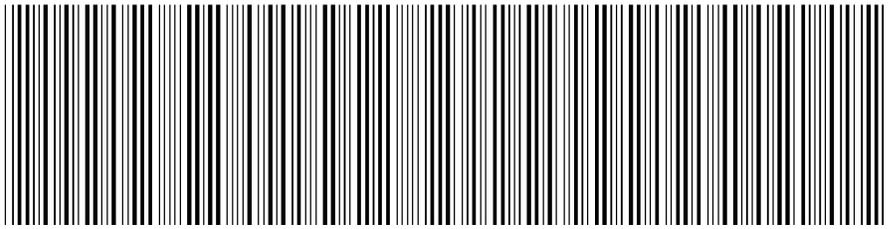


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2023032900371001002E625D

RECORDING AND ENDORSEMENT COVER PAGE

PAGE 1 OF 87

Document ID: 2023032900371001

Document Date: 11-17-2022

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Document Page Count: 85

PRESENTER:

NATIONAL LAND TENURE (NLT-SR-2023-049-NY)
950 FRANKLIN AVENUE
GARDEN CITY, NY 11530
516-227-0800
SLEVIN@NLTCO.COM

RETURN TO:

KRAMER LEVIN NAFTALIS & FRANKEL LLP
ATTN: JONATHAN H. CANTER, ESQ.
1177 AVENUE OF THE AMERICAS
NEW YORK, NY 10036

PROPERTY DATA

Borough	Block	Lot	Unit	Address
MANHATTAN	224	1	Entire Lot	450 WASHINGTON STREET

Property Type: APARTMENT BUILDING

Borough	Block	Lot	Unit	Address
MANHATTAN	224	1301	Entire Lot	450 WASHINGTON STREET

Property Type: OTHER

Additional Properties on Continuation Page

CROSS REFERENCE DATA

CRFN _____ or DocumentID _____ or _____ Year _____ Reel _____ Page _____ or File Number _____

PARTIES

PARTY 1:

RREF II 34 DEBROSSES OWNER, LLC
C/O: THE RELATED COMPANIES, 30 HUDSON YARDS
NEW YORK, NY 10001

FEES AND TAXES

Mortgage :

Mortgage Amount: \$ 0.00

Taxable Mortgage Amount: \$ 0.00

Exemption:

TAXES: County (Basic): \$ 0.00

City (Additional): \$ 0.00

Spec (Additional): \$ 0.00

TASF: \$ 0.00

MTA: \$ 0.00

NYCTA: \$ 0.00

Additional MRT: \$ 0.00

TOTAL: \$ 0.00

Recording Fee: \$ 474.00

Affidavit Fee: \$ 0.00

Filing Fee:

\$ 0.00

NYC Real Property Transfer Tax:

\$ 0.00

NYS Real Estate Transfer Tax:

\$ 0.00

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CITY OF NEW YORK

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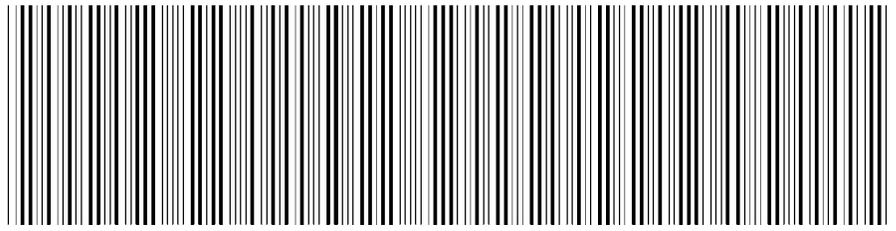
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Annette McMill

City Register Official Signature



2023032900371001002C60DD

RECORDING AND ENDORSEMENT COVER PAGE (CONTINUATION)

PAGE 2 OF 87

Document ID: 2023032900371001
Document Type: CONDO DECLARATION

Document Date: 11-17-2022

Preparation Date: 04-07-2023

PROPERTY DATA

Borough	Block Lot	Unit	Address
MANHATTAN	224 1302 Entire Lot	RET2	450 WASHINGTON STREET
	Property Type: OTHER		
Borough	Block Lot	Unit	Address
MANHATTAN	224 1303 Entire Lot	GAR	450 WASHINGTON STREET
	Property Type: PARKING SPACE		
Borough	Block Lot	Unit	Address
MANHATTAN	224 1304 Entire Lot	COOP	450 WASHINGTON STREET
	Property Type: OTHER		

DECLARATION

Establishing a Plan for Condominium Ownership
of the Premises known as 450 Washington Street
New York, New York 10013
Pursuant to Article 9-B of the Real Property
Law of the State of New York

Name

THE 450 WASHINGTON STREET CONDOMINIUM
450 Washington Street
New York, New York 10013

Declarant

RREF II 34 DESBROSSES OWNER, LLC
c/o The Related Companies, L.P.
30 Hudson Yards
New York, New York 10001

Date of Declaration

November 17, 2022

Block 224

Lots 1301 through 1304 (f/k/a Lot 1)

Borough of Manhattan

When Recorded, Return to:

Kramer Levin Naftalis & Frankel LLP
Attorneys for Declarant
1177 Avenue of the Americas
New York, New York 10036
212-715-9100
Attention: Jonathan H. Canter, Esq.

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DECLARATION
OF
THE 450 WASHINGTON STREET CONDOMINIUM

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

RREF II 34 DESBROSSES OWNER, LLC, a Delaware limited liability company having an office at c/o The Related Companies, 30 Hudson Yards, New York, New York 10001 (the "Declarant"), does hereby declare as follows:

ARTICLE 1

SUBMISSION OF THE PROPERTY; BY-LAWS

1.1 Submission of Property. Declarant hereby submits its Estate for Years interest in and to the Land and Building (each as hereinafter defined), all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith (collectively, the "Property"), to the provisions of Article 9-B of the Real Property Law of the State of New York (as the same may be amended from time to time, the "New York Condominium Act") and pursuant thereto does hereby establish a condominium to be known (subject to the provisions of this Declaration) as "The 450 Washington Street Condominium" (the "Condominium"). The Condominium is similar to that of a leasehold condominium rather than a fee condominium since Sponsor holds an Estate for Years interest in the Property rather than fee simple absolute title, which Estate For Years is ownership for a specified period of time.

1.2 As more particularly described in that certain Declaration of Covenants and Restrictions dated March 27, 2006 and recorded in the Office of the Register of the City of New York (the "City Register's Office") on May 5, 2006 under CRFN 2006000251087 (the "Restrictive Declaration"), the submission of this Condominium to the New York Condominium Act is subject to the reversionary estate in the Property (the "Reversion Estate") that is reserved pursuant to that certain deed dated March 27, 2006 (a copy of which is annexed to the Restrictive Declaration) and all other terms and conditions set forth in the Restrictive Declaration. The provisions of the Restrictive Declaration are deemed incorporated herein by reference and made apart hereof with the same force and effect as if set forth herein at length and shall be binding upon all Unit Owners and Occupants. The following capitalized terms as used herein and in the By-Laws shall have the following meanings:

"Estate for Years" shall mean the estate in the Property ending April 30, 2105. originally conveyed to Truffles, LLC by deed dated March 27, 2006 (a copy of which is annexed to the Restrictive Declaration) and subsequently conveyed on more than one occasion. As of the date of this Declaration, Declarant is the record deed holder of the Estate for Years interest in the Property.

“Reversion Date” shall mean May 1, 2105.

1.3 Development Rights. Subject to the terms of the Restrictive Declaration and the rights of the Reversionary Estate Owner, any portion of the unused air rights and floor area development rights that are now owned, subsequently acquired or that may become available under the Zoning Resolution of the City of New York (the “Development Rights”) shall be initially be allocated and assigned to the Retail Unit 1 and controlled by the Retail Unit 1 Owner and, which Development Rights, in the Retail Unit 1 Owner’s sole discretion may be utilized by the Retail Unit 1 Owner or any party acquiring the same from the Retail Unit 1 Owner (the “Development Rights Purchaser”) for any lawful purpose, including merger into a zoning lot pursuant to the terms of a zoning lot development agreement or similar agreement or instrument (a “ZLDA”); and in connection with the foregoing, the Retail Unit 1 Owner shall have the sole right to apply for bonus floor area generated by the zoning lot and shall have sole ownership and control of the airspace above the Building and/or adjacent to the Building. Declarant shall have the right, without the consent of any Unit Owner, the Board, any mortgagee or other party, to amend the Declaration and By-Laws and to execute any further documentation as may be necessary, in order to allocate all (or any portion of) the Development Rights to a Unit other than Retail Unit 1.

1.4 By-Laws. Annexed to this Declaration as Schedule C and made a part hereof are the by-laws of the Condominium which set forth detailed provisions governing the operation, use and occupancy of the Condominium (said by-laws, as they may be amended from time to time in accordance with the provisions hereof and thereof governing amendments, are hereinafter referred to as the “By-Laws”). All capitalized terms which are not separately defined herein shall have the meanings given to such terms in the By-Laws.

ARTICLE 2

THE LAND

Included in the Property described in Article 1 is all that certain tract, plot, piece and parcel of land described in Schedule A annexed hereto and made a part hereof (the “Land”), situate, lying and being in the City, County and State of New York. Declarant owns the Estate for Years interest in the Land, which has an area of approximately 36,851 square feet.

ARTICLE 3

THE PROPERTY

3.1 Included in the Property described in Article 1 is a building having one below grade cellar level and two towers connected by a sky bridge on floors 2-11, having an address at 450 Washington Street, New York, New York 10013 (the “Building”). The Building includes four (4) Units (the Garage Unit, Retail Unit 1, Retail Unit 2 and the Co-Op Unit) and the Common Elements. The Units are more particularly described on Schedule B annexed hereto and made a part hereof.

ARTICLE 4

THE BUILDING

The Building is a mixed use building. The building contains one below grade cellar level and two towers connected by a sky bridge on floors 2-11. The “West Tower” includes 15 floors plus a penthouse floor and the “East Tower” includes 11 floors. The Building construction is Class 1B (Non-Combustible). The Building’s superstructure is comprised of conventionally reinforced poured in place concrete flat slab construction. The floor slabs are designed with concrete and are supported by concrete columns and shear walls. The Building has entrances on Washington Street, Desbrosses Street and Watts Street. All “Floor” references herein are in accordance with such marketing floor designations unless expressly stated otherwise. Floor numbering in the plans for the Building filed with the New York City Department of Buildings include references to construction levels which may differ from the Floor designations of the Building as set forth above. Within the West Tower there is no floor designated as the 13th Floor.

ARTICLE 5

THE UNITS

The location of each Unit is shown on and is governed by the floor plans of the Building certified by Luigi Pio Russo, intended to be filed in the New York County office of the Register of the City of New York (the “City Register’s Office”) simultaneously with the recording of this Declaration (as the same may be amended from time to time, the “Floor Plans”). The Condominium is intended to initially include four (4) Units as follows: (i) the “Garage Unit” located on portions of the Cellar and First Floor, (ii) “Retail Unit 1” located on a portion of the 1st Floor, (iii) “Retail Unit 2” located on a portion of the 1st Floor and (iv) the “Co-Op Unit” located on portions of the Cellar, 1st Floor and Floors 2- 15 in the West Tower and Floors 2-11 in the East Tower. Schedule B annexed hereto and made a part hereof sets forth the following supplementary data with respect to each Unit necessary for the further proper identification thereof: Unit designation; tax lot number; direction in which each Unit faces; approximate square foot area; the portions of the Common Elements (as hereinafter defined) to which the Unit has immediate access; and the proportionate undivided interest (expressed as a percentage) in the Common Elements appurtenant to such Unit. The owner of the Garage Unit at the time in question shall be referred to herein as the “Garage Unit Owner”, the owner of Retail Unit 1 at the time in question shall be referred to herein as the “Retail Unit 1 Owner”, the owner of Retail Unit 2 at the time in question shall be referred to herein as the “Retail Unit 2 Owner” and the owner of the Co-Op Unit at the time in question shall be referred to herein as the “Co-Op Unit Owner” and each owner shall individually be referred to as a “Unit Owner” and one or more of such owners as the “Unit Owners”. Retail Unit 1 shall include all Development Rights.

ARTICLE 6

DIMENSIONS OF UNITS; FLOOR AREA

6.1 Each Unit will consist of the area measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shafts, shaft ways, chases, chase ways and conduits are not deducted from the measurement of each Unit) to the center line of the partitions separating one Unit from another Unit or separating one Unit from corridors, stairs, elevators and other mechanical equipment spaces or any other common element not within a Unit or the exterior side of the opposite exterior walls. Each Unit will consist of the area measured vertically from the top of the structural floor slab to the underside of the structural floor slab above.

6.2 Each Unit includes, and each Unit Owner shall be responsible for, front entrance door and any other entrance doors to such Unit, windows (including frames, panes and sills), Signage affixed to the Unit, storefronts, flooring (including all underlayments above the concrete slab), wall coverings, non-load bearing interior walls and partitions and sheet rock and plaster wall covering, finished ceilings (including all materials beneath the concrete slab) smoke detectors, all plumbing, gas and heating fixtures and equipment such as heating, ventilating and air conditioning (“HVAC”) units (including the fans inside the units), as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor. Each Unit shall also include (i) all lighting and electrical fixtures, cabinets, including, without limitation, kitchen and bathroom cabinetry, countertops, and appliances and appliances within the Unit, and (ii) any special equipment, fixtures or facilities (as hereinafter defined) affixed, attached or appurtenant to the Unit by a Unit Owner other than Declarant, to the extent located within a Unit and serving or benefiting only that Unit including, but not limited to, any elevators or entrances servicing a Unit. Notwithstanding anything contained in this Article 6 to the contrary, each Unit Owner will have the right, subject to such rules as may be imposed by the Condominium Board, to install, at such Unit Owner’s sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, wall to wall carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner’s Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity and mechanical and electrical systems of such Unit or of the Building.

ARTICLE 7

COMMON ELEMENTS

7.1 The Common Elements of the Condominium (the “Common Elements”) consist of the entire Property including the Land and all parts of the Building and improvements thereon other than the Units. The Common Elements include, but are not limited to, those

rooms, areas, corridors, spaces and other parts of the Building and all facilities* located or contained therein for the common use of the Units and the Unit Owners (except for and Limited Common Elements as described below) or which are necessary or convenient for the existence, maintenance, operation or safety of the Property. The Common Elements are comprised of the General Common Elements and the Limited Common Elements, all of which are described in Sections 7.2 through 7.3 of this Article 7, respectively, subject in all events however to any specific designation for any portion of the Property as may be reflected on the Floor Plans (whether or not consistent with the general descriptions contained in this Article). In the event of a conflict between the Floor Plans and this Article 7, the Floor Plans shall control. The Common Elements do not include Development Rights (as further defined in Section 1.2 of this Declaration) which are initially solely owned by the Retail Unit 1 Owner subject to the provisions of Section 1.2 of this Declaration.

7.2 The General Common Elements include those portions of the Building that are designated as "General Common Elements" on the Floor Plans and, to the extent not specifically identified as part of the General Common Elements on the Floor Plans, all other parts of the Property (other than those areas and items specifically identified as part of a Unit and/or the Limited Common Elements) the common use and/or benefit of which is necessary or convenient for the existence, maintenance, operation or safety of the Property. More specifically, the General Common Elements consist of the following (whether or not covered by the preceding sentence):

7.2.1 The Land, together with all easements, rights and privileges appurtenant thereto.

7.2.2 All structural elements, foundations, foundation walls, all building roofs (including the main roof), footings, columns, girders, beams, supports, interior load-bearing walls, floor slabs and ceilings (when they contain common element mechanical systems and are made of two hour fire rated construction) unless the same are designated as part of a Unit or a Limited Common Element hereunder.

* As used herein, the words "facility" and "facilities" include, but are not limited to, the following fixtures, apparatus, equipment, personalty, appurtenances, installations, systems and other items (grouped more or less functionally) which are set forth only for the purpose of illustrating the broad scope of those terms: convector, radiator, heater, convertor, heat exchanger, mechanism, device, machinery, induction unit, fan coil unit, motor, pump, control, tank or tank assembly, condenser, compressor, fan, damper, blower, thermostat, thermometer, coil, vent, sensor, shut-off valve or other valve, gong, panel, receptacle, outlet, relay, alarm, sprinkler head, electric distribution facility, wiring, wireway, switch, switchboard, circuit breaker, transformer, fitting, siamese connection, hose, plumbing fixture, lighting fixture, other fixture, bulb, sign, telephone, meter, meter assembly, scaffolding, piping, line duct, conduit, cable, riser, main, shaft, pit, flue, lock or other hardware, rack, screen, strainer, trap, drain, catch basin, leader, filter, incinerator, canopy, closet, cabinet, door, railing, coping, step, furniture, mirror, furnishing, appurtenance, urn, carpeting, tile, marble or other floor covering, drapery, shade or other window covering, wallpaper or other wall covering, tree, shrubbery, flower or other plantings.

7.2.3 The exterior facade of the Building.

7.2.4 All structures on any roof of the building, which benefit all of the Units and/or the General Common Elements.

7.2.5 All halls, passages and corridors, storage rooms, housekeeping areas, mechanical and other utility rooms, all fire staircases, landings, stairs, areas and spaces (including their respective floors, ceilings and enclosing walls) located in the Building (including without limitation, such spaces located on the Cellar level and elsewhere throughout the Building and designated as a General Common Element on the Floor Plans) serving or benefiting all of the Units and/or the General Common Elements.

7.2.6 Ventilation supply system consisting of pumps, motors, ductwork, fans and controls, steam and condensate return piping serving or benefiting all of the Units and/or the General Common Elements.

7.2.7 Hot water and condenser water systems serving or benefiting all of the Units and/or the General Common Elements.

7.2.8 All enclosing walls and doors and all mechanical equipment and associated piping and controls and all utilities and mechanical and electrical transfers and equipment serving or benefiting all of the Units and/or the General Common Elements.

7.2.9 All electrical risers, feeders, lines and equipment, including incoming service, main switchgear and distribution panelboards, conduits, wires, meters, transformers and panelboards, excluding, however, all such items located within a Unit and serving only that Unit.

7.2.10 All plumbing fixtures, equipment for distribution of cold water and equipment for producing and distributing hot water and chilled water (including pumps, valves, pressure reducers, meters and water heaters and chillers), excluding, however, all such items located within a Unit and serving only that Unit.

7.2.11 All storm and sanitary sewer equipment and pipes (including vent lines, ejectors, interceptors, filters and valves), excluding, however, all such items located within a Unit and serving only that Unit.

7.2.12 The water meter room, fire pump room, building storage, building workshop, dry pipe valve room, domestic water pumps room, gas meter room, telephone room, men's and women's locker rooms, electrical switch room and domestic water pump room and other such spaces located on the Cellar level and First Floor designated as a General Common Element on the Floor Plans, along with any other such spaces designated as a General Common Element on the Floor Plans.

7.2.13 All other parts, systems, installations and facilities of the Building (including shafts, pipes, wires, ducts, vents, flues, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of all of the Units and/or the General Common Elements.

7.2.14 All other parts of the Property either existing for the common use of all of the Units or Unit Owners or that serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Property or all of the Units and/or the General Common Elements.

7.2.15 Enclosing walls and doors surrounding mechanical equipment; all utilities and mechanical and electrical transfers and equipment used for all of the Units and/or the General Common Elements.

7.2.16 With respect to any roof of the building, egress stairs servicing all of the Units and their enclosing walls and doors and all mechanical equipment serving same.

7.2.17 Smoke detection, alarm system and sprinkler system; telephone/data system and cable television system, except as located within or exclusively serving an individual Unit.

7.2.18 All security monitors and equipment and other security facilities serving or benefiting all of the Units and/or the General Common Elements.

7.2.19 Except as otherwise set forth herein, the General Common Elements also include the installations, equipment, apparatus, facilities, exterior walls, interior walls, doors, partitions, floors, roofs, ceilings, hallways, lobbies, corridors and vestibules that enclose or service any one of the Units but are not part of such Unit.

7.3 The "Limited Common Elements" initially, as of the date hereof, consist of the Co-Op Limited Common Elements.

7.3.1 The "Co-Op Limited Common Elements" shall include those courtyards, terraces, balconies and roof setbacks appurtenant to the Co-Op Unit, as more particularly shown on the Floor Plans.

ARTICLE 8

USE OF UNITS AND COMMON AREA

8.1 Subject to the terms of the Restrictive Declaration and the remaining provisions of this Declaration and the By-Laws (collectively, the "Condominium Documents"), each of the Units may be used for any lawful purpose. Subject to Section 15.6 of this Declaration, the Common Elements may be used only for the furnishing of services and facilities and other uses for which they are reasonably suited. All uses of the Units and the Common Elements shall be in conformance with the Condominium Documents and with all applicable laws (including, without limitation, any Environmental Laws, as defined in the By-Laws), and all building codes and zoning ordinances, and the written orders, rules, regulations, directives, binding resolutions and requirements of any Federal, State, municipal or other public or quasi-public body, agency, court, department, bureau, officer or authority having jurisdiction, whether in force as of the date hereof or hereafter, which are or become, or purport to be, applicable to the Property or any part thereof (each individually a "Law", "law", or a "Legal Requirement" and collectively "Laws", "laws", or "Legal Requirements").

8.2 Notwithstanding the provisions of Section 8.1 hereof, no Unit or portion thereof, shall be used: (i) as a massage parlor, adult bookstore, peep show or adult entertainment facility, or as any other sex-related commercial establishment or other commercial establishment where pornographic material is sold or displayed or obscene, nude or semi-nude performances are shown live or in a videotaped or other recorded format or the so-called rubber goods shop or as a sex club or massage parlor; (ii) as a waste transfer facility or station, for storage of hazardous materials or to store any trash or garbage other than as incidental to another permitted use of the Unit; (iii) as an off-track betting or other gambling establishment; (iv) as a thrift store, pawn shop, liquidation outlet, flea market or other store selling used, damaged, discontinued or surplus merchandise; or (v) as a homeless shelter or drug or alcohol rehabilitation center or for any illegal purposes. A Unit Owner (i) shall not use, permit or allow its Unit to be used other than as provided in the Condominium Documents and (ii) shall not use, permit or allow its Unit or any part thereof to be used for an unlawful or hazardous purpose.

8.3 If the use of any Unit causes an increase in the premium for the insurance obtained by the Board or any other Unit Owner, then the owner of such Unit causing such an increase shall be obligated to pay to the Board, as additional Common Charges (as defined in the By-Laws), or to such other affected Unit Owner(s) (with such obligation payable to and enforceable by the Board of behalf of the affected Unit Owner(s) as if such amount payable were part of Common Charges) a sum equal to the amount of such increase attributable to such use.

8.4 Each Unit Owner (and any lessee, licensee, Occupant or permittee of a Unit) shall at all times, at its sole cost and expense: (a) conduct its operations in an orderly and proper manner so as not to unreasonably disturb other Occupants of the Building; (b) take all reasonable measures to minimize the noise level of its operations; (c) cause all of the equipment in its respective Unit to comply with all Laws and insurance requirements; (d) maintain the interior and exterior of its respective Unit in a clean, orderly and sanitary manner at all times; (e) keep its respective Unit free from vermin, rodents and anything of a similar nature and provide extermination service to its respective Unit on a regular basis in accordance with good commercial practice (it being understood that if a Unit Owner or its lessees, Occupants or permittees fail after notice from the Board to keep the its respective Unit free from vermin or rodents, the Board shall have the right, at the sole cost and expense of the Unit Owner who failed to take such measures, to take any and all measures deemed reasonably necessary or reasonably desirable to eradicate all vermin or rodents from such Unit Owner's Unit); (f) not permit the emanation of objectionable odors from its respective Unit; (g) keep the waste drains emanating from its respective Unit free from obstructions; (h) otherwise maintain and operate its respective Unit in a manner consistent with standards appropriate for a Comparable Building (as defined in the By-Laws) and (i) provide appropriate security consistent with such use and type of building. To the extent that a Unit has a Limited Common Element appurtenant to such Unit, the foregoing shall also apply with respect to the maintenance of such Limited Common Element by the Unit Owner having exclusive use thereof.

8.5 The Units may be owned or leased by an individual, corporation, partnership limited liability company, fiduciary or any other entity (including, but not limited to, embassies and consulates of foreign governments).

8.6 No income derived from any use of any Unit will constitute income to the Board or any other Unit Owner.

8.4 Subject to any easements (exclusive or otherwise) and/or rights of access provided in this Declaration with respect to the Common Elements, neither the Board nor any Unit Owner shall impede the exercise of or encroach upon the rights of the other Unit Owners or anyone claiming, by, through or under them, including, but not limited to, the Occupants (as defined in the By-Laws) of the Units and their respective invitees, to use the same. No nuisance shall be allowed in the Property nor shall any use or practice be allowed in the Property which interferes with the peaceful possession or proper use thereof by the Unit Owners or the Occupants of their respective Units. No improper, offensive or unlawful use shall be made of the Property or any portion thereof. All Legal Requirements relating to any portion of the Property shall be complied with at the sole expense of whichever of the Unit Owners or the Board shall have the obligation pursuant to the By-Laws or this Declaration to maintain or repair such portion of the Property.

ARTICLE 9

INTENTIONALLY OMITTED

ARTICLE 10

CHANGES BY THE UNIT OWNERS

10.1 Except to the extent prohibited by law, each Unit Owner shall have the right, without the vote or consent of the Board, any mortgagee, the Managing Agent or any other Unit Owner to: (a) mortgage or otherwise hypothecate its Unit; (b) decorate or make Alterations (as defined in the By-Laws), in, to and upon its Unit (including, without limitation, performing structural or nonstructural, interior work to its Unit provided, however, that such Unit Owner, if other than Declarant or its designee, must obtain the prior consent of the Board, which consent shall not be unreasonably withheld, to any Alterations to the Unit which may have a material and adverse effect on the structural, mechanical, electrical or plumbing elements of the Building (including the exterior façade of the Building); (c) change the layout of, or number of rooms in, the Unit from time to time; (d) change the size of the Unit by subdividing the same into any desired number of condominium units (or by combining any units resulting from each such subdivision; and (e) reapportion among the newly created condominium units resulting from any subdivisions (or combination) their percentage interests in the Common Elements, provided such changes are in compliance with Article 9-B, Section 339 of the New York Condominium Act; provided, however, that (1) the percentage interest in the Common Elements of any Unit owned by any other Unit Owner shall not be changed by reason thereof, unless the owner of such Unit shall consent thereto, and (2) such Unit Owner shall comply with all laws and regulations of all governmental authorities having jurisdiction and shall indemnify, defend and hold the Board and all other Unit Owners harmless from any liability arising from any such decoration, Alteration, change, designation or reapportionment. Declarant shall have the right, in addition to the above described rights, and without the vote or consent of the Board, any mortgagee, the Managing Agent or any other Unit Owner to make any Alterations to the Building (other than Units which it has conveyed to third parties) whether interior or exterior, ordinary or extraordinary, including

without limitation to the exterior façade and roof; provided that such Alterations shall not have a material and adverse effect on the structural, mechanical, electrical or plumbing elements of the Building.

10.2 Each Unit Owner shall have the right with regard to its Unit to amend the Declaration, in accordance with the terms of Article 19 of this Declaration and Article 9 of the By-Laws, in order to reflect changes as set forth above in paragraph 10.1, or to cause the Board to do so. If a Unit is subdivided (or if any units resulting from such subdivision are thereafter combined), the owner of each Unit resulting from a subdivision or combination will generally have all of the rights (without the consent of the Board or other Unit Owners) set forth above in paragraph 10.1, described as pertaining to the Unit Owner of the original Unit (subject to the terms of Sub-By-Laws, if any).

ARTICLE 11

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York (the “Secretary of State”) is hereby designated to receive service of process in any action which may be brought against the Condominium or the Board. As of the date of this Declaration, any process received by the Department of State should be mailed to the President of the Board initially having an address at c/o The Related Companies, 30 Hudson Yards, New York, New York 10001.

ARTICLE 12

DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

The Common Interest of each Unit has been determined, pursuant to Section 339-i(1)(iv) of the Condominium Act. In accordance with such method of calculation, the Common Interests have been determined based primarily upon a comparison of the floor areas of the Units, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of the Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. The aggregate Common Interests of all of the Units equals 100%.

ARTICLE 13

ENCROACHMENTS

If (a) any portion of the Common Elements encroaches upon any Unit or upon any other Common Element, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements, or (c) any encroachment shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any Alterations or Repairs made to the Common Elements in accordance with the terms of this Declaration and the By-Laws by, or with the consent (when required by the By-Laws), of the Board, or made by Declarant or its designee, as the case may be, or (iii) any Alterations or Repairs of the Building (or any portion thereof) or of any Unit or

Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand (or during any period in which it is being rebuilt or restored, in accordance with the By-Laws, following any such fire or other casualty, taking or eminent domain proceeding); provided that in the case of any such encroachment described in subparagraph c (ii) or (iii) above, such encroachment does not unreasonably interfere with the use of any of the Units for their permitted purposes and/or the use of the Common Elements for their intended purposes.

ARTICLE 14

FACILITIES AND ALL OTHER COMMON ELEMENTS

Except as may otherwise be expressly set forth herein or in the By-Laws: (i) each Unit Owner shall have, and is hereby granted, in common with all other Unit Owners, an easement to use any and all General Common Elements located anywhere on the Property without hindering the exercise of or encroaching upon the rights of the other Unit Owners in respect of such easement and (ii) each Unit Owner shall have, and is hereby granted, an easement to access and use any and all of the Limited Common Elements appurtenant to its Unit, if any, and any facilities located therein (subject to any easements or other exclusive rights of use, etc., provided in this Declaration or the By-Laws). Each Unit shall be subject to an easement in favor of the Board, on behalf of all Unit Owners, to use, operate, maintain, repair, alter, rebuild, restore and replace all Common Elements located in such Unit or elsewhere on the Property. Declarant, the Board and any managing agent, manager and other persons authorized by the Board shall have a right of access to each Unit and any Common Elements, whether exclusive or not, (and such is hereby granted) to inspect the same or remove violations of governmental laws or regulations, or noted or issued by any governmental authority, against any part of the Property; to cure defaults by the owner of such Unit under the By-Laws, this Declaration or the Rules of Regulations; to perform maintenance, installations, Alterations and/or Repairs to the mechanical, plumbing or electrical systems or other portions of the Common Elements (including, without limitation, all Limited Common Elements) contained therein or elsewhere in the Property; or correcting any conditions originating in any Unit or Common Element and threatening another Unit or any Common Element, or threatening the health, safety and welfare of the Occupants of, or the property located within, another Unit or all or any part of the Common Elements; provided such right of access shall be exercised in such a manner as will not unreasonably interfere with the Units for their permitted purposes. Such entry shall be permitted on not less than one (1) day's notice, except that no notice will be necessary in the case of any Emergency. An "Emergency" shall refer to a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building or for the safety of Occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building.

ARTICLE 15

EASEMENTS AND RIGHTS OF ACCESS

15.1 Each Unit Owner shall have, in common with all other Unit Owners, and each Unit shall be subject to, an easement: (a) to install, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property; and (b) to maintain any encroachment on any Unit or the Common Elements resulting from the Repair, Alteration, or rebuilding of the Units or the Common Elements; provided that access to any Unit or the Common Elements in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business of the tenants and Occupants of any other Unit for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of an Emergency.

15.2 Each Unit Owner shall have, to the extent reasonably necessary, in common with all other Unit Owners, an easement for ingress and egress to and from its Unit, the Limited Common Elements appurtenant thereto, if any, and, to the extent reasonably necessary, for the use of any General Common Element. Each Unit and the General Common Elements shall be subject to such easement.

15.3 Each Unit and the Common Elements shall have easements of subagency, support and necessity, and the same shall be subject to such easements in favor of all the other Units and the Common Elements.

15.4 Each Unit Owner grants an easement over its Unit and the Limited Common Elements appurtenant thereto, if any, and the Board grants an easement over and through the General Common Elements: (a) to the Board and to each other Unit Owner for the purpose of (but only in the absence of a commercially practicable alternative and only to the extent necessary for) maintaining, repairing, altering, preventing or minimizing damage to such granting Unit Owner's Unit and the Common Elements, if any, appurtenant to its Unit, as well as ensuring that same are in compliance with all laws and insurance requirements; and (b) to the Board and to each other Unit Owner for the purpose of (but only in the absence of a commercially practicable alternative and only to the extent necessary for) installing, allowing to remain (and using for their respective intended purposes), maintaining, repairing, altering, preventing or minimizing damage to any Common Elements or other facilities located in or solely accessible through such granting Unit Owner's Unit or Common Elements, if any, which serve other Units (including, without limitation, for the purposes of reading, maintaining or replacing utility meters relating to the Common Elements, such Unit or any other Unit in the Building), as well as ensuring that same are in compliance with all laws and insurance requirements.

15.5 Declarant (or its designee) and the Board with respect to the Property and each Unit Owner with respect to its respective Unit, shall each have the right to grant such additional electric, gas, steam or other utility easements or relocate any existing utility easements in any portion of the Property or such Unit, as the case may be, as Declarant (or its designee) or the Board, or the Unit Owner, as the case may be, shall deem necessary or desirable for the

proper operation and maintenance of the Building, or any portion thereof, or for the general health or welfare of the owners, tenants and Occupants of the appropriate Units, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the normal conduct of business of the tenants and Occupants of the Units or with the use of any of the other Units for their permitted purposes. Any utility company and its employees and agents shall have the right of access to any Unit or the Common Elements in furtherance of such easement, provided such right of access shall be exercised in such a manner as shall not unreasonably interfere with the normal conduct of business of the tenants and Occupants of the Units or with the use of any of the other Units for their permitted purposes.

15.6 Sidewalks shall generally be used for purposes of ingress and egress to and from the Building, provided however, that each Retail Unit Owner shall have an easement to use the sidewalks immediately appurtenant to its Unit for any purposes permitted by Law, provided that each such Retail Unit Owner maintain any portion of the sidewalk which it uses as if it were a Unit (e.g., must be maintained in a first class standard) and such use subject to the provisions of the Declaration and By-Laws and any other rules and regulations as may be promulgated by the Board with respect to the use thereof from time to time.

15.7 Each easement and other right granted under this Article 15 shall be deemed to permit the Unit Owner's contractors, subcontractors, agents, representatives, Occupants, employees and other designees (and, in the case of a grant to the Board, the Managing Agent), to use such easement or other right, as applicable, if such Unit Owner so elects.

15.8 Any grant of an easement "on", "over", "across" or "through" a given area shall be deemed to mean "on, over, across, through, and upon" such area, unless the context otherwise requires.

15.9 All easements and rights of access described in this Article 15 shall be exercised by the party or parties entitled to exercise such easements or rights of access (the "Exercising Party") in such a manner as will not unreasonably interfere with the normal conduct of business of the Unit Owners, tenants and Occupants of the Units or with the use of the Units for their permitted purposes, and each Unit Owner whose Unit is subject to the easements and rights of access described in this Article 15 shall be reimbursed for reasonable actual out-of-pocket costs (but not consequential damages) incurred by said Unit Owner (the "Impacted Owner") as a result of the exercise of the easements and rights of access hereunder, including, but not limited to, the cost of repairs to the Impacted Owner's Unit and security measures incurred by the Impacted Owner as a result of the exercise of the easement and right of access hereunder (the "Access Costs"). All entries into Units or their appurtenant Limited Common Elements made pursuant to the easements granted in this Article 15 shall, except as expressly provided otherwise herein, be permitted on reasonable notice, but in no event less than five (5) Business Days' notice to the Unit Owner, except that no notice will be necessary in the case of an Emergency, in which event, the Exercising Party shall give such notice (which may be verbal) as is practicable given the nature of the Emergency. The Exercising Party shall reimburse the Impacted Owner within thirty (30) days of demand therefor, for the Impacted Owner's Access Costs, which demand shall be accompanied by reasonable evidence of such Access Costs. In the event the Exercising Party fails to pay the Access Costs within said thirty (30) day period, the

Impacted Owner shall be entitled to interest on the Access Costs at the Default Rate, together with all rights at equity and at law. Access Costs shall be deemed to be part of the Common Expenses included in the Common Charges and the Board of Managers shall have a lien and such rights with respect thereto as are set forth in the By-Laws. To the extent the Board is responsible for any costs and expenses, including, without limitation, Access Costs, under this Article 15, such costs shall be allocated to the Unit Owners as a Common Expense. Notwithstanding the foregoing, if the exercise of the easements and rights of access described in this Section 15.10 is required in order to remove or cure a violation or to cure a default under this Declaration, the By-Laws or any rules and regulations adopted by the Board, or for the purpose of correcting any conditions originating in such Unit Owner's Unit and threatening another Unit or all or any part of the Common Elements, such Unit Owner shall be responsible for all costs and expenses in connection with such exercise and access and any work performed in connection therewith, all of which shall be Unit Owner Expenses and the Unit Owner shall not be entitled to reimbursement for Access Costs.

15.10 Each Unit Owner shall have, and the Common Elements shall be subject to, an easement and right, without charge, to install, erect, use, license, lease, maintain, repair, replace, improve and operate antennae, satellite dishes and other communications equipment or other systems and facilities that serve the Unit (collectively, the "Roof Equipment") on a portion of the roof that is not occupied by any Building equipment or installations, solely in connection with the use and operation of their respective Unit. In connection with the foregoing, the Unit Owners shall have, and the Common Elements shall be subject to, an easement to run facilities through the Common Elements to the roof to service any of the installations of the Unit Owner on the roof. The word "facilities" as used in this Section 15.10 shall be deemed to include fiber optic cable and other communications liens, wires, cables and conduits. Notwithstanding the foregoing, to the extent that any Unit Owner exercises the aforesaid easement solely for its benefit (and no other Unit Owner or part of the Condominium is otherwise benefited): (i) such Unit Owner shall be responsible for all costs associated with its exercise of such easement, (ii) such Unit Owner shall indemnify the Condominium and other Unit Owners and parties for any liability that arises due to its exercise of such easement, (iii) any equipment installed by such Unit Owner and the easement utilized in connection therewith shall not materially and adversely affect the Condominium in any way and (iv) any additional insurance costs incurred due to the utilization of such easement shall be the responsibility of such installing Unit Owner. Declarant and its designee shall have an easement and right, without charge, to install Roof Equipment on a portion of the roof that is not occupied by any Building equipment or installations (along with an easement to run facilities through the Common Elements to the roof to service any of the Roof Equipment installed by the Declarant (and its designee) on the roof) for any lawful purpose, subject to the same terms and conditions of (i)-(iv) in the preceding sentence, provided however, that if Declarant (or its designee) leases or licenses its rights to any other party, Declarant (or its designee) shall have the right to receive all proceeds and profits thereof.

15.11 Declarant and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for the purpose of fulfilling Declarant's obligations under the Plan, performing certain alterations and repairs in or about the Units and exercising its other rights or performing its other obligations under the Plan, pursuant to any purchase agreement or relating to procuring a certificate of occupancy. Declarant will repair any damage caused as a result of such access and will use reasonable efforts

to exercise such access in such a manner as will not unreasonably interfere with the use of any Unit for its permitted purposes.

15.12 Any dispute by and among any Unit Owners and/or the Board as to the nature, scope or interpretation of the easements contained in this Article 15 shall be resolved by Arbitration.

15.13 The user of any right or easement granted by this Section 15 hereby indemnifies and holds harmless the Unit Owner of the Unit subject to such right or easement or the Board, with respect to easements over the Common Elements, from and against any claims of third parties (and any expenses, damages, losses, costs and other liabilities arising therefrom), including claims for injury and personal property, arising from the use of the right or easement.

15.14 Any grant of an easement or right of access "on", "over", "across" or "through" a given area shall be deemed to mean "on, over, across, through, and upon" such area, unless the context otherwise requires.

15.15 Except as may otherwise be set forth in this Declaration, any easement created or granted hereunder shall be perpetual and irrevocable for so long as the Condominium shall remain in existence.

ARTICLE 16

POWER OF ATTORNEY TO THE BOARD

16.1 Each Unit Owner shall grant to the persons who shall from time to time constitute the Board, an irrevocable power of attorney, coupled with an interest (in such form and content as the Board shall determine): (a) to acquire or lease on behalf of all Unit Owners any Unit, together with its Appurtenant Interests (as hereinafter defined), from any Unit Owner desiring to sell, convey, transfer, assign or lease the same, upon such terms and conditions as shall be approved by the Board in its reasonable discretion; (b) to acquire on behalf of all Unit Owners any Unit, together with its Appurtenant Interests, whose Owner elects to surrender the same to the Condominium Board; (c) to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental as the case may be, as the attorneys-in-fact deem proper, in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as the attorneys-in-fact may determine; and (d) to execute, acknowledge and deliver (i) any declaration or other instrument affecting the Condominium which the Board deems necessary or appropriate to comply with any law, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission or any other public authority applicable to the maintenance, demolition, construction, Alteration or Repair of the Condominium, or (ii) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium which the Board, in its reasonable discretion, deems necessary or appropriate, provided that in no event shall the Board of Managers execute, acknowledge and deliver any

document pursuant to clause (v)(b) of this sentence prior to the approval thereof by any Unit Owner(s) whose Unit or Limited Common Elements appurtenant to its Unit is affected, unless such approval is expressly not required under any of the provisions hereof or of the By-Laws.

16.2 Each Unit Owner shall grant to Declarant, an irrevocable power of attorney, coupled with an interest (in such form and content as Declarant or the Board shall determine) and with full power of substitution, to effectuate the rights granted to Declarant under this Declaration and the By-Laws and the Plan and to execute an amendment to any of the Condominium Documents or acquire any permits, applications or documents required to undertake, perform or complete work to the Units or Common Elements by Declarant or obtain a certificate of occupancy, or to obtain an amended certificate of occupancy therefor, or any of said documents when such amendment: (i) shall be required to reflect any changes in Units owned by Declarant and/or the reapportionment of the Common Interests of the aforesaid Units resulting therefrom made by Declarant in accordance with this Declaration and/or (ii) shall be required by: (1) a mortgagee designated by Declarant to make a mortgage loan secured by a mortgage on any Unit, (2) any governmental agency having regulatory jurisdiction over the Condominium, or (3) any title insurance company selected by Declarant.

16.3 Each Unit Owner shall grant to the Retail Unit 1 Owner a power of attorney to consent on behalf of each Unit Owner, as a party in interest, to any declaration or other agreement effecting a merger or division of the zoning lot in which the Property is located, with any other tax lots to form a single zoning lot (the "Merger") for the purpose of transferring to or from the Retail Unit 1 Owner, or its successors or assigns, all or any portion of the Development Rights.

ARTICLE 17

ACQUISITIONS OF UNITS BY THE BOARD

17.1 If (a) any Unit Owner surrenders his or her Unit, together with (i) the undivided interest in the Common Elements appurtenant thereto, subject to Section 14.5 (b) of the By-Laws (ii) the interest of such Unit Owner in any other Units theretofore acquired by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, or the proceeds of the sale or lease thereof, if any, and (iii) the interest of such Unit Owner in the Common Elements and any other assets of the Condominium (such interests in (i), (ii) and (iii) being hereinafter collectively called the "Appurtenant Interests"), pursuant to the provisions of Section 339-x of the New York Condominium Act; (b) the Board, pursuant to Article 8 of the By-Laws, acquires or leases a Unit, together with its Appurtenant Interests; or (c) the Board purchases, at a foreclosure or other similar sale, a Unit, together with its Appurtenant Interests, then, in any such event, title to any such Unit, together with its Appurtenant Interests, shall be held by the Board or its designee, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements. The lease or sublease covering any Unit leased or subleased by the Board or its designee shall be held by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements.

ARTICLE 18

COVENANTS RUNNING WITH THE LAND

18.1 All provisions of this Declaration and the By-Laws (a true copy of which is annexed hereto and made a part hereof), including, without limitation, the provisions of this Article 18 and of any Rules and Regulations as may be adopted and amended from time to time, 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 applicable Unit 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 Unit Owners, tenants and Occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws, and, if adopted, the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and, if adopted, the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or Occupant, and all of 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 or conveyance or lease thereof.

18.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the New York Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the New York Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the New York Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the New York Condominium Act.

18.3 Subject to the provisions of Section 18.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the New York Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law to the extent permitted

under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 19

AMENDMENTS TO DECLARATION

19.1 Except as otherwise provided in this Article 19 or in the By-Laws or except as may otherwise be required by law, no provision of this Declaration may be amended, modified, added to, or deleted without the affirmative vote of Unit Owners having 80% of the Common Interest, taken in accordance with the provisions of the By-Laws. Notwithstanding the foregoing, none of this Declaration or By-Laws may be amended, modified or terminated in any manner which adversely affects a Unit (or its permitted use or operation) or a Unit Owner without the consent of the affected Unit Owner. No such amendment, modification, addition, or deletion shall be effective until executed and acknowledged and consented to in writing by each Recognized Mortgagee to the extent required under its Recognized Mortgage and recorded in the City Register's Office.

19.2 Notwithstanding the foregoing, any provision of this Declaration benefiting, protecting or otherwise affecting only one but not all Unit Owners and not affecting any other Unit, Unit Owner or any of the Common Elements (except to a *de minimis* degree), may be added to, amended, modified or deleted by such affected Unit Owner at its sole cost and expense without the consent of the Condominium Board or the other Unit Owners (including without limitation any amendment to subdivide a Unit in accordance with the provisions of Sections 10.2 and 19.3 hereof and Article 9 of the By-Laws), subject to the rights of a Recognized Mortgagee to the extent set forth under the Recognized Mortgage encumbering the Unit of the Unit Owner proposing such amendment. No such amendment, modification, addition or deletion shall be effective (x) unless the Unit Owner proposing such amendment, addition, modification, addition or deletion shall have provided the Condominium Board and the other Unit Owners at least thirty (30) days' prior written notice of its proposed amendment, modification or deletion, along with a certification that such amendment, modification, addition or deletion does not affect the other Units, other Unit Owners or any of the Common Elements (except to a *de minimis* degree) and (y) after the expiration of such notice period without dispute from such Unit Owner, until recorded in the City Register's Office. Subject to the foregoing, any such amendment, modification, addition or deletion made pursuant to this Section shall be executed by the Condominium Board as attorney-in-fact for the Unit Owners, coupled with an interest, and the Condominium Board is hereby authorized by such Unit Owners to act as their attorney-in-fact for such purpose. Any dispute between the Unit Owners with respect to whether any such amendment, modification, addition or deletion affects any other Unit, any other Unit Owner or the Common Elements (except to a *de minimis* degree) shall be settled by Arbitration; provided, however, that no such dispute with respect to whether the amendment, modification, addition or deletion of one provision affects another Unit, its Unit Owner or the Common Elements (except to a *de minimis* degree) shall be deemed to exist unless the objecting party specifies the grounds for its objection in writing to the other party and the Condominium Board within thirty (30) days of receipt by it of notice of such proposed amendment, modification, addition or deletion (which notice of objection may be premised by a good faith assertion that the proponent has failed to

provide reasonably sufficient information to allow a determination of the matter in question, in which case such 30-day period shall commence on the delivery by or on behalf of the proponent of such further information). The notice required under this Section 19.2 shall state in bold letters that the Unit Owner to whom the notice is sent must respond within such thirty (30) days of receipt or such amendment shall become effective, subject to the requirements of this Section 19.2.

19.3 As more particularly set forth in Article 9 of the By-Laws, any Unit Owner shall have the right to amend this Declaration and the By-Laws, without the consent of the other Unit Owners, but upon no less than ten (10) business days' advance written notice to all Unit Owners, solely for the purpose of subdividing its Unit and to reflect the redesignation of the Limited Common Elements appurtenant to the Unit being subdivided into Limited Common Elements applicable to such subdivided portions of the Unit, in each case subject to the rights of a Recognized Mortgagee in respect of such Unit to the extent set forth in the applicable Recognized Mortgage. In the event of such subdivision, this Declaration and the By-Laws shall be amended by the subdividing Unit Owner to provide for the creation and operation of a Sub-Board and any consents, approvals, determinations or actions required to be made by the Resultant Unit Owners shall be made by the Sub-Board on behalf of the Resultant Unit Owners in accordance with the terms of this Declaration and the By-Laws, as so amended. The notice sent to the other Unit Owners by the subdividing Unit Owner shall contain a copy of the proposed amendment to this Declaration and the By-Laws. Any deed granted by the subdividing Unit Owner to such Resultant Unit Owner shall contain an agreement by the Resultant Unit Owner (and its successor and assigns) that any rights granted hereunder to a Unit Owner shall only be exercised by the Sub- Board created by the subdividing Unit Owner pursuant to this Declaration and the By-Laws. After a Unit has been subdivided for the first time, any further subdivision and any amendments to this Declaration and the By-Laws shall only require the consent of the Sub- Board for such Unit. The restrictions on the exercise of rights on further subdivision shall run with the land and bind all successors and assigns of such Resultant Unit Owner. Nothing contained in this Declaration or the By-Laws shall be deemed to grant (a) any rights to a Resultant Unit Owner to subdivide its Resultant Unit or (b) the right to exercise any of the rights of a Unit Owner granted hereunder except as each of such rights are exercised by the Sub- Board created at the time of such subdivision.

ARTICLE 20

LEASES

20.1 The Unit Owners have the right to enter into leases, occupancy agreements, management or operating agreements for all or any portion of the Units (as same may be modified, amended, supplemented or restated from time to time, such leases, occupancy agreements, management or operating agreements are hereinafter referred to individually, as a "Lease" and collectively, as the "Leases"). All Leases entered into after the date of this Declaration shall be subject and subordinate in all respects to the Condominium Documents.

20.2 Except as expressly provided herein, each Unit Owner has the right, in its sole discretion, to grant to a tenant under a Lease all rights granted to such Unit Owner under this Declaration and the By-Laws, including, without limitation, (i) the rights to use the Unit, the

Limited Common Elements and the General Common Elements and rights to access such Common Elements, (ii) the rights to repair the Unit, General Common Elements and Limited Common Elements, whether or not such portions of the Building or systems are utilized by other Unit Owners or the Condominium Board, and (iii) the right to install Signage on or about the Building including the exterior facade, but only to the extent that the Unit Owner has the right to install such Signage under the terms of this the By-Laws and at all times in accordance with the tenant's rights under the Lease. In no event shall any Unit Owner grant to a tenant (i) the right to designate a member to serve on the Condominium Board or (ii) the right to vote on a Unit Owner's behalf in such instances where a Unit Owner is entitled to vote under this Declaration or the By-Laws, in each case without the consent of the applicable Unit Owner's Recognized Mortgagee.

20.3 No tenant of any Unit or portion thereof will have the right to directly arbitrate or bring any action against the Board or any other Unit Owners. In the event that a tenant has any injunctive or arbitrative rights under a lease, only the Unit Owner that is the landlord under such lease shall have the right to bring an action against the other Unit Owners (or Sub-Board, as the case may be) or the Condominium Board to the extent such parties are the cause giving rise to such action or arbitration

20.4 Notwithstanding anything in Section 18.1, at the request of a Unit Owner made from time to time, the Board shall, at the sole cost and expense of the requesting Unit Owner, execute and deliver a non-disturbance agreement (in such form as may be agreed upon by the Board and the requesting Unit Owner) to any bona fide third party commercial tenant of such whose lease is on arms-length terms.

20.5 Any Unit Owner shall be permitted to grant to any tenant leasing the entirety of one or more Units (as the same may be subdivided in accordance with the terms hereof), pursuant to the terms of its Lease, the right to submit its leasehold interest in such Unit(s) to a leasehold condominium regime (a "Leasehold Condominium") subject to and in accordance with the terms of the tenant's Lease and applicable law, including, without limitation, Article 9-B of the Real Property Law of the State of New York (the "Condominium Act"), provided however, that in no event shall any Common Elements (or any part of any other Unit Owner's Unit) of this Condominium become subject to a Leasehold Condominium. Any filed and recorded leasehold condominium declaration with respect to the Leasehold Condominium shall be subject and subordinate in all respects to the relevant Lease and the Condominium Documents (as amended). In no event shall the Condominium Board or any Unit Owner, other than the Unit Owner which is the landlord under the relevant Lease, incur any costs or have any obligations in connection with the formation by any tenant of a Leasehold Condominium, nor shall the creation of any such Leasehold Condominium have any adverse effect on the Condominium or any Unit Owner other than the Unit Owner which is the landlord under the relevant Lease. In connection therewith, notwithstanding anything contained in Article 19 hereof, the Unit Owner which is the landlord under the relevant Lease pursuant to which the Leasehold Condominium is being created, shall have the right, at no cost or expense to the Condominium or any other Unit Owner, and without the consent of or execution by the Board of Managers or any other Unit Owner, to amend the Condominium Documents (subject to the terms herein) for informational purposes only to: (a) disclose the formation of the Leasehold Condominium with respect to the relevant Unit; (b) include a description of each Leasehold

Condominium Unit, its Leasehold Condominium tax lot number and the percentage of interest of each of the Leasehold Condominium units in the Leasehold Condominium; (c) amend the Floor Plans to reflect the submission of the relevant Unit to the Leasehold Condominium; and (d) reflect any additional information as may be required by any governmental authority in connection therewith which has no adverse impact on the Condominium or any other Unit Owner, provided that the Board shall be given at least thirty (30) days' advance notice prior to the recording of any such amendment to the Condominium Documents. Any declaration establishing a Leasehold Condominium shall expressly acknowledge and authorize the Unit Owner of the Unit (its mortgagee and any other Person (including without limitation, the Condominium Board) having an interest in and to such Unit) which is being subject to a leasehold condominium to record documents against the tax lots assigned to the leasehold condominium units within such Leasehold Condominium, but solely as it relates to the fee estate of such Unit.

20.6 Notwithstanding anything to the contrary set forth herein: (i) with respect to the rights of tenants under Leases granted hereunder, in the event of a conflict between the rights granted to more than one such tenant, the rights of the tenant to which such conflicting rights were first granted shall govern and (ii) in the event of any inconsistency between the provisions of this Article 19 and any other provisions of this Declaration or the By-Laws, the provisions of this Article 19 shall govern.

ARTICLE 21

TERMINATION OF CONDOMINIUM

21.1 The Condominium is intended, as of the date of this Declaration, to terminate on April 30, 2105, and each Unit Owner and Occupant shall be required to surrender possession of its Unit no later than April 30, 2105. Prior to April 30, 2105, the Condominium shall continue and shall not be subject to an action for partition until (a) terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws or (b) such time as withdrawal of the Property from the provisions of the New York Condominium Act is authorized by a vote of at least 80% both in number and aggregate of the Common Interests of all Unit Owners. No such vote under clause (b) in the preceding sentence shall be effective without the written consent (which consent shall not be unreasonably withheld, conditioned or delayed) of the Recognized Mortgagees.

21.2 To the fullest extent permissible under the law, each Unit Owner shall be deemed to have waived any right to seek partition of the Property. In the event said withdrawal is authorized as aforesaid, and only to the extent the waiver contained in the preceding sentence shall be inapplicable or unenforceable, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale, together with the net proceeds of any applicable insurance policies, shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of its share of such funds, such amounts as may be necessary to discharge all unpaid liens on its Unit (other than mortgages which are not Recognized Mortgages) in the order of the priority of such liens.

ARTICLE 22

WAIVER

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

ARTICLE 23

CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration nor the intent of any provision hereof.

ARTICLE 24 CERTAIN REFERENCES

24.1 A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

24.2 The terms "herein," "hereof" or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used.

24.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

ARTICLE 25

SEVERABILITY

Subject to the provisions of Sections 18.2 and 18.3, if any provision of this Declaration is invalid or unenforceable as against any Person or under certain circumstances, the remainder of this Declaration and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of this Declaration shall, except as otherwise herein provided, be valid and enforceable to the fullest extent permitted by law.

ARTICLE 26

COVENANT OF FURTHER ASSURANCES

26.1 Any party which is subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an Occupant of a Unit, a member or officer of the Board, or otherwise, shall, at the expense of any such other party (or the holder of a lien on its Unit) requesting the same, execute, acknowledge and deliver to such other party (or

the holder of a lien on its Unit) such instruments, in addition to those specifically provided for herein, and take such other action, as such other party (or the holder of a lien on its Unit) may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction. Without intending to limit the generality of the foregoing, and without limiting the rights afforded the Retail Unit 1 Owner and its successors and assigns under Section 16.2 hereof, the Board and each Unit Owner shall be required, upon the request of the Retail Unit 1 Owner or the Development Rights Purchaser, to execute and deliver any documents or applications reasonably required in connection with: (i) any declaration or other agreement effecting a merger with any other tax lots to form a single zoning lot for the purpose of transferring to or from the Retail Unit 1 Owner, on behalf of the Retail Unit 1 Owner, or its successors or assigns, all or any portion of the Development Rights; (ii) effecting a subdivision of the zoning lot in which the Property is located; (iii) any declaration of zoning lot restrictions; (iv) any ZLDA; or (v) any other documents needed to transfer the Development Rights to the Development Rights Purchaser.

26.2 If any Unit Owner or any other party which is subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses to take any action which such Unit Owner or other party is required to perform pursuant to one or more specific provision of this Declaration, in each case (unless a specific provision with respect thereto is provided for elsewhere in the Condominium Documents) within fifteen (15) business days after request therefor and within five (5) business days after receipt of a second request therefor (which second request shall be accompanied by a copy of the initial request (and any supporting materials) and stating in bold print: “THIS IS A SECOND AND FINAL REQUEST FOR YOU TO EXECUTE, ACKNOWLEDGE AND/OR DELIVER THE DOCUMENTS, OR TO TAKE THE ACTIONS, DESCRIBED IN THE ENCLOSED PRIOR REQUEST THEREFOR, WHICH IS REQUIRED UNDER THE TERMS OF THE 450 WASHINGTON STREET CONDOMINIUM DECLARATION AND/OR BY-LAWS. YOUR FAILURE TO EXECUTE, ACKNOWLEDGE AND/OR DELIVER THE DOCUMENTS, OR TO TAKE THE ACTIONS, AS THE CASE MAY BE, WITHIN FIVE BUSINESS DAYS FROM THE DATE HEREOF SHALL ENTITLE THE BOARD TO DO SO ON YOUR BEHALF.”), then the Board is hereby authorized, as attorney-in-fact, coupled with an interest, for such Unit Owner or other party, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other party, and such instrument or action shall be binding on such Unit Owner or other party, as the case may be. Any dispute with respect to the foregoing shall be subject to Arbitration; provided, the Person refusing to execute, acknowledge or deliver any such instrument, or refusing to take any such action, expressly renders such refusal in writing (together with its rationale for such refusal) within the time period(s) provided in this Section.

ARTICLE 27 NAME OF CONDOMINIUM AND BUILDING

The Condominium and the Building shall be designated and known as “The 450 Washington Street Condominium.” Declarant (or its designee) shall own and control all rights and interests, and shall be responsible for all obligations and liabilities, appurtenant to the name

of the Condominium and/or the Building. Only Declarant (or its designee) shall have the right to change or assign the name of the Condominium and/or the Building. In addition, Declarant shall have the right, for so long as the Property is a condominium, to maintain a plaque identifying Declarant (or its affiliate(s)), together with such other information as Declarant (or its designee) determines in its sole discretion.

ARTICLE 28

SUCCESSORS AND ASSIGNS

The rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee or, with the consent of Declarant or its designee, any transferee of all then Unsold Units. The rights and/or obligations of each Unit Owner as set forth herein shall inure to the benefit of and be binding upon any successor or assign of each such Unit Owner. Subject to the foregoing, Declarant or its designee, and/or each Unit Owner, as the case may be, shall have the right, at any time, in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by merger, consolidation, sale, lease, assignment or otherwise. The rights and/or obligations of the Unit Owners or their designees as set forth herein shall inure to the benefit of and be binding upon any successors or assigns of such Unit Owners or their designee(s).

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the 17th day of November, 2022.

RREF II 34 DESBROSSES OWNER , LLC

By: [Signature]

Name: Robert Bernstein
Title: Authorized Signatory

State of New York)
County of New York) ss.:

On the 17th day of November in the year 2022 before me, the undersigned, personally appeared Robert Bernstein, 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 executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

[Signature]
(Signature and office of individual taking acknowledgment)

JARED EVAN SCHLOSSER
Notary Public, State of New York
No. 02606315653
Qualified in New York County
Commission Expires December 01, 2023

[Signature Page – Declaration of Condominium – The 450 Washington Street Condominium]

**SCHEDULE A TO DECLARATION ESTABLISHING
CONDOMINIUM OWNERSHIP OF
THE 450 WASHINGTON STREET CONDOMINIUM**

450 WASHINGTON STREET, NEW YORK, NEW YORK 10013

Block 224 Lots F/K.A Lot 1 N/K/A Lots 1301-1304

DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the easterly side of West Street and the northerly side of Desbrosses Street;

RUNNING THENCE northerly along the easterly side of West Street, a distance of 175 feet 4 inches (175 feet 4½ inches ground survey) to the corner formed by the intersection of the southerly side of Watts Street and the easterly side of West Street;

THENCE easterly along the southerly side of Watts Street, a distance of 208 feet 1¼ inches (same, ground survey) to the corner formed by the intersection of the southerly side of Watts Street and the westerly side of Washington Street;

THENCE southerly along the westerly side of Washington Street, a distance of 175 feet 3½ inches (175 feet 3¾ inches ground survey) to the corner formed by the intersection of the northerly side of Desbrosses Street and the westerly side of Washington Street;

THENCE westerly along the said northerly side of Desbrosses Street, a distance of 212 feet 3 inches (212 feet 3½ inches ground survey) to the corner formed by the intersection of the northerly side of Desbrosses Street and the easterly side of West Street, the point or place of BEGINNING.

**SCHEDULE B TO
DECLARATION ESTABLISHING CONDOMINIUM OWNERSHIP
THE 450 WASHINGTON STREET CONDOMINIUM**

**450 WASHINGTON STREET, NEW YORK, NEW YORK 10013 Block 224 Lots F/K.A Lot 1
N/K/A Lots 1301-1304**

DESCRIPTION OF UNITS

Unit	Tax Lot No.	% Interest in Common Elements (Common Interest)	Direction Unit Faces	Use of Unit	Approx. Total Area (Marketing Fl.= Mark Construction Fl. = Con as indicated where there is a change in designation only)	Limited Common Element (Terrace/Balcony)	Common Elements to Which Unit has Immediate Access
Ret 1	1301	1.05%	S,E	Commercial	1 st : 3,006		Stairs, corridors
Ret 2	1302	1.20%	N,E	Commercial	1 st : 3,307		Stairs, corridors
GAR	1303	4.50%	N, S, E, W	Commercial	Cellar: 29,547 1 st : 910 Total: 30,457		Stairs, corridors, mechanical rooms
Coop	1304	93.25%	N, S, E, W	Residential	Cellar: 2,250 1 st : 18,261 2 nd : 22,895 3 rd : 23,512 4 th : 23,512 5 th : 23,512 6 th : 23,512 7 th : 16,235 8 th : 15,087 9 th : 15,087 10 th : 15,087 11 th : 15,087 12 th : 7,702 14 th Floor (Mark)/13 th Floor (Con), 7,387 15 th Floor (Mark)/14 th Fl (Con) 15 th : 6,967 PH (Mark)/15 th (Con) PH: 6,967 Main Roof: 1,073 Bulkhead: 646 Total: 244,779	1 st : 9,305 2 nd : 4,212 7 th : 7,277 8 th : 1,039 9 th : 228 10 th : 228 11 th : 228 12 th : 4,909 14 th : 555 15 th : 645 PH: 537 Main Roof: 2,178 EMR: 457 Roof over EMR: 646 Total: 32,444	Stairs, corridors, mechanical rooms, roof

***Approximate Total Area for each Floor.**

**SCHEDULE C TO
DECLARATION ESTABLISHING CONDOMINIUM OWNERSHIP
THE 450 WASHINGTON STREET CONDOMINIUM**

450 WASHINGTON STREET, NEW YORK, NEW YORK 10013

Block 224 Lots F/K.A Lot 1 N/K/A Lots 1301- 1304

CONDOMINIUM BY-LAWS

BY-LAWS
of
THE 450 WASHINGTON STREET CONDOMINIUM

**450 Washington Street
New York, New York 10013**

**Annexed to Declaration
dated as of November 17, 2022**

**Prepared by:
Kramer Levin Naftalis & Frankel LLP
1177 Avenue of the Americas
New York, New York 10036**

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BY-LAWS
OF
THE 450 WASHINGTON STREET CONDOMINIUM

Article 1
General

Section 1.1 *Defined Terms.* All capitalized terms used but which are not separately defined in these By-Laws shall have the meanings given to such terms in that certain Declaration executed by RREF II 34 Desbrosses Owner, LLC and recorded in the Office of the Register of the City of New York, New York County simultaneously herewith (hereinafter called the "Declaration") to which these By-Laws are annexed. The Declaration and these By-Laws are together referred to as the "Condominium Documents."

Section 1.2 *Purpose.* The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the Condominium and the use and occupancy of the Property.

Section 1.3 *Conflicting Provisions.* In the event of a conflict between the terms and provisions of these By-Laws and those of the Declaration, the terms and provisions of the Declaration shall in all events govern.

Section 1.4 *Principal Office.* The principal office of the Condominium and the Board (as hereinafter defined) shall be located either within the Property or at such other place in the Borough of Manhattan as may be designated from time to time by the Board.

Article 2
Board

Section 2.1 *Number and Qualification.*

(a) The affairs of the Condominium shall be governed by a Board (the "Board") consisting of eight (8) members as follows: (a) five (5) members designated by the owner of the Co-Op Unit(which shall be the same five (5) individuals serving on the cooperative board, provided that for so long as the cooperative board is comprised of three (3) members, such three (3) members shall hold all five (5) seats to be designated by the Co-Op Unit Owner on the Condominium Board); (b) one (1) member designated by each of the Retail Unit Owners; and (c) one (1) member designated by the Garage Unit Owner.

(b) Each member of the Board shall have one vote, and as used herein, a "Majority in Interest of the Board" shall mean a majority of the members of the Board at any given time.

(c) Notwithstanding anything contained herein or in the Declaration to the contrary, and as more specifically set forth herein, for so long as all of the Units in the

Condominium are owned by one Person (the "Sole Unit Owner"), such Sole Unit Owner shall have, entirely in its own right, in its own name and on its own behalf, all rights, powers and privileges of the Condominium Board, and shall in such capacity, without limitation, be entitled to make all determinations and take all actions which the Condominium Board under the Declaration or these By-Laws shall be entitled to make or take. The Sole Unit Owner shall have and discharge, entirely in its own right, in its own name and on its own behalf, all obligations of such Condominium Board. Without limitation, in furtherance of the foregoing: (a) there shall be no requirement for meetings or votes of the Condominium Board, election of members or officers of the Condominium Board, or meetings or votes of the Unit Owners, the actions of the Sole Unit Owner, satisfying in all respects any of the foregoing; (b) no Common Charges shall be assessed and collected, all of the same being direct expenses of the Sole Unit Owner; (c) the Sole Unit Owner may, in its sole discretion, appoint a managing agent for the Condominium, and there shall be no prohibition or limitation with respect to any management or other services provided to the Condominium by entities affiliated with the Sole Unit Owner, or in which the Sole Unit Owner may have a financial interest; and (d) the Sole Unit Owner may procure any insurance required for the Condominium under corporate or blanket insurance policies.

Section 2.2 *Powers and Duties.* The Condominium Board, for the benefit of the Unit Owners, shall have, to the extent not inconsistent with any specific provision of the Declaration or these By-Laws, the powers and duties granted to it by the Declaration, these By-Laws and the New York Condominium Act, and those necessary for or incidental to the administration of the affairs of, and operation of, the Condominium, including, without limitation, the following:

(a) (i) the operation, care, upkeep and maintenance of; (ii) the making of alterations, additions and improvements (collectively, "Alterations") to; and (iii) the making of repairs, restorations and replacements (collectively, "Repairs") of, the General Common Elements, and the making of any structural, capital or extraordinary Repairs or Alterations to the Limited Common Elements (except as otherwise specifically set forth herein);

(b) exercise the rights and obligations of the Estate for Years Owner under the Restrictive Declaration (subject to the terms herein);

(c) determination and imposition of Common Charges (as hereinafter defined), preparation and adoption of budgets as hereinafter provided, and determination and imposition of special assessments;

(d) determination of methods of, and procedures with respect to, collection of Common Charges and special assessments from the Unit Owners, and the implementation of such methods and procedures;

(e) employment and dismissal of the personnel, if any, necessary for the maintenance and operation of the Common Elements that are the obligation of the Board hereunder and under the Declaration;

(f) promulgation (and amendment) of Rules and Regulations from time to time;

(g) in the name of the Board or its designee, on behalf of all Unit Owners: (i) acquiring those Units that are surrendered to the Board (to the extent the waiver contained in the Condominium Documents with respect to the right to surrender is inapplicable or unenforceable); (ii) purchasing or otherwise acquiring those Units with respect to which liens for real estate taxes may be and are being sold in accordance with the Condominium Documents; and (iii) purchasing or otherwise acquiring Units at foreclosure or other similar sales;

(h) selling, leasing, licensing, mortgaging and otherwise dealing with (but not voting the Common Interest of) Units acquired by the Board or its designee on behalf of all Unit Owners;

(i) in the event of a casualty, or as necessitated by condemnation or eminent domain proceedings, making Alterations to, and Repairs of, the Common Elements or parts thereof pursuant to Article 12 hereof;

(j) enforcing obligations hereunder and under the Declaration and the Rules and Regulations of each Unit Owner, including, without limitation, commencing, prosecuting and settling litigation in connection therewith;

(k) maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these By-Laws) and designating the signatories required therefor;

(l) adjusting and settling insurance claims (and executing and delivering releases in connection therewith) if the loss is to be adjusted and settled by the Board in accordance with Article 12 hereof;

(m) borrowing money on behalf of the Condominium; provided however that any borrowing in excess of \$500,000 shall be consented to by each Recognized Mortgagee, which consent shall not be unreasonably withheld, conditioned or delayed, except that no consent of a Recognized Mortgagee shall be required if such borrowing is in furtherance of an act of the Board to comply with applicable Legal Requirements or is necessitated as a result of an Emergency (except that for so long as all of the Units are owned by one Person (i.e., the Sole Unit Owner) the Board shall be required to obtain the consent of the Recognized Mortgagee in order to borrow money, regardless of the amount or whether such is in connection with an action to be performed in order to comply with applicable Legal Requirements or an Emergency);

(n) organizing (and owning shares of or membership interests in, as the case may be) corporations, limited liability companies and/or other entities to act as designees of the Board with respect to such matters as the Board may determine, including, without limitation, in connection with the acquisition of title to, or the leasing of, Units acquired by the Board on behalf of all Unit Owners;

(o) execution, acknowledgment and delivery of, without limitation: (i) any consent, agreement, document, covenant, restriction, easement, declaration or other instrument, or any amendment thereto, affecting the Common Elements which the Board deems necessary or appropriate to comply with any Laws applicable to the maintenance, demolition,

construction, Alteration, Repair or restoration of the Property or the Condominium; or (ii) any consent, agreement, document, covenant, restriction, easement, declaration or other instrument, or any amendment thereto, affecting: (x) the Property or the Condominium which the Board deems necessary or appropriate; or (y) a Unit, if the owner of such Unit requests, or under the Condominium Documents is required to request, that the Board take such action, and/or (except as otherwise provided in the Condominium Documents) the Board determines that taking such action is appropriate;

(p) execution, acknowledgment and delivery of any documents or other instruments necessary to commence, pursue, compromise or settle certiorari proceedings to obtain reduced real estate tax assessments, or in connection with any real estate tax exemption or abatement, with respect to any or all of the Units for the benefit and on behalf of the respective Unit Owners thereof; but only to the extent requested and authorized to do so, in writing, by the respective Unit Owners thereof and provided such Unit Owners indemnify the Board and all other Unit Owners from and against all claims, liabilities, losses, damages, costs and expenses (including, without limitation, reasonable attorneys' fees and disbursements) resulting from or incurred in connection with such proceedings;

(q) preparation, execution and recording, on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, of a restatement of the Declaration and/or these By-Laws whenever, in the Board' estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these By-Laws;

(r) commencing, prosecuting and settling litigation and arbitration proceedings against third parties, and defending and settling litigation and arbitration proceedings against the Condominium and/or the Board;

(s) obtaining and reviewing insurance in respect of the Property in accordance with the requirements of Article 12 hereof, and changing any of the insurance requirements set forth therein;

(t) electing the officers of the Condominium and otherwise exercising the powers regarding officers of the Condominium as set forth in these By-Laws;

(u) engaging the services of a managing agent to perform such duties and services as the Board shall authorize, to fix the compensation of such managing agent, and to delegate to such managing agent such of its powers and duties, as the Board deems advisable;

(v) delegating the performance of certain Board of Manager obligations of an operational, administrative or ministerial nature to one or more of the Unit Owners for performance, provided same is charged-back to the Condominium and to Unit Owners at cost;

(w) procuring such fidelity bonds as the Board deems advisable covering officers and employees of the Condominium handling and responsible for the Condominium's funds and personal property, and to procure the managing agent's and officers'

liability insurance if the Board deems it advisable. The premiums of such bonds and insurance shall be paid by the Board as a Common Expense; and

(x) performing any and all duties imposed on the Board by Law and/or pursuant to insurance requirements applicable to the Property.

Section 2.3 *Unit Owners.* Each of the Unit Owners shall be entitled to make determinations with respect to all matters relating exclusively to its Unit and the Limited Common Elements appurtenant thereto and the operation, care, upkeep, maintenance and administration of the affairs thereof, including, without limitation, hiring of managing agents therefor and the making of Repairs of, and performance of Alterations to, its Unit and the Limited Common Elements appurtenant thereto, subject, however to those provisions in the Declaration and these By-Laws that provide otherwise and/or that set forth restrictions on the right to make such determinations and provided further, that such determinations shall not have an adverse effect on the other Units or Common Elements or use thereof for their permitted purpose. Notwithstanding the foregoing, each Unit Owner shall, at its sole expense, maintain its Unit and the Limited Common Elements appurtenant thereto in good order and repair, all in accordance with standards appropriate for first-class mixed-use buildings, having similar uses, of comparable age and quality in downtown Manhattan ("Comparable Buildings").

Section 2.4 *Affiliate Transactions.* The Board shall only enter into any contractual relationship giving rise to a Common Expense with any Person which is affiliated with any member of the Board, any Unit Owner or any other Occupant of the Building or any portion thereof if such contract is on commercially reasonable terms which are comparable to an arms-length transaction.

Section 2.5 *Designation and Term of Office.* Each Unit Owner entitled hereunder to designate members of the Board shall make such designations annually on the date which is no later than thirty days from the anniversary date of the initial recording of the Condominium Documents, by written notice to the Secretary of the Board. Each of the members of the Board shall hold office for a term of one year or until their respective successors shall have been designated by the Unit Owners.

Section 2.6 *Removal of Members of the Board.* Each member of the Board may be removed at any time at the pleasure of the Unit Owner(s) that designated such member.

Section 2.7 *Vacancies.* Vacancies of members of the Board shall be filled in each case by the Unit Owner(s) entitled to designate such member.

Section 2.8 *Regular Meetings.* Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a Majority in Interest of the Board, but at least one such meetings shall be held during each fiscal year. Notice of regular meetings of the Board shall be given by the Secretary to each member of the Board, by mail or facsimile transmission, at least ten (10) business days prior to the day named for such meeting.

Section 2.9 *Special Meetings.* Special meetings of the Board may be called by any member of the Board on five (5) business days' notice to each member of the Board, by email,

personal delivery, nationally recognized overnight courier, or facsimile transmission, which notice shall state the time, place and purpose of the meeting.

Section 2.10 *Waiver of Notice.* Any member of the Board may at any time waive notice of any meeting of the Board in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board at any meeting of the Board shall constitute a waiver of notice by such member of the time and place thereof. Any one or more members of the Board or any committee thereof may participate in a meeting of the Board or committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting. If all the members of the Board are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 2.11 *Quorum of Board.* At all meetings of the Board, the presence of at least five (5) of the eight (8) members of the Board shall constitute a quorum for the transaction of business, one of which members present must be a member designated by either the Retail Unit Owners or the Garage Unit Owner. Decisions of the Board shall be made by the vote of a Majority in Interest of the Board. If at any meeting of the Board there shall be less than a quorum present, the meeting shall be adjourned and the Secretary of the Condominium shall, within five (5) business days of the originally scheduled meeting, deliver a written notice, pursuant to the terms of these By-Laws, to the members of the Board notifying them that the originally scheduled meeting of the Board has been adjourned and such notice shall also provide the date, time, location and, a call-in number for the rescheduled meeting. If at such rescheduled meeting a quorum is not present, such first rescheduled meeting shall be adjourned and the Secretary of the Condominium shall again, within five (5) business days of such rescheduled meeting, deliver a written notice, pursuant to the terms of these By-Laws, to the members of the Board notifying them that the rescheduled meeting of the Board has been adjourned and such notice shall also provide the date, time, location and call-in number for the final rescheduled meeting. At such second rescheduled meeting those members of the Board in attendance shall constitute a quorum for purposes of transacting any business which might have been transacted at the originally scheduled meeting without further notice and the decision of the majority of those members present shall constitute the decision of the Board. Any action required or permitted to be taken by the Board or any committee thereof may be taken without a meeting if all members of the Board or the committee consent in writing to the adoption of a resolution authorizing such action, and the writing or writings are filed with the minutes of the proceedings of the Board or the committee. Any member of the Board shall have the right on notice to the Secretary of the Board to adjourn any meeting once for up to ten (10) days unless the subject of the meeting is an Emergency.

Section 2.12 *Fidelity Bonds; Crime Insurance; D&O.* The Board may obtain a fidelity bond and/or crime insurance covering the Board and all officers, directors and employees of the Condominium and of any managing agent(s) of the Condominium in an amount to be reasonably determined by the Board from time to time. The Board may obtain such other fidelity bonds or crime insurance as it deems proper. The Board may also obtain directors' and officers' errors and omissions insurance with limits to be reasonably determined by the Board from time to time. The premiums on such bonds and insurance shall constitute a Common Expense.

Section 2.13 *Compensation.* No member of the Board shall receive any compensation from the Condominium for acting as such.

Section 2.14 *Liability of the Board.*

(a) To the extent permitted by applicable law, no member of the Board shall have any personal liability with respect to any contract, act or omission of the Board or of the managing agent or building engineer in connection with the affairs or operation of the Condominium (except in its or their capacities as Unit Owners), and the liability of any Unit Owner with respect thereto shall be limited as hereinafter set forth. Every contract made by the Board or by the managing agent shall state that it is made by the Board or the managing agent only as agent for all Unit Owners, and that the Board members or the managing agent shall have no personal liability thereon (except in its or their capacities as Unit Owners) and may also state the applicable limitations of liability of the Unit Owners provided for in the next sentence; however, the absence of such statement or statements in any such contract shall not be deemed to imply any personal liability on the part of the Board or the managing agent or any greater liability on the part of any Unit Owner than as provided in the next sentence. The liability of any Unit Owner for any contract, act or omission with respect to the Condominium shall be limited to such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners; and in each case, to the extent permitted by applicable law, the liability of any Unit Owner shall be limited to such Unit Owner's interest in its Unit and its appurtenant Common Interest, so that such Unit Owner shall have no personal liability for any such contract, act or omission.

(b) Nothing in the preceding section shall limit a Unit Owner's liability for the payment of Common Charges. To the extent permitted by applicable law, Board members shall have no liability to Unit Owners except that a Board member shall be liable for its or his or her own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Board member against any liability or claim except those arising out of such Board member's own bad faith or willful misconduct. Subject to Section 2.5 above, the Board may contract or effect any other transaction with any member of the Board, any Unit Owner, Declarant, Declarant's designee or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct

(c) Neither the Board nor any member thereof shall be liable for either (i) any failure or interruption of any utility or other services to be provided or obtained by, or on behalf of, the Board or to be paid for as a Common Expense except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of the Board or such member thereof, as the case may be; or (ii) any injury, loss or damage to any individual or property, occurring in or upon either a Unit or any Common Element, which is either: (a) caused by any Unit Owner or by any other individual, (b) resulting from electricity, or from elements such as, water, snow or ice that may leak or flow from a Unit or any portion of any Common Element, or (c) arising out of theft or otherwise; except in each case when caused by the acts of bad faith or willful misconduct of the Board or such member thereof.

Section 2.15 *Good Faith Efforts*. Each Unit Owner shall use good faith efforts to effectuate the purposes of the Declaration and these By-Laws, including, without limitation, the removal and replacement of any member of the Board appointed by such Unit Owner.

Section 2.16 *Status of Board*. In accordance with the New York Condominium Act, the Board may be incorporated and function as a corporate body, provided that such incorporation shall not diminish the obligations, rights and powers of the Board under the Condominium Documents.

Section 2.17 *Board as Agent of Unit Owners*. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Board shall act as, and shall be, the agent of the Unit Owners, subject to and in accordance with the provisions of the Declaration and these By-Laws.

Article 3 Unit Owners

Section 3.1 *Annual Meetings*. No annual meeting of all Unit Owners shall be required to be held unless required by applicable Law, in which event any such meeting so required to be held shall be held on the date specified by the Board.

Section 3.2 *Place of Meetings*. Meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable place in the Borough of Manhattan, New York City, convenient to the Unit Owners as may be designated by the Board.

Section 3.3 *Special Meetings*. It shall be the duty of the President to call a special meeting of the Unit Owners upon proper notice if so directed by resolution of the Board or upon the request of Unit Owners representing at least 51% of the Common Interest signed and presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 3.4 *Notice of Meetings*. It shall be the duty of the Secretary to mail a notice of each annual or special meeting of the Unit Owners, at least ten (10) but not more than forty (40) days prior to such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Unit Owner of record, at the Building or at such other address as such Unit Owner shall have designated by notice in writing to the Secretary. If the purpose of any meeting shall be to act upon a proposed amendment to the Declaration or to these By-Laws, to the extent Unit Owner approval of the same is required, the notice of meeting shall be mailed at least thirty (30) days prior to such meeting to each Unit Owner and shall be accompanied by a copy of the text of the proposed amendment. The mailing of a notice of meeting in the manner provided in this Section shall be considered service of notice.

Section 3.5 *Adjournment of Meetings*. If any meeting of Unit Owners cannot be held because a quorum is not present, any Unit owner who is present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

Section 3.6 *Order of Business.* The order of business at all meetings of the Unit Owners shall be as follows:

- (a) Roll call and call to order.
- (b) Proof of notice of meeting.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Report of Board.
- (f) Reports of committees.
- (g) Election of inspectors of election (when so required).
- (h) Unfinished business.
- (i) New business.

Section 3.7 *Unit Owner; Person.* As used in the Condominium Documents, “Unit Owner” shall mean the record owner, whether one or more Persons, of a Unit, from time to time. All references to a Unit Owner shall be deemed to include such Unit Owner’s successors and assigns. Every Unit Owner shall be treated for all purposes as a single owner, irrespective of whether such ownership is joint, in common, or by a tenancy by the entirety. As used in the Condominium Documents, “Person” shall mean any individual, corporation, partnership, limited liability company, trust, unincorporated association, governmental authority or other legal entity.

Section 3.8 *Voting.* Each Unit Owner in Good Standing, or some person designated by such Unit Owner to act as proxy on his or their behalf and who need not be an owner, shall be entitled to cast the vote appurtenant to such Unit at all meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary, and shall be revocable at any time by written notice to the Secretary by the owner or owners so designating. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity. Except as otherwise set forth herein or in the Declaration, at all meetings of Unit Owners, each Unit Owner (or its proxy) entitled to vote thereat (including Declarant or its designee with respect to Unsold Units) shall be entitled to cast one vote for each .0001% (rounded off to the nearest .0001%) of Common Interest attributable to its Unit or Units including without limitation, for each Board member to be elected. Any and all references a “Majority of Unit Owners” means those Unit Owners having more than 50% of the total authorized votes of all Unit Owners (determined in accordance with the provisions above). If more than one Person owns a particular Unit, such Persons shall vote jointly at all Unit Owners meetings. Failing such a joint vote, the concurrence of such Persons shall be conclusively presumed if any one of them purports to vote in respect of such Unit, unless and until a protest of such vote is made by any other such Persons to the Board. From and after the day such protest is made until the dispute with respect thereto is resolved to the satisfaction of the Board, no such vote shall be deemed to have been cast; provided, however, that (i) for the limited purpose of determining whether a quorum exists at any meeting of the

Unit Owners, such Unit Owner shall be deemed to present in person; and (ii) such protest shall not nullify any vote or action taken by such Unit Owner prior to such protest being made. "Unit Owner in Good Standing" means as of any given date, a Unit Owner with respect to which or whom no monetary event of default under the Condominium Documents has occurred and is continuing at the time in question after any required notice and beyond all applicable cure periods. Whether or not so expressed, each reference in the Condominium Documents to a required vote of the Unit Owners, all such references shall mean the required proportionate vote of Unit Owners in Good Standing.

Section 3.9 *Quorum of Unit Owners.* At all meetings of the Unit Owners, a Majority of Unit Owners shall constitute a quorum for the transaction of business. Decisions of the Unit Owners, unless otherwise provided in the Condominium Documents, shall be made by the vote of a Majority of Unit Owners. If at any meeting of the Unit Owners there shall be less than a quorum present, a majority of those present (in person or by proxy) may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice. Any action required or permitted to be taken by the Unit Owners may be taken without a meeting if the Unit Owners consent in writing to the adoption of a resolution authorizing such action and the writing or writings are filed with the records of the Condominium.

Section 3.10 *Title to Units.* Title to Units may be taken by any individual, corporation, partnership, limited liability company, association, trust, fiduciary or other legal entity, or any two or more of such owners as joint tenants, tenants in common or tenants by the entirety, as may be appropriate.

Article 4 Officers

Section 4.1 *Designation.* The principal officers of the Condominium shall be the President, the Vice President, the Secretary and the Treasurer, all of whom shall be elected by the Board. An officer of the Condominium need not be a member of the Board. The Board may appoint an assistant treasurer, an assistant secretary, and such other officers as in its judgment may be necessary. An officer of the Condominium may hold more than one office.

Section 4.2 *Election of Officers.* The officers of the Condominium shall be elected annually by the Board and shall hold office at the pleasure of the Board.

Section 4.3 *Removal of Officers.* Upon the affirmative vote of a Majority in Interest of the Board, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Board, or at any special meeting of the Board called for such purpose.

Section 4.4 *President.* The President shall be the chief executive officer of the Condominium and shall be a member of the Board. The President shall preside at all meetings of the Unit Owners and the Board, and shall have all of the general powers and duties which are

incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 4.5 *Vice President.* The Vice President shall take the place and perform the duties of the President whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board shall appoint some other member of the Board to act in the place of the President, on an interim basis. The Vice President shall also perform such other duties as required from time to time by the Board or by the President.

Section 4.6 *Secretary.* The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Board. The Secretary shall have charge of such books and papers as the Board may direct, and, shall, in general, perform all the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 4.7 *Treasurer.* The Treasurer shall have the responsibility for Condominium funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all moneys and other valuable effects in the name of the Board, or the managing agent, in such depositories as may from time to time be designated by the Board, and shall, in general, perform all the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 4.8 *Agreements, Contracts, Deeds, Check, etc.* All agreements, contracts, deeds, leases, notices, checks and other instruments of the Condominium shall be executed by such officers of the Condominium or by such other person or persons as may be designated by the Board, including the managing agent. The managing agent is hereby authorized to issue in the name of the Board notices of default in respect of any failure to pay Common Charges (or any amount payable as Common Charges) as and when due in accordance with the terms of the Condominium Documents.

Section 4.9 *Compensation of Officers.* No officer shall receive any compensation from the Condominium for acting as such.

Article 5

Notices

Section 5.1 *Notices.* Except as otherwise expressly provided in the Declaration or these By-Laws, all requests, notices, reports, demands, approvals and other communications required or desired to be given pursuant to the Declaration and/or the By-Laws shall be in writing and shall be delivered: (a) if to the Board, in person or sent to the principal office of the Board or to such other address as the Board may designate from time to time, by notice in writing to all Unit Owners, with a duplicate sent to the managing agent, if any, of the Condominium; (b) if to a Unit Owner, in person or sent to the Unit Owner at the Building, or to such other address as the Unit Owner may designate from time to time, by notice in writing to all Unit Owners and the Board; and (c) if to a member of the Board, to the address of such member as shall be specified in the written designation thereof by such individual, or to such other

address as may have been designated by such member from time to time in writing to the Secretary of the Board and to the other members of the Board; and (d) if to the Recognized Mortgagees, either delivered in person or sent to their respective addresses, as designated by them from time to time in writing to the Board. All notices delivered in person (to the extent permitted herein) shall be deemed to have been given when delivered in person. Unless other means of giving certain notices are specifically required or permitted pursuant to the Condominium Documents, all notices which are "sent" shall be sent either (x) by registered or certified mail, return receipt requested, and shall be deemed to have been given three (3) days after deposit in a depository maintained by the U.S. Postal Service in a postage prepaid sealed wrapper or (y) by nationally recognized overnight courier service and shall be deemed to have been given the first business day (for domestic delivery) and the third business day (for international delivery), after deposit with an overnight courier service, provided that notices of change of address shall in all events be deemed to have been given when received.

Section 5.2 *Waiver of Service of Notice; Consent to Other Notices.* Whenever any notice is required to be given by applicable Laws or the Condominium Documents, a waiver thereof in writing, signed by the Person or Persons entitled to such notice, whether before or after the time stated therein, shall be deemed effective as a waiver thereof and no such notice shall be required. Additionally, any Person may consent (with respect to notices given to it) to additional means of service including, without limitation, transmission by facsimile or electronic means. Such consent, if given, shall in all events be in writing and given and treated as if the same were a change of address (as described in Section 5.1 above). With respect to notices given by facsimile, the transmission shall be to a telephone number designated for such purpose. Notices sent by facsimile shall be deemed to have been given upon receipt by the sender of a signal from the equipment of the Person served confirming that the transmission was received. A Person may change or rescind a facsimile telephone number by giving notice thereof to the Board and each Unit Owner. With respect to notices given by electronic transmission (e.g., e-mail), the transmission shall be in a manner authorized by the Person consenting to such transmission. The foregoing provisions of this Section are intended to facilitate additional means of notification and shall not be construed to permit any Person to refuse receipt of any notices given in any of the manners specified in Section 5.1.

Section 5.3 *Record of Addressés.* The Board shall keep and maintain correct, current and complete records containing the names and addresses of all members of the Board (and their proxies, if any), Unit Owners and any Recognized Mortgagees of which the Board has duly been given notice by a Unit Owner in accordance with Section 14.2 hereof. The foregoing records shall be in written form or in any other form capable of being converted into written form within a reasonable time.

Article 6

Operation of the Property

Section 6.1 *Determination of Common Expenses and Fixing of Common Charges.*

(a) The Board shall from time to time, and at least annually, prepare or cause to be prepared, a budget setting forth its projections of the costs and expenses associated with the Repair, maintenance, care, upkeep and operation of, and any Alteration to, the Common

Elements (subject to Section (6.1(h)) below), the provision of services to Unit Owners and the business and affairs of the Condominium (collectively, the “Common Expenses”) for the next fiscal year. The Common Expenses shall include, among other things, (i) the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board pursuant to the provisions of Article 12 hereof; and (ii) may also include such amounts as the Board may deem proper for the operation and maintenance of the Common Elements, including, without limitation, an amount for working capital, for a general operating reserve, for a reserve fund for replacements, and to make up any deficit in the Common Expenses for any prior year. The Board will allocate and assess charges (such charges, together with all such other amounts denominated or payable as common charges in or under the Declaration or these By-Laws, being collectively referred to herein as the “Common Charges”) among the Units for purposes of paying Common Expenses. The Board may also prepare from time to time a capital budget for the operation of the Common Elements, the costs of which shall constitute Common Expenses. Unless otherwise consented to in its reasonable discretion, the Garage Unit Owner’s and Retail Unit Owners’ share of Common Expenses will be limited to those categories of expenses set forth in the first year’s condominium budget included as Schedule C of the initially filed offering plan with the New York State Department of Law (the “Plan”).

(b) Subject to the following sentence, Common Charges shall be allocated to each Unit Owner in accordance with the proportionate Common Interest applicable to such Unit Owner’s Unit. In addition to allocating Common Charges in accordance with the Unit’s Common Interest, the Condominium Board shall have the right to base Common Charges upon other such equitable allocation methodologies (e.g., survey, demand load, submetering, usage, etc., both projected and actual), which shall be reevaluated every three (3) years at the request of any member of the Board.

(c) Expenditures may be made only pursuant to a budget approved by the Board (unless the Board agrees otherwise by appropriate vote) except for expenditures: (i) which must be made by reason of an Emergency; or (ii) required by Law. The Board shall advise the Unit Owners, promptly, in writing, of the amount of Common Charges payable by each of them, respectively, as determined by the Board, as aforesaid, and shall furnish copies of each budget on which the Common Charges and Common Expenses are based, to the Unit Owners (and their respective Recognized Mortgagees if so requested in writing to the Board by a Recognized Mortgagee).

(d) In the event any costs and expenses (whether or not set forth in the proposed operating or capital budget for any year and whether or not anticipated) are paid or payable by the Board but are attributable solely to the Repair, maintenance and operation of a Unit (or a Limited Common Element, for which the Unit Owner, rather than the Board, is responsible for performing the particular Repair, maintenance and operation) (including, without limitation, curing violations or actions taken to comply with applicable Law with respect to such Unit), all such cost and expenses shall be (x) deemed to be “unit owner expenses” (and not Common Expenses), (y) borne solely by the Unit Owner of such Unit or the Unit Owner having an interest in such Limited Common Element and (z) payable by such Unit Owner within five (5) days after receipt of an invoice therefor from the Board or the managing agent or other party to whom such payment is due. The Board shall have all rights and remedies for the collection of unit owner expenses as are provided herein for the collection of Common Charges.

(e) In the event that a budget is not adopted by the Board as and when required, then, until such adoption, the budget in effect for the then concluding (or concluded) fiscal year, increased by (i) fixed or anticipated increases in expenditures for applicable Mandatory Costs and (ii) the CPI Increase Factor (defined herein), shall remain in effect (such budget, adjusted as aforesaid, a “Carryover Budget”). The foregoing provision is in lieu of Arbitration. As used herein, “Mandatory Costs” means all costs attributable to insurance coverage the Board is required to obtain and maintain under Article 12 hereof; costs under previously executed multi-year contracts with third-parties; taxes and other governmental charges; utilities; compliance with Laws and insurance requirements; amounts payable to the Condominium’s managing agent under the terms of its management agreement; actions that the Board is required to take under the Condominium Documents; and all existing contractual requirements.

(f) The Board may, at its sole discretion, from time to time increase or decrease the amount of Common Charges allocated to the Units and payable by the Unit Owners, and may modify its prior determination of the Common Expenses for a current or new fiscal year so as to increase or decrease the amount of Common Charges payable for such fiscal year or portion thereof; however, no such revised determination of Common Expenses shall have a retroactive effect on the amount of Common Charges payable by Unit Owners for any period prior to the date of such new determination. A prior period’s deficit may be included in Common Charges for a subsequent period or paid from a special assessment levied against the Unit Owners.

(g) In addition to the foregoing duty to determine the amount of and assess Common Charges, the Board shall have the right to levy special assessments to meet the Common Expenses. All special assessments shall be levied against all Unit Owners in proportion to: (a) their respective Common Interests, or (b) the anticipated benefit(s) to the affected Unit Owners, as reasonably determined by the Board; and all disputes as to whether the foregoing (a) or (b) shall apply, or in the event (b) applies, the allocation made by the Board with respect thereto, shall be resolved in Arbitration. The Board shall have all rights and remedies for the collection of special assessments as are provided herein for the collection of Common Charges.

(h) Common Expenses shall not include those costs incurred by a Unit Owner with respect to its Unit and the Limited Common Elements appurtenant to such Unit Owner’s Unit that are the obligation of the Unit Owner under these By-Laws and the Declaration.

(i) *Payment of Common Charges.* Unit Owners shall be obligated to pay the Common Charges assessed by the Board at such time or times as the Board shall determine. Unless otherwise determined by the Board, Common Charges shall be payable monthly, in advance, on the first day of each month. In no event may a Unit Owner exempt itself from liability for Common Charges by waiving use of any of the Common Elements or by abandoning its Unit.

(j) *Liability for Common Charges Upon Sale, Transfer or Conveyance.* No Unit Owner shall be liable for the payment of any part of the Common Charges

assessed against such Unit Owner's Unit subsequent to a sale, transfer or other conveyance by it of such Unit which is made in accordance with the Condominium Documents, except as expressly provided herein. A purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to its acquisition thereof, except that, to the extent permitted by Law, a Recognized Mortgagee of a Unit acquiring title to such Unit, whether by sale, deed-in-lieu, or otherwise, shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Charges assessed against such Unit subsequent to the recording of such Recognized Mortgage and prior to the acquisition of title to the Unit by such Recognized Mortgagee. In the event of a foreclosure of a Unit by a Recognized Mortgagee (whether by sale, deed in lieu of foreclosure or otherwise) or by the Board of its lien on any Unit for unpaid Common Charges, if the net proceeds of the foreclosure sale actually received (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred by such Recognized Mortgagee in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, or if a Unit is acquired by a mortgagee or purchaser in foreclosure, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale, as provided in these By-Laws.

Section 6.2 *Default in Payment of Common Charges; Board Lien; Other Remedies.*

(a) The Board shall take prompt action to collect any Common Charges which remain unpaid following notice and the expiration of applicable grace periods, including, without limitation, the institution of such actions and the recovery of interest, late charges and expenses as are provided in this Article 6.

(b) The Board, on behalf of all Unit Owners, shall have a lien (the "Board Lien") for all unpaid Common Charges, special assessments, unit owner expenses and other sums payable as if part of Common Charges or amounts otherwise due to the Board (together with interest thereon as provided in this Section) from a delinquent Unit Owner. Such lien shall be prior to all other liens except liens for real estate taxes and other assessments by taxing authorities on any such Units and liens of first mortgages of record. Without limiting any of the foregoing, the Board may: (w) bring an action to foreclose the Board Lien in accordance with Section 339-aa of the Real Property Law of the State of New York; (x) purchase the interest of the owner of such Unit at a foreclosure sale resulting from any such action; (y) proceed by appropriate judicial proceedings to enforce the specific performance or observance by the defaulting Unit Owner of the applicable provisions of the Condominium Documents from which a monetary event of default arose; or (z) exercise any other remedy available at law or in equity. Each of the remedies herein described as well as any other remedy available at law or in equity may be exercised concurrently or sequentially. Any Recognized Mortgagee may bid in a foreclosure sale of any Unit.

(c) The Board shall not record any notice of any Board Lien prior to the date on which all applicable notice and grace periods (including cure periods to which any Recognized Mortgagee may be entitled) in respect of the default(s) giving rise to the Board Lien have expired. The Board Lien shall be effective from and after the time of recording in the public records of New York County of a claim of lien stating the description of the Unit, the name, if any, and the address of the Unit, the City Register Filing Number (CRFN) of the Declaration, the name of the record owner, the amount due and purpose of such amount and the

date when due. Subject to Section 6.2(d) hereof, such claim of lien shall include only sums which are due and payable when the claim of lien is recorded and shall be signed and verified by an officer or agent of the Board. Upon full payment of all sums evidenced by the lien including, without limitation, interest at the Default Rate, the party making payment shall be entitled to a recordable satisfaction of lien to be recorded at its expense. Liens for unpaid Common Charges may also be reduced to a personal money judgment against the Unit Owner or may be foreclosed by suit brought in the name of the Board or the Unit Owner asserting the lien in the same manner as a contract or other action (and without waiving the lien securing the same); provided, however, that no Unit Owner shall be liable to the Board for any deficiency with respect to a Unit owned by such Unit Owner and upon which the Board has foreclosed its Board Lien. In the event of the foreclosure of such lien, the Board shall have the power to bid on the Unit at foreclosure sale and to acquire, hold, lease, mortgage and convey such Unit. "Default Rate" shall mean a rate per annum equal to the lesser of: (i) five (5) percentage points above the rate publicly announced from time to time by Citibank N.A. (or its successor) in New York, New York as its "prime rate" (the "Prime Rate"); and (ii) the maximum rate of interest permissible under applicable Laws, if any, with respect to the applicable amount payable hereunder.

(d) The Board shall charge any delinquent Unit Owner: (i) a late charge of \$.04 for each dollar of such amounts which remain unpaid for more than ten (10) days from their initial due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid); (ii) interest at the Default Rate on such unpaid amounts (exclusive of any "late charges" theretofore collected on such amounts) computed from the due date thereof to the date payment is actually received from the delinquent Unit Owner; and (iii) if the Board institutes a suit or other proceeding to collect sums due hereunder, all expenses, including, without limitation, attorneys' fees and expenses paid or incurred by the Board or by any managing agent in any proceeding brought to collect such unpaid Common Charges or in an action to foreclose a Board Lien with respect to such delinquent Person's Unit(s). All such late charges, interest, expenses and fees shall be added to and shall constitute Common Charges payable by such Unit Owner (and the Board Lien, as applicable, shall also secure the payment of such additional sums).

Section 6.3 *Foreclosure of Liens for Unpaid Common Charges.* In any action brought by the Board to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay the reasonable cost of services provided by the Board, as reasonably determined by the Board, and reasonable rental for the use, occupancy or benefit of such Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing the same.

Section 6.4 *Statement of Common Charges and Assessments.* The Board (or a managing agent on its behalf) shall promptly provide any Unit Owner and/or Recognized Mortgagee so requesting the same in writing, with a written statement of all unpaid Common Charges and assessments due from such Unit Owner.

Section 6.5 *Expenses and Profits.* No Unit Owner shall be exempt from liability for payment of its Common Charges by virtue of waiver of the use or enjoyment of any of the Common Elements or non-use thereof or by abandonment of its Unit. Any person or entity which

conveys its Unit in compliance with the terms and conditions specified in the Condominium Documents shall be exempt from Common Charges and any other liabilities accruing after the date of conveyance with respect to the Unit so conveyed and its transferee shall be liable for Common Charges thereafter accruing.

Section 6.6 *Maintenance Obligations; Costs of Same.*

(a) General. Except as otherwise provided in the Declaration or these By-Laws, all operation, care, upkeep, maintenance, insurance, Repairs and Alterations, painting and decorating, whether structural or non-structural, ordinary or extraordinary, including, without limitation, with respect to plumbing, heating, ventilating, electrical (including emergency power systems), air-conditioning and telecommunications systems, fixtures, Equipment and appliances: (i) in or of any Unit (and, except as otherwise provided in these By-Laws, the Limited Common Elements appurtenant to a Unit), but excluding any General Common Elements that may be included within a Unit, as and to the extent provided in these By-Laws, shall be made or performed by such Unit Owner at its sole cost and expense; (ii) in or of the General Common Elements (including, without limitation, any of the systems in the Building providing heat, air, sprinkler, water, electric, steam, gas, sewer, and fire protection or similar services serving the Units and/or the Common Elements (collectively, the "Building Systems" and individually, a "Building System") and the Limited Common Elements (to the extent it is the obligation of the Board to Repair or perform Alterations to in accordance with the Declaration and these By-Laws) shall be made or performed by the Board, and the cost and expense thereof shall be charged as a Common Expense as and in the manner provided in these By-Laws. The Property shall be maintained (by the responsible party as described herein) in good order and repair in a first class manner in accordance with Comparable Buildings and pursuant to the terms of the Declaration and these By-Laws.

(b) Exceptions. Notwithstanding the provisions of Section 6.6(a) hereof:

(i) Negligence; Fault. In the event and to the extent that any operation, care, upkeep, maintenance, Repair and Alteration, painting and decorating, whether structural or non-structural, ordinary or extraordinary (collectively, any "Necessary Work"), is required to be made or performed, or any increase in insurance premiums is required to be paid, with respect to the Common Elements as a result of the negligence, misuse, neglect or abuse of any Unit Owner or its Occupants or permittees, the entire cost thereof (the "Resulting Cost") shall be borne entirely by such Unit Owner; except in each case, to the extent that the Resulting Cost is covered by the proceeds of any insurance actually maintained, or would have been so covered had the insurance that was required to be maintained by the Board pursuant to the provisions of these By-Laws actually been maintained by the Board. The Resulting Cost shall not be deemed covered by insurance proceeds pursuant to the preceding sentence to the extent of any applicable deductibles. The foregoing shall not give rise to any claim on the part of any Person for consequential, special, exemplary or punitive damages.

(ii) Extraordinary Items. Notwithstanding anything to the contrary set forth herein, in the event and to the extent that any Necessary Work involves any structural, capital or extraordinary Repairs or Alterations to a Limited Common Element, the entire cost thereof shall be a Common Expense borne by all of the Unit Owners; except in each case, to the extent that such cost is covered by the proceeds of any insurance actually maintained by the Board, or would have been so covered had the insurance that was required to be maintained pursuant to the provisions of these By-Laws actually been maintained by the Board, or in the event that such Necessary Work was caused by the gross negligence or willful misconduct of a Unit Owner, in which case such Unit Owner shall be solely responsible for the Necessary Work in accordance with subsection (i) immediately above and such cost shall not be deemed covered by insurance proceeds pursuant to the preceding sentence to the extent of any applicable deductibles.

(iii) Exterior and Interior Windows. The Unit Owners shall each have the responsibility to clean the interior surfaces off all windows and storefronts at its sole cost and expenses. The exterior cleaning of the windows shall be washed and cleaned by the Board and the cost thereof shall be a Common Expense. The maintenance, replacement and Repair, whether structural or non-structural, ordinary or extraordinary, including any inspections and maintenance mandated by Law, with respect to the exterior and interior glass surfaces of all exterior windows and storefronts, and the cost thereof shall be the responsibility of the Board and the cost shall be a Common Expense. The exterior windows shall, at all time, be maintained consistent with the standards appropriate for Comparable Buildings, but in no event shall the exterior windows above the First Floor be washed fewer than once each calendar year by the responsible Unit Owner.

(c) Building Security. The Board may provide such security services for the Building as it may elect, and the cost thereof shall be a Common Expense. If any Unit Owner wishes any additional security services for the Building, it shall so notify the Board in writing, and the cost thereof shall be borne entirely by such Unit Owner. All security services for a specific Unit or its Limited Common Elements shall be provided by, and at the expense of, the applicable Unit Owner.

(d) Self-Help. Should any Unit Owner fail to Repair and maintain its Unit or Limited Common Element appurtenant thereto, or to make replacements thereto or restorations thereof, as required by the Declaration and these By-Laws, the Board may do so at the expense of the applicable Unit Owner, and the cost thereof shall be charged to such Unit Owner, provided that any such action on the part of the Board shall only be taken following notice to the Unit Owner and the failure of such notified Unit Owner to perform such repairs or maintenance within a reasonable time (in the sole discretion of the Board) following such notice (except in the event of an Emergency, in which event no notice to the Unit Owners is required for the Board to take such action).

(e) Manner of Performing Maintenance and Repairs. All maintenance and Repairs by any Unit Owner shall be made in accordance with the provisions of Article 8 hereof as if the references therein to Alterations were references to maintenance and Repairs. In the event that any Repairs to be made by any Unit Owner (including, without limitation, to any of the Limited Common Elements) would affect the structure of the Building or the Building Systems, the same shall be made in accordance with the then-current plans and specifications for the Building which shall be made available by the Board at no cost, except that if the Unit Owner making such Repairs desires to make changes from such then-current plans and specifications in respect of the structure of the Building or the Building Systems, such changes shall constitute Alterations to be made subject to the provisions of Article 8 hereof.

Section 6.7 *Cooperation.* All Unit Owners shall cause their respective employees, and the employees of their respective managing agents, in the event of an Emergency, to assist the employees of whichever Unit Owner is responsible for making appropriate Repairs or implementing necessary safety measures.

Section 6.8 *Utility Services; Water Charges; Sewer Rents.* (a) Utilities for Units and Limited Common Elements Except as expressly provided otherwise herein, it is the intent that all utilities, including without limitation, electricity, steam and gas that serve a Unit or a Limited Common Element appurtenant thereto, be separately metered or submetered and that each such Unit Owner pay charges incurred by such Unit Owner directly to the utility company, of in the case of water and sewer, to the City Collector for the City of New York. If for any reason whatsoever, a utility is not separately metered or submetered the charges for same shall be a Common Charge allocated between the Unit Owners in accordance with their respective Common Interest percentage.

(b) Domestic Water; Sewer Rents. Domestic water and sewer services for the Building shall be supplied by The City of New York or other utility servicing the Property, and will be provided to each Unit. Except to the extent any Unit Owner is billed directly therefor by the City Collector, the Board shall measure the actual usage of domestic water by each Unit Owner with respect to its Unit through one or more meters or submeters (or if the same is not practicable, by survey or such other reasonable method as the Board shall determine), and each Unit Owner shall be required to make payment therefor to the Board, which shall be responsible for paying the City or other utility supplying such services. Sewer usage will not be separately submetered and the cost thereof or rents therefor will be allocated in accordance with the cost of domestic water usage.

(c) Condensed Water. Condensed Water will either be metered and each Unit Owner will pay its proportionate share based on usage of its Unit and any Limited Common Elements appurtenant thereto, or usage will be determined by a survey performed for the Board and each Unit Owner will pay for estimated usage of its Unit and any Limited Common Elements appurtenant thereto pursuant to such survey.

(d) Sidewalks. All costs and expenses relating to the maintenance of such portion of the sidewalks (including curbs, tree pits and trees) and all obligations imposed by applicable Law with respect to the maintenance of such portion of the sidewalks (including curbs, tree pits and trees), including without limitation, prompt removal of any violations

imposed thereon, of Condominium Board and the costs thereof shall be Common Expenses. Notwithstanding the foregoing, if a Retail Unit Owner uses the sidewalks or any portion thereof in connection with the use of its Retail Unit or the business operations therein (in accordance with and subject to the terms of the Declaration), such Retail Unit Owner shall be responsible for maintaining (at its sole cost and expense) the portion(s) of the sidewalks which it utilizes (and shall be responsible for the removal of any violations resulting from such use), which use shall be subject to such reasonable rules and regulations as may be promulgated by the Board from time to time, including without limitation, the hours of permitted use and any special maintenance requirements.

(e) Utilities for General Common Elements. The usage and consumption of electricity, gas, domestic water, sewer service, steam, chilled water, condensed water and any other utility by, for or in respect of the General Common Elements, will be separately metered, submetered or otherwise reasonably determined (by survey, design load, expert certification, etc.) and the costs and charges therefor will be a Common Expense allocated among the Unit Owners benefiting therefrom in proportion their relative respective Common Interests.

(f) Dispute as to Utilities Charges. In the event that there is a dispute as to the accuracy of assessing the charges for a utility upon the basis of usage, and the disputing Unit Owners and/or the Board fail to agree on a manner to accurately allocate such costs, the matter shall be determined by Arbitration

Section 6.9 *Further Submetering.* Each Unit Owner shall have the right to sub-meter or allocate, as applicable and as determined in its sole discretion, all or any portion of the utilities within its Unit and, to bill or otherwise collect amounts from its Occupants or tenants, as the case may be, with respect thereto.

Section 6.10 *Signage.* Each Unit Owner is permitted to install one or more signs, illuminations, displays, awnings, marquees, canopies, banners, flags, pennants or the like ("Signage") on the exterior façade of the Building immediately appurtenant to such Unit Owner's Unit for purpose of identifying the business operations being conducted within the Unit, subject to the reasonable approval of the Board, and the Board, in its sole, but reasonable discretion. Declarant shall have the right to install Signage on the exterior façade and elsewhere in and around the Building for any lawful purposes (provided that such Signage shall not cover the Signage identifying the business operations within the Garage Unit, Retail Unit 1 or Retail Unit 2), including without limitation, identifying the sale or lease of residences at the Building.

Article 7

Real Estate Taxes

Section 7.1 *Real Estate Taxes; Impositions.* Until the Units are separately assessed and billed for real estate tax purposes, the Board will pay all real estate taxes with respect to the Property to the Department of Finance of The City of New York (or directly to Declarant if and to the extent Declarant has paid such taxes) and allocate the cost thereof (and all refunds thereof) among all the Units on the basis of their respective Common Interest percentages after first

allocating to the applicable Unit Owner the full benefit of any real estate tax exemption, abatement or benefit program which, but for the absence of separate assessment for each Unit, would otherwise have accrued or applied for the tax period in question for such Unit Owner's benefit. The Unit Owners shall be responsible and shall pay the Board for their respective allocated shares (determined as aforesaid), which payments shall be payable as if the same were Common Charges and will be due at least ten (10) business days prior to the due date of such taxes. Such taxes will be paid by the Board in a timely manner so that no lien will be placed on the Property or on any Unit. When the Units have been separately assessed, each Unit Owner shall thereafter pay the real estate taxes assessed with respect to its Unit, and any real estate taxes pre-paid by the Board in respect of the period following such separate assessment shall be appropriately adjusted. A Unit Owner will not be responsible for the payment of, and will not be subject to any lien arising from, the non-payment of real estate taxes assessed against or allocated to any other Unit(s). However, each Unit Owner shall be responsible for the Impositions payable in respect of its Unit. As used herein, "Impositions" shall mean any of the following imposed by any Federal, State, municipal or other public or quasi-public body, agency, court, department, bureau, officer or authority having jurisdiction ("Governmental Authorities"): (i) real property general and special assessments (including, without limitation, any special assessments: (A) for business improvements; or (B) imposed by any special assessment district); (ii) personal property taxes; (iii) commercial rent or occupancy taxes; (iv) license and permit fees, if and to the extent such fees are not paid by the Board and charged to the Unit Owners as part of Common Charges; (v) any fines, penalties and other similar governmental charges applicable to any of the foregoing, together with any interest or costs with respect to the foregoing; and (vi) any other governmental levies, fees, rents, assessments or taxes and charges, general and special, ordinary and extraordinary, foreseen and unforeseen, of any kind whatsoever, together with any fines and penalties and any interest or costs with respect thereto.

Section 7.2 *Tax Certiorari Proceedings.* The Board, on behalf of and as agent for all or any of the Unit Owners, shall commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to the respective Units but only to the extent requested and authorized to do so, in writing, by the appropriate Unit Owners thereof, and provided such Unit Owners indemnify the Board and the other Unit Owners from and against all costs resulting from such proceedings. During the pendency of any such proceedings, all Unit Owners making such request to the Board and joining therein shall share in the costs thereof in relative proportion to their respective Common Interest; and upon the conclusion of any such proceedings, such Persons shall, after retroactive adjustment for any overpayments or underpayments as a result of prior sharing on the basis of Common Interest, share in the costs thereof in relative proportion to the benefits derived by such Unit Owners therefrom. In the event any Unit Owner individually seeks to have the assessed valuation of its Unit reduced by bringing a separate certiorari proceeding, the Board, if necessary or desirable for such proceeding, will execute any reasonable and customary documents or other papers required for, and otherwise cooperate with such Unit Owner (at such Unit Owner's cost and expense) in pursuing, such reduction, provided that such Unit Owner indemnifies the Board from all claims, costs and expenses (including, without limitation, attorneys' fees and expenses) resulting from such proceedings.

Article 8

Alterations

Section 8.1 *Changes in the Units.*

(a) Except to the extent prohibited by Law, and subject to Article 9 hereof and Article 10 of the Declaration, each Unit Owner shall have the right, at its sole cost and expense, without prior notice and without the vote or consent of any party, to: (a) make Alterations, whether structural or non-structural, ordinary or extraordinary, in, to and upon its Unit or Limited Common Elements appurtenant thereto; (b) change the layout of its Unit from time to time; (c) amend the Certificate of Occupancy for the Building solely as it relates to such Unit Owner's Unit; provided, however, that the Common Interest of the Units shall not be changed by reason thereof unless the owner(s) of the other Unit(s) shall consent thereto, and provided further that with respect to both (a) and (b) above: (i) in each case where plans would be required to be filed with municipal authorities under applicable Law, plans and specifications detailing the proposed Alteration are delivered to the Board prior to the commencement of construction and "as-built" plans and specifications are delivered to the Board upon completion of construction; (ii) each Alteration shall be completed in a first-class, good and workmanlike manner and in compliance with all Laws; (iii) no Alteration shall impair the structural soundness, safety or integrity of the Building or the Building Systems or impose additional load requirements on any Building utility system in excess of the capacity originally provided for the applicable Unit (other than those owned or installed by the Unit Owner); (iv) intentionally omitted; (v) all contractors of individual shareholders of the Apartment Corporation shall be approved in advance by the Board, which approval shall not be unreasonably withheld or delayed; (vi) no Alteration shall affect any General Common Elements (unless, with respect to General Common Elements, the relocation or replacement thereof does not materially and adversely affect the other Units, as applicable, and is performed at the sole cost and expense of such Unit Owner and such Unit Owner thereafter bears all expenses and liabilities with respect thereto); (vii) subject to the By-Laws, no Alterations shall affect the facade of the Building, or the lighting thereof, without the prior written approval of the Board, except as expressly permitted in Article 10 of the Declaration; (viii) such Unit Owner shall comply with all Laws and regulations of all Governmental Authorities having or asserting jurisdiction and shall agree to hold the other Unit Owners (and the managing agent(s) of such other Units, if any), the Board, and any managing agent of the Condominium harmless from any Costs arising from the making of any Alteration; (ix) no Alteration shall materially and adversely affect the use, access or rights of the other Unit Owners or any tenant of the other Unit Owners without the prior consent of such Unit Owner(s); (x) the Unit Owner making, causing or suffering such Alteration shall use commercially reasonable efforts to minimize the extent, duration and timing of any adverse effect of such performance on any other portion of the Building (or the use, occupancy or operation thereof); (xi) if applicable, the Unit Owner complies with all of the provisions regarding scaffolding set forth in Section 8.3 below; (xii) all work shall at all times be done with diligence through completion; (xiii) prior to commencement of any Alteration, the Unit Owner shall have obtained all necessary permits, authorizations, approvals and certificates required for the commencement of such Alteration, and (xiv) all safety measures as may be reasonably required by the Board and/or its managing agent to protect the other Unit Owners (and their tenants, Occupants and invitees) and the Property from injury or damage caused by or resulting from the performance of the Alterations by such Unit Owner shall be observed. For the purposes

of this Section, a “material and adverse effect” shall not include temporary interruptions of Building services which do not unreasonably interfere with the operations of or the intended use and occupancy of the other Units.

(b) The Board shall cooperate with the Unit Owner performing such Alterations and, at such Unit Owner’s expense, execute all applications, authorizations and other instruments reasonably required to enable such Unit Owner to obtain any necessary permits, authorizations, approvals and certificates, provided the Board receives the indemnity referenced in paragraph (c) below. The applicable Unit Owner shall reimburse the Board, within thirty (30) days of receipt of a reasonably detailed invoice, for all related costs incurred by the Board in connection therewith. The Board shall not incur any liability, cost or expense in connection with any application to any department of the City Of New York (or other governmental authority having jurisdiction over a permit to perform structural Alterations in or to any Unit or to the Limited Common Elements appurtenant thereto) or to any Unit Owner, contractor, subcontractor, material man, architect or engineer on account of such Alteration or Repair or to any person having any claim for injury to person or damage to property arising therefrom and the Unit Owner undertaking any applicable Alterations.

(c) Neither the Board nor the Unit Owners (other than the Unit Owner making any Alterations, or Repairs, or causing any of the same to be made) shall incur any liability, cost or expense (i) in connection with the preparation, execution, or submission of the applications by any other Unit Owner; (ii) to any contractor, subcontractor, material man, architect or engineer on account of any alterations, improvements, additions, or repairs made or caused to be made by any other Unit Owner; or (iii) to any person asserting any claim for personal injury or property damage arising therefrom. A Unit Owner making any Alterations or Repairs, or causing any of the same to be made, in or to its Unit or the Limited Common Elements appurtenant thereto shall agree (in writing executed and delivered to the Board and the other Unit Owner, if the Board or any other Unit Owner shall reasonably request), and shall be deemed to agree (in the absence of such writing) to indemnify, defend and hold the Board, the members of the Board, the officers of the Board, the managing agent and the other Unit Owner harmless from and against any all loss, cost, expense (including, but not limited to, attorneys’ fees and disbursements), damage, injury or liability, whether direct, indirect or consequential, resulting from, arising out of, or in any way connected with, any of the foregoing, except with respect to the gross negligence or willful misconduct of any of such indemnified party(ies).

Section 8.2 *Changes to the Common Elements.* Except as otherwise expressly provided in the Condominium Documents, the Board shall have the exclusive right, and is empowered, to make and perform all Alterations to and Repairs of the Common Elements and, to the extent provided in Section 2.2(a) hereof, the Limited Common Elements, and the costs shall be a Common Expense.

Section 8.3 *Scaffolding.*

(a) If at any time it is necessary to place scaffolding over the sidewalks around the Property in accordance with applicable Law, then, except in an Emergency, if such Emergency does not allow for compliance with the following, such scaffolding shall to the extent permitted under applicable Law be erected at a height and in such a manner so as not

to obstruct the first floor windows of Units or the ground floor lobby or access to and from each Unit by the Unit Owners and their tenants and Occupants. The cost of scaffolding shall be payable by the Board for work being performed by them or, if such scaffolding is being erected solely by or for the benefit of a Unit Owner, such Unit Owner shall bear all costs incurred with respect to such scaffolding. In addition, the Board or such Unit Owner erecting such scaffolding (as applicable) shall cause to be installed and bear all costs incurred with respect to any temporary Signage permitted to be installed on or under such scaffolding. Signage on the scaffolding shall be in compliance with applicable Law, and shall, to the extent reasonably practicable, be in approximately the form of the applicable Unit Owner's or Tenant's then-existing Signage. The Board or Unit Owner erecting the scaffolding shall notify the other Unit Owner(s) at least thirty (30) days prior to erecting any scaffolding (except in cases of Emergency) and shall perform, or cause to be performed, the work for which such scaffolding is erected as expeditiously as possible under the circumstances in a commercially reasonable manner.

(b) In no event shall any Unit Owner or the Board be liable to any Unit Owner or any tenant or other Occupant of a Unit for any consequential damages with respect to the use of scaffolding in compliance with the provisions of the Declaration and these By-Laws.

Article 9

Subdivision and Combination of Units

Section 9.1 *Subdivision and Combination of Units.* The Unit Owners shall each have the right, without the consent of the Board, the other Unit Owners or the mortgagees on the other Units, but upon no less than ten (10) business days' advance written notice to all Unit Owners: to (i) subdivide its Unit into separate Units and recombine Units resulting from the subdivision; (ii) alter any boundary walls between one or more of its subdivided Units; and (iii) apportion among its subdivided or combined Units their appurtenant Common Interest in accordance with the provisions of the New York Condominium Act, provided, however, that in each instance the subdividing Unit Owner shall comply with all Laws and shall agree to hold the Board and the other Unit Owners harmless from any liability, damage, cost, obligation or expense arising from the failure to comply with such Laws. If a Unit is subdivided: (i) the term "Resultant Unit" shall include all Units resulting from such subdivision; and (ii) the owners of the Resultant Units resulting from the subdivision of the Unit shall be "Resultant Unit Owner(s)" and shall be required to act as provided in the Condominium Documents with respect to all matters in which action by a Unit Owner is required (except that such Resultant Unit Owners may not have all of the rights of the Unit Owners, as more particularly described herein, as some of the rights (and obligations) granted to a Unit Owner hereunder, must be exercised by the Sub-Board and not the Resultant Unit Owner(s)). In no case may the subdivision or recombining of a Unit result in a greater or lesser Common Interest for the total of the new Units created by such subdivision or recombination than existed for the Unit in question before such subdivision or recombination. Notwithstanding anything to the contrary set forth above, if under the terms of a Recognized Mortgage, the consent of a Recognized Mortgagee is required in connection with the subdivision of such Unit Owner's Unit, the Recognized Mortgagee of such Unit shall be required to consent thereto. For the avoidance of doubt, a Recognized Mortgagee shall not have any consent rights

to a subdivision of a Unit in the Condominium that is not encumbered by its Recognized Mortgage.

Section 9.2 *Amendment to the Declaration.*

(a) The subdividing Unit Owner or combining Unit Owner, as the case may be, shall approve and execute an amendment to the Declaration effecting such subdivision and/or combination, and shall in any event duly certify and file such amendment in accordance with all applicable Laws and promptly deliver a copy of the filed amendment to the Board. The Board shall, upon request, execute any application or other document required to be filed with any Governmental Authority having or asserting jurisdiction, including, without limitation, applications for an amended certificate of occupancy for the Building, to effect the subdivision of the Unit in question and recombining of Units resulting from the subdivision.

(b) The amendment shall contain new or amended Floor Plans, specifications, tax lot numbers, the (re)apportionment among or to the subdivided Units or combined Unit, as the case may be, of their Common Interest in compliance with the New York Condominium Act and the other matters set forth in this Article 9 above; as appropriate, the allocation or aggregation to newly constituted subdivided Units or combined Unit(s) of the right to use the Common Elements and responsibility for maintenance, Repairs and decoration of, any previously existing Limited Common Elements appurtenant to the Unit(s) subdivided or combined; and, as applicable, the designation of part of a Unit being subdivided as a newly created specially designated common area or common element appurtenant to one or more of any newly constituted subdivided Units.

Section 9.3 *Subdivision of a Unit.*

(a) At such time, if any, as a Unit is subdivided and in connection therewith the Unit Owner thereof shall have the right (at its sole option), without the consent of any Unit Owner or Board, to amend the Declaration, the By-Laws and the Floor Plans to: (i) effectuate and reflect such subdivision; (ii) supplement the Declaration by annexing and incorporating therein a set of by-laws for the internal governance of the subdivided Resultant Units (the "Section") (said by-laws, as they may be amended from time to time, the "Sub-By-Laws") which shall (together with, but subject to, this Declaration and the By-Laws), from and after the recording of the amendment to the Declaration effecting such subdivision, govern the affairs, use and occupancy of the Section; and (iii) establish a sub-board of managers to govern such Section (a "Sub-Board"), which Sub-Board shall have all of the rights and obligations of the subdividing Unit Owner under the Condominium Documents immediately prior to such subdivision (including, without limitation, with respect to easements benefiting or affecting such Unit Owner, voting, Alterations, liens, self-help, governance, payment of Common Charges, appointing members of the Board, insurance, the imposition of restrictions on sales and leasing such as a right of first refusal, etc.). Any set of Sub-By-Laws shall provide that any notice that would have been required to be made to a Unit Owner, except as may be required by Law, shall be made to the Sub-Board with respect to any Units created as a result of such subdivision, and any failure to give additional notice to any individual Unit Owner shall not affect the validity of any notice properly given to the Sub-Board. The Sub-By-Laws shall further provide that any consents, approvals, determinations or actions required to be made by the Unit Owner so

subdividing, including without limitation, when applicable the right to consent to any amendments to the Declaration and By-Laws, shall be made by the Sub-Board on behalf of the Resultant Unit Owners and in the event that any Resultant Unit Owner directly brings an action hereunder against any Unit Owner or the Board, the Sub-Board agrees to indemnify and defend such Unit Owner or the Board against all such actions and expenses arising therefrom or in connection therewith, including, without limitation, reasonable attorneys' fees and disbursements. Notwithstanding the foregoing, (a) in no event shall any Sub-Board established by a Unit Owner to represent and act for the Unit Owners established by such subdivision be entitled, on a collective basis, to designate more than the number of members that such Unit Owner so subdividing the Unit is entitled to designate under the terms of these By-Laws. By way of example, in no event shall any Sub-Board established by the Retail Unit 1 Owner to represent and act for the Unit Owners established by such subdivision be entitled, on a collective basis, to designate more than one (1) member of the Condominium Board. The above-described changes may be made as of right. Nothing in the foregoing Section or otherwise in the Condominium Documents shall be construed to prohibit ownership and use of a Unit for any purpose otherwise permitted hereunder or under the Declaration. The non-subdividing Unit Owner shall, at the expense of the subdividing Unit Owner and upon request, reasonably cooperate with the subdividing Unit Owner in connection with such subdivision of the its Unit, and, in taking such actions in furtherance thereof as may be reasonably required, including, without limitation, in connection with the offering for sale of the Units to the public.

Article 10

Mechanic's Liens; Violations; Compliance with Laws

Section 10.1 *Mechanic's Liens*. In the event that any mechanic's lien is filed against any Unit or other portion of the Property as a result of services provided or materials furnished to, or Alterations or Repairs or other work performed for: (a) a Unit Owner (or such Unit Owner's Occupants or permittees) with respect to all or any portion of its Unit (each such Unit Owner, for purposes of this Section 10.1, being referred to as the "Lien-Causing Unit Owner"), or alleged to have been provided or furnished to, or performed for, any such Lien-Causing Unit Owner, then such Lien-Causing Unit Owner shall promptly notify the Condominium's managing agent (or, if there is no managing agent, the Board) of same, and shall cause such lien to be released and discharged of record, either by paying the indebtedness which gave rise to such lien or by posting a bond or other security as shall be required by law to obtain such release and discharge, in each case within sixty (60) days after receiving from a Unit Owner whose Unit has been adversely affected by such mechanic's lien, or from the Board if any Common Elements have been adversely affected by such mechanic's lien, a notice (a "Lien Notice") identifying the lien and requesting that the same be released or discharged, failing which the Board shall have the rights set forth in Article 13 hereof. For purposes of this Section 10.1, a Unit Owner shall be deemed to be "adversely affected" by a mechanic's lien (which is the responsibility of a Lien-Causing Unit Owner to remove, as aforesaid) if such Unit Owner's Unit is reasonably purportedly (whether or not actually) encumbered by or subjected to the mechanic's lien. In all events, the Lien-Causing Unit Owner shall defend, protect, indemnify and hold harmless all other Unit Owners and the Board(s) from and against any and all Costs arising out of or resulting from the applicable mechanic's lien. Copies of all Lien Notices sent by a Unit Owner shall be simultaneously sent to the Board.

Section 10.2 *Violations*. In the event that any violation shall be noted or noticed against any Unit or other portion of the Property as a result of any condition at the Property created or suffered by or existing with respect to a Unit Owner (or such Unit Owner's Occupants or permittees) with respect to all or any portion of its Unit (each such Unit Owner, for purposes of this Section 10.2, being referred to as the "Violation-Causing Unit Owner"), the Violation-Causing Unit Owner shall promptly notify the Condominium's managing agent (or, if there is no managing agent, the Board) of same, and shall cause the violation to be removed and the condition giving rise to the violation to be cured, in each case within sixty (60) days after receiving, from a Unit Owner whose Unit has been adversely affected by such violation, or from the Board if any Common Elements have been adversely affected by such violation, a notice (a "Violations Notice") identifying the violation and requesting that the same be removed and the condition giving rise to it be cured (provided that if such violation cannot, notwithstanding diligent efforts, be removed and/or such condition cured within such sixty (60) day period, the Violation-Causing Unit Owner commences the removal of such violation and/or the curing of such condition as promptly as practicable within such sixty (60) day period and thereafter proceeds with diligence and continuity to complete such removal and/or cure); failing which the Board shall have the rights set forth in Article 13 hereof. For purposes of this Section 10.2, a Unit Owner shall be deemed to be "adversely affected" by a violation or condition giving rise to a violation (which is the responsibility of a Violation-Causing Unit Owner to remove or cure, as aforesaid) if such Unit Owner's Unit is reasonably purportedly (whether or not actually) subjected to the violation or the violation is noted against same. In all events, the contesting Unit Owner shall defend, protect, indemnify and hold harmless all other Unit Owners and the Board(s) and their respective Occupants from and against any and all Costs arising out of or resulting from any proceeding undertaken pursuant to this Section 10.2 or the underlying violation or non-compliance related thereto. Copies of all Violations Notices sent by a Unit Owner shall be simultaneously sent to the Board.

Section 10.3 *Compliance With Laws, Insurance Requirements*. Each Unit Owner, without cost or expense to the other Unit Owner(s) and the Board, shall promptly comply and/or cause its Occupants or permittees to comply with all Laws and insurance requirements applicable to such Unit Owner's Unit provided, however, that each Unit Owner shall have the right to contest, by appropriate legal or administrative proceedings diligently conducted in good faith, the validity or applicability to it of any such Law and insurance requirement and may delay compliance until a final decision has been rendered in such proceedings and appeal is no longer possible, unless such delay is reasonably likely to: (1) render the other Unit(s) or any portion of any of the Common Elements liable to forfeiture, involuntary sale or loss; (2) result in involuntary closing of any business conducted thereon or therein; (3) subject another Unit Owner or the Board to potential or real civil or criminal liability; (4) impair or prohibit any insurance required to be maintained hereunder or under any of the other Condominium Documents; or (5) subject any other Unit or the Common Elements to any lien or encumbrance, in which case (with respect to any of the foregoing clauses (1)-(5)) the contesting Unit Owner shall immediately take such steps as may be necessary to prevent any of the foregoing, including posting bonds or security for complying with such Law and insurance requirements. If such alternate measures shall not be effective to prevent any of the foregoing, then such contesting Person shall comply with the applicable requirements pending the resolution of any such contest. Each non-contesting Unit Owner shall cooperate to the fullest extent necessary with any contesting Unit Owner in any proceeding undertaken pursuant to this provision, including executing necessary

documents or consents to such contest, provided all costs and expenses incurred with respect thereto are paid by the contesting Unit Owner. In all events, the contesting Unit Owner shall defend, protect, indemnify and hold harmless all other Unit Owners and the Board(s) (and their respective Occupants) from and against any and all Costs arising out of or resulting from any proceeding undertaken pursuant to this Section 10.3 or the underlying violation or non-compliance related thereto.

Section 10.4 *Hazardous Materials*. No Unit Owner (or its Occupants or permittees) shall store, use or permit the storage or use of Hazardous Materials on, about, under or in its Unit, the Common Elements, or otherwise in or on the Property, except to the extent that such Hazardous Materials are necessarily and customarily used in the ordinary course of usual business operations conducted thereon, and any such storage and/or use shall at all times be in compliance with all applicable Environmental Laws. Each Unit Owner shall defend, protect, indemnify and hold harmless the Board and each other Unit Owner (and the Occupants of each of the foregoing) from and against any and all claims or demands, including any action or proceeding brought thereon, and all Costs relating thereto, including, but not limited to, costs of investigation, remedial response, and reasonable attorneys' fees and cost of suit, arising out of or resulting from any Hazardous Material stored, used, maintained, released, or otherwise introduced by such Unit Owner (including its Occupants and permittees) under or in its Unit, the Common Elements or otherwise in or on the Property. For purposes of the Condominium Documents, "Hazardous Materials" shall mean petroleum products, asbestos, polychlorinated biphenyls, radioactive materials and all other dangerous, toxic or hazardous pollutants, contaminants, chemicals, materials or substances listed or identified in, or regulated by, any Environmental Law; and "Environmental Law" shall mean all federal, state and local laws, rules, regulations, ordinances, requirements and orders whether now existing or hereafter enacted, promulgated or issued, regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material and/or the protection of human health and the environment.

Article 11

Records

Section 11.1 *Records*. The Board or its managing agent shall keep and maintain the Condominium Documents and the Floor Plans, as the same may be amended from time to time, and detailed records of the actions of the Board, minutes of the meetings of the Board (and any committee thereof), minutes of Unit Owners meetings, if any (and committees of Unit Owners, if any) and financial records and books of account with respect to the activities of the Board and the Condominium, including a chronological listing of receipts and expenditures, as well as a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges against such Unit, the date when due, the amounts paid thereon, and the balance remaining unpaid (the "Records"). All such Records shall be kept at the offices of the Condominium and/or at such other reasonably proximate location(s) in The City of New York as is determined by the Board from time to time; and each Unit Owner and each Recognized Mortgagee of a Unit shall at its sole cost and expense have the right to examine the records and books of the Condominium at reasonable intervals and during regular business hours.

An annual report of the receipts and expenditures of the Condominium, audited by an independent certified public accountant, shall be rendered by the Board to the Unit Owners and to all Recognized Mortgagees of Units who have requested the same, promptly after the end of each fiscal year. The cost of such report shall be paid by the Board as a Common Expense.

Article 12

Insurance; Casualty; Condemnation

Section 12.1 *Board Insurance*. Except as otherwise provided in Section 12.1(g) hereof, the Board shall exercise commercially reasonable efforts to obtain at commercially reasonable rates and maintain the following insurance with respect to the Common Elements:

(a) Special Causes of Loss Form “all risk” building property insurance (including, but not limited to, collapse, loss or damage occasioned by fire, vandalism and malicious mischief, Acts of Terrorism (as defined in the Terrorism Risk Insurance Act of 2002 including any extensions and amendments thereof (“TRIA”)) on the core and shell of the Building and the Common Elements (for purposes of all risk insurance, the core and shell of the Building will include the Exterior Façade, all sidewalks, columns, girders, slabs, beams, supports and all load bearing walls regardless of whether located in or appurtenant to a particular Unit), including Builder’s Risk during construction of Common Elements or paid for by a Unit Owner who is doing construction work in the Common Elements, in each case in an amount equal to Replacement Cost with an Agreed Amount Valuation, and covering the interests of the Condominium, the Board, all Unit Owners and their Recognized Mortgagees, as their respective interests may appear. Such insurance policy shall also insure costs of demolition and increased cost of construction, including, without limitation, increased costs arising out of changes in applicable laws and codes regulating reconstruction following a loss and covering the interests of the Condominium, the Board, all Unit Owners and all Recognized Mortgagees (as a group), as their respective interests may appear. In addition, the “All Risk” property insurance shall also provide flood (including sewer backup) and earthquake (including land subsidence) coverage. The amount of such “All Risk” insurance shall be not less than one hundred percent (100%) of the aggregate replacement cost value of the Common Elements (without deduction for depreciation), and such insurance shall include Extra Expense and Expediting Expense coverage in such amounts as the Board, from time to time, may determine. Each such insurance policy shall contain a removal or waiver of the co-insurance provisions. Such coverage shall not include any Unit, or any fixtures, improvements, furnishings, equipment, or other personal property within or included as part of any Unit.

(b) Business income insurance, if applicable, including loss of Common Charges in an amount equal to the total Common Charges payable by all Unit Owners for at least twelve (12) months plus an extended period of indemnity of at least 180 days.

(c) Workers’ Compensation insurance and New York State Disability benefits insurance as required by law. Employer’s Liability coverage compliant with New York State statutes, covering any employees of the Condominium (provided, however, that if the Board does not have any direct employees, such insurance shall be purchased on an “if any” basis, and such coverage shall be provided by the property management company who is the employer of the building staff);

(d) If not part of the property policy aforementioned herein, Equipment Breakdown coverage on a replacement cost basis covering physical damage to the Common Elements, and such insurance shall include Extra Expense and Expediting Expense coverage in such amounts as the Board, from time to time, may determine, and covering the interests of the Condominium and all Unit Owners, as their respective interests may appear. Each such insurance policy shall contain a removal or waiver of the co-insurance provisions and replacement cost coverage. Such Equipment Breakdown coverage shall include coverage for the rent loss and/or business interruption insurance on an actual loss sustained basis in an amount not less than the annual amount of rent and other charges payable pursuant to the Leases for a twelve month period, if applicable. Rental loss or business interruption coverage must be endorsed to include an extended period of indemnity endorsement of not less than 360 days.

(e) Crime insurance covering the Board and all officers, directors and employees of the Condominium, as applicable, with limits of not less than \$1,000,000. The premium for this is to be a Common Expense and the Board may elect to purchase higher limits.

(f) Directors' and Officers' Employment Practices Liability insurance with respect to the Board with limits of no less than \$2,000,000. The premium for this is to be a Common Expense and the Board may elect to purchase higher limits.

(g) Commercial General Liability policy of insurance with limits of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate per location, providing coverage for bodily injury (including death, personal injury and advertising injury), as well as injury or damage to property in or upon the Property, including the sidewalks, arising out of the management, ownership or operation of the Condominium and an Umbrella Liability policy which is no less broad than the underlying General Liability policy, including, Cross Liability coverage (if available) with no exclusion for claims of one named insured against another named insured,, Notice and Knowledge of Occurrence, Unintentional Errors and Omissions, Contractual Liability,, Products and Completed Operations Liability coverage, with limits of not less than \$50,000,000 per occurrence and annual aggregate per location, or in such higher limits as the Board, from time to time, may determine. The policy or policies described in this subsection (g) shall cover the following entities as follows:

(i) The Board (and any committees of the Board), the managing agent(s) of the Condominium, the members of the Board and each officer and employee of the Condominium shall be the defined as insured under such Commercial General Liability policy;

(ii) Each of the Unit Owners, together with their respective subsidiaries, affiliates, directors, officers, members, managers, partners, agents, employees, servants and assignees, managing agents and Recognized Mortgagees, if any, and such other entities as shall reasonably be requested shall be included as additional insured(s) on a primary basis with respect to liability arising from occurrences within or about the Common Areas, except that such policy will not cover the liability of a Unit Owner arising from occurrences within or about its own Unit.

(h) The Board may, in the exercise of good business judgment and good insurance practices, obtain and maintain terrorism insurance to the extent available at commercially reasonable rates and subject to TRIA being renewed in December 2019, covering the Common Elements, with limits, deductibles and terms as the Board, from time to time, may determine.

(i) Such other insurance as the Board may determine advisable or necessary from time to time (the insurance referred to in clauses (a) through (g), collectively, the “Board Insurance”). The Board Insurance shall have deductibles in such amounts as the Board, from time to time, may reasonably determine. The Board shall review the limits of Board Insurance at least once each year.

Section 12.2 *Unit Owner Insurance*. Subject to subsection 12.2(e) below, each Unit Owner its cost and expense, shall maintain or require the future tenants or occupants of its Unit to maintain, at all times such additional insurance, in type and limit, as is commensurate with Comparable Buildings may reasonably require, including, without limitation, the following insurance (in such amounts and in such limits as described below, or in such higher amounts and in such higher limits as the Board, from time to time, may determine):

(a) If applicable, Workers’ Compensation insurance and New York State Disability benefits insurance as required by law for all employees, volunteers, and other directly or indirectly involved in the operations of Unit Owner and Employer’s Liability coverage compliant with New York State statutes, covering any employees of the Unit Owner.

Commercial General Liability coverage, on an occurrence basis with respect to its ownership, operation, maintenance, use and control of its Unit against liability for bodily injury including death, personal advertising injury, and containing coverage for Acts of Terrorism liability with limits of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate per location and an Umbrella Liability policy, which is no less broad than the underlying General Liability policy including, Cross Liability coverage (if available) with no exclusion for claims of one named insured against another named insured, Notice and Knowledge of Occurrence, Unintentional Errors and Omissions, Contractual Liability, and Products and Completed Operations Liability coverage, with limits of not less than \$25,000,000 per occurrence and annual aggregate per location. The Unit Owner purchasing such Commercial General Liability policy shall be the named insured. The Board and the other Unit Owners, together with its or their respective subsidiaries, affiliates, directors, officers, members, managers, partners, agents, employees, servants and assignees, managing agents and mortgagees, and such other entities as shall reasonably be requested shall be included as additional insured(s) on a primary and non-contributory basis with respect to liability arising from occurrences within or about the Unit. The Board may increase any or all of the foregoing limits of Unit Owner Liability Insurance from time to time, and such increased limits shall not be less than the limits of liability insurance customarily being maintained commensurate with property similar to the Property located in the Property Area based on the then use and occupancy of the Unit.

(b) Insurance against loss customarily included in so-called “special causes of loss” property insurance and Equipment Breakdown coverage, each on a replacement cost basis, covering the interests of the Unit Owner and its Recognized Mortgagee in the

applicable Unit (and specifically including any and all equipment and facilities for the provision of any utility or other services to the other Units in the Building, and all fixtures, fit-out, improvements, furnishings, betterments, improvements, equipment, or other personal property within or included in the applicable Unit), as their respective interests may appear, in amounts reasonably sufficient to undertake and complete any Unit Restoration Work (as defined in Section 12.8.4 hereof) and otherwise comply with Section 12.8.4 hereof.

(c) Business Income and/or Rental Income due to an occurrence or accident insured under the “special causes of loss” policy and the Equipment Breakdown policy or coverage. The coverage shall be provided on “Actual Loss Sustained” forms in amounts of not less than twenty-four (24) months of the then annual Common Charges payable by the applicable Unit Owner at the time of purchase or renewal of such policy with an extended period of indemnity of 180 days. Such policy of Business Income and/or Rental Income shall have a maximum deductible of no more than \$50,000 or 48 hours. Each Unit Owner shall use commercially reasonable efforts to name the Board as “loss payee”, as its interest may appear, under such policy.

(d) With respect to any Repairs or Alterations undertaken by a Unit Owner in, or affecting, the Common Elements, the Limited Common Elements, the structure of the Building (including, without limitation, the penetration of the core and shell of the Building or the Building Systems (including, without limitation, the mechanical, electrical or plumbing systems or any structural columns, slabs or load bearing walls)) if not covered in subparagraph (b) above, special form of “Builder’s Risk” insurance on a so-called “special causes of loss” insurance policy, or equivalent coverage, including recurring “soft costs” form, on a completed value non-reporting form basis covering 100% of the replacement cost value of the work. Such insurance shall provide coverage for materials intended for installation in the Unit (whether or not such materials are stored on or off the job site, or are in transit to the job site). Such insurance shall also include (but not be limited to) coverage for increased cost to repair or replace due to a change in law, ordinance, earthquake, flood, water damages and collapse. The Board shall be named a loss payee as its interests may appear, under such “Builder’s Risk” policy. Such Builders Risk coverage shall include coverage for the rent loss and/or business interruption insurance on an actual loss sustained basis in an amount not less than the annual amount of rent and other charges payable pursuant to the Leases for a twelve month period. Rental loss or business interruption coverage must be endorsed to include an extended period of indemnity endorsement of not less than 360 days.

(e) At the option of the Board, to be exercised upon reasonable (so as not to cause duplication of coverage) prior written notice to a Unit Owner, the Board may elect to obtain for the benefit of one or more such Unit Owners all or any portion of the coverages otherwise required of a Unit Owner as provided in this Section 12.2. In such circumstance, the cost of all such coverage(s) obtained by the Board for the benefit of a Unit Owner shall be a Common Expense allocated to such Unit Owner, in accordance with the relative amount of coverage applicable to each such Unit Owner’s property. The foregoing shall not prevent the Unit Owners from obtaining any increased or different coverages and/or limits it chooses.

Section 12.3 *Insurance as a Common Charge.*

(a) The premiums for all Board Insurance shall be a Common Expense and shall be borne by each of the Unit Owners as a Common Charge. Any Unit Owner may request the Board to obtain and maintain for its benefit any additional coverages and any changes or amendments to the terms and conditions of existing coverages as such requesting Unit Owner sees fit (collectively, the “Additional Insurance Coverage”) and may require that all proceeds of any such Additional Insurance Coverage (to the extent that it can be determined with reasonable certainty that such proceeds relate to such Additional Insurance Coverage and not to insurance purchased by the Board on its own behalf) be payable to such Unit Owner; provided, however, that (i) the cost of such Additional Insurance Coverage shall be borne entirely by the Person requesting it and such Person shall indemnify the Board from any Costs in connection therewith, and (ii) the Additional Insurance Coverage shall not: (1) preclude the Board from purchasing, for itself, insurance coverage similar to such Additional Insurance Coverage; (2) preclude the Board from receiving proceeds from any Board Insurance or other insurance; (3) cause the Board Insurance to be less protective; or (4) adversely affect the interests of the Unit Owners or the Board.

(b) If the use of all or any portion of any Unit causes an increase in the premium for the insurance which the Board or any Unit Owner is required to obtain and maintain as set forth herein or otherwise, then the owner of the Unit causing such increase shall be obligated to pay to the Board, as an additional Common Charge, or to pay to such other Unit Owner, as the case may be, a sum equal to the amount of such increase attributable to such use.

Section 12.4 *General Insurance Matters.*

(a) Self-Insurance. Notwithstanding anything in these By-Laws to the contrary, no Person may provide the insurance coverages required under these By-Laws pursuant to any plan of self-insurance without the prior written consent of the Board.

(b) Blanket Policy. The insurance coverage required of any Person under this Article 12, at the option of such Person, may be offered under a blanket policy or policies, provided that any such blanket policy shall otherwise comply with the provisions of these By-Laws and provided the minimum limits required hereunder are included on a “per location” basis. With respect to blanket property policies covering the applicable property to be insured pursuant to these By-Laws (the “Insured Property”) and other properties and assets not constituting a part of such Insured Property, such blanket policies shall be without possibility of co-insurance or reduction below the limits required by this Article 12 by reason of, or damage to, any other property (real or personal) named therein. If the insurance required by these By-Laws shall be effected by any such blanket policy, such Person shall furnish to the Person or Persons specified in Section 12.5 hereof (when and as such deliveries would be required for the insurance regularly required by these By-Laws not constituting blanket coverage) valid certificates of insurance evidencing such policy, with schedules thereto attached (with respect to property or building insurance) showing the amount of insurance afforded by such policies applicable to the Insured Property, if available.

(c) Policy Requirements. All policies required to be obtained pursuant to these By-Laws shall:

(i) be purchased from and maintained with companies duly authorized to do business in the State of New York, which are rated at the time of purchase or renewal of such policy in the then most current A.M. Best Key Rating Guide with ratings of A-/VII or better (or the equivalent of such rating if there is a change in the basis of the rating, or any successor publication of comparable standing);

(ii) with respect to “special causes of loss”, Equipment Breakdown or other property coverage, contain a waiver of the insurer’s right of subrogation against the Unit Owners, the Board, any Recognized Mortgagee and all Occupants.

(iii) provide that before any material change or cancellation of a policy for which an additional insured or loss payee is required to be named pursuant to this Article 12, at least thirty (30) days advance (ten (10) days for non-payment of premium) written notice shall be given in the case of insurance required to be maintained by: (y) the Board, to each Unit Owner; and (z) a Unit Owner, to the other Unit Owners and the Board, if available.

(iv) be primary as to the additional insured and not be entitled to contribution from any other insurance that may be maintained by any other party.

(d) All policies of “special causes of loss” and Equipment Breakdown coverage required to be obtained by any Person pursuant to these By-Laws shall name its Recognized Mortgagee, if any, as a “mortgagee” under a standard New York State mortgagee clause or its equivalent which shall provide that the loss, if any, thereunder shall be payable to such Recognized Mortgagee, as its interest may appear, subject, however, to the provisions of Section 12.8 hereof.

(e) All policies of “special causes of loss” and Equipment Breakdown property coverage required to be obtained by the Board shall (A) provide that adjustment of loss shall be made by the Board on behalf of all Unit Owners and Recognized Mortgagees, if applicable, and (B) name the Board, or at the election of the Board, an insurance trustee meeting the qualifications set forth in Section 12.9 hereof (an “Insurance Trustee”) as “loss payee” as agent for the insured in the event the proceeds payable are in excess of \$1,000,000.

Section 12.5 *Evidence of Insurance.*

(a) Board Insurance. The Board shall deliver to all Unit Owners and each Recognized Mortgagee a certificate of insurance evidencing the Board Insurance, and promptly after issuance of any renewal or replacement policy, shall deliver a new certificate evidencing same, together with proof of payment of premiums. Renewals shall be obtained at least five (5) days prior to the expiration of the then current policies, if available.

(b) Unit Owner Insurance. Each Unit Owner shall deliver to the other Unit Owners and the Board a certificate of insurance evidencing the insurance required to be maintained by such Unit Owner under this Article 12 and promptly after issuance of any renewal

or replacement policy, and shall deliver a new certificate of evidencing same, together with proof of payment of premiums. Renewals shall be obtained at least five (5) days prior to the expiration of the then current policies, if available. The certificate of insurance shall not include language such as “if any”, “endeavor to” or “But failure to mail such notice shall impose no obligation of liability of any kind upon the company, its agents or representatives” .

(c) Certificates of Insurance; Policies. The certificates of insurance required to be obtained by any Person pursuant to this Section shall be kept electronically or physically at the offices of such Person at the Property or at such other reasonably proximate location(s) in The City of New York. In the event that any certificate of insurance shall fail to contain detail reasonably sufficient enough to enable the Person(s) who are entitled to a copy of such certificate to reasonably determine if the insurance covered by such certificate complies with the provisions of this Article 12, then such Person or Persons shall have the right, upon reasonable notice to the Person maintaining such insurance, to inspect the policy or policies underlying such certificate.

Section 12.6 *Waiver of Subrogation.* The Board and each Unit Owner and their Occupants, as hereinafter defined (the “Releasing Party”) hereby releases and waives for itself, and each Person claiming by, through or under it, each other Unit Owner and the Board and their respective Occupants (the “Released Party”) from any liability for any loss or damage to all property of such Releasing Party located upon any portion of the Property, which loss or damage is of the type covered by “special cause of loss,” Equipment Breakdown, or other property insurance policies required to be carried under these By-Laws, irrespective either of any negligence on the part of the Released Party which may have contributed to or caused such loss, or of the amount of such insurance required or actually carried, including any deductible. The Releasing Party agrees to obtain, if needed, appropriate language in its policies of insurance, and to the policies of insurance carried by its Occupants, with respect to the foregoing release. As used herein, “Occupants” shall mean any Persons from time to time entitled to the use and occupancy of all or any portion of a Unit under any ownership right, a lease, sublease, or similar agreement.

Section 12.7 *Indemnification.* Subject to the waiver of claims and waiver of subrogation set forth in this Article 12 and to the fullest extent permitted by Law, each Unit Owner hereby indemnifies and agrees to defend and hold each other Unit Owner (and such other Unit Owner’s Occupants), the Board (except for loss or damage resulting from the gross negligence, willful misconduct or bad faith of any such other Unit Owners, or (their respective Occupants), Board, directors, officers, agents, tenants, contractors, employees, servants, licensees) from and against any and all claims, actions, suits, judgments, damages, liabilities and expenses (including, without limitation, reasonable attorneys’ fees) in connection with loss of life, personal injury and/or damage to property arising from or out of any occurrence in or upon the Unit (or any Limited Common Elements appurtenant to such Unit) owned by such Unit Owner, or occasioned wholly, or in part, by any negligence, gross negligence, willful misconduct or bad faith of such Unit Owner, or its respective Related Parties.

Section 12.8 *Casualty and Condemnation.*

12.8.1 Common Element Restoration Funds. All insurance proceeds under all policies required to be obtained by the Board with respect to any property loss (the “CE Restoration Insurance Proceeds”) and all condemnation awards, if any, with respect to the Common Elements (such sums, together with any interest or income earned thereon, but net of the reasonable fees, compensation and expenses incurred by the Insurance Trustee, collectively, the “CE Restoration Funds”) shall be payable to the Board, except that if the CE Restoration Funds shall exceed \$5,000,000, all CE Restoration Funds shall be payable to the Insurance Trustee.

12.8.2 Use of CE Restoration Funds. The Board shall (i) hold in trust on behalf of all Unit Owners any CE Restoration Funds it receives, (ii) subject to the provisions of Sections 12.8.3 and 12.8.5 of these By-Laws, use the CE Restoration Funds only for CE Restoration Work and (iii) not commingle the CE Restoration Funds with other funds being held by the Board.

12.8.3 Casualty to or Condemnation of Common Elements; Repair by Board; CE Restoration Work.

(a) CE Restoration Work. Except as provided herein, in the event of (i) the casualty of all or any part of the Common Elements, (ii) the taking in condemnation or by eminent domain of all or any part of the Common Elements, or (iii) the taking in condemnation or by eminent domain of all or any part of a Unit that affects the Common Elements, then, subject to the provisions set forth below, the Board will arrange for the prompt repair and restoration of the part of the Common Elements affected by such casualty or impaired by such taking which, pursuant to the provisions of the Declaration or By-Laws, are required to be maintained by the Board (the “CE Restoration Work”). In the event of a casualty, such CE Restoration Work shall restore the Common Elements so that they are the same type and quality as existed immediately prior to such casualty, with such changes to the Common Elements as the Board may elect. In the event of a taking, such CE Restoration Work shall take into account the physical constraints imposed by such taking, and accordingly the Common Elements may be altered to account for such physical constraints; provided, however, that in no event shall the Board have the right to utilize additional space in any Unit in connection with such restoration, unless such right has otherwise been granted under these By-Laws or the Declaration or in connection with such taking. Notwithstanding anything herein to the contrary, in no event shall the Board be obligated to restore any Unit Owner’s fit-out to or personal property contained within its Unit.

(b) Disbursement of CE Restoration Funds. In the event of any CE Restoration Funds held by the Insurance Trustee, the Board shall apply to the Insurance Trustee for disbursement of the CE Restoration Funds in installments as the CE Restoration Work progresses in accordance with the provisions of the agreement between the Board and the Insurance Trustee.

(c) CE Restoration Funds Deficiency. If prior to the commencement of (and also at any time during the prosecution of) the CE Restoration Work, the Board reasonably estimates that the cost to complete the CE Restoration Work exceeds the CE

Restoration Funds then being held by the Insurance Trustee or the Board, as the case may be, then the Board shall notify each Unit Owner of the amount of such estimated deficiency and each Unit Owner's pro rata allocation thereof (which such allocation shall be determined in accordance with the Common Interest of each Unit Owner), and shall be payable by each Unit Owner as a special assessment (hereinafter referred to as a "Special CE Restoration Assessment"; all such Special CE Restoration Assessments received by the Board, the "Special CE Restoration Assessment Proceeds"). At the election of the Board, each Unit Owner shall then pay its respective Special CE Restoration Assessment either: (i) in a lump sum, or (ii) in installments, as may be necessary, in the determination of the Board to pay for the CE Restoration Work. The Special CE Restoration Assessment Proceeds shall be treated as if such monies were CE Restoration Funds.

(d) Excess CE Restoration Insurance Proceeds. To the extent not drawn upon and/or applied to the CE Restoration Work, the Insurance Trustee and/or the Board, as the case may be, shall, after the completion of the CE Restoration Work, return all excess CE Restoration Insurance Proceeds to the Unit Owners according to the Common Interest of such Unit Owner (after deducting from the amount to be distributed to each Unit Owner the amount, if any, of any Common Charges or special assessments (and other charges related thereto imposed under these By-Laws) then due and owing from such Unit Owner (such deducted amount, a "Delinquency Charge")).

(e) Excess Special CE Restoration Assessment Proceeds. To the extent not drawn upon and/or applied to the CE Restoration Work, the Insurance Trustee and/or the Board, as the case may be, shall, after the completion of the CE Restoration Work, return all excess Special CE Restoration Assessment Proceeds it receives to each Unit Owner according to the pro rata share of such Unit Owner's contribution to such Special CE Restoration Assessment Proceeds, after deducting any Delinquency Charge. If any Unit Owner fails to pay its Special CE Restoration Assessment in accordance with the provisions of Section 12.8.3(c) of these By-Laws, then the Special CE Restoration Assessment of such Unit Owner still due and payable (the "Delinquent Special CE Restoration Assessment") shall be subject to late charges, interest, expenses and fees, all pursuant to and in accordance with these By-Laws (such charges, the "Special CE Restoration Assessment Penalties"). Upon payment to the Board of the Delinquent Special CE Restoration Assessment, and to the extent not drawn upon and/or applied to such completed CE Restoration Work, then the Insurance Trustee and/or the Board, as the case may be, shall distribute the Delinquent Special CE Restoration Assessment to each Unit Owner, after deducting any Delinquency Charge, according to the pro rata share of such Unit Owner's contribution to the Special CE Restoration Assessment Proceeds. The Special CE Restoration Assessment Penalties shall be distributed to each Unit Owner (excluding the Unit Owner paying such Special CE Restoration Assessment Penalties) according to the pro rata share of such Unit Owner's contribution to the Special CE Restoration Assessment Proceeds (taking into account any prior distribution of any excess Special CE Restoration Assessment Proceeds and after deducting any Delinquency Charge) prior to the payment of the Delinquent Special CE Restoration Assessment.

12.8.4 Casualty to or Condemnation of Units; Repair by Unit Owners; Unit Restoration Work. In the event a Unit is damaged or destroyed by casualty or impaired by a partial taking by condemnation or eminent domain, the affected Unit Owner(s) shall immediately

remove any rubble and debris resulting from such event and, within a reasonable time thereafter, shall (at its election) either repair and restore the Unit so damaged or destroyed by casualty, or such of the Unit and as shall remain following the taking, (i) to a complete, independent and self-contained architectural whole, and/or (ii) to a safe and secure “core and shell” condition, with complete and slightly demising walls, doors and exterior visible surfaces separating such Unit from any other Unit or Common Element visible from outside of the applicable Unit, having no adverse effect on any other Unit or the Common Elements (either or both of the foregoing (i) and/or (ii), the “Unit Restoration Work”).

12.8.5 Casualty to Seventy Five Percent (75%) or More of the Building. Subject to the terms of the Restrictive Declaration, if seventy-five percent (75%) or more of the Building is destroyed or damaged by fire or casualty and if, at any time prior to the execution and delivery of any construction contract relating to the CE Restoration Work (other than a construction contract relating solely to Safety Work (as hereinafter defined) or other minor construction work not constituting restoration work), seventy-five percent (75%) or more of the aggregate Common Interest of all Unit Owners determines not to proceed to make the necessary CE Restoration Work or require the necessary Unit Restoration Work, as the case may be, then (i) the Board shall secure and fence in the Property boundary, and shall raze the Building, if necessary, and put the Building and Property into compliance with applicable Laws, and otherwise make the Property and Building safe (all of the activities described in this clause (i), the “Safety Work”) and (ii) the CE Restoration Insurance Proceeds, net of the costs and expenses of the Board hereunder and the cost of any Safety Work, shall be divided among the Unit Owners in accordance with their respective Common Interest; provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of its share of such fund all liens of Recognized Mortgagees holding mortgages against such Unit Owner’s respective Unit, and all unpaid charges, liens and Delinquency Charges applicable to such Unit.

12.8.6 Partial Condemnation. Subject to the terms of the Restrictive Declaration and rights of the Reversionary Estate Owner, if the Building is partially taken by condemnation or eminent domain (a “Partial Condemnation”), then (i) the Board shall be required to restore only those Common Elements necessary for the Units remaining after such Partial Condemnation, and (ii) any Unit Owner whose Unit has been partially taken (and irrespective of any condemnation award therefor), shall contribute to the Board the cost for any applicable CE Restoration Work relating to such Unit Owner’s Unit, and such funds shall be deemed to be CE Restoration Funds; provided, however, that any excess CE Restoration Funds shall, after the completion of the applicable CE Restoration Work, be returned to such Unit Owner (after deducting any Delinquency Charges).

12.8.7 Total Condemnation. Subject to the terms of the Restrictive Declaration and rights of the Reversionary Estate Owner, if all or substantially all of the Building is taken by condemnation or eminent domain (a “Total Condemnation”) (a) the Board shall perform any Safety Work which it deems appropriate, (b) any award received by a Unit Owner with respect to the taking of its Unit as part of the Total Condemnation shall be payable to the applicable Unit Owner, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of its share of such award all liens of Recognized Mortgagees holding mortgages against such Unit Owner’s respective Unit, and all unpaid charges, liens and Delinquency

Charges applicable to such Unit, and (c) the Board shall have no obligation to restore the Common Elements.

12.8.8 Restoration Work; Plans. All Unit Restoration Work shall be performed in accordance with the applicable provisions of the Declaration and these By-Laws regarding the performance of Alterations and/or Repairs.

12.8.9 Reallocation of Percentage Interests.

(a) If, as a result of a Partial Condemnation, the gross square footage of any Unit changes, the Board shall promptly (i) adjust, as of the date of such partial Condemnation, the Unit Owner's Common Interest percentage in a manner consistent with the allocation of the Common Interests in existence immediately preceding such casualty or taking and in accordance with the then applicable Real Property Law, and (ii) subject to the provisions of Article 15 of the Declaration and Article 16 of these By-Laws, prepare and record in the office of the New York City Register an amendment to the Declaration, confirming such reallocation. If the Board shall not agree on any of the matters referred to in the foregoing clauses (i) and (ii) within ninety (90) days after the date following completion of the reconstruction of the Building, they shall submit such issue to Arbitration.

(b) If a Unit Owner does not (in the course of restoring its Unit including any Limited Common Elements appurtenant thereto following a fire or other casualty) restore the number of gross square feet existing immediately preceding the fire or other casualty, then, notwithstanding the reduction in the number of gross square feet in such Unit Owner's Unit (or its Limited Common Elements appurtenant thereto), such Unit Owner's Common Interest shall not be adjusted. Likewise, each Unit Owner's Common Interest shall not be adjusted if a Unit Owner chooses to restore its Unit to a "core and shell" condition rather than to a fully operational condition.

(c) Unless otherwise shown on the plans for the rebuilding, repairing, replacement or reconstruction of a Unit, during the period of any rebuilding, repairing, replacement or reconstruction of such Unit the gross square footage previously attributable to that Unit shall be deemed to be the same as existed immediately prior to such period.

Section 12.9 *Insurance Trustee.* The Insurance Trustee shall be a bank or trust company having an office located in The City of New York, as designated by the Board, and having a capital surplus and undivided profits of \$500,000,000 or more. In the event the Insurance Trustee resigns or is replaced by the Board, the Board shall appoint a new Insurance Trustee which shall be a bank or trust company having an office located in The City of New York and having a capital surplus and undivided profits of \$500,000,000 or more. The Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense. The Insurance Trustee shall hold all CE Restoration Funds in accordance with Section 254(4) of the Real Property Law of the State of New York.

Article 13
Compliance, Defaults, Cure Rights

Section 13.1 *Compliance and Default by a Unit Owner.*

(a) Each Unit Owner shall comply with the terms of the Condominium Documents. Failure to comply shall be grounds for (i) an action to recover sums due for damages or for injunctive relief maintainable by the other Unit Owners, each on its own behalf, or by the Board on behalf of the non-defaulting Unit Owners or (ii) in the case of unpaid Common Charges, an action by the Board to foreclose its lien, as hereinabove provided.

(b) For so long as a monetary event of default under the Condominium Documents exists and is continuing with respect to a particular Unit Owner, such Unit Owner shall not have the right to vote at any meeting of Unit Owners nor shall any member(s) of the Board designated by such Unit Owner have the right to vote at any meeting of the Board; and all references in the Condominium Documents to required votes or voting percentages shall, in such circumstances, mean the required vote or voting percentage of Unit Owners or members of the Board, as the case may be, who or which are eligible to vote at the time in question. In addition, any express reference to the required vote of such Unit Owner (or Board member appointed by such Unit Owner) shall, during the pendency of such default, be inapplicable.

(c) In any proceeding arising out of an alleged default by a Unit Owner, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees and disbursements as may be determined by the court.

(d) The failure of the Board or a Unit Owner to enforce any right, provision or covenant contained in the Condominium Documents shall not constitute a waiver of the right of the Board or the Unit Owner to enforce such right, provision or covenant in the future.

(e) All rights, remedies and privileges of the Board or a Unit Owner pursuant to the Condominium Documents shall be cumulative, and the exercise of any one or more shall not constitute an election of remedies nor shall it preclude the party exercising the same from exercising other and additional rights, remedies or privileges as may be granted to such party by the Condominium Documents or pursuant to law or in equity.

(f) In the event of a default by a Unit Owner with respect to the payment of any sums, or the performance of any obligation, or the cure of any default or violation of or under the Condominium Documents, that shall continue without payment, performance or cure, as the case may be, beyond the giving of all required notices and the expiration of all cure periods, in each case to the extent required under the Condominium Documents, without limiting the foregoing, the Board may (without the consent of the defaulting Unit Owner) but shall not be obligated to, pay the amount or perform or cause to be performed the obligation or otherwise cure or effect the cure of the default (including, for example, by means of causing Repairs or Alterations, or curing violations or removing or bonding mechanic's liens or otherwise as the Board shall deem appropriate). Such right on behalf of the Board to cure any such matters includes, without limitation, the right: (i) to enter the Unit of the

defaulting Unit Owner and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Board shall not thereby be deemed guilty or liable in any matter of trespass; and/or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach. Any funds expended by the Board together with interest at the Default Rate from the date of expenditure to the date of repayment, shall be reimbursed by the defaulting Unit Owner to the Board and the same shall constitute part of the Common Charges payable by such person.

(g) Any rights or remedy of the Board may be exercised immediately, and if necessary, without notice, in the case of any failure or default which could result in personal injury or property damage.

Article 14

Sale, Lease and Mortgages of Units; Estoppel Certificates.

Section 14.1 Sales and Leases of the Units.

Subject to the terms of the Restrictive Declaration and the terms and conditions herein, each Unit Owner with respect to its Unit may, without the prior consent of the Board or any other Unit Owner, sell, assign or otherwise transfer, lease, sublease, license or encumber its “estate for years interest” in its Unit (whether by merger, consolidation, sale, lease, sublease, license, mortgage, assignment or otherwise, but subject to any restrictions on use and leasing provided herein or in any other of the Condominium Documents); provided, however, that: (i) no lien to secure repayment of any sum borrowed may be created on any other Unit without the prior written consent of the owner of such other Unit or on any of the Common Elements (as opposed to the applicable Unit Owner’s undivided interest therein) without the prior written consent of all Unit Owners; and (ii) no Unit Owner (other than such borrowing Unit Owner), nor the Board, will be liable for repayment of any portion of any such loan, unless all such Unit Owner(s) and Boards, as applicable, otherwise so agree in writing.

Any deed or instrument purporting to convey an interest in the estate for years shall state that it conveys no interest in the Reversion Estate, that the conveyance is subject to the rights of the Reversionary Estate Owner in the Reversion Estate and that the grantee thereunder has no power to create any lien encumbering the Reversion Estate. The failure of any deed or instrument purporting to convey an interest in the Estate for Years to comply with this Section 14.1 shall not render such deed or instrument or any conveyance therein or provision thereof invalid, ineffective, unenforceable or void or otherwise affect such deed or instrument in any manner, provided that such deed or instrument shall be deemed modified as if the requirements of this Section 14.1 were complied with.

No lease shall be entered into with respect to any Unit or portion thereof that shall provide for a term (including renewal terms) ending on or after the Reversion Date. The failure of a Unit Owner to enter into a lease which complies with this Section 14.1 shall not render such lease invalid, ineffective, unenforceable or void or otherwise affect such lease in any manner, provided that such lease shall be deemed modified as of the requirements of this Section 14.1 were complied with.

Declarant reserves the right, at any time, in its sole and absolute discretion, to convey the Garage Unit to either the 450 Washington Street Owner's Corp. (the "Apartment Corporation") or the board of directors of the Apartment Corporation (a "Garage Transferee") for no consideration, in which case the Garage Transferee shall accept title thereto as the estate for years owner of the Garage Unit (subject to the terms herein and in the Restrictive Declaration) and shall hold the Garage Unit as agent for all of the shareholders of the Apartment Corporation and shall assume all of the rights and obligations of the owner of the Garage Unit; including in its capacity as a licensor under any parking space license agreements in effect at the time with the shareholders of the Apartment Corporation or other parking space licensees. In the event that the Garage Transferee becomes the estate for years owner of the Garage Unit pursuant to the terms hereunder, the Garage Transferee shall have the power at any time to incur or refinance debt from time to time secured by a lien on the Garage Unit, without the approval of the Board or the other Unit Owners, provided that no such financing or refinancing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Garage Unit together with its appurtenant interest in the Common Elements.

Section 14.2 *Mortgaging of Units; Suits.*

(a) Subject to the terms of the Restrictive Declaration and the terms and conditions herein Any Unit Owner shall have the right to mortgage its Unit or otherwise pledge any direct or indirect ownership interest in such Unit Owner or otherwise finance such Unit Owner's Unit in connection with any financing (a "Recognized Mortgage") without the consent of the Board or other Unit Owners.

(b) *Recognized Mortgagees.* A Unit Owner who mortgages its Unit or pledges any direct or indirect ownership interest in such Unit Owner or receives notice of an assignment of a mortgage or pledge by a Recognized Mortgagee, shall notify the Condominium Board of the name and address of said mortgagee, pledgee or the assignee. A Unit Owner who satisfies a mortgage covering such Unit Owner's Unit shall so notify the Condominium Board of such satisfaction. The Condominium Board shall maintain such information in a book entitled "Mortgages." A "Recognized Mortgagee" hereunder shall mean any mortgagee holding a mortgage encumbering one or more Units or any lender providing mezzanine financing or preferred equity financing to one or more of the direct or indirect owners of a Unit Owner, for which the notice pursuant to the provisions of this Section 14.2 has been provided to the Condominium Board and as to which the lien of the applicable mortgage or pledge is subordinate to the Declaration and these By-Laws, and, if applicable, any mortgagee or other lender for which a Recognized Mortgage has been funded with the proceeds from bonds issued by such mortgagee or lender, whether or not such mortgagee or lender holds the Recognized Mortgage at the time in question. The Recognized Mortgagee upon notice to the Unit Owner and the Condominium Board shall have the right to assign its rights as Recognized Mortgagee to a servicer. Upon the request of any mortgagee who shall request the same, at the time of execution of a Recognized Mortgage or thereafter, the Condominium Board shall confirm to the holder thereof in writing that such mortgage or pledge, as applicable constitutes a "Recognized Mortgage" hereunder and is entitled to all of the rights and benefits of a Recognized Mortgagee hereunder and that such holder is a "Recognized Mortgagee" hereunder provided the criteria set forth above for "Recognized Mortgage" and "Recognized Mortgagee" are met. Notwithstanding

the foregoing, the lien of any mortgage on a Unit or of any pledge on any direct or indirect ownership interest in a Unit Owner, as applicable, shall not be deemed to be impaired in any respect in the event such mortgage or pledge, as applicable, shall not constitute a Recognized Mortgage hereunder.

(c) *Notice of Default and Unpaid Common Charges.* The Condominium Board shall promptly notify each Recognized Mortgagee in writing of a defaulting Unit Owner of (i) any default in the payment of Common Charges, special assessments or unit owner expenses (ii) any other default beyond all cure periods by the Unit Owner of such Unit under the provisions of the Declaration or these By Laws which may to the Condominium Board's knowledge then exist and (iii) the commencement by the Condominium Board of any action or proceeding pursuant to Section 6.2(b) of these By Laws.

(d) *Performance by Recognized Mortgagees.* The Condominium Board shall accept the payment or performance by any Recognized Mortgagee of a Unit Owner, payment of any sum or performance of any act required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration, these By Laws and/or any rules and regulations adopted by the Condominium Board, with the same force and effect as though paid or performed by such Unit Owner. Any Recognized Mortgagee shall have a period of thirty (30) days after receiving a default notice from the Board to remedy any default by a Unit Owner under the Declaration or these By Laws or causing the same to be remedied and shall, within such period and otherwise as herein provided, have the right, but not the obligation, to remedy such default, or cause action to remedy such default to be taken; provided, however, that if such default is not reasonably susceptible of being cured by a Recognized Mortgagee either within such thirty (30) day period or without obtaining possession of the Unit or the other pledged collateral, the Recognized Mortgagee shall have such additional period of time as is reasonably necessary to cure such default, provided the Recognized Mortgagee has commenced such cure and is diligently prosecuting such cure or, if such default cannot be cured without obtaining possession of the Unit or the other pledged collateral, has notified the Condominium Board of its intention to proceed to obtain possession of the Unit or the other pledged collateral and thereafter diligently proceeds to do so. The Condominium Board will not commence a proceeding to foreclose its lien against any Unit as a result of any Unit Owner's default until the expiration of the time period described herein that is afforded to any Recognized Mortgagee to cure such default. Payment or performance of any obligation of a Unit Owner by a Recognized Mortgagee shall not give rise to any obligation on the part of the Recognized Mortgagee to so pay or perform in the future.

(e) *Examination of Books.* Each Unit Owner and Recognized Mortgagee shall be permitted to upon reasonable notice, examine the books of account of the Condominium at reasonable times, on business days, but not more than once a month.

(f) *Rights of Recognized Mortgagees.*

(i) If a Recognized Mortgagee delivers to the Condominium Board, in the manner required by this Section, a notice specifying the name and address of such Recognized Mortgagee, such Recognized

Mortgagee shall be promptly provided with copies of all notices to be provided to Recognized Mortgagees in these By Laws and the Declaration.

(ii) Any insurance proceeds or awards otherwise payable to a Unit Owner (and not an Insurance Trustee) shall, upon notice to the Condominium Board from a Recognized Mortgagee of such Unit Owner, be delivered instead to such Unit Owner's Recognized Mortgagee.

(iii) If a Unit Owner shall fail to appoint an arbitrator or otherwise fail to take any action as may be required or permitted under the Condominium Documents with respect to Arbitration within the time periods applicable thereto, such appointment or action as otherwise would have been permitted by that Unit Owner may be taken by its Recognized Mortgagee and such appointment and action shall be recognized in all respects by the other Unit Owners and the Condominium Board and any determination made in such Arbitration shall be binding on the applicable Unit Owner.

(iv) If more than one Recognized Mortgagee having a lien on a Unit exercises any of the rights afforded under these By Laws, only that Recognized Mortgagee, to the exclusion of all other Recognized Mortgagees, whose Recognized Mortgage is most senior in lien with respect to such Unit shall be recognized by the other Unit Owners and the Condominium Board as having exercised such right, unless such Recognized Mortgagee has designated a Recognized Mortgagee whose Recognized Mortgage is junior in lien to exercise such right.

(v) No amendment, modification, supplement, extension or assignment of a Recognized Mortgage shall affect the status of the holder thereof as a Recognized Mortgagee provided that in the case of an assignment, written notice of the name and address of the assignee is provided to the Condominium Board by the assigning holder.

(vi) In addition to the consent rights granted to a Recognized Mortgagee which are more particularly set forth in Article 19 of the Declaration, if any amendment, modification or waiver to the Declaration or these By Laws (i) changes the percentage interests in the Common Elements of any Unit (unless such increase is de minimus or necessary due to a non-material mathematical error), (ii) otherwise adversely impairs or changes the priority of the lien held by a Recognized Mortgagee with respect to the Unit, or (iii) terminates the Condominium or otherwise affects the termination of the Condominium as provided under the Declaration or these By Laws, such amendment, modification or waiver, as applicable, shall not be binding upon such Recognized Mortgagee without the prior written consent of the Recognized Mortgagee affected by such amendment, modification or waiver.

(vii) From time to time, within ten (10) business days after written request therefor from any Unit Owner or any Recognized

Mortgagee, the Condominium Board shall deliver to the requesting party a written statement executed and acknowledged by the Condominium Board (i) stating that the Declaration and these By Laws are then in full force and effect and have not been modified (or if modified, setting forth all modifications), (ii) setting forth the then annual Common Charges allocable to the Unit in question and the date to which such Common Charges have been paid, (iii) setting forth the amount of any other expenses payable with respect to the Unit in question, (iv) stating, to the best knowledge of the Condominium Board, whether the Unit Owner in question is in default under the Declaration or these By Laws and, if such Unit Owner is in default, setting forth the specific nature of all such defaults, and (v) affirming other customary matters reasonably requested by any such Unit Owner or Recognized Mortgagee. The Condominium Board acknowledges that any statement delivered pursuant to this Section may be relied upon by any Unit Owner, any Recognized Mortgagee or any prospective institutional lender, purchaser or tenant of any Unit Owner.

(viii) Upon notice to the Condominium Board in accordance with Section 5.1 of these By Laws, the Condominium Board will give notice to, and accept commitments and the performance of obligations on behalf of, the Recognized Mortgagee from the Recognized Mortgagee's loan servicing agent. The Condominium Board understands and acknowledges that upon a securitization of any loan or other financing evidenced by a Recognized Mortgage, the trustee for the securitization will transfer the responsibility of the servicing and general administration of the loan or other financing evidenced by a Recognized Mortgage to a subservicer or master servicer, and that, upon compliance with the preceding sentence of this Section, such subservicer or master servicer may act on behalf of the trustee with regard to the loan or other financing evidenced by a Recognized Mortgage

(g) *Liens on Units.* No Unit Owner shall suffer or permit any lien on its Unit except as permitted in this Section 14.2. If the Unit Owner fails to satisfy any such lien or otherwise cause its discharge by bonding or otherwise within sixty (60) days after the date of receipt of notice of such lien, the Board shall have the right to take all necessary and appropriate steps to discharge the lien and charge such Unit Owner for all expenses incurred and such charges shall constitute additional Common Charges due and payable within ten (10) days of demand.

(h) *Suits.* A Unit Owner shall forthwith give notice to the Board of any suit or other proceeding the outcome of which may directly affect title to its Unit.

Section 14.3 *Payment of Assessments.* In addition to complying with all other provisions of these By-Laws, Unit Owners shall not be permitted to sell, convey, mortgage, pledge, hypothecate or lease their Units unless and until they shall have paid in full to the Board all unpaid Common Charges and other amounts required by the Board to be paid and theretofore assessed by the Board against such Units and until such Unit Owners shall have satisfied all unpaid liens against their Units, other than Recognized Mortgages. Unit Owners shall notify the

managing agent at least five business days prior to the closing of any of the aforementioned transactions for confirmation of any unpaid amounts.

Section 14.4 *No Severance of Ownership.* No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to its Unit without including therein its entire Common Interest appurtenant to such Unit. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. Nothing in this Section 14.4 shall prohibit the lease of all or any portion of a Unit without the simultaneous lease of its appurtenant Common Interest.

Section 14.5 *Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common; Waiver of Right of Surrender.*

(a) In the event that any Unit Owner shall convey its Unit to the Board in accordance with Section 339-x of the Real Property Law of the State of New York, or any Unit shall be acquired by the Board or its designees (at a foreclosure sale or otherwise) on behalf of all Unit Owners as tenants-in-common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit as herein provided.

(b) Each Unit Owner shall be deemed to have waived any and all right to surrender its Unit (in each case, together with its Appurtenant Interests), to the Board.

Section 14.6 *Estoppels.* The Board, at any time, and from time to time, upon at least ten (10) days' prior written notice by a Unit Owner, shall execute, acknowledge and deliver to the Unit Owner, and/or to any other person, firm or corporation specified by the Unit Owner, a statement: (i) certifying that the Condominium Documents are in full force and effect and are unmodified (or, if modified, stating the dates of any amendments thereto); (ii) setting forth the then annual Common Charges allocable to the Unit in question and the dates to which such Common Charges have been paid; (iii) stating whether or not there exist any known defaults by the Unit Owner under any of the Condominium Documents and, if so, specifying each such known default and (iv) regarding such other matters relating to the Condominium as may be reasonably and agreed to by the Board, as the Board determines, in its sole discretion. The Board shall be entitled to charge the requesting Unit Owner a reasonable fee for preparing and rendering said statement. The addressee of any such statement shall be entitled to rely thereon; and each statement delivered pursuant to this Section 14.6 shall act as a waiver of any claim between the addressee and the Board to the extent such claim is based upon facts contrary to those asserted in the statement and to the extent the claim is asserted against a bona fide encumbrancer or purchaser for value without knowledge of facts to the contrary of those contained in the statement, and who has acted in reasonable reliance upon the statement provided, however, that the issuance of such statement shall in no event subject the Board to any liability for the negligent or inadvertent failure of the Board to disclose correct and/or relevant information.

Article 15 Arbitration

Section 15.1 *General Procedure.* Any arbitration provided for in these By-Laws or the Declaration (“Arbitration”) shall be conducted before one arbitrator in New York City by the American Arbitration Association or any successor organization thereto, in accordance with its rules then in effect; the decision rendered in such arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. In the event that the American Arbitration Association shall not then be in existence and has no successor, any arbitration hereunder shall be conducted in New York City before one arbitrator appointed, on application of any party, by any justice of the highest court of appellate jurisdiction located in the County of New York. The decision of the arbitrator so chosen shall be given within thirty (30) days after the last hearing on the matter. Any arbitrator appointed or selected in connection with any arbitration hereunder shall have a principal office in the Borough of Manhattan and shall have at least ten (10) years’ experience in the area of the dispute in issue.

Section 15.2 *Costs and Expenses.* The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to a dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of its counsel and expert witnesses. All costs and expenses paid or incurred by the Board in connection with any arbitration held hereunder (including, without limitation, the fees and expenses of counsel and expert witnesses) shall constitute Common Expenses.

Section 15.3 *Agreement by Parties.* The parties to any dispute required or permitted to be submitted to arbitration hereunder may, by mutual agreement between them, vary any of the provisions of Section 15.1 with respect to the arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the “New York Simplified Procedure for Court Determination of Disputes.”

Article 16 Amendments to By-Laws

Article 19 of the Declaration with respect to amendments is incorporated herein in its entirety; and the provisions of these By-Laws may be amended, modified, added to or deleted only in accordance with the terms of such Article, as if each reference therein to the Declaration, were a reference herein to these By-Laws.

Article 17 Fiscal Year

The fiscal year of the Condominium shall be the calendar year unless the Board shall adopt a different period.

Article 18
Execution of Instruments

After the effective date of the Declaration, all instruments of the Condominium shall be signed and executed by such officer or officers as the Board shall designate.

Article 19
Rules and Regulations

Subject to Section 2.3 hereof, the Board shall adopt and amend Rules and Regulations governing the operation and maintenance of the Property as shall be appropriate from time to time, provided that the Rules and Regulations may not be amended, modified or terminated in any manner which adversely affects a Unit or a Unit Owner without the consent of the affected Unit Owner. No Rule or Regulation shall unreasonably or discriminatorily or in any material respect whatsoever restrict or impair (directly or indirectly or through discriminatory special assessments or charges) the rights of any Unit Owner.

Article 20
Miscellaneous

Section 20.1 *Consents and Approvals.*

(a) Any approval or consent of the Board or a Unit Owner required under the Declaration or these By-Laws may, except to the extent expressly provided to the contrary in the Declaration or these By-Laws, be granted or withheld in such Person's sole discretion. Whenever the approval or consent of the Board or a Unit Owner is required under the Declaration or these By-Laws not to be unreasonably withheld, such approval shall also not be unreasonably conditioned or delayed.

(b) Notwithstanding that the consent and/or approval of the Board or any Unit Owner may be required for or with respect to any particular matter, there shall be no separate or further requirement to obtain the consent or approval of the managing agent for any of the foregoing Persons.

Section 20.2 *Invalidity.* The invalidity of any provision of these By-Laws shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of these By-Laws and, in such event, all of the other provisions of these By-Laws shall continue in full force and effect as if such invalid provision had never been included herein.

Section 20.3 *Captions.* The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws, or the intent of any provision thereof.

Section 20.4 *Gender.* The use of the masculine gender in these By-Laws shall be deemed to refer to the feminine gender and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

Section 20.5 *Waiver*. No provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

Section 20.6 *Intentionally Omitted*.

Section 20.7 *CPI Increases*. All specific dollar amounts set forth in these By-Laws or the Declaration shall be adjusted annually by the CPI Increase Factor except to the extent otherwise provided. For such purposes, the “CPI Increase Factor” means an increase proportionate to any increase in the cost of living from the date of the initial recording of the Declaration, as reflected by the change in the Consumer Price Index (CPI-U; All Items; 1982-84 = 100 standard reference base period) for New York, New York (or the smallest measured area including New York, New York), as published by the Bureau of Labor Statistics, United States Department of Labor or, if the same ceases to be published, a commonly used substitute therefor reasonably selected by the Board.

Section 20.8 *Covenant of Further Assurances*.

(a) Any party which is subject to the terms of these By-Laws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an Occupant of a Unit, a member or an officer of the Board, a Recognized Mortgagee or otherwise, shall, at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request, as shall be reasonably necessary to effectuate the provisions of these By-Laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction (but without expanding the scope of any liability or obligation on the part of the cooperating party beyond that set forth in the Condominium Documents).

(b) If any Unit Owner or any other party which is subject to the terms of these By-Laws fails to execute, acknowledge or deliver any instrument, or fails or refuses to take any action which such Unit Owner or other party is required to perform pursuant to one or more specific provision of these By-Laws, in each case (unless a specific provision with respect thereto is provided for elsewhere in the Condominium Documents) within fifteen (15) business days after request therefor and within five (5) business days after receipt of a second request therefor (which second request shall be accompanied by a copy of the initial request (and any supporting materials) and stating in bold print: “THIS IS A SECOND AND FINAL REQUEST FOR YOU TO EXECUTE, ACKNOWLEDGE AND/OR DELIVER THE DOCUMENTS, OR TO TAKE THE ACTIONS, DESCRIBED IN THE ENCLOSED PRIOR REQUEST THEREFOR, WHICH IS REQUIRED UNDER THE TERMS OF THE 450 WASHINGTON STREET CONDOMINIUM DECLARATION AND/OR BY-LAWS. YOUR FAILURE TO EXECUTE, ACKNOWLEDGE AND/OR DELIVER THE DOCUMENTS, OR TO TAKE THE ACTIONS, AS THE CASE MAY BE, WITHIN FIVE BUSINESS DAYS FROM THE DATE HEREOF SHALL ENTITLE THE BOARD TO DO SO ON YOUR BEHALF.”), then the Board is hereby authorized, as attorney-in-fact, coupled with an interest, for such Unit Owner or other party, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other party, and such instrument or action shall be binding on such Unit

Owner or other party, as the case may be. Any dispute with respect to the foregoing shall be subject to Arbitration; provided, the Person refusing to execute, acknowledge or deliver any such instrument, or refusing to take any such action, expressly renders such refusal in writing (together with its rationale for such refusal) within the time period(s) provided in this Section.