Contract of Sale was entered into.

(v) With respect to a sale of any Verizon Unit, if the ROFO Seller (or an Affiliate) is Verizon or another Person which is a Public Utility, then such Sale to the ROFO Purchaser (or its designee) shall be conditioned on and subject to, to the extent required by applicable Legal Requirements, first obtaining the approval of the Public Service Commission or other regulatory authority as provided in such Legal Requirements ("Public Utilities Authority") of such Sale to the ROFO Purchaser (or its designee), without the imposition by the Public Utilities Authority of any conditions or requirements, including any condition or requirement relating to the application of proceeds, as are unacceptable to the ROFO Seller in its sole judgment. If such an approval is required, the ROFO Seller shall so state in the ROFO Sale Notice. If such approval is denied or not obtained within nine months, then for purposes of this Section 4, the same shall be treated as if the ROFO Seller had elected not to sell (unless the denial by Public Utilities Authority was related to the identity of the ROFO Notice Recipient, in which case the same shall be treated as if the ROFO Notice Recipient had elected not to purchase) in accordance with the ROFO Sale Notice, the ROFO Notice Recipient shall be entitled to a return of its deposit described in Section 4(b)(i) above, and the ROFO Seller shall be entitled to sell the same in accordance with paragraph (d) above.

(vi) The closing of any sale of a Unit, or Controlling Interest, as the case may be, pursuant to this paragraph (e) shall occur on the date which is one hundred twenty (120) days after the giving of the applicable acceptance notice or such other date as the ROFO Seller and ROFO Purchaser shall agree; provided, however, if the ROFO Seller is Verizon or its Affiliate or another Public Utility, such 120 day period shall be extended (if later than said 120 day period) to the earlier of (A) the date which is sixty (60) days after Public Utilities Authority approval is received or (B) nine (9) months. If Public Utilities Authority approval is required for a sale by the ROFO Seller, the ROFO Seller shall use due diligence to promptly file an application for Public Utilities Authority approval and make commercially reasonable efforts to cooperate with Public Utilities Authority to obtain Public Utilities Authority approval as promptly as is reasonably practicable. Without limiting the terms of the ROFO Sale Notice or the other customary closing deliveries and payments to be provided for in the ROFO Contract of Sale, at the closing of the Sale of a Unit, or Controlling Interest, as the case may be, in accordance with this paragraph (e) the following shall occur:

a. all Common Charges, Unit Expenses and other amounts which are due and owing under this Declaration or the Bylaws by the ROFO Seller on the date of closing shall either (I) be paid by such ROFO Seller at or prior to closing; or (II) be credited against the purchase price (and paid by the ROFO Purchaser), in each case, subject to required apportionment;

b. all Unit Expenses and other amounts under this Declaration or the Bylaws which are due and owing by the ROFO Purchaser to the ROFO Seller or to the Board (to the extent required to be passed on in whole or in part to the ROFO Seller) on the date of closing either:

(I) in the case of any such amount owed to the ROFO Seller, shall be paid by such other Unit Owner to the ROFO Seller at or prior to Closing;

(II) in the case of any such amount owed to the Board, shall be paid to the Board by the ROFO Purchaser at or prior to closing and immediately paid over, in whole or in part, as applicable, to the ROFO Seller; or

(III) shall increase the purchase price paid by the ROFO Purchaser by the amount thereof, subject to required apportionment, and thereafter such amount, if owed to the ROFO Seller, will be owed instead to the transferee of the ROFO Seller.

c. with respect to the Sale of a Unit, the ROFO Seller shall deliver a deed in the nature of a quitclaim or special warranty deed to the ROFO Purchaser (or its designee) at the closing;

d. if the Sale is of Unit A or the Transfer of a Controlling Interest in the Unit A Owner, the ROFO Seller shall cause the Directors and Officers it selected (or caused to be appointed) to resign from the Board or as officers of the Condominium, as applicable, effective as of the date of the closing; and

e. if the Sale is of all Units comprising the Verizon Units, the ROFO Seller shall cause the Board directors and officers it selected (or caused to be appointed) to resign from the Board or as officers of the Condominium, as applicable, effective as of the date of the closing.

(f) ROFO Purchaser Default; Other Failure to Close. (i) If a ROFO Notice Recipient has timely delivered an effective acceptance notice pursuant to paragraph (b) above in response to a ROFO Sale Notice and the ROFO Purchaser shall default in its obligation to close on the scheduled closing date (as the same may be extended by agreement of such Unit Owners) and such default continues for a period of at least ten (10) days after notice of such default is given by the ROFO Seller to the ROFO Purchaser, then the ROFO Seller may elect not to Sell the applicable Unit(s) or Transfer the applicable Controlling Interest, as the case may be, to the ROFO Purchaser and thereupon:

a. the ROFO Purchaser's right to purchase the ROFO Seller's Unit, or Controlling Interest, as the case may be, in accordance with the acceptance notice of

such other Unit Owner and paragraph (e) above shall be deemed terminated and of no further effect;

b. the ROFO Seller shall have the right to receive as liquidated damages the deposit made pursuant to paragraph (b) above by the ROFO Purchaser;

c. the obligation of the ROFO Seller (or any successor Unit Owner) to again offer the applicable Unit(s) or any other Unit(s) it owns, or the applicable Controlling Interest, as the case may be, to such defaulting Unit Owner for purchase pursuant to paragraph (a) above shall terminate;

d. the ROFO Seller (and each successor Owner) shall have the right, subject to compliance with the remaining Sections of this Exhibit H which are applicable to it, to sell the applicable Unit(s) or any other Unit(s) it may own, or the applicable Controlling Interest, as the case may be, to any Person or Persons it may elect and on such terms and conditions as it may elect (whether or not at the same price or on the same terms as those set forth in the applicable ROFO Sale Notice), all as if this Section 4 were void and of no effect; provided, however, that in the case of a ROFO Notice Recipient described in clause (z) of Section 4(a)(i) above who so defaults, this paragraph (f) shall not limit in any respect the obligation of the ROFO Seller (and each successor Unit Owner) to offer its Unit(s), or Controlling Interest, as the case may be, to the other ROFO Notice Recipient in accordance with this Section 4 and, unless waived by such other ROFO Notice Recipient in accordance with this Section 4 with respect to a Sale, or Transfer, as the case may be, to such other ROFO Notice Recipient (or its designee) or a Sale, or Transfer, as the case may be, to a third party purchaser, whichever is applicable; and

e. the defaulting ROFO Notice Recipient shall no longer be entitled to receive notice of foreclosure of any Unit(s) owned by the ROFO Seller (or any successor Owner) pursuant to Section 2(d) hereof.

(ii) If a ROFO Notice Recipient has timely delivered an effective acceptance notice pursuant to paragraph (b) above in response to a ROFO Sale Notice, and a closing shall fail to occur thereunder on the scheduled closing date (as the same may be extended by either party unilaterally (for up to ten (10) days) or by agreement of such Unit Owners), other than by reason of the default of either party, then the provisions of clause (a) of paragraph (i) above shall apply and, if the ROFO Seller shall still desire to sell the applicable Unit(s), or applicable Controlling Interest, as the case may be, it must deliver a new ROFO Sale Notice as provided in Section 4(a)(i) above and any proposed Sale or Transfer, as the case may be, shall be subject to all of the provisions of this Section 4, all as if the original ROFO Sale Notice had not been delivered.

(g) No Greater Obligations. Except as expressly provided otherwise in this Declaration or the Bylaws, a Unit Owner shall have no obligation to maintain, preserve or improve its Unit(s) or the Common Elements, space leases therein, title thereto, or income therefrom or otherwise act or be limited in acting with respect to its Unit(s) or its rights under the Condominium Documents, in any manner whatsoever, and the other Unit Owners shall have no greater rights in respect of the foregoing by reason of this Section 4 (and any rights such other

Unit Owner may have hereunder or thereunder) than are elsewhere provided in this Declaration, the Bylaws or any other agreement of the Unit Owners with respect thereto, and as a ROFO Purchaser shall have no greater rights with respect thereto than are provided in paragraphs (c) and (e) above, if and when the same shall become applicable by reason of the timely delivery of an effective acceptance notice in accordance with paragraph (b) above.

(h) Delivery of Contract After Sale. (a) In the case of the Sale of a Unit, the Unit Owner of any such Unit shall deliver to the applicable ROFO Notice Recipient, within fifteen days after request, a true and correct copy of the deed conveying such Unit(s) and the contract of sale (and all modifications thereto) pursuant to which such Sale was consummated, and certifying to the same; (b) in the case of the Transfer of a Controlling Interest in a Unit Owner, such Unit Owner shall deliver to the applicable ROFO Notice Recipient, within fifteen days after request, a true and correct copy of any document evidencing such Transfer and the contract of sale (and all modifications thereto) pursuant to which such Transfer was consummated, and certifying to the same.

(i) Waiver. Compliance with the provisions of this Section 4 with respect to any Sale or Transfer, as the case may be, may be waived by the applicable ROFO Notice Recipient; provided that if clause (z) of Section 4(a)(i) shall apply, the waiver of compliance with the provisions of this Section 4 by one such ROFO Notice Recipient shall not waive the obligation to comply with the provisions of this Section 4 for the benefit of such other ROFO Notice Recipient.

5. Acknowledgement of Waiver of ROFO.

Upon request from time to time of a ROFO Seller, if a ROFO Notice Recipient has waived or has been deemed to have waived its right of first offer pursuant to the applicable provisions of Section 4 and such right of first offer has not been reinstated pursuant to Section 4(d)(ii) (or if it has been so reinstated, such right has again been waived or has been deemed to have been waived) and the Board has actual knowledge of the pertinent facts, then the Board shall provide the ROFO Seller with an instrument in recordable form stating that the right of first offer in question has been waived or has been deemed to have been waived, provided the Board shall first give at least ten (10) business days written notice to all Unit Owners of such request and of the Board's intention to provide such recordable instrument, and no Unit Owner objects to the provision of such instrument.

6. Subsequent Sales and Transfers.

The provisions of this Exhibit H shall continue to apply to all subsequent sales of each Unit and all subsequent Transfers of a Controlling Interest in a Unit Owner notwithstanding one or more sales of such Unit or one or more such Transfers.

7. No Resale of Unit A until Substantial Completion of Unit A Renovations.

The Initial Unit A Owner acknowledges that Verizon is relying on the experience, reputation and operating history of such Owner and its Control Parties in consummating the initial sale of Unit A to such Owner and that Verizon wishes to be assured that such Owner or a Permitted Affiliate shall continue to hold and remain in control of Unit A, subject to certain

exceptions, until the date (the "Outside Date") on which occurs the Substantial Completion of the Unit A Renovations. Such initial Owner of Unit A covenants that such Owner shall not sell Unit A or enter into a Prohibited Transfer prior to the Outside Date, provided however, that such Owner may enter into a binding agreement to effect a Prohibited Transfer prior to the Outside Date as long as any such agreement does not provide for (x) the transfer of control or economic benefit or (y) any occupancy rights effective prior to the Outside Date. As used herein, the term "Prohibited Transfer" shall mean any Sale or Transfer other than a Permitted Transfer (as hereinafter defined). A "Permitted Transfer" shall mean any Sale or Transfer to an Affiliate of the Unit A Owner. Upon request by Verizon, Unit A Owner shall provide reasonable evidence in form reasonably satisfactory to Verizon, in connection with such transaction to determine compliance with the foregoing provisions.

Purchaser agrees that all Net Proceeds (as hereinafter defined) from a Prohibited Transfer, shall be payable to Verizon if the Unit A Owner (A) concludes such sale or Prohibited Transfer prior to the Outside Date or (B) prior to the Outside Date, enters into a binding agreement to effect such Prohibited Transfer in violation of this Section 7. As used herein, the term "Net Proceeds" shall mean all proceeds (including the amount of any mortgage to which Unit A is sold subject or the allocable portion thereof if an ownership interest is conveyed while Unit A is subject to the same and/or any purchase money financing provided by Unit A Owner) of a Prohibited Transfer to the extent such proceeds exceed the purchase price of Unit A to the initial Unit A Owner.

The foregoing provisions of this Section 7 are not intended to (i) prohibit the leasing of portions of Unit A pursuant to space leases for occupancy to third parties, whether immediately or on a deferred basis, or (ii) apply to any mortgaging of Unit A or transfer resulting from the foreclosure of a bona-fide third-party mortgage or a deed in lieu thereof, or to any subsequent conveyance of Unit A following such foreclosure or deed in lieu thereof, or (iii) apply to any subsequent transfer by a third party purchaser of Unit A who acquired Unit A, in a bona fide transaction, from such Owner or a Permitted Affiliate of such Owner.

By Unit A owner's acceptance of a deed to Unit A, it acknowledges and agrees to the restriction set forth in this Section 7 as a reasonable restriction of limited duration, acknowledges and agrees that Verizon continues to have a substantial interest in the Condominium and its harmonious operation, that it is reasonable for Verizon to desire and expect the identity of Unit A owner to remain unchanged, that the principals of the Unit A Owner are sophisticated owners of and investors in commercial real estate and have been represented by legal counsel in this transaction and that Unit A owner and its principals have freely and voluntarily agreed to this reasonable, limited duration restriction.

EXHIBIT I

UNIT A RENOVATIONS

The work described in:

1. Section 3.6E (Emergency Generator).

2. Section 3.6F (Electrical Service).

3. Section 3 of Exhibit G (Additional Restrictions Affecting Areas Above or Adjacent to Central Office or Cable Vault Unit).

EXHIBIT C

FORM OF LEASE

[See Attached]

LEASE

between

[50 VARICK LLC],

as Landlord

- and -

VERIZON NEW YORK INC.,

as Tenant

Premises:

Unit A of the 50 Varick Street Condominium
50 Varick Street
New York, NY

Dated: _____, 2010

TABLE OF CONTENTS

LEASE, dated _____, 2010, between [50 VARICK LLC], (FEIN # [68-0679521]) a New York limited liability company, having an office at c/o c/o Colonnade Group LLC, 77 Fifth Avenue, Suite 4A, New York, New York 10003 ("Landlord"), and VERIZON NEW YORK INC., (FEIN # 13-5275510) a New York Corporation, having an office at 140 West Street, New York, New York 10007 ("Tenant").

W I T N E S S E T H :

ARTICLE 1

DEMISE, PREMISES, TERM, RENT

Section 1.

a) Landlord hereby leases to Tenant, and Tenant hereby hires from Landlord, Unit A (said premises as the same may contract from time to time in accordance with the terms and conditions hereof, the "Demised Premises") in the 50 Varick Street Condominium (the "Condominium"), in the building heretofore erected on the parcel of land more particularly described in Exhibit A (the "Land"), and presently known as 50 Varick Street, in the Borough of Manhattan, City, County and State of New York (the "Building"), for the term hereinafter stated, for the rents hereinafter reserved and upon and subject to the terms, conditions (including limitations, restrictions and reservations) and covenants hereinafter provided. Each party hereby expressly covenants and agrees to observe and perform all of the conditions and covenants herein contained on its part to be observed and performed.

b) Except for portions of said floors which constitute General Common Elements or Limited Common Elements, Unit A is comprised of a portion of the basement, ground floor and all of the fifth (5th) through seventh (7th) floors of the Building, subject to such easements and other rights as may be reserved in the Declaration. The Demised Premises shall include any fixtures and equipment which were conveyed by Tenant to Landlord pursuant to the Contract of Sale, and the right to use the Limited Common Elements, as defined in the Declaration, which are appurtenant to Unit A, and the right to use (to the same extent as Landlord) the General Common Elements, as defined in the Declaration, of the Building including, without limitation, elevators, lobby and truck docks.

c) The term of this lease (the "Term") shall commence on the date hereof (the "Commencement Date") and shall end at 11:59 p.m. on the last day of the calendar month which occurs eighteen (18) months after the date hereof (the "Expiration Date") or on such earlier date upon which said Term shall expire or be cancelled or terminated pursuant to any of the conditions or covenants of this lease.

d) The rents reserved under this lease for the term hereof, except as hereinafter otherwise provided shall be and consist of:

i) the fixed annual base rent for the entire Demised Premises shall be payable at the rate of $60,000 per month; and

ii) additional rent consisting of all such other sums of money as shall become due from and payable by Tenant to Landlord hereunder (for default in payment of which Landlord shall have the same remedies as for a default in payment of fixed annual base rent).

e) Tenant shall pay fixed annual base rent in equal monthly installments on the first day of each month to Landlord, at Landlord's office in New York, New York, or at such other place, or to such agent and at such place, as Landlord may designate by notice to Tenant, by check, subject to collection, in lawful money of the United States of America.

f) Tenant shall pay the fixed annual base rent and additional rent herein reserved promptly as and when the same shall become due and payable, without demand therefor and without any abatement, deduction or setoff whatsoever except as expressly provided in this lease.

g) If the Commencement Date and/or the Expiration Date occurs on a day other than the first day of a calendar month or the last day of a calendar month, as applicable, then fixed annual base rent and additional rent for such months will be prorated according to the number of days elapsed in such month.

h) The items of additional rent payable by Tenant pursuant to this Lease, including, without limitation, Articles 5 and 6 hereof, shall be apportioned between Landlord and Tenant as of 11:59 p.m. on the Expiration Date (with respect to each portion of the Demised Premises demised hereby). Amounts payable pursuant to this Section 1(h) shall be due within thirty (30) days after demand by the applicable party, accompanied by reasonably satisfactory back-up documentation of the amount so due. The obligations of the parties under this Section 1(h) shall survive the Expiration Date.

ARTICLE 2

CERTAIN DEFINITIONS AND CONSTRUCTIONS

Section 2.

a) For the purposes of this Lease and all agreements supplemental to this Lease, and all communications between the parties with respect to this Lease, unless the context otherwise requires:

i) The term "AAA" shall have the meaning set forth in Section 32(a).

ii) The term "after hours" shall mean times other than 8:00 a.m. to 6:00 p.m. on business days and Saturdays.

iii) The term "agent" when used in reference to Landlord, Tenant or the Board of Managers shall include, without limitation, any employee or contractor of Landlord, Tenant or the Board of Managers (as the case may be).

iv) The term "Arbitration Rules" shall have the meaning set forth in Section 32(a).

v) The term "air-conditioning service" shall have the meaning set forth in Section 16(a).

vi) The term "Basic Tenant's Work" shall have the meaning set forth in Section 12(b).

vii) The term "Board of Managers" shall mean the persons responsible for the operation of the Building elected or appointed in accordance with the By-Laws included as part of the Declaration.

viii) The term "Building" shall have the meaning set forth in Section 1(a).

ix) The term "Building HVAC Systems" shall mean the Building's heating, ventilation and air-conditioning systems.

x) The term "business day" shall mean days other than Saturdays, Sundays, and the following holidays: New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas.

xi) The term "Commencement Date" shall have the meaning set forth in Section 1(c).

xii) The term "Condominium" shall have the meaning set forth in Section 1(a).

xiii) The term "Condominium Plans" shall mean the plans prepared by Gensler Architecture, Design & Planning, P.C. and filed in the Office of the Register of the City of New York, New York County, pursuant to Section 339-p of the Real Property Law of the State of New York (the "Condominium Act").

xiv) The term "Consent" shall have the meaning set forth in Section 30(a).

xv) The term "Contract of Sale" shall means that certain Contract of Sale dated December _____, 2009, as the same may have or may hereafter be amended in accordance with the terms thereof, between Tenant and Landlord.

xvi) The term "Control" shall have the meaning set forth in Section 8(b).

xvii) The term "Current Service Standard" shall have the meaning set forth in Section 17(i).

xviii) The term "date of the taking" shall have the meaning set forth in Section 22(a).

xix) The term "Declaration" shall mean the Declaration and By-Laws of the Condominium, including all of the exhibits attached thereto, as the same may be amended at any time.

xx) The term "Delivery Area" shall have the meaning set forth in Section 11(f).

xxi) The term "Demised Premises" shall have the meaning set forth in Section 1(a).

xxii) The term "Electricity Charge" shall have the meaning set forth in Section 15.

xxiii) The term "Expiration Date" shall have the meaning set forth in Section 1.

xxiv) The term "Force Majeure" shall have the meaning set forth in Section 41(j).

xxv) The terms "General Common Elements" and "Limited Common Elements" shall have the meaning ascribed thereto in the Declaration.

xxvi) The term "Hazardous Materials" shall have the meaning set forth in Section 41(l).

xxvii) The term "institution" shall mean a savings bank, a commercial bank or trust company (whether acting individually or in any fiduciary capacity), a savings and loan association, an insurance company, an educational institution, a state, municipal or similar public employees' welfare, pension or retirement fund or system, or a real estate investment trust, provided such entity, in each case, is not affiliated with Landlord. The term "institutional" shall be deemed to refer to an institution.

xxviii) The term "Landlord" shall mean only the landlord herein named or mortgagee or successor landlord owning the Landlord's Unit at any given time.

xxix) The term "Landlord's Unit" shall mean "Unit A", as such term is defined in the Declaration and By-Laws of the 50 Varick Street Condominium (pursuant to Article 9-B of the Real Property Law of the State of New York) dated _____, 2009 and recorded in the New York County Register's Office on _____, 2009 as _____.

xxx) The term "Legal Requirements" and words of like import, shall mean laws and ordinances of any or all of the Federal, state, city, and county 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 Building and/or the Demised Premises.

xxxi) The term "Managing Agent" shall mean any or all of the following: the managing agent employed by the Board of Managers for the operation of the Building, or by Landlord for the operation of Landlord's Unit, or jointly by the Board of Managers and Landlord for the operation of the Building and Landlord's Unit.

xxxii) The term "Material Tenant's Work" shall have the meaning set forth in Section 12(c).

xxxiii) The term "person" shall include an individual, corporation, partnership, association or other business entity.

xxxiv) The term "related corporation" shall have the meaning set forth in Section 8(b).

xxxv) The term "requirements of insurance bodies," and words of like import, shall mean rules, regulations, orders and other requirements of the New York Board of Fire Underwriters and/or the New York Fire Insurance Rating Organization and/or any other similar body performing the same or similar functions and having jurisdiction or cognizance of the Building and/or the Demised Premises.

xxxvi) The term "repair" shall be deemed to include restoration and replacement as may be necessary to achieve and/or maintain good working order and condition. The terms "restore" and "rebuild" shall be deemed to mean restore or rebuild as nearly as may be practicable to the state or condition existing immediately before the fire, casualty, taking or other occurrence occasioning the restoration or rebuilding, unless otherwise expressly provided. The term "untenantable" shall be construed to include being inaccessible or not having reasonable access.

xxxvii) The term "Rules and Regulations" shall have the meaning set forth in Section 11(a).

xxxviii) The term "Secure Areas" shall mean those areas so designated by Tenant pursuant to Section 14b.

xxxix) The term "Standards" shall mean the standards at which the Building was maintained as of the date of the Contract of Sale.

xl) The term "successor corporation" shall have the meaning set forth in Section 8(b).

xli) The term "Successor Landlord" shall have the meaning set forth in Section 7(b).

xlii) The term "Taxes" mean the real property taxes and assessments that are levied or assessed against Landlord's Unit (including interest and penalties thereon), any assessments for any business improvement district and any impositions (including water, water meter and sewer rents, rates and charges, license and permit fees and any other governmental levies, fees, rents, assessments, taxes or charges) imposed by any governmental authority on

Landlord's Unit or on the Common Elements or the Building, but not including rent and occupancy taxes assessed against Tenant.

xliii) The term "Tenant" shall mean only the tenant herein named or any assignee or other successor in interest of tenant herein named.

xliv) The term "Tenant's HVAC Units" shall have the meaning set forth in Section 16(b).

xlv) The term "Tenant's Property" shall have the meaning set forth in Section 13(b).

xlvi) The term "Tenant's Work" shall have the meaning set forth in Section 12(a).

xlvii) The term "Term" shall have the meaning set forth in Section 1(c).

xlviii) The term "Verizon Separation Work" shall have the meaning set forth in the Contract of Sale.

xlix) Reference to "termination of this Lease" includes expiration or earlier termination of the Term of this lease or cancellation of this lease pursuant to law or any of the provisions of this Lease.

l) The words "include," "including" and "such as" shall each be construed as if followed by the phrase "without being limited to." The words "herein," "hereof," "hereby," "hereunder" and words of similar import, shall be construed to refer to this Lease as a whole and not to any particular Article or Section thereof unless expressly so stated.

li) Words and phrases used in the singular shall be deemed to include the plural and vice versa, and nouns and pronouns used in any particular gender shall be deemed to include any other gender.

lii) All references in this Lease to numbered Articles, numbered Sections and lettered Exhibits are references to Articles and Sections of this Lease, and Exhibits annexed to (and thereby made part of) this lease, as the case may be, unless expressly otherwise designated in the context.

liii) All other terms which are defined in the Declaration shall have the respective meanings ascribed thereto in the Declaration.

ARTICLE 3

USE

Section 3.

The Demised Premises may be used and occupied for any lawful uses related to the conduct of Tenant's business (including, without limitation, offices for Tenant's service representatives and operators, telecommunications equipment, storage, computer and other electronic data processing operations, dining facilities, kitchens, pantries, vending machines, meeting rooms and all other business facilities which Tenant reasonably considers necessary or desirable in the conduct of its business) and are not contrary to any of the provisions of this Lease. Tenant shall not use, or permit the use of, the Demised Premises or any part thereof for any other purpose, except as otherwise expressly provided in this Lease.

ARTICLE 4

CONDITION OF DEMISED PREMISES

Section 4.

a) Tenant acknowledges that Tenant was the owner of the Building immediately prior to the execution and delivery of this Lease and is the current occupant of the Demised Premises and fully familiar with the present condition of the Demised Premises and shall accept possession of the Demised Premises "as is" on the date hereof.

b) Notwithstanding the foregoing, Tenant may install an additional safety or security system (i.e., a key system or otherwise), to control access to the Demised Premises. Tenant shall provide Landlord, from time to time, with the keys to the Demised Premises (or with the appropriate means to access the Demised Premises using Tenant's electronic security systems); provided, however, that Tenant shall not be required to give Landlord the keys for (but Tenant shall provide other appropriate means of access for, as provided in the following sentence) the Secure Areas. Tenant shall provide Landlord with access to the Secure Areas but Landlord agrees that Landlord's right of access to the Secure Areas shall be restricted to the following conditions: (a) except in cases of emergency, any access to the Secure Areas by Landlord shall be upon not less than twenty-four (24) hours notice to Tenant (which notice may be oral), and Landlord shall be accompanied by a representative of Tenant, whom Tenant agrees to make available, assuming reasonable prior notice was given and (b) Landlord shall have no obligation to provide to the Secure Areas cleaning services or any other services or repairs that require access to the Secure Areas unless Tenant shall provide Landlord with such access to the Secure Areas for purposes of providing such cleaning services or other services or repairs.

ARTICLE 5

TAXES

Section 5.

a) Landlord shall pay all Taxes. Tenant shall reimburse Landlord within thirty (30) days after demand therefor, for the actual amount paid by Landlord on account of Taxes attributable to those portions of the Demised Premises then demised hereunder and, as to each such portion, accruing during the relevant Term (but excluding any amount due as a result of the failure by Landlord to timely pay any Taxes). Tenant shall receive any discount received by Landlord for early payment of Taxes. If the Tax bill also includes portions of the Building outside of the Demised Premises, Tenant shall pay a portion thereof, the numerator of which is the square foot area of Demised Premises (as calculated in accordance with the Condominium Plans) and the denominator of which is square foot area of all space included on the Tax bill. If a Tax bill relates to periods both within and without the Term, Tenant's obligations with respect thereto shall be equitably pro-rated. If Landlord receives a refund of Taxes with respect to which Tenant made payment pursuant to this Article 5, Landlord shall promptly pay Tenant the amount of such refund. With respect to the fiscal tax year in which the Commencement Date occurs and any fiscal tax year thereafter until the Expiration Date, Tenant shall have the right to contest the amount or validity, in whole or in part, of any Taxes, or to seek a reduction in the valuation of the Demised Premises, or any part hereof, by appropriate proceedings diligently conducted in good faith. In all cases, the Landlord shall cooperate with Tenant, at no out-of-pocket expense to Landlord, in any such tax reduction proceeding.

The obligations of the parties with respect to Taxes attributable to the Term shall survive the expiration or sooner termination of this lease.

ARTICLE 6

OPERATING EXPENSES

Section 6.

a) Tenant shall pay directly to the Board of Manager all Condominium charges which Landlord is obligated to pay, during the Term, in respect of operating expenses attributable to the portions of the Demised Premises then demised hereunder (exclusive of any amount due for or as a result of (i) reserves (for working capital, capital improvements or otherwise), (ii) the failure by Landlord to timely pay any amount due under the Declaration, (iii) any other default by Landlord of its obligations under the Declaration, (iv) any capital improvements to the Building or Landlord's Unit (including without limitation all structural repairs or replacements performed in accordance with Article 14 of this lease) and (v) any negligent or intentional act or omission by Landlord. If a bill for an amount payable under this Article 6 relates to periods both within and without the Term of this lease, Tenant's obligations with respect thereto shall be equitably pro-rated. Any dispute concerning the calculation of amounts payable by Tenant pursuant to this Article 6 may be referred by either party for

resolution by arbitration in accordance with Article 32. The pro-ration obligations under this Article 6 shall survive the expiration or sooner termination of this lease.

ARTICLE 7

SUPERIOR LEASES AND MORTGAGES AND CONDOMINIUM DECLARATION

Section 7.

a) Subject to the conditions provided herein (including delivery of the non-disturbance agreement contemplated by the further provisions of this Section), this Lease, and all rights of Tenant hereunder, are and shall be subject and subordinate in all respects to all institutional mortgages, ground leases, overriding leases and underlying leases of Landlord's Unit now or hereafter affecting Landlord's Unit and/or any of such leases, and to all renewals, modifications, replacements and extensions of such leases and such mortgages. In addition, this Lease and all rights of Tenant hereunder, are and shall be subject and subordinate in all respects to the Declaration and By-Laws, as the same may be amended from time to time and current or future rules and regulations promulgated thereunder (provided that any such amendment or future rule or regulation shall not materially adversely affect Tenant financially or otherwise materially adversely affect any right or benefit granted to Tenant under this Lease and shall not be enforced in a manner that discriminates against Tenant), and to the rights of the Board of Managers. In the event of any conflict between the provisions of this Lease and those contained in the Declaration, the Declaration will prevail. This Section shall be self-operative and no further instrument of subordination shall be required. In confirmation of such subordination, Tenant shall promptly execute and deliver an instrument, in recordable form if so specified, that Landlord, the Board of Managers, the lessor of any such institutional lease or the holder of any such institutional mortgage or any of their respective successors in interest may request to evidence such subordination, provided that Landlord furnishes to Tenant a non-disturbance agreement from the Board of Managers or such lessor or mortgagee, in Tenant's favor, in substantially the form annexed to this Lease as Exhibit B, with such other revisions and provisions as are acceptable to all parties in their reasonable discretion. Tenant's agreement to subordinate its interest in this Lease to any such superior lease or mortgage shall be expressly conditioned on the delivery of such non-disturbance agreement.

b) If the Board of Managers, a superior lessor or a superior mortgagee shall succeed to the rights of Landlord under this Lease, whether through possession or foreclosure action or delivery of a new lease or a deed, then this Lease shall not automatically terminate by reason of such occurrence, and Tenant shall attorn to and recognize such party so succeeding to Landlord's rights (hereinafter sometimes called the "Successor Landlord") as Tenant's landlord under this Lease, and shall promptly execute and deliver any instrument that such Successor Landlord may reasonably request to evidence such attornment. Upon such attornment, this Lease shall continue in full force and effect as, or as if it were, a direct lease between the Successor Landlord and Tenant upon all the same terms, conditions and covenants as are then set forth in this Lease and shall be applicable after such attornment, except that (as to all parties other than the Board of Managers, which shall be governed by Section 19.4 of the Declaration) the Successor Landlord (provided it is not an affiliate of Landlord) shall not:

i) be liable for any previous act or omission of Landlord under this Lease, except that Successor Landlord shall, from and after the date of its succession, fully perform all the obligations of the Landlord hereunder (including, without limitation, all services, repairs, maintenance and restoration obligations hereunder) notwithstanding the fact that any prior landlord hereunder may have failed to perform the same (it being agreed that Successor Landlord shall promptly and diligently cure all such defaults to the extent such defaults continue after the Successor Landlord succeeds to the rights of Landlord);

ii) be subject to any offset not specifically provided for in this Lease, or to any offset which shall have theretofore accrued to Tenant against Landlord and which is not taken within a reasonable time after notice to Tenant of such accrual;

iii) be bound by any modification of this Lease, not expressly provided for in this Lease, which is made subsequent to the effective date of the subordination of this Lease to such superior interest or by any previous prepayment of more than one month's fixed rent, unless such modification or prepayment shall have been expressly approved in writing by the Board of Managers, the lessor of the superior lease, the holder of the superior mortgage, or the holder of a superior mortgage which preceded or was replaced by or was or is superior in lien to the superior mortgage (as the case may be), through or by reason of which the Successor Landlord shall have succeeded to the rights of Landlord under this Lease; or

iv) be bound, in case of damage or destruction, or the taking by power of eminent domain, of the Demised Premises or a part thereof, which render the Demised Premises or any part thereof untenantable, to make repairs or restoration which shall require an expenditure in excess of the net proceeds of insurance, if any, or the net proceeds of condemnation (as the case may be), which are actually received by the Successor Landlord and retained for such repairs or restoration by the Successor Landlord or a depositary pursuant to the terms of a relevant superior lease or superior mortgage.

c) Landlord represents that as of the date hereof there are no superior leases and there is no superior mortgage other than a mortgage dated _____ in the face amount of $_____. Landlord agrees to cause the holder of such mortgage to enter into a non-disturbance agreement in substantially the form annexed to this Lease as Exhibit B, with such other revisions and provisions as are acceptable to all parties in their reasonable discretion, simultaneously with the execution and delivery of such mortgage. Tenant's agreement to subordinate its interest in this Lease to such mortgage shall be expressly conditioned on the delivery of such non-disturbance agreement.

ARTICLE 8

ASSIGNMENT, MORTGAGING, SUBLETTING

Section 8.

a) Neither this Lease, nor the term and estate hereby granted, nor any part hereof or thereof, nor the interest of Tenant in any sublease or the rentals thereunder, shall be assigned, mortgaged, pledged, encumbered or transferred, or by operation of law or otherwise,

and neither the Demised Premises, nor any part thereof, shall be encumbered in any manner by reason of any act or omission on the part of Tenant or anyone claiming under or through Tenant or shall be sublet, or be used or occupied or permitted to be used or occupied, by anyone other than Tenant or for any purpose other than as permitted by this Lease, without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed, in every case, except as expressly otherwise provided in this Article 8.

b) Tenant may, without Landlord's consent:

i) Assign this Lease to a corporation or other business entity (herein sometimes called a "successor corporation") into or with which Tenant shall be merged, or consolidated, or to which Tenant's local telecommunications network located in Manhattan may be transferred, provided that the successor corporation shall have assumed all of the obligations and liabilities of Tenant under this Lease, by operation of law or appropriate instruments of merger, consolidation or transfer.

ii) Assign this Lease or sublet any part or parts of the Demised Premises to a corporation or other business entity which shall control, be controlled by or be under common control with Tenant (herein called a "related corporation"), to use the Demised Premises for any of the purposes permitted hereunder. As used herein, in defining a related corporation, "Control" or "control" shall mean ownership of twenty-five percent (25%) or more of the outstanding voting stock of a corporation or other equity interest if not a corporation and the possession of power to direct or cause the direction of the management and policy of such corporation or other entity, whether through the ownership of voting securities, by statute or according to the provisions of a contract.

iii) Permit any (A) related corporation of Tenant or any joint venture or other business entity of which Tenant is a joint venturer or participant with at least a twenty-five percent (25%) interest, (B) party that provides business services to Tenant, such related corporation or other entity or (C) any governmental agency or regulatory body having jurisdiction over Tenant, to each use the Demised Premises for any of the purposes permitted to Tenant. Each such party shall use the Demised Premises in conformity with all applicable provisions of this Lease.

c) All subleases shall be expressly subject to all of the obligations of Tenant under this Lease and under the Declaration and the further condition and restriction that the sublease shall not be assigned, encumbered or otherwise transferred, or the subleased premises further sublet by the sublessee, in whole or in part, or any part thereof suffered or permitted by the sublessee to be used or occupied by others (except successor and related corporations), without the prior written consent of Landlord in each instance.

d) Tenant shall furnish Landlord with a counterpart (which may be a conformed or reproduced copy) of each written sublease made hereunder within ten (10) days after the date of its execution other than informal or oral occupancy agreements with related corporations or such other parties referenced in paragraph (b)(iii) above. Tenant shall remain fully liable for the performance of all of Tenant's obligations hereunder notwithstanding any licensing or subletting provided for herein, and without limiting the generality of the foregoing,

shall remain fully responsible and liable to Landlord for all acts and omissions of any licensee or subtenant which shall be in violation of any of the obligations of this Lease and any such violation shall be deemed to be a violation by Tenant.

e) Notwithstanding anything to the contrary hereinabove set forth, no transfer by operation of law or other assignment of this Lease shall be binding upon Landlord unless the assignee shall execute and deliver to Landlord an agreement, whereby such assignee agrees unconditionally to be bound by and to perform all of the obligations of Tenant hereunder and further expressly agrees that notwithstanding such assignment the provisions of this Article 8 shall continue to be binding upon such assignee with respect to all future assignments and transfers. In case of an assignment by merger or consolidation, a true copy of the instrument of merger or consolidation containing the successor corporation's assumption of Tenant's obligations and liabilities, effectively assuming Tenant's obligations and liabilities under this Lease, shall be acceptable to Landlord in lieu of the agreement mentioned in the preceding sentence.

f) Notwithstanding any assignment and assumption by the assignee of the obligations of Tenant hereunder, Tenant herein named shall remain liable jointly and severally (as a primary obligor) with its assignee and all subsequent assignees for the performance of Tenant's obligations hereunder and, without limiting the generality of the foregoing, shall remain fully and directly responsible, except as expressly otherwise provided in the last sentence of this Section 8(f), and liable to Landlord for all acts and omissions on the part of any assignee subsequent to it in violation of any of the obligations of this Lease. Landlord will give Tenant copies of all notices of default it gives to Tenant's assignee or any subsequent assignee by mailing the notice to Tenant's last known address. In case such an assignment is to a successor corporation by sale of assets, if the assignee shall have assets, capitalization and net worth, as determined in accordance with generally accepted accounting principles, immediately after the assignment, at least equal to the greater of (i) the assets, capitalization and net worth of the assignor, so determined, immediately before the assignment or (ii) the assets, capitalization and net worth of Tenant herein named, so determined, at the date of this Lease, the assignor corporation shall be released of all obligations of this Lease from and after the effective date of such assignment, provided the assignee corporation complies with Section 8(e) above.

ARTICLE 9

COMPLIANCE WITH LAW AND LEGAL REQUIREMENTS

Section 9.

a) Tenant, at Tenant's expense, shall comply with only those Legal Requirements that (i) result from the performance of Tenant's Work during the Term, (ii) result from the specific nature or type of business operated by Tenant (or any other person claiming by, through or under Tenant) in the Demised Premises as opposed to general office use, and (iii) result from Tenant's negligent act or omission, but such compliance shall only be required if the failure to comply with Legal Requirements resulting from items (i) through (iii) above would pose an immediate risk to life or safety or a governmental authority is actively enforcing such compliance. Tenant shall give prompt notice to Landlord and to the Board of Managers of any

notice it receives of the violation of any Legal Requirement affecting the Demised Premises or the Building and Tenant, at Tenant's expense, may contest the validity or the applicability thereof to the Demised Premises by appropriate proceedings prosecuted diligently and in good faith, provided that Landlord and/or the Board of Managers shall not have received notice from a governmental authority that such authority is commencing a criminal enforcement action against Landlord or the Board of Managers, which the contest will not stay. Tenant shall defend, indemnify and hold harmless Landlord and/or the Board of Managers against all liability, loss or damage which Landlord or the Board of Managers, as the case may be, shall suffer by reason of such non-compliance (where compliance is required above) or contest, including reasonable attorney's fees and other expenses reasonably incurred by Landlord and/or the Board of Managers. Landlord shall be responsible for compliance with all Legal Requirements now or hereafter applicable to the Demised Premises which are not the responsibility of Tenant under this Lease.

b) Tenant shall cooperate with Landlord, the Board of Managers and the Managing Agent in the operation, maintenance and coordination of any and all health, fire safety or other similar programs or regulations reasonably established by Landlord or the Board of Managers whether or not required by any law or requirement of a public authority, including without limitation the designation by Tenant of fire safety inspectors, and any other personnel reasonably required by Landlord or the Board of Managers for the supervision and enforcement of such health, fire safety or other similar regulations.

c) Notwithstanding anything contained in this Lease to the contrary, in the event that any obligation to comply with Legal Requirements in a portion of the Demised Premises may be vitiated by Tenant not occupying such portion, Tenant shall not be required to comply with such Legal Requirement if it ceases to occupy the applicable portion (which cessation shall not otherwise affect the rights and obligations of the parties hereunder), it being agreed that if a fine or penalty is imposed despite Tenant's cessation to occupy, Tenant shall remain liable for the same.

d) Notwithstanding any other provision of this Lease, nothing herein shall obligate Tenant to cure any violations, comply with any Legal Requirements or otherwise repair, remedy or cure any condition which Tenant, as Seller, under the Contract of Sale is not obligated to cure or comply with thereunder. Further, nothing in this Lease shall be construed to negate, impair or diminish Landlord's agreement to accept Landlord's Unit and Landlord's interest in the Common Elements appurtenant thereto at the time of termination of this Lease in its "as is" condition as of the Commencement Date.

ARTICLE 10

INSURANCE

Section 10.

a) Tenant shall not violate, or permit the violation of, any condition imposed by the property insurance policy then issued to the Building, and shall not do, or permit anything to be done, or keep or permit anything to be kept in the Demised Premises which could result in

the termination of any such policy, or which would result in insurance companies of good standing refusing to insure the Building or any of the property therein. However, nothing in this Article 10 shall subject Tenant to any liability or obligation by reason of the use of the Demised Premises for any of the purposes permitted by Section 3(a).

b) Tenant shall, at its expense, maintain or cause to be maintained throughout the Term (1) Commercial General Liability insurance in respect of the Demised Premises, protecting Landlord and Tenant, with limits of not less than $5,000,000 each occurrence for bodily injury and property damage and $10,000,000 in excess liability coverage, (2) All Risk Property/Business Interruption Insurance, including flood and earthquake (with customary sublimits), written at replacement cost value and with a replacement cost endorsement covering all of Tenant's Property and any Alterations made by Tenant, in either case to the extent insurable under the available standard forms of "all-risk" insurance policies, in an amount equal to one hundred percent (100%) of the replacement value thereof (subject, however, at Tenant's option, to whatever deductible Tenant then maintains) and (3) Automobile Liability for Bodily Injury and Property Damage covering all owned, non-owned and hired vehicles in an amount of not less than $2,000,000 Combined Single Limit.

c) The policy of insurance to be maintained by Tenant under Section 10(b)(1) shall name the Board of Managers, Landlord, Landlord's mortgagee and manager, and their respective employees, partners, members, managers, shareholders, officers, directors, trustees, agents, successors and assigns as an additional insured. The Commercial General Liability policy of insurance shall contain a standard severability of interest clause.

d) The policies of insurance to be maintained by either party or the Board of Managers hereunder shall be issued by a company or companies of recognized responsibility authorized to do business in the State of New York. The party required to maintain such insurance shall procure and pay for renewals of such insurance to be maintained by it from time to time before the expiration thereof, and shall deliver to the other party certificates of insurance upon the execution of this lease and when such policies are renewed.

e) Each party shall look first to any insurance in its favor before making any claim against the other party for recovery for loss or damage resulting from fire or other casualty, and to the extent permitted by law, Landlord and Tenant each hereby releases and waives all right of recovery against the other or anyone claiming through or under each of them by way of subrogation or otherwise. Each party shall obtain a waiver of subrogation from its insurance carriers with respect to the preceding sentence.

f) At all times during the Term of this Lease, Tenant, at its sole cost and expense, shall insure, or (at its election) cause the Board of Managers to insure, the Building under standard form all risk property policies of insurance issued by insurers meeting the standards set forth in Section 10(d), in an amount equal to the full replacement cost thereof (not including, however, foundations, excavations and footings). The term "Building" shall include for the purposes of the foregoing policies, the Common Elements, the Limited Common Elements, the Building and all fixtures, equipment and appurtenances constituting a part thereof. The term "Building" shall not include any leasehold improvements and any item of Tenant's Property described in Article 13 as removable and which may be removed by Tenant at the

expiration or earlier termination of the Term of this lease or like property of other tenants described in similar provisions of their leases.

g) So long as Tenant is the originally named tenant herein or a related corporation of Tenant, Tenant may maintain the insurance required to be maintained by Tenant hereunder through self insurance and/or blanket policies or separate policies.

ARTICLE 11

[INTENTIONALLY DELETED]

ARTICLE 12

TENANT'S WORK

Section 12.

a) Except as otherwise provided in this Article 12, Tenant shall not make any alterations, additions, installations, substitutions and improvements (collectively, "Tenant's Work") that constitute Material Tenant's Work (as hereinafter defined) without Landlord's prior consent, such consent not to be unreasonably withheld, conditioned or delayed.

b) Tenant shall not be required to obtain Landlord's consent for Basic Tenant's Work, but shall provide Landlord with written notice of the performance by Tenant of any Basic Tenant's Work prior to commencing such work. The term "Basic Tenant's Work" shall mean any Tenant's Work that (i) does not affect the exterior (including the appearance of) the Building, (ii) does not affect adversely any part of the Building other than the Demised Premises (other than to a de minimis extent), except that the foregoing shall not apply to the Verizon Units (as such term is defined in the Declaration) while the same is owned by Tenant or an affiliate of Tenant, (iii) does not require any alterations, installations, improvements, additions or other physical changes to be performed in or made to any portion of the Building other than the Demised Premises, (iv) does not adversely affect the proper functioning of any Building system (other than to a de minimis extent), (v) does not adversely affect the structure of the Building, and (vi) does not violate or render invalid the certificate of occupancy for the Building or any part thereof (any Tenant's Work that does not constitute Basic Tenant's Work shall be "Material Tenant's Work").

c) Notwithstanding anything contained herein to the contrary, in no event shall the Verizon Separation Work be deemed Tenant's Work and the same may be performed by Tenant without any consent by Landlord.

d) i) Before proceeding with any Material Tenant's Work, Tenant shall submit to Landlord plans and specifications for the work to be done, for Landlord's approval, which approval will not be unreasonably withheld, conditioned or delayed. Subject to Article 30, if any such Tenant's Work referred to in this Article 12 shall require approval by, or notice to, a superior lessor or a superior mortgagee, Tenant shall not proceed until such approval has been received or such notice has been given, as the case may be.

ii) In performing the work involved in making any such Tenant's Work, Tenant shall be bound by and observe all of the conditions and covenants contained in the following Sections of this Article 12.

e) Tenant, at its expense, shall obtain all necessary permits for the commencement and prosecution of Tenant's Work and for final approval thereof upon completion, and shall cause Tenant's Work to be performed in compliance therewith and with all applicable laws and requirements of insurance bodies, and in good and workmanlike manner. Tenant's work shall be performed in such manner as not unreasonably to interfere with or to delay, or to impose any additional expense upon Landlord (unless Tenant agrees to pay the additional expense) in the exercise by Landlord of any of the rights granted to Landlord under this Lease. Landlord shall cooperate with Tenant in Tenant's attempts to obtain all requisite consents and approvals and any out-of-pocket costs incurred by Landlord in connection with such cooperation (to the extent requested by Tenant) shall be paid by Tenant. Throughout the performance of Tenant's Work, Tenant, at its expense, shall carry, or cause to be carried, the insurance required under paragraph (h) below. Tenant shall furnish Landlord with reasonably satisfactory evidence that such insurance is in effect at or before the commencement of Tenant's Work and, on request, at reasonable intervals thereafter during the continuance of Tenant's Work. The maintenance of such insurance shall not release Tenant of any of its obligations under Section 20(b).

f) Tenant agrees that any performance of Tenant's Work shall comply all applicable provisions of the Declaration.

g) Tenant, at its expense, and with diligence and dispatch, shall procure the cancellation or discharge of all notices of violation resulting from or otherwise caused by Tenant's Work which shall be issued by the Department of Buildings or any other public authority having or asserting jurisdiction. Tenant shall defend, indemnify and save harmless Landlord and the Board of Managers against any and all mechanic's and other liens filed in connection with Tenant's Work, including the liens of any conditional sales of, or security instruments upon, any materials, fixtures or articles so installed in and constituting part of the Demised Premises and against all reasonable costs, expenses and liabilities incurred in connection with any such lien or security instrument or any action or proceeding brought thereon. Tenant, at its expense, shall procure the satisfaction or discharge, by payment, bonding or otherwise, of all such liens within sixty (60) days after Landlord makes written demand therefor.

h) i) Throughout the performance of any Tenant's Work, Tenant shall maintain, or cause to be maintained:

(A) Workers' Compensation insurance coverage in statutory limits for all eligible workmen engaged in Tenant's Work; and

(B) Commercial General Liability insurance, with limits of not less than $5,000,000 for each occurrence for bodily injury and property damage and $10,000,000 in excess liability coverage for death and property damage arising from the Material Tenant's Work. Such coverage shall be written on an occurrence form, with a standard severability of interest clause, with blanket contractual liability coverage for Tenant's

insurable indemnity obligations to Landlord, the Board of Managers and their employees under this lease; the policy shall name the Landlord, the Board of Managers, the Building manager and any other party reasonably designated by Landlord, and their respective employees, partners, members, managers, shareholders, officers, directors, trustees and agents, as additional insureds.

ii) Tenant shall submit to Landlord, before commencement of any Tenant's Work in or about the Demised Premises, certificates of such Workers' Compensation, Public Liability and Builder's Risk insurance.

iii) So long as Tenant is the originally named tenant herein or a related corporation of Tenant, Tenant may maintain the insurance required to be maintained by Tenant hereunder through self insurance and/or blanket policies or separate policies.

i) Neither Landlord nor the Managing Agent may charge for the general supervision and management of Tenant's Work but Tenant may be charged for any reasonable out-of-pocket expense incurred by Landlord or the Managing Agent to coordinate work outside of the Building's normal operating hours or to coordinate work on Building systems or on Common Elements outside of the Demised Premises.

j) Without limiting Section 41(c), it is acknowledged that this Article 12 does not apply to work done by Tenant in its capacity as Owner or Occupant of the Verizon Units (as such terms are defined in the Declaration).

ARTICLE 13

TENANT'S PROPERTY

Section 13.

a) Any fixtures, equipment, improvements and appurtenances attached to or built into the Demised Premises which were conveyed by Tenant to Landlord pursuant to the Contract of Sale shall be and remain a part of the Demised Premises, shall be deemed the property of Landlord and shall not be removed by Tenant, except in connection with further Tenant Work and except as expressly provided in this Lease or the Declaration.

b) All improvements, furniture, fixtures, equipment and other personal property used in Tenant's business (as opposed to operation of the Improvements (as defined in the Contract of Sale)) including, for avoidance of doubt, all art work located throughout the Demised Premises (all of which are herein called "Tenant's Property") shall be and shall remain the property of Tenant and any of Tenant's Property may be removed by Tenant at any time during the Term of this lease. Tenant shall have no obligation whatsoever to repair or pay any cost of repairing any damage to the Demised Premises resulting from such removal, except to the extent such damage adversely affects the structural elements of the Building or any building systems (excluding improvements, equipment and other property which distribute the building systems within Landlord's Units or which will otherwise be replaced by Landlord). Any items of Tenant's Property (except money, securities and other like valuables) which shall remain in

any portion of the Demised Premises after the Expiration Date, or after a period of fifteen (15) days following an earlier termination date, may, at the option of the Landlord be deemed to have been abandoned, and in such case either may be retained by Landlord as its property or may be disposed of, without accountability, in such manner as Landlord may see fit at Landlord's cost.

ARTICLE 14

REPAIRS AND MAINTENANCE

Section 14.

a) Tenant shall take good care of the Demised Premises and shall, at its expense, promptly make all repairs in and about the Demised Premises and the Building to the extent required by reason of (i) the performance or existence of Tenant's Work, (ii) the installation, use or operation of Tenant's Property in the Demised Premises, (iii) the moving of Tenant's Property in or out of the Building or (iv) the misuse or neglect of Tenant or any of its employees, agents or contractors; provided, that Tenant's repair obligation shall only apply to the extent that the failure to make repairs resulting from (i) through (iv) above shall have (A) an adverse effect on the structural elements of the Building, (B) a material adverse effect on any other element of the Demised Premises to be retained by Landlord following the Expiration Date or (C) an adverse effect on any building systems servicing Unit A (excluding any building systems which will be rendered inoperable by the Verizon Separation Work or which will otherwise be replaced by Landlord). Landlord acknowledges that it shall be substantially renovating the Demised Premises following the expiration of the Term, and such renovations shall be considered in construing Tenant's repair and maintenance obligations. The foregoing limitations on Tenant's obligation to make repairs in and about the Demised Premises and the Building shall not imply any obligation on the part of Landlord pursuant to this Lease to undertake any repairs in and about the Demised Premises during the Term.

b) In the operation, maintenance and management of the Building, Landlord shall not receive any profit on any work or service provided by Landlord to Tenant pursuant to this Lease. Tenant shall have the right to designate areas within the Demised Premises as secure areas, to which Landlord shall not have access without being accompanied by a representative of Tenant. In exercising any right of access into, or other right with respect to, the Demised Premises, Landlord shall: (i) perform such activity diligently and in a manner and at a time or times (reasonably convenient to, and coordinated with Tenant) which will minimize, to the extent reasonably practicable, (x) interference with Tenant's use and occupancy of the Demised Premises and (y) the duration of such access into the Demised Premises; (ii) take reasonable care to safeguard the Demised Premises and the property of Tenant; (iii) promptly repair any damage caused by it; and (iv) upon completion of such activity, restore, to the extent reasonably practicable, the portion of the Demised Premises that is the subject of such activity to substantially the condition existing before such activity. In the event of any conflict between the provisions of this Section 14(b) and the other provisions of this lease, this Section 14(b) shall control.

c) Except to the extent required by Section 14(a), Tenant shall not be required to make repairs to the Common Elements unless such repairs are attributable to the negligence or willful misconduct of Tenant, its employees, agents, invitees or contractors.

d) Nothing in this Article 14 shall obligate Tenant to perform any repairs or maintenance to the Demised Premises which Tenant, as Seller, under the Contract of Sale, is not obligated to perform thereunder.

ARTICLE 15

ELECTRICITY

a) Tenant shall pay for all electricity consumed in the entirety of the Demised Premises until this Lease is no longer in force and effect as to any portion of the Demised Premises.

ARTICLE 16

HEAT, VENTILATION AND AIR-CONDITIONING

Section 16.

a) Tenant at its expense, shall cause the Building HVAC System serving the Demised Premises to be operated so as to furnish heat, ventilation and air-conditioning (hereinafter collectively called "air-conditioning service") in the Demised Premises.

b) Tenant, at its expense, shall have the right to install its own independent or supplemental heating, ventilation and air conditioning units ("Tenant's HVAC Units") to be furnished and installed by Tenant in the Demised Premises as part of Tenant's Work and to be operated and maintained by Tenant at its expense. Tenant may, at its expense, connect machinery and equipment of Tenant's HVAC Units to the Building air supply and return systems, condenser water supply and return and steam supply and condensate return lines at such locations, by such means and routing and otherwise in such manner as Landlord shall designate or approve. Tenant shall furnish and operate and maintain, at its expense, the pumps required to draw and return the condenser water required for its HVAC Units. Tenant will supply condenser water for such purpose at Tenant's expense.

ARTICLE 17

SERVICES TO BE PROVIDED

Section 17.

a) Tenant acknowledges that Landlord shall have no obligation to provide any services to the Demised Premises during the Term. In the event that Tenant desires any such services to be performed, it shall do so at Tenant's sole expense (provided however, that if such

service is of the nature to be provided by the owner of the Verizon Units, acting in such capacity under the Declaration, or the Board of Managers, Landlord shall cooperate with Tenant in obtaining such service). During the Term of this Lease, Tenant shall have the right to determine the level of services to the Demised Premises in its sole discretion, subject to compliance with Legal Requirements, and the Board of Managers and Landlord shall have no right of approval with respect to any budget or services provided in the Building insofar as the same pertains to the services to be provided to the Demised Premises. Notwithstanding the foregoing provisions of this Section 17(a), Landlord shall be responsible for (i) its repair and restoration obligations under Articles 21 and 22 throughout the Term and (ii) all costs and expenses arising from Landlord's negligent or willful acts or omissions at all times during the Term.

b) Tenant reserves the right, without liability to Landlord, to stop the service of any of the heating, ventilating, air-conditioning, electric, sanitary, elevator or other Building systems that it is required to provide to the Demised Premises, or the rendition of any of the other services required of Tenant under this Lease, whenever and for so long as may be necessary by reason of requirements of public authorities, accidents, emergencies, strikes or the making of repairs or replacements in or about the Demised Premises or the Building which Landlord is required to make, or by reason of unavailability under reasonable conditions of proper supplies of fuel, steam, water, electricity, labor or supplies, or by reason of any other cause beyond Tenant's reasonable control, subject, however, to Article 26. Except as otherwise expressly provided in this Lease, Tenant shall not be obligated to provide any service otherwise required of Tenant under this Lease, if the provision of such service shall then be contrary to any Legal Requirements.

c) Notwithstanding anything in this lease to the contrary, if the Demised Premises becomes untenantable under circumstances not governed by Article 21 and the cause is as a result of Landlord's or its agents', employees' or contractors' acts or omissions, fixed annual base rent and additional rent will abate after ten (10) business days if Tenant in fact does not conduct business from the Demised Premises. If Tenant does conduct business from part of the Demised Premises, the abatement will be proportional, excluding areas of the Demised Premises so used. Rent shall resume if and when Landlord restores the tenantability of the Demised Premises.

d) Subject to Force Majeure, Tenant shall have access to the Demised Premises 24 hours per day, 365 days per year.

e) Tenant shall have the right to use the existing telephone lines serving the Demised Premises and to run its communications cabling (voice, data and/or other) between the floors of the Demised Premises. Landlord agrees that Tenant and its affiliates shall have the right to provide telephone and other telecommunications service to the Demised Premises without additional payments to Landlord.

f) All services to be provided by Tenant (whether or not specified in Article 16 or this Article 17) shall be provided in a manner and at a standard consistent with the Standards, which Landlord hereby agrees are acceptable.

g) Tenant acknowledges that Tenant was the owner of the Building immediately prior to the execution and delivery of this Lease and is the current occupant of the Demised Premises and fully familiar with the services provided to the Demised Premises.

ARTICLE 18

ACCESS, CHANGES IN BUILDING FACILITIES

Section 18.

a) Subject to the terms and provisions of this Lease, Landlord, the Board of Managers and the Managing Agent shall each have the right, upon reasonable advance notice (except in cases of emergency, in which case Landlord will provide such notice as is reasonably practicable) to a duly authorized representative of Tenant at the Demised Premises, to enter and/or pass through the Demised Premises (other than Secure Areas) or any part thereof at reasonable times to examine the Demised Premises and to show them to potential tenants or mortgagees of Landlord's Unit, provided that, in each instance, such entities comply with Tenant's security requirements and an authorized employee if Tenant accompanies them.

b) Except in the case of an emergency, if any repair work performed by Landlord in accordance with the terms of this Lease would materially affect Tenant or Tenant's use, enjoyment and occupancy of the Demised Premises and/or the Verizon Units, then Landlord shall give notice of such work to Tenant prior to commencing such work. Notwithstanding anything herein to the contrary, Landlord shall not: (i) impair access to the Demised Premises except to a de minimis extent as a result of the reconfiguration of public corridors on the floors on which the Demised Premises are located or otherwise: (ii) take any action which would reduce the square footage of the Demised Premises by more than a de minimis amount (in which case the fixed rent and additional rent shall be reduced accordingly); (iii) permanently reduce the number of elevators serving the Demised Premises and/or the Verizon Units; or (iv) interfere with the performance of the Verizon Separation Work.

c) In exercising their rights under this Article 18, Landlord and the Board of Managers will give Tenant reasonable notice except in emergencies, will require their representatives and workers to be accompanied by Tenant's authorized representatives and will not enter Secure Areas without specific cause and then only on such additional notice as may be reasonable in the circumstances (none in true emergencies) as will allow Tenant to protect its privacy and secure its property.

ARTICLE 19

SHORING, NOTICE OF ACCIDENTS, ETC.

Section 19.

a) If an excavation or other substructure work shall be undertaken or authorized upon land adjacent to the Building, Tenant, without liability on the part of Landlord or the Board of Managers therefor, shall afford to the person causing or authorized to cause such

excavation or other substructure work license to enter upon the Demised Premises for the purpose of doing such work as shall be reasonably necessary to protect or preserve any of the walls or structures of the Building from injury or damage and to support the same by proper foundations, pinning and/or underpinning and, if so requested by Tenant, such entry shall be accomplished in the presence of a representative of Tenant who shall be designated by Tenant promptly upon Landlord's request.

b) Tenant shall give notice to Landlord, promptly after Tenant learns thereof, of (i) any accident in or about the Demised Premises for which Landlord might be liable, (ii) all fires in the Demised Premises, (iii) all material damage to or defects in the Demised Premises, and (iv) all damage to or defects in any parts or appurtenances of the Building's sanitary, electrical, heating, ventilating and air-conditioning, elevator and other systems located in or passing through the Demised Premises or any part thereof. Any failure of Tenant to give such notice to Landlord promptly (or at all) shall not relieve Landlord from the performance of its obligations under this Lease with respect to any such accident, fire damage or defect when Landlord does learn of the same.

ARTICLE 20

NON-LIABILITY AND INDEMNIFICATION

Section 20.

a) Neither Landlord nor the Board of Managers nor any employees, partners, members, managers, shareholders, officers, directors, trustees, agents or contractors of Landlord or the Board of Managers shall be liable to Tenant for any injury or damage to Tenant or to any other person or for any damage to, or loss (by theft or otherwise) of, any property of Tenant or of any other person, irrespective of the cause of such injury, damage or loss, unless (in the case of Landlord) caused by or due to the breach of any Landlord's obligations under this Lease or the negligence or other wrongful act or omission of Landlord or the Board of Managers, or any of its employees, partners, members, managers, shareholders, officers, directors, trustees, agents or contractors.

b) Tenant shall indemnify and save harmless Landlord and the Board of Managers and their respective employees, partners, members, managers, shareholders, officers, directors, trustees, agents and contractors against and from (a) any and all claims arising from (i) any default in the performance of any of Tenant's obligations hereunder or (ii) any negligent or otherwise wrongful act or omission of Tenant or any of its sub-tenants or licensees or its or their employees, partners, members, managers, shareholders, officers, directors, trustees, agents or contractors in and about the Building, (b) any injury or death to individuals or damage to property sustained in or about the Demised Premises resulting from the acts or omissions of Tenant, except no claim shall be made by reason of damage to the Demised Premises unless Tenant shall have violated the provisions of Section 14(a) hereof, and (c) all costs, expenses and liabilities (including penalties, fines and reasonable counsel fees) incurred in or in connection with each such claim or action or proceeding brought thereon. In case any action or proceeding is brought against Landlord or the Board of Managers (or any of their employees, partners, members, managers, shareholders, officers, directors, trustees, or agents) by reason of any such

claim, Tenant, upon notice from Landlord or the Board of Managers (as the case may be), shall resist and defend such action or proceeding. The foregoing indemnity is given by Tenant in its capacity as tenant hereunder and not as a telecommunication service provider to the Building or as an Owner or Occupant of the Verizon Units.

c) Landlord shall indemnify and save harmless Tenant and its employees, partners, members, managers, shareholders, officers, directors, trustees, agents and contractors against and from (a) any and all claims (i) by reason of or resulting from the performance or non-performance of any of the obligations to be performed by Landlord under this Lease, (ii) by reason of any negligent or otherwise wrongful act or omission of Landlord or any of its or their employees, partners, members, managers, shareholders, officers, directors, trustees, agents or contractors, or (iii) or any entry by Landlord into the Demised Premises in accordance with this Lease, and (b) all costs, expenses and liabilities (including penalties, fines and reasonable counsel fees) incurred in or in connection with each such claim or any action or proceeding brought thereon. In case any action or proceeding is brought against Tenant by reason of any such claim, Landlord shall, on notice from Tenant, resist and defend such action or proceeding.

d) Whenever either party shall be obligated under the terms of this Lease to indemnify the other party, the indemnitor shall be entitled to defend the indemnitee by counsel chosen by the indemnitor who shall be reasonably satisfactory to the indemnitee and the indemnitor or its counsel shall keep the indemnitee fully apprised at all times of the state of such defense. Counsel for the indemnitor's insurer shall be deemed satisfactory to the indemnitee. Neither party shall be liable for nor indemnify the other against consequential damages.

e) Tenant shall be relieved of obligation and liability to Landlord and the Board of Managers under the provisions of Section 20(b) and Landlord shall be relieved of obligation and liability to Tenant under the provisions of Section 20(c), if and to the extent and so long as Tenant or Landlord or the Board of Managers (as the case may be) provides and maintains in force insurance for the benefit of the other party, enforceable by the other party, with a carrier of recognized standing admitted to do business in the State of New York, against the claims, liabilities, costs and expenses referred to in Section 20(b) or Section 20(c), as the case may be.

f) The performance of the obligations of a party hereunder (other than financial obligations) shall be suspended to the extent it is unable to fulfill, or is delayed in fulfilling, any of its obligations under this Lease by reason of Force Majeure, provided that it shall in each instance exercise reasonable diligence to effect performance when and as soon as possible. However, nothing contained in this Section shall be deemed to extend or otherwise modify or affect any of the time limits and conditions set forth in Section 17(e)(ii) or in Articles 21 and 22.

g) The provisions of this Article are intended to be cumulative to, and shall not be deemed to supersede, limit or modify any of the other provisions of this Lease.

h) Except as otherwise provided herein, Tenant (in its capacity as "Tenant" hereunder) shall look only to Landlord's estate in the Landlord's Unit (or the proceeds thereof, including any mortgage thereof and the rents, profits, and casualty, condemnation or other

proceeds derived therefrom) for the satisfaction of Tenant's remedies requiring the payment of money by Landlord in the event of any default by Landlord hereunder, and no other property or assets of Landlord shall be subject to levy, execution or other enforcement procedure for the satisfaction of Tenant's remedies under or with respect to this Lease, the relationship of Landlord and Tenant hereunder or Tenant's use and occupancy of the Demised Premises. Nothing contained in this Article 20 shall be deemed to alter or limit any of Landlord's obligations hereunder.

ARTICLE 21

DESTRUCTION OR DAMAGE

Section 21.

a) If the Building or the Demised Premises shall be partially or totally damaged or destroyed by fire or other casualty, then, whether or not the damage or destruction shall have resulted from the neglect or other fault of Tenant, or its employees, agents or visitors, and if this Lease shall not have been terminated as in this Article hereinafter provided, Landlord shall, at its expense, repair and restore the Demised Premises and shall cause the Board of Managers, to the extent required by the Declaration, at its expense, to repair and restore the Common Elements as nearly as may be reasonably practicable to their condition and character immediately prior to such damage or destruction, with reasonable dispatch after notice to it of the damage or destruction; provided, however, that neither Landlord nor the Board of Managers shall be required to repair or replace any of Tenant's Property or its betterments and improvements.

b) If the Common Elements shall be partially damaged or partially destroyed by fire or other casualty (including water or smoke damage), the rents payable hereunder shall be abated to the extent that the Demised Premises or Common Elements shall have been rendered untenantable thereby for the period from the date of such damage or destruction to the date the damage to the Common Elements shall be repaired or the destruction restored and the Demised Premises (or alternative space in Landlord's Unit reasonably satisfactory to Tenant) and Common Elements are made available to Tenant in tenantable condition. Should Tenant continue to occupy or reoccupy a portion of the Demised Premises for the conduct of its business during the period such work is taking place and prior to the date that the entire Demised Premises and Common Elements are made tenantable, rents allocable to such portion shall be payable by Tenant from the date of such occupancy to the date of tenantability of the whole Demised Premises and Common Elements.

c) If the Common Elements shall be so damaged or destroyed by fire or other casualty (whether or not the Demised Premises are damaged or destroyed) as to require a reasonably estimated expenditure of more than seventy-five percent (75%) of the full replacement value of the Common Elements to repair or restore the Common Elements, Landlord may terminate this Lease by giving Tenant notice to such effect within ninety (90) days after the date of the casualty if Landlord simultaneously terminates all leases of space in Landlord's Unit. Landlord will diligently endeavor to arrive at a decision whether or not to

terminate this Lease and will give Tenant notice of Landlord's decision promptly after arriving thereat and obtaining the required consents of paramount interests. In case of any partial or total damage or destruction of the Common Elements by fire or other casualty, Tenant may terminate this Lease by notice to Landlord given within thirty (30) days after the casualty if it is reasonable to predict that even with reasonable diligence the making of the required repairs and restoration and rebuilding of the Common Elements cannot be completed within three (3) months from the date of such damage or destruction. Disputes about the reasonableness of such prediction and Tenant's right to terminate will be resolved under Article 32.

d) No damages, compensation or claim shall be payable by Landlord or the Board of Managers for inconvenience, loss of business or annoyance arising from any repair or restoration of any portion of the Common Elements pursuant to this Article 21.

e) The provisions of this Article shall be considered an express agreement governing any case of damage or destruction of the Demised Premises by fire or other casualty, and Section 227 of the Real Property Law of the State of New York, providing for such a contingency in the absence of an express agreement, and any other law of like import, now or hereafter in force, shall have no application in such case.

f) Notwithstanding any of the foregoing provisions of this Article, Tenant shall, without expense to Tenant, cooperate and use all reasonable efforts to aid Landlord or the Board of Managers or any superior lessor or any superior mortgagee to collect all of the insurance proceeds (including rent insurance proceeds) applicable to damage or destruction of the Common Elements by fire or other cause.

g) If, as a result of a fire or other casualty, the betterments and improvements in the Demised Premises are damaged or destroyed, Tenant may elect to either (i) restore the betterments and improvements at Tenant's expense or (ii) terminate this lease in whole or in part with respect to the floors Tenant does not restore, upon notice to Landlord given within thirty (30) days after the fire or other casualty, in which event the fixed annual rent and additional rent payable hereunder shall be prorated and adjusted as of the date of such fire or other casualty.

ARTICLE 22

EMINENT DOMAIN

Section 22.

a) If the whole of the Building or Demised Premises or a part of the Building which includes substantially the entire Demised Premises shall be lawfully taken by condemnation or in any other manner for any public or quasi-public use or purpose, this Lease shall terminate as of the date of vesting of title on such taking or the date of taking of possession, whichever is earlier (such earlier date being hereinafter referred to as the "date of the taking"), and the rents hereunder shall be prorated and adjusted as of the date of taking.

b) If any part of the Building, which does not include substantially the entire Demised Premises, shall be so taken, this Lease shall be unaffected by such taking, except that

Tenant may elect to terminate this Lease in the event of a partial taking of the Demised Premises, if the remainder of the Demised Premises shall not constitute at least eighty-five percent (85%) of the gross area of the Demised Premises at the time such taking shall occur. Tenant shall give notice of such election to Landlord not later than thirty (30) days after Tenant receives notice of such taking. Upon the giving of such notice by Tenant this Lease shall terminate on the date of the taking as to the space so taken and as of a date selected by Tenant and stated in its notice which date shall be not later than six (6) months from the date of the taking as to the balance of the Demised Premises. The rents apportioned to the part of the Demised Premises so taken shall be prorated and adjusted as of the date of the taking and the rents apportioned to the remainder of the Demised Premises shall be prorated and adjusted as of such termination date if this Lease continues in force as to any part of the Demised Premises. If this Lease is cancelled by Tenant, the rents apportioned to the part taken shall be prorated and adjusted as of the date of taking and then prorated and adjusted as of the termination date selected by Tenant as to the balance of the Demised Premises.

c) Except as otherwise expressly provided in any of the following sections of this Article, Landlord shall be entitled to receive the entire award in any proceeding without respect to any taking provided for in this Article, without deduction therefrom for any estate vested in Tenant by this Lease and Tenant shall receive no part of such award and Tenant hereby expressly assigns to Landlord all of its right, title and interest in or to every such award.

d) Notwithstanding the foregoing provisions of this Article 22, Tenant shall be entitled to make a claim, in the proceedings relating to any taking mentioned in the preceding sections of this Article, for the then value of Tenant's Property and for its moving expenses.

e) If the temporary use or occupancy of all or any part of the Demised Premises shall be lawfully taken by condemnation or in any other manner for any public or quasi-public use or purpose during the Term of this Lease, Tenant shall be entitled, except as hereinafter set forth, to receive that portion of the award for such taking which represents compensation for the use and occupancy of the Demised Premises and, if so awarded, for the taking of Tenant's Property and for moving expenses, and Landlord shall be entitled to receive that portion which represents reimbursements for the cost of restoration of the Demised Premises. With respect to the portions of the Demised Premises not so taken, this Lease shall be and remain unaffected by such taking and Tenant shall continue to be responsible for all of its obligations hereunder insofar as such obligations are not affected by such taking and shall continue to pay, with respect to the portion of the Demised Premises not so taken, the fixed rent and additional rent when due. If the period of temporary use or occupancy shall extend beyond the Expiration Date, that part of the award which represents compensation for the use or occupancy of the Demised Premises (or a part hereof) shall be divided between Landlord and Tenant so that Tenant shall be entitled to so much thereof as represents the period prior to the Expiration Date and Landlord shall be entitled to so much thereof as represents the period subsequent to the Expiration Date.

f) If the temporary use or occupancy of all or any part of the Demised Premises shall be so taken for a period in excess of ninety (90) days, Tenant may terminate this Lease with respect to the portion so taken, or, at Tenant's option, with respect to the entire Demised Premises, by giving Landlord written notice to such effect, and this Lease shall then

expire on the effective date stated in such notice as if that were the Expiration Date, with respect to such portion or the entirety, as the case may be, but the fixed rent and additional rent shall be prorated and adjusted as of the date of such taking. In the event of such a termination, however, Tenant shall not be entitled to any award except as set forth in Section 22(d).

g) In the event of any taking of less than the whole of the Building which does not result in a termination of this lease, or in the event of any taking of part of the Demised Premises which does not result in a termination of this lease, Landlord shall cause the Board of Managers, at its expense, and subject to the Declaration, to proceed with reasonable diligence to repair, alter and restore the remaining part of the Building and the Demised Premises to substantially their former condition to the extent that the same may be feasible, so as to constitute a complete and tenantable Building and Demised Premises.

h) Any dispute which may arise between the parties with respect to the meaning or application of any of the provisions in this Article 22 shall be determined by arbitration in the manner provided in Article 32, subject, however, to any prior judicial determination.

ARTICLE 23

SURRENDER

Section 23.

a) On the Expiration Date, or the earlier termination of this Lease, or upon any re-entry by Landlord on the Demised Premises, Tenant, at its expense (i) shall quit and surrender the Demised Premises to Landlord in its then "as is" condition, and (ii) may, at its election, remove any or all of Tenant's Property and any other property of Tenant from the Demised Premises and the Building.

b) Notwithstanding the foregoing, Tenant shall not be obligated, at or before quitting and surrendering the Demised Premises, (i) to remove any equipment or other property of Tenant, including but not limited to, carpet, window treatments, and any cabling and wiring located beneath the floors and above the ceilings of the Demised Premises or (ii) to restore such the Demised Premises, except to effect such repairs, if any, as Tenant is otherwise obligated to perform pursuant to the provisions of this Lease.

c) If Tenant shall fail to surrender any portion of the Demised Premises as required hereunder by holding over after the expiration of the Term of this Lease, the parties hereby agree that Tenant's occupancy of the Holdover Premises (as hereinafter defined) after the expiration of the Term shall be under a month-to-month tenancy commencing on the first day after the expiration of the Term with respect to such Holdover Premises, which tenancy shall be upon all of the terms set forth in this Lease except that Tenant shall pay as fixed annual base rent for the period commencing on the first day of the holdover period at a rate equal to (x) one hundred twenty-five percent (125%) of the fixed annual base rent payable by Tenant under Section 1(d) with respect to such Holdover Premises for the first sixty (60) days of such holdover and (y) thereafter, one hundred fifty percent (150%) fixed annual base rent payable by Tenant

under Section 1(d) with respect to such Holdover Premises. The foregoing charge shall constitute liquidated damages on account of Tenant's holdover; and Landlord hereby waives any and all right it may have to any further damages on account of Tenant's holdover. Nothing herein shall be deemed to grant Tenant any right to holdover, and in no event shall the acceptance of any such charge preclude Landlord from commencing and prosecuting any summary process action (but Landlord shall not claim, nor shall it be entitled to any damages as part of such proceeding beyond the aforementioned per diem charge and its costs of prosecuting such summary process proceeding including, without limitation, reasonable attorney's fees and disbursements directly relating hereto), provided that Landlord shall not execute any warrant of eviction or otherwise cause Tenant to be dispossessed from the Holdover Premises until one hundred eighty (180) days after the first date of Tenant's holdover. The foregoing shall be deemed to be an "agreement" expressly "providing otherwise" within the meaning of Section 232-c of the Real Property Law of the State of New York. For purposes of this Section 23(c), the term "Holdover Premises" shall mean any full floor of the Demises Premises any portion of which is not surrendered by Tenant at the expiration of the Term; for purposes of determining the holdover rent hereunder, the fixed annual base rent shall be allocated on a square footage basis as to each floor of the Demised Premises.

ARTICLE 24

CONDITIONS OF LIMITATION

Section 24.

a) This Lease and the Term and estate hereby granted are subject to the limitation that whenever Tenant shall make an assignment of the property of Tenant for the benefit of creditors, or shall file a voluntary petition under any bankruptcy or insolvency law, or an insolvency petition alleging an act of bankruptcy or insolvency shall be filed against Tenant under any bankruptcy or insolvency law, or whenever a petition shall be filed by or against Tenant under the reorganization provisions of any law of like import, or whether a petition shall be filed by Tenant under the arrangement provisions of the United States Bankruptcy Act or under the provisions of any law of like import, or whether a permanent receiver of Tenant or of or for the property of Tenant shall be appointed, then, if and to the extent they are permitted by law, Landlord and the Board of Managers (a) at any time after receipt of notice of the occurrence of any such event or (b) if such event occurs without the acquiescence of Tenant, at any time after the event continues unstayed for one hundred twenty (120) days, may give Tenant a notice of intention to end the Term of this Lease at the expiration of ten (10) days from the date of service of such notice of intention to end the Term of this Lease and, upon the expiration of said ten (10) day period this Lease and the Term and estate hereby granted, whether or not the Term shall theretofore have commenced, shall terminate with the same effect as if that day were the applicable Expiration Date, but Tenant shall remain liable for rents to the date of termination and for damages as provided in Article 25.

b) This Lease and the Term and estate hereby granted are subject to the further limitation that:

i) whenever Tenant shall default in the payment of an installment of base rent or in the payment of any additional rent on any date upon which the same ought to be paid, and such default shall continue for ten (10) days after Landlord, or the Board of Managers (acting in Landlord's name), shall have given Tenant a notice specifying such default, or

ii) whenever Tenant shall do or permit anything to be done, whether by action or inaction, contrary to any of Tenant's obligations hereunder (other than a default in the payment of base rent or additional rent), and if such situation shall continue and shall not be remedied by Tenant within thirty (30) days after Landlord (or the Board of Managers acting in Landlord's name) shall have given to Tenant a notice specifying the same, or, in the case of a happening or default which cannot with due diligence be cured within a period of thirty (30) days, such longer period as may be required despite Tenant's prompt, diligent and continuing efforts to cure, or

iii) whenever any event shall occur or any contingency shall arise whereby this Lease or the estate hereby granted or the unexpired balance of the Term thereof would, by operation of law or otherwise, devolve upon or pass to any person, firm or corporation other than Tenant, except as expressly permitted by Article 8,

iv) then, in any of said cases set forth in the foregoing Subsections (a) and (b), Landlord or the Board of Managers (acting in Landlord's name) may give Tenant a notice of intention to end the Term of this Lease at the expiration of ten (10) days from the date of such notice of intention, and upon the expiration of said ten (10) days this Lease and the Term and estate hereby granted, whether or not the Term shall theretofore have commenced, shall terminate with the same effect as if that day were the Expiration Date, but Tenant shall remain liable for rent to the date of such termination and for damages as provided in Article 25.

c) If, at any time Tenant's interest in this Lease shall have been assigned, the word "Tenant," as used in this Article 24, shall be deemed to mean any one or more of the persons primarily or secondarily liable for Tenant's obligations under this lease. Any moneys received by Landlord or the Board of Managers from or on behalf of Tenant during the pendency of any proceeding of the types referred to in Section 24(a) shall be deemed paid as compensation for the use and occupation of the Demised Premises and the acceptance of any such compensation by Landlord or the Board of Managers shall not be deemed an acceptance of rent or a waiver on the part of Landlord or the Board of Managers of any rights under this Article.

ARTICLE 25

RE-ENTRY BY LANDLORD

Section 25.

a) If this Lease shall terminate as provided in Article 24, Landlord or Landlord's agents (including the Board of Managers) may immediately or at any time thereafter re-enter the Demised Premises or any part thereof, by summary dispossess proceedings or any other action or proceeding, without being liable to indictment, prosecution or damages therefor, and may repossess the same, and may remove any persons therefrom, to the end that Landlord

may have, hold and enjoy the Demised Premises again as and of its first estate and interest therein. The word re-enter, as used herein, is not restricted to its technical legal meaning. In the event of any termination of this Lease under the provisions of Article 24, or if Landlord or its agent shall re-enter the Demised Premises under the provisions of this Article, or in the event of the termination of this Lease, or of re-entry, by or under any summary dispossess or other proceedings or action or any provision of law by reason of default hereunder on the part of Tenant, Tenant shall thereupon pay to Landlord or its agent the fixed rent and additional rent due up to the time of such termination of this Lease, or of such recovery of possession of the Demised Premises by Landlord or its agents.

b) In the event of a breach or threatened breach by Landlord or Tenant of any of its obligations under this Lease, the other party (or the Board of Managers in the case of such breach or threatened breach by Tenant) shall also have the right of injunction. The special remedies to which Landlord, Tenant or the Board of Managers may resort hereunder are cumulative and are not intended to be exclusive of any other remedies or means of redress to which such parties may lawfully be entitled at any time and such parties may invoke any remedy allowed by law or in equity as if specific remedies were not provided for herein. If this Lease shall terminate under the provisions of Article 24, or if Landlord shall re-enter the Demised Premises under the provisions of this Article, or in the event of the termination of this Lease, or of re-entry or any provision of law by reason of default hereunder on the part of Tenant, Landlord shall be entitled to retain all moneys, if any, paid by Tenant to Landlord, whether as advance rent, security or otherwise, but such moneys shall be credited by Landlord against any fixed rent or additional rent due from Tenant at the time of such termination or re-entry.

ARTICLE 26

INTENTIONALLY OMITTED

Section 26.

ARTICLE 27

WAIVERS

Section 27.

a) Tenant, for itself, and on behalf of any and all persons claiming through or under Tenant, including creditors of all kinds, does hereby waive and surrender all right and privilege which they or any of them might have under or by reason of any present or future law to redeem the Demised Premises or to have a continuance of this lease for the Term hereby demised after being dispossessed or ejected therefrom by process of law or after the termination of this Lease as herein provided.

b) In the event that Tenant is in arrears in payment of any rent, and Landlord has given tenant notice of default in the payment thereof and any applicable time period provided hereunder to cure the same has expired, Tenant waives Tenant's right, if any, to designate the

items against which any payments thereafter made by Tenant are to be credited, and Tenant agrees that Landlord may apply any payments thereafter made by Tenant to any items Landlord sees fit, irrespective of and notwithstanding any designation or request by Tenant as to the items against which any such payments shall be credited.

c) To the extent permitted by applicable law, Landlord and Tenant hereby waive trial by jury in any action, proceeding or counterclaim (other than compulsory counterclaims) brought by either against the other on any matter whatsoever arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant or Tenant's use or occupancy of the Demised Premises, including any claim of injury or damage or any emergency or other statutory remedy with respect thereto.

d) The provisions of this Article 27 shall survive the termination of this lease.

ARTICLE 28

NO OTHER WAIVERS OR MODIFICATIONS

Section 28.

a) The failure of either party to insist in any one or more instances upon the strict performance of any one or more of the obligations of this Lease, or to exercise any election herein contained, shall not be construed as a waiver or relinquishment for the future of the performance of such one or more obligations of this Lease or of the right to exercise such election, but the same shall continue and remain in full force and effect with respect to any subsequent breach, act or omission. No executory agreement hereafter made between Landlord and Tenant shall be effective to change, modify, waive, release, discharge, terminate or effect an abandonment of this Lease, in whole or in part, unless such executory agreement is in writing, refers expressly to this Lease and is signed by the party against whom enforcement of the change, modification, waiver, release, discharge or termination or effectuation of the abandonment is sought.

b) The following specific provisions of this Section shall not be deemed to limit the generality of any of the foregoing provisions of this Article 28:

i) No agreement to accept an early surrender of all or any part of the Demised Premises shall be valid unless in writing and signed by Landlord. The delivery of keys to any employee of Landlord or of its agent shall not operate as a termination of this Lease or a surrender of the Demised Premises.

ii) No payment by a party or receipt by a party of a lesser amount that the correct fixed rent or additional rent due hereunder shall be deemed to be other than a payment on account; nor shall any endorsement or statement on any check or any letter accompanying any check or payment be deemed an accord and satisfaction, and either party may accept such check or payment without prejudice to that party's right to recover the balance or pursue any other remedy in this lease or at law provided.

ARTICLE 29

CURING DEFAULTS, ADDITIONAL RENT

Section 29.

a) If a party shall default in the performance of any of its obligations under this Lease, the other party or the Board of Managers as the case may be, without thereby waiving such default, may (but shall not be obligated to) perform the same for the account and at the expense of the defaulting party, without notice, in a case of emergency, and in any other case, only if such default continues after the expiration of (i) thirty (30) days from the date the non-defaulting party or the Board of Managers (as the case may be) gives the defaulting party notice of intention to do so or (ii) the applicable grace period provided in Section 24(a) or 24(b) or elsewhere in this Lease for cure of such default, whichever occurs later. Subject to the other provisions of this Lease, Landlord or the Board of Managers, or a designee of either of them, may enter the Demised Premises as and when reasonably required to cure such defaults on the part of Tenant.

b) Bills for any reasonable expenses actually incurred by the non-defaulting party or the Board of Managers in connection with any such performance by it for the account of the defaulting party, as well as bills for any property, material, labor or services provided, furnished or rendered, by the non-defaulting party or the Board of Managers or at its instance to the defaulting party monthly, or immediately, at the non-defaulting party's or the Board of Managers' option, and shall be due and payable within thirty (30) days after rendition. The defaulting party may dispute any such bill provided it pays the amount thereof, without prejudice, when due, and such dispute shall be determined by arbitration pursuant to Article 32. Bills for all costs, expenses and disbursements of every kind and nature whatsoever, including reasonable counsel fees, involved in collecting or endeavoring to collect the fixed rent or additional rent or any part thereof or enforcing or endeavoring to enforce any rights against the defaulting party, or to resist or defend any claim, action or proceeding brought by the defaulting party, under or in connection with this Lease, including any such cost, expense and disbursement involved in instituting and prosecuting summary proceedings, may be sent upon final determination or settlement of the action, proceeding or claim involved in the non-defaulting party's or the Board of Managers' favor and shall be due and payable within thirty (30) days after rendition. Any bills referred to in the first sentence of this Section that are not paid within thirty (30) days of rendition and all bills referred to in the third sentence of this Section shall be paid with interest at the agreed rate from the date of expense, cost or disbursement involved was due and payable (or paid, if later), to the date paid. If any action, proceeding or claim referred to in the second sentence of this Section 29(b) shall be finally determined or settled in Tenant's favor, Tenant shall be entitled to offset the amount of its judgment against the fixed rent and additional rent. The parties' obligations under this Article 29 shall survive the termination of this lease.

ARTICLE 30

CONSENTS

Section 30.

a) Whenever in this lease it is provided that either party shall not unreasonably withhold consent or approval or shall exercise its judgment reasonably, such consent or approval or exercise of judgment (hereinafter referred to collectively as "Consent") shall also not be unreasonably delayed or unreasonably conditioned. All refusals of consent must be accompanied by a statement of the reasons therefor. Consents requested in writing will be deemed granted if not responded to in writing within five (5) days after a second request made no sooner than fifteen (15) days after the first request or such other period provided herein for the first request. If a party considers that the other party has unreasonably withheld or delayed or conditioned a Consent it shall so notify the other party within ten (10) days after receipt of notice of denial of the requested Consent, or in case notice of denial is not received within fifteen (15) days after making its request for the Consent, within ten (10) days after the expiration of such fifteen (15) day period, and within ten (10) days after giving the first mentioned notice it may submit the question of whether the withholding or delaying of such Consent is unreasonable to determination by arbitration in the manner provided in Article 32. A Consent shall not be deemed to have been unreasonably withheld or delayed unless the aggrieved party complies with the foregoing procedure and it shall be so determined by arbitration as aforesaid. In the event of such determination, the requested Consent shall be deemed to have been granted for all purposes of this Lease. If the party withholding its Consent complies with the foregoing procedures, the aggrieved party shall not be entitled to recover any damages except if the Consent was withheld in bad faith.

b) Wherever in this Lease or any Exhibit it is provided that the approval of a representative of either party (such as Landlord's engineer or architect or Tenant's designer or architect) is required for any particular matter, such approval shall be deemed to be a Consent of the party for the purposes of Section 30(a), provided that a true copy of the notice requesting such approval is served upon the party so represented before the other party may claim that such approval has been unreasonably withheld or delayed.

c) In any instance or circumstance in which the Consent of the Board of Managers is required by the Declaration for the exercise of a right granted Tenant under this Lease, if and for so long as Landlord controls the Board of Managers, Landlord's Consent shall be deemed to constitute the consent of the Board of Managers.

d) Notwithstanding anything to the contrary provided elsewhere in this Lease, in any instance where the Consent of a superior lessor or a superior mortgagee is required, Landlord shall promptly so advise Tenant and if it would be unreasonable for Landlord to withhold its Consent, shall use reasonable efforts to procure such other Consent promptly; but Landlord shall not be required to give its Consent until it has received the written Consent of the superior lessee or superior mortgagee, as the case may be.

ARTICLE 31

NOTICES

Section 31.

a) Any notice, statement, demand or other communication required or permitted to be given, rendered or made by either party to the other, pursuant to this Lease or pursuant to any applicable law or requirement of public authority, shall be in writing (whether or not so stated elsewhere in this lease) and shall be deemed to have been properly given, rendered or made, if delivered in person, or if sent by registered or certified mail, return receipt requested, addressed, if to Tenant at: Verizon Corporate Real Estate, 4458 Madison Industrial Lane, Mail Code FLG1-300, Tampa, Florida 33619, Attn: Lease Administration and if to Landlord at: c/o Colonnade Group LLC, 77 Fifth Avenue, Suite 4A, New York, New York 10003, Attention: Greg Altshuler, with a copy to Finkelstein Newman Ferrara LLP, 225 Broadway, 8th Floor, New York, New York 10007 Attention: Robert C. Epstein, Esq., and if to the Board of Managers at 50 Varick Street, New York, New York 10031, Attention: Building Manager, and shall be deemed to have been given, rendered or made by the sender on the day so mailed, and shall be deemed to have been received by the addressee upon the date of its signature of, or its refusal to sign, the requested receipt. Either party may, by notice as aforesaid, designate a different address or attention designation for notices, statements, demands or other communications intended for it.

b) However, notices requesting after hours service and notice of fire, accident or other emergency may be telephoned to the person or persons designated by Landlord, one of which persons shall be available on all days and at all times in the Building to receive such notices, provided the same are promptly confirmed by telefax or written notice to such designated person in the case of request for after hours service and to Landlord in case of fire, accident or other emergency. Tenant's failure in any instance to give notice or to give timely notice of a fire, accident or other emergency shall not relieve Landlord of the performance of its obligations hereunder with respect thereto after Landlord learns thereof.

c) Whenever either party shall consist of more than one person, any notice, statement, demand or other communication required or permitted to be given, rendered or made to or by and any payment to be made to such party, shall be deemed duly given, rendered, made or paid if addressed to or by (or in the case of payment by check, to the order of) one of such persons who shall be designated from time to time by all persons then comprising such party. Such party shall promptly notify the other of the identity of such person who is so to act on behalf of all persons then comprising such party and of all changes in such identity.

ARTICLE 32

ARBITRATION

Section 32.

a) In any case where this Lease provides for the settlement of a dispute or question by arbitration, or where the parties agree that a dispute or question shall be resolved by arbitration, the same shall be resolved by arbitration before a single arbitrator in the Borough of Manhattan, City of New York in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("AAA"), except as the same may be inconsistent with the provisions of this Article 32. Judgment upon the award rendered may be entered in any court having jurisdiction thereof. The fees, costs and expenses of the arbitrator and the AAA shall be borne equally by the parties. In no event will either party be entitled to consequential or punitive damages with respect to any matter to be resolved by arbitration. Each party shall pay its own costs, fees and expenses in accordance with any arbitration

b) It is understood and agreed that the single arbitrator shall be appointed by the AAA in accordance with the Arbitration Rules. Such arbitrator shall have at least ten (10) years' experience in a calling reasonably connected with the subject matter of the arbitration and shall be a disinterested and impartial person of recognized competence.

c) Notwithstanding the foregoing provisions of this Article 32, for the purposes of Articles 4 and 8, Landlord and Tenant agree to use the expedited procedures of the Arbitration Rules.

ARTICLE 33

USE OF GENERAL COMMON ELEMENTS

Section 33.

a) During the Term, subject to the Declaration, Landlord shall make the General Common Elements, or use reasonable efforts to cause them to be made, reasonably available to Tenant.

ARTICLE 34

ESTOPPEL CERTIFICATE

Section 34.

a) Each party agrees, at any time and from time to time, as requested by the other party, upon not less than twenty (20) days notice, to execute and deliver to the other a statement certifying that this Lease is unmodified and in full force and effect (or if there have

been modifications, that the same is in full force and effect as modified and stating the modifications), certifying the dates to which the fixed rent and additional rent has been paid, and stating whether or not, to the best knowledge of the signer, the other party is in default in performance of any of its obligations under this Lease and, if so, specifying each such default of which the signer may have knowledge, it being intended that any such statement delivered pursuant hereto may be relied upon by others with whom the party requesting such certificate may be dealing.

ARTICLE 35

QUIET ENJOYMENT

Section 35.

a) Landlord covenants that, subject to Article 7 hereof, so long as Tenant is not then in default beyond any applicable grace period, Tenant shall peaceably and quietly have, hold and enjoy the Demised Premises, during the Term, in accordance with the terms of this Lease.

ARTICLE 36

NO OTHER REPRESENTATIONS, CONSTRUCTION, GOVERNING LAW

Section 36.

a) Tenant expressly acknowledges and agrees that Landlord has not made and is not making, and Tenant, in executing and delivering this Lease, is not relying upon, any warranties, representations, promises or statement, except to the extent that the same are expressly set forth in this Lease or in any other written agreement which may be made between the parties in connection with the execution and delivery of this Lease.

b) If any of the provisions of this Lease, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such provision or provisions to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby, and every provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.

c) This Lease shall be governed in all respects by the laws of the State of New York.

ARTICLE 37

PARTIES BOUND

Section 37.

a) The obligations of this Lease shall bind and benefit the successors and assigns of the parties with the same effect as if mentioned in each instance where a party is named or referred to, except that no violation of the provisions of Article 8 shall operate to vest any rights in any successor or assignee of Tenant and that the provisions of this Article shall not be construed as modifying the conditions of limitation contained in Article 24. However, the obligations of Landlord under this Lease shall not be binding upon Landlord to the extent that they shall accrue subsequent to the transfer of Landlord's interest in Landlord's Unit as owner thereof and in the event of such transfer said obligations thereafter accruing shall be expressly assumed by and binding upon each transferee of the interest of Landlord herein named as such owner or lessee of Landlord's Unit, but only with respect to the period ending with a subsequent transfer within the meaning of this Article, and such transferee, by accepting such interest, shall be deemed to have assumed such obligations accruing after transfer, except only as may be expressly otherwise provided elsewhere in this Lease. Except as otherwise expressly provided herein, the transferor shall be released from any obligations accruing prior to the transfer of its interest in Landlord's Unit as owner thereof, if the transferee shall expressly assume such prior accruing obligations in a written recordable instrument and the transferee is not an affiliate of Landlord. Notwithstanding the foregoing, the Landlord and any transferee shall be bound by all, and not released from any, transfer restrictions set forth in the Declaration and the Contract of Sale.

b) Any references in this Lease, whether directly or by implication, to duties or obligations of the Board of Managers shall not be construed or deemed to increase in any manner, the duties or obligations of the Board of Managers beyond those set forth in the Declaration and the By-Laws. Nothing contained in this Lease shall be construed or deemed to constitute the Board of Managers a party to this Lease in any respect.

ARTICLE 38

EXPIRATION DATE

Section 38.

Upon the Expiration Date, this Lease shall terminate and thereafter neither Landlord nor Tenant shall have any rights or obligations hereunder, except as expressly specified herein. Nothing herein, however, shall be construed to qualify the provisions of Article 23 with respect to the remedies available to Landlord upon holdover by Tenant.

ARTICLE 39

BROKERAGE

Section 39.

a) Landlord and Tenant each represents and warrants to the other that it has not dealt with any broker or person acting as such other than Newmark Knight Frank Capital Group in connection with this transaction. Each of Landlord and Tenant shall indemnify and hold the other harmless from and against any loss, cost, damage, expense (including reasonable attorneys' fees and expenses) or liability resulting from the inaccuracy of the representation and warranty hereinabove made by it. Tenant shall pay any commission or other compensation to which Newmark Knight Frank Capital Group may be entitled in connection with this lease.

ARTICLE 40

OPTION TO TERMINATE

Section 40.

At any time from and after the completion of the Verizon Separation Work, Tenant shall have the option to terminate this lease prior to the Expiration Date by giving Landlord written notice of such election to terminate not later than thirty (30) days prior to the date specified in the notice for such termination. Upon such date, this lease shall terminate and thereafter neither Landlord nor Tenant shall have any rights or obligations hereunder, except as expressly specified herein.

ARTICLE 41

MISCELLANEOUS

Section 41.

a) Whenever a party requests reimbursement for its out-of-pocket costs, such request shall be accompanied by bills, receipts, invoices or other documentation reasonably evidencing such costs.

b) If, as and when improvements are made generally to Common Elements such as scrubbing the exterior facade and the windows of the Building or refurbishing the elevator lobbies, subject to the Declaration, the Demised Premises will in the ordinary course receive the benefit of the improvement (e.g., its windows will be scrubbed and its elevator lobbies will be refurbished and not omitted.)

c) This agreement affects only the rights of [50 Varick LLC], as Landlord, and Verizon New York Inc., as Tenant, hereunder, and does not create, alter or affect any rights of the parties under the Contract of Sale, or as owners of their respective Units under the Declaration.

d) This Lease shall become binding and effective only upon the execution and delivery of this Lease by both Landlord and Tenant.

e) This Lease shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns.

f) Neither party shall have liability for any consequential, indirect or punitive damages arising under this Lease.

g) This Lease shall not be modified, changed, or supplemented, except by a written instrument executed by both parties.

h) Except as expressly set forth in this Lease, each term and obligation of this Lease to be performed by, or on behalf of, Tenant (including the obligation to pay rent hereunder) shall be deemed and construed to be both a covenant and a condition, each separate and independent of the other and not dependent on any other term, covenant, agreement, obligation or provision of this Lease.

i) Each party shall take any actions that may be required to comply with the terms of the USA Patriot Act of 2001, as amended, any regulations promulgated under the foregoing law, Executive Order No. 13224 on Terrorist Financing, any sanctions program administrated by the U.S. Department of Treasury's Office of Foreign Asset Control or Financial Crimes Enforcement Network, or any other laws, regulations, executive orders or government programs designed to combat terrorism or money laundering, if applicable, on this lease. Each party represents and warrants to the other party that it is not an entity named on the List of Specially Designated Nationals and Blocked Persons maintained by the U.S. Department of Treasury, as last updated prior to the date of this lease.

j) Whenever a period of time is prescribed for the taking of any action by Landlord or Tenant (other than the payment of base rent and additional rent), the period of time for the performance of such action shall be extended by the number of days that the performance is actually delayed due to strikes, acts of God, shortages of labor or materials, war, terrorist acts, civil disturbances and other causes beyond the reasonable control of the performing party ("Force Majeure").

k) This Lease does not grant any rights to light or air over or about the Building. Landlord excepts and reserves exclusively to itself any and all rights not specifically granted to Tenant under this Lease.

l) Landlord shall comply with all of the terms, covenants and conditions on such party's part to be complied with pursuant to the Declaration, and shall not engage in or consent to any action that could materially interfere with Tenant's use of the Demised Premises or the exercise of Tenant's rights under this Lease.

m) After the date hereof, Tenant shall not cause or permit "Hazardous Materials" (as defined below) to be used, transported, stored, released, handled, produced or installed in, on or from, the Demised Premises or the Building (except that the foregoing shall not apply to the Verizon Units (as such term is defined in the Declaration) while the same is owned by Tenant or an affiliate of Tenant), other than customary amounts as are generally used by office tenants in comparable office buildings in downtown Manhattan for the normal operation and maintenance of Tenant's equipment and machines and cleaning of the Demised Premises (provided same are maintained in accordance with all applicable Legal Requirements). The term "Hazardous Materials" shall, for the purposes hereof, mean any flammable explosives, radioactive materials, hazardous wastes, hazardous and toxic substances, or related materials, asbestos or any material containing asbestos, or any other substance or material, as defined by any federal, state or local environmental law, ordinance, rule or regulation including, without limitation, the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended, the Hazardous Materials Transportation Act, as amended, the Resource Conservation and Recovery Act, as amended, and in the regulations adopted and publications promulgated pursuant to each of the foregoing. In the event of a breach of the provisions of this Section 41(l), Landlord shall, in addition to all of its rights and remedies under this Lease and pursuant to law, require Tenant to remove any such Hazardous Materials from the Demised Premises in the manner prescribed for such removal by Legal Requirements. The provisions of this Section 41(l) shall survive the termination of this Lease.

n) This Lease may be executed in counterparts each of which shall be an original and all of which counterparts taken together shall constitute one and the same agreement.

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this lease as of the day and year first above written.

[50 VARICK LLC]

By: _____
Name:
Title:
Fed Tax ID#:

VERIZON NEW YORK INC.

By: _____
Name:
Title:
Fed Tax ID #: 13-5275510

EXHIBIT A

Land

ALL THAT CERTAIN PLOT, PIECE OR PARCEL OF LAND, SITUATE, LYING AND BEING IN THE BOROUGH OF MANHATTAN, COUNTY AND STATE OF NEW YORK, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE EASTERLY SIDE OF VARICK STREET DISTANT ONE HUNDRED AND ONE FEET, SIX INCHES NORTHERLY FROM THE CORNER FORMED BY THE INTERSECTION OF THE EASTERLY SIDE OF VARICK STREET WITH THE NORTHERLY SIDE OF BEACH STREET;

RUNNING THENCE EASTERLY AND PARALLEL WITH THE NORTHERLY SIDE OF BEACH STREET, SOUTH 80° 22’ 00” EAST, ONE HUNDRED FORTY FEET AND FIVE EIGHTHS OF AN INCH TO THE WESTERLY SIDE OF ST. JOHN’S LANE;

THENCE NORTHERLY ALONG THE WESTERLY SIDE OF ST. JOHN’S LANE, NORTH 9° 38’ 20” EAST, TWO HUNDRED THIRTY-NINE FEET NINE INCHES (DEED; 239.48 FEET ACTUAL);

THENCE WESTERLY AND PARALLEL WITH THE SOUTHERLY SIDE OF LAIGHT STREET NORTH 80° 22’ 00” WEST ONE HUNDRED AND FORTY FEET AND SEVEN EIGHTHS OF AN INCH TO THE EASTERLY SIDE OF VARICK STREET;

AND THENCE SOUTHERLY ALONG THE EASTERLY SIDE OF VARICK STREET SOUTH 8° 38’ 00” WEST, TWO HUNDRED THIRTY-NINE FEET, FIVE INCHES AND THREE-QUARTER INCHES TO THE POINT OR PLACE OF BEGINNING.

EXHIBIT B

SUBORDINATION, NON-DISTURBANCE
AND ATTORNMENT AGREEMENT

THIS AGREEMENT is made as of _____, between _____ ("Lender"), having an office at _____, and Verizon New York Inc. ("Tenant"), having an address of Mail Code FLG1-300, Cushman & Wakefield, Verizon Portfolio Management, 8800 Adamo Drive, Tampa, Florida 33619-3526, Attn: Lease Administration.

W I T N E S S E T H:

WHEREAS, _____ ("Landlord") and Tenant have entered into that certain lease dated _____ [, as amended by amendment dated _____] (as amended, extended and renewed from time to time, the "Lease") covering certain premises (the "Premises") in the building located at _____ (the "Building"); and

WHEREAS, Lender [has made] [intends to make] a loan ("Loan") to Landlord, which Loan [is] [will be] secured by a mortgage or deed of trust (the "Mortgage") covering the Premises, the Building and the land on which the Building is situated[, such land being more particularly described in Exhibit A attached hereto] (the Premises, the Building and the land being collectively referred to as the "Property");

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. The Lease is, and shall be, subject and subordinate to the Mortgage and to all renewals, modifications, extensions and replacements thereof.

2. If the Mortgage is foreclosed, the mortgagee thereunder will not name or join Tenant as a party defendant or otherwise in any suit, action or proceeding, and will not terminate the Lease or any option to purchase the Property or any part thereof contained therein or disturb Tenant's occupancy of the Premises, so long as Tenant is not in default under any of the terms, covenants or conditions of the Lease beyond the expiration of any applicable grace period set forth therein.

3. Any action by Lender to enforce the Mortgage by reason of a default thereunder will not terminate the Lease or invalidate or constitute a breach of any of the terms thereof, and in the event Lender forecloses the Mortgage, or any party acquires the Property pursuant to a power of sale contained in the Mortgage, or a deed in lieu of foreclosure is delivered (any or all of the above being referred to as a "Foreclosure Sale"), Tenant will attorn, upon the executory terms of the Lease, to Lender or other purchaser at any foreclosure sale thereunder or to the grantee under a deed in lieu of foreclosure (the "Foreclosure Purchaser"), and will execute and deliver such instruments as may be reasonably necessary to evidence such attornment, provided Tenant receives from such purchaser or grantee an agreement recognizing the validity of the Lease.

4. In the event of a Foreclosure Sale, the Foreclosure Purchaser agrees to be bound to Tenant under all of the terms, covenants and conditions of the Lease, and Tenant shall, from and after such event, have the same remedies against the Foreclosure Purchaser for the breach of an agreement contained in the Lease that Tenant would have had against Landlord if the Foreclosure Purchaser had not succeeded to the interest of Landlord; provided, however, the Foreclosure Purchaser shall not be:

(a) liable for any act or omission of any prior landlord (including Landlord), unless such act or omission arises out of a continuing or present responsibility of Landlord pursuant to the terms of the Lease; or

(b) subject to any offsets or defenses that Tenant has against any prior landlord (including Landlord) unless expressly provided for in the Lease; or

(c) bound by the payment of any rent or additional rent that Tenant paid more than one month in advance of the due date thereof to any prior landlord (including Landlord) unless expressly provided for in the Lease; or

(d) bound by any amendment or modification of the Lease made without Lender's consent, which consent Lender shall not unreasonably withhold or delay.

5. Tenant shall send a copy of any notice or statement alleging a Landlord default under the Lease to Lender at the same time Tenant sends such notice or statement to Landlord at the address set forth herein. The curing of any of Landlord's defaults by Lender shall be treated as performance by Landlord.

6. Lender agrees that any casualty insurance proceeds or condemnation awards shall be applied to the restoration of the Property as set forth in the Declaration.

7. This Agreement shall be governed by and construed in accordance with the laws of the state in which the Property is located. Neither this Agreement nor any provision hereof shall be construed against the party causing this Agreement or such provision to be drafted.

8. This Agreement shall not be amended, modified or terminated nor may any of its provisions be waived, except by a writing signed by the party against whom such amendment, modification, termination or waiver is sought to be enforced.

9. This Agreement shall run with the land and shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, including a Foreclosure Purchaser. This Agreement shall terminate and be of no further force and effect upon the expiration of the term of the Lease.

10. In the event that Lender directs Tenant to pay its rent and all other sums due under the Lease to Lender, Tenant will honor such demand and pay to Lender the rent and all

other sums due under the Lease from and after the date of receipt of such notice, until directed otherwise in writing by Lender or by a court of competent jurisdiction. Tenant shall make such payments to Lender without any further direction or consent from Landlord and despite the fact that no receiver of rents may have been appointed by a court. Landlord hereby irrevocably authorizes and directs Tenant to make such payments to Lender despite the receipt of any contrary instructions from Landlord or any other party, except a court of competent jurisdiction. Payment of rent by Tenant in accordance with the provisions of this paragraph shall constitute performance by Tenant under the Lease as to all amounts paid.

11. This Agreement shall not be effective unless and until it has been executed and delivered by Tenant and Lender and Landlord.

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

LENDER:

_____

By: _____
Name: _____
Its: _____

TENANT:

Verizon _____

By: _____
Name:
Its:

LANDLORD:

_____

By: _____
Name: _____
Its: _____

STATE OF ____________________________)
) ss:
COUNTY OF __________________________)

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

____
Notary Public

STATE OF ____________________________)
) ss:
COUNTY OF __________________________)

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

____
Notary Public

STATE OF ____________________________)
) ss:
COUNTY OF __________________________)

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

____
Notary Public

EXHIBIT A

LEGAL DESCRIPTION OF THE LAND

EXHIBIT D

CERTIFICATE AND INDEMNITY

The undersigned, Verizon New York Inc., a New York corporation, having an address of 140 West Street, New York, New York 10007 ("Verizon"), hereby certifies to _____ (the "Title Company") that:

1. There are no leases or tenancies affecting the condominium unit designated and described as "Unit A" of the 50 Varick Street Condominium (the "Condominium") in a Declaration of Condominium dated as of _____, 20___ made by Verizon pursuant to Article 9-B of the Real Property Law of the State of New York, which Condominium is located at 50 Varick Street, New York, New York (such Unit A, the "Premises"), whether oral or written, except for the lease between Verizon and the purchaser of the Premises entered into at closing.

2. Verizon possesses sufficient assets to pay any of the judgments and corporate and franchise taxes against Verizon which affect the Premises and are described in Title Commitment No. _____ issued by the Title Company.

3. Real estate taxes with respect to the Premises due and payable on the date hereof have been or will be paid, with any interest or penalties thereon.

4. All water charges and sewer rents with respect to the Premises accruing prior to the date hereof have been or will be paid, with any interest or penalties thereon.

5. Verizon will pay for any work done at the Premises during the preceding eight (8) months that could give rise to a mechanics lien against the Premises.

6. No work has been done upon the Premises by the City of New York, and no demand has been made by the City of New York for any such work that may result in charges by the New York City Department of Rent and Housing Maintenance/Emergency Service, or by the New York City Department of Environmental Protection for water tap closings or any related work.

Verizon will indemnify and hold the Title Company harmless from and against all loss, cost, damage and expense, including attorney's fees, resulting from the omission of any exceptions in the title insurance policy issued by the Title Company in reliance upon this Certificate and Indemnity.

This Certificate and Indemnity is made for purposes of inducing the Title Company to insure fee title to the Premises pursuant to the title insurance policy to be issued by the Title Company in connection with the sale of the Premises by Verizon.

[Remainder of page intentionally left blank]

Executed as a sealed instrument as of the ____ day of _____, 20____.

VERIZON NEW YORK INC.,
a New York corporation

By:_____
Name:
Title:

EXHIBIT E

ASSIGNMENT AND ASSUMPTION OF CONTRACTS

Dated as of _____, 20___

VERIZON NEW YORK INC., a New York corporation having an office at 140 West Street, New York, New York ("Assignor"), in consideration of Ten ($10.00) Dollars and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby assigns to the BOARD OF MANAGERS OF THE 50 VARICK STREET CONDOMINIUM, having an address at 50 Varick Street, New York, New York ("Assignee"), all right, title and interest of Assignor under the contracts set forth on Schedule A annexed hereto effective as of the Closing Date (as defined in the Contract of Sale, dated as of December _____, 2009 between Verizon New York Inc., as seller, and _____ as purchaser (the "Contract of Sale").

Assignee hereby expressly assumes all of the obligations imposed upon Assignor under the contracts set forth on Schedule A annexed hereto which accrue from and after the effective as of the Closing Date.

This Assignment and Assumption of Contracts is made by Assignor without recourse and without any expressed or implied representation or warranty whatsoever, except as may be provided in that certain Contract of Sale.

Assignor shall indemnify and hold Assignee harmless from and against any and all damages, claims and liabilities which may arise and accrue from or under the contracts set forth on Schedule A and that are attributable to periods prior to the Closing Date and Assignee shall indemnify and hold Assignor harmless from and against any and all damages, claims and liabilities which may arise and accrue from or under the contracts set forth on Schedule A and that are attributable to periods on or after the Closing Date.

This Assignment and Assumption of Contracts shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment and Assumption of Contracts as an instrument under seal as of the date first written above.

ASSIGNOR:

VERIZON NEW YORK INC.

By: _____
Name:
Title:

ASSIGNEE:

50 VARICK STREET CONDOMINIUM

By: Its Board of Managers

By: _____
Name:
Title:

Schedule A

(to the Assignment and Assumption of Contracts)

Contracts

EXHIBIT F

GENERAL ASSIGNMENT AND ASSUMPTION AGREEMENT

Dated as of _____, 20___

THIS GENERAL ASSIGNMENT AND ASSUMPTION AGREEMENT between VERIZON NEW YORK INC., a New York corporation having an office at 140 West Street, New York, New York ("Assignor") and BOARD OF MANAGERS OF THE 50 VARICK STREET CONDOMINIUM, having an address at 50 Varick Street, New York, New York ("Assignee").

W I T N E S S E T H:

Assignor for ten dollars ($10.00), and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby assigns to Assignee all of Assignor's right, title and interest in, to and under (i) all books, records, and files owned by Assignor and relating solely to the use, operation or management of any portion of 50 Varick Street Condominium which constitutes General Common Elements (as designated and described in the Declaration of Condominium (the "Declaration") dated as of _____ made by Assignor pursuant to Article 9-B of the Real Property Law of the State of New York, and recorded with the Office of the New York City Register, (ii) all transferable licenses, approvals, certificates and permits held by Assignor relating solely to the use, operation, or management of the General Common Elements or the services to be performed by the Board of Managers under the Declaration or the Bylaws annexed thereto, and (iii) all warranties and guarantees under contracts with unrelated third parties relating to the General Common Elements, if any, to the extent assignable (the items set forth in clauses (ii) and (iii) above are hereinafter referred to collectively as the "Property Matters");

TO HAVE AND TO HOLD unto Assignee and its successors and assigns to its and their own use and benefit forever.

It is understood that notwithstanding the assignment contained herein, until the date hereof, Assignor shall retain its right, title and interest in the Property Matters on a shared basis.

It is understood and agreed that nothing contained herein shall be deemed to transfer any intellectual property rights, trade names or logos from Assignor to Assignee.

Assignee hereby expressly assumes the obligations of Assignor in respect of the Property Matters accruing from and after the date hereof.

This Agreement is made by Assignor without recourse and without any expressed or implied representation or warranty whatsoever, except as may otherwise be provided in the Contract of Sale, dated as of December ____, 2009 between Assignor and _____. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Assignor and Assignee have executed this General Assignment and Assumption Agreement as an instrument under seal as of the date first written above.

ASSIGNOR:

VERIZON NEW YORK INC.

By: _____
Name:
Title:

ASSIGNEE:

50 VARICK STREET CONDOMINIUM

By: Its Board of Managers

By: _____
Name:
Title:

EXHIBIT G

FORM OF BILL OF SALE

BILL OF SALE

Dated as of _____, 20___

VERIZON NEW YORK INC., a New York corporation having an office at 140 West Street, New York, New York ("Transferor"), in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby sells, conveys, assigns, transfers, delivers and sets over to BOARD OF MANAGERS OF THE 50 VARICK STREET CONDOMINIUM, having an address at 50 Varick Street, New York, New York (the "Condominium"), all right, title and interest of Transferor in and to all of the equipment, furniture, fittings, fixtures, machinery, inventory, appliances and other articles of personal property which are owned by Transferor and which are General Common Elements or which are affixed or attached to, installed or placed in or upon and used for or useable in any present or future operation of any portion of the General Common Elements (as designated and described in the Declaration of Condominium dated as of _____ made by Transferor pursuant to Article 9-B of the Real Property Law of the State of New York, and recorded with the Office of the New York City Register (the "Declaration")) and do not constitute part of a Unit (as defined in the Declaration), but in no event shall include (i) any telecommunications equipment in the Building, including the cables, fiber optics, waveguides, switching equipment, video equipment and other transmission media which carry telecommunications signals and related business equipment and utility facilities (including utility facilities providing direct current power and air compression/dehydration), (ii) any of the items identified as Verizon Limited Common Elements in the Declaration or (iii) the items which Transferor has the right to remove as tenant under that certain Lease dated _____, 20_____ by and between Transferor and_____.

TO HAVE AND TO HOLD unto the Condominium and its successors and assigns to its and their own use and benefit forever.

This Bill of Sale is entered into by Transferor in accordance with that certain Contract of Sale dated as of _____ ___, 2009 by and between Transferor and _____ (the "Contract of Sale"). This Bill of Sale is made without representation, warranty or recourse, except as otherwise provided in the Contract of Sale.

This Bill of Sale shall be governed by and construed in accordance with the laws of the State of New York.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Transferor has caused this Bill of Sale to be executed as an instrument under seal as of the date first written above.

TRANSFEROR:

VERIZON NEW YORK INC.

By: _____
Name:
Title:

EXHIBIT H

FORM OF DEED

CONDOMINIUM UNIT BARGAIN AND SALE DEED
(without covenant against grantor's acts)

THIS DEED, made as of the ____ day of _____, 20___ by VERIZON NEW YORK INC., a New York corporation having an office at 140 West Street, New York, New York 10007 ("Grantor") to _____, a _____ limited liability company having an office at _____("Grantee").

WITNESSETH, that Grantor, for and in consideration of Ten ($10.00) Dollars and other good and valuable consideration, the receipt of which is being hereby acknowledged, hereby grants and releases to Grantee:

The Unit known as the Principal Unit (the "Unit") in the building known as 50 Varick Street Condominium (the "Condominium") and by the street number 50 Varick Street, County of New York, State of New York (the "Building"), and designated and described in that certain Declaration of Condominium (the "Declaration") dated as of _____ made by Assignor pursuant to Article 9-B of the Real Property Law of the State of New York, establishing a plan for condominium ownership of the Buildings and the land (which land is more particularly described in Exhibit A annexed hereto) upon which the Building is situated, which Declaration was recorded in the Office of the City Register, New York County, on _____ ___, 2009, in Reel ____ Page ____ and designated as [Tax Lot ___] in Block ___ on the Tax Map of the City of New York for the Borough of Manhattan and on the Floor Plans of the Building, certified by _____ on the __ day of ____, 2009 and filed with the Office of the City Register, New York County, on the ___ day of _____, 2009 as Condominium Plan No. ____, Map #____.

TOGETHER with (a) an undivided ___% interest in the General Common Elements (as such term is defined in the Declaration) and (b) a 100% interest in the Limited Common Elements (as such term is defined in the Declaration) appurtenant to the Unit;

TOGETHER with and subject to the rights, obligations, easements, restrictions and other provisions of the Declaration and of the By-Laws (annexed as Exhibit D to the Declaration) of the Condominium, as the same may be amended from time to time by instruments recorded in the Office of the City Register, New York County applicable to the Principal Unit or the owner thereof, all of which rights, obligations, easements, restrictions and other provisions shall constitute covenants running with the land and shall bind any and all persons having at any time any interest in the Unit (said interest in the Common Elements, together with said rights, obligations, easements, restrictions and other provisions, may be referred to herein as the "Unit Common Interests", and which Unit and Unit Common Interests may be referred to herein as the "Unit Property");

TOGETHER with all appurtenances thereto and all of the estate and rights of the Grantor in and to the Unit Property;

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

GRANTEE, by accepting delivery of this deed, accepts and ratifies the provisions of the Declaration and the By-Laws of the Condominium, as the same may be amended from time to time by instruments recorded in the Office of the City Register, New York County, as if such provisions were recited and stipulated at length herein and Grantee covenants and agrees to comply with all of the obligations of the owner of the Unit hereby conveyed contained therein.

AND Grantor, in compliance with Section 13 of the Lien Law, covenants that Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for the purpose of paying the improvement and will apply the same first for the purpose of paying the cost of the improvement before using any part of the total of the same for any other purpose.

The Unit is intended to be used for any purposes and related uses permitted under the Declaration and the By-Laws, as each may be amended from time to time by instruments recorded in the Office of the City Register, New York County.

Wherever in this instrument any party shall be designated or referred to by name or general reference, such designation is intended to and shall have the same effect as if the words "successors and assigns" had been inserted after each and every such designation.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Grantor has duly executed this instrument as of the day and year first above written.

GRANTOR:

VERIZON NEW YORK INC.

By: _____
Name:
Title:

STATE OF _____)
) ss.
COUNTY OF _____)

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

_____
Notary Public

Exhibit A

(to Form of Deed)
Legal Description of Land