Offering Price for 33 Apartments .................................................................$156,717,740.00 (having a total of 1,000 Shares)

Offering Price for 12 Storage Spaces* ..........................................................$925,000.00

Total Offering Amount .................................................................................$157,642,740.00

*Storage Spaces are being offered by Sponsor pursuant to 99-year license agreements. The license agreements are independent of the Shares that will be issued to Purchasers under the terms of this Plan. See Schedule A-1 for further information.

APARTMENT CORPORATION:

THE 100 BARROW STREET APARTMENT CORP.
c/o Seiden & Schein, P.C.
570 Lexington Avenue
New York, New York 10022

SPONSOR: 100 Barrow Street LLC
75 Broad Street, Suite 2100
New York, New York 10004

SELLING AGENT: Toll Brothers Real Estate Inc.
40 Merritt Boulevard
Fishkill, New York 12524

The date of acceptance of this Plan for filing is April 25, 2016. This offering plan may not be used after April 24, 2017 unless extended by amendment.

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

SPONSOR INTENDS TO SELL ALL OF THE APARTMENTS OFFERED UNDER THIS OFFERING PLAN. HOWEVER, BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT UP TO EIGHTY-FIVE PERCENT (85%) OF THE APARTMENTS IN THE BUILDING BEING CONSTRUCTED FOR COOPERATIVE OWNERSHIP, FUTURE MARKETABILITY OF THE APARTMENTS MAY BE ADVERSELY AFFECTED (SEE SPECIAL RISKS SECTION OF THIS PLAN.)

THIS PLAN DOES NOT GUARANTEE THAT OWNER- OCCUPANT SHAREHOLDERS WILL EVER CONSTITUTE A MAJORITY OF THE COOPERATIVE BOARD OF DIRECTORS. (SEE SPECIAL RISKS SECTION OF THIS PLAN).

THIS PLAN CONTAINS SPECIAL RISKS TO PURCHASERS. SEE PAGE 1.
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PART I
SPECIAL RISKS

THIS OFFERING PLAN IS FOR THE OFFER OF SHARES IN A LEASEHOLD COOPERATIVE. PURCHASING SHARES IN THE APARTMENT CORPORATION INVOLVES CERTAIN SPECIAL RISKS THAT MAY DIFFER FROM A FEE INTEREST COOPERATIVE.

FOR ALL PURCHASERS:

1. Sponsor entered into that certain Amended and Restated Agreement of Lease (the “Ground Lease”), dated as of May 11, 2015, but effective as of February 25, 2015, with The Rector, Churchmembers and Vestrymembers of the Church of St. Luke in the Fields, New York New York, as landlord (“Landlord”), for the Land and all buildings, structures, and other improvements located thereon and all development rights that may be acquired by Sponsor, as tenant, in the future and transferred to the Land and improvements, and all rights of way or of use, servitudes, licenses, tenements, appurtenances and easements now or hereafter belonging or pertaining to the Land. The term of the Ground Lease is ninety-nine (99) years, commencing on February 25, 2015 (the “Commencement Date”) and expiring on February 24, 2114, unless the Ground Lease is otherwise terminated pursuant to its terms, or extended by Landlord. UPON THE GROUND LEASE’S EXPIRATION, THE PROPERTY WILL REVERT BACK TO THE LANDLORD, OR ITS SUCCESSOR IN INTEREST, AND EACH SHAREHOLDER SHALL BE REQUIRED TO SURRENDER POSSESSION OF HIS APARTMENT. SPONSOR MAKES NO REPRESENTATION AS TO THE LIKELIHOOD OF OBTAINING A GROUND LEASE EXTENSION OR RENEWAL, OR THE RIGHT OF ANY SHAREHOLDER TO REMAIN IN OCCUPANCY IN SUCH SHAREHOLDER’S APARTMENT ONCE THE GROUND LEASE TERM EXPIRES. PURCHASERS ARE ADVISED THAT AS THE GROUND LEASE TERM DIMINISHES, THE VALUE OF THEIR SHARES MAY ALSO DIMINISH AND IT MAY BE INCREASINGLY DIFFICULT TO OBTAIN FINANCING ON AN APARTMENT OR TO REFINANCE AN EXISTING LOAN THAT IS SECURED BY SUCH SHARES IN THE APARTMENT CORPORATION. Please refer to the Section of this Plan entitled “Summary of Ground Lease” and to the copy of the Ground Lease included in Part II of this Plan for further details.

2. The Apartment Corporation shall pay an annual rent to the Landlord in equal monthly installments in advance on the first day of each calendar month (“Base Rent”). Pursuant to the Ground Lease, Sponsor made certain pre-payments of Base Rent, in the amount of $3,515,481.60. The pre-payment of Base Rent shall be credited toward the Base Rent due under the first two (2) “Lease Years” (as defined in the Ground Lease). A “Soft Cost Prepayment” (as defined in the Ground Lease) under that certain Pre-Lease Agreement by and between Landlord and Sponsor dated as of October 29, 2013, as amended, in the amount of $559,275.00, shall be credited toward the Base Rent due for the third year of the Ground Lease.
Pursuant to the Ground Lease, Base Rent shall be increased periodically every sixteen (16) to twenty-five (25) years (each period of years referred to in the Ground Lease as a “Rent Period”). Five (5) such Rent Periods shall occur over the Ground Lease’s term.

During the First Rent Period until the eleventh anniversary of the Commencement Date, Base Rent shall be paid in the annual amount equal to $1,757,740.80. On the eleventh anniversary of the Commencement Date, Base Rent shall be increased by ten percent (10%). During each subsequent Rent Period, Base Rent shall be payable pursuant to the “Fair Market Rent” (as defined in Exhibit C of the Ground Lease) computed as of the date that is six (6) months prior to the first day of the subsequent Rent Period, as provided in Exhibit C of the Ground Lease. Further, on each of the twenty-first (21st), twenty-sixth (26th), thirty-first (31st), thirty-sixth (36th), forty-sixth (46th), fifty-first (51st), fifty-sixth (56th), sixty-sixth (66th), seventy-sixth (76th), eighty-sixth (86th), ninety-first (91st) and ninety-sixth (96th) anniversaries of the Commencement Date, the then-existing annual Base Rent shall be increased by seven and one-half percent (7.5%). Since it is impossible for Sponsor to predict the Fair Market Rent, Sponsor makes no representation about the Base Rent after the expiration of the first Rent Period. Prospective Purchasers are encouraged to read Article 3 of the Ground Lease for a complete description of the Base Rent increases and adjustments throughout the Ground Lease’s term.

3. Sponsor intends to sell all of the Apartments offered under this Offering Plan. However, if Sponsor is unable to sell the Apartments at the offering prices stated in Schedule A, Sponsor reserves the unconditional right to rent up to eighty-five percent (85%) of the Apartments offered under this Offering Plan.

4. The Attorney General’s regulations governing newly constructed and vacant cooperatives provide that a Plan may be declared effective based upon fully executed Purchase Agreements with bona-fide Purchasers for occupancy for at least fifteen percent (15%) of the offered Apartments.

5. Pursuant to Section 216 of the Internal Revenue Code (the “Code”), subject to certain requirements, Tenant-Shareholders of qualified cooperative housing corporations are allowed to deduct that portion of the amounts paid by such Tenant-Shareholders to the Apartment Corporation within such Tenant-Shareholder’s taxable year that represents such Tenant-Shareholder’s proportionate share of (a) real estate taxes allowable as a deduction to the Apartment Corporation on the Building and the Land, and (b) interest allowable as a deduction to the Apartment Corporation paid or incurred by the Apartment Corporation on its indebtedness contracted in the acquisition, construction, alteration, rehabilitation or maintenance of the Building or in the acquisition of the Land on which the Building is situated. Notwithstanding the provisions of Section 216 of the Code, because the Apartment Corporation will execute an assignment and assumption agreement for the Ground Lease on the Cooperative Conversion Date (as opposed to taking fee title), any Tenant-Shareholder deductions for real estate taxes with respect to the Property would be limited to the real estate taxes solely attributable to the Building, and not to the Land.
Please refer to the Section of this Plan entitled “Attorney’s Income Tax Opinion” in Part I of this Plan.

6. The Ground Lease is a so-called “net lease,” meaning that the Apartment Corporation, as tenant thereunder, following the Cooperative Conversion Date, will be responsible for the payment of all expenses relating to the maintenance and operation of the Property. On the Cooperative Conversion Date, the Ground Lease will be assigned by the Sponsor to the Apartment Corporation. Pursuant to the Ground Lease, the Apartment Corporation is obligated to take good care of the Property, to keep and maintain the Property in good condition and to make all repairs, alterations, improvements, and replacements thereto at its sole cost and expense. Landlord shall not be required to furnish any services, utilities or facilities whatsoever to the Property, nor shall Landlord have any duty or obligation to make any alteration, change, improvement, replacement, restoration or repair to, nor to demolish, the Building. The Apartment Corporation will assume the full and sole responsibility for the condition, operation, repair, alteration, improvement, replacement, maintenance and management of the Property. The Ground Lease does not provide for mandatory dispute resolution regarding such obligations, but it does provide for arbitration as the sole and exclusive mechanism for dispute resolution.

7. This Plan does not guarantee that owner-occupant Shareholders will ever constitute a majority of the Apartment Corporation’s Board of Directors. It should be noted that owner-occupant Shareholders and non-resident Shareholders, including but not limited to the Sponsor and Holders of Unsold Shares and investors, may have inherent conflicts in how the Apartment Corporation should be managed because of their different reasons for purchasing the Shares appurtenant to an Apartment, i.e., purchasing as a home as opposed to as an investment.

8. Sponsor will have the right to appoint, by designation, a majority of the Board of Directors and veto expenditures during the period which continues until the later to occur of: (i) ninety percent (90%) of the Apartments have closed or (ii) five (5) years after the Cooperative Conversion Date (“Sponsor Control Period”). Sponsor, including any designee thereof, will relinquish control of the Board of Directors if it has such control and will not elect a majority of its nominees for positions on the Board of Directors, even though its total number of Shares may otherwise enable it to do so. Sponsor, during the time there are Unsold Shares, will have the right to, and intends to, vote such Shares, but subsequent to relinquishing voting control of the Board of Directors, Sponsor will not use such vote to elect a particular individual to the Board of Directors which would, by the election of such individual, give Sponsor voting control of the Board. Notwithstanding the foregoing, Sponsor may, at its discretion, relinquish voting control of the Board prior to the end of the Sponsor Control Period. Please refer to the Section of this Plan entitled “Rights and Obligations of Sponsor” in Part I of this Plan.

9. The Down Payment required to be made by a Purchaser at the time a Purchase Agreement is signed is ten percent (10%) of the Purchase Price (the “Down Payment”). The Down Payment may be retained by Sponsor as liquidated damages in
the event of an uncured default by Purchaser under the Purchase Agreement and
Sponsor’s subsequent termination of the Purchase Agreement. **Please refer to the
Section of this Plan entitled "Procedure to Purchase and Close" for further details.**

10. (a) **No Financing Contingency.** The obligation of Market-Rate
Apartment Purchasers to purchase an Apartment is not contingent upon obtaining
financing. As a result, Market-Rate Apartment Purchasers will not be excused from their
obligation to pay the full Purchase Price of the Apartment on the date scheduled by
Sponsor for closing title, regardless of any such Purchaser’s ability or inability to obtain
mortgage financing, and notwithstanding that any loan commitment any such Purchaser
may have obtained expires prior to Closing of title to the Shares.

(b) **Purchaser’s Financing Risks.** If Market-Rate Apartment
Purchasers are relying upon financing, such Purchasers will assume the risks of meeting
all conditions and requirements of the lender to obtain and fund the loan on the date set
by Sponsor for closing of title under the Purchase Agreement, including conditions and
requirements that may be beyond such Purchaser’s control. These risks include, but are
not limited to, the following: (a) meeting all requirements concerning the Purchaser (for
example, the Purchaser’s income, financial condition, employment status, sale of an
existing residence, etc.) and any adverse changes in meeting these requirements that may
occur between the issuance and funding of the loan commitment (notably, recently
enhanced credit requirements may result in greater difficulty to qualify for a mortgage
loan); (b) meeting a requirement for a certain percentage of Apartments to be “owner­
occupied” (banks and other institutional lenders may require up to 70% of the
Apartments to be “owner-occupied”); and (c) losing a “lock-in” interest rate because the
closing of title under the Purchaser’s Purchase Agreement fails to occur before the
expiration of the period within which the loan must close to obtain the locked-in rate.
Such Purchasers also assume the risk of adverse changes in the terms of the loan that may
occur before the closing of the loan and paying additional amounts to extend the loan
commitment period. By assuming these risks, such Purchaser will not be excused from
the obligation to purchase without abatement in the Purchase Price and without recourse
against Sponsor or the Selling Agent. Sponsor and Selling Agent do not represent, assure
or guarantee that a Market-Rate Apartment Purchaser will succeed in obtaining mortgage
financing from a bank or other institutional lender, or from other independent sources, or
(if such Purchaser succeeds) the terms or costs of such financing, or whether the closing
of title will occur before the loan commitment or any lock-in rate expires, or (if it
expires) whether the commitment will be extended or the costs to obtain an extension or
the terms and conditions thereof, which may be less favorable than the original
commitment. A prospective Market-Rate Apartment Purchaser who is relying upon
financing is advised to inquire with a proposed lender or mortgage broker as to whether
he or she will qualify for a mortgage loan and the terms thereof before entering into a
Purchase Agreement.

(c) **TBI Mortgage Application.** Under the Purchase Agreement,
Market-Rate Apartment Purchasers shall be required either: (a) to complete and submit to
TBI Mortgage Company (hereafter, “TBI”), an affiliate of Sponsor, a mortgage
application (the “TBI Mortgage Application”), at no cost or charge to such Purchaser; or
(b) to sign and return to Sponsor, together with the Purchase Agreement, a “True Cash Sale Endorsement” (see sub-paragraph “d” below).

THE TBI MORTGAGE APPLICATION IS NOT A MORTGAGE FINANCING CONTINGENCY AND DOES NOT: (a) RELIEVE MARKET-RATE APARTMENT PURCHASERS OF THE OBLIGATION TO PAY THE FULL PURCHASE PRICE OF THE APARTMENT ON THE DATE SCHEDULED BY SPONSOR FOR CLOSING TITLE, WITHOUT ABATEMENT OR RECOURSE OF ANY KIND AGAINST SPONSOR, SELLING AGENT OR TBI, REGARDLESS OF PURCHASER’S ABILITY TO OBTAIN MORTGAGE FINANCING FROM TBI OR ANY OTHER LENDER CHOSEN BY SPONSOR; OR (b) MINIMIZE OR AVOID PURCHASER’S FINANCING RISKS SET FORTH IN THE PRECEDING PARAGRAPH “b”.

THE TBI MORTGAGE APPLICATION: (a) DOES NOT PRECLUDE MARKET-RATE APARTMENT PURCHASERS FROM APPLYING TO OTHER LENDERS FOR FINANCING TO PURCHASE THE APARTMENT; (b) DOES NOT OBLIGATE SUCH PURCHASERS TO OBTAIN OR ACCEPT FINANCING FROM TBI; AND (c) DOES NOT OBLIGATE TBI TO EXTEND FINANCING TO SUCH PURCHASERS.

MARKET-RATE APARTMENT PURCHASERS SHALL BE FREE TO OBTAIN FINANCING AT ANY TIME FROM A LENDER CHOSEN BY SUCH PURCHASER. UNDER NO CIRCUMSTANCES WILL SUCH PURCHASERS BE REQUIRED TO ACCEPT FINANCING THAT MAY BE OFFERED BY TBI OR ANY OTHER LENDER CHOSEN BY SPONSOR.

IF A MARKET-RATE APARTMENT PURCHASER IS RELYING UPON FINANCING TO PURCHASE THE APARTMENT AND IS UNABLE TO OBTAIN FINANCING FROM A LENDER CHOSEN BY SUCH PURCHASER, TBI SHALL NOT BE REQUIRED TO EXTEND FINANCING TO SUCH PURCHASER AND, IF OFFERED, SUCH PURCHASER SHALL NOT BE OBLIGATED TO ACCEPT ANY FINANCING OFFERED BY TBI OR ANY OTHER LENDER CHOSEN BY SPONSOR. IN SUCH CASE, IF SUCH PURCHASER REJECTS FINANCING OFFERED BY TBI AND IS UNABLE TO CLOSE FOR LACK OF FUNDS OR OTHERWISE, SUCH PURCHASER WILL LOSE PURCHASER’S DOWN PAYMENT AND THE INTEREST EARNED THEREON, WHICH WILL BE PAID TO SPONSOR AS LIQUIDATED DAMAGES PURSUANT THE PURCHASE AGREEMENT.

If a Market-Rate Apartment Purchaser is not approved for a mortgage loan (i.e., given a loan commitment letter) from a lender chosen by such Purchaser within sixty (60) days after the date such Purchaser executes the Purchase Agreement, then Sponsor shall have the right: (a) to submit a loan application on substantially the same terms contained in the TBI Mortgage Application to one (1) additional lender chosen by Sponsor, with no additional application fee to such Purchaser; or (b) to cancel the Purchase Agreement and return to such Purchaser all sums paid on account of the
Purchase Price and any extras, together with any interest earned thereon, whereupon neither party shall have any further rights or liabilities under the Purchase Agreement.

A MARKET-RATE APARTMENT PURCHASER SHALL NOT BE OBLIGATED TO ACCEPT FINANCING FROM TBI OR ANY OTHER LENDER CHOSEN BY SPONSOR, IF OFFERED BY SUCH LENDER, AND SPONSOR SHALL NOT BE OBLIGATED TO EITHER SUBMIT A LOAN APPLICATION TO ANOTHER LENDER OR TO CANCEL THE PURCHASE AGREEMENT DUE TO THE FAILURE OF SUCH PURCHASER TO OBTAIN A LOAN COMMITMENT WITHIN SAID SIXTY (60) DAY PERIOD. THIS PROVISION ALLOWS SPONSOR TO CANCEL THE PURCHASE AGREEMENT ONLY IF SUCH PURCHASER FAILS TO OBTAIN A LOAN COMMITMENT FROM A LENDER CHOSEN BY SUCH PURCHASER WITHIN SAID SIXTY (60) DAY PERIOD. IF SPONSOR DOES NOT ELECT TO CANCEL, SUCH PURCHASER SHALL NOT BE RELIEVED FROM THE FINANCING RISKS SET FORTH IN PARAGRAPH “b” ABOVE NOR EXCUSED FROM THE OBLIGATION TO PAY THE FULL PURCHASE PRICE OF THE APARTMENT ON THE DATE SCHEDULED BY SPONSOR FOR CLOSING TITLE, REGARDLESS OF SUCH PURCHASER’S ABILITY TO OBTAIN MORTGAGE FINANCING.

(d) True Cash Sale Endorsement. If a Market-Rate Apartment Purchaser has no intention to seek financing from any lender, then such Purchaser is required to sign the “True Cash Sale Endorsement,” in the form attached to the Purchase Agreement (located in Part II of this Plan), which excuses such Purchaser from the obligation to complete and return the TBI Mortgage Application. By signing the True Cash Sale Endorsement, such Purchaser will lose the opportunity to seek financing from TBI and such Purchaser’s desire to purchase a Market-Rate Apartment will be evaluated on such Purchaser’s present financial ability to complete the purchase without financing.

(e) TBI Mortgage Application and True Cash Sale Subject to Governmental Requirements. The TBI Mortgage Application and the True Cash Sale Endorsement are subject to compliance with the regulations, directives, opinions and requirements of governmental authorities having jurisdiction (collectively “Governmental Requirements”). This Plan will be amended to disclose any changes to such instruments due to changes to, or the promulgation of new Governmental Requirements and any appeals or court actions involving TBI in which preliminary relief is granted with respect thereto. Further, this Plan will be amended in the event that new Governmental Requirements are issued which prohibit TBI from requiring a Purchaser to make an application for a mortgage to TBI when Purchaser applies to another lender. Please refer to the Section entitled “Procedure to Purchase and Close” in Part I of this Plan for further discussion.

11. The Purchase Agreement to be used with respect to sales of Market-Rate Apartments pursuant to this Plan imposes on Market-Rate Apartment Purchasers the obligation to pay the New York City Real Property Transfer Tax and the New York State Real Estate Transfer Tax due in connection with the sale of an Apartment. In the absence of such a contractual provision, payment of these transfer taxes ordinarily would be a
seller's obligation. Sponsor advises Market-Rate Apartment Purchasers, however, that it is customary in the City of New York for this obligation to be imposed upon purchasers by sponsors for the sale of market-rate residential cooperative apartments. Pursuant to a Section 421-a Restrictive Declaration that will be recorded against the Property, Sponsor will pay the New York City and the New York State Real Property Transfer Taxes with respect to its conveyance of the Shares appurtenant to the 421-a Affordable Apartments. Please refer to the Section this Plan entitled "Closing Costs and Adjustments" for further details.

12. The Purchase Agreement provides that all disputes including, but not limited to, disputes concerning breach of contract, express and implied warranties, personal injuries and/or illness, mold-related claims, representations and/or omissions by Sponsor, on-site and off-site conditions and all other torts and statutory causes of action ("Claims") shall be resolved by binding arbitration in New York County in accordance with the rules and procedures of Arbitration of the American Arbitration Association or its successor or an equivalent organization mutually agreed upon by the parties. In addition, the Purchase Agreement provides that Purchaser may not initiate any arbitration proceeding for any Claim(s) unless and until Purchaser has first given Sponsor specific written notice of each claim and given Sponsor a reasonable opportunity after such notice to cure any default, including the repair of the Apartment(s), in accordance with the Offering Plan. Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor’s rights and enforcing Purchaser’s obligations under the Purchase Agreement. The arbitrator will be neutral and independent of both the Sponsor and its principals.

PURCHASER SHALL BE OBLIGATED TO REIMBURSE SPONSOR FOR ANY LEGAL FEES AND DISBURSEMENTS INCURRED BY SPONSOR IN DEFENDING SPONSOR’S RIGHTS AND ENFORCING PURCHASER’S OBLIGATIONS UNDER THE PURCHASE AGREEMENT.

13. In order to facilitate Closing on the Apartments by as many Purchasers as possible by the Cooperative Conversion Date, Sponsor may require Purchasers to Pre-Close under their Purchase Agreements after the Effective Date. At least two (2) days prior to the scheduled Pre-Closing Sponsor will advise Purchaser of a date and time when Purchaser may inspect the Apartment. At such inspection, the Purchaser will be required to sign, date, complete and deliver to the Sponsor's representative an Inspection Statement, in which the Purchaser will acknowledge the condition in which he/she found the Apartment on such date. If the Purchaser elects not to inspect his/her Apartment, he/she will not be excused from paying the balance of the Purchase Price and will be deemed to accept the Apartment in its "as is" condition, subject to Sponsor’s obligation to correct defects in construction as set forth in this Plan. Please refer to the Section of this Plan entitled "Procedure to Purchase and Close" for further details.

14. If Purchaser shall fail to pay any portion of the Purchase Price (including, but not limited to, all fees and transfer taxes, where applicable) when due, fail to execute the required documents on the date, hour and place specified by Sponsor or fail to perform any of Purchaser's other obligations, including, without limitation, the obligation
to furnish any lender promptly with such information as such lender may require, and the
obligation to accept a loan commitment, such failure shall constitute a default by
Purchaser, and Sponsor may send notice to Purchaser of Sponsor's intention to cancel the
Purchase Agreement if such default is not timely cured. **TIME IS OF THE ESSENCE FOR PURCHASER TO CURE ANY DEFAULT UNDER THE PURCHASE AGREEMENT WITHIN THE APPLICABLE PERIOD.** "Time is of the essence" means that if such default is not cured within thirty (30) days after Sponsor gives notice to Purchaser of such default, Sponsor may, at its option, cancel the Purchase Agreement and retain, as liquidated damages, the Down Payment made by Purchaser together with interest earned thereon, if any, and the Purchase Agreement shall become null and void. **Please refer to the Section of this Plan entitled "Procedure to Purchase and Close" for further details.**

15. If a Purchaser fails for any reason to Pre-Close or Close on their Apartment on the originally scheduled Closing Date or Pre-Closing Date the Closing apportionments between the Purchaser and Sponsor will be made as of midnight of the day of the originally scheduled Pre-Closing Date or Closing Date, regardless of when the actual Closing occurs. **Please refer to the Section of this Plan entitled "Procedure to Purchase and Close" for further details.**

16. If the net closing adjustments in favor of the Sponsor exceed the balance of the Working Capital Fund, the payment of the balance owing, after exhaustion of the Working Capital Fund, shall be deferred and paid by the Apartment Corporation to the Sponsor in twelve (12) equal consecutive monthly installments commencing one (1) month after the Cooperative Conversion Date, at an interest rate of five (5%) percent per annum evidenced by a negotiable promissory note (with provision for acceleration in the event of a default). In such an event there may be an increase in the Maintenance Charges to cover the monthly payment plus interest. **Please refer to the Section of this Plan entitled “Working Capital Fund and Building Reserve Fund” for further details.**

17. The projected commencement date of the Apartment Corporation’s first year operating budget is January 1, 2018. If the projected commencement date of the first year of cooperative operation in the Plan differs by six (6) months or more from the projected Cooperative Conversion Date, the Plan will be amended to include a revised budget disclosing the then current budget projections. If the projected Maintenance Charges under the revised budget exceed the projected Maintenance Charges in the budget by twenty-five (25%) percent or more, the Sponsor will offer all Purchasers the right, for fifteen (15) days after the Presentation Date of such amendment, to rescind their Purchase Agreements and have their Down Payments refunded to them.

18. Prospective Purchasers are advised that all deposits and Down Payments will be held in the escrow account maintained at Citibank, N.A. by Seiden & Schein, P.C., as escrow agent (the “Escrow Account”). The Escrow Account is federally insured by the FDIC to the maximum amount of $250,000. Such $250,000 coverage includes, in the aggregate, the Down Payment, plus any and all other deposits that Purchaser has on account at Citibank, N.A. Any Purchaser deposits at Citibank, N.A. (including the Down Payment) which, in the aggregate, exceed $250,000 will not be insured by the FDIC. In
accordance with this Plan, Sponsor reserves the right, in its sole discretion, to utilize Down Payments after such Down Payments have been secured with surety bonds. All Down Payments received after the Filing Date, shall be initially placed, within five (5) business days after the Purchase Agreement has been signed by Purchaser and Sponsor, in a segregated special escrow account titled, “Seiden & Schein, P.C., Attorney Account”. Such funds shall be released by Seiden & Schein, P.C., as escrow agent, to the Sponsor upon Purchaser’s receipt of a copy of a surety bond in the amount of the Purchaser’s Down Payment. The surety bond shall remain in full force and effect until the earlier of the conveyance of title of the subject Apartment; an undisputed default by the Purchaser and cancellation of the Purchase Agreement; or mutual consent of the Purchaser and Sponsor. Upon the issuance of the surety bond, the Purchaser’s Down Payment shall be released from escrow.

19. Sponsor shall cause an application for a partial exemption from real estate taxes pursuant to Section 421-a of the Real Property Tax Law ("421-a Benefits") to be made with the New York City Department of Housing and Preservation. Sponsor’s counsel, Seiden & Schein, P.C. ("Sponsor’s Counsel"), has drafted an opinion, but not a guarantee, for Sponsor which states that that the Property will be eligible for twenty (20) year final 421-a Benefits. In the event that 421-a Benefits are not granted for any reason, then the real estate tax obligation for the Apartments will be based on the Property’s assessed valuation, as determined by the New York City Department of Finance, multiplied by the then-applicable tax rate and, as a result, real estate taxes would be substantially higher than if the Section 421-a Benefits had been granted. In such event, Sponsor will offer all 421-a Affordable Apartment Purchasers the right to rescind their Purchase Agreements. However, Market-Rate Apartment Purchasers shall be obligated to close title to the Shares irrespective of whether 421-a Benefits are granted. See the section of the Plan entitled “Counsel’s 421-a Real Estate Tax Benefits Opinion” in Part I of this Plan for further details.

20. Prospective Purchasers are advised that certain Building amenities such as, but not limited to, the gym, spa, yoga studio, and pet spa may not be available until after the Cooperative Conversion Date. However, even if some or all Building amenities are not available, the Board of Directors will have the right to collect Maintenance at the level disclosed in this Plan.

21. Under this Plan, the consent of the Board of Directors of the Apartment Corporation is not required for any sale or lease of an Apartment. The sole right of the Apartment Corporation with respect to the proposed sale or lease of an Apartment is a right of first refusal to purchase or lease such Apartment on the same terms of the proposed sale or lease. Please refer to the Section of this Plan titled “Summary of Proprietary Lease” for further details.

22. Sponsor and all other Holders of Unsold Shares will have special rights under this Plan. Among those rights are (i) the right to sublet its Apartment or sell its Shares and Proprietary Lease without being subject to any rights of first refusal, (ii) the right to use its Apartment as a model Apartment or office, (iii) the right to display certain signs, (iv) the right, subject to certain restrictions, to alter the layout of his Apartment,
and (v) the right to be indemnified by the Apartment Corporation for liabilities arising from certain events. Please refer to the Section of this Plan entitled “Unsold Shares” for further detail.

23. So long as the Unsold Shares constitute fifteen (15%) percent or more of the outstanding shares of the Apartment Corporation, but not later than five years from the Cooperative Conversion Date, the Board of Directors shall not take any of the following actions unless Holders of Unsold Shares unanimously approve same in writing or by vote, in person or by proxy, at a duly constituted meeting called for such purpose: (i) hire any employee in addition to the employees enumerated in "Schedule B - Budget for First Year of Cooperative Operation"; (ii) provide for new or additional services from those being provided on the Cooperative Conversion Date, unless the annual cost of such new or additional services, when added to the annual cost of all other services being provided, is no greater than that provided upon commencement of cooperative operation; (iii) impose any rent, maintenance, assessment or other charge (regular or special) for the purpose of making any capital or major improvement or addition, unless required by law or necessary for health and safety (but not the general comfort or welfare) of Tenant-Shareholders; or (iv) establish any reserves in addition to the Working Capital Fund, including without limitation, a reserve for contingencies, repairs, improvements or replacements. Notwithstanding the foregoing, the Apartment Corporation may take any of the actions enumerated in clauses (i) through (iv) above; (a) after the fifth anniversary of the Cooperative Conversion Date, (b) if required under any mortgage encumbering the Building, or (c) to comply with applicable laws or regulations. Please refer to the Section of this Plan entitled “Unsold Shares” for further details.

24. Market-Rate Apartment Purchasers shall be required to make a contribution (or to reimburse Sponsor for its contribution), at Closing, to the Working Capital Fund. The contribution to the Working Capital Fund shall be equal to two times the monthly Maintenance for such Purchaser’s Apartment. The Working Capital Fund will be used by the Apartment Corporation to pay net closing adjustments in favor of the Sponsor for items including, but not limited to, utilities and initial equipment and supplies. Prospective Purchasers are advised that a reserve fund is not being established for the first year of Cooperative operation. However, the Board may, in its discretion, and subject to certain restrictions contained in the By-Laws, decide to establish a reserve fund. Purchasers are further advised that if capital expenditures are incurred, such expenses will be paid from the operating budget of the Cooperative or through Special Assessments. Please refer to the Section of this Plan entitled “Working Capital Fund and Building Reserve Fund” for further details.

25. Each Apartment has been measured horizontally from the exterior side of the exterior walls to the center line of public corridors, stairs or elevator shaft. Columns, mechanical pipes, shafts, chases and conduits are not deducted from the measurements of each Apartment. Since the area calculations are not based upon measurements from interior surfaces of interior walls, the usable floor area of the Apartments is less than the area listed in Schedule A. Schedule A is located in Part I of this Plan. All Apartment dimensions and square footage calculations disclosed in Schedule A are approximate and subject to normal construction variances and tolerances.
26. Due to the size of the Building and the complex process of constructing a building in general, prospective Purchasers are advised that for a period of time following the Cooperative Conversion Date construction on and within the Building will likely be ongoing. During at least the first year of the Apartment Corporation’s operation, construction workers will likely be on site performing construction work on various parts of the Building. As such, prospective Purchasers are advised that the Building’s systems, including, but not limited to, the elevator, heating, cooling, air conditioning ventilation system, and water system may be disrupted from time to time. Prospective Purchasers are advised that all of the foregoing work may be noisy and disruptive while being performed. In addition, prospective Purchasers are advised that the decoration and finishing of the common areas of the Building, including, but not limited to, the lobby and Building corridors may not be fully complete at the time of the Cooperative Conversion Date, and may, in fact, proceed for some time after the Cooperative Conversion Date, as each floor of the Building is completed. Further, certain Building amenities such as, but not limited to, the fitness center, the yoga room and the spa may not be available until after the Cooperative Conversion Date. However, even if some or all Building amenities are not available, the Board of Directors will have the right to collect Maintenance at the level disclosed in this Plan.

27. Pursuant to the terms of this Plan Sponsor has the right (in its sole and absolute discretion), but not the obligation, to cause Maintenance not to be charged to Shareholders for so long as Sponsor pays the actual expenses of the Apartment Corporation, in lieu of Maintenance, from the date of the Cooperative Conversion Date up until such time as title to fifty percent (50%) of the Apartments have been conveyed by Sponsor to third-party Purchasers. In the event that Sponsor makes such election, Maintenance will not be assessed by the Board of Directors to any Shareholders. At such time that Sponsor causes the Board of Directors to assess Maintenance, each Shareholder, including Sponsor, shall pay Maintenance, as discussed in this Plan.

In the event that Sponsor delays the collection of Maintenance, during such delay Sponsor will timely pay all expenses of the Apartment Corporation, including but not limited to, rent due under the Ground Lease, insurance premiums and Sponsor’s pro rata share of the contingency fund contribution. Sponsor shall remain obligated, during such delay, to update the budget for the Apartment Corporation. In the event Sponsor elects to delay the collection of Maintenance, it will disclose such fact in the Closing notice to Purchasers and will further disclose such fact in the post-Closing amendment to the Offering Plan. Such amendment will also disclose the anticipated period of delay. Sponsor will notify all Shareholders in writing of the expiration of the delay period at least thirty (30) days prior to the commencement of collection of Maintenance and will disclose such fact in the following amendment to the Offering Plan. Please refer to the Section entitled “Rights and Obligations Rights and Obligations of Sponsor” in Part I of this Plan.

28. While Apartments are being offered for sale or lease by Sponsor or its designees, there will be a greater number of visitors to the Building than would otherwise be the case. No representation or warranty is made and no assurance is given as to when such selling or leasing activity will terminate. Neither Sponsor or its designee nor the
Managing Agent shall be liable or responsible for any personal injury or for any loss or
damage to personal property which may result from the failure of the Apartment
Corporation’s security systems and procedures, including, without limitation, those
procedures with regard to any delivery of packages, provided that any such failure is not
caused by the negligence of Sponsor or its designees, the Managing Agent or their
respective agents.

29. After completion of construction, the Sponsor will apply for a Certificate
of Occupancy from the New York City Department of Buildings for the Building. The
Sponsor will obtain a Temporary Certificate of Occupancy prior to the Cooperative
Conversion Date and will seek to obtain a Final Certificate of Occupancy (“FCO”) within
two (2) years of the issuance of first Temporary Certificate of Occupancy for the
Building, barring delays caused by force majeure or other reasons beyond the control of
Sponsor. If the Cooperative Conversion Date occurs prior to the issuance of an FCO for
the Building, Sponsor shall maintain in escrow an amount reasonably necessary to
complete the work required to obtain an FCO, as determined and certified by Sponsor’s
architect. Purchasers are encouraged to review the New York City Department of
Buildings Website for information on Certificates of Occupancy. Please refer to the
Sections entitled “Description of Property and Improvements” and “Rights and
Obligations of Sponsor” in Part I of this Plan.

30. Purchasers are advised that in New York City, newly constructed and
newly renovated buildings are sometimes offered as cooperative living projects without a
Final Certificate of Occupancy (“FCO”) covering the entire building but with only a
Temporary Certificate of Occupancy (“TCO”), and sometimes with several successive
TCOs. Certificates of Occupancy are generally governed by Section 301 of the New
York Multiple Dwelling Law and local building codes and rules. Both TCOs and FCOs
are issued by the New York City Department of Buildings (“DOB”). A TCO is intended
to indicate that the property is safe for occupancy, but means that not all of the
construction work and/or inspections have been performed, or that not all of the required
documents have been submitted to the DOB. All TCOs have an expiration date. A TCO
typically expires ninety (90) days after the date of its issuance. When a TCO expires and
is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell
Apartments. In New York City, it is common for sponsors to commence closings when
some or all of the apartments are covered by a TCO rather than an FCO. Sponsor
anticipates that this scenario may occur. Sponsor and its principals will undertake the
responsibility for extending each TCO received prior to expiration thereof, and make
reasonable efforts to obtain a FCO which covers the entire Building within two (2) years
from the date of issuance of the first TCO. However, Sponsor and its principals make no
representation or guarantee that DOB will issue the FCO within such two (2) year period.
Shareholders and the Board of Directors shall be obligated to cooperate with and refrain
from obstructing Sponsor in these undertakings.

Sponsor will maintain sufficient funds in escrow to cover the anticipated cost of
obtaining a FCO. In the absence of a FCO or TCO it is unlawful to reside in an
Apartment and will be difficult for Shareholders or Purchasers to obtain financing.
31. Purchasers should note that even if the first closing occurs on or before January 1, 2018 (or such other date that projected as the date of commencement of cooperative operation at the time that the Purchase Agreement is entered into) or within the twelve-month period thereafter, the closing of title subsequent Apartments may be substantially delayed beyond such dates if a TCO has not been issued for such Apartments or for the floor on which such Apartments are located. In such case, provided that Sponsor is diligently pursuing completion of construction and the issuance of a TCO, and is otherwise in compliance with its obligations under this Plan, Purchasers will not be entitled to a right of rescission or to make claims against Sponsor for damages or losses as a result of such delays and will not be excused from paying the full purchase price for the Apartment. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE AN APARTMENT.

For additional guidance, refer to the Department of Law memo on delay in first closings in newly constructed condominiums and rescission, available at:


32. Sponsor shall install an emergency generator to provide electrical power to certain common areas of the Building, and to a limited extent, the Apartments. The emergency generator is not capable of running all systems in the Building. During a power outage the emergency generator is capable of running one (1) elevator, exit signs, the fire alarm system, the gas booster system, the domestic water booster pumps, the sewage ejector pump, the sump pump, one (1) convenience outlet in each Apartment and stairwell lighting and lighting in certain other common areas of the Building. No representation is made as to the duration of time that the emergency generator will be able to provide emergency power to the Building in the event of a power outage.

33. Pursuant to the building plans that have been filed with the New York City Department of Buildings, the bulkhead roof shall contain certain mechanical equipment including, but not limited to, heating and air conditioning equipment, and the emergency power generator which will service portions of the Building. While Sponsor has taken precautions to dampen noise and vibrations generated by such rooftop mechanical equipment, Shareholders are hereby advised that noise and/or vibrations may nevertheless be sensed in certain Apartments. Noise and/or vibrations that may be experienced in Apartments are not, and shall not be construed as, a construction defect. The sole obligation of Sponsor and the Boards with respect to such noise and/or vibration shall be to install and operate such equipment in a manner consistent with commercially reasonable practices in typical luxury high-rise residential or mixed-use buildings and in compliance with applicable Law, including the New York City Building Code. Please refer to the Section entitled “Description of Property and Improvements” in Part I of this Plan.

34. The Building will be located in a densely populated urban environment. Sponsor is not responsible for, makes no guarantees regarding and shall have no liability
to Shareholders with respect to the level of noise or vibrations or odors from outside the Building or resulting from the operation of the Building or the Apartments or the degree of privacy which will be afforded to Shareholders on their terraces and balconies.

35. The Building will be located in a Landmark district (Greenwich Village Historic District). Due to its Landmark status, Shareholders (with respect to Apartments) and the Apartment Corporation (with respect to all other areas of the Building) must obtain the approval of the New York City Landmarks Preservation Commission prior to undertaking any modifications to the exterior or interior of the Building.

36. On the Cooperative Conversion Date, Sponsor may reserve the right to (a) install, utilize, operate, maintain, repair, alter, rebuild, restore and replace satellite dishes, cell phone towers, antennae and similar equipment (collectively, the “Installations”) on the roof and facade of the Building and to retain any and all income derived therefrom, (b) to enter upon any Apartment or elsewhere on the Property to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the Installations as may be necessary or appropriate, and (c) to grant such rights to do any of the foregoing to its designees, assignees and licensees. The Apartment Corporation shall not be entitled to any portion of fees, compensation or other profits received by Sponsor, its designees, assignees or licensees for the use of the Installations. Any and all Installations placed upon the roof and the facade of the Building by Sponsor, its designees, assignees or licensees shall be the exclusive property of Sponsor, its designees, assignees or licensees and neither the Apartment Corporation nor any Shareholder or occupant shall have any rights with respect thereto. Notwithstanding the foregoing, access to an Apartment in furtherance of the Installations and the rights reserved thereby with respect thereto shall be exercised in a manner so as to not unreasonably interfere with the use of the Apartments for their permitted purposes. Such entry shall be permitted on not less than one day’s notice, except that no notice is necessary in the case of an emergency.

37. Prospective Purchasers are advised that pursuant to the Ground Lease the Apartment Corporation shall be required to rebuild the Building no matter the severity of any damage to the Building as a result of any casualty, and that any such casualty loss shall not give rise to any ability of the Apartment Corporation to terminate or cancel the Ground Lease. In the event that sufficient insurance funds are not available to repair or rebuild the Building after a fire or other casualty, and the Apartment Corporation has insufficient reserves to cover the cost of such repair or rebuilding, then the Apartment Corporation may impose one or more Special Assessments on each Shareholder to cover such cost. Please refer to the Section this Plan entitled “Summary of Ground Lease” for further details.
WITH RESPECT TO 421-A AFFORDABLE APARTMENTS:

1. In order to qualify the Property for a partial real estate tax exemption under section 421-a of the New York State Real Property Tax Law (“421-a Benefits”) and to qualify for a grant award from the New York State Affordable Housing Corporation (“AHC”) to partially finance the construction of the 421-a Affordable Apartments, seven (7) of the Apartments (herein referred to as “421-a Affordable Apartments”) are being offered to Eligible Purchasers whose annual household income is no greater than 125% of the Area Median Income (“AMI”). The program that governs the sale and ownership of the 421-a Affordable Apartments imposes certain obligations and risks on the 421-a Affordable Shareholders, as discussed in this “Special Risks” section of the Plan, and elsewhere in this Plan.

2. Pursuant to the 421-a Rules, at the time of the initial sale of the 421-a Affordable Apartments (Apartments 1A, 1B, 1C, 1D, 1E, 2D and 2E), the offering prices were established so that the sum of Maintenance (including real estate taxes with Section 421-a benefits) and co-op loan payments, including principal and interest (assuming that the mortgage constitutes 90% of the Purchase Price at the prevailing rate of interest) do not exceed thirty percent (30%) of 125% of AMI, adjusted for family size. In order to comply with the 421-a Rules, Sponsor caused fewer Shares for the 421-a Affordable Apartments to be issued than were issued for the Market-Rate Apartments, relative to Apartment size. However, on or after the twentieth anniversary of the Cooperative Conversion Date, the Board of Directors of the Apartment Corporation will be authorized by Section 8.9 of the By-Laws to issue additional Shares to Apartments 1A, 1B, 1C, 1D, 1E, 2D and 2E, provided that the Apartment has been sold by Sponsor. The additional Shares to be allocated to such Apartments shall be calculated by dividing the square foot area of such Apartments, as provided in the last amended Schedule A to the Offering Plan prior to the issuance of such additional Shares (“Schedule A”), by the total square foot area of all Apartments in the Building, as provided in Schedule A, multiplied by 1000, less the number of Shares allocated to Apartments 1A, 1B, 1C, 1D, 1E, 2D and 2E, respectively, in Schedule A. THE ISSUANCE OF ADDITIONAL SHARES TO APARTMENTS 1A, 1B, 1C, 1D, 1E, 2D AND 2E WILL THEN CAUSE THE MAINTENANCE THAT WILL BE CHARGED TO SUCH APARTMENTS TO INCREASE SIGNIFICANTLY. SPONSOR MAKES NO REPRESENTATION AS TO THE EXTENT OF SUCH MAINTENANCE INCREASE. Please also see the section of this Plan entitled “Introduction” and “421-a Affordable Apartments”.

3. Pursuant to the AHC Grant Enforcement Note and Security Agreement to which each 421-a Affordable Apartment shall be subject, for a period of twenty (20) years from the Closing Date of each 421-a Affordable Apartment all re-sales of 421-a Affordable Apartments shall be made exclusively to persons with (i) assets that do not exceed thirty-five percent (35%) the average total development cost of the 421-a Affordable Apartment being purchased (the “Asset Test”). Such development cost shall be provided by the Housing Partnership Development Corporation, 242 West 36th Street, 3rd Floor, New York, New York 10018 (the “Housing Partnership”); and (ii) an annual household income of not more than 125% of AMI at a re-sale price that shall not exceed...
the re-seller’s purchase price for acquiring such 421-a Affordable Apartment, plus an Adjustment for Inflation, as defined herein (the “Income Test”). The “Adjustment for Inflation” shall be calculated by multiplying the re-seller’s purchase price to acquire the 421-a Affordable Apartment by a fraction, the numerator of which shall be the Consumer Price Index for the full calendar month immediately preceding the date of such adjustment, and the denominator of which shall be the Consumer Price Index for the date that such re-seller acquired title to such 421-a Affordable Apartment. The “Consumer Price Index” shall mean the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the United States Department of Labor, New York, New York Northeastern New Jersey Area, All Items (1982-84 = 100), or any successor index thereto, appropriately adjusted. If the Consumer Price Index ceases to be published, and there is no successor thereto, such other reasonably similar index as is designated by the Board of Directors shall be substituted for the Consumer Price Index. For the purpose of calculating the re-sale price of a 421-a Affordable Apartment, the re-seller’s purchase price to acquire a 421-a Affordable Apartment shall not include the closing costs associated with the acquisition of such 421-a Affordable Apartment. The Board of Directors shall perform the Asset Test and the Income Test and it shall certify the assets and annual household income of all 421-a Affordable Apartment re-sale purchasers and the re-sale purchase price of all 421-a Affordable Apartments simultaneously with its exercise or waiver of its right of first refusal. In addition, the Board of Directors shall, prior to the execution of a re-sale contract for such 421-a Affordable Apartment, certify the assets and income of such re-sale purchaser to the Housing Partnership, or any successor entity that is then administering the AHC Grant Enforcement Note and Security Agreement, and the Housing Partnership, or its successor, shall act in good faith with respect to reviewing each application for the re-sale of each 421-a Affordable Apartment to determine whether such re-sale is to a person or persons who comply with the requirements disclosed in this paragraph. Please refer to the Section entitled “421-a Affordable Apartments” in Part I of this Plan.

4. No 421-a Affordable Apartment may be subleased until the later of (i) such time as the portion of the AHC Grant Enforcement Note and Security Agreement that encumbers such 421-a Affordable Apartment has been satisfied or (ii) twenty (20) years from the Cooperative Conversion Date. Please refer to the Sections entitled “421-a Affordable Apartments” in Part I of this Plan.

5. The 421-a Rules are silent as to any income and price restrictions on re-sale purchasers of 421-a Affordable Apartments. Therefore, after twenty (20) years from the Cooperative Conversation Date, and once the AHC Grant Enforcement Note and Security Agreement for the applicable 421-a Affordable Apartments have been satisfied, Sponsor assumes that there will be no income, asset and re-sale price restrictions on the 421-a Affordable Apartments. However, Sponsor makes no representation, guarantee or warranty that the 421-a Rules or other Laws will not be amended at some future date to provide for income, asset and re-sale price restrictions on 421-a Affordable Apartments.
6. (a) A 421-a Affordable Apartment Purchaser who desires mortgage financing shall in good faith make a truthful and complete loan application to TBI Mortgage Company (“TBI”), 250 Gibraltar Road, Horsham, Pennsylvania, 19044, (Telephone: 1-866-327-8173) at no cost to 421-a Affordable Apartment Purchaser within five (5) days after the date on which a fully-executed copy of the Purchase Agreement is delivered to Purchaser’s attorney (the “Contract Date”). 421-a Affordable Apartment Purchaser may also submit an application, at 421-a Affordable Purchaser’s own expense, to any mortgage lender of Purchaser’s choosing, as disclosed below. If 421-a Affordable Apartment Purchaser chooses to apply to a lender other than TBI, 421-a Affordable Apartment Purchaser shall, within five (5) days after the Contract Date, complete and return to Sponsor the Request for Lender Information form that is attached as an exhibit to the Purchase Agreement.

(b) The Purchase Agreement contains a mortgage commitment contingency provision. The mortgage commitment contingency provision in the Purchase Agreement is conditioned upon 421-a Affordable Apartment Purchaser obtaining a written mortgage loan commitment from an Institutional Lender (as defined below, and hereinafter the “Lender”) in an amount which shall not exceed 90% of the Purchase Price, for a term of not more than 30 years at the prevailing fixed or variable rate of interest (the “Commitment”).

(c) Purchaser shall in good faith submit an application for a Commitment (the “Loan Application”) to an Institutional Lender (the “Lender”) within ten (10) business days after the date on which a fully-executed copy of the Purchase Agreement is delivered to Purchaser’s attorney (the “Contract Date”) and Purchaser shall promptly submit to the Lender, or as the Lender may direct, all required fees, information and supporting documents necessary for processing the Loan Application. Purchaser shall deliver to Sponsor evidence, in writing, of Purchaser’s submission of the Loan Application to the Lender no later than ten (10) business days after the Contract Date (the “Loan Application Notice”). In the event that Purchaser does not deliver the Loan Application Notice to Sponsor by the date which is ten (10) business days after the Contract Date, Sponsor shall have the right, but not the obligation, to cancel the Purchase Agreement and return Purchaser’s Down Payment and all interest accrued thereon, and the parties shall have no further rights or obligations to one another with respect to the Purchase Agreement.

(d) Purchaser shall have forty-five (45) days after the Contract Date to obtain a Commitment for mortgage financing. In the event that Purchaser receives a declination letter for a Commitment from the Lender and delivers a copy thereof to Sponsor within two (2) business days after the expiration of such forty-five (45) day period, Sponsor shall declare the Purchase Agreement null and void pursuant to written notice to Purchaser at which time Purchaser shall receive a refund of the Down Payment, plus all interest accrued.

(e) In the event that Purchaser does not obtain and deliver to Sponsor either a Commitment letter or a declination letter from the Lender within two (2) business
days after the expiration of such forty-five (45) day time period, Sponsor shall have the option to either, (i) extend such forty-five (45) day period by fifteen (15) days to give the Purchaser a total of sixty (60) days from the Contract Date to obtain a Commitment, or (ii) declare the Purchase Agreement null and void pursuant to written notice to Purchaser at which time Purchaser shall receive a refund of the Down Payment, plus all interest accrued.

(f) In the event that Sponsor elects to extend Purchaser’s time period to obtain a Commitment to a total of sixty (60) days from the Contract Date and Purchaser fails to obtain and deliver a copy of the Commitment to Sponsor within two (2) business days after the expiration of such sixty (60) day time period, or delivers a declination letter from the Lender to Sponsor within two (2) business days after such sixty (60) day time period, Sponsor shall declare the Purchase Agreement null and void pursuant to written notice to Purchaser at which time Purchaser shall receive a refund of the Down Payment, plus all interest accrued.

(g) No other financing contingency is permitted by the Purchase Agreement. Notwithstanding anything to the contrary contained herein, Sponsor shall have no obligation to secure a Commitment for Purchaser. Additionally, failure of Purchaser to comply with the terms and conditions of the Commitment which are unrelated to Sponsor’s responsibility to perform under the terms of the Plan does not relieve Purchaser of its obligation to close title to the Unit.

(h) Purchaser is obligated to maintain Purchaser’s Commitment in effect until the Closing, including applying for an extension of such Commitment to the same Institutional Lender. Notwithstanding such obligation, in the event that the Commitment expires solely because Sponsor is not ready, willing, and able to close on title to the Unit, the following provisions shall apply:

(1) If the Commitment can only be extended on the same terms with the payment of money, Purchaser shall so inform Sponsor by written notice. Sponsor shall have the option to make such payment(s). Sponsor shall inform Purchaser of whether Sponsor has exercised such option by written notice no later than (10) days after receipt of such written notice from Purchaser. If Sponsor determines not to make such payment(s), Purchaser shall have the option to either (i) make such payment(s) and close on title to the Unit or (ii) terminate the Purchase Agreement upon written notice to Sponsor, which notice shall be delivered to Sponsor no later than ten (10) days after receipt of such written notice from Sponsor, and receive a refund of the down payment plus any interest accrued.

(2) If the Commitment can only be extended at a higher interest rate (with or without an extension fee), Purchaser shall so inform Sponsor by written notice. Sponsor shall have the option to pay such extension fee, if any, and/or buy down the interest rate (if a buy down is permitted by the Institutional Lender). Sponsor shall inform Purchaser of whether Sponsor has exercised such option by written notice no later than (10) days after receipt of such written notice from Purchaser. If Sponsor determines not to make such payment(s), Purchaser shall have the option to
either (i) make such payments (to the extent permitted by the Institutional Lender) and close on title to the Unit or (ii) terminate the Purchase Agreement upon written notice to Sponsor, which notice shall be delivered no later than ten (10) days after receipt of such written notice from Sponsor, and receive a refund of the down payment plus any interest accrued.

(i) SPONSOR’S EXECUTION OF THE PURCHASE AGREEMENT SHALL BE CONDITIONED ON PURCHASER’S DELIVERY TO SPONSOR OF A LETTER FROM AN INSTITUTIONAL LENDER WHICH STATES THAT PURCHASER HAS PRE-QUALIFIED FOR A MORTGAGE LOAN.

(j) In the event that the Institutional Lender fails to fund the loan for any reason, other than by reason of Purchaser’s acts, omissions or delay or bad faith, Purchaser shall deliver written notice to Sponsor which notice must cite the reason(s) that the Lender will not fund and which must give Sponsor not less than ten (10) business days from actual receipt of the notice an opportunity to cause the Institutional Lender to agree to fund. If Sponsor is able to cause the Institutional Lender to fund, title to the Unit shall close in accordance with the Purchase Agreement. If Sponsor is unable to cause the Institutional Lender to fund, Sponsor shall return to Purchaser the Down Payment and all interest accrued.

(k) For the purposes hereof, the term “Institutional Lender” means any of the following that is authorized under Federal or New York State law to issue a mortgage loan secured by the Unit and is currently extending similarly secured loan commitments in the county where the Unit is located: a local, state, or federal agency, savings bank, commercial bank, life insurance company, public real estate investment company, pension fund, or other lender approved by HPD.
## DEFINITIONS

Definitions of certain important terms used in this Plan are set forth below or otherwise defined in this Plan.

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>“421-a Affordable Apartment”</strong>:</td>
<td>One of seven (7) Apartments that are being offered to Eligible Purchasers whose income is no greater than 125% of AMI pursuant to Section 421-a of the New York State Real Property Tax Law and Title 28 Section 6-09 of the Rules of the City of New York (collectively, “421-a Affordable Apartments”).</td>
</tr>
<tr>
<td><strong>“421-a Affordable Apartment Purchase Agreement”</strong>:</td>
<td>A written agreement to purchase the Shares and the Proprietary Lease appurtenant to a 421-a Affordable Apartment.</td>
</tr>
<tr>
<td><strong>“421-a Affordable Apartment Purchaser”</strong>:</td>
<td>Any Person who has entered into a Purchase Agreement with Sponsor to purchase a 421-a Affordable Apartment which has not been terminated or cancelled.</td>
</tr>
<tr>
<td><strong>“421-a Affordable Apartment Shareholder”</strong>:</td>
<td>Any Shareholder that has executed a Proprietary Lease for a 421-a Affordable Apartment. All such Shareholders are herein collectively referred to as “421-a Affordable Shareholders”.</td>
</tr>
<tr>
<td><strong>“421-a Benefits”</strong>:</td>
<td>A partial real estate tax exemption that is issued pursuant to Section 421-a of the New York State Real Property Tax Law, in accordance with the 421-a Rules.</td>
</tr>
<tr>
<td><strong>“421-a Rules”</strong>:</td>
<td>28 RCNY §§6-01 through 6-09.</td>
</tr>
<tr>
<td><strong>“421-a Sponsor Sales Affordability Period”</strong>:</td>
<td>Pursuant to the 421-a Restrictive Declaration, in the event that Sponsor continues to own any Unsold 421-a Affordable Apartments within thirty-five (35) years after the completion of construction of the Building, as evidenced by the issuance of at least a Temporary Certificate of Occupancy which covers all Apartments, the period during which Sponsor must to continue to offer such 421-a Affordable Apartments for sale to persons</td>
</tr>
</tbody>
</table>
"AHC": The New York State Affordable Housing Corporation.

"AHC Asset Test": The requirement that a Purchaser’s assets do not exceed 35% of the average total development costs for a 421-a Affordable Apartment.

"AHC Eligible Purchaser": A 421-a Affordable Apartment Purchaser (a) whose annual household income is not greater than 125% of AMI and (b) who meets the AHC Asset Test.

"AHC Affordability Period": Twenty (20) years from the Closing Date of each 421-a Affordable Apartment.

"AHC Grant": A grant from AHC, in the amount of up to $25,000.00 per Apartment, which is awarded to AHC Eligible Purchasers.

"AHC Grant Enforcement Note and Security Agreements": Those certain AHC Grant Enforcement mortgage to be recorded against each 421-Affordable Apartments made by the 421-a Affordable Apartment Shareholder, as mortgagor, and AHC, as mortgagee, in the amount of up to $25,000.00.

"Apartment": A residential dwelling unit located within the Building.

"Apartment Closing" or "Closing" or "Close": The date upon which, among other things, the Shares and the appurtenant Proprietary Lease for an Apartment are conveyed to a Purchaser pursuant to a Purchase Agreement.

"Apartment Closing Date" or "Closing Date": The date as of which a Purchaser under this Plan closes under a Purchase Agreement, becomes the Shareholder under a Proprietary Lease for an Apartment and acquires the Shares allocated to that Apartment.
"Apartment Corporation": The 100 Barrow Street Apartment Corp., a New York corporation formed under the New York Business Corporation Law, whose Shares together with Proprietary Leases appurtenant thereto, are offered for sale pursuant to this Plan.

"Apartment Corporation By-Laws": The document governing operation of the Apartment Corporation, pursuant to which the Board of Directors is elected and governs.

"Area Median Income" or "AMI": The area median income for the New York metropolitan statistical area as determined by the United States Department of Housing and Urban Development (HUD) under the United States Housing Act of 1937.

"Attorney General": The New York State Attorney General, who heads the Department of Law.

"Board of Directors" or "Board": The governing body of the Apartment Corporation.

"Building": The structure being erected by Sponsor on the Land.

"Certificate of Incorporation": The Certificate of Incorporation is the document filed with the Office of the New York State Secretary of State to create the Apartment Corporation. The Certificate of Incorporation is the document which sets forth the corporate purpose of the cooperative.

"City Register’s Office": The New York County office of the Register of The City of New York.

"Cooperative Conversion Date": The date on which the Sponsor assigns to the Apartment Corporation all of the Sponsor’s right, title and interest in and to the Ground Lease.

"Department of Buildings": The Department of Buildings of The City of New York.
“Department of Law”: The New York State Department of Law, headed by the Attorney General.

“Down Payment” or “Down Payments”: The portion of the Purchase Price for the Apartment deposited by a Purchaser upon the execution of a Purchase Agreement.

“Eligible Purchaser” A Purchaser who qualifies for the purchase of a 421-a Affordable Apartment pursuant to the 421-a Rules and who is also an AHC Eligible Purchaser.

“Escrow Closing Documents”: All documents signed by a Purchaser at the Pre-Closing, including, but not limited to, the Proprietary Lease, the New York City Transfer Tax Return(s), the New York State Transfer Tax Return(s), smoke detector affidavit(s) and all other documents necessary to consummate the purchase of an Apartment.

“Family Member” A parent; sibling; child by blood, adoption, or marriage; spouse; grandparent or grandchild.

“Filing Date”: The date that the Plan is accepted for filing by the Department of Law.

“GBL”: Section 352-e of the New York State General Business Law.

“Ground Lease”: That certain Amended and Restated Agreement of Lease with respect to the Land dated as of May 11, 2015 but effective as of February 25, 2015, between Sponsor, as tenant, and The Rector, Churchwardens and Vestrymembers of the Church of St. Luke in the Fields, New York, New York, as landlord, as amended, and as may be further amended from time to time.

“Ground Tenant”: The entity defined in the Ground Lease as “Tenant” which shall initially be Sponsor, and shall subsequently be any successor to Sponsor’s interest in and to the Ground Lease, including the Apartment.
"HPD":

The New York City Department of Housing Preservation and Development.

"HPD Affordable Rental Period":

In the event that Sponsor determines to rent one or more 421-a Affordable Apartments, the period in which Sponsor shall be required, pursuant to an HPD Restrictive Declaration that will be recorded against the Property, to rent such 421-a Affordable Apartments to persons with an annual household income of not more than sixty percent (60%) of AMI. Such period shall be the later of thirty-five (35) years from the issuance of a Temporary Certificate of Occupancy for all Apartments or the first vacancy of the rental tenant (if any) in such 421-a Affordable Apartment after such thirty-five (35) year period has expired.

"Holder of Unsold Shares":

Sponsor and the persons so designated by Sponsor to whom the Unsold Shares are transferred for other than personal occupancy by themselves or their families.

"Housing Partnership":

Housing Partnership Development Corporation

"Land":

The land located at 100 Barrow Street, New York, New York 10014.

"Landlord":


"Law":

The laws and ordinances of any or all of the Federal, New York State, New York City, New York County governments, the rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies, or offices thereof or of any other governmental, public, or quasi-public authorities having jurisdiction over the Property and/or the Condominium, and/or
| **"Maintenance Charges" or "Maintenance":** | Monthly charges payable by Shareholders to the Apartment Corporation for operating expenses of the Building, including but not limited to, real estate taxes, and insurance. |
| **"Managing Agent":** | The managing agent engaged by the Apartment Corporation to manage the Building. |
| **"Market-Rate Apartment":** | One of twenty-six (26) Apartments which are being offered at market rate (collectively, Market-Rate Apartments”). The prices of Market-Rate Apartments have been established solely by Sponsor and are not subject to the review or approval by the Department of Law or any other governmental agency. |
| **"Market-Rate Apartment Purchaser":** | Any Person who has entered into a Purchase Agreement with Sponsor to purchase a 421-a Market-Rate Apartment which has not been terminated or cancelled. |
| **"Market-Rate Apartment Purchase Agreement":** | A written agreement to purchase the Shares and the Proprietary Lease appurtenant to a Market-Rate Apartment. |
| **"Market-Rate Apartment Shareholder":** | Any Shareholder that has executed a Proprietary Lease for a Market-Rate Apartment. All such Shareholders are herein collectively referred to as “Market-Rate Shareholders”. |
| **"Offering Plan" or “Plan":** | This Offering Plan as same may be amended from time to time. |
| **"On-Site Sales Office":** | The office of Sponsor with respect to the Project located in or near the Building. |
| **"Plans and Specifications":** | The plans and specifications for the Building prepared by Sponsor’s Architect which (to the extent required by law) are filed with, and approved by, the Department of Buildings and other municipal agencies or authorities having
"Pre-Close":

The payment by a Purchaser of the entire balance of the Purchase Price (less the amount to be financed by such Purchaser), and, if applicable, the Working Capital Fund Check, the Closing Fee Check, the Transfer Tax Check and all other fees and expenses required to be paid by a Purchaser in connection with the purchase of an Apartment, and the execution by Purchaser of the Escrow Closing Documents, which payments and Escrow Closing Documents shall be delivered by such Purchaser after the Effective Date but prior to the Cooperative Conversion Date and held in escrow by Escrow Agent until the later to occur of the Cooperative Conversion Date or Purchaser’s Apartment Closing Date.

"Pre-Closing Date" or the "Pre-Closing":

The date on which a Purchaser is required under the Purchase Agreement to Pre-Close.

"Premises":

The Land and the Building and all development rights that may be acquired by the Sponsor in the future and transferred to the Land and Building and all rights of way or of use, servitudes, licenses, tenements, appurtenances and easements now or hereafter belonging to the Land.

"Presentation Date":

The date on which an amendment to this Plan is personally delivered or the fifth day after mailing to (a) a Purchaser who has executed and delivered to Sponsor a Purchase Agreement for a Unit, (b) a Unit Owner, and (c) any other person who, pursuant to Law, is an offeree under this Plan.

"Primary Residence":

A 421-a Affordable Apartment in which a 421-a Affordable Shareholder spends at least 187 days every calendar year, unless the 421-a Affordable Shareholder: (i) is in active service in the Armed Forces of the jurisdiction, as same may be amended from time to time.
United States; (ii) has a serious/long-term disability requiring hospitalization or rehabilitation; (iii) was involuntarily institutionalized; or (iv) began occupancy during the preceding calendar year.

“Project”:
The Building and all other improvements being erected by Sponsor on the Land and all alterations and replacements.

“Property”:
The Land and the Building and all development rights that may be acquired by Sponsor in the future and transferred to the Land and Building and all rights of way or of use, servitudes, licenses, tenements, appurtenances and easements now or hereafter belonging to the Land.

“Proprietary Lease”:
The lease between the Apartment Corporation, as Lessor and a Shareholder, as Lessee, permitting occupancy of an Apartment to which Shares have been allocated.

“Purchase Agreement”:
A written agreement to purchase the Shares and Proprietary Lease appurtenant to an Apartment.

“Purchase Price”:
The cash purchase price for an Apartment set forth in a Purchase Agreement.

“Purchaser”:
The individual(s) named as purchaser in a Purchase Agreement under this Offering Plan to buy the Shares allocated to an Apartment.

“Shareholder” or "Tenant-Shareholder”:
An owner of Shares allocated to and the tenant under a Proprietary Lease for, an Apartment.

“Shares”:
The issued corporate stock of the Apartment Corporation allocated to Apartments and offered for sale under this Offering Plan.

“Special Assessment”:
An assessment in addition to Maintenance assessed by the Board of Directors to the Shareholders, based on the number of
"Sponsor": 100 Barrow Street LLC.

"Sponsor or its Designee": 100 Barrow Street LLC or any person or entity designated by 100 Barrow Street LLC to act for or on behalf of it in connection with the Board of Directors and/or the Offering Plan.


"Storage Space": A storage space in the Building’s cellar storage room.

"Storage Space License": A license for the exclusive use of a Storage Space.


"Unsold 421-a Affordable Apartments": Any 421-a Affordable Apartment owned by Sponsor or its designee at the time in question.

"Unsold Shares": Those Shares allocated to Apartments not purchased and fully paid for by Purchasers as of the Cooperative Conversion Date. Unsold Shares lose their character as such upon a sale to a Purchaser pursuant to this Offering Plan.

"Working Capital Fund": A fund to be held and used by the Board of Directors of the Apartment Corporation for working capital or such other appropriate purposes as will be determined by the Board.
INTRODUCTION

The Property

The purpose of this Plan is to set forth all the material terms of the offer of shares of stock of The 100 Barrow Street Apartment Corp. (the “Apartment Corporation”), a New York cooperative corporation, and appurtenant Proprietary Leases allocated to residential cooperative apartments (collectively, “Apartments”, and, individually, an “Apartment”) in the building (the “Building”) located at 100 Barrow Street, New York, New York 10014 (the Building, together with the Land upon which the Building is located, being, collectively, the “Property”). The Plan may be amended from time to time by an amendment filed with the New York State Department of Law. All filed amendments will be served on (i) Purchasers who have delivered executed Purchase Agreements to Sponsor and whose Purchase Agreements are in effect, (ii) Shareholders, and (iii) any other person who is required to by law to receive such amendment. Amendments shall be served by personal delivery, ordinary mail or registered mail. Service by personal delivery is deemed complete upon delivery. Service by mailing shall be presumed complete on the fifth day after the date of mailing.

The Sponsor of the Property is 100 Barrow Street LLC, a New York limited liability company, having an address at 75 Broad Street, Suite 2100, New York, New York 10004. The Land is owned by The Rector, Churchwardens and Vestrymembers of the Church of St. Luke in the Fields, New York, New York (the “Landlord”) and is being leased to Sponsor pursuant to that certain Amended and Restated Agreement of Lease dated as of May 11, 2015, but effective as of February 25, 2015, and as may be amended from time to time (the “Ground Lease”), as discussed further below. The Landlord is a New York religious corporation, having an address at 487 Hudson Street, New York, New York 10014. A copy of the Ground Lease is included in Part II of this Plan.

Sponsor intends to sell all of the Apartments offered under this Offering Plan. However, if Sponsor is unable to sell the Apartments at the offering prices stated in Schedule A, Sponsor reserves the unconditional right to rent up to eighty-five percent (85%) of the Apartments offered under this Offering Plan.

The Building will be located in a landmark district (Greenwich Village Historic District). Due to its landmark status, Shareholders (with respect to Apartments) and the Apartment Corporation (with respect to all other areas of the Building) must obtain the approval of the New York City Landmarks Preservation Commission prior to undertaking any modifications to the exterior or interior of the Building. Sponsor makes no representation about the costs that may be associated with obtaining such approval.

Ground Lease

On the Cooperative Conversion Date, the Ground Lease shall be assigned by Sponsor to the Apartment Corporation. Each Shareholder shall appoint the Apartment Corporation as his attorney-in-fact for the purpose of paying all charges due under the
terms of the Ground Lease, and performing and observing all of the terms covenants and conditions of the Ground Lease.

The term of the Ground Lease is ninety-nine (99) years, commencing on February 25, 2015 (the “Commencement Date”) and expiring on the earlier to occur of (i) the day immediately prior to the ninety-nine (99) year anniversary of the Commencement Date (the “Fixed Expiration Date”) and (ii) any earlier date upon which the Ground Lease may cease or be terminated as provided in the Ground Lease, unless the Ground Lease is otherwise terminated pursuant to its terms, or extended by Landlord in Landlord’s sole discretion (collectively, the “Ground Lease Term”). Upon the Ground Lease’s expiration, the Premises will revert back to the Landlord, or its successor in interest. ON THE EARLIER OF THE EXPIRATION OF THE GROUND LEASE OR THE EXPIRATION OF THE PROPRIETARY LEASE (UNLESS THE TERM OF SUCH LEASES IS EXTENDED), TENANT-SHAREHOLDERS WILL BE REQUIRED TO VACATE AND SURRENDER POSSESSION OF THEIR APARTMENT. Sponsor makes no representation as to the likelihood of obtaining a Ground Lease extension or renewal or the right of any Tenant-Shareholder to remain in occupancy of such Tenant-Shareholder’s Apartment once the Ground Lease term expires. PURCHASERS ARE ADVISED THAT AS THE GROUND LEASE TERM DIMINISHES, THE VALUE OF THEIR SHARES WILL ALSO DIMINISH. IN THE LAST THIRTY (30) YEARS OF THE GROUND LEASE (OR SOONER), IT MAY BE INCREASINGLY DIFFICULT TO OBTAIN FINANCING ON AN APARTMENT OR TO REFINANCE AN EXISTING LOAN THAT IS SECURED BY SUCH SHARES IN THE APARTMENT CORPORATION.

The Apartment Corporation shall pay an annual rent to the Landlord in equal monthly installments in advance on the first day of each calendar month (“Base Rent”). Pursuant to the Ground Lease, Sponsor made certain pre-payments of Base Rent, in the amount of $3,515,481.60. The pre-payment of Base Rent shall be credited toward the Base Rent due under the first two (2) “Lease Years” (as defined in the Ground Lease). The “Soft Cost Prepayment” (as defined in the Ground Lease) under that certain Pre-Lease Agreement by and between Landlord and Sponsor dated as of October 29, 2013, as amended, in the amount of $559,275.00 shall be credited toward the Base Rent due for the third year of the Ground Lease.

Pursuant to the Ground Lease, Base Rent shall be increased periodically every sixteen (16) to twenty-five (25) years (each period of years referred to in the Ground Lease as a “Rent Period”). Five (5) such Rent Periods shall occur over the Ground Lease’s term.

During the First Rent Period until the eleventh anniversary of the Commencement Date, Base Rent shall be paid in the annual amount equal to $1,757,740.80. On the eleventh anniversary of the Commencement Date, Base Rent shall be increased by ten percent (10%). During each subsequent Rent Period, Base Rent shall be payable pursuant to the “Fair Market Rent” (as defined in Exhibit C of the Ground Lease) computed as of the date that is six (6) months prior to the first day of the subsequent Rent Period, as provided in Exhibit C of the Ground Lease. Further, on each of the twenty-first
(21st), twenty-sixth (26th), thirty-first (31st), thirty-sixth (36th), forty-sixth (46th), fifty-first (51st), fifty-sixth (56th), sixty-sixth (66th), seventy-first (71st), seventy-sixth (76th), eighty-sixth (86th), ninety-first (91st) and ninety-sixth (96th) anniversaries of the Commencement Date, the then-existing annual Base Rent shall be increased by seven and one-half percent (7.5%). Since it is impossible for Sponsor to predict the Fair Market Rent, Sponsor makes no representation about the Base Rent after the expiration of the first Rent Period. Prospective Purchasers are encouraged to read Article 3 and Exhibit C of the Ground Lease for a complete description of the Base Rent increases and adjustments throughout the Ground Lease’s term.

Pursuant to the Ground Lease, the Apartment Corporation is obligated to take good care of the Property, to keep and maintain the Property in good condition and to make all repairs, alterations, improvements, and replacements thereto at its sole cost and expense. Landlord shall not be required to furnish any services, utilities or facilities whatsoever to the Property, nor shall Landlord have any duty or obligation to make any alteration, change, improvement, replacement, restoration or repair to, nor to demolish, the Building. The Apartment Corporation will assume the full and sole responsibility for the condition, operation, repair, alteration, improvement, replacement, maintenance and management of the Property.

Please see the Section in Part I of this Plan entitled “Summary of Ground Lease” for more information.

**Nature of the Transaction and the Offer**

Under this Plan, the Apartment Corporation is offering to sell its Shares to raise funds primarily to purchase the leasehold interest from Sponsor pursuant to a Contract of Exchange. If this Plan is declared effective and is thereafter consummated, Sponsor will assign its interest in the Ground Lease to the Apartment Corporation, which would then become the tenant under the Ground Lease. The date of such assignment is called the “Cooperative Conversion Date.”

The Building is being newly constructed. It shall contain thirty-three (33) Apartments. Twenty-six (26) of the Apartments are being offered to the public at market-rate prices (“Market-Rate Apartments”). In order to qualify the Property for a partial real estate tax exemption under section 421-a of the New York State Real Property Tax Law (“421-a Benefits”), seven (7) of the Apartments (“421-a Affordable Apartments”) are being offered to Eligible Purchasers whose annual household income is no greater than 125% of the Area Median Income (“AMI”). Schedule A, which is located in Part I of this Plan, discloses the type of each Apartment being offered adjacent to the applicable Apartment number.

Twelve (12) storage spaces (collectively, the “Storage Spaces” and individually, a “Storage Space”), shall be located in the Building’s basement. Storage Spaces are hereby offered as ninety-nine (99) year licenses solely to Purchasers and Shareholders, on a first-come, first-served basis, although Sponsor reserves the right to withhold certain Storage Spaces from sale due to market conditions, in Sponsor’s sole discretion. Therefore,
Purchasers are not guaranteed the opportunity to license a Storage Space. Licensing fees, approximate sizes and the number designation of the Storage Spaces are disclosed on Schedule A-1. The location of each Storage Space is located on the floor plans in Part II of this Plan. Shares will not be allocated to the Storage Spaces.

Under this Plan, 1,000 shares of the Apartment Corporation (the “Shares”) and appurtenant proprietary leases (the “Proprietary Leases”) have been allocated to the thirty-three (33) Apartments in the Building. Apartments may be used only for residential and home occupation use purposes permitted under applicable Law. Please refer to Schedule A of this Plan for offering prices, Share allocations, estimated Maintenance Charges for the first year of cooperative operation, a calculation of the estimated amount of tax deductions which may be available to Purchasers, and other financial information with respect to the Apartments. Certain Shares shall remain unissued and shall be reserved by the Apartment Corporation for issuance, in the Apartment Corporation’s sole discretion. In addition, on or after the twentieth anniversary of the Cooperative Conversion Date, the 421-a Affordable Apartments (Apartments 1A, 1B, 1C, 1D, 1E, 2D and 2E) may be converted to market-rate Apartments and, therefore, the directors of the Apartment Corporation will be authorized to issue additional Shares to such Apartments. See the section of this Plan entitled “The 421-a Affordable Apartments” for further disclosure.

Each Purchaser shall purchase Shares of the Apartment Corporation pursuant to a Purchase Agreement, the form of which is set forth in Part II of this Plan, and each Purchaser shall be entitled to a Proprietary Lease for the Apartment to which such Shares are appurtenant. Upon the execution of the Proprietary Lease and the issuance of Shares to a Purchaser, such Purchaser shall become a “Shareholder” in the Apartment Corporation. A form of the Proprietary Lease has been reproduced in Part II of this Plan. Shareholders shall have the right to vote annually for the Board of Directors of the Apartment Corporation, which will conduct the affairs of the Apartment Corporation and supervise the operation of the Property. All Shareholders shall pay monthly Maintenance Charges to the Apartment Corporation, and shall also pay assessments, which are special charges, other than Maintenance Charges, payable by Shareholders, as established by the Board of Directors for either, the operation and maintenance of the Property, or for the establishment of reserves for future contingencies. A projected budget for the first year of cooperative operation is set forth in Schedule B of this Plan.

The marketing of the 421-a Affordable Apartments shall be conducted pursuant to a lottery, which shall be administered by the Housing Partnership Development Corporation (the “Housing Partnership”), and monitored by the New York City Department of Housing Preservation and Development (“HPD”). Further disclosure about the lottery is located in the section of this Plan entitled “Procedure to Purchase.”

Sponsor has been awarded a grant from the New York State Affordable Housing Corporation (“AHC”) to partially finance the construction of the 421-a Affordable Apartments. The total value of the grant is $175,000, to be distributed in $25,000 increments to the 421-a Affordable Apartment Purchasers (the “Incremental AHC Award”) at each 421-a Affordable Apartment Closing, provided that the 421-a

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Affordable Apartment Purchaser is an Eligible Purchaser whose household income is no greater than 125% of the Area Median Income and whose assets do not exceed thirty-five percent (35%) of the average total development cost for the type of 421-a Affordable Apartment being purchased. On the advice of the Housing Partnership, upon AHC’s issuance of each Incremental AHC Award, (i) $12,750 shall be applied toward the purchase price for such Shares and (ii) $12,250 (the “Closing Cost Allocation”) shall be applied toward such 421-a Affordable Apartment Purchaser’s Closing Costs (as hereinafter defined). “Closing Costs” shall include the actual costs incurred by Purchaser to purchase and obtain title to the Shares, including the costs incurred to obtain mortgage financing for the purchase of the Shares. Moving expenses and other expenses that are not directly related to the transaction are not Closing Costs. In the event that there is a dispute about whether a particular Purchaser expenditure is a Closing Cost for the purpose of utilizing the Closing Cost Allocation, the Partnership shall make a determination at or prior to the Closing. Such determination shall be final and non-appealable. 421-a Affordable Purchasers shall not be responsible for the payment of New York City transfer taxes, New York State transfer taxes, the legal fees of Sponsor’s attorneys, or a contribution to the Working Capital Fund and the funds from the AHC grant shall under no circumstances be used to finance such expenses.

As a condition of receiving the Incremental AHC Award, each 421-a Affordable Apartment Purchaser shall be required to execute, at Closing, an AHC Grant Enforcement Note and Security Agreement. The AHC Grant Enforcement Note and Security Agreement imposes certain obligations and restrictions on 421-a Affordable Shareholders, which are discussed further in the section of the Plan entitled “The 421-a Affordable Apartments.” A copy of the AHC Grant Enforcement Note and Security Agreement is located in Part II of this Plan. In the event that Sponsor does not actually receive a grant from AHC, or any other form of Substantial Governmental Assistance, as that term is defined in the 421-a Rules, then Sponsor shall offer seven (7) of the Apartments to Eligible Purchasers whose annual household income is no greater than sixty percent (60%) of AMI.

On the Cooperative Conversion Date, subject to the rights of any lender holding a pledge to the Shares and appurtenant Proprietary Leases, Sponsor may reserve the right to (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace satellite dishes, cell phone towers, antennae and similar equipment (collectively, the “Installations”) on the roof and facade of the Building and to retain any and all income derived therefrom, (b) to enter upon any Apartment or elsewhere on the Property to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the Installations as may be necessary or appropriate, and (c) to grant such rights to do any of the foregoing to its designees, assignees and licensees. The Apartment Corporation shall not be entitled to any portion of fees, compensation or other profits received by Sponsor, its designees, assignees or licensees for the use of the Installations. Any and all Installations placed upon the roof and the facade of the Building by Sponsor, its designees, assignees or licensees shall be the exclusive property of Sponsor, its designees, assignees or licensees and neither the Apartment Corporation nor any Shareholder or occupant shall have any rights with respect thereto. Notwithstanding the foregoing, access to an Apartment in furtherance of the Installations and the rights reserved thereby with respect thereto shall
be exercised in a manner so as to not unreasonably interfere with the use of the Apartments for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no notice is necessary in the case of an emergency. At the time of the Cooperative Conversion Date, Sponsor does not intend for the Shares to secure any debt.

Apartments may be purchased either by natural persons over the age of 18 years, or by a duly formed partnership, or corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity permitted to own real property in the State of New York.

This Plan contains all the detailed terms of the offering of the Apartments for sale. All of the documents referred to in this Plan are important, and copies of this Plan, all documents referred to herein, and all exhibits submitted to the New York State Department of Law in connection with the filing of this Plan are available for inspection without charge, and for copying at a reasonable charge, to prospective Purchasers at the office of the Selling Agent.

Some Basic Aspects of Cooperative Ownership Under This Offering Plan

(a) The Apartment Corporation will receive an assignment of the Ground Lease for the Property from Sponsor on the Cooperative Conversion Date, and will sell Shares to Sponsor to raise funds, who will then sell Shares to Purchasers.

(b) Each Shareholder will have the right to exclusive possession of the purchased Apartment under a long-term Proprietary Lease.

(c) Pursuant to the terms of the Ground Lease, real estate taxes applicable to the Property shall be payable by the Apartment Corporation directly to the New York City Department of Finance. It is anticipated that each Shareholder will be able to deduct from his adjusted gross income, for Federal, New York State, and New York City income tax purposes, that portion of the Maintenance Charges paid by such Shareholder that represents the Shareholder's pro-rata share of the real estate taxes attributable to Building and allocable to the Apartment (see Schedule A for more information on the estimated tax deductions for the first year of cooperative operation for each Apartment). However, since the Apartment Corporation will not own fee simple title to the Land, the portion of real estate taxes attributable to the Land to will not be deductible by Shareholders for income tax purposes.

(d) Each Shareholder will have the right to vote for members of the Board of Directors of the Apartment Corporation.

(e) The Board of Directors shall conduct the business and affairs of the Apartment Corporation.
Each Market-Rate Apartment Shareholder will have the right to sell his Apartment and retain all proceeds of such sale or to sublet the Apartment (provided that the Board of Directors does not exercise its right of first refusal). 421-a Affordable Apartment Shareholders will be subject to certain restrictions with respect to the re-sale and subleasing of 421-a Affordable Apartments during the term of 421-a Benefits and the AHC Grant Enforcement Note and Security Agreement, respectively. Please see “Summary of Proprietary Lease” in Part I of this Plan and “Apartment Corporation By-Laws” in Part II of this Plan for further details. For further disclosure about 421-a Benefits, please refer to the section of this Plan entitled “The 421-a Affordable Apartments”.

Each Shareholder will have the right to decorate his Apartment in any way that he desires and may make alterations, additions or improvements to the Apartment, subject to the Propriety Lease and to local codes.

Each Shareholder will be responsible for the payment of Maintenance Charges and any assessments (see Schedule A for more information on the estimated Maintenance Charges for the first year of cooperative operation for each Apartment).

Each Shareholder may obtain a loan in any amount, collaterally secured by a pledge of his Shares and Proprietary Lease.

Following the Cooperative Conversion Date, the Apartment Corporation, pursuant to the terms of the Ground Lease, is required to pay the rent due under the Ground Lease as well as real estate taxes assessed on the Property. As a result, Shareholders are co-dependent upon each other and on Sponsor (to the extent that Sponsor owns Unsold Shares) for payment of the rent and the real estate taxes, a default on which may jeopardize each other’s equity in their respective Apartments.

Prospective Purchasers should note that there is no provision in the By-Laws of the Apartment Corporation to the effect that, following the end of Sponsor’s initial control period of the Board of Directors, a majority of members of the Board of Directors must be owner-occupant Shareholders. THIS PLAN DOES NOT GUARANTEE THAT OWNER-OCCUPANT SHAREHOLDERS WILL EVER CONSTITUTE A MAJORITY OF THE COOPERATIVE BOARD OF DIRECTORS. Unless and until a majority of the members of the Board of Directors are residents of the Building unrelated to Sponsor, owner-occupant Shareholders will not gain control over management of the affairs of the Building and the Apartment Corporation.

This Plan may be amended from time to time when an amendment is filed with the New York State Department of Law. All filed amendments will be served on (i) one tenant per Apartment, (ii) Purchasers who have executed and delivered Purchase Agreements to the Apartment Corporation, or the Selling Agent, and who are not in default, (iii) Shareholders of the Apartment Corporation, (iii) any other person who is entitled to service pursuant to local law or regulation, and (iv) any lender who holds a
pledge of the Shares and the appurtenant Proprietary Leases. Service shall be either personal delivery, ordinary mail or registered, certified mail, or via email if Purchaser has elected to receive digital copies of such amendment and Sponsor has filed a CPS-10 Application with the Department of Law. Service by personal delivery is deemed complete upon delivery. Service by mailing shall be presumed complete on the fifth day after the date of mailing.

A copy of the Plan may be borrowed by a prospective Purchaser from Sponsor upon payment of a one hundred dollar ($100.00) deposit, which amount will be fully refunded either upon (i) the prompt return of all borrowed materials in good condition or (ii) the execution of a Purchase Agreement subsequently accepted by the Apartment Corporation.

No contracts or agreements, written or oral, were entered into for the sale or transfer of any Apartments offered under this Plan, and no deposits or advances of funds were taken by or on behalf of Sponsor in connection with the reservation, sale or transfer of such Apartments, as of the date this Plan was accepted for filing by the Department of Law.

THE PURCHASE OF A COOPERATIVE APARTMENT HAS MANY SIGNIFICANT LEGAL AND FINANCIAL CONSEQUENCES AND MAY BE ONE OF THE MOST IMPORTANT FINANCIAL TRANSACTIONS OF YOUR LIFE. THE ATTORNEY GENERAL STRONGLY URGES YOU TO READ THIS OFFERING PLAN CAREFULLY AND TO CONSULT WITH AN ATTORNEY BEFORE SIGNING A PURCHASE AGREEMENT.
DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The Property has a land area of approximately 9,029 square feet. The site will contain one new residential building (the “Building”). The Building will contain thirty-three (33) Apartments. The Property is located on Block 605, Lot 1 on the tax map of the City of New York.

The street address of the Property is 100 Barrow Street, New York, New York 10014. The main entrance to the Building will be located at the southeast corner of the Building on Barrow Street. A service entrance will be provided at the northwest corner of the Building on Greenwich Street.

The Building will contain an amenities and mechanical level below grade and twelve (12) floors above grade, and will be a Class 1-D noncombustible building. Two (2) new passenger elevators shall service the Building. The Building will be constructed of aluminum, concrete, steel, granite, brick, glass and metal.

All fixtures and equipment described in this Plan are included in the offering prices listed in Schedule A.

Improvements made to the Building will be undertaken pursuant to a new building permit, in accordance with the New York City Building Code and with all applicable zoning and building laws. After completion of construction, the Sponsor will apply for a temporary or final Certificate of Occupancy from the New York City Department of Buildings. The Sponsor will obtain a temporary Certificate of Occupancy prior to the Cooperative Conversion Date and will seek to obtain a final Certificate of Occupancy within two (2) years of the issuance of first temporary Certificate of Occupancy for the Building, barring delays caused by force majeur. The estimated completion date of the Building is August 2017.

The basement and second floor will contain twelve (12) Storage Spaces. Storage Spaces shall be available for long-term license by Shareholders on a first-come, first-served basis. No Person shall have the right to use Storage Spaces unless he owns or subleases an Apartment. Notwithstanding the foregoing, Sponsor reserves the right to hold certain Storage Spaces off of the market, in its sole discretion. The offering prices, approximate sizes, and the number designation of each Storage Space is disclosed on Schedule A-1. Since there will be fewer Storage Spaces than there will be Apartments, Shareholders are not guaranteed the opportunity to license a Storage Space. Additionally, Sponsor reserves the right to license more than one Storage Space to any Purchaser.

Apartments 3D, 5D, 6D, 7-8A and 7-8B will each be constructed with one private terrace. Apartment 12-PH will be constructed with one private terrace and one private roof terrace. Terraces are appurtenant to the aforementioned Apartments and each Shareholder of such Apartment shall have exclusive use thereof. Shareholders with a terrace(s) appurtenant to their Apartment shall be responsible for all normal maintenance of such terrace such as, but not limited to the removal of snow and ice, at such Shareholder’s sole cost and expense. The replacement of the pavers or other exterior...
walkable surface that was installed by Sponsor with an alternate surface shall be subject to the approval of the Board of Directors ("Board"). The repair and replacement of the exterior surface of terraces shall at all times be performed by the Board and charged to the affected Shareholder. However, any structural or extraordinary repairs (non-recurring repair which requires more than the usual annual expense for ordinary wear) or replacements to such terrace (including any leaks which are not caused by the negligence of the Shareholder having access to the same) shall be made by the Board and the cost and expense thereof shall be charged to all Shareholders based on the number of Shares per Shareholder, pro rata.

Sponsor will provide landscaped terraces, designed to support planter boxes, for Apartments 7A, 7B and the roof terrace appurtenant to Apartment 12-PH, as more particularly described in the Description of Property and Specifications, located in Part II of this Plan. The cost of maintaining and replacing such plantings will be borne solely by those Shareholders with exclusive access to such terraces.

Pursuant to the building plans that have been filed with the New York City Department of Buildings, the bulkhead roof shall contain certain mechanical equipment including, but not limited to, heating and air conditioning equipment, and the emergency power generator which will service portions of the Building. While Sponsor has taken precautions to dampen noise and vibrations generated by such rooftop mechanical equipment, Shareholders are hereby advised that noise and/or vibrations may nevertheless be sensed in certain Apartments. Noise and/or vibrations that may be experienced in Apartments are not, and shall not be construed as, a construction defect. The sole obligation of Sponsor and the Boards with respect to such noise and/or vibration shall be to install and operate such equipment in a manner consistent with commercially reasonable practices in typical luxury high-rise residential or mixed-use buildings and in compliance with applicable Law, including the New York City Building Code.

Sponsor has taken precautions to minimize Apartment-to-Apartment odor and noise transmission. However, the transmission of odor and noise is common in multi-family dwellings and shall not be construed as a construction defect.

Except as otherwise provided in the Proprietary Lease and the By-Laws, the maintenance, repair, and replacement of the common areas of the Building shall be made by the Board and charged to all Shareholders based on Share allocations, except in the event that a common area is damaged by the Shareholder's own fault or negligence, in which case the Board shall repair or replace such window and charge such Shareholder for such repair or replacement.

The Building will be equipped with a video surveillance system and cameras located in the cellar and basement corridors and amenity spaces, residential lobby, elevators and outside near the main and secondary entrances. Each apartment will be equipped with a dedicated audio intercom apartment station, allowing for two-way communication with the building concierge, as described in the Description of Property and Specifications, located in Part II of this Plan.
Electricity service for the common areas of the Building will be provided by Con Edison serving a separately metered residential house and common loads. Electricity consumption for each Apartment will be individually metered and billed to the Shareholder by Con Edison based on actual consumption.

The Building will be provided with two (2) gas service lines. The main gas service will supply the hot water boilers, cooking ranges, gas fireplaces and outdoor fire pits. The secondary gas service will supply the emergency generator located on the roof.

Sponsor shall install an emergency generator to provide electrical power to certain common areas of the Building, and to a limited extent, the Apartments. The emergency generator is not capable of running all systems in the Building. During a power outage, the emergency generator is capable of running one (1) elevator, exit signs, the fire alarm system, the gas booster system, the domestic water booster pumps, the sewage ejector pump, the sump pump, one (1) convenience outlet in each Apartment and stairwell lighting and lighting in certain other common areas of the Building. No representation is made as to the duration of time that the emergency generator will be able to provide emergency power to the Building in the event of a power outage.

Sponsor shall cause to be installed hardwood flooring in each Apartment. Hardwood flooring is a natural, organic product and has variations in appearance, grain, and color. Hardwood flooring requires periodic maintenance. If not properly maintained, the wood will naturally discolor, decay, splinter, check, and split. Installation of a hardwood floor may result in some settling and/or spaces between the wood boards. Spacing between the installed wood planks is typical and will vary with humidity and temperature fluctuation. Wood floors will expand and shrink, thereby exposing gaps periodically. The Sponsor will intentionally not fill certain areas of the wood floor so as to accommodate the natural expansion of the boards. If these areas were to be completely filled, the floors would not have the room to expand and the floors would buckle over time. Hardwood floors do creak and bend slightly when stepped upon regardless of the workmanship.

Stone flooring has the same natural properties as described in relation to hardwood flooring. Variation of color, texture, and pattern of the wood and stone is naturally occurring and is typical. In addition, wood and stone are porous materials and are susceptible to staining and scratches. It is the Tenant-Shareholder’s responsibility to maintain all wood and stone surfaces in the Apartment in accordance with the manufacturer’s or installer’s directions.

According to the records of the Federal Emergency Management Agency (“FEMA”), as of the Filing Date, the Building is not located in a flood zone.

The Building will be located in a Landmark district (Greenwich Village Historic District). Due to its Landmark status, Shareholders (with respect to Apartments) and the Apartment Corporation (with respect to all other areas of the Building) must obtain the approval of the New York City Landmarks Preservation Commission (“Landmarks”) prior to undertaking any modifications to the exterior or interior of the Building.
Landmarks has approved Sponsor’s plans and specifications for the construction of the Building.

Windows on the portion of the Building facing Lots 49 and 38 to the east (Apartments on floors 4-6 A & 3-6 D; 7-11 A & B) and Lot 6 to the north (Apartments on floors 5-6 C & D; 7-11 B) are protected by a light and air easement. Pursuant to the light and air easement, no future development (alteration or new construction) on Lots 38, 46, 47, 48, 49 and 6 would be permitted above the existing height of the improvements on these lots except as noted in the easement. These windows, under the existing New York City Building Code, will satisfy light, air and other requirements for the lawful use of such rooms for habitation purposes. Additionally, under the existing New York City Building Code (“Building Code”) applicable to the Building, windows on the portion of the Building facing Lots 49 & 38 to the east (Apartments on floors 4-6 A & 3-6 D) and Lot 6 to the north (Apartments 5-6 C & D; 7 B) will be provided with sprinklers due to the proximity and construction of the Building on the adjacent lots.

Some windows on the portion of the Building within 30’ & 60’ of adjacent Building have been “shadow boxed” with a two-hour-rated shaft wall to comply with required permitted openings. These windows, where required, will be provided with sprinklers. The habitable rooms having these windows will have other windows that, under the existing Building Code, will satisfy light, air and other requirements for the lawful use of such rooms for habitation purposes.

Services and Facilities

The services and facilities described below will be provided to Shareholders and are included in the Maintenance, unless otherwise specified below. Use of the services and facilities shall be available only to individuals who reside in an Apartment in the Building (i.e., a Shareholder or permitted tenant) and such individual’s guests, provided that such Shareholder or tenant accompanies the guest during such use. In addition, use of the services and facilities are subject to such rules and regulations as may be promulgated from time to time by the Board, including, without limitation, the right to impose usage fees and restrictions on hours of access, use, and/or service, as applicable.

(a) Residential Lobby

There will be one residential lobby located on the first floor of the Building on southeast corner of the Building from Barrow Street.

(b) Residential Lobby Attendants

A concierge will be stationed in the residential lobby 24 hours a day, 7 days a week.
(c) **Building Staff**

The Building staff will be supervised by the Resident Manager. Shareholders should refer to the Footnotes to Schedule B for a complete description of the Building staff.

(d) **Telecommunications**

The Building will be pre-wired for telephone, cable television and internet services to the Residential Apartments. Residents will be able to subscribe for telephone, television and internet service directly through third party providers on an individual subscription basis. Sponsor reserves the right to enter into an agreement with a service provider to provide a building wide internet access package, the monthly cost of which will be paid by the Board and billed to each Shareholder as part of Maintenance.

(e) **Mail**

All incoming mail will be delivered to the Building and will be placed by the United States Postal Service in mail boxes located on the first floor of the Building.

(f) **Laundry Facilities**

Each Apartment will contain a ventless electric washing machine and dryer. In addition, there will be a common laundry room located on the cellar level of the Building containing a single washing machine and a vented gas-fired dryer.

(g) **Refuse Disposal**

There will be recycling bins and access to refuse chutes in a trash room located on each floor containing Apartments. The refuse chutes will lead directly to a compactor located in the compactor room on the cellar level.

(h) **Communication Facilities and Intercom System**

Each Apartment will be equipped with an audio intercom telephone system which will enable the occupants to communicate directly with the concierge.

(i) **Smoke and Carbon Monoxide Detector/Sprinklers**

A combination smoke and carbon monoxide detector will be provided in each Apartment in compliance with the Law. Additionally, the Building will contain a full sprinkler system in compliance with the Law.

(j) **Recreation Space**

A gym, spa (with sauna, dressing room, and bathroom), yoga studio, and pet spa will be located on the cellar level of the Building.
(k) **Children’s Play Room and Lounge**

A children’s’ playroom and Shareholders lounge will be located on the cellar level.

(l) **Bicycle Storage Room**

A bicycle storage room will be located on the first floor. The Board shall determine how bicycle spaces are allocated among Shareholders, and the fees for such use, if any.

(m) **Wine Cellar**

There will be a wine cellar located on the cellar level of the Building that will be available to Market-Rate Apartment Shareholders, but not to 421-a Affordable Apartment Shareholders. Within the wine cellar, there will be individual storage cabinets (each a “Wine Closet” and collectively “Wine Closets”) with one (1) full height wood cabinet assigned to each Market-Rate Apartment with a lock and key provided. While the wine cellar room will be climate controlled, the Wine Closets will not be climate controlled. In the event of a power outage, the Building’s emergency power generation system will not, and is not intended to, provide electricity to the wine cellars’ temperature control system. Purchasers opting to store wine in the wine cellar expressly assume the risk of theft and/or spoilage, and shall hold Sponsor harmless from any claims arising such loss.
LOCATION AND AREA INFORMATION

Location

The Building will be located at 100 Barrow Street in Manhattan, on the corner of Barrow and Greenwich Streets in the area of Greenwich Village known as the West Village, primarily a residential area. The mailing address of the Building is 100 Barrow Street, New York, New York 10014.

As a world-renowned cultural center, New York City has over 70 museums and more than 50 institutions for the arts, including Lincoln Center for the Performing Arts, housing the Metropolitan Opera House; Avery Fisher Hall, where the New York Philharmonic performs; the David H. Koch Theater, home to the New York City Ballet, also showcasing, modern and other forms of dance; the Vivian Beaumont Theatre, the Lincoln Center Theater Company’s residence; and the Film Society of Lincoln Center. Other prominent venues include Carnegie Hall, New York City Center, the internationally famous Broadway theater district, the Metropolitan Museum of Art, the Museum of Modern Art, and the American Museum of Natural History, including the Hayden Planetarium, all of which are integral to New York City’s rich cultural life. All of the aforementioned institutions are located in Manhattan.

New York City is also the nation’s leading business center for communications, publishing, advertising, the fashion industry, legal and financial services, business consulting and public relations. As the world’s capital of international commerce and finance, New York City is the home of the New York and American Stock Exchanges and the National Over-The-Counter Stock Market.

The West Village has a rich cultural history. It is well-known as the center of cutting-edge artistic movements, including music, poetry, dance, theater and visual arts. This area of Manhattan generally encompasses West Houston to 14th Streets, and from the Hudson River to Broadway.

Transportation

Excellent transportation, both public and private, is available in the vicinity of the Building. The area is served by the M5, M11 and M20 north/south bus lines as well as the M8 and M14A crosstown busses, which conveniently connect to all major northbound and southbound bus lines and subway stations along those routes. Frequent subway service is available at the following locations:

- A, C, E and L trains at the 14th Street and Eighth Avenue station
- A, B, C, D, E, F and M trains at West Fourth Street and Sixth Avenue, a block from Washington Square
- 1, 2, and 3 lines at the 14th Street and Seventh Avenue station
• 1 and 2 trains at the Seventh Avenue station near the intersection of Christopher Street at Sheridan Square, and at the Houston Street at Varick Street station.

Taxis and private car service are also available in this popular area.

Retail Shopping, Restaurants, Cultural Institutions

The West Village is home to numerous boutiques, world-class restaurants and cultural institutions. It includes the architecturally compelling new Whitney Museum of American Art, designed by renowned architect Renzo Piano, located near High Line Park in the fashionable Meatpacking District. Located between Gansevoort Street and West 14th Street, 10th Avenue and Hudson Street, it is a celebrated dining, entertainment, shopping and hotel destination. In addition, the Condominium has easy access to SoHo and TriBeCa, both areas south of West Houston Street, also well-known for designer shops and enticing restaurants.

Schools, Colleges and Universities

New York Public School District 2, as the governing school district for the Condominium, comprises both public and private pre-K, elementary, middle and high schools, some including Special Education (“SE”).

Public Schools:

Pre-K and Elementary: SE

Charrette School P.S. 3
Greenwich Village P.S. 41

Elementary, Middle and High School; SE

Home Instruction

Middle and High Schools; some provide SE

Simon Baruch J.H.S. 104
Manhattan Occupational Training Center P.S. M721
Broome Street Academy Charter High School
Chelsea Career and Technical Education High School
City As School High School
Harvest Collegiate High School
Manhattan Village Academy

490 Hudson Street
116 West 11th Street
250 West Houston Street
330 East 21st Street
250 West Houston Street
121 Avenue of the Americas
131 Avenue of the Americas
16 Clarkson Street
34 West 14th Street
43 West 22nd Street
NYC iSchool  

Private Schools:

St. Luke's School
Village Community School

Colleges and Universities:

New York University, The Cooper Union, Parson's School of Design, New York Film Academy, Hebrew Union College, New York Studio School and The New School are among the leading colleges and universities in lower Manhattan, within an easy commute of the Building.

Hospitals and Medical Services

The following medical facilities are located within easy reach of the Condominium:

- Lenox Hill HealthPlex (Emergency Room Only)  
  30 Seventh Avenue
- New York Doctors Urgent Care  
  65 West 13th Street
- Beth Israel Medical Group  
  West Village  
  226 West 14th Street
- VillageCare Rehabilitation and Nursing Center  
  214 West Houston Street
- U.S. Department of Veterans Affairs  
  245 West Houston Street

Religious Communities

A broad spectrum of religious congregations serves the community around the Building. Among the many houses of worship are the Neighborhood Church, Church of St. Luke in the Fields, Kol haKfar Synagogue, the Islamic Center At New York University, Our Lady of Pompeii Shrine Church, the Heritage Baptist Church, Congregation Derech Emanuah/Greenwich Village, St. John’s Lutheran Church, Finnish Lutheran Church, and the Church of St. Joseph in Greenwich Village.

Public Services

Police:  
  6th Police Precinct, at 233 West 10th Street

Fire Houses:  
  Engine 24, Ladder 5, Battalion 2, at 227 Sixth Avenue
  Squad 18, HazMat 18, at 132 West 10th Street

New York City provides snow removal, sanitation and road maintenance, charges for which are incorporated into City real estate taxes. Water is billed separately.
The New York City Sanitation Department will collect trash. The Apartment Corporation will be responsible for snow removal from the common areas of the Building, which will be included in each Shareholder’s Maintenance.

The U.S. Post Office closest to the Condominium is located at 201 Varick Street, #1.

**Community Organizations**

The Bedford Barrow Commerce Block Association is an interesting community-service organization which sponsors community activities (a Village fair and holiday party), holds meetings on subjects of interest to the neighborhood, supports neighbors in need, cares for the appearance of the neighborhood (e.g., tree-planting, Christmas decorations), and acts as an advocate for the community with Community Board #2, the 6th Precinct and City Hall.

**Outdoor Recreation**

The Condominium is very close to Hudson River Park, part of the Manhattan Waterfront Greenway, delightful waterside parkland extending from the Battery to 59th Street, which provides sporting venues, entertainment events, various classes and a family-friendly environment, including four dog parks. Pier 54, at West Street and 13th Street, also hosts a variety of events, among which is the popular RiverRocks, focused on up-and-coming artists, which is part of the Park’s popular Take me to the River festival. In addition, the recently completed High Line, a walkable park just over a mile long, was created on a portion of the elevated old New York Central Railroad, 30 feet above street level, and provides enjoyable views of the City and the Hudson River.

*Sponsor makes no guarantee or representation as to the continued operation of any of the services or amenities disclosed in this section of the Plan.*
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<tr>
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<td></td>
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</tr>
</tbody>
</table>

**TOTAL:** 

62,400 $156,717,740 1,500 $167,603 2,011,232 $266,616 5,199,377
NOTES TO SCHEDULE A

1. The allocation of Shares is based upon floor space, the location of such space, additional factors of relative value, the uniqueness of the Apartment, the availability of additional space for exclusive or shared use and the overall dimensions of the particular Apartment. The allocation of Shares determines the amount of Maintenance Charges payable by the Tenant-Shareholder of the Apartment. Pursuant to the 421-a Rules, the offering prices for the 421-a Affordable Apartments (Apartments 1A, 1B, 1C, 1D, 1E, 2D and 2E), were established so that the sum of Maintenance (including estimated real estate taxes with Section 421-a benefits) and co-op loan payments, including principal and interest (assuming that the mortgage constitutes 90% of the Purchase Price at the prevailing rate of interest) does not exceed thirty percent (30%) of 125% of AMI, adjusted for family size. In order to comply with the 421-a Rules, Sponsor caused fewer Shares for the 421-a Affordable Apartments to be issued than were issued for the Market-Rate Apartments, relative to Apartment size. However, on or after the twentieth anniversary of the Cooperative Conversion Date, the Board of Directors of the Apartment Corporation will be authorized by Section 8.9 of the By-Laws to issue additional Shares to Apartments 1A, 1B, 1C, 1D, 1E, 2D and 2E, provided that the Apartment has been sold by Sponsor. The additional Shares to be allocated to such Apartments shall be calculated by dividing the square foot area of such Apartments, as provided in the last amended Schedule A to the Offering Plan prior to the issuance of such additional Shares ("Schedule A"), by the total square foot area of all Apartments in the Building, as provided in Schedule A, multiplied by 1000, less the number of Shares allocated to Apartments 1A, 1B, 1C, 1D, 1E, 2D and 2E, respectively, in Schedule A. The issuance of additional Shares to Apartments 1A, 1B, 1C, 1D, 1E, 2D and 2E will then cause the Maintenance that will be charged to such Apartments to increase significantly. Sponsor makes no representation as to the extent of such Maintenance increase.

2. The number of rooms listed in Schedule A is the number of bedrooms and bathrooms per Apartment. Reference should be made to the Apartment floor plans in Part II of this Plan for the layout of each type of Apartment. Purchasers are advised, however, that any floor plan or sketch is only an approximation of the dimensions and layout of a typical Apartment and may not be exactly duplicated after completion of construction.

3. Maintenance Charges are for the projected first year of operation of the Apartment Corporation (i.e., January 1, 2018 to December 31, 2018) and are based upon Schedule B. The actual first year of Apartment Corporation operation may be earlier or later. In the event the actual or anticipated commencement date of the first year of operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections. If the amended budget exceeds this projected budget by 25% or more, Sponsor will offer all Purchasers the right to rescind their Purchase Agreements within not less than fifteen days after the presentation date of the amendment containing such revised budget, and any
Purchaser electing rescission pursuant to such offer will have their Down Payments and any interest accrued thereon returned.

In addition to the payment of Maintenance, each Shareholder will incur additional expenses for:

a. payments under any share loan or loans obtained to finance the purchase of the Apartment;

b. the cost of electricity supplied to the Apartment, which will be separately metered and payable as and when billed (please see Schedule B-1 for further disclosure);

c. the cost of interior repairs to, and the maintenance, painting and decoration of, the Apartment, including, without limitation, the equipment and appliances contained in the same;

d. the cost of any insurance that the Shareholder may desire to carry covering the furniture, belongings, equipment and other personal property in the Apartment, as well as his or her liability to others for personal injury or property damage as a result of occurrences in the Apartment;

e. telephone and cable television charges;

f. other expenses, except as disclosed in this Plan.

4. Sponsor has reserved the right to change the offering prices (as well as other terms of sale) of Apartments not subject to executed Purchase Agreements, so Purchasers may pay different prices for similar Apartments. See the Section entitled “Changes in Offering Terms and Apartments” in Part I of this Plan for further discussion. Pursuant to the 421-a Rules, the offering prices for the 421-a Affordable Apartments were established so that the sum of Maintenance (including real estate taxes with Section 421-a benefits) and co-op loan payments, including principal and interest (assuming that the mortgage constitutes 90% of the Purchase Price at the prevailing rate of interest) does not exceed thirty percent (30%) of 125% of AMI, adjusted for family size. In addition to paying the purchase prices of their Apartments, Purchasers will be responsible for paying certain Closing adjustments and Closing costs (see the Section entitled “Procedure to Purchase and Close” and “Closing Costs and Adjustments” in Part I of this Plan for further discussion).

IRS Circular 230 Disclosure: In May 2005 the U.S. Treasury Department amended the regulations known as “Circular 230,” which, among other things, set forth rules and standards with respect to the rendering of Federal tax advice. In general, the amended rules require such Federal tax advice to include a certain level of detail and discussion and to satisfy certain other requirements, unless the advice meets certain exceptions or is accompanied by a disclosure of certain limitations of the advice. In compliance with Circular 230, the following disclosure sets forth these limitations. Specifically, taxpayers are hereby informed that (i) this Offering Plan was not intended or written to be used, and it cannot be used, by any taxpayer, for
the purpose of avoiding penalties that may be imposed on the taxpayer by the IRS; (ii) this Offering Plan was written to support the promotion or marketing of the transactions(s) or matter(s) addressed in this Offering Plan; (iii) the taxpayer should seek advice based on taxpayer’s particular circumstances from an independent tax adviser.
### SCHEDULE A-1

**100 Barrow Street, New York, NY**  
Projected first year of operation: January 1, 2018 - December 31, 2018

<table>
<thead>
<tr>
<th>Storage Space</th>
<th>Approx. Sq. Ft.</th>
<th>Offering Price</th>
<th>(3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SS1</td>
<td>43</td>
<td>$85,000</td>
<td></td>
</tr>
<tr>
<td>SS2</td>
<td>28</td>
<td>$75,000</td>
<td></td>
</tr>
<tr>
<td>SS3</td>
<td>29</td>
<td>$75,000</td>
<td></td>
</tr>
<tr>
<td>SS4</td>
<td>31</td>
<td>$75,000</td>
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</tr>
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<td>SS5</td>
<td>31</td>
<td>$75,000</td>
<td></td>
</tr>
<tr>
<td>SS6</td>
<td>29</td>
<td>$75,000</td>
<td></td>
</tr>
<tr>
<td>SS7</td>
<td>43</td>
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</tr>
<tr>
<td>SS8</td>
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<td>SS9</td>
<td>38</td>
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<td>SS10</td>
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</tr>
<tr>
<td>SS11</td>
<td>31</td>
<td>$75,000</td>
<td></td>
</tr>
<tr>
<td>SS12</td>
<td>30</td>
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**TOTAL:**  
392  
$925,000

*This is an offering to enter into a 99 year licence agreement.*
## SCHEDULE B
### PROJECTED BUDGET
100 Barrow Street

### ESTIMATED SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR FIRST FULL YEAR OF OPERATION
JANUARY 1, 2018 • DECEMBER 31, 2018

<table>
<thead>
<tr>
<th>Projected Income</th>
<th>With 421-A</th>
<th>Without 421-A</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Maintenance Charges - Apartments</td>
<td>$2,011,232</td>
<td>$3,199,397</td>
</tr>
<tr>
<td>Total Projected Maintenance &amp; Rent</td>
<td>$2,011,232</td>
<td>$3,199,397</td>
</tr>
</tbody>
</table>

| Total Projected Revenue              | $2,011,232 | $3,199,397    |

### Projected Expenses

| (2) Labor and Benefits               | $420,088   | $420,088      |
| (3) Gas (heating, hot water and cooking) | 138,039 | 138,039       |
| (4) Electricity (community areas only) | 152,417  | 152,417       |
| (5) Water Usage and Sewer Rent       | 61,220     | 61,220        |
| (6) Repairs, maintenance and supplies | 38,150   | 38,150        |
| (7) Service Contracts                | 89,960     | 89,960        |
| (8) Insurance                        | 46,500     | 46,500        |
| (9) Management fees                  | 35,000     | 35,000        |
| (10) Legal and Accounting            | 13,500     | 13,500        |
| (11) Administrative                  | 22,000     | 22,000        |
| (12) Ground Lease                    | 761,263    | 761,263       |
| (13) Real estate taxes               | 106,961    | 1,295,127     |
| (14) NYS & NYC Franchise Tax         | 2,500      | 2,500         |
| (15) Contingency                     | 10,000     | 10,000        |
| (16) Reserve fund contribution       | 113,634    | 113,634       |

| Total Projected Expenses              | $2,011,232 | $3,199,397 |

| Net Projected operating income (loss) | $- | $- |
FOOTNOTES

(1) Maintenance

Maintenance projected herein is based upon estimated expenses for the twelve (12) month period commencing January 1, 2018.

In the event the projected commencement date of the first year of the Apartment Corporation's operation is to be delayed more than six (6) months from the anticipated date of the Cooperative Conversion Date, the Plan will be amended to include a revised budget disclosing the then current budget projections. Sponsor will not declare the plan effective if any material changes to the budget are not yet disclosed in an amendment to the Plan.

If the Maintenance in the revised budget projections exceed the earlier budget projections by twenty five percent (25%) or more, the Sponsor will offer all purchasers for fifteen (15) days from the Presentation Date of the amendment the right to rescind their Purchase Agreement and have their Down Payments refunded to them.

The Maintenance for the Residential Units are allocated on their respective shares allocated, except where otherwise noted herein.

<table>
<thead>
<tr>
<th>Items</th>
<th>Total</th>
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<tbody>
<tr>
<td>Labor and Benefits</td>
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</tr>
<tr>
<td>Gas (heating, hot water and cooking)</td>
<td>$138,039</td>
</tr>
<tr>
<td>Electricity (community areas only)</td>
<td>$152,417</td>
</tr>
<tr>
<td>Water Usage and Sewer Rent</td>
<td>$61,220</td>
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<tr>
<td>Repairs, maintenance and supplies</td>
<td>$38,150</td>
</tr>
<tr>
<td>Service Contracts</td>
<td>$89,960</td>
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<tr>
<td>Insurance</td>
<td>$46,500</td>
</tr>
<tr>
<td>Management fees</td>
<td>$35,000</td>
</tr>
<tr>
<td>Legal and Accounting</td>
<td>$13,500</td>
</tr>
<tr>
<td>Administrative</td>
<td>$22,000</td>
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<td>Ground Lease</td>
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<td>Real Taxes</td>
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<td>NYS &amp; NYC Franchise Tax</td>
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<tr>
<td>Contingency</td>
<td>$10,000</td>
</tr>
<tr>
<td>Reserve fund contribution</td>
<td>$113,634</td>
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<tr>
<td><strong>Total Maintenance</strong></td>
<td><strong>$2,011,232</strong></td>
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(2) Labor and Benefits

The building staff shall consist of:

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<tr>
<th>NUMBER OF EMPLOYEES</th>
<th>CATEGORY</th>
<th>ANNUAL WAGE</th>
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<tr>
<td>IN CATEGORY</td>
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<tr>
<td>1</td>
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<td>4</td>
<td>CONCIERGE</td>
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**BASE, OT, BONUS:**

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<td>BONUSES</td>
<td>$-</td>
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**VACATIONS & HOLIDAYS AND PERSONAL**

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<th>No. of days per employee</th>
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<tr>
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**EMPLOYER FICA & MCTMT**

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<th>FICA</th>
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**UNEMPLOYMENT INSURANCE:**

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</table>

**GOVERNMENT MANDATED BENEFITS**

| DISABILITY INSURANCE | $129  |
| WORKERS COMP | $11,446 |

| HEALTH, SUPPLEMENTAL, & PENSION | $73,059 |

**OTHER COSTS**

| PAYROLL PROCESSING | $3,900 |

**SUMMARY**

| GROSS SALARY | $298,947 |
| BENEFITS    | $117,242 |
| PAYROLL PROCESS | $3,900 |

| $420,088 |

**BUDGET**

| $420,088 |

Staffing is based on one live-out full-time superintendent, 24-hour door coverage, seven days per week, one full-time porter, and one p/t porter-doorman. Wage and benefit rates are based on industry standards and are to be in effect during the budget year for the respective class of workers.
(3) **Gas (heating, hot water and cooking)**

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>Residential Gas Use</td>
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<tr>
<td>Heat and hot water</td>
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</tr>
<tr>
<td><strong>Total Gas</strong></td>
<td><strong>$138,039</strong></td>
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</tbody>
</table>

Based on estimates prepared by Edwards & Zuck Consulting Engineer, D.P.C., located at 315 Park Avenue South, 17th-Floor, NY, NY 10010. The estimated cost for Heating and Domestic Hot Water is based on $1.35 per Therm Natural Gas and 88,963 Therms per year, which assumes maintaining 72°F indoors with an outside temperature of 11°F and a wind of 15 MPH, and a 10% inflationary factor. The estimated cost for natural gas used for fireplaces, cooking and monthly testing of the generator is based on a combined charge of $1.35 per Therm and usage of 333-Therms-per-month per apartment and a 10% inflationary factor.

(4) **Electricity**

<table>
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<th>Total</th>
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</thead>
<tbody>
<tr>
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<td>$152,417</td>
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</table>

Based on estimates provided by Edwards & Zuck Consulting Engineers, D.P.C., located at 315 Park Avenue South, 17th-Floor, NY, NY 10010. The estimated cost for common area electricity is based on an assumed consumption of 513,189 KWHRS per year and an average cost of 0.27 per KWHR. This is based on common area loads being supplied through one house meter at Con Edison Rate EL9 (General – Large Commercial). The rates are based on the recent historical rates. These rates include fuel adjustment and Con Edison surcharges which vary from month to month so an average was used in this cost estimate and a 10% inflationary factor. This electricity estimate does not include the cost of electricity in each apartment. Each apartment will have a separate direct meter from Con Edison and will be billed directly.

(5) **Water Usage and Sewer Rent**

<table>
<thead>
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<th></th>
<th>Total</th>
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<tbody>
<tr>
<td></td>
<td>$61,220</td>
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</table>

Based on estimates provided by Edwards & Zuck Consulting Engineers, D.P.C., located at 315 Park Avenue South, 17th-Floor, NY, NY 10010. The estimated cost for water and sewer is based on a combined charge of $9.87 per 100 cu. ft. and usage of 17,355 gallons per day, including 8,640 gallons per day for the cooling tower make-up during the approximate 4-month cooling season. The estimated occupancy is based on an average of 2 persons per studio, 3 persons per 1 bedroom apartment, 4 persons per 2 bedroom apartment, 5 persons per 3 bedroom apartment and 6 persons per 4 bedroom apartment, and a 10% inflationary factor.
(6) Repairs, Maintenance and Supplies

<table>
<thead>
<tr>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$38,150</td>
</tr>
</tbody>
</table>

Does not include repairs, painting, maintenance, or supplies for individual apartments, all of which are the responsibility of the individual shareholders. The budget includes repairs to and maintenance of the building common areas, the exterior, building systems such as the common plumbing and electrical systems, the HVAC systems (including pipes and control devices regulating distribution in the building), cleaning, supplies, hardware, bulbs, and plumbing supplies. No amount is included for items covered by construction warranties to cover the cost of any major capital expenditures. The budget amounts are based on the Sponsor's experience in operating newly constructed buildings of comparable size and quality. Specific repairs, maintenance, and supplies costs are allocated in proportion relative to the allocated shares.

(7) Service Contracts

<table>
<thead>
<tr>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic Hot Water Heaters $3,500</td>
</tr>
<tr>
<td>Boiler Maintenance $7,000</td>
</tr>
<tr>
<td>Cooling Tower Maintenance $21,500</td>
</tr>
<tr>
<td>Elevator Maintenance $20,900</td>
</tr>
<tr>
<td>Uniform Cleaning &amp; Maintenance $1,800</td>
</tr>
<tr>
<td>Alarm / Security System Maintenance $2,160</td>
</tr>
<tr>
<td>Fire Alarm &amp; Sprinkler testing $6,500</td>
</tr>
<tr>
<td>Metal/Marble/Wood Maintenance $7,950</td>
</tr>
<tr>
<td>Spa Equipment service agreement $3,500</td>
</tr>
<tr>
<td>Fitness Equipment service agreement $3,500</td>
</tr>
<tr>
<td>Water Treatment Maintenance $3,900</td>
</tr>
<tr>
<td>Equipment Maintenance $1,000</td>
</tr>
<tr>
<td>Landscaping $3,500</td>
</tr>
<tr>
<td>Exterminating $3,250</td>
</tr>
<tr>
<td>TOTAL MAINTENANCE $89,960</td>
</tr>
</tbody>
</table>

Elevator service contract for two elevator is based on estimates provided by consulting firm, Sierra Consulting. Estimated monthly cost figured at $500-per-elevator-per-month plus sales tax.

Boiler maintenance contract based on a quote from Efficient Combustion & Cooling Corp., located at 563 Broadway, Massapequa, NY 11758. It covers two boilers at $1,600-each-per-annum plus sales tax. The Domestic Hot Water Heater contract, also based on a quote from Demar Plumbing, covers two hot hotwater heaters at $1,600-per-annum, plus sales tax.

Exterminating based on a proposal from Assured Environments, located at 45 Broadway, New York, NY 10006.

Metal & marble maintenance is based on a proposal from Perfect Building Maintenance, located at 360 Lexington Avenue, NY, NY 10017.

Spa and fitness equipment, Water treatment, fire alarm central station, and fire alarm maintenance contracts based on Sponsor's estimate based on experience with comparable buildings with comparable systems.
Insurance projections are based on an estimated insurance premiums provided by York International Agency with offices located at 500 Mamaroneck Ave, Harrison, NY 10528 dated October 6, 2015.

The Sponsor represents that it will deliver at the Shareholder's expense, on or before the first closing of title to a Unit, a fire and liability binder of policy containing all the coverage described in this footnote and meeting the requirements of the Corporation's By-Laws. This coverage does not include claims for personal injury or property damage resulting from occurrences in Units, nor does it include coverage of the furniture or personal property of the Unit Owner.

Shareholders are advised to obtain insurance at their own cost to cover such risks as fire and casualty losses to Unit contents, replacements, additions, upgraded fixtures, improvements, and liability coverage to protect themselves against third party liability claims.

Property coverage under a blanket policy is provided on a "special causes of loss perils" basis and includes Replacement Cost and Agreed Amount subject to a $10,000 deductible per occurrence with exception of damages resulting from an earthquake, which are subject to a $100,000 deductible. Property coverage is limited to $43,200,000 based on projected construction costs which has been deemed adequate to replace the building and avoid co-insurance.

Commercial general liability (CGL) insurance covers comprehensive protection for all common areas, including all recreational facilities with $1.0-million-limit-per-occurrence. An additional $100,000,000 coverage is provided under the terms of the umbrella liability policy. The policy would be extended to include the broadening CGL endorsement which includes Personal Injury Liability, Broad Form Property Damage, Fire Damage Legal Liability, Extended Bodily Injury, Non-Owned and Hired Automobile Liability, in addition to other coverages.

Directors and Officers Liability coverage provided for all present and past members who serve the Board of Trustees for the Corporation with a policy limit of $1.0 million and subject to a $5,000 deductible.

Additional coverage will also be provided under the terms of separate policies provided for worker's compensation, comprehensive auto (if applicable) and comprehensive crime which protects the Association against any dishonest acts of its employees up to $500,000 subject to a $5,000 deductible.

The terms of the insurance will provide (i) that notice of cancellation is sent to First named insured (ii) a waiver of subrogation, (iii) International acts and/or illegal acts are not, nor can they be covered, (iv) that the insurance meets the requirements of any mortgage lender or management contracts, (v) a waiver of invalidity because of acts of the insured and Shareholders, (vi) a waiver of pro-rata reduction in shareholders obtain additional coverage, (vii) that coverage would cover the cost to repair/replace the building with like kind and quality materials and (viii) when the project is completed, insurance proposals will be secured from insurance carriers willing to add the cooperative shareholders as additional insured's in respect to the common areas.

The schedule of insurance and quote prepared by York International Agency can be found on the following two pages. This is a preliminary quote and is subject to changes in market conditions.
(9) **Management fees**

<table>
<thead>
<tr>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
</tr>
<tr>
<td>$35,000</td>
</tr>
</tbody>
</table>

The initial contract with the managing agent shall commence upon the conveyance of title by the Sponsor of the first Apartment in the Corporation and shall continue until the first anniversary of such date. The fee will be $35,000-per-annum based on a quote provided by Century Management Services, Inc. with offices located at 440 Ninth Avenue, New York, NY 10001.

(10) **Legal and accounting**

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal</td>
<td>$5,000</td>
</tr>
<tr>
<td>Accounting and Auditing</td>
<td>$8,500</td>
</tr>
<tr>
<td>Total Legal and accounting</td>
<td>$13,500</td>
</tr>
</tbody>
</table>

Legal fees include general business matters as well as collection efforts beyond the scope of the Board of Directors or managing agent. All cooperative shareholders are entitled to receive annual audited financial statements from the Corporation.

Accounting also includes preparation of the Corporation's annual income tax returns and preparation of annual audited financial statement. Accounting also includes preparation of the annual income tax returns. Accounting fee is based on a quote from Prisand, Melina, Unterlack, & Co., LLP, located at 131 Sunnyside Blvd, Plainview, NY 11803.

(11) **Other**

<table>
<thead>
<tr>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
</tr>
<tr>
<td>$22,000</td>
</tr>
</tbody>
</table>

Covers telephone, payroll processing, New York City mandated fees, and inspections such as boiler permits, elevator inspection fees, postage, messengers, copies, various compliance-related administrative fees, new employee uniforms and cleaning, membership dues to various real estate and condominium advocacy organizations, and other miscellaneous expenses incurred in the normal course of business. Allocations are reflected based on the shares located at the respective apartments.

(12) **Base Rent**

<table>
<thead>
<tr>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
</tr>
<tr>
<td>$761,263</td>
</tr>
</tbody>
</table>

Sponsor has made certain pre-payments of Base Rent. $3,515,481.60 shall be credited toward the Base Rent first due for the first two (2) lease years. Sponsor has also made a pre-payment of $559,275.00, which shall be credited toward the Base Rent first due for the third lease year. The sponsor will be responsible for paying the balance of the Base Rent for year three. The Base Rent in the fourth lease year, which commences on February 1st, 2018 is a total of $1,757,741, therefore the pro-rated amount for the first year of Apartment Corporation operation is equal to $1,611,263. In addition, the Sponsor will make a contribution towards the fourth year Base Rent in the amount of $850,000, leaving the total amount due by the Apartment Corporation $761,263. Please see Exhibit C of the Ground Lease and the section of the Plan entitled Summary of Ground Lease, for disclosure about the rent due under the Lease.
(13) Real estate taxes

<table>
<thead>
<tr>
<th></th>
<th>With 421-A</th>
<th>Without 421-A</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$106,961</td>
<td>$1,295,127</td>
</tr>
</tbody>
</table>

Under the terms of the Ground Lease, the tenant is responsible for payment of all real estate taxes due on the Land and Building. The amount budgeted is an estimate with the 421-a tax abatement, provided by Israel Schechter PLLC on October 7, 2015, of the real estate taxes imposed on the Land and Building for the period of July 1, 2018 through June 30, 2019. Purchasers are advised to read the opinion of Israel Schechter, PLLC which is located in Part II of this Plan.

(14) NYS & NYC Franchise Tax

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>NYS</td>
<td>1,500.00</td>
</tr>
<tr>
<td>NYC</td>
<td>1,000.00</td>
</tr>
<tr>
<td>TOTAL</td>
<td>2,500.00</td>
</tr>
</tbody>
</table>

The budget estimate is predicated on the assumption that only the minimum state franchise and city corporation taxes based upon the capitalization of the apartment corporation will be due.

(15) Contingency

| Total    | $10,000  |

An allowance of $10,000 has been incorporated into the operating budget to allow for unforeseen events and are allocated based on the share allocated among the respective apartments.

(16) Reserve fund contribution

| Total    | $113,634 |

10% of total maintenance towards operational costs minus ground lease factor will be collected and deposited into Corporation’s reserve fund for future capital improvements.

In addition, the Sponsor is making a one-time contribution to the corporation in the amount of $2.5-million into a separate account for to be used at the corporation’s discretion at a later date.
October 05, 2015
Mr. Garland deGraffenried
Toll Brothers City Living
94 Barrow Street
New York, NY 10014

Re: 100 Barrow Street
100 Barrow Street
New York, New York 10014

The following is our estimated average monthly costs for each Residential Unit, including costs associated with lighting, operating the typical electrical appliances located in each Residential Unit including electrical dryer, and operating the heating, cooling and ventilation equipment within each Residential Unit. The costs are based on a Con Edison rate of $0.27 per KWH (Kilowatt-Hour) and a 10% inflationary factor. Taxes are included.

<table>
<thead>
<tr>
<th>Res. Unit</th>
<th>Monthly KWH</th>
<th>Total Monthly Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Studio</td>
<td>1,267.00</td>
<td>$377</td>
</tr>
<tr>
<td>1 Bed Apt</td>
<td>2,069.76</td>
<td>$615</td>
</tr>
<tr>
<td>2 Bed Apt (type 1)</td>
<td>1,861.84</td>
<td>$553</td>
</tr>
<tr>
<td>2 Bed Apt (type 2)</td>
<td>2,477.69</td>
<td>$736</td>
</tr>
<tr>
<td>2 Bed Apt (type 3)</td>
<td>2,879.92</td>
<td>$856</td>
</tr>
<tr>
<td>2 Bed Apt (type 4)</td>
<td>2,354.11</td>
<td>$700</td>
</tr>
<tr>
<td>2 Bed Apt (type 5)</td>
<td>3,194.66</td>
<td>$949</td>
</tr>
<tr>
<td>3 Bed Apt (type 1)</td>
<td>4,121.69</td>
<td>$1225</td>
</tr>
<tr>
<td>3 Bed Apt (type 2)</td>
<td>3,849.53</td>
<td>$1144</td>
</tr>
<tr>
<td>3 Bed Apt (type 3)</td>
<td>3,464.75</td>
<td>$1030</td>
</tr>
<tr>
<td>4 Bed Apt (7A)</td>
<td>6,785.86</td>
<td>$2093</td>
</tr>
<tr>
<td>4 Bed Apt (7B)</td>
<td>7,207.18</td>
<td>$2016</td>
</tr>
<tr>
<td>12A</td>
<td>7,045.98</td>
<td>$2141</td>
</tr>
</tbody>
</table>

The following are the calculations used to estimate the individual Residential Unit electrical costs. The calculation are based on 2-Watts per square foot of lighting and receptacles as well as the other loads listed at the indicated KW and Demand Factors and typical hours per day of usage.
<table>
<thead>
<tr>
<th>AP-0B</th>
<th>436 Square Feet</th>
<th>0 Bedroom</th>
<th>1 Bath</th>
<th>2 Bath</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Connected Load (kW)</td>
<td>Demand Load (kW)</td>
<td>Diversity</td>
<td>Hours/Day</td>
</tr>
<tr>
<td>General Lighting</td>
<td>0.39</td>
<td>0.29</td>
<td>20%</td>
<td>24</td>
</tr>
<tr>
<td>Receptacles</td>
<td>0.65</td>
<td>0.49</td>
<td>15%</td>
<td>24</td>
</tr>
<tr>
<td>Garbage Disposal</td>
<td>2.20</td>
<td>1.65</td>
<td>1%</td>
<td>24</td>
</tr>
<tr>
<td>Dishwasher</td>
<td>2.20</td>
<td>1.65</td>
<td>4%</td>
<td>24</td>
</tr>
<tr>
<td>Elec. Oven</td>
<td>7.00</td>
<td>5.25</td>
<td>3%</td>
<td>24</td>
</tr>
<tr>
<td>Refrigerator</td>
<td>2.00</td>
<td>1.50</td>
<td>25%</td>
<td>24</td>
</tr>
<tr>
<td>Kitchen Hood</td>
<td>0.25</td>
<td>0.19</td>
<td>5%</td>
<td>24</td>
</tr>
<tr>
<td>Washer</td>
<td>2.30</td>
<td>1.73</td>
<td>4%</td>
<td>24</td>
</tr>
<tr>
<td>Dryer</td>
<td>2.50</td>
<td>2.00</td>
<td>4%</td>
<td>24</td>
</tr>
<tr>
<td>Mech. Equipment - Heat Pump</td>
<td>3.33</td>
<td>3.33</td>
<td>25%</td>
<td>24</td>
</tr>
<tr>
<td>TOTAL</td>
<td>22.83</td>
<td>18.58</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>AP-1B</th>
<th>666 Square Feet</th>
<th>1 Bedroom</th>
<th>2 Bath</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Connected Load (kW)</td>
<td>Demand Load (kW)</td>
<td>Diversity</td>
</tr>
<tr>
<td>General Lighting</td>
<td>0.62</td>
<td>0.46</td>
<td>20%</td>
</tr>
<tr>
<td>Receptacles</td>
<td>1.03</td>
<td>0.77</td>
<td>15%</td>
</tr>
<tr>
<td>Garbage Disposal</td>
<td>2.20</td>
<td>1.65</td>
<td>1%</td>
</tr>
<tr>
<td>Dishwasher</td>
<td>2.20</td>
<td>1.65</td>
<td>4%</td>
</tr>
<tr>
<td>Elec. Oven</td>
<td>7.00</td>
<td>5.25</td>
<td>3%</td>
</tr>
<tr>
<td>Refrigerator</td>
<td>2.00</td>
<td>1.50</td>
<td>25%</td>
</tr>
<tr>
<td>Kitchen Hood</td>
<td>0.25</td>
<td>0.31</td>
<td>5%</td>
</tr>
<tr>
<td>Washer</td>
<td>2.30</td>
<td>1.73</td>
<td>4%</td>
</tr>
<tr>
<td>Dryer</td>
<td>2.50</td>
<td>2.00</td>
<td>4%</td>
</tr>
<tr>
<td>Mech. Equipment - Heat Pump</td>
<td>7.47</td>
<td>7.47</td>
<td>25%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>27.58</td>
<td>23.29</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>APT-2B-1 (TYPICAL FOR APARTMENT UNITS D&amp;E ON THE BASEMENT &amp; 2ND FLOOR)</th>
<th>851 Square Feet</th>
<th>1 Bedroom</th>
<th>2 Bath</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Connected Load (kW)</td>
<td>Demand Load (kW)</td>
<td>Diversity</td>
</tr>
<tr>
<td>General Lighting</td>
<td>0.77</td>
<td>0.57</td>
<td>20%</td>
</tr>
<tr>
<td>Receptacles</td>
<td>1.28</td>
<td>0.96</td>
<td>15%</td>
</tr>
<tr>
<td>Garbage Disposal</td>
<td>2.20</td>
<td>1.65</td>
<td>1%</td>
</tr>
<tr>
<td>Dishwasher</td>
<td>2.20</td>
<td>1.65</td>
<td>4%</td>
</tr>
<tr>
<td>Elec. Oven</td>
<td>7.00</td>
<td>5.25</td>
<td>3%</td>
</tr>
<tr>
<td>Refrigerator</td>
<td>2.00</td>
<td>1.50</td>
<td>25%</td>
</tr>
<tr>
<td>Kitchen Hood</td>
<td>0.25</td>
<td>0.31</td>
<td>5%</td>
</tr>
<tr>
<td>Washer</td>
<td>2.30</td>
<td>1.73</td>
<td>4%</td>
</tr>
<tr>
<td>Dryer</td>
<td>2.50</td>
<td>2.00</td>
<td>4%</td>
</tr>
<tr>
<td>Mech. Equipment - Heat Pump</td>
<td>6.11</td>
<td>6.11</td>
<td>25%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>28.80</td>
<td>22.23</td>
<td></td>
</tr>
<tr>
<td>APT-2B-2 (TYPICAL FOR APARTMENT UNIT A ON THE 2ND FLOOR)</td>
<td>832 Square Feet</td>
<td>2 Bedroom</td>
<td>2 Bath</td>
</tr>
<tr>
<td>--------------------------------------------------------</td>
<td>----------------</td>
<td>-----------</td>
<td>--------</td>
</tr>
<tr>
<td>Connected Load (kW)</td>
<td>Demand Load (kW)</td>
<td>Diversity</td>
<td>Hours/Day</td>
</tr>
<tr>
<td>General Lighting</td>
<td>0.75</td>
<td>0.56</td>
<td>20%</td>
</tr>
<tr>
<td>Receptacles</td>
<td>1.25</td>
<td>0.94</td>
<td>15%</td>
</tr>
<tr>
<td>Garbage Disposal</td>
<td>2.20</td>
<td>1.65</td>
<td>1%</td>
</tr>
<tr>
<td>Dishwasher</td>
<td>2.20</td>
<td>1.65</td>
<td>4%</td>
</tr>
<tr>
<td>Elec. Oven</td>
<td>7.00</td>
<td>5.25</td>
<td>3%</td>
</tr>
<tr>
<td>Refrigerator</td>
<td>2.00</td>
<td>1.50</td>
<td>25%</td>
</tr>
<tr>
<td>Kitchen Hood</td>
<td>0.25</td>
<td>0.31</td>
<td>5%</td>
</tr>
<tr>
<td>Washer</td>
<td>2.30</td>
<td>1.73</td>
<td>4%</td>
</tr>
<tr>
<td>Dryer</td>
<td>2.50</td>
<td>2.60</td>
<td>4%</td>
</tr>
<tr>
<td>Mech. Equipment - Heat Pump</td>
<td>9.56</td>
<td>9.56</td>
<td>25%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>30.00</td>
<td>25.64</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>APT-2B-3 (TYPICAL FOR APARTMENT UNIT A ON THE 3RD THROUGH 6TH FLOORS)</th>
<th>1775 Square Feet</th>
<th>2 Bedroom</th>
<th>2 Bath</th>
</tr>
</thead>
<tbody>
<tr>
<td>Connected Load (kW)</td>
<td>Demand Load (kW)</td>
<td>Diversity</td>
<td>Hours/Day</td>
</tr>
<tr>
<td>General Lighting</td>
<td>1.60</td>
<td>1.20</td>
<td>20%</td>
</tr>
<tr>
<td>Receptacles</td>
<td>2.86</td>
<td>2.00</td>
<td>15%</td>
</tr>
<tr>
<td>Garbage Disposal</td>
<td>2.20</td>
<td>1.65</td>
<td>1%</td>
</tr>
<tr>
<td>Dishwasher</td>
<td>2.20</td>
<td>1.65</td>
<td>4%</td>
</tr>
<tr>
<td>Elec. Oven</td>
<td>7.00</td>
<td>5.25</td>
<td>3%</td>
</tr>
<tr>
<td>Refrigerator</td>
<td>2.00</td>
<td>1.50</td>
<td>25%</td>
</tr>
<tr>
<td>Kitchen Hood</td>
<td>0.25</td>
<td>0.31</td>
<td>5%</td>
</tr>
<tr>
<td>Washer</td>
<td>2.30</td>
<td>1.73</td>
<td>4%</td>
</tr>
<tr>
<td>Dryer</td>
<td>2.50</td>
<td>2.50</td>
<td>4%</td>
</tr>
<tr>
<td>Mech. Equipment - Heat Pump</td>
<td>9.71</td>
<td>9.71</td>
<td>25%</td>
</tr>
<tr>
<td>Mech. Equipment - Radiant Heat</td>
<td>0.67</td>
<td>0.67</td>
<td>35%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>33.09</td>
<td>28.16</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>APT-2B-4 (TYPICAL FOR APARTMENT UNIT C ON THE 3RD THROUGH 6TH FLOORS)</th>
<th>1015 Square Feet</th>
<th>2 Bedroom</th>
<th>2 Bath</th>
</tr>
</thead>
<tbody>
<tr>
<td>Connected Load (kW)</td>
<td>Demand Load (kW)</td>
<td>Diversity</td>
<td>Hours/Day</td>
</tr>
<tr>
<td>General Lighting</td>
<td>0.91</td>
<td>0.69</td>
<td>20%</td>
</tr>
<tr>
<td>Receptacles</td>
<td>1.52</td>
<td>1.14</td>
<td>15%</td>
</tr>
<tr>
<td>Garbage Disposal</td>
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<td>1%</td>
</tr>
<tr>
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<td>4%</td>
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<tr>
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<td>3%</td>
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<tr>
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<tr>
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<td>4%</td>
</tr>
<tr>
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<td>2.50</td>
<td>4%</td>
</tr>
<tr>
<td>Mech. Equipment - Heat Pump</td>
<td>7.33</td>
<td>7.33</td>
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</tr>
<tr>
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<td>0.24</td>
<td>25%</td>
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<tr>
<td>Mech. Equipment - Radiant Heat</td>
<td>0.89</td>
<td>0.89</td>
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<td>2 Bedroom</td>
<td>2 Bath</td>
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<tr>
<td>---------------------------------------------------------------</td>
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<td><strong>Demand Load (kW)</strong></td>
<td><strong>Diversity</strong></td>
<td><strong>Hours/Day</strong></td>
</tr>
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<td>25%</td>
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<tr>
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<td><strong>Hours/Day</strong></td>
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<tr>
<td>Dishwasher</td>
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<td>4%</td>
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<td>Refrigerator</td>
<td>2.00</td>
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<td>25%</td>
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<tr>
<td>Kitchen Hood</td>
<td>2.30</td>
<td>1.73</td>
<td>4%</td>
</tr>
<tr>
<td>Washer</td>
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<td>2.00</td>
<td>4%</td>
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<tr>
<td>Wine Cooler</td>
<td>14.26</td>
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<td>Mech. Equipment - Radiant Heat</td>
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<th>4 Bath</th>
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<td><strong>Demand Load (kW)</strong></td>
<td><strong>Diversity</strong></td>
<td><strong>Hours/Day</strong></td>
</tr>
<tr>
<td>General Lighting</td>
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<td>20%</td>
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<td>1%</td>
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<tr>
<td>Dishwasher</td>
<td>2.20</td>
<td>1.65</td>
<td>4%</td>
</tr>
<tr>
<td>Elec. Oven</td>
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<td>5.25</td>
<td>3%</td>
</tr>
<tr>
<td>Refrigerator</td>
<td>2.00</td>
<td>1.50</td>
<td>25%</td>
</tr>
<tr>
<td>Kitchen Hood</td>
<td>0.25</td>
<td>0.31</td>
<td>5%</td>
</tr>
<tr>
<td>Washer</td>
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<td>1.73</td>
<td>4%</td>
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<tr>
<td>Dryer</td>
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<td>11.16</td>
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<td>Mech. Equipment - Radiant Heat</td>
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<td><strong>TOTAL</strong></td>
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### APT-3B-3 (TYPICAL FOR APARTMENT UNIT B ON THE 7TH THROUGH 11TH FLOORS)

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<th>2076 Square Feet</th>
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<th>4 Bath</th>
<th>Cost/Month (24.5 cents/kWhr)</th>
<th>Cost/Month Projected for 2017</th>
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<td><strong>Connected Load (kW)</strong></td>
<td><strong>Demand Load (kW)</strong></td>
<td><strong>Diversity</strong></td>
<td><strong>Hours/Day</strong></td>
<td><strong>kWhr/Month</strong></td>
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<td>Dishwasher</td>
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<td>1.65</td>
<td>4%</td>
<td>24</td>
<td>47.52</td>
</tr>
<tr>
<td>Elec. Oven</td>
<td>7.00</td>
<td>5.25</td>
<td>3%</td>
<td>24</td>
<td>113.40</td>
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<tr>
<td>Refrigerator</td>
<td>2.00</td>
<td>1.50</td>
<td>25%</td>
<td>24</td>
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<td>0.31</td>
<td>5%</td>
<td>24</td>
<td>11.25</td>
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<td>Washer</td>
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<td>1.73</td>
<td>4%</td>
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<td>24</td>
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<td>Wine Cooler</td>
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<td>0.24</td>
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<td>Mech. Equipment - Radiant Heat</td>
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### APT-12A

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<th>Cost/Month Projected for 2017</th>
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<tbody>
<tr>
<td><strong>Connected Load (kW)</strong></td>
<td><strong>Demand Load (kW)</strong></td>
<td><strong>Diversity</strong></td>
<td><strong>Hours/Day</strong></td>
<td><strong>kWhr/Month</strong></td>
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<tr>
<td>Dishwasher</td>
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<td>1.65</td>
<td>4%</td>
<td>24</td>
<td>47.52</td>
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<tr>
<td>Elec. Oven</td>
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<td>25%</td>
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<td>270.00</td>
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<tr>
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<td>0.25</td>
<td>0.31</td>
<td>5%</td>
<td>24</td>
<td>11.25</td>
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<tr>
<td>Washer</td>
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<td>1.73</td>
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<td>19.66</td>
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### APT-4B-7A

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<td><strong>Hours/Day</strong></td>
<td><strong>kWhr/Month</strong></td>
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<tr>
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<td>1.65</td>
<td>4%</td>
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<td>3%</td>
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<td>1.50</td>
<td>25%</td>
<td>24</td>
<td>270.00</td>
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<tr>
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<td>0.31</td>
<td>5%</td>
<td>24</td>
<td>11.25</td>
</tr>
<tr>
<td>Washer</td>
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<td>1.73</td>
<td>4%</td>
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<td>49.68</td>
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<td>Dryer</td>
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<td>2.50</td>
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<tr>
<td>Mech. Equipment - Radiant Heat</td>
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<td>11.88</td>
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<td>1.65</td>
<td>4%</td>
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<td>47.52</td>
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<td>5.25</td>
<td>3%</td>
<td>24</td>
<td>113.40</td>
</tr>
<tr>
<td>Refrigerator</td>
<td>2.00</td>
<td>1.50</td>
<td>25%</td>
<td>24</td>
<td>270.00</td>
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<tr>
<td>Kitchen Hood</td>
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<td>0.31</td>
<td>5%</td>
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<td>11.25</td>
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<tr>
<td>Washer</td>
<td>2.30</td>
<td>1.73</td>
<td>4%</td>
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<td>49.88</td>
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<tr>
<td>Dryer</td>
<td>2.50</td>
<td>2.50</td>
<td>4%</td>
<td>24</td>
<td>72.00</td>
</tr>
<tr>
<td>Wine Cooler</td>
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<td>0.24</td>
<td>25%</td>
<td>24</td>
<td>43.20</td>
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<tr>
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</tbody>
</table>

If any additional information is required, please call.

Sincerely,

EDWARDS & ZUCK
CONSULTING ENGINEERS, D.P.C.

Michael Geary, PE
Principal

MCG: cf
THE 421-a AFFORDABLE APARTMENTS

Sponsor intends to apply to the City of New York for real estate tax benefits for the Property pursuant to Real Property Tax Law (the “RPTL”) Section 421-a (“421-a Benefits”). Since the Property is located in the Geographic Exclusion Area (as defined under the RPTL), Sponsor intends to qualify the Property for such real estate tax benefits by setting aside twenty percent (20%) of the Apartments in the Building for households with an income not to exceed 125% of the Area Median Income (i.e., the 421-a Affordable Apartments). Sponsor is required to offer the 421-a Affordable Apartments only to persons whose annual household income is no greater than 125% of AMI, pursuant to a lottery. The lottery will be administered by the Housing Partnership Development Corporation (the “Housing Partnership”), having an office at 242 West 36th Street, 3rd Floor, New York, New York 10018, and will be monitored by the New York City Department of Housing Preservation and Development (“HPD”).

Sponsor has been awarded a grant from the New York State Affordable Housing Corporation (“AHC”) to partially finance the construction of the 421-a Affordable Apartments. The total value of the grant is $175,000, to be distributed in $25,000 increments to the 421-a Affordable Apartment Purchasers (the “Incremental AHC Award”) at each 421-a Affordable Apartment Closing, provided that the 421-a Affordable Apartment Purchaser is an Eligible Purchaser whose household income is no greater than 125% of the Area Median Income and whose assets do not exceed thirty-five percent (35%) of the average total development cost for the type of 421-a Affordable Apartment being purchased. On the advice of the Housing Partnership, upon AHC’s issuance of each Incremental AHC Award, (i) $12,750 shall be applied toward the purchase price for such Shares and (ii) $12,250 (the “Closing Cost Allocation”) shall be applied toward such 421-a Affordable Apartment Purchaser’s Closing Costs (as hereinafter defined). “Closing Costs” shall include the actual costs incurred by Purchaser to purchase and obtain title to the Shares, including the costs incurred to obtain mortgage financing for the purchase of the Shares. Moving expenses and other expenses that are not directly related to the transaction are not “Closing Costs.” In the event that there is a dispute about whether a particular Purchaser expenditure is a Closing Cost for the purpose of utilizing the Closing Cost Allocation, the Partnership shall make a determination at or prior to the Closing. Such determination shall be final and non-appealable. 421-a Affordable Purchasers shall not be responsible for the payment of New York City transfer taxes, New York State transfer taxes, the legal fees of Sponsor’s attorneys, or a contribution to the Working Capital Fund.

As a condition of receiving the Incremental AHC Award, each 421-a Affordable Apartment Purchaser shall be required to execute, at Closing, an AHC Grant Enforcement Note and Security Agreement, a copy of which are provided in Part II of this Plan. The AHC Grant Enforcement Note and Security Agreement shall not require the re-payment of principal or interest, provided that each 421-a Affordable Shareholder, including, as applicable, a successor re-sale purchaser that has been qualified by AHC, occupies his or her 421-a Affordable Apartment as a Primary Residence for a total of twenty (20) years after the Closing Date. The failure of a 421-a Affordable Apartment Shareholder to occupy his Apartment as his Primary Residence shall be a default under the AHC Grant Enforcement Note and Security Agreement.
On the twentieth anniversary of the Closing Date for the 421-a Affordable Apartment, subject to the “tacking” provisions of the AHC Grant Enforcement Note and Security Agreement set forth in Section 13 thereof, the AHC Unit Debt for that Apartment and the AHC requirements for that Apartment shall be deemed satisfied. “Tacking” refers to the aggregation of the period of ownership and occupancy of a 421-a Affordable Apartment by a Purchaser with all subsequent qualified purchasers of such Apartment.

Pursuant to the AHC Grant Enforcement Note and Security Agreement to which each 421-a Affordable Apartment shall be subject, for a period of twenty (20) years from the Closing Date of each 421-a Affordable Apartment (the “AHC Affordability Period”) all re-sales of 421-a Affordable Apartments shall be made exclusively to persons with (i) assets that do not exceed thirty-five percent (35%) of the average total development cost of the 421-a Affordable Apartment being purchased (the “Asset Test”). Such average total development cost shall be determined by the Housing Partnership; and (ii) an annual household income of not more than 125% of AMI at a re-sale price that shall not exceed the re-seller’s purchase price for acquiring such 421-a Affordable Apartment, plus an Adjustment for Inflation, as defined herein (the “Income Test”). The “Adjustment for Inflation” shall be calculated by multiplying the re-seller’s purchase price to acquire the 421-a Affordable Apartment by a fraction, the numerator of which shall be the Consumer Price Index for the full calendar month immediately preceding the date of such adjustment, and the denominator of which shall be the Consumer Price Index for the date that such re-seller acquired title to such 421-a Affordable Apartment. The “Consumer Price Index” shall mean the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the United States Department of Labor, New York, New York Northeastern New Jersey Area, All Items (1982-84 = 100), or any successor index thereto, appropriately adjusted. If the Consumer Price Index ceases to be published, and there is no successor thereto, such other reasonably similar index as is designated by the Board of Directors shall be substituted for the Consumer Price Index. For the purpose of calculating the re-sale price of a 421-a Affordable Apartment, the re-seller’s purchase price to acquire a 421-a Affordable Apartment shall not include the closing costs associated with the acquisition of such 421-a Affordable Apartment. The Board of Directors shall perform the Income Test and the Asset Test, and it shall certify the assets and annual household income of all prospective 421-a Affordable Apartment re-sale purchasers and the re-sale purchase price of all 421-a Affordable Apartments simultaneously with its exercise or waiver of its right of first refusal. In addition, the Board of Directors shall, prior to the execution of a re-sale contract for such 421-a Affordable Apartment, certify the assets and income of such prospective re-sale purchaser to the Housing Partnership, or any successor entity that is then administering the AHC Grant Enforcement Note and Security Agreement (as discussed below), and the Housing Partnership, or its successor, shall be required to act in good faith with respect to reviewing each application for the re-sale of each 421-a Affordable Apartment to determine whether such re-sale is to a person or persons who comply with the requirements disclosed in this paragraph.

Pursuant to the AHC Grant Enforcement Note and Security Agreement, no 421-a Affordable Apartment may be subleased until the end of the AHC Affordability Period.
In addition to the restrictions in the AHC Grant Enforcement Note and Security Agreement, the Ground Lease requires 421-a Affordable Apartments to be sold and resold to persons with an annual household income that does not exceed 125% of AMI for a period of twenty (20) years after the Cooperative Conversion Date. However, the 421-a Rules are silent as to any income and price restrictions on re-sale purchasers of 421-a Affordable Apartments. Therefore, after twenty (20) years from the Cooperative Conversation Date, and after the AHC Affordability Period has ended, Sponsor assumes that there will be no income, asset and re-sale price restrictions on the 421-a Affordable Apartments that have been sold. However, Sponsor makes no representation, guarantee or warranty that the 421-a Rules or other Laws will not be amended at some future date to provide for income, asset and re-sale price restrictions on 421-a Affordable Apartments.

Pursuant to the 421-a Rules, the offering prices for the 421-a Affordable Apartments (Apartments 1A, 1B, 1C, 1D, 1E, 2D and 2E), were established so that the sum of Maintenance (including estimated real estate taxes with Section 421-a benefits) and co-op loan payments, including principal and interest (assuming that the mortgage constitutes 90% of the Purchase Price at the prevailing rate of interest) does not exceed thirty percent (30%) of 125% of AMI, adjusted for family size. In order to comply with the 421-a Rules, Sponsor caused fewer Shares for the 421-a Affordable Apartments to be issued than were issued for the Market-Rate Apartments, relative to Apartment size. However, on or after the twentieth anniversary of the Cooperative Conversion Date, the Board of Directors of the Apartment Corporation will be authorized by Section 8.9 of the By-Laws to issue additional Shares to Apartments 1A, 1B, 1C, 1D, 1E, 2D and 2E, provided that the Apartment has been sold by Sponsor. The additional Shares to be allocated to such Apartments shall be calculated by dividing the square foot area of such Apartments, as provided in the last amended Schedule A to the Offering Plan prior to the issuance of such additional Shares (“Schedule A”), by the total square foot area of all Apartments in the Building, as provided in Schedule A, multiplied by 1000, less the number of Shares allocated to Apartments 1A, 1B, 1C, 1D, 1E, 2D and 2E, respectively, in Schedule A. The issuance of additional Shares to Apartments 1A, 1B, 1C, 1D, 1E, 2D and 2E will then cause the Maintenance that will be charged to such Apartments to increase significantly. Sponsor makes no representation as to the extent of such Maintenance increase.

Prior to the Cooperative Conversion Date, Sponsor will enter into a 421-a Restrictive Declaration with HPD, a form of which is located in Part II of this Plan. Pursuant to the 421-a Restrictive Declaration, in the event that Sponsor continues to own any Unsold 421-a Affordable Apartments within thirty-five (35) years after the completion of construction of the Building, as evidenced by the issuance of at least a Temporary Certificate of Occupancy which covers all Apartments (the “421-a Sponsor Sales Affordability Period”), Sponsor shall continue to offer such 421-a Affordable Apartments for sale to persons whose annual household income is no greater than 125% of AMI. However, provided that such Unsold 421-a Affordable Apartments are not subject to any tenancies after the expiration of the 421-a Sponsor Sales Affordability Period, Sponsor will have the right to offer such Unsold 421-a Affordable Apartments to the public as Market-Rate Apartments pursuant to a duly filed amendment to the Offering Plan. Notwithstanding Sponsor’s right to sell Unsold 421-a Affordable Apartments to the public at market rate offering prices after the expiration of the 421-a Sponsor Sales
Affordability Period, Sponsor intends to sell all 421-a Affordable Apartments for sale to Purchasers with a household income of no more than 125% of AMI.

Sponsor’s sale of 421-a Affordable Apartments to persons with an annual household income of no greater than 125% of AMI is predicated upon the issuance of grant funds from the New York State Affordable Housing Corporation for the construction of the 421-a Affordable Apartments. In the event that such grant funds are not issued, and Sponsor does not otherwise secure Substantial Governmental Assistance, as that term is defined in the 421-a Rules, then Sponsor shall offer the 421-a Affordable Apartments for sale to persons with an annual household income of not greater than 60% of AMI and the sum of Maintenance (including estimated real estate taxes with Section 421-a benefits) and co-op loan payments, including principal and interest (assuming that the mortgage constitutes 90% of the Purchase Price at the prevailing rate of interest) for such households cannot exceed thirty percent (30%) of 60% of AMI, adjusted for family size (“60% Households”).

Sponsor shall make a good faith effort to sell the 421-a Affordable Apartments, but it reserves the right to rent such Apartments in the event that they cannot be sold at the offering prices disclosed in this Plan. The 421-a Restrictive Declaration will provide, *inter alia*, that if the 421-a Affordable Apartments are rented by Sponsor, the eligible tenants shall be 60% AMI Households. The 421-a Restrictive Declaration will also provide that such Apartments shall continue to be rented to 60% AMI Households for the later of thirty-five (35) years from the issuance of a Temporary Certificate of Occupancy for all Apartments or the first vacancy of the rental tenant (if any) in such 421-a Affordable Apartment after such thirty-five (35) year period has expired (the “HPD Affordable Rental Period”). Thereafter, such Apartments may be leased at market-rate rents. During the HPD Affordable Rental Period, all leases must be registered with the New York State Division of Housing and Community Renewal, with properly drafted 421-a riders, as rent stabilized. Upon the vacancy of any rental 421-a Affordable Apartments during the HPD Affordable Rental Period, Sponsor reserves the right to sell such Apartments at either the then-allowable AMI level or at market-rate prices.

As of the Filing Date, 125% and 60% of the Area Median Income are as follows:

<table>
<thead>
<tr>
<th>Number of Bedrooms in Apartment</th>
<th>Maximum Household Income (125% of AMI)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Studio</td>
<td>$75,625</td>
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<tr>
<td>1</td>
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<tr>
<td>2</td>
<td>$97,125</td>
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<tr>
<td>3</td>
<td>$112,250</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Number of Bedrooms in Apartment</th>
<th>Maximum Household Income (60% of AMI)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Studio</td>
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<tr>
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<tr>
<td>2</td>
<td>$46,620</td>
</tr>
<tr>
<td>3</td>
<td>$53,880</td>
</tr>
</tbody>
</table>
Sponsor makes no representation about the maximum household income at 125% or 60% of AMI after the Filing Date. Purchasers of 421-a Affordable Apartments are encouraged to verify AMI maximums with the Housing Partnership prior to applying for the lottery for a 421-a Affordable Apartment.
CHANGES IN PRICES AND APARTMENTS

Changes in Prices and Offering Terms

Sponsor reserves the right at any time and from time to time to change terms of sale relating to any purchase under this Plan and the manner of payment thereof. Apartments and Storage Spaces will be offered at the Offering Prices set forth in Schedule A and Schedule A-1 which prices are subject to change at the discretion of Sponsor. The offering prices set forth in Schedule A and Schedule A-1 must be increased or decreased by a duly filed amendment to the Plan when the change in price is an across-the-board change affecting one or more lines of Apartments, or is to be advertised. However, the Sponsor may enter into a Purchase Agreement to sell one or more Apartments and license one or more Storage Spaces at prices different from those set forth in Schedule A and Schedule A-1, on an individual basis. Accordingly, Sponsor reserves the right to decrease Offering Prices or modify other terms of sale or license, without filing an amendment to the Plan at any time during the offering if such reduction in Offering Price or modification of such other terms of sale or license is the result of an individually negotiated transaction.

Pursuant to the 421-a Rules, the offering prices for the 421-a Affordable Apartments (Apartments IA, IB, IC, ID, IE, 2D and 2E) were established so that the sum of Maintenance (including real estate taxes with Section 421-a benefits) and co-op loan payments, including principal and interest (assuming that the mortgage constitutes 90% of the Purchase Price at the prevailing rate of interest) do not exceed thirty percent (30%) of 125% of AMI, adjusted for family size. Sponsor reserves the right to amend such offering prices in accordance with the 421-a Rules.

An amendment for the sole purpose of affecting a change in price shall be effective immediately upon its receipt by the Department of Law. No price change will be effective with respect to any Apartment for which a Purchase Agreement is in effect without the consent of Purchaser. However, should that Purchase Agreement be terminated, the new price may be used in any Purchase Agreement entered into after such termination.

Notwithstanding anything in the previous paragraphs to the contrary, Sponsor will not disproportionately change the Offering Price for an Apartment from the price set forth in Schedule A, until after the Cooperative Conversion Date, unless Century Management Services, Inc., the marketing consultant who prepared the Opinion of Reasonable Relationship in Part I of this Plan or similar expert ("Marketing Consultant"), opines that the new price continues to satisfy the reasonable relationship requirement discussed in the Opinion of Reasonable Relationship. Sponsor will obtain an updated opinion letter from Marketing Consultant as of the Cooperative Conversion Date, confirming that the reasonable relationship test is still satisfied on that date (i.e., that (i) the distribution of Shares among the Apartments shown on Schedule A, as same may have been amended, is reasonable and equitable, and (ii) the Offering Price and value of each block of Shares allocated to an Apartment is not less than an amount that bears a
reasonable relationship to the portion of the fair market value of the Apartment Corporation's equity in the Building attributable to such Apartment).

Sponsor reserves the additional right, without further amendment to the Plan, to negotiate any terms of the Purchase Agreement and any obligation of a Purchaser including, but not limited to: interim lease or use and occupancy agreements, the application of rents or other charges against the Offering Price, rights of cancellation if the Purchase Agreement is not consummated by a certain date or other contingency, and every other aspect of the transaction.

Disclosure of the fact that the items discussed in the previous paragraph may be requested by a Purchaser or may be the subject of negotiation does not mean that any of them, or any other particular item, except as is otherwise specifically disclosed, is actually being offered to any particular Purchaser, and Sponsor shall not be obligated to alter the terms of sale or to impose any such obligation on itself as to a particular Purchaser, whether or not it makes such allowances to any other Purchaser or Purchasers. The negotiation of such terms shall be on a case-by-case basis in Sponsor's sole discretion and without amendment to the Plan. In accordance with the foregoing, it should be understood that there is no obligation for any particular item to be negotiated or granted to any particular Purchaser, and that Purchasers purchasing similar interests may pay different amounts or receive different terms with respect to the transaction.

**Changes in Apartments**

In order to meet the possible varying demands for number and type of Apartments, or to meet particular requirements of prospective Purchasers or for any other reason, Sponsor reserves the right at any time, with respect to any Apartment that has not yet been sold by Sponsor, to:

(a) change or reverse the layout of the Apartment and make adjustments to its interior dimensions;

(b) change the number of rooms in any Apartment;

(c) change the size and/or number of Apartments by subdividing one or more Apartments into two or more separate Apartments, combining separate Apartments into one or more Apartments, altering boundary walls of Apartments, or otherwise, including, without limitation, by incorporating any wall, hallway or portion thereof, or other area abutting an Apartment(s) owned by Sponsor into one or more Apartments;

(d) if appropriate, cause a reallocation of Shares among Apartments affected by such changes, however, Shares need not be reallocated if a portion of a public hallway is incorporated into an Apartment or Apartments, as described above; and
(e) make any changes to the public areas of the Building, necessary as a result of the foregoing modifications to Apartments, provided only that the consents of all government authorities having jurisdiction, are first obtained, to the extent such approval is required by law.

In the event that Sponsor changes the total number of Shares or the size or quality of public areas in the Building, Purchasers who have executed and delivered Purchase Agreements to the Sponsor, and who are not in default under same, shall receive a right to rescind such Purchase Agreement for fifteen (15) days after the presentation of such right. No changes will be made in the size or number of Apartments, the allocation of Shares to individual Apartments, the total number of Shares or in the size or quality of the public areas except by amendment to the Plan. Holders of Unsold Shares shall comply with the foregoing provisions. Without the consent of affected Purchasers, Sponsor will not change the size, layout, or Share allocation of any Apartment if a Purchase Agreement has been executed and delivered to the Sponsor for such Apartment and the Purchaser thereunder is not in default.

Notwithstanding the foregoing, and except for minor changes necessitated by site conditions, no change in size, dimension, floor space or layout will be made to an Apartment for which a Purchase Agreement has been executed and delivered to Sponsor without the consent of the Purchaser, unless Purchaser has defaulted under said Purchase Agreement, was notified of the default and failed to cure said default as provided in the Purchase Agreement. If the layout and dimensions of an Apartment conform substantially to the Plans and Specifications, subject to Sponsor's right to make minor changes necessitated by site conditions, a Purchaser will not be excused from purchasing the Apartment for such reason and will not have any claim against Sponsor as a result of such insubstantial deviation caused by construction conditions which are beyond the control of Sponsor. Sponsor will file an amendment to the Plan if the size of an Apartment offered for sale is materially changed or there is a material decrease in the size and quality of the Building's public areas. The layout of an Apartment that has not yet been sold may be changed by altering interior partitions and the like without prior notice or amendment to the Plan.

If it shall be necessary to increase the total number of authorized Shares which the Apartment Corporation may issue solely by reason of the foregoing, the Apartment Corporation will amend its Certificate of Incorporation for such purpose. An increase in the total number of Shares issued may or may not result in a reduction of Maintenance Charges payable by each Shareholder as Maintenance Charges are a function of the relative allocation of Shares to a Shareholder’s Apartment in proportion to the total number of Shares issued.
April 15, 2016

Selden & Schein, P.C.
570 Lexington Avenue, 14th-Floor
New York, NY 10022
Attn.: Mr. Adam A. Levenson

Re: Cooperative Offering Plan (the “Plan”) for 100 Barrow Street Corp.
100 Barrow Street
New York, New York (the “Property”)

Dear Mr. Levenson:

The undersigned has reviewed the allocation of shares, total cash payment for each apartment and other estimates contained in Schedule A for inclusion in the above referenced plan.

In our opinion, as of the anticipated presentation date of the Offering Plan, the total cash payment to be paid under the Offering Plan for each and every apartment is not less than an amount that bears a reasonable relationship to the portion of the fair market value of the equity the apartment corporation will acquire on consummation of the plan in the above captioned premises, which is attributable to such apartment.

The undersigned is an independent company and is not affiliated with the Sponsor or any affiliate of the sponsor, and the undersigned has no interest in the proceeds of the plan of the Cooperative Ownership of 100 Barrow Street, New York, NY, other than the service of the undersigned in connection therewith. Our experience in the field includes the management of real estate properties for over 30 years. We currently manage approximately 100 properties, comprising approximately 10,000 residential and commercial units.

The share allocation for each apartment is based on floor space, subject to the location of such space and the additional factors of relative value to their space in the building, uniqueness of the apartment, the availability of the additional space for exclusive or shared use and the overall dimensions of the particular apartment.

This opinion is confined to the matters addressed herein and is not intended, nor should it be construed, as an opinion on any other aspects of the Plan. Further, I assume no obligation to update or supplement this opinion to reflect any changes in statutory law or Judicial precedent, or any changes in fact or circumstances that may hereafter come to our attention pertaining to the subject matter hereof.

I consent to the incorporation of this opinion in the Plan and to the reference to my name therein in connection with this opinion.

Very truly yours,

Jacob E. Sirotkin
PROCEDURE TO PURCHASE AND CLOSE

Purchase Agreements

A person desiring to purchase Shares allocable to an Apartment in the Building, or the authorized parties thereof if the Purchaser is other than a natural person, shall be required to execute in quadruplicate a Purchase Agreement in the form set forth in Part II of this Plan and return it to the Sponsor, together with a check in the amount of ten percent (10%) of the Purchase Price, drawn to the order of “Seiden & Schein, P.C., as escrow agent”, as a down payment (the “Down Payment”). The Down Payment may be increased for special work, if any, ordered by the Purchaser and agreed to by the Sponsor and itemized in the Purchase Agreement.

Pursuant to the Department of Law’s regulations, Purchasers will be afforded not less than three (3) business days to review this Plan and all filed amendments prior to executing a Purchase Agreement. If a Purchaser has not been afforded at least three (3) business days prior to executing a Purchase Agreement, such Purchaser will have seven (7) days after delivering an executed Purchase Agreement together with the Down Payment to rescind the Purchase Agreement and have the Down Payment refunded promptly. Such rescinding Purchaser must either personally deliver a written notice of rescission to the Selling Agent within the 7-day period, or mail the notice of rescission to the Selling Agent and have the mailing post-marked within the 7-day period. The Purchase Agreement shall not be binding upon the Sponsor until a duplicate thereof, executed by the Sponsor, is delivered to Purchaser.

Within twenty (20) days after delivery by Purchaser to Sponsor or Sponsor’s agent of the Purchase Agreement as executed by Purchaser, Sponsor will either:

(a) accept the Purchase Agreement and cause to be returned to Purchaser a fully executed counterpart thereof, or;

(b) reject the Purchase Agreement and refund the Down Payment tendered by Purchaser.

A form of Purchase Agreement is located in Part II of this Plan.

Escrow

The Escrow Agent

The law firm of Seiden & Schein, P.C., with an address at 570 Lexington Avenue, 14th Floor, New York, New York, telephone number (212) 935-1400, shall serve as escrow agent (“Escrow Agent”) for Sponsor and Purchaser.
The Escrow Account

Escrow Agent has established the escrow account at Citibank, N.A, at its office located at 399 Park Avenue, New York, New York 10022 (the “Bank”), a bank authorized to do business in the State of New York. The escrow account is entitled Seiden & Schein, P.C., Attorney Account (“Escrow Account”). The signatories on the Escrow Account authorized to withdraw funds are Jay G. Seiden, Esq., Alvin Schein, Esq., and Adam A. Levenson, Esq., each of whom has an office at 570 Lexington Avenue, 14th Floor, New York, New York 10022. Each designated signatory is admitted to practice law in the State of New York. Neither Escrow Agent nor any authorized signatories on the account are Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in the Escrow Account. Such account shall be interest bearing if so requested by Purchaser in accordance with Section 71-a(3) of the Lien Law.

The name of Purchaser shall be added to the title of a sub-account of the Escrow Account, which shall also be at Citibank, N.A. at its office located at 399 Park Avenue, New York, New York 10022. The Escrow Account is federally insured by the FDIC to the maximum amount of $250,000. Such $250,000 coverage includes, in the aggregate, the Down Payment, plus any and all other deposits that Purchaser has on account at Citibank, N.A. Any Purchaser deposits at Citibank, N.A. (including the Down Payment) which, in the aggregate, exceed $250,000 will not be insured by the FDIC.

All checks constituting the “Down Payment” are to be made payable to the order of “Seiden & Schein, P.C., as Escrow Agent” and all checks in payment of the balance of the Purchase Price (due at the Closing) are to be made payable to the order of Sponsor or as otherwise directed by Sponsor, with all checks, in either case, drawn on a member bank of the New York Clearing House Association.

Any additional deposits made for upgrades, extras, or custom work (“Special Work Deposits”) shall be initially deposited into the Escrow Account, and released in accordance to the terms of the Purchase Agreement between Purchaser and Sponsor.

The Down Payment and the Special Work Deposit and herein referred to collectively as the “Deposit.”

The Down Payment will be held in an interest-bearing account, provided Purchaser furnishes a completed W-8 or W-9 form, and, unless Purchaser defaults, interest will be credited to Purchaser at Closing. The account is a variable-rate account, paying money market rates. The interest rate to be earned in the Escrow Account will fluctuate daily and is currently less than 1% per annum. Interest will begin to accrue upon deposit of the Down Payment, which is to be made in accordance with this section of the Plan. All interest earned thereon shall be paid to or credited to Purchaser at closing. No fees of any kind may be deducted from the Escrow Account, and Sponsor shall bear all costs associated with the maintenance of the Escrow Account.
Notification to Purchaser

Within five (5) business days after the Purchase Agreement has been executed by Purchaser, Sponsor, and Escrow Agent, Escrow Agent shall place the Deposit into the Escrow Account. Within ten (10) business days after the Deposit has been placed into the Escrow Account, Escrow Agent shall send written notice to Purchaser and Sponsor. The notice shall provide the account number and the initial interest rate to be earned on the Down Payment. Any Special Work Deposit shall be initially deposited into the Escrow Account, and released in accordance to the terms of the Purchase Agreement.

If Purchaser does not receive written notice of such deposit within fifteen (15) business days after tender of the executed Purchase Agreement and Deposit, he or she may cancel the Agreement within ninety (90) days after tender of the Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, New York 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law’s regulations concerning deposits and requisite notice was timely mailed to Purchaser.

Default by Purchaser

If Purchaser is in default with respect to the Pre-Closing requirements of the Plan or under any Interim Lease entered into in connection with a Pre-Closing or otherwise, or if Purchaser fails to pay the Balance Due at Closing on a scheduled Closing date (originally scheduled or pursuant to a valid adjournment), or if when Sponsor or the Apartment Corporation tenders Purchaser the Shares and Proprietary Lease (or an assignment thereof), Purchaser does not then sign any of the documents referred to in the Plan which Purchaser is required to sign, or if Purchaser violates, repudiates or fails to perform any of the terms of the Purchase Agreement or fails to keep any other promise contained in the Purchase Agreement, Purchaser shall be in default hereunder, and Sponsor may send notice to Purchaser of Sponsor’s intention to cancel the Purchase Agreement if such default is not timely cured. TIME IS OF THE ESSENCE FOR PURCHASER TO CURE ANY DEFAULT UNDER THE PURCHASE AGREEMENT WITHIN THE APPLICABLE PERIOD. “Time is of the essence” means that if such default is not cured within thirty (30) days from the mailing date of such written notice, Sponsor may (but shall not be obligated to) elect to cancel the Purchase Agreement by notice of cancellation to Purchaser sent after the cure period has expired, and thereafter the Purchase Agreement shall become null and void. Upon such cancellation by Sponsor, and after Sponsor sends to Purchaser an additional thirty (30) day escrow release notice, as disclosed in the subsection entitled “Release of Funds,” below, the Down Payment monies held with respect to particular Shares, but not more than ten percent (10%) of the Purchase Price, shall be paid over to Sponsor as and for liquidated damages. Notwithstanding the foregoing, in the event that a default is disputed in writing by notice from Purchaser to Seiden & Schein, P.C. during either the thirty (30) day default cure period (time being of the essence) or the thirty (30) day escrow release period (time being
of the essence), and the default is not timely cured, then Seiden & Schein, P.C. shall have
the right to continue to hold the Down Payment pending resolution of such dispute
(judicial or otherwise) or pay the Down Payment into court. Sponsor shall not seek the
remedy of specific performance in connection with Purchase Agreements as to which
there has been a default by Purchaser.

**Release of Funds**

All Down Payments, but not Special Work Deposits made for upgrades, extras, or
custom work received in connection with the Purchase Agreement, are and shall continue
to be the Purchaser’s money, and may not be commingled with any other money or pledged
or hypothecated by Sponsor, as per GBL § 352-h.

Under no circumstances shall Sponsor seek or accept release of the Down
Payment of a defaulting Purchaser until after Consummation of the Plan. Consummation
of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-e and
352-h.

The Escrow Agent shall release the Down Payment if so directed:

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

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

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

(d) pursuant to an award issued upon the completion of binding
arbitration.

In the event that the Down Payment is to be released pursuant to an arbitration
award pursuant to paragraph (d), above, Escrow Agent shall release such Down Payment
no earlier than ninety (90) days after the delivery of such award determination to Sponsor
and Purchaser.

If the Escrow Agent is not directed to release the Down Payment pursuant to
paragraphs (a) through (d) above, and the Escrow Agent receives a request by either party
to release the Down Payment, then the Escrow Agent must give both the Purchaser and
Sponsor prior written notice of not fewer than thirty (30) days after the expiration of the
thirty (30) day default cure period (time being of the essence) before releasing the Down
Payment (the “30 Day Escrow Notice”). If the Escrow Agent has not received notice of
objection to the release of the Down Payment prior to the expiration of the 30 Day
Escrow Notice, the Down Payment shall be released to Sponsor as liquidated damages
and the Escrow Agent shall provide further written notice to both parties informing them
of said release. If the Escrow Agent receives a written notice from either party objecting
to the release of the Down Payment within the thirty (30) day period pursuant to the 30
Day Escrow Notice, the Escrow Agent shall continue to hold the Down Payment until
otherwise directed pursuant to paragraphs (a) through (d) above. Notwithstanding the
foregoing, the Escrow Agent shall have the right at any time to deposit the Down Payment contained in the Escrow Account with the New York County Clerk and shall give written notice to both parties of such deposit.

The Sponsor shall not object to the release of the Down Payment to:

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

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

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

The Purchase Agreement provides that all disputes including, but not limited to, disputes concerning breach of contract, express and implied warranties, personal injuries and/or illness, mold-related claims, representations and/or omissions by Sponsor, on-site and off-site conditions and all other torts and statutory causes of action ("Claims") shall be resolved by binding arbitration in New York County in accordance with the rules and procedures of Arbitration of the American Arbitration Association or its successor or an equivalent organization mutually agreed upon by the parties. In addition, the Purchase Agreement provides that Purchaser may not initiate any arbitration proceeding for any Claim(s) unless and until Purchaser has first given Sponsor specific written notice of each claim at 100 Barrow Street, LLC, 75 Broad Street, Suite 2100, New York, New York 10004 and given Sponsor a reasonable opportunity after such notice to cure any default, including the repair of the Apartment(s), in accordance with the Offering Plan. PURCHASER SHALL BE OBLIGATED TO REIMBURSE SPONSOR FOR ANY LEGAL FEES AND DISBURSEMENTS INCURRED BY SPONSOR IN DEFENDING SPONSOR'S RIGHTS AND ENFORCING PURCHASER'S OBLIGATIONS UNDER THE PURCHASE AGREEMENT.

Down Payments to be Secured by Surety Bonds

Notwithstanding the foregoing, Sponsor intends to secure Down Payments pursuant to Purchase Agreements with surety bonds issued by North American Specialty Insurance Company ("NASIC"). NASIC is licensed to write insurance in the State of New York. NASIC is rated A by A.M. Best Company and AA- by Standard & Poors. A copy of NASIC’s specimen bond is located in Part II of this Plan.

All Down Payments received after the Filing Date, shall be initially placed within five (5) business days after the Purchase Agreement has been signed by Purchaser and Sponsor, in a segregated special escrow account titled, “Seiden & Schein, P.C., Attorney Account,” as described above. Such funds shall be released by Seiden & Schein, P.C., as escrow agent, to the Sponsor, upon receipt by Seiden & Schein, P.C. of a copy of the surety bond issued to the Purchaser whose funds are being released.
All checks constituting the “Down Payment” are to be made payable to the order of “Seiden & Schein, P.C., as Escrow Agent” and all checks in payment of the balance of the Purchase Price (due at the Closing) are to be made payable to the order of Sponsor or as otherwise directed by Sponsor, with all checks, in either case, drawn on a member bank of the New York Clearing House Association.

A surety bond shall be issued to each Purchaser in the amount of his or her Down Payment. The bond shall remain in full force and effect until the earlier of the conveyance of the Shares that are allocated to the Apartment and the execution by Purchaser of a Proprietary Lease; an undisputed default by the Purchaser and cancellation of the Purchase Agreement; or mutual consent of the Purchaser and Sponsor. Upon the issuance of the bond, the Purchaser’s Down Payment shall be released from escrow.

The Sponsor shall cause NASIC to mail or personally deliver the surety bond to the Purchaser before the funds are released to the Sponsor from the escrow account. The Sponsor, Seiden & Schein, P.C. and NASIC shall each retain a copy of the surety bond.

In the event that a Purchaser whose Down Payment has been released from escrow and is secured by a bond becomes entitled to a refund of the Down Payment, the Purchaser shall be required to collect it from NASIC. A Purchaser who becomes entitled to a refund of his or her Down Payment shall have the right to demand payment of the amount secured by the surety bond directly from NASIC, without first requesting payment from the Sponsor. NASIC shall be obligated to pay the amount secured by the bond to the Purchaser without the consent or despite the objection of the Sponsor, upon the following events or circumstances:

(a) timely rescission of a Purchase Agreement by a Purchaser pursuant to an offer of rescission contained in the Offering Plan or an amendment to the Offering Plan;

(b) acceptance for filing by the Department of Law of an amendment abandoning the Offering Plan;

(c) pursuant to a determination by the Department of Law that rescission or the return of funds is required;

(d) pursuant to an agreement executed by both Sponsor and Purchaser;

(e) pursuant to a final, non-appeal judgment of an arbitrator or a court;

(f) failure by the Sponsor to obtain a commitment by NASIC to renew the surety bond 60 days prior to its expiration; and

(g) direction by the Sponsor, upon request by the Purchaser.

A Purchaser’s inability to produce a copy of the surety bond shall not be a basis for NASIC to reject the Purchaser’s claim. NASIC shall retain a copy of the bond and
shall pay the secured funds to the Purchaser without a copy of the bond as long as the 
Purchaser is able to provide proof of identity as the obligee on the bond.

The bonds shall be subject to a General Indemnity Agreement, a form of which is 
located in Part II of this Plan. The General Indemnity Agreement provides that Sponsor 
will indemnify NASIC against all liability in connection with the execution of bonds or 
for the failure of Sponsor to perform or comply with the covenants and conditions of the 
General Indemnity Agreement or bonds. Purchasers are encouraged to read the entire 
General Indemnity Agreement, located in Part II of this Plan for further information.

**Waiver Void**

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

The relevant escrow trust fund provisions are included in Paragraph 11 of the 
Purchase Agreement. Escrow Agent shall execute the Purchase Agreement, solely as to 
Paragraph 11 of the Purchase Agreement, prior to delivering the Purchase Agreement, 
fully executed, to Purchaser.

**Mortgage Financing (Applies to Market-Rate Apartment Purchasers Only.)**

421-a Affordable Apartment Purchasers: Please see the subsection below 
entitled “For 421-a Apartment Purchasers Only”.

1.1 **TBI Mortgage Application.** Under the Purchase Agreement, Market-Rate 
Apartment Purchaser shall be required either: (a) to complete and submit to TBI 
Mortgage Company (hereafter, “TBI”), an affiliate of Sponsor (see the subsection 
entitled “Identity of TBI Mortgage Company” below for full discussion), a mortgage 
application (the “TBI Mortgage Application”), at no cost or charge to Market-Rate 
Apartment Purchaser; or (b) to sign and return to Sponsor, together with the Purchase 
Agreement, a “True Cash Sale Endorsement” (see paragraph “1.4” below).

THE TBI MORTGAGE APPLICATION IS **NOT** A MORTGAGE FINANCING 
CONTINGENCY AND DOES **NOT**: (a) RELIEVE MARKET-RATE APARTMENT 
PURCHASER OF THE OBLIGATION TO PAY THE FULL PURCHASE PRICE OF 
THE SHARES ON THE DATE SCHEDULED BY SPONSOR FOR CLOSING TITLE, 
WITHOUT ABATEMENT OR RECURSE OF ANY KIND AGAINST SPONSOR, 
SELLING AGENT OR TBI, REGARDLESS OF MARKET-RATE APARTMENT 
PURCHASER’S ABILITY TO OBTAIN MORTGAGE FINANCING FROM TBI OR 
ANY OTHER LENDER; OR (b) MINIMIZE OR AVOID ANY OF MARKET-RATE 
APARTMENT PURCHASER’S FINANCING RISKS SET FORTH IN THE 
PRECEDING PARAGRAPH “1.2”.

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THE TBI MORTGAGE APPLICATION: (a) DOES NOT PRECLUDE MARKET-RATE APARTMENT PURCHASER FROM APPLYING TO OTHER LENDERS FOR FINANCING TO PURCHASE THE SHARES; (b) DOES NOT OBLIGATE MARKET-RATE APARTMENT PURCHASER TO OBTAIN OR ACCEPT FINANCING FROM TBI; AND (c) DOES NOT OBLIGATE TBI TO EXTEND FINANCING TO MARKET-RATE APARTMENT PURCHASER.

MARKET-RATE APARTMENT PURCHASER SHALL BE FREE TO OBTAIN FINANCING AT ANY TIME FROM A LENDER CHOSEN BY MARKET-RATE APARTMENT PURCHASER. UNDER NO CIRCUMSTANCES WILL MARKET-RATE APARTMENT PURCHASER BE REQUIRED TO ACCEPT FINANCING THAT MAY BE OFFERED BY TBI.

IF MARKET-RATE APARTMENT PURCHASER IS RELYING UPON FINANCING TO PURCHASE THE SHARES AND IS UNABLE TO OBTAIN FINANCING FROM A LENDER CHOSEN BY MARKET-RATE APARTMENT PURCHASER, TBI SHALL NOT BE REQUIRED TO EXTEND FINANCING TO MARKET-RATE APARTMENT PURCHASER AND, IF OFFERED, MARKET-RATE APARTMENT PURCHASER SHALL NOT BE OBLIGATED TO ACCEPT ANY FINANCING OFFERED BY TBI. IN SUCH CASE, IF MARKET-RATE APARTMENT PURCHASER REJECTS FINANCING OFFERED BY TBI AND IS UNABLE TO CLOSE FOR LACK OF FUNDS OR OTHERWISE, MARKET-RATE APARTMENT PURCHASER WILL LOSE MARKET-RATE APARTMENT PURCHASER’S DEPOSIT AND ANY INTEREST EARNED THEREON, WHICH WILL BE PAID TO SPONSOR AS LIQUIDATED DAMAGES PURSUANT TO THE TERMS OF THE PURCHASE AGREEMENT.

MARKET-RATE APARTMENT PURCHASER SHALL NOT BE OBLIGATED TO ACCEPT FINANCING FROM THE LENDER CHOSEN BY SPONSOR, IF OFFERED BY SUCH LENDER AND SPONSOR SHALL NOT BE OBLIGATED TO EITHER SUBMIT A LOAN APPLICATION TO ANOTHER LENDER OR TO CANCEL THE PURCHASE AGREEMENT DUE TO THE FAILURE OF MARKET-RATE APARTMENT PURCHASER TO OBTAIN A LOAN COMMITMENT WITHIN SAID SIXTY (60) DAY PERIOD. THIS PROVISION ALLOWS SPONSOR TO CANCEL THE PURCHASE AGREEMENT ONLY IF MARKET-RATE APARTMENT PURCHASER FAILS TO OBTAIN A LOAN...
COMMITMENT FROM A LENDER CHOSEN BY MARKET-RATE APARTMENT PURCHASER WITHIN SAID SIXTY (60) DAY PERIOD. IF SPONSOR DOES NOT ELECT TO CANCEL, MARKET-RATE APARTMENT PURCHASER SHALL NOT BE RELIEVED FROM THE FINANCING RISKS SET FORTH IN PARAGRAPH “1.2” ABOVE NOR EXCUSED FROM THE OBLIGATION TO PAY THE FULL PURCHASE PRICE OF THE SHARES ON THE DATE SCHEDULED BY SPONSOR FOR CLOSING TITLE, REGARDLESS OF MARKET-RATE APARTMENT PURCHASER’S ABILITY TO OBTAIN MORTGAGE FINANCING.

The type of mortgage products available from TBI for creditworthy Market-Rate Apartment Purchasers desiring to obtain financing from TBI are set forth below in the subsection entitled “TBI Mortgage Products”.

1.2 True Cash Sale Endorsement. If Market-Rate Apartment Purchaser has no intention to seek financing from any lender, then Market-Rate Apartment Purchaser is required to sign the “True Cash Sale Endorsement,” in the form attached to the Purchase Agreement, which excuses Market-Rate Apartment Purchaser from the obligation to complete and return the TBI Mortgage Application. By signing the True Cash Sale Endorsement, Market-Rate Apartment Purchaser will lose the opportunity to seek financing from TBI and Market-Rate Apartment Purchaser’s desire to purchase Shares will be evaluated on Market-Rate Apartment Purchaser’s present financial ability to complete the purchase without financing.

1.3 TBI Mortgage Application and True Cash Sale Endorsement Subject to Governmental Requirements. The TBI Mortgage Application and the True Cash Sale Endorsement are subject to compliance with the regulations, directives, opinions and requirements of governmental authorities having jurisdiction (collectively, “Governmental Requirements”). The Plan will be amended to disclose any changes to such instruments due to changes to, or the promulgation of new, Governmental Requirements and any appeals or court action by TBI in which preliminary relief is granted with respect thereto. Further, TBI and Sponsor will adhere to any new Governmental Requirements that are issued which prohibit TBI or Sponsor from requiring a Market-Rate Apartment Purchaser to make an application to TBI when the Market-Rate Apartment Purchaser is applying to another lender for a mortgage and the Plan will be amended immediately to disclose any such new Governmental Requirements.

1.4 TBI Loan Fees. If Market-Rate Apartment Purchaser is offered and accepts TBI financing, Market-Rate Apartment Purchaser shall be obligated to pay the following fees at closing of the loan (amounts indicated reflect current fees, which are subject to change at any time, without prior notice or amendment to the Plan):

<table>
<thead>
<tr>
<th>Fee</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Underwriting Fee</td>
<td>$795</td>
</tr>
<tr>
<td>Appraisal Fee</td>
<td>$450</td>
</tr>
<tr>
<td>TBI Attorney’s Fee</td>
<td>$675 (estimated and to be based on actual attorney’s fee)</td>
</tr>
<tr>
<td>Final Inspection Fee</td>
<td>$125 (if required by appraiser)</td>
</tr>
</tbody>
</table>
Identity of TBI Mortgage Company

TBI is a mortgage lender and mortgage banker which is licensed by the State of New York. TBI is wholly owned by Toll Holdings, Inc., which is wholly owned by Toll Brothers, Inc. (hereafter “Toll Brothers”).

Sponsor will not share in any compensation realized by TBI in extending financing to Market-Rate Apartment Purchasers under the Plan or in the assignment of its mortgage loans to other institutional lenders. The compensation realized by TBI will be reported in the consolidated financial statements of Toll Brothers.

TBI Mortgage Products

TBI provides mortgage rates and terms on a variety of mortgage products, including both fixed rate and adjustable rate mortgages, similar to those mortgage products then being offered from time to time by banks and other institutional lenders to creditworthy purchasers of cooperative apartments in the locale of the Property. These include, at the date hereof, fixed rate terms ranging from ten (10) years to thirty (30) years, as well as adjustable rate terms ranging from one (1) year adjustable rates to ten (10) year adjustable rates. Rates typically adjust once annually, although the terms and conditions of each loan program may vary. Rates and loan programs change daily. There are no prepayment penalties attached to any TBI mortgage loan. Mortgage loans are with recourse, which means that the Purchaser will be personally liable for the loan amount and the monthly loan payment. The availability of mortgage products offered by TBI is subject to change and determined by then current market conditions. Sponsor does not represent, assure or guaranty the availability or continuation of any particular mortgage product offered by TBI during any specified period of time or the eligibility of a Purchaser for a TBI mortgage loan. For more information, please contact your licensed TBI mortgage representative or visit www.tbimortgage.com.

TBI’s practice is to assign its mortgages within sixty (60) days after the loan closing (or, in limited cases, a longer period) to institutions such as, but not limited to, Fannie Mae, Freddie Mac, as well as other institutional lenders. However, the sale of any TBI mortgage product to any institution does not affect any of the terms of such mortgage.

TBI will realize compensation from the Purchaser-borrower from the underwriting fee contained above in paragraph “1.6” (the other TBI loan fees set forth therein are based on actual costs of TBI) and in connection with the assignment of the mortgage loan.

Credit Check

All Purchasers must provide the Selling Agent with necessary authorization for the Selling Agent to conduct a credit check of the Purchaser.

The Purchase Agreement and Plan do not contain, and will not be modified to contain, any provision waiving the Purchaser’s rights or abrogating the Sponsor’s
obligations under the Offering Plan or under Article 23-A of the General Business Law, other than the ability of Purchaser to waive his right to thirty (30) days prior written notice to the closing of title to the Shares.

**Pre-Closings**

The Cooperative Conversion Date will not occur until after the Plan has been declared effective (the "Effective Date"), an amendment to this Plan reflecting such effectiveness has been accepted for filing by the Department of Law, the Sponsor has assigned its rights under the Ground Lease to the Apartment Corporation, and Sponsor has obtained at least a temporary or permanent Certificate of Occupancy covering the Apartment to be closed prior to the Pre-Closing Date or the Apartment Closing Date.

In order to facilitate move-in and occupancy by as many Purchasers as possible by the Cooperative Conversion Date, and after a temporary Certificate of Occupancy has been issued and an amendment indicating the Plan has been declared effective has been accepted for filing by the Department of Law, Sponsor may require Purchasers to "Pre-Close" under their Purchase Agreements after the Effective Date. Purchasers shall be given at least thirty (30) days written notice of their Pre-Closing date ("Pre-Closing Date").

To "Pre-Close" Purchaser shall be required to pay the entire balance of the Purchase Price then due under the Purchase Agreement (less the amount to be financed by Purchaser) into escrow with the Escrow Agent. Payment amount, type of checks, documents required, and so on shall be on the same terms and conditions as if the Closing were occurring on the Apartment Closing Date after the Cooperative Conversion Date. Such balance of the Purchase Price paid by Purchaser at Pre-Closing will be deposited into the same Escrow Account and held upon the same terms and conditions as the Down Payment.

Also at the Pre-Closing, Purchaser shall be required to execute the Proprietary Lease (or an acceptance of the assignment thereof), New York City Real Property Transfer Tax Return and New York State Real Estate Transfer Tax Return (collectively, the "Transfer Tax Returns"), smoke detector affidavit, window guard notice, an Interim Lease (if applicable), and all other documents necessary to consummate the purchase under the Purchase Agreement (collectively, the "Escrow Closing Documents").

All funds held in the Escrow Account on account of the Purchase Price are referred to in this section of the Plan as "Escrow Funds." The Escrow Funds and the Escrow Closing Documents shall be held in escrow by the Escrow Agent until the Cooperative Conversion Date or the Apartment Closing Date, if the Apartment Closing Date occurs after the Cooperative Conversion Date. If the Plan is abandoned, however, all Escrow Funds, plus interest earned thereon shall be returned to Purchaser and the Escrow Closing Documents will be void and of no further force and effect.

On or shortly following the Cooperative Conversion Date, original counterparts of the Escrow Closing Documents as well as the certificate for the Shares attributable to the
Apartment will be released from escrow and forwarded by Escrow Agent to Purchaser, and all Escrow Funds will be released and forwarded by Escrow Agent to Sponsor (or to anyone Sponsor designates or directs).

Purchasers who Pre-Close in accordance with the Plan shall receive from Escrow Agent the interest earned on the Escrow Funds following the Cooperative Conversion Date.

If, by the date on which a Pre-Closing for an Apartment is scheduled, Sponsor has obtained at least a temporary Certificate of Occupancy covering such Apartment, the Purchaser may be required to take occupancy of her Apartment pursuant to an Interim Lease and pay rent in an amount that is equal to the Maintenance on the Apartment. Interim Leases may be entered into both before and after the date the Plan has been declared effective, provided that at least a temporary Certificate of Occupancy covering the Apartment to be leased has been issued, but in no event shall Interim Leases be entered into after the Cooperative Conversion Date.

Any Purchaser who enters into an Interim Lease is referred to as an “Interim Lessee.” Before an Interim Lessee takes possession of the Apartment pursuant to an Interim Lease, the Interim Lessee will be given the opportunity to inspect the Apartment as described under the heading “Inspection Procedures” set forth below. At the inspection, Sponsor and the Interim Lessee will agree upon the Inspection Statement. Punchlist inspections will not be conducted and an Inspection Statement will not be established after Purchaser takes occupancy of the Apartment pursuant to an Interim Lease. During the period a Purchaser is in occupancy of an Apartment under an Interim Lease, Purchaser shall not make any alterations or improvements to the Apartment without Sponsor’s prior written consent, which consent may be withheld for any reason or no reason.

At the time a Pre-Closed Purchaser in occupancy under an Interim Lease becomes a Tenant-Shareholder, Purchaser will adjust with Sponsor for rent and Maintenance for the month in which the Closing occurs. If the Apartment Closing Date is the first of the month, Purchaser will be responsible for Maintenance rather than rent for that month and will be obligated to pay that month’s Maintenance directly to the Apartment Corporation. If the Apartment Closing Date occurs after Purchaser has paid rent for that month and after Sponsor has paid Maintenance to the Apartment Corporation for that month, the Apartment Corporation may direct Sponsor to retain the rent adjustment amount in reimbursement to itself for the Maintenance attributable to the portion of the month in which Purchaser will own the Apartment. Under no circumstances shall any rent paid by a Purchaser pursuant to an Interim Lease offset the Purchase Price of the Apartment.

Interim Leases will run for a term expiring on the earlier of the Cooperative Conversion Date or one year from the date the Interim Lease commences, unless sooner terminated due to Purchaser’s default thereunder or otherwise. All Purchasers who Pre-Close and enter into Interim Leases, and are not in default under their Interim Leases on the Cooperative Conversion Date, and have paid the entire Purchase Price into escrow at their Pre-Closing as described above or as of the Cooperative Conversion Date, will
become Tenant-Shareholders as of the Cooperative Conversion Date, and that date will be deemed to be their Apartment Closing Date. Any Interim Lease entered into by a Purchaser shall terminate automatically at the time Purchaser becomes a Tenant-Shareholder.

Purchasers who sign Purchase Agreements before the Cooperative Conversion Date but who are not required to enter into Interim Leases may, nonetheless, be required by Sponsor to “Pre-Close” on their purchase.

A Purchaser who fails to Pre-Close in accordance with a Pre-Closing scheduled by Sponsor on the scheduled Pre-Closing date or any adjournment thereof, to which Sponsor has consented, shall be in default under the Purchase Agreement. Sponsor shall notify Purchaser in writing of Purchaser’s default by a written notice sent by certified mail return receipt requested specifying the reason Purchaser is in default and shall grant Purchaser a period of thirty (30) days within which to cure such default, time being of the essence, or risk losing Purchaser’s Down Payment, as disclosed in more detail in the subsection above entitled “Default by Purchaser.”

After the thirty (30) day cure period expires (time being of the essence), if Purchaser’s default remains uncured, Sponsor may also commence eviction proceedings against Purchaser if Purchaser is in occupancy under an Interim Lease or other occupancy agreement and fails to vacate and relinquish possession of the Apartment, and thereafter Sponsor may sell the Apartment to another Purchaser.

A default under the terms of the Interim Lease shall be deemed to be a default under the terms of the Purchase Agreement, and a default under the terms of the Purchase Agreement shall be deemed to be a default under the terms of the Interim Lease. If the Purchase Agreement and any Interim Lease, if applicable, is terminated after a Pre-Closing due to Purchaser’s default, for example, if Purchaser fails to pay rent under the Interim Lease, makes unauthorized alterations or improvements to the Apartment in violation of the Interim Lease, or defaults in any other obligation under the Interim Lease, Sponsor may retain 10% of the Purchase Price (i.e. the Purchaser’s Down Payment) plus all interest earned thereon, as liquidated damages, and the balance of the Purchase Price deposited into escrow will be returned to Purchaser. At such time, the Escrow Closing Documents will become void and of no force and effect, and Escrow Agent will have no further responsibilities or liability with respect thereto. Eviction proceedings may be commenced against Purchaser if Purchaser fails to vacate the Apartment upon the occurrence of the foregoing events.

If a rescission right is provided in an amendment to the Plan, the terms of the rescission offer and the conditions for release of the Escrow Funds will be described in the amendment.
Contracts and Closings After Cooperative Conversion Date

The Cooperative Conversion Date will not occur until after the Plan has been declared effective, an amendment to this Plan reflecting such effectiveness has been accepted for filing by the Department of Law, and Sponsor has obtained a temporary or permanent Certificate of Occupancy covering the Apartments to be closed on that date.

If a Purchaser has not Pre-Closed on the Apartment as described above, or if a Purchase Agreement is executed on or after the Cooperative Conversion Date, Sponsor will notify Purchaser after the Cooperative Conversion Date, at least thirty (30) days in advance, as to the Apartment Closing Date and time and location of Closing (the “Originally Scheduled Closing Date”). Before the Originally Scheduled Closing Date, Sponsor will advise Purchaser of a date and time prior to the Originally Scheduled Closing Date when Purchaser may inspect the Apartment. (See the provisions of this Section under the sub-heading “Inspection Procedures,” for further details.)

On the Originally Scheduled Closing Date, a Purchaser who has not Pre-Closed will be obligated to pay the balance of the Purchase Price as set forth in the Purchase Agreement by unendorsed bank or cashier’s check(s) or unendorsed personal certified check(s) of the Purchaser drawn on or issued by a New York bank, trust company or other New York lending institution which is a member of the New York Clearing House Association, payable to Sponsor (or to anyone Sponsor designates or directs).

Sponsor shall have the right, from time to time, to adjourn the Originally Scheduled Closing Date for any reason whatsoever on written notice to Purchaser. If adjourned by Sponsor, Sponsor shall fix a new date and time for the Closing and shall give Purchaser not less than five (5) days written notice of the newly scheduled Closing Date (the “Rescheduled Closing Date”).

For each Closing occurring after the Cooperative Conversion Date, a Purchaser who has not Pre-Closed will be required to adjust with Sponsor for Maintenance Charges for the balance of the month in which the Closing Date occurs.

For each Closing occurring after the Cooperative Conversion Date, Sponsor will deliver or cause to be delivered to the Purchaser an assignment of the Proprietary Lease accompanied by Sponsor’s original counterpart of the Proprietary Lease (or in Sponsor’s discretion an original Proprietary Lease in the Purchaser’s name) and a certificate for the Shares allocated to the Apartment in the name of the Purchaser. Sponsor also will deliver to Purchaser a written statement by the Apartment Corporation’s Managing Agent setting forth the amount and payment status of Maintenance Charges and Special Assessments, if any, attributable to the Apartment. Purchaser shall be required to execute the Proprietary Lease (or an acceptance of the assignment thereof), New York City Real Property Transfer Tax Return and New York State Real Estate Transfer Tax Return (collectively, the “Transfer Tax Returns”), smoke detector affidavit, window guard notice, and all other documents necessary to consummate the purchase under the Purchase Agreement. A Purchaser who has not Pre-Closed will be required, on the Apartment Closing Date, to
adjust with Sponsor for Maintenance for the balance of the month in which the Apartment Closing occurs.

Purchasers who fail to pay the balance of the Purchase Price due under the Purchase Agreement (or any other cost required in connection with the purchase) on the Originally Scheduled Closing Date or any permitted adjournment thereof, or who fail to sign any closing document when and as required pursuant to the Plan, will be in default under the Purchase Agreement. Sponsor shall notify the Purchaser in writing of the Purchaser’s default by a written notice sent by certified mail return receipt requested specifying the reason the Purchaser is in default and granting the Purchaser a period of thirty (30) days within which to cure such default, time being of the essence, or risk losing Purchaser’s Down Payment, as disclosed in more detail in the subsection above entitled “Default by Purchaser”.

Sponsor reserves the right to commence eviction proceedings against any Purchaser who fails to vacate the Apartment (in the event that the Purchaser had been in occupancy pursuant to an Interim Lease) and sell the Apartment to another Purchaser, as if the Purchase Agreement had never been made.

**Inspection Procedures**

Purchasers will be notified by Sponsor at least two (2) days in advance of their Originally Scheduled Pre-Closing Date or Originally Scheduled Closing Date or the Rescheduled Closing Date, as applicable, of a date and time that Purchaser may inspect Purchaser’s Apartment. Purchaser may attend an inspection only with an authorized representative of Sponsor, and shall, at the inspection, together with Sponsor’s representative, complete, date and sign an inspection statement (the “Inspection Statement”).

The Inspection Statement will serve as an acknowledgment of Purchaser’s acceptance of the Apartment in accordance with the terms of the Plan. Or, if Purchaser finds that certain minor construction items remain open, although the Apartment otherwise has been substantially completed, and if Sponsor’s representative agrees with this finding, Purchaser and Sponsor’s representative shall agree on a list of “Punchlist items” to be completed by Sponsor post-closing (or post-occupancy in those instances where Purchaser takes occupancy under an Interim Lease), and shall itemize same as an attachment to the Inspection Statement (the “Punchlist”). The agreed-upon Inspection Statement, and any attachments thereto, shall be dated and executed by both parties. Purchaser’s failure to grant Sponsor or Sponsor’s contractors, agents or employees access to the Apartment to complete Punchlist items on the Inspection Statement, shall constitute Purchaser’s waiver of the Punchlist items, and shall cause Sponsor’s obligation to complete the Punchlist items to be deemed satisfied.

No discussion of Punch list items may occur at the Pre-Closing or Closing, and the fact that an Inspection Statement containing Punch list items has been executed, shall not be grounds for Purchaser’s delay of the Pre-Closing or Closing, as applicable, or for Purchaser’s refusal to close.
Purchaser shall be obligated to Pre-Close or Close, as applicable, notwithstanding incomplete construction of (i) Punchlist items in the Apartment (provided the Apartment is covered by at least a temporary Certificate of Occupancy), (ii) other Apartments in the Building or (iii) the common areas of the Building.

Neither Purchaser’s architect nor interior decorator may inspect the Apartment for Purchaser. Purchaser’s failure to attend an inspection during the period Sponsor provides Purchaser an opportunity to do so, and/or Purchaser’s failure to sign and deliver an Inspection Statement, shall not excuse Purchaser from Pre-Closing or Closing, as applicable, and shall constitute Purchaser’s full and unconditional acceptance of the Apartment.

Sponsor shall not have any obligation to complete or cause to be completed, any work in an Apartment not specifically itemized on the Punchlist, except work required to be completed to obtain a permanent Certificate of Occupancy, if one is yet to be obtained at the time of Purchaser’s Apartment Closing Date.

Miscellaneous

Purchase Agreements are not assignable without Sponsor’s prior written consent (and, with the respect to 421-a Affordable Apartments, HPD’s consent). The assignment of a Purchase Agreement in violation of the foregoing consent requirement shall be a default under the Purchase Agreement.

The risk of loss from fire or other casualty shall remain with Sponsor unless and until either a Purchaser is given the right to possession of an Apartment pursuant to an Interim Lease or other form of occupancy agreement or license, or the Shares and Proprietary Lease appurtenant to an Apartment are transferred to the Purchaser. Any conflict between the terms of the Purchase Agreement and the Plan will be resolved according to the terms of the Plan.

The Purchase Agreement may not contain, or be modified to contain, a provision waiving Purchaser’s rights or abrogating Sponsor’s obligations under the Plan or under Article 23-A of the General Business Law.

For 421-a Affordable Apartment Purchasers Only:

Selection of Eligible Purchasers.

The 421-a Affordable Apartments shall initially be sold to prospective Purchasers pursuant to a lottery which will be conducted by the Housing Partnership in accordance with HPD’s Marketing Guidelines. Applications for the lottery shall be completed by prospective Purchasers of the 421-a Affordable Apartments during the application period, the time and duration of which shall be publicly promulgated pursuant to HPD’s Marketing Guidelines. There shall be no fee for each application; however, Sponsor reserves the right to charge a credit investigation fee, in the amount of $50.00 per application (for households with one (1) or two (2) adult members) or $75.00 per application (for households with three (3) or more adults), subject to change with the
approval of HPD. Credit check fees shall be collected when (i) a Purchaser appears to be otherwise eligible to purchase the Shares and execute a Proprietary Lease and (ii) the Apartment is available, or will imminently become available, for purchase if and when the Purchaser is approved as an Eligible Purchaser. The lottery will be held approximately seven (7) to ten (10) business days after close of the application period.

Applications for the lottery shall be mailed to a Post Office Box location which shall be specified in the outreach advertisements. The application will require prospective Purchasers of 421-a Affordable Apartments to supply a variety of information including, without limitation, employment status, annual income and monthly debts, a criminal background check, and an authorization to check credit history. Timely received applications will be opened at random by Sponsor in the presence of one or more representatives from HPD and logged in the order in which they were opened. However, the first applications to be selected from the log must meet at least one of HPD’s approved housing preferences, which are discussed below. All approved housing preferences must be achieved, or waived by HPD before any non-preference applicants may be considered.

Pursuant to the 421-a Rules and HPD’s Marketing Guidelines, residents of Community Board 2 shall have priority to purchase fifty percent (50%) of the 421-a Affordable Apartments.

Pursuant to HPD’s Marketing Guidelines, Preferences shall also be given to:

1. Persons with mobility impairments, and persons with visual and/or hearing impairments, subject to certain restrictions; and
2. Municipal employees of the City of New York, subject to certain limitations

Once the foregoing preferences have either been achieved, or waived by HPD following the lottery, non-preference applications shall be submitted for approval.

Sponsor assumes that 421-a Affordable Apartment Purchasers will be interviewed by a staff member of HPD. Applicants shall receive a notice in the mail prior to the interview and shall have not less than ten (10) business days between the postmark date on the letter and the interview date. In cases where the prospective Purchaser does not respond to the notice, Sponsor shall mail such prospective Purchaser a second letter to request an interview. The prospective Purchaser shall be given five (5) business days from the postmark date on the second letter in which to respond. Pursuant to HPD’s Marketing Guidelines, Sponsor, or its agent, may make home visits in order to assess the prospective Purchaser’s qualification for eligibility.

As discussed further in other sections of this Plan, the 421-a Affordable Apartments are being offered solely to parties with a household income of no more than 125% AMI. If it is determined that an applicant meets the income eligibility requirements, then a credit check shall be performed on the applicant. The credit investigation fee is non-refundable under all circumstances. Applicants who are advised
that they appear to be ineligible because of income, creditworthiness, or any other element of their application will be so informed in writing.

By written notice, an HPD staff member will invite applicants whom it has preliminarily determined to be eligible to purchase, to obtain a copy of the Offering Plan. Applicants shall have a period of ten (10) business days from the date of the postmark on the notice to deliver the requisite Down Payment and executed Purchase Agreement to as directed by Sponsor. Purchasers who fail to deliver the requisite Down Payment and executed Purchase Agreement within such time frame shall be deemed to have waived their right to purchase the Shares allocated to a 421-a Affordable Apartment, and Sponsor shall proceed to offer such Shares to the next eligible applicant on the log.

Prospective Purchasers who submit multiple (two or more) copies of an eligibility application shall be automatically disqualified from consideration. Non-residents of New York City shall be considered only after applications for all eligible current New York City residents have been processed.

No employee, agent, employee of an agent, or family member of Sponsor shall be permitted to apply for a 421-a Affordable Apartment through the lottery procedure or through open marketing.

In the event that 421-a Affordable Apartments are available after all applications have been processed, the applicant log has been reviewed in its entirety, and 421-a Affordable Apartments remain available, Sponsor may contact HPD for its consent to conduct open marketing. Open marketing would allow Sponsor to implement additional marketing devices such as, but not limited to, additional signage, to attract walk-in candidates. Sponsor may also hire brokers to sell the remaining 421-a Affordable Apartments under an open marketing campaign.

Sponsor is not permitted to either countersign Purchase Agreements or to collect any Down Payments from any Purchaser until HPD approves the Purchaser's purchase application in writing.

**Mortgage Commitment Contingency.**

(a) A 421-a Affordable Apartment Purchaser who desires mortgage financing shall in good faith make a truthful and complete loan application to TBI Mortgage Company ("TBI"), 250 Gibraltar Road, Horsham, Pennsylvania, 19044, (Telephone: 1-866-327-8173) at no cost to 421-a Affordable Apartment Purchaser within five (5) days after the date on which a fully-executed copy of the Purchase Agreement is delivered to Purchaser's attorney (the "Contract Date"). 421-a Affordable Apartment Purchaser may also submit an application, at 421 a Affordable Purchaser’s own expense, to any mortgage lender of Purchaser’s choosing, as disclosed below. If 421-a Affordable Apartment Purchaser chooses to apply to a lender other than TBI, 421-a Affordable Apartment Purchaser shall, within five (5) days after the Contract Date, complete and return to Sponsor the Request for Lender Information form that is attached as an exhibit to the Purchase Agreement.
(b) The Purchase Agreement contains a mortgage commitment contingency provision. The mortgage commitment contingency provision in the Purchase Agreement is conditioned upon 421-a Affordable Apartment Purchaser obtaining a written mortgage loan commitment from an Institutional Lender (as defined below, and hereinafter the "Lender") in an amount which shall not exceed 90% of the Purchase Price, for a term of not more than 30 years at the prevailing fixed or variable rate of interest (the "Commitment").

(c) Purchaser shall in good faith submit an application for a Commitment (the "Loan Application") to an Institutional Lender (the "Lender") within ten (10) business days after the date on which a fully-executed copy of the Purchase Agreement is delivered to Purchaser's attorney (the "Contract Date") and Purchaser shall promptly submit to the Lender, or as the Lender may direct, all required fees, information and supporting documents necessary for processing the Loan Application. Purchaser shall deliver to Sponsor evidence, in writing, of Purchaser's submission of the Loan Application to the Lender no later than ten (10) business days after the Contract Date (the "Loan Application Notice"). In the event that Purchaser does not deliver the Loan Application Notice to Sponsor by the date which is ten (10) business days after the Contract Date, Sponsor shall have the right, but not the obligation, to cancel the Purchase Agreement and return Purchaser’s Down Payment and all interest accrued thereon, and the parties shall have no further rights or obligations to one another with respect to the Purchase Agreement.

(d) Purchaser shall have forty-five (45) days after the Contract Date to obtain a Commitment for mortgage financing. In the event that Purchaser receives a declination letter for a Commitment from the Lender and delivers a copy thereof to Sponsor within two (2) business days after the expiration of such forty-five (45) day period, Sponsor shall declare the Purchase Agreement null and void pursuant to written notice to Purchaser at which time Purchaser shall receive a refund of the Down Payment, plus all interest accrued.

(e) In the event that Purchaser does not obtain and deliver to Sponsor either a Commitment letter or a declination letter from the Lender within two (2) business days after the expiration of such forty-five (45) day period, Sponsor shall have the option to either, (i) extend such forty-five (45) day period by fifteen (15) days to give the Purchaser a total of sixty (60) days from the Contract Date to obtain a Commitment, or (ii) declare the Purchase Agreement null and void pursuant to written notice to Purchaser at which time Purchaser shall receive a refund of the Down Payment, plus all interest accrued.

(f) In the event that Sponsor elects to extend Purchaser’s time period to obtain a Commitment to a total of sixty (60) days from the Contract Date and Purchaser fails to obtain and deliver a copy of the Commitment to Sponsor within two (2) business days after the expiration of such sixty (60) day time period, or delivers a declination letter from the Lender to Sponsor within two (2) business days after such sixty (60) day time period, Sponsor shall declare the Purchase Agreement null and void pursuant to written notice to Purchaser at which time Purchaser shall receive a refund of the Down Payment, plus all interest accrued.
notice to Purchaser at which time Purchaser shall receive a refund of the Down Payment, plus all interest accrued.

(g) No other financing contingency is permitted by the Purchase Agreement. Notwithstanding anything to the contrary contained herein, Sponsor shall have no obligation to secure a Commitment for Purchaser. Additionally, failure of Purchaser to comply with the terms and conditions of the Commitment which are unrelated to Sponsor's responsibility to perform under the terms of the Plan does not relieve Purchaser of its obligation to close title to the Unit.

(h) Purchaser is obligated to maintain Purchaser’s Commitment in effect until the Closing, including applying for an extension of such Commitment to the same Institutional Lender. Notwithstanding such obligation, in the event that the Commitment expires solely because Sponsor is not ready, willing, and able to close on title to the Unit, the following provisions shall apply:

1. If the Commitment can only be extended on the same terms with the payment of money, Purchaser shall so inform Sponsor by written notice. Sponsor shall have the option to make such payment(s). Sponsor shall inform Purchaser of whether Sponsor has exercised such option by written notice no later than (10) days after receipt of such written notice from Purchaser. If Sponsor determines not to make such payment(s), Purchaser shall have the option to either (i) make such payment(s) and close on title to the Unit or (ii) terminate the Purchase Agreement upon written notice to Sponsor, which notice shall be delivered to Sponsor no later than ten (10) days after receipt of such written notice from Sponsor, and receive a refund of the down payment plus any interest accrued.

2. If the Commitment can only be extended at a higher interest rate (with or without an extension fee), Purchaser shall so inform Sponsor by written notice. Sponsor shall have the option to pay such extension fee, if any, and/or buy down the interest rate (if a buy down is permitted by the Institutional Lender). Sponsor shall inform Purchaser of whether Sponsor has exercised such option by written notice no later than (10) days after receipt of such written notice from Purchaser. If Sponsor determines not to make such payment(s), Purchaser shall have the option to either (i) make such payments (to the extent permitted by the Institutional Lender) and close on title to the Unit or (ii) terminate the Purchase Agreement upon written notice to Sponsor, which notice shall be delivered no later than ten (10) days after receipt of such written notice from Sponsor, and receive a refund of the down payment plus any interest accrued.

(i) SPONSOR’S EXECUTION OF THE PURCHASE AGREEMENT SHALL BE CONDITIONED ON PURCHASER’S DELIVERY TO SPONSOR OF A LETTER FROM AN INSTITUTIONAL LENDER WHICH STATES THAT PURCHASER HAS PRE-QUALIFIED FOR A MORTGAGE LOAN.

(j) In the event that the Institutional Lender fails to fund the loan for any reason, other than by reason of Purchaser’s acts, omissions or delay or bad faith, Purchaser shall deliver written notice to Sponsor which notice must cite the reason(s) that
the Lender will not fund and which must give Sponsor not less than ten (10) business
days from actual receipt of the notice an opportunity to cause the Institutional Lender to
agree to fund. If Sponsor is able to cause the Institutional Lender to fund, title to the Unit
shall close in accordance with the Purchase Agreement. If Sponsor is unable to cause the
Institutional Lender to fund, Sponsor shall return to Purchaser the Down Payment and all
interest accrued.

(k) For the purposes hereof, the term “Institutional Lender” means any of the
following that is authorized under Federal or New York State law to issue a mortgage
loan secured by the Unit and is currently extending similarly secured loan commitments
in the county where the Unit is located: a local, state, or federal agency, savings bank,
commercial bank, life insurance company, public real estate investment company,
pension fund, or other lender approved by HPD.
EFFECTIVE DATE

This offer to sell is contingent upon the Plan's being declared effective in compliance with the relevant conditions and time periods set forth herein.

The Attorney General’s Regulations Governing New Constructed and Vacant Cooperatives provide that a Plan may be declared effective based upon fully executed Purchase Agreements of bona-fide Purchasers for occupancy for not less than fifteen percent (15%) of the Apartments offered under the Offering Plan.

The Plan will be declared effective by a duly filed amendment to the Plan or by written notice to all Purchasers. If the Plan is declared effective by notice to Purchasers, Sponsor shall submit an amendment to the Department of Law confirming that the Plan was declared effective within three (3) business days after serving such notice on Purchasers. If requested, Sponsor will submit to the Department of Law copies of all Purchase Agreements, together with any amendments or modifications to such Purchase Agreements. The assignment of the Ground Leas to the Apartment Corporation shall not occur before the amendment declaring the Plan effective is filed with the Department of Law. In the event that all Purchase Agreements are either rescinded or terminated prior to the first Apartment Closing, Sponsor shall re-declare this Plan effective.

The Plan may be abandoned by Sponsor at Sponsor’s sole discretion, any time before it is declared effective or before eighty percent (80%) of the Apartments have been purchased. Within forty-five (45) days after abandonment, all Down Payment monies paid by Purchasers who are not in default under their Purchase Agreements (or did not previously default under their Purchase Agreements and forfeit their Down Payments), shall be refunded to them in full with interest earned thereon, if any. Sponsor shall promptly submit for filing to the Department of Law a notice of abandonment on Form RS-3, or such other form as may then be required by the Department of Law, setting forth the reason for abandonment and disposition of all funds received.

Once the Plan has been declared effective, however, Sponsor may not abandon the Plan unless any of the following conditions exist: (i) a title defect which cannot be cured without litigation or cannot be cured by the payment of money in the amount of less than one-half of one percent of the total amount of the Offering, or (ii) substantial damage or destruction of the Building by fire or other casualty which cannot be cured by the payment of money in the amount of less than one-half of one percent of the total amount of the Offering, or (iii) the taking of any material portion of the Property by condemnation or eminent domain. Any stated dollar amount relied upon as a basis for abandonment after the effectiveness amendment has been filed shall exclude attorney’s fees, and title defects or determinations of any authority or regulatory association which exist on the filing date and are either known to Sponsor or are a matter of public record.
UNSOLD SHARES

Sponsor shall retain ownership of all Shares and the appurtenant Proprietary Leases until such Shares and Proprietary Leases are sold or otherwise conveyed by Sponsor under this Offering Plan.

Any Shares for which a Purchase Agreement has not been entered into and/or which otherwise are owned by Sponsor, as of the Cooperative Conversion Date shall be considered “Unsold Shares.”

Commencing on the Cooperative Conversion Date, Sponsor shall pay Maintenance with respect to all Unsold Shares it owns, until such Shares are sold. Sponsor will not furnish a bond or other security to secure Sponsor’s obligation. Sponsor is a New York limited liability company. On the Cooperative Conversion Date, the Sponsor shall deliver to the Apartment Corporation a copy of a letter from a qualified expert that the consideration for the Unsold Shares meets the reasonable relationship standard of Internal Revenue Code Section 216.

Sponsor (and any other party selling Shares under this Plan) is permitted to use the Apartments to which Unsold Shares are attributable for models or offices and may make alterations or additions to such Apartments without the consent of the Apartment Corporation. All such alterations and additions must comply with relevant building codes and related laws.

Unsold Shares shall lose their characterization as Unsold Shares upon their transfer by Sponsor, to any transferee unless the transferee to whom the Shares are transferred is acquiring the Shares for purposes other than occupancy of the appurtenant Apartment by the transferee or transferee’s family and offers the Shares for sale pursuant to this Offering Plan. For a transferee to be deemed a “Holder of Unsold Shares,” the Shares must be Unsold Shares and the transferee must be specifically and explicitly designated in writing by Sponsor as a Holder of Unsold Shares at the time of transfer. Such Holder of Unsold Shares designation must be in writing by Sponsor to the transferee to be a valid designation. The sale of Unsold Shares will not be limited to persons purchasing for their own account. Holders of Unsold Shares will not pool profits or losses with other Holders of Unsold Shares.

Sponsor shall be deemed to have guaranteed Maintenance Charges due under the Proprietary Lease from a Holder of Unsold Shares, as well as any assessments that may also be due from a Holder of Unsold Shares. This guarantee shall be in addition to the Apartment Corporation’s lien upon the Shares to secure performance of all obligations of the Sponsor and Holders of Unsold Shares. Sponsor’s guarantee shall exist only with respect to a Holder of Unsold Shares specifically designated as such by Sponsor while that Holder of Unsold Shares owns the Shares, and shall not run to transferees of such Holder of Unsold Shares.
Sponsor represents that it has the necessary financial resources to meet its obligations with respect to the Unsold Shares. Sponsor will use the funds it receives from the sale of Apartments to meet its financial obligations on the Unsold Shares to the Apartment Corporation. If the Sponsor does not sell a sufficient number of Apartments to meet its financial obligations on the Unsold Shares the principals of the Sponsor will use their funds to meet Sponsor’s financial obligations unless other arrangements can be made with a lender. Sponsor represents that it has sufficient financial resources to meet its financial obligations under this Section of the Plan. Sponsor will not be required to post a bond or other security to secure Sponsor’s obligation to the Apartment Corporation.

If a Holder of Unsold Shares or a person related by blood, marriage or adoption to the Holder of Unsold Shares takes occupancy of the Apartment to which the Unsold Shares are appurtenant, the Shares shall cease to be Unsold Shares and the Sponsor shall be relieved of further obligations with respect to that Apartment. Each Holder of Unsold Shares shall have the rights and be subject to the obligations set forth hereinafter, notwithstanding the provisions of the Proprietary Lease or By-Laws to the contrary:

1. Each Holder of Unsold Shares shall have the right, freely and without charge, to sublet his unsold Apartment to such person and on such terms and conditions as he deems desirable and shall also have the right, freely and without charge, to sell such Unsold Shares and transfer the appurtenant Proprietary Lease to a third party. A Holder of Unsold Shares shall not be subject to any right of first refusal with respect to subletting, sale or transfer of Shares.

2. Notwithstanding any other provision contained in this Plan or any document executed in connection herewith, the Apartment Corporation shall not prevent, impede or interfere with the sale of any Unsold Shares or the subletting of an unsold Apartment. To this end, prospective purchasers of Unsold Shares, prospective subtenants of unsold Apartments and sales and rental personnel, if any, employed by a Holder of Unsold Shares shall be given access to the public areas of the Building, including, without limitation, lobbies, elevators and hallways, for purposes of ingress and egress, without being subject to any charge, fee, or other restriction.

3. Each Holder of Unsold Shares shall have the right to (i) use one or more unsold Apartments as a model or an office (or both) in connection with the sale or subletting of the unsold Apartments and (ii) to display "For Sale" and "For Rent" signs and similar promotional signs and material on or about the exterior of the Building, the lobby and unsold Apartments provided same is in accordance with applicable laws, codes and zoning regulations.

4. No discriminatory charge or fee may be imposed on any lessee who is a Holder of Unsold Shares.
5. Upon request of a Holder of Unsold Shares, the Apartment Corporation shall enter into an agreement (commonly known as a “Recognition Agreement”) with a lender designated by the Holder of Unsold Shares. The Recognition Agreement may contain such additional or different provisions as the lender may request and the Apartment Corporation shall execute and deliver same to the lender provided only that such additional or different provisions are approved by counsel to the Apartment Corporation (which approval may not be unreasonably withheld or delayed and shall be given or deemed given if same are of substantially similar tenor to other Recognition Agreements previously signed by the Apartment Corporation). All costs and expenses incurred by the Apartment Corporation in connection with such Recognition Agreement (including legal fees) shall be borne entirely by the Apartment Corporation, and no charge therefor may be assessed to said Holder of Unsold Shares, the heirs, legal representatives, successors or assigns, the individual acquiring the Proprietary Lease and the appurtenant shares from the Holder of Unsold Shares or the lender.

6. Each Holder of Unsold Shares shall have the right to make alterations and additions in or to his unsold Apartment (and to its fixtures and equipment) without obtaining the Apartment Corporation's consent, and without the payment of any fee or charge, provided the alterations or additions are done in accordance with applicable law and with the appropriate approval, to the extent required, of the New York City Landmarks Commission.

7. Each Holder of Unsold Shares shall have the right to change the number, size and/or layout of his unsold Apartments and to reallocate shares in connection therewith, without obtaining the consent of the Apartment Corporation or its shareholders and without payment of any fee or charge. However, all changes in the number or size of the unsold Apartments must be done in accordance with applicable Law and by amendment to this Plan and shall not prevent ingress or egress to exits, elevators or other apartments. In addition, any reallocation of shares must meet the reasonable relationship test and be disclosed in an amendment to the Plan. In the event of a dispute concerning the provisions of this paragraph, same will be decided by a recognized real estate expert selected by the Holder of Unsold Shares whose determination shall be conclusive and binding. In no event shall the total number of issued and outstanding shares be changed as a result of such reallocation.

8. No Holder of Unsold Shares shall have the right to cancel a Proprietary Lease unless (i) owners of a majority of all outstanding Shares (other than the Unsold Shares) have elected to cancel their Proprietary leases; (ii) the Shares then being offered under the Offering Plan constitute fifteen percent (15%) or less of the outstanding Shares of the Apartment Corporation, and (iii) at least five (5) years have elapsed since the Cooperative Conversion Date. On the effective date of cancellation, the Holder of Unsold Shares pays to the Apartment Corporation a sum equal to the product of the then current monthly Maintenance Charges for the unsold Apartment(s) being surrendered multiplied by twenty-four (24).
9. The Apartment Corporation will defend, indemnify and hold harmless the Holders of Unsold Shares against any and all claims, actions, suits, judgments, losses, liabilities, penalties, costs and expenses (including, without limitation, reasonable attorneys' fees and disbursements and litigation expenses) incurred or required to be paid as a result of the Apartment Corporation's failure either (i) to operate the Building at the same level of services as those supplied on the Cooperative Conversion Date, or (ii) to perform any obligation to be performed by it as lessor under the Proprietary Lease.

10. So long as the Unsold Shares constitute fifteen (15%) percent or more of the outstanding shares of the Apartment Corporation, but not later than five (5) years from the Cooperative Conversion Date, the Board of Directors shall not take any of the following actions unless Holders of Unsold Shares unanimously approve same in writing or by vote, in person or by proxy, at a duly constituted meeting called for such purpose: (i) hire any employee in addition to the employees enumerated in "Schedule B - Budget for First Year of Cooperative Operation"; (ii) provide for new or additional services from those being provided on the Cooperative Conversion Date, unless the annual cost of such new or additional services, when added to the annual cost of all other services being provided, is no greater than that provided upon commencement of cooperative operation; (iii) impose any rent, maintenance, assessment or other charge (regular or special) for the purpose of making any capital or major improvement or addition, unless required by Law or necessary for health and safety (but not the general comfort or welfare) of Tenant-Shareholders; or (iv) establish any reserves in addition to the Working Capital Fund, including without limitation, a reserve for contingencies, repairs, improvements or replacements.

Notwithstanding the foregoing, the Apartment Corporation may take any of the actions enumerated in clauses (i) through (iv) above; (a) after the fifth anniversary of the Cooperative Conversion Date, (b) if required under any mortgage encumbering the Building, or (c) to comply with applicable laws or regulations.

11. So long as there are any Unsold Shares outstanding, no amendment, alteration, repeal or addition to the Certificate of Incorporation, By-Laws, Proprietary Lease or House Rules shall be made which would, directly or indirectly, abridge or otherwise adversely affect the rights, privileges, obligations or interests of any Holder of Unsold Share, unless all Holders of Unsold Shares shall consent thereto in writing.

12. The directors elected by the Holders of Unsold Shares can be removed only for cause by vote of a majority of the Tenant-Shareholders or without cause by the Holders of Unsold Shares. Any vacancy on the Board of Directors in respect of a director elected by Holders of Unsold Shares, whether arising from resignation, removal, death or otherwise, shall be filled only by such Holders of Unsold Shares. The By-Law's provisions requiring a director to resign if he or his spouse ceases to be a Shareholder shall not apply to a Holder of Unsold Shares.
13. So long as a majority of the Board of Directors consists of the Holders of Unsold Shares or persons elected by them who do not reside in the Building, said non-resident directors elected by the Holders of Unsold Shares shall (i) not vote to eliminate or reduce the number of employees, or the amount of insurance coverage or any service provided in Schedule B - Budget for First Year of Cooperative Operation", (ii) to the extent of their authority as directors, use all reasonable efforts to cause the Building (including its equipment, services and installations) to be kept operational, clean and in a good state of repair and condition.

14. Until such time as all Shares have been sold pursuant to this Plan, Sponsor (and/or any subsequent designated Holder of Unsold Shares) shall amend the Plan to provide current and accurate information about the offering, subject to Sponsor's right to file for an exemption from filing amendments under CPS-5. The Apartment Corporation shall be expected to cooperate in connection with the compilation of materials to be included in such amendments.

15. Any party selling Shares under this Plan shall comply with the trust fund and escrow provisions of GBL Sections 352-h and 352-e(2-b). A Holder of Unsold Shares designated as such by Sponsor who determines to sell the Shares under this Plan, must furnish to the Department of Law all information required for a principal of sponsor under the Department of Law's regulations.

FINANCIAL FEATURES

The basic financial plan of the Cooperative is as follows:

Cash Amount of Offering
(based on the sale of 1,000 Shares) allocated to 33 Apartments, plus license fees for 12 Storage Spaces $157,843,740.00*

*The actual cash proceeds from this offering may be significantly greater or less than the amount shown, depending on the actual selling prices of the Shares and the Storage Spaces (see the Section of the Plan entitled “Changes in Prices and Apartments” for the Sponsor’s right to change the offering prices of Apartments).

The proceeds received from the Shares and Storage Spaces sold under this Plan (which represents the sum of the purchase prices of the Apartments and is hereinafter called the “Cash Price”) will be used to pay Sponsor the cash portion of the consideration for the assignment of the Ground Lease to the Apartment Corporation.

The Cash Price is subject to the following adjustments:

(a) Increase or reduction, as the case may be, by the net difference in the actual cash received from the sale the Shares; and

(b) The purchase price of the Property shall be increased by a sum equal to all monies (including interest, if any) forfeited by defaulting purchasers under their respective Purchase Agreements for the Shares which Sponsor is entitled to, and does, retain as liquidated damages.

UPON THE GROUND LEASE’S EXPIRATION, THE PROPERTY WILL REVERT BACK TO THE LANDLORD, OR ITS SUCCESSOR IN INTEREST, AND EACH SHAREHOLDER SHALL BE REQUIRED TO SURRENDER POSSESSION OF HIS APARTMENT. SPONSOR MAKES NO REPRESENTATION AS TO THE LIKELIHOOD OF OBTAINING A GROUND LEASE EXTENSION OR RENEWAL, OR THE RIGHT OF ANY SHAREHOLDER TO REMAIN IN OCCUPANCY IN SUCH SHAREHOLDER’S APARTMENT ONCE THE GROUND LEASE TERM EXPIRES. PURCHASERS ARE ADVISED THAT AS THE GROUND LEASE TERM DIMinishes, THE VALUE OF THEIR SHARES MAY ALSO DIMinish AND IT MAY BE INCREASINGLY DIFFICULT TO OBTAIN FINANCING ON AN APARTMENT OR TO REFINANCE AN EXISTING LOAN THAT IS SECURED BY SUCH SHARES IN THE APARTMENT CORPORATION.
SUMMARY OF GROUND LEASE

The Ground Lease to the Premises is dated as of May 11, 2015 but is effective as of February 25, 2015. The principal provisions of the Ground Lease are as follows:

Landlord

The landlord under the Ground Lease is The Rector, Churchwardens and Vestrymembers of the Church of St. Luke in the Fields New York, New York, a New York religious corporation having an address at 487 Hudson Street, New York, New York 10014 (the “Landlord”).

Tenant

100 Barrow Street LLC is the “Tenant” under the Ground Lease and the Sponsor pursuant to this Offering Plan. On the Cooperative Conversion Date, the Ground Lease shall be assigned by Sponsor to the Apartment Corporation. Each Shareholder shall appoint the Apartment Corporation as his attorney-in-fact for the purpose of paying all charges due under the terms of the Ground Lease, and performing and observing all of the terms covenants and conditions of the Ground Lease.

Term

The term of the Ground Lease is ninety-nine (99) years, commencing on February 25, 2015 (“the Commencement Date”) and expiring on the earlier to occur of (i) day immediately prior to the ninety-nine (99) year anniversary of the Commencement Date (the “Fixed Expiration Date”) and (ii) any earlier date upon which the Ground Lease may cease or be terminated as provided in the Ground Lease, unless the Ground Lease is otherwise terminated pursuant to its terms, or extended by Landlord in Landlord’s sole discretion (collectively, the “Ground Lease Term”). Upon the Ground Lease’s expiration, the Premises will revert back to the Landlord, or its successor in interest. On the earlier of the expiration of the Ground Lease or the expiration of the Proprietary Lease, Tenant-Shareholders will be required to vacate and surrender possession of their Apartment. Sponsor makes no representation as to the likelihood of obtaining a Ground Lease extension or renewal or the right of any Tenant-Shareholder to remain in occupancy of such Tenant-Shareholder’s Apartment once the Ground Lease term expires. PURCHASERS ARE ADVISED THAT AS THE GROUND LEASE TERM DIMINISHES, THE VALUE OF THEIR SHARES WILL ALSO DIMINISH. IN THE LAST THIRTY (30) YEARS OF THE GROUND LEASE (OR SOONER), IT MAY BE INCREASINGLY DIFFICULT TO OBTAIN FINANCING ON AN APARTMENT OR TO REFINANCE AN EXISTING LOAN THAT IS SECURED BY SUCH SHARES IN THE APARTMENT CORPORATION.
Rent and Additional Payments Due Under the Ground Lease

The Ground Lease is a so-called "triple net lease", meaning that, as the assignee of the Tenant's rights under the Ground Lease, it is the Apartment Corporation's obligation to pay all real estate taxes, insurance, and the cost of operating, maintaining, repairing and, in the event of a catastrophic casualty, replacing the "Building" (as defined in the Ground Lease).

1. **Rent**

The Apartment Corporation shall pay to the Landlord Base Rent, the "Supplemental Rent", and all "Additional Rent" payable, as defined and further explained below.

(a) **Base Rent**

The Apartment Corporation shall pay an annual rent to the Landlord in equal monthly installments in advance on the first (1st) day of each calendar month ("Base Rent"). Pursuant to the Ground Lease, Tenant made certain pre-payments of Base Rent, in the amount of $3,515,481.60. The pre-payment of Base Rent shall be credited toward the Base Rent due under the first two (2) "Lease Years" (as defined in the Ground Lease). The "Soft Cost Prepayment" (as defined in the Ground Lease) under that certain Pre-Lease Agreement by and between Landlord and Tenant dated as of October 29, 2013, as amended, in the amount of $559,275.00 shall be credited toward the Base Rent due for the third (3rd) Lease Year.

Pursuant to the Ground Lease, Base Rent shall be increased periodically every sixteen (16) to twenty-five (25) years (each period of years referred to in the Ground Lease as a "Rent Period"). Five (5) such Rent Periods shall occur over the Ground Lease's term.

During the First Rent Period until the eleventh (11th) anniversary of the Commencement Date, Base Rent shall be paid in the annual amount equal to $1,757,740.80. On the eleventh (11th) anniversary of the Commencement Date, Base Rent shall be increased by ten percent (10%). During each subsequent Rent Period, Base Rent shall be payable pursuant to the "Fair Market Rent" (as defined in Exhibit C of the Ground Lease) computed as of the date that is six (6) months prior to the first day of the subsequent Rent Period, as provided in Exhibit C of the Ground Lease. Further, on each of the twenty-first (21st), twenty-sixth (26th), thirty-first (31st), thirty-sixth (36th), forty-sixth (46th), fifty-first (51st), fifty-sixth (56th), sixty-first (66th), seventy-first (71st), seventy-sixth (76th), eighty-sixth (86th), ninety-first (91st) and ninety-sixth (96th) anniversaries of the Commencement Date, the then-existing annual Base Rent shall be increased by seven and one-half percent (7.5%).
Prospective Purchasers are encouraged to read Article 3 and Exhibit C of the Ground Lease for a complete description of the Base Rent increases and adjustments throughout the Ground Lease’s term.

(b) **Supplemental Rental Payment**

Sponsor has paid a one-time additional rental payment in the amount of $17,250,000.00 (the “Supplemental Rental Payment”).

(c) **Additional Rent**

The Apartment Corporation shall pay and discharge as additional rent (the “Additional Rent”) all other amounts, liquidated damages, liabilities and obligations of whatever nature arising under this Lease or otherwise relating to the Premises, including, without limitation, any amounts incurred by Landlord arising under any operating easement, or other similar agreements affecting use and occupancy of the Premises or any adjoining property thereto in the event of Tenant’s failure to pay such amounts when due, and all damages, costs and expenses which Landlord may incur by reason of any default of Tenant under the Ground Lease or failure on Tenant’s part to comply with any of the terms of this Lease, all of which shall be due and Tenant hereby agrees to pay upon demand.

2. **Impositions**

The Apartment Corporation shall pay to the Landlord all costs, expenses, and charges related to the operation, maintenance, alteration, repair, improvement, replacement, and management of the Premises which may arise or become due or payable during the term of the Ground Lease. In addition to the Base Rent, Supplemental Rental Payment and Additional Rent, all amounts required to be paid by the Apartment Corporation shall constitute “Impositions”. Examples of Impositions include, but are not limited to, the following: (a) real property taxes and assessments (including, without limitation, special assessments and any assessment imposed by a business improvement district in which any part of the Premises is located), (b) personal property taxes, (c) occupancy and rent taxes, (d) water, water meter and sewer rents, rates and charges, (e) vault charges, (f) levies, (g) license and permit fees, (h) service charges with respect to police protection, fire protection, street and highway construction, maintenance and lighting, sanitation and water supply, if any, (i) all excise, sales, value added, use and similar taxes relating to the Premises of the leasehold estate in the Premises of Tenant, (j) charges for utilities, communications and other services rendered or used in or about the Premises, (k) payments in lieu of each of the foregoing, whether or not expressly so designated; (l) fines, penalties and other similar or like governmental charges applicable to any of the foregoing and any interest or costs with respect thereto, and (m) any and all other federal, state, county and municipal governmental and quasi-governmental levies, fees, rents, assessments or taxes and charges, general and special, ordinary and extraordinary, foreseen
and unforeseen, of any kind and nature whatsoever, and any interest or costs with respect thereto.

Except as disclosed in the paragraph immediately below, the Apartment Corporation shall not be required to pay to or on behalf of the Landlord municipal, state or federal income, inheritance, estate, succession, mortgage recording, capital levy, stamp, excess profit, revenue or gift taxes of Landlord, or any franchise tax imposed upon Landlord.

If at any time during the Ground Lease Term, a tax or excise on “Rental” (as defined in Section 3.3 of the Ground Lease) or the right to receive rents or any other tax, however described, is levied or assessed against Landlord as a substitute in whole or in part for any Impositions theretofore payable by Apartment Corporation, Apartment Corporation shall pay and discharge such tax or excise on Rental or other tax before interest or penalties accrue, and the same shall be deemed to be an Imposition levied against the Premises.

In order to assure the payment of real property taxes and municipal charges and assessments (including, without limitation, special assessments and any levies or assessments imposed by a business improvement district in which any part of the Premises is located), and any payments in lieu thereof (collectively, “Specified Impositions”), the Apartment Corporation shall at all times deposit with Landlord on the first days of each and every calendar month during the Ground Lease Term, an amount equal to one-twelfth (1/12th) of the annual Specified Impositions then in effect, as evidenced by the bills therefor.

Use

Subject to the provisions of the Ground Lease, Tenant has the right to occupy the Premises for residential use and ancillary residential amenity uses that are customary in luxury Class A residential apartment buildings in Manhattan.

421-a Affordable Apartment Requirement

Not less than twenty percent (20%) of the Apartments shall be affordable in accordance with the 421-a Rules and, for a period of not less than twenty (20) years after the Cooperative Conversion Date, 421-a Affordable Apartments must be sold only to purchasers whose annual incomes do not exceed the limits imposed for initial sales by the 421-a Rules. Such re-sales shall be reviewed by both the Board of Directors and by a qualified not-for-profit housing organization. See “Summary of Proprietary Lease” for further disclosure.
Insurance

Tenant is required to maintain, at its sole cost and expense, “all-risk” insurance which covers the full replacement cost of the Premises. The replacement value of the Premises shall be determined not more frequently than annually.

Tenant shall also be required to maintain Commercial General Liability Insurance; Boiler and Machinery Insurance; Sprinkler Leakage Insurance; Business Interruption Insurance; Worker’s Compensation Insurance; and Garage Keeper’s Legal Liability Insurance;

Damage or Destruction

Damage or destruction in whole or in part to the Premises shall not relieve Tenant from its obligations under the Ground Lease and Tenant shall effect a “Casualty Restoration” (as defined in Section 8.2 of the Ground Lease). The Apartment Corporation is obligated to give Landlord as soon as reasonably practicable within ninety (90) days after the damage or destruction, an estimate, prepared by the Architect in charge of such work, of the cost of such restoration. In the event that a casualty loss is experienced during the term of the Ground Lease, the Apartment Corporation shall, whether or not such resulting damage or destruction is insured, and whether or not insurance proceeds are sufficient to pay for the cost of repairing the Building, repair, restore, replace and rebuild the Building to the extent of the value and as nearly as possible to the of the Building existing immediately prior to such casualty. Prospective Purchasers are advised that the Apartment Corporation shall be required to rebuild the Building no matter the severity of any damage to the Building as a result of any casualty, and that any such casualty loss shall not give rise to any ability of Tenant to terminate or cancel the Ground Lease.

Assignment, Subletting, Mortgaging

The Apartment Corporation may sell, assign, or otherwise transfer the Ground Lease or any portion of its interest therein and enter into a sublease for all or substantially all of the “New Building” (as defined in the Ground Lease), subject to limitations described in Article 10(d) of the Ground Lease. Pursuant to the terms of the Ground Lease, the conversion of the Apartment Corporation’s interest in the Premises to a cooperative form of ownership will not require the Landlord’s consent.

The Apartment Corporation may collaterally assign its interest in the Ground Lease to one or more mortgagees without Landlord’s consent, at any time and from time to time during the Term.
Repairs and Maintenance

The Apartment Corporation is obligated to take good care of the Premises, to keep and maintain the Premises in good condition and to make all repairs, alterations, improvements, and replacements thereto at its sole cost and expense.

Changes and Alterations

The Apartment Corporation may not demolish, replace or materially alter any Building or any part thereof, or make any addition or improvement thereto or on the parking lot land (as defined in the Ground Lease as “Land”, collectively “Capital Improvements”), which is inconsistent with the “Development and Design Restrictions” (as defined and set forth in Exhibit E of the Ground Lease), unless the Apartment Corporation obtains Landlord’s approval. All Capital Improvements shall be of such a character so as not to reduce the value of the Premises below its value immediately prior to the construction of such Capital Improvement.

If, under the provisions of any casualty, liability or other insurance policy or policies then covering the Premises, or any part thereof, any consent to such Capital Improvement by the insurance company issuing such policy shall be required, the Apartment Corporation, prior to the commencement of construction of such Capital Improvement, shall obtain such consent and pay for additional premiums or charges that may be imposed by such insurance company or companies.

No Capital Improvement shall be commenced if (i) such Capital Improvement shall reduce the Floor Area of the New Building below the Floor Area theretofore required under the Construction Standards; (ii) such Capital Improvement is located on land which is not part of the Land; (iii) such Capital improvement would result in the Premises being dependent for its sole or any material access or service by, through or under land which is not a public street and which is not part of the Land, unless such land is subject to a perpetual and irrevocable easement in favor of the Landlord for so long as such Capital Improvement exists, or (iv) such Capital Improvement would connect any Building to any structure or improvement not situated wholly on the Land (unless the same is benefited by one or more perpetual, irrevocable easements granting appropriate use of such structure or improvement for so long as such Capital Improvement exists, and provided that the existence of solid “party walls” (i.e., walls whose sole purpose is support and whose existence does not result in the uses, operations or utilities of the two applicable structures being integrated in any way) shall not, by itself be deemed a connection).

Events of Default

Each “Event of Default” is enumerated in Article 24 of the Ground Lease. Broadly, they include events such as: (a) failure to timely pay Base Rent or additional charges under the Ground Lease where such failure continues for ten (10) days after written notice thereof by Landlord to Tenant; (b) failure by Tenant to make any other
payment of Rental other than Base Rent, where such failure continues for twenty (20) days after written notice by Landlord to Tenant; (c) if the Ground Lease, estate or interest of the Tenant shall at any time be assigned, subleased, licensed, transferred, mortgaged, pledged, hypothecated or encumbered, except as in accordance with the provisions of the Ground Lease; (d) if any “Construction Delay” (as defined in the Ground Lease) continues for more than five (5) Business Days after notice thereof from Landlord to Tenant; (e) if Tenant shall fail to observe or perform a term, condition, covenant or agreement of the Ground Lease and such failure is not cured by the Tenant within forty (40) days after written notice thereof by Landlord to Tenant, unless Tenant is unable to cure within such forty (40) day period, in which case Tenant is not in default as long as Tenant shall have commenced curing the same within such forty (40) day period and shall continuously prosecute the same to completion with reasonable diligence; (f) if Tenant or “Applicable Guarantor” (as defined in the Ground Lease) shall admit, in writing, that it is unable to pay its debts as such debts become due; (g) if Tenant or Applicable Guarantor shall make an assignment for the benefit of creditors (h) if Tenant or any Applicable Guarantor shall file a voluntary petition in bankruptcy or shall be adjudicated a bankrupt or insolvent, or shall file any petition or answer seeking relief under any present or future federal bankruptcy act or any present or future applicable federal, state or other statute of law, or it Tenant or any Applicable Guarantor shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Tenant or of all or any substantial part of its properties or of the Premises or any of its interest therein, unless the Ground Lease has been assigned in accordance with Article 10 of the Ground Lease (i) if within ninety (90) days after the commencement of any proceeding, other than such brought by Landlord, against Tenant or any Applicable Guarantor seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future federal bankruptcy act or any other present or future applicable federal, state or other statute of law, such proceeding shall not have been dismissed, or if, within ninety (90) days after the appointment, without its consent or acquiescence, of any trustee, receiver or liquidator for it or all or any substantial part of its properties or of the Premises or any of its interest therein has been appointed by reason of insolvency or inability to pay its bills, such appointment shall not have been vacated or stayed on appeal or otherwise or if, within thirty (30) days after the expiration of any such stay, such appointment shall not have been vacated, unless the Ground Lease has been assigned in accordance with Article 10 of the Ground Lease; (j) if Tenant shall permanently abandon the Premises or any substantial portion thereof and shall not return thereto within ten (10) Business Days after written notice from Landlord; (k) if a levy under execution or attachment shall be made against Tenant or its interest in the Premises or any part thereof and such execution or attachment shall not be vacated or removed by court order, bonding or otherwise within a period of seventy-five (75) days after Tenant’s receipt of notice thereof; (l) if at any time prior to “Substantial Completion” (as defined in the Ground Lease), (i) the “Rent Guaranty” (as defined in the Ground Lease) shall fail to be in full force and effect or (ii) any material representation or warranty by “Parent” (as defined in the Ground Lease) shall in the “Rent Guaranty” shall fail to be true and correct in any material respect; (m) if, at any time from and after the Substantial Completion, (n) whether a Letter of Credit (as defined in the Ground Lease) nor a guaranty fulfilling the requirements of Article 35 of
the Ground Lease is in full force and effect or (ii) any material representation or warranty by Parent in the Rent Guaranty shall fail to be true and correct in any material respect; (n) if Tenant and tenant under the “Townhouses Lease” (as defined in the Ground Lease) are the same entity or “Affiliates” (as defined in the Ground Lease) of each other, and there is a default by the tenant under the Townhouses Lease and such default is not cured within the applicable notice and cure period provided in the Townhouses Lease

Purchasers are advised that Events of Default may, under certain circumstances stipulated in the Ground Lease, lead to termination of the Ground Lease by Landlord. However, no termination of the Ground Lease shall relieve Tenant from its liabilities and obligations, including monetary obligations under the terms of the Ground Lease.

Condemnation

If all or substantially all of the Premises is taken or condemned by any governmental authority for any public or quasi-public purpose, or if any part thereof shall be so taken or condemned and the part thereof not so taken or condemned cannot be used or reconverted for use in a manner consistent with the Permitted Use, considering economic viability, then and in either such event Ground Lease and the Ground Lease Term shall cease and terminate as of the date of such taking or condemnation.

The rights and interests of Landlord and Tenant, in and to the entire award, or the aggregate of any separate awards to Landlord and Tenant, after the payment of all reasonable fees and expenses incurred by Landlord and Tenant in connection with the establishing and collection of such awards, shall be as follows: (i) first, Landlord shall receive an amount equal to the product of (A) the annual Base Rent payable under the Lease as of the time of such taking or condemnation, and (B) (1) through and until the eighty-fifth (85th) Lease Year, fourteen (14), and two (2) after the eighty-fifth (85th) Lease Year, the numbers of years remaining in the term; (ii) second, Tenant, subject to the right of Leasehold Mortgagees (as defined in the Ground Lease), shall receive such portion of the award as shall equal the principal balance (with accrued interest) secured by, and all other sums payable pursuant to or secured by, all then-existing Leasehold Mortgages, that are in compliance with the Ground Lease; (iii) third, Landlord shall receive the sum of (A) the difference between (1) present value, as of the tie of such taking or condemnation using a reasonable discount rate to be agreed upon by the Landlord and Tenant of all Base Rent that would have been payable through the “Expiration Date” (as defined in the Ground Lease), (assuming (x) no early termination of the Ground Lease prior to the day immediately prior ninety-nine (99) year anniversary of the Commencement Date and (y) to the extent that the Base Rent increases provided in Paragraph 1 of Exhibit C of the Ground Lease, have no yet occurred, each such Base Rent increase would have resulted in an increase in Base Rent equal to the average of the lowest and the highest increase permitted for the applicable Rent Period as set forth in the parenthetical at the end of the applicable clause), less (2) amounts received by Landlord pursuant to clause (i) above, and (B) the present value of Landlord’s residual interest in the Premises, i.e. the present value, as of the date that would have been the Expiration Date of the Ground Lease Term if there had not need an earlier termination of the Ground Lease as a result of such taking
of condemnation, using the per annum discount rate set forth in the Ground Lease; (iv) fourth, the balance after payment of the amounts provided in the foregoing clauses, shall be paid to Tenant, subject to the rights of any Leasehold Mortgagees.

If within ten (10) years prior to the expiration of the Ground Lease Term, a partial condemnation shall occur which shall result in the taking (or making effectively inaccessible or unusable for their previous use) of twenty-five percent (25%) or more of the New Building, or which otherwise materially adversely affects access to or use of the balance of the New Building in a manner than cannot be reasonably corrected, then and in that event Tenant shall have the option within sixty (60) days from the date of such partial condemnation, to termination the Ground Lease by notice to Landlord, which termination shall be effective upon the date specified in such notice, but in no event, less than thirty (30) days nor more than sixty (60) days after the serving of such notice.

If a taking of Tenant's leasehold estate or any part of the Premises for temporary use or occupancy shall occur, the Ground Lease shall continue in full force and effect without reduction or abatement of Rental, and provided no Default or Event of Default shall then exist, Tenant shall be entitled to the entire amount of the award made for any such taking, unless such period of temporary use or occupancy shall extend beyond the expiration or termination of the Ground Lease, in which case the award shall be apportioned between Landlord and Tenant upon receipt thereof as of the date of the expiration or termination of the Ground Lease. However, Tenant shall be entitled to receive any award or payments for use, subject to the terms of the Ground Lease.

THE FOREGOING DOES NOT PURPORT TO BE A SUMMARY OF THE ENTIRE GROUND LEASE. THE COMPLETE GROUND LEASE IS INCLUDED IN PART II OF THIS PLAN AND SHOULD BE CAREFULLY REVIEWED BY EACH PURCHASER AND SUCH PURCHASER'S ATTORNEY.
SUMMARY OF PROPRIETARY LEASE

Each Shareholder will be issued a lease known as a Proprietary Lease. The Proprietary Lease gives the Shareholder the right to occupy his or her Apartment and it sets out the respective responsibilities of Shareholder and the Apartment Corporation. The form of Proprietary Lease contained in full in Part II of this Plan is in substantially the same form that Purchasers will receive by assignment and assumption. Below is a description of some of the rights and obligations of both the Apartment Corporation and Shareholders pursuant to the Proprietary Lease:

Term

The term of the Proprietary Lease, shall commence on each Purchaser’s Closing Date and shall expire upon the expiration of the Ground Lease. Sponsor makes no representation or warranty as to Purchaser’s ability to remain in occupancy or possession of Purchaser’s Apartment upon expiration of the Ground Lease.

Shareholder’s Obligation to Pay Maintenance

As a lessee, every Shareholder of the Apartment Corporation will be obligated to pay Maintenance for such Shareholder’s Apartment as fixed by the Board of Directors. Shareholders may not pay Maintenance more than one (1) month in advance of its due date.

Maintenance & Repair of Apartments

The Shareholder will be responsible for the cost of maintaining, repairing and replacement of interior walls, floors, and ceilings and all appliances, plumbing fixtures, heating fixtures, and other fixtures and equipment, as well as painting and decorating in his or her Apartment. The Apartment Corporation will be responsible for the cost of all other repairs, maintenance and replacements in connection with the remainder of the Building, subject to the provisions of the Proprietary Lease.

Alterations

The consent of the Apartment Corporation is required before any structural or non-structural alterations or additions may be made in the Apartment or to its fixtures and equipment (which consent may not be unreasonably withheld). No consent is required for non-structural interior alterations not affecting plumbing, electrical, heating, air conditioning or other Building systems, but the performance of such alterations are subject to reasonable time and manner regulations as may be adopted by the Apartment Corporation.
Balconies & Terraces

Each Shareholder with a balcony or terrace appurtenant to Shareholder’s Apartment shall have the exclusive right to use such balcony or terrace (subject to the Apartment Corporation’s right of access to perform any maintenance and repair obligations under the Proprietary Lease), and shall be responsible for normal maintenance and repair to such balcony or terrace, and to any fencing or other enclosure around the balcony or terrace and to any decking, pavers or other surface of the balcony or terrace. Shareholders shall be obligated to keep all drains and gutters on or appurtenant to Shareholder’s balcony or terrace free and clear of snow, ice, leaves and other debris, and to prevent any water back-up on the balcony or terrace. Structural or extraordinary repairs to balconies or terraces shall be undertaken by the Apartment Corporation. Shareholders shall not install any structures or perform any construction on the balcony or terrace. Shareholders shall be subject to all use restrictions imposed by the Apartment Corporation with respect to balconies or terraces, including, without limitation, restrictions on the type of materials for fencing and decking, maintenance and repair obligations for such fencing and decking, planting, furniture, plant containers, watering, barbecuing, alterations, laundry, play equipment, etc. Pursuant to the Proprietary Lease, the Apartment Corporation has certain obligations with respect to the roof, balconies and terraces, and the Apartment Corporation and its agents shall have a right of access to the roof, terraces and balconies for the repair and maintenance.

Wine Closet

Each Market-Rate Apartment shall have, as an appurtenance, one of the twenty-six (26) wine closets (collectively, the “Wine Closets” and individually, a “Wine Closet”) located in the Building’s cellar. The approximate size of each Wine Closet is disclosed in Schedule A and indicated on the floor plans located in Part II of this Plan. There will be no license fee or maintenance charge imposed in connection with the use of the Wine Closets by Shareholders. Sponsor reserves the right to assign each of the Wine Closets to a particular Apartment at the time a Purchase Agreement is executed. Once assigned, Shareholders shall have the exclusive right to use his or her Wine Closet, and the Wine Closet may not be sublet, transferred or conveyed except in connection with the sublet, transfer or conveyance of that Apartment after offering the Apartment Corporation the right of first refusal. Use of Wine Closets for the storage of toxic or inflammable items or Combustibles (as such term is defined in the New York City Building Code) is prohibited and may result in a violation placed against the Building by the Building Department which shall be such offending Shareholder’s obligation to remedy. Each Shareholder shall be responsible for ordinary maintenance and repair of such Shareholder’s Wine Closet and shall be liable for all damage arising out of such Shareholder’s use or misuse of the Wine Closet.

Storage Space

Twelve (12) Storage Spaces (collectively, the “Storage Spaces” and individually, a “Storage Space”), shall be located in the Building’s cellar. The approximate size of
each Storage Space is disclosed in Schedule A and indicated on the floor plans located in Part II of the Plan. Storage Spaces shall be offered as long-term licenses solely to Purchasers on a first-come, first-served basis. Therefore, Purchasers are not guaranteed the opportunity to license a Storage Space. Licensing fees, approximate sizes and the number designation of the Storage Spaces are disclosed on Schedule A-1.

Right of First Refusal

Shareholders shall have the right to sell the Shares allocated to such Shareholders’ Apartment and assign the Proprietary Lease appurtenant thereto in compliance with the Proprietary Lease and the Apartment Corporation’s By-Laws. The shares of stock in the Apartment Corporation may not be sold or the Proprietary Lease assigned, nor the Apartment sublet, without first giving written notice (the “Offer Notice”) to the Apartment Corporation’s Board of Directors of the intention to do so, which Offer Notice shall contain the terms offered in good faith by the prospective purchaser or sublessee (the “Outside Offer”). The Apartment Corporation shall have the exclusive right to notify such Shareholder in writing of its exercise of the right of first refusal to purchase or sublease the Apartment within fifteen (15) days after receipt of the Offer Notice on the same terms as are contained in the Outside Offer. If the Apartment Corporation does not notify the Shareholder during such exclusive period of its election to purchase or sublease the Apartment, the Shareholder will have 120 days thereafter to consummate the sale or sublease, failing which the Shareholder will again be required to give the Apartment Corporation a right of first refusal as provided above.

The Apartment Corporation may not exercise its option to purchase or sublease any Apartment without the prior approval of at least a majority in interest of the Shareholders entitled to vote, present in person or represented by proxy, and voting at a meeting at which a quorum is present. If approval is given, the Board of Directors may assess each Shareholder (other than the Shareholder who is selling or subleasing), based on the proportion that the number of Shares allocated to such Shareholder’s Apartment bears to the total number of Shares issued and outstanding less the number of Shares allocated to the Apartment being sold or subleased, to effectuate such purchase or sublease or may use funds from Working Capital and Maintenance Charges or may borrow money to finance the acquisition of such Proprietary Lease and Shares, provided, however, that no financing may be secured by an encumbrance or hypothecation of any property other than the Proprietary Lease and the appurtenant Shares to be acquired by the Apartment Corporation.

Notwithstanding the foregoing, any Shareholder may sell, convey, sublease, bequeath or let such Shareholder’s Apartment pass by intestacy to an adult member of her family, without first offering the Apartment Corporation a right of first refusal, provided, however, that each succeeding Shareholder shall be bound by, and her Apartment shall be subject to, such restriction.

The foregoing restrictions upon the sale and subleasing of Apartments shall not apply to the Sponsor or Holder of Unsold Shares with respect to any unsold Apartment or
to Apartments acquired by a lender in foreclosure or by foreclosure, who shall be free to sell or sublease their Apartments without first offering to sell or lease same to the Apartment Corporation.

**Restrictions on the Re-Sale and Subleasing of 421-a Affordable Apartments**

Pursuant to the AHC Grant Enforcement Note and Security Agreement to which each 421-a Affordable Apartment shall be subject, for a period of twenty (20) years from the Closing Date of each 421-a Affordable Apartment all re-sales of 421-a Affordable Apartments shall be made exclusively to persons with (i) assets that do not exceed thirty-five percent (35%) of the average total development cost of the 421-a Affordable Apartment being purchased (the “Asset Test”). Such average total development cost shall be determined by the Housing Partnership; and (ii) an annual household income of not more than 125% of AMI at a re-sale price that shall not exceed the re-seller’s purchase price for acquiring such 421-a Affordable Apartment, plus an Adjustment for Inflation, as defined herein (the “Income Test”). The “Adjustment for Inflation” shall be calculated by multiplying the re-seller’s purchase price to acquire the 421-a Affordable Apartment by a fraction, the numerator of which shall be the Consumer Price Index for the full calendar month immediately preceding the date of such adjustment, and the denominator of which shall be the Consumer Price Index for the date that such re-seller acquired title to such 421-a Affordable Apartment. The “Consumer Price Index” shall mean the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the United States Department of Labor, New York, New York Northeastern New Jersey Area, All Items (1982-84 = 100), or any successor index thereto, appropriately adjusted. If the Consumer Price Index ceases to be published, and there is no successor thereto, such other reasonably similar index as is designated by the Board of Directors shall be substituted for the Consumer Price Index. For the purpose of calculating the re-sale price of a 421-a Affordable Apartment, the re-seller’s purchase price to acquire a 421-a Affordable Apartment shall not include the closing costs associated with the acquisition of such 421-a Affordable Apartment. The Board of Directors shall perform the Income Test and the Asset Test, and it shall certify the assets and annual household income of all prospective 421-a Affordable Apartment re-sale purchasers and the re-sale purchase price of all 421-a Affordable Apartments simultaneously with its exercise or waiver of its right of first refusal. In addition, the Board of Directors shall, prior to the execution of a re-sale contract for such 421-a Affordable Apartment, certify the assets and income of such prospective re-sale purchaser to the Housing Partnership, or any successor entity that is then administering the AHC Grant Enforcement Note and Security Agreement (as discussed below), and the Housing Partnership, or its successor, shall be required to act in good faith with respect to reviewing each application for the re-sale of each 421-a Affordable Apartment to determine whether such re-sale is to a person or persons who comply with the requirements disclosed in this paragraph.

No 421-a Affordable Apartment may be subleased until such time as the portion of the AHC Grant Enforcement Note and Security Agreement that encumbers such 421-a Affordable Apartment has been satisfied.
Transfer Fees

Upon sale or sublease of an Apartment, the Apartment Corporation does not require a Shareholder to pay any fees, taxes, “flip taxes” or other charges in connection with such sale or sublease. In addition, the Apartment Corporation may not prevent a Shareholder from showing such Shareholder’s Apartment and the public access areas of the Building to prospective assignees or subtenants. However, upon the affirmative vote of at least 66-2/3% of the then issued and outstanding Shares, the Apartment Corporation may impose fees, taxes, and other charges upon the sale or subletting of an Apartment.

Casualty Loss

Subject to the provisions concerning casualty contained in the Ground Lease, in the event of a fire or other casualty damage, the Apartment Corporation shall repair such damage to the Building using insurance proceeds or other funds. In the event of fire or other casualty damage, all insurance proceeds to which the Apartment Corporation is entitled shall be dedicated to repair or restoration of the damage. In the event that (i) the Building is totally destroyed, or (ii) the Building is so damaged that it cannot be repaired within a reasonable time, or (iii) the destruction or damage was not covered under the insurance policy then in effect, and if Shareholders owning at least 66-2/3% of the outstanding Shares of the Apartment Corporation shall vote not to repair, restore or rebuild, then the Lessor may terminate all Proprietary Leases.

Termination

Shareholders may cancel the Proprietary Lease and surrender the Shares to the Apartment Corporation (without receiving any compensation) on any December 31st after the third anniversary of the Cooperative Conversion Date, provided that written notice to the Apartment Corporation is given no later than July 1st of the year of cancellation. If a Shareholder elects to terminate, such Shareholder, upon vacating Shareholder’s Apartment, will have no liability for the payment of Maintenance after the effective date of cancellation, but will remain liable for any indebtedness owing prior to such effective date of cancellation. However, a party designated as a Holder of Unsold Shares may not cancel a Proprietary Lease unless (i) the owners of a majority of all outstanding Shares of the Apartment Corporation have given notice of intent to cancel their Proprietary Leases, or (ii) the Shares then being offered under the Offering Plan constitute fifteen percent (15%) or less of the outstanding Shares of the Apartment Corporation, and (iii) at least five (5) years have elapsed since the Cooperative Conversion Date, and on the effective date of cancellation, the Holder of Unsold Shares surrendering Shares under this Offering Plan shall pay to the Apartment Corporation a sum equal to the product of the then current monthly Maintenance Charges for the Apartment or Apartments being surrendered multiplied by twenty-four (24).
Events of Default

On the happening of any of the following events of default, the Apartment Corporation may terminate the Proprietary Lease:

(i) The Proprietary Lease and appurtenant Shares are not owned by the same person;

(ii) Certain acts of bankruptcy or insolvency of the Lessee (as described in the Proprietary Lease);

(iii) An assignment of the Proprietary Lease or subletting of the Apartment without compliance with its terms, or an unauthorized occupancy of the Apartment after notice and failure to cure within ten (10) days after notice;

(iv) Failure for one month to pay Rent (as defined in the Proprietary Lease) or other charges that is not cured within ten (10) days after notice;

(v) The affirmative vote of at least 66-2/3% of the then issued and outstanding Shares that the Lessee has engaged in objectionable conduct;

(vi) The default by Lessee of the terms of any loan secured by a pledge of the Lease and Shares;

(vii) If 66-2/3% of the then issued and outstanding Shares shall affirmatively vote to terminate all Proprietary Leases;

(viii) If the Building shall be destroyed or damaged and the Shareholders shall decide not to repair or rebuild as more fully provided in the Proprietary Lease;

(ix) If the Building or a substantial portion thereof shall be taken by condemnation proceedings; or

(x) If the Lessee shall fail to perform any other covenant of the Proprietary Lease and such failure shall not be cured within thirty (30) days after notice;

(xi) Upon termination or expiration of the Ground Lease.

Reference should be made to Paragraph 38 of the Proprietary Lease as to conditions (other than a default under the Proprietary Lease) under which the same may be terminated by the Apartment Corporation.

Upon the occurrence of such default that is uncured within the applicable grace period, if any, the Apartment Corporation may take possession of the Apartment and, at
its option, relet same for the account of the defaulting Lessee. Notwithstanding such reletting or termination, the Lessee will continue to be liable for the payment of rent (i.e. Maintenance Charges) until his or her Apartment is sold; and if the proceeds of such sale are insufficient to liquidate the indebtedness owing to the Apartment Corporation, the Lessee will remain liable for such deficiency. Any surplus will be paid over to the Lessee after first paying out of the same all liens on his or her stock or Apartment (of which the Apartment Corporation has notice), in the order of priority of such liens.

**Recognition & Pledge Agreements**

The Proprietary Lease and appurtenant Shares may be pledged to a bank or other recognized lending institution in accordance with the terms of the Proprietary Lease, and the Apartment Corporation may enter into a recognition agreement with such lender, pursuant to which it may notify said lender of any default by the Lessee under his or her Proprietary Lease, and the lender will have an additional period of time equal to the time originally given to the Lessee within which to cure said default. If the Lessee defaults under the loan, the Apartment Corporation will, on notice from the lender, transfer the Proprietary Lease and Shares of the defaulting lessee to the individual produced by the lender, provided that the lender shall have first paid all Maintenance Charges and other arrears due from the defaulting Lessee.

The Proprietary Lease contains no restriction on the size of a loan to a Shareholder which may secured by a pledge of the shares and Proprietary Lease. However, the Board of Directors may from time to time establish a policy limiting the amount that may be borrowed by Shareholders.

It is noted that if a Purchaser has obtained financing, his or her right to surrender possession of the Apartment pursuant to the Proprietary Lease may be subject to any restrictions in the pledge agreement made with the lender, which normally would prohibit the Purchaser from exercising these rights while the loan is outstanding, or any recognition agreement entered into by Purchaser, Lender, and the Apartment Corporation.

**Certain Rights of the Apartment Corporation**

During the five-year period following the Cooperative Conversion Date, the Apartment Corporation shall not, among other things, without the consent of Shareholders owning at least 75% of the issued and outstanding Shares of the Apartment Corporation, (i) increase the number of employees or provide services in addition to those contemplated in Schedule B of this Plan as same may be amended (unless the aggregate annual cost of any such additional employees or services, when added to the aggregate annual cost of all other expenses for that year does not exceed the aggregate projected income for that year, without increasing annual Maintenance for that year), (ii) undertake any capital or major improvement except as set forth in the Proprietary Lease, (iii) increase, extend, modify or refinance the mortgage indebtedness of the Apartment Corporation, (iv) enter into any new mortgage, contract of sale or ground lease of the
Building, or (v) increase the reserves or establish any reserves in addition to those described in the Plan including, without limitation, any reserves for contingencies, repairs, improvements or replacements, other than a reserve for contingencies not exceeding 5% of the annual operating budget for that year. The foregoing super-majority voting requirement shall not be required after the fifth anniversary of the Cooperative Conversion Date, or to comply with obligations of law (including subsequently enacted provisions).

So long as the Unsold Shares constitute fifteen (15%) percent or more of the outstanding Shares of the Apartment Corporation, but not later than five (5) years from the Cooperative Conversion Date, the Board of Directors shall not take any of the following actions unless Holders of Unsold Shares unanimously approve same in writing or by vote, in person or by proxy, at a duly constituted meeting called for such purpose: (i) hire any employee in addition to the employees enumerated in “Schedule B - Budget for First Year of Cooperative Operation”; (ii) provide for new or additional services from those being provided on the Cooperative Conversion Date, unless the annual cost of such new or additional services, when added to the annual cost of all other services being provided, is no greater than that provided upon commencement of cooperative operation; (iii) impose any rent, maintenance, assessment or other charge (regular or special) for the purpose of making any capital or major improvement or addition, unless required by law or necessary for health and safety (but not the general comfort or welfare) of Shareholders; or (iv) establish any reserves in addition to the Working Capital Fund, including without limitation, a reserve for contingencies, repairs, improvements or replacements. Notwithstanding the foregoing, the Apartment Corporation may take any of the actions enumerated in clauses (i) through (iv) above; (a) after the fifth (5th) anniversary of the Cooperative Conversion Date, (b) if required under any mortgage encumbering the Building, or (c) to comply with applicable laws or regulations.

In accordance with General Business Law Section 352-1, the Apartment Corporation has the right to direct that the tenant of an Apartment owned by a "non-occupying" Shareholder pay rent directly to the Apartment Corporation instead of to the Shareholder, if the Shareholder defaults in payment of Maintenance and/or assessments and/or late fees for more than sixty (60) days.

Installations

On the Cooperative Conversion Date, Sponsor may reserve the right to (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace satellite dishes, cell phone towers, antennae and similar equipment (collectively, the “Installations”) on the roof and façade of the Building and to retain any and all income derived therefrom, (b) to enter upon any Apartment or elsewhere on the Property to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the Installations as may be necessary or appropriate, and (c) to grant such rights to do any of the foregoing to its designees, assignees and licensees. The Apartment Corporation shall not be entitled to any portion of fees, compensation or other profits received by Sponsor, its designees, assignees or licensees for the use of the Installations. Any and all Installations placed upon the roof

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and the façade of the Building by Sponsor, its designees, assignees or licensees shall be the exclusive property of Sponsor, its designees, assignees or licensees and neither the Apartment Corporation nor any Shareholder or occupant shall have any rights with respect thereto. Notwithstanding the foregoing, access to an Apartment in furtherance of the Installations and the rights reserved thereby with respect thereto shall be exercised in a manner so as to not unreasonably interfere with the use of the Apartments for their permitted purposes. Such entry shall be permitted on not less than one day’s notice, except that no notice is necessary in the case of an emergency.”

Amendments to Proprietary Lease

The terms of the Proprietary Lease may be amended only by the approval of Shareholders owning at least 66 2/3% of the Apartment Corporation’s outstanding Shares. Such changes shall be binding on all lessees even if they did not vote for such changes except that the proportionate share of rent or cash requirements payable by such lessee may not be increased.

Subordination to the Ground Lease

The Proprietary Lease is subject and subordinate to the Ground Lease. This means that any requirements contained in the Ground Lease which are not expressly stated in the Proprietary Lease will nevertheless be binding on Shareholders. Prospective Purchasers are referred to the section of this Plan entitled “Summary of Ground Lease” for a description of the requirements contained therein, and to the copy of the Ground Lease contained in Part II of this Plan.

THE FOREGOING DOES NOT PURPORT TO BE A COMPLETE SUMMARY OF THE ENTIRE PROPRIETARY LEASE. PURCHASER AND SUCH PURCHASER’S ATTORNEY SHOULD CAREFULLY REVIEW THE FORM OF PROPRIETARY LEASE WHICH IS INCLUDED IN PART II OF THIS PLAN.
APARTMENT CORPORATION AND BY-LAWS

The Apartment Corporation was incorporated under the Business Corporation Law of the State of New York on September 28, 2015. The Apartment Corporation has authorized capital of 3,000 Shares, at par value. Pursuant to this Plan, the Apartment Corporation has issued 1,000 Shares. Until the Cooperative Conversion Date the Sponsor will own all of the issued Shares of the Apartment Corporation.

The Apartment Corporation By-Laws provide that until the first annual meeting of Shareholders held after the Cooperative Conversion Date, there shall be two (2) directors of the Apartment Corporation appointed by Sponsor. At the first annual meeting of Shareholders, such directors will resign and will be replaced by directors and the officers to be elected by Shareholders. From and after the first annual meeting of Shareholders held after the Cooperative Conversion Date, the Board of Directors shall consist of five (5) directors elected by the Shareholders.

The first annual meeting will be held approximately ninety (90) days after the Cooperative Conversion Date. Thereafter, annual meetings of the Shareholders shall be held on or about the anniversary date of the first annual meeting.

Each director shall be either a Shareholder (with respect to a natural person Shareholder), or in the case of an entity Shareholder, shall be either a principal or employee or appointee of that entity with authority to bind that entity. If a Shareholder comprises two or more natural persons in their individual capacities, only one person from the Shareholder may be a director. The By-Laws of the Apartment Corporation do not include a provision that, after the initial Sponsor voting control period, a majority of the Board of Directors must be owner occupants or members of an owner occupant’s household. Therefore, Purchaser’s for their own occupancy may never gain control of the Board of Directors.

The officers of the Apartment Corporation shall be a president, one or more vice presidents, a secretary and a treasurer. Such officers shall be elected at the first meeting of the Board of Directors, and shall serve until removed or until their successors shall have been elected. The Board of Directors may at any time or from time to time appoint one or more assistant secretaries and one or more assistant treasurers to hold office at the pleasure of the Board of Directors and may accord to such officers such power as the Board of Directors deems proper. Any such appointed assistant secretary need not be a Shareholder. Any officer may be removed at any time, with or without cause, by the affirmative vote of a majority of the then authorized total number of directors. The president shall be a member of the Board of Directors, but none of the other officers need be a member of the Board of Directors.

To the extent allowed by law, the Apartment Corporation shall indemnify any officer or director made, or threatened to be made, a party to an action by or in the right of the Apartment Corporation to procure a judgment in its favor by reason of the fact that said individual is or was a director or officer of the Apartment Corporation against
amounts paid in settlement and reasonable expenses, if such director or officer acted in
good faith, for a purpose in which the director or officer reasonably believed to be in the
best interests of the Apartment Corporation.

At all meetings for the election of directors, each Shareholder, including the
Sponsor with respect to Shares it owns, will be entitled to cast as many votes as equal the
number of directors to be elected multiplied by the number of shares owned by the
Shareholder. A Shareholder may cast all of such votes for a single director or may
distribute them among the number of directors to be voted for as the Shareholder may see
fit. Such right, when exercised, is known as “cumulative voting”. Directors will be
elected by a plurality of the votes cast at a meeting at which a quorum is present.

Directors other than those, constituting the first Board of Directors shall serve
until the date fixed for the next annual meeting of Shareholder and until the election and
qualification of their respective successors. Directors may serve for more than one term.
The presence in person of a majority of the directors at a particular date comprising the
Board of Directors shall constitute a quorum at that meeting of the Board of Directors.
Vacancies in the Board of Directors resulting from death, resignation or otherwise may
be filled without notice to Shareholder by a vote of a majority of the remaining directors
present at the meeting at which such election is held even though no quorum is present.
In the event of the failure to hold any election of directors at the time designated for the
annual election of directors or in the event that the Board of Directors shall not have
filled any such vacancy, a special meeting of Shareholders to elect a new Board of
Directors or to fill such vacancy or vacancies may be called. Any director may resign at
any time by written notice delivered in person or sent by certified mail to the president or
the secretary of the Corporation. Such resignation shall take effect at the time specified
therein, and unless specifically requested, acceptance of such resignation shall not be
necessary to make it effective.

Any director may be removed from office at any time with or without cause upon
affirmative vote of Shareholder representing more than 50% of the Shares of the
Corporation present in person or by proxy, at a duly called Shareholder meeting,
provided notice of the proposed removal was given to the director and in the notice of the
meeting. Any member of the Board whose removal has been proposed shall be given an
opportunity to be heard at the meeting.

The directors elected by the Holders of Unsold Shares can be removed only for
cause by vote of a majority of the Shareholders or without cause by the Holders of
Unsold Shares. Any vacancy on the Board of Directors in respect of a director elected by
Holders of Unsold Shares, whether arising from resignation, removal, death or otherwise,
shall be filled only by such Holders of Unsold Shares. A director who ceases to meet the
qualifications to be a director shall be deemed to have resigned as a director effective as
of the date of disqualification.

All directors and officers shall serve without compensation. Sponsor and
Sponsor’s designees may not retain voting control of the Board of Directors or veto
power over expenditures for more than five (5) years after the Cooperative Conversion Date or whenever ninety (90%) percent of the Apartments have been closed, whichever is later.

The Board of Directors will manage the business and affairs of the Apartment Corporation, including determining the cash requirements of the Apartment Corporation. The Board of Directors shall adopt annual resolutions relating to the Cash Requirements (as defined in the By-Laws and Proprietary Lease) of the Apartment Corporation and the payment of Maintenance Charges and assessments by Shareholder for each year during the term of the Proprietary Lease. The Board of Directors shall have discretionary power to prescribe the manner of maintaining and operating the Building and to determine the Cash Requirements of the Apartment Corporation and the manner and terms of Maintenance Charges and assessments to be paid as aforesaid by the Shareholder under their respective Proprietary Leases. Every such determination by the Board of Directors shall be final and conclusive as to all Shareholders.

The Board of Directors of the Apartment Corporation shall, at its expense, keep in good repair the Building, including, without limitation, the Apartments, except those portions the maintenance and repair of which are to be the responsibility of Shareholders under the terms of the Proprietary Lease. Pursuant to the terms of the Proprietary Lease, Shareholders are responsible to keep the interior of the Apartment (including interior walls, floors and ceilings, but excluding windows, window panes, window frames, sashes, sills, and entrance doors and doors leading to terraces, balconies or patios appurtenant to this Agreement, and frames and saddles) in good repair, shall do all of the painting and decorating required for the interior of the Apartment, including, without limitation, the interior of window frames, sashes and sills. Shareholders shall be solely responsible for the maintenance, repair and replacement of interior walls, floors and ceilings, and all plumbing, electrical, gas and heating fixtures, appliances and equipment within the Apartment, including, without limitation, toilets, bathtubs, sinks, refrigerator, dishwasher, incremental units (if any), including the fans inside the units, heating / air-conditioning equipment, ranges and other appliances. If any Shareholder shall fail, after written notice from the Apartment Corporation, to make repairs, which are the Shareholder’s responsibility, to any part of the Apartment, its fixtures or equipment, the Apartment Corporation may, at Shareholder’s sole cost and expense, enter into the Apartment and make such repairs or remove the objectionable condition. The Apartment Corporation shall be entitled to recover from the Shareholder all expenses in connection with such repair and may place a lien against a Shareholder’s shares for the cost of completing the work. Please refer to the Proprietary Lease in Part II of the Plan for further details.

If an Apartment or the Building is damaged by fire or other cause covered by the casualty insurance, maintained by the Apartment Corporation, the insurance proceeds shall be used to repair or replace the Building and Apartments and the access thereto, including the walls, floors, ceilings, pipes, wiring and conduits into the Apartment. Notwithstanding the foregoing, the Apartment Corporation shall not be required to cause to be repaired or replaced equipment, fixtures, furniture, furnishings or decorations...
installed by the Shareholder. The Propriety Lease requires that each Shareholder maintain insurance coverage for their Apartment at their own expense. The Building policy will not provide fire and casualty losses to personal property, furniture, furnishings, replacements, additions, fixtures and improvements, or liability insurance for occurrences within a Shareholder’s Apartment.

Please refer to the Section of the Plan entitled “Summary of Proprietary Lease” in Part I of this Plan for a discussion of the rights and obligations of the Board of Directors with respect obtaining insurance for the Building, and reporting to Shareholders.

The By-Laws may be amended at (i) any Shareholders’ meeting by an affirmative vote of at least 66 2/3% of the authorized and issued shares of the Apartment Corporation, or (ii) at any meeting of the Board of Directors by vote of two-thirds of the number of directors fixed in the By-laws. An amendment adopted under clause (i) above may not be repealed by the Board of Directors. Apartment Corporation’s Certificate of Incorporation may be amended at any Shareholders’ meeting by an affirmative vote of at least 66 2/3% of the authorized and issued shares of the Apartment Corporation.

The Apartment Corporation will have a lien on each Shareholder’s Shares to secure the payment of Maintenance and assessments. As a result, if a Shareholder fails to pay Maintenance and/or assessments, if any, and does not cure such default within the grace period provided in the Proprietary Lease, the Apartment Corporation may foreclose such lien and require the defaulting Shareholder’s Shares and Proprietary Lease to be sold in the same manner as a foreclosure of a mortgage.

During the five (5) year period following the Cooperative Conversion Date, the Apartment Corporation may not, among other things, without the consent of Shareholders owning at least 75% of the issued and outstanding Shares of the Apartment Corporation, (i) increase the number of employees or provide services in addition to those contemplated in Schedule B of this Plan as same may be amended (unless the aggregate annual cost of any such additional employees or services, when added to the aggregate annual cost of all other expenses for that year does not exceed the aggregate projected income for that year, without increasing annual Maintenance for that year), (ii) undertake any capital or major improvement except as set forth in the Proprietary Lease, (iii) increase, extend, modify or refinance the mortgage indebtedness of the Apartment Corporation, (iv) enter into any new mortgage, contract of sale or ground lease of the Building, or (v) increase the reserves or establish any reserves in addition to those described in this Plan including, without limitation, any reserves for contingencies, repairs, improvements or replacements, other than a reserve for contingencies not exceeding 5% of the annual operating budget for that year. The foregoing super-majority voting requirement shall not be required after the second anniversary of the Cooperative Conversion Date, or to comply with obligations of law (including subsequently enacted provisions).
Sponsor and Sponsor's designees may not exercise veto power over expenses described in Schedule B of this Plan, or capital repairs or expenses required to comply with applicable laws or regulations.

The Apartment Corporation may impose on its Shareholders and/or authorize its Managing Agent to collect from Shareholders, processing fees in connection with the sale, refinance and/or subletting of Apartments, fees to process applications for alterations to Apartments, and other similar fees. No assignment of any Proprietary Lease or transfer of the Shares of the Apartment Corporation shall take effect as against the Apartment Corporation for any purpose until the Shareholder has complied with the assignment requirements of the Proprietary Lease, a proper assignment has been delivered to the Apartment Corporation, the assignee has assumed and agreed to perform and comply with all the covenants and conditions of the assigned lease or has entered into a new lease for the remainder of the term of the Proprietary Lease, all Shares of the Apartment Corporation appurtenant to the Proprietary Lease have been transferred to the assignee, all sums due under the Proprietary Lease or otherwise have been paid to the Apartment Corporation, and all necessary consents have been obtained. As provided in the Proprietary Lease (included in Part II of this Offering Plan), notwithstanding the foregoing, a Holder of Unsold Shares shall have the right to freely and without charge sublet his Apartment on such terms and conditions as he deems desirable and shall also have the right, freely and without charge to sell such Unsold Shares and appurtenant Proprietary Lease to a third party.

The Apartment Corporation may not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law.

The Apartment Corporation shall hold a meeting of its Shareholders at least once annually, for the purpose of, among other things, election of members to the Board of Directors. Advance written notice of such meeting shall be given to Shareholders. The Apartment Corporation shall keep full and correct books of account at its principal office and same shall be open during all reasonable business hours to inspection by Shareholders upon reasonable prior notice and request of Shareholders.

On the Cooperative Conversion Date, Sponsor may reserve the right to (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace satellite dishes, cell phone towers, antennae and similar equipment (collectively, the “Installations”) on the roof and facade of the Building and to retain any and all income derived therefrom, (b) to enter upon any Apartment or elsewhere on the Property to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the Installations as may be necessary or appropriate, and (c) to grant such rights to do any of the foregoing to its designees, assignees and licensees. The Apartment Corporation shall not be entitled to any portion of fees, compensation or other profits received by Sponsor, its designees, assignees or licensees for the use of the Installations. Any and all Installations placed upon the roof and the facade of the Building by Sponsor, its designees, assignees or licensees shall be the exclusive property of Sponsor, its designees, assignees or licensees and neither the
Apartment Corporation nor any Shareholder or occupant shall have any rights with respect thereto. Notwithstanding the foregoing, access to an Apartment in furtherance of the Installations and the rights reserved thereby with respect thereto shall be exercised in a manner so as to not unreasonably interfere with the use of the Apartments for their permitted purposes. Such entry shall be permitted on not less than one day’s notice, except that no notice is necessary in the case of an emergency.

A complete copy of the Apartment Corporation’s By-Laws is set forth in Part II of this Plan.
January 21, 2016

Dear Sir or Madam:

I have been requested by our client, 100 Barrow Street LLC (the “Developer”), to prepare a letter opining as to the eligibility of the above-captioned Site and the to-be-built approximately thirty-three (33) Class A residential cooperative dwelling units (the “Project”) for section 421-a partial real estate tax exemption benefits (“421-a benefits”). Owner has advised us that it will apply for Substantial Governmental Assistance (“SOA”) in the form of grants issued by the New York State Affordable Housing Corporation (“AHHC”) and that approximately seven (7) Class A cooperative dwelling units (the “Affordable Units”), which will constitute at least 20% of all dwelling units in the Project, will be sold to individuals or families at or below one hundred twenty-five percent (125%) of Area Medium Income (“AMI”).

In order to opine as to the Project’s eligibility for 421-a benefits, I have set forth the requirements of the program. The application of these requirements to the Site and Project are discussed below.

I. ELIGIBILITY REQUIREMENTS

To be eligible for section 421-a tax benefits, the Project must comply with each of the eligibility requirements set forth in section 421-a of the New York State Real Property Tax Law
The 421-a Statute was enacted with the specific intent of encouraging residential construction. The statute does so by providing for partial real estate tax exemption on increases in assessed valuation of eligible property which result from the construction of new class “A” Multiple Dwellings, during the construction period and on a descending sliding scale for a period of either 10, 15, 20 or 25 years after completion of construction, provided the property was previously vacant, under-utilized, or improved with a non-conforming use on the Operative Date. “Operative Date” is defined as thirty-six (36) months prior to the commencement of construction. In accordance with Section 6-09 of the 421-a Rules, construction shall be deemed to have commenced on the date immediately following the issuance by the New York City Department of Buildings (“DOB”) of a building or alteration permit for a multiple dwelling (based upon architectural and structural plans approved by DOB) on which the excavation and the construction of initial footings and foundations commences in good faith as certified by an architect or professional engineer licensed in New York State, provided that the construction of such multiple dwelling has been completed without undue delay, as certified by such architect or professional engineer. According to the Start of Construction Affidavit (Exhibit A) prepared by Barry Rice of Barry Rice Architect PLLC (the “Architect”), construction commenced on June 3, 2015, in the 2014/2015 tax year and, therefore, the Operative Date was in fiscal year 2011/2012.

A. Location

1. Geographic Exclusion Area

The 421-a Statute and Rules provide that a new multiple dwelling located within the Geographic Exclusion Area (the “GEA”), constructed with SGA, as defined within the Statute and Rules, and containing not less than four (4) dwelling units may be eligible for 421-a benefits, provided that construction is commenced prior to June 15, 2015, and provided further that 20% of the units, if owned and operated as cooperative units, at initial sale: (1) be affordable to households whose incomes do not exceed 125% of AMI adjusted for family size, and (2) have sales prices that result in mortgage payments, including both principal and interest calculated at the prevailing rate and assuming that the mortgage constitutes 90% of the purchase price, and common charges or carrying charges, respectively, that collectively do not exceed 30% of 125% of AMI adjusted for family size (the “125% AMI Limit”).

The Project contains approximately thirty-three (33) dwelling units, is located within the GEA, and as previously indicated, construction commenced on June 3, 2015 (Exhibit A). Assuming the New York City Department of Housing Preservation and Development (“HPD”) has indicated that purchasers of affordable housing units cannot pay the following costs at closing: New York City Transfer Tax, New York State Transfer Tax, the legal fees of the attorneys for the Owner and/or the homeownership plan’s sponsor, a contribution towards the homeownership project’s working capital fund, a contribution towards the homeownership project’s reserve fund, a contribution towards the homeownership project’s application for tax exemption benefits pursuant to §421-a and a contribution towards the superintendent’s unit(s).
determines the AHC grants qualify as SGA and the Project receives such AHC grants, Developer has represented that the Affordable Units will, at initial sale, comply with the 125% AMI Limit.

2. Public and Private Park Limitation

Paragraphs (5) and (6) of Section 6-02(c) of the Rules bar 421-a benefits for projects either situated on land mapped as a public park (with certain exceptions) or utilized for ten (10) or more consecutive years immediately prior to October 1, 1971 as a Private Park. The Site does not fall within the aforesaid categories.

B. Site Requirements

Section 6-02(f)(1) of the Rules state that for a project to be eligible for 421-a benefits “the land upon which an eligible project is located must have been vacant, predominantly vacant, under-utilized or improved with a non-conforming use on the operative date” (three years prior to the commencement of construction). As previously discussed, the Operative Date was in the 2011/2012 tax year.

Tax Class 4, pursuant to New York State Real Property Tax Law Section 1802 is defined as “all other real property which is not class one, class two, or class three.” Tax Classes 1 and 2 consist of all residential property, while Tax Class 3 consists of utility property. Therefore, Tax Class 4 consists of all commercial property and non-residential property.

Part of Lot 1

Section 6-02(f)(3)(G) of the Rules defines under-utilized as land “that was improved with a non-residential building or buildings . . . (b) each of which had an actual assessed valuation equal to or less than fifty percent (50%) of the actual assessed valuation of the land on which the building or buildings was situated.”

According to records of the New York City Department of Finance (the “DOF”) (Exhibit B), on the 2011/2012 Operative Date, Lot: 1 was improved with a tax class 4 (non-residential) building and had the following actual Assessed Value (“A.V.”):

<table>
<thead>
<tr>
<th>Lot</th>
<th>Actual Building A.V. in 2011/2012 Tax Year</th>
<th>Actual Land A.V. in 2011/2012 Tax Year</th>
<th>Actual Building A.V. as a % of Actual Land A.V.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$10,575</td>
<td>$941,400</td>
<td>1.12%</td>
</tr>
</tbody>
</table>

Therefore, on the 2011/2012 Operative Date, Block: 268, Lot: 1 qualifies as under-utilized under Section 6-02(f)(3)(G)(b).
Part of Lot 49

"Vacant" land is defined by Section 6-02(f)(3) of the Rules as "land, including land under water, which contains no enclosed, permanent improvement. Fences, sheds, garage attendant's booths, piers, bulkheads, lighting fixtures, and similar items, or any improvement having an Actual Assessed Value of less than $2,000 shall not constitute an enclosed, permanent improvement."

Pursuant to the attached Architect's Letter dated January 12, 2016 (Exhibit C), the part of Lot 49 which will be included in the Site was vacant and unimproved on the 2011/2012 Operative Date.

Provided that such letter is correct, on the 2011/2012 Operative Date, the part of Block: 605, Lot: 49 included in the Site qualifies as vacant on under Section 6-02(f)(3) of the Rules.

C. Project Requirements

1. New Multiple Dwelling

Section 6-02(b) of the Rules provides that a project is eligible for 421-a benefits only if it is a "new multiple dwelling." The Project shall consist of approximately thirty-three (33) Class A dwelling units to be built pursuant to a new building permit. Therefore, the Project will comply as a new multiple dwelling.

2. Not Used as a Hotel or For Single Room Occupancy

Paragraphs (3) and (4) of Section 6-02(c) of the Rules deem any building or portion thereof which is used as a hotel or for single room occupancy ineligible for 421-a benefits. Developer has represented to us that no such use of the Project will occur.

3. Prevailing Wage Requirement

Subdivision (8) of the 421-a Statute requires that, for projects containing fifty (50) or more dwelling units, all building service employees receive the applicable prevailing wage for the duration of the benefit period, unless at initial occupancy, at least fifty percent (50%) of the dwelling units are affordable to individuals and families with a gross household income at or below one hundred twenty-five percent (125%) of the area median income. Developer has represented that the Project will contain thirty-three (33) dwelling units and, because the Project will contain less that fifty (50) dwelling units, the prevailing wage requirement is inapplicable.
D. **Construction Requirements**

1. **Room Requirement**

   Section 6-02(e)(2) of the Rules states that if a multiple dwelling contains more than 100 dwelling units, not less than 10% shall contain at least 4 \( \frac{1}{2} \) rooms and not less than 15% shall contain at least 3 \( \frac{1}{2} \) rooms. Developer has represented that the Project will contain approximately thirty-three (33) dwelling units and therefore, this requirement is not applicable.

2. **Class A Unit Replacement**

   Section 6-02(e)(3) of the Rules requires that a project with more than twenty (20) apartments contain at least five (5) apartments for each Class A apartment in existence during the 30 day period immediately preceding the Commencement of Construction. Because the Site contained no Class A apartments during the specified period as defined by HPD, this requirement is not applicable.

3. **Energy Star Requirement**

   Section 6-05(d)(1)(viii) of the Rules requires that for 421-a application received on or after December 19, 2006, the applicant provide an affidavit certifying that certain household appliances installed or replaced in any dwelling unit within the multiple dwelling shall be certified as Energy Star or that applicable exceptions to the HPD's Energy Star requirement apply. Developer has represented to us that it will comply with this requirement.

4. **Affordable Unit Requirements**

   Section 6-09(b)(3)(iii) of the 421-a Rules requires that the Affordable Units be marketed pursuant to a fair and open process in accordance with HPD's marketing guidelines and that residents of the Community District in which the Project is located be given priority for the purchase or rental of 50% of the Affordable Units. It also requires that the Affordable Units in the Project be subject to a to-be-executed and recorded 421-a Restrictive Declaration, the form of which would be issued by HPD when required. In addition, Section 6-08(g)(1)(ii) of the Rules requires that the Affordable Units meet one of the following requirements unless they are otherwise preempted by federal requirements: (a) have a comparable number of bedrooms as market rate units and a unit mix proportional to the market rate units, (b) at least 50% of the Affordable Units must have two or more bedrooms and no more than 50% of the remaining Affordable Units can be smaller than one bedroom, or (c) the floor area of Affordable Units must be no less than 20% of the total floor area of all dwelling units. Developer has represented to us that it will comply with the marketing, Community District, and Restrictive Declaration requirements, and Architect has represented that the Project will comply with (b), above (Exhibit D).
E. **Limitation on Other Real Estate Tax Benefits**

Section 421-a(2)(c)(i) provides that a multiple dwelling shall be eligible for tax benefits pursuant to that section only if “exemption from taxes is not availed of concurrently under any other law.” Developer has represented to us that the block and tax lot(s) containing the Project will not receive real estate tax benefits under any other state or local law.

II. **TIMING REQUIREMENTS**

A. **Project Commencement**

The 421-a Statute and Rules require that construction of projects must be commenced prior to June 15, 2015 to qualify under the Statute, Rules and Local Law referred to in this Opinion. Based upon the Start of Construction Affidavit (Exhibit A), construction commenced on June 3, 2015 and the Project has complied with the requirement.

B. **Project Completion**

Subsection (b)(2)(iv) of the definition of “commence” contained in Section 6-09(a) of the Rules requires that construction be completed without “undue delay” which, for a project consisting of one multiple dwelling, means completion within thirty-six (36) months of the later occurring of: 1) initial installation of a new metal or concrete structure, 2) of the date of the issuance of a New Building permit (based on architectural and structural plans approved by the DOB) or 3) December 28, 2007. In addition, paragraph (b)(iv)(3) of the definition of “commence” contained in Section 6-09 of the Rules indicates that projects that meet the “Affordability Requirement,” as defined within Section 6-09 are deemed to have been completed without undue delay. Assuming the Project receives SGA, Developer has represented to us that at least 20% of the Project's dwelling units, i.e. the Affordable Units, will comply with the applicable 125% AMI Limit, thereby meeting the Affordability Requirement. Accordingly, the Project will be deemed to have been completed without undue delay.

Subparagraph 2(c)(ii) of the Statue, as amended by Chapter 20 of the Laws of 2015, requires that a multiple dwelling receives its first temporary or permanent certificate of occupancy covering all residential areas on or before December 31, 2019. Developer has represented that it will comply with this requirement.

C. **Application Timing**

Section 6-05(b) and 6-05(d) of the Rules impose specific timing requirements for filing applications for Preliminary and Final Certificates of Eligibility. Developer has represented that it will comply with these requirements.
III. CONDOMINIUM/COOPERATIVE REQUIREMENT

1. Developer has indicated it intends that the building shall be exempted from the statutory obligation to register the dwelling units as rent-stabilized by reason of its cooperative status.

2. In accordance with the New York State Department of Law, Real Estate Finance Bureau’s memorandum dated June 24, 2014, if, prior to consummation of the offering, any of the Project’s dwelling units are rented to any person other than an interim lessee, Developer is obligated to abandon the offering plan in accordance with the provisions of 13 N.Y.C.R.R. §§ 20.1(1)(2) and 20.5(g). Developer has indicated that it will comply with such requirement.

3. Section 6-05(d)(1)(iii) of the Rules requires that if a project is to be owned as a cooperative or condominium, the applicant must provide a statement that if the prospective cooperative or condominium plan has not been declared effective for filing at a time fifteen months after the issuance of a final certificate of eligibility, such applicant will register these rental units with the New York State Division of Housing and Community Renewal within fifteen days after such fifteen month period, or if the building is not occupied, an affidavit stating that the applicant shall register all units as they become occupied. Developer has represented that it will comply with this requirement.

IV. MULTIPLE DWELLING REGISTRATION

Section 6-05(d)(1)(vii) of the Rules requires that the applicant submit proof that the multiple dwelling has been registered with HPD pursuant to article two of the Housing Maintenance Code. Developer has represented that it will comply with this requirement.

V. COMMUNITY BOARD NOTICE REQUIREMENTS

Section 6-03 of the Rules requires that a 421-a application for a project containing more than twenty (20) apartments be submitted to the community board in the district in which the project is located. Developer has represented that the Project will contain approximately thirty-three (33) apartments and that it will comply with this requirement.

VI. DURATION OF 421-A BENEFITS

The 421-a Statute and Rules state that a construction period exemption from any increase in the prior assessed valuation is available for up to three (3) years and a twenty (20) year post-construction exemption is available for new multiple dwellings located inside of the GEA in the borough of Manhattan south or adjacent to 110th Street, provided construction commences prior to June 15, 2015, and further provided that no less than 20% of the project’s dwelling units meet
the 125% AMI Limit if constructed with SGA. The Project is located inside of the GEA in the borough of Manhattan south of or adjacent to 110th, the Architect has represented that construction commenced on June 3, 2015, and assuming the Project receives SGA, Developer has represented that at least 20% of the dwelling units in the Project will comply with the 125% AMI Limit. Therefore, the Project is eligible for a 25 year post-construction exemption.

The schedule for the post-construction partial tax exemption is as follows:

<table>
<thead>
<tr>
<th>Benefit Years</th>
<th>Percent of Exemption of Increases in Assessed Value</th>
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<tr>
<td>1-12</td>
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<td>20%</td>
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<td>21 and subsequent years</td>
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VII. REDUCTION OF BENEFIT FOR EXCESS COMMERCIAL, COMMUNITY FACILITY OR ACCESSORY USE SPACE

Section 6-06(b) of the Rules provides for the tax exemption benefit granted by the 421-a Statute to be reduced if the floor area of the project’s eligible commercial, community facility and accessory use space exceeds twelve percent (12%) of the aggregate floor area. The amount of space attributable to commercial, community facility and accessory use space in the Project will be determined in accordance with the Rules based on the building plans for the Project as built.

VIII. COUNSEL’S OPINION

Based upon the information which the Developer and Architect have provided to us and the assumptions stated herein, we are of the opinion that the Project will be eligible for a construction period partial tax exemption and a twenty (20) year post-construction partial tax exemption, as provided by 421-a. Except as stated specifically herein, this letter is based solely upon the information which Developer and Architect have provided to us and the assumptions stated herein. We have not verified any of Developer’s or Architect’s statements or investigated the accuracy of our assumptions; however, we have no knowledge that any such statements or assumptions are incorrect. The Project must satisfy all requirements of the 421-a Statute, Rules and Local Law in order to be eligible for benefits and we cannot render a final opinion regarding eligibility until all documentation required for Certificates of Eligibility have been provided to us and reviewed, and we have no reason to believe such requirements shall not be satisfied. This letter relates only to the above-captioned Project and the specific facts, circumstances and documentation attached hereto which Developer and Architect has provided to us in connection therewith.
IX. LIMITATIONS

This is an opinion, not a guaranty, that Project will qualify for real estate tax benefits pursuant to section 421-a. No warranties are made that the laws, regulations and agency interpretations upon which this opinion is based will not be changed. In no event will we be liable to any party if the Project fails to qualify for such real estate tax benefits for any reason beyond our control including, but not limited to, changes to section 421-a or to the regulations issued, decisional law or New York State and City agency interpretations thereunder. This opinion is intended for use by the addressees of this opinion and their successors and/or assigns and may not be relied on by any other persons or entity without our prior written consent.

Very truly yours,

SEIDEN & SCHEIN, P.C.

By: Jay G. Seiden
THE CITY OF NEW YORK
DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT
421-a PARTIAL TAX EXEMPTION PROGRAM
100 GOLD STREET, 3rd FLOOR, SECTION V/Z
NEW YORK, NY 10038
(212) 863-8540/5760

START OF CONSTRUCTION AFFIDAVIT

The date of "commencement of construction" of the project is a very important date for the implementation of 421-a benefits. It confirms that the project started construction within the statutory date and establishes the prior tax year for the setting of the "in-use" tax which must be paid during construction and for the 10, 15, 20, or 25 years following the completion of construction. The below affidavit must be completed by the architect or engineer for the project and submitted to HPD with the 421-a application.

<table>
<thead>
<tr>
<th>Address(s)</th>
<th>Block(s)</th>
<th>Lot(s)</th>
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</thead>
<tbody>
<tr>
<td>100 BARROW ST NY</td>
<td>608</td>
<td>1</td>
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1, Barry M. Rice, AIA, have read the specific sections of the 421-a Rules applicable to this Project and understand them. I have relied upon this understanding for purposes of the representation I am making in this affidavit.

JUNE 3RD, 2015 is the accurate date of "commencement of construction," (i.e., the date upon which excavation and construction of initial footings and foundations commenced in good faith), for the above-referenced project and is consistent with the definitions of "commencement of construction" in Sections 6-81(c) and "commence" in Section 6-89(a) of the 421-a Rules, as applicable.

Notary or Seal

[Notary Seal]

[Signature of Architect or Engineer]
Print Name
Barry Rice
Address
37 West 17th Street, Suite 2W
City, State, Zip
New York, NY 10011
Telephone Number
212-944-1929

Only original affidavits will be accepted by HPD
THEY MAY NOT BE ALTERED IN ANY WAY
Parcel Information

Owner Name:
The Board of Managers of the Diocese

Property Address and Zip Code:
643 Greenwich Street 10014

Real Estate Billing Name and Address:
CH of St Luke in Fields
487 Hudson St
New York NY 10014

Land Information

Borough: MANHATTAN
Block: 605
Lot: 1
Tax Class: 4
Building Class: M9 Codes
Building Information

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Assessment Information

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Taxable/Billable Assessed Value

SUBJECT TO ADJUSTMENTS, YOUR 2011/12 TAXES WILL BE BASED ON 0

Exemption Information

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Property is assessed at the following uniform percentages of full market value, unless limited to a lesser amount by law:

- Class 1 - 6%
- Class 2 - 45%
- Class 3 - 45%
- Class 4 - 45%

Statements List | Select a BBL | Login to NYCProperty
January 13th, 2016

New York City Department of
Housing Preservation and Development
100 Gold Street
New York, NY 10038

Re: 100 Barrow Street
Manhattan, New York
Block: 605, Lot: 1 (formerly p/o Lot 1 & p/o Lot 49) (the "Site")

Operative Date: Tax Year 2011/2012 (July 1, 2011—June 30, 2012)

Ladies and Gentlemen:

1. I am the architect for the above-listed project.

2. As indicated on the cross-hatched 2005 Certified Sanborn Map of the Site (the "Sanborn Map") (Exhibit 1), the cross-hatched tax map from the Operative Date (the "Tax Map") (Exhibit 2), and as confirmed by the cross-hatched survey of the Site by Patrick Benedict Jones of New York City Land Surveyors dated October 7, 2013 (the "Survey") (Exhibit 3), on the Operative Date, the part of former Lot 49 which is included in the Site measures 249 square feet of land area and has the following dimensions: 10.30' x 24.25'.

3. In addition, the part of former Lot 49 which was merged into the Site and is shown on the Sanborn Map, the Tax Map, and the Survey, is included in the metes and bounds description of the premises attached as Exhibit A to the Memorandum of Lease between The Rector, Churchwardens and Vestrymembers of the Church of St. Luke in the Fields, New York New York and 100 Barrow Street LLC dated June 30, 2015 (Exhibit 4).

4. According to the Sanborn Map, the Tax Map, and the Survey, the part of former Lot 49 which will be included in the Site was vacant and unimproved on the Operative Date.

Date
**NYC DEPARTMENT OF FINANCE**  
**OFFICE OF THE CITY REGISTER**

This page is part of the instrument. The City Register will rely on the information provided by you on this page for purposes of indexing this instrument. The information on this page will control for indexing purposes in the event of any conflict with the rest of the document.

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**DOCUMENT INFORMATION**

**Document ID:** 2015070900152001  
**Document Date:** 06-30-2015  
**Preparation Date:** 07-09-2015  
**Document Type:** MEMORANDUM OF LEASE  
**Document Page Count:** 8

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**PRESENTER:**

FIDELITY NATIONAL TITLE INS. COMPANY  
485 LEXINGTON AVENUE, 18TH FLOOR  
NEW YORK, NY 10017  
212-481-5858  
kat.lam@fnt.com/ title no. 15-36087-NYM

**RETURN TO:**

KRAMER LEVIN NAFTALIS & FRANKEL LLP  
1177 AVENUE OF THE AMERICAS  
NEW YORK, NY 10036  
Attn.: Stephen R. Semie

---

**PROPERTY DATA**

**Borough**  
MANHATTAN

**Block**  
605

**Lot**  
1

**Address**  
643 GREENWICH STREET

**Property Type:** NON-RESIDENTIAL VACANT LAND

---

**CROSS REFERENCE DATA**

**CRFN:** 2015000082584

---

**PARTIES**

**LESSOR:**

THE RECTOR, CHURCHWARDENS AND VESTRYMEMBERS OF THE  
487 HUDSON STREET  
NEW YORK, NY 10014

**LESSEE:**

100 BARROW STREET LLC  
C/O TOLL BROTHERS, 250 GIBRALTAR  
HORSHAM, PA 19044

---

**FEES AND TAXES**

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**RECORDED OR FILED IN THE OFFICE OF THE CITY REGISTER OF THE CITY OF NEW YORK**

Recorded/Filed: 07-20-2015 15:29  
City Register File No. (CRFN): 2015000249668

**City Register Official Signature**
THE RECTOR, CHURCHWARDENS AND VESTRYMEMBERS OF THE CHURCH OF
ST. LUKE IN THE FIELDS, NEW YORK NEW YORK,
a New York religious corporation,

LANDLORD

and

100 BARROW STREET LLC,
a New York limited liability company,

TENANT

MEMORANDUM OF AMENDED AND RESTATED LEASE

dated as of May 11, 2015, delivered on June 30, 2015, but effective as of February 25, 2015

This instrument affects real and personal property situated, lying and being in the City of New York, State of New York, known as follows:

County:       New York
Block:        605
Lot(s):       1
Street Address: 643 Greenwich Street, New York, New York
MEMORANDUM OF AMENDED AND RESTATED LEASE

THIS MEMORANDUM OF AMENDED AND RESTATED LEASE (the "Memorandum") is dated as of May 11, 2015, delivered on June 30, 2015, but effective as of February 25, 2015 (the "Effective Date"), by and between THE RECTOR, CHURCHWARDENS AND VESTRYMEMBERS OF THE CHURCH OF ST. LUKE IN THE FIELDS, NEW YORK NEW YORK ("Landlord"), a New York religious corporation, having an office at 487 Hudson Street, New York, NY 10014, and 100 BARROW STREET LLC ("Tenant"), a New York limited liability company, having an office at c/o Toll Brothers, Inc., 250 Gibraltar Road, Horsham, PA 19044.

1. Premises. Landlord owns the parcels of real property commonly known as 643 Greenwich Street, New York, New York, New York, New York 10014, more particularly described in Exhibit A attached hereto (the "Premises").

2. Lease. Landlord and Tenant entered into an Agreement of Lease dated as of February 25, 2015 a memorandum of which was recorded March 11, 2015 as CRFN 2015000082584 (the "Original Lease"). The Lease amends and restates, in its entirety, that certain lease dated as of February 25, 2015 between Landlord and Tenant, a memorandum of which was recorded on March 11, 2015 at CRFN 2015000082584, and accordingly this Memorandum amends and restates such memorandum in its entirety.

3. Term. The "Commencement Date" of the Lease is February 25, 2015. The Term of the Lease begins on the Commencement Date and expires on the day immediately preceding the ninety-nine (99) year anniversary of the Commencement Date, unless the Lease is terminated earlier as provided therein.

4. DZDER. Under Article 42 of the Lease, Tenant has certain rights and obligations with respect to the Declaration of Zoning Lot Development and Easement Restrictions, dated as of February 25, 2015 (the "DZDER"), recorded with the Register of the City of New York, New York County, on April 30, 2015 at CRFN 201500144993, including, without limitation, that Tenant has certain approval rights with respect to the termination, modification and replacement of the DZDER.

5. No Effect on Lease. This Memorandum is prepared, signed, and acknowledged for recording purposes under New York law. This Memorandum is subject to all of the terms, conditions and provisions of the Lease, and this Memorandum does not modify, increase, decrease, or in any other way affect the rights, duties, and obligations of Landlord and Tenant under the Lease. Landlord and Tenant each has rights, duties, and obligations (and conditions to its rights) under the Lease but not stated in this Memorandum. If the Lease and this Memorandum conflict, the Lease governs and controls.
6. **Successors and Assigns.** The Lease and this Memorandum will bind and benefit the parties and their successors and permitted assigns. The foregoing will not affect any rights of assignment or other transfer in the Lease or any restrictions on assignment or other transfer in the Lease.

7. **Termination.** This Memorandum will automatically terminate and be of no force or effect upon any termination of the Lease. If the Lease terminates, then Tenant will execute, acknowledge (where necessary), and deliver such documents as Landlord may reasonably require or as any title insurance, abstract company, or institutional lender may require to remove this Memorandum of record.

8. **Counterparts.** This Memorandum may be executed in counterparts.

[SIGNATURE PAGE FOLLOWS]
IN WITNESS WHEREOF, Landlord and Tenant have executed this Memorandum as of the Effective Date.

LANDLORD:

THE RECTOR, CHURCHWARDENS AND VESTRY MEMBERS OF THE CHURCH OF ST. LUKE IN THE FIELDS, NEW YORK NEW YORK

By: [Signature]
Name: Caroline M. Stacey
Title: Rector

TENANT:

100 BARROW STREET LLC

By: [Signature]
Name: David Von Spreckelsen
Title: Division President
STATE OF NEW YORK  
COUNTY OF NEW YORK  

ACKNOWLEDGMENTS

On the ___ day of ____, in the year 2015, before me personally came ______________, personally known to me, or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the persons upon behalf of which the individual(s) acted, executed the instrument.

[Signature]
Notary Public

State of New York  
County of New York  

On the ___ day of ____, in the year 2015, before me personally came ______________, personally known to me, or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the persons upon behalf of which the individual(s) acted, executed the instrument.

[Signature]
Notary Public
IN WITNESS WHEREOF, Landlord and Tenant have executed this Memorandum as of the Effective Date.

LANDLORD:

THE RECTOR, CHURCHWARDENS AND VESTRYMEMBERS OF THE CHURCH OF ST. LUKE IN THE FIELDS, NEW YORK NEW YORK

By: 
Name: Caroline M. Stacey
Title: Rector

TENANT:

100 BARROW STREET LLC

By: 
Name: David Von Spreckelsen
Title: Division President
ACKNOWLEDGMENTS

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

On the ___ day of _________ in the year 2015, before me personally came, personally known to me, or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the persons upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

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

On the 29th day of June in the year 2015, before me personally came David V. Speckting, personally known to me, or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the persons upon behalf of which the individual(s) acted, executed the instrument.

__________________________
Notary Public

JEAN WILKINSON
Notary Public, State of New York
No. 01W1611149
Qualified in Kings County
Commission Expires: 06/06/2015
EXHIBIT A

Premises

Tax Lot 1

All that certain piece, plot or parcels of land with the buildings or improvements thereon erected, situate, lying and being in the Borough of Manhattan, County, City and State of New York, bounded and described as follows:

Beginning at the corner formed by the intersection of the northerly side of Barrow Street (65' wide) with the easterly side of Greenwich Street (66' wide);

Running thence along said easterly side of Greenwich Street North 17 degrees 15 minutes 00 seconds West, a distance of 108.00 feet to a point;

Thence North 71 degrees 16 minutes 17 seconds East, a distance of 82.83 feet to a point;

Thence South 17 degrees 05 minutes 52 seconds East, a distance of 34.81 feet to a point;

Thence North 72 degrees 44 minutes 57 seconds East, a distance of 10.24 feet to a point;

Thence South 17 degrees 15 minutes 03 seconds East, a distance of 24.25 feet to a point;

Thence South 72 degrees 44 minutes 57 seconds West, a distance of 10.30 feet to a point;

Thence South 17 degrees 05 minutes 52 seconds East, a distance of 30.62 feet to a point;

Thence South 20 degrees 09 minutes 04 seconds East, a distance of 3.85 feet to a point;

Thence South 21 degrees 35 minutes 45 seconds East, a distance of 6.79 feet to a point along the northerly side of Barrow Street (65' wide);

Thence South 24 degrees 06 minutes 32 seconds East, a distance of 3.17 feet to the northerly side of Barrow Street;

Thence westerly along said northerly side of Barrow Street, South 68 degrees 10 minutes 52 seconds West, a distance of 83.92 feet to the point or place of beginning.
Architect's Certification

I, Barry Rice, certify that I am a Registered Architect licensed to practice by and in good standing with New York State. As such, I certify to the truth of the matters set forth below in connection with the below pending application (the “Application”) for 421-a Partial Tax Exemption:

100 Barrow St (the “Premises” and the “Project”)
Borough: Manhattan, Block: 605, Lot(s): 1

1. I am a principal architect at Barry Rice Architect, PLLC, the architect of record for the Project, and as such I am fully familiar with the facts and circumstances herein.

2. I am over 18 years of age and I maintain an office at 37 W. 17th St; 2nd Flr. New York, NY 10011

3. Based on the most recent architectural plans dated 04/30/15 (the “Plans”), the Project will consist of Thirty-Three (33) Class A dwelling units, of which Seven (7) will be 421-a affordable units (the “Affordable Units”) and Twenty-Six (26) will be market rate units (the “Market Rate Units”).

4. In order for the Project to qualify for 421-a benefits despite its location in the 421-a Geographic Exclusion Area, the Project must meet one of the following three (3) Affordable Unit construction tests:

   A. All Affordable Units must have a comparable number of bedrooms and a unit mix proportional to the Market Rate Units;

   B. At least 50% of the Affordable Units must have two or more bedrooms and not more than 50% of the remaining Affordable Units can be smaller than one bedroom; or

   C. The floor area of the Affordable Units must be no less than 20% of the total floor area of all dwelling units.

5. Based on the Plans and the definition of Room Count contained in 28 RCNY § 6-01(c), the Project contains the following proportion of Affordable Units and Market Rate.

<table>
<thead>
<tr>
<th>Affordable Units</th>
<th># Units</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>studio</td>
<td>1</td>
<td>14%</td>
</tr>
<tr>
<td>1 BR</td>
<td>2</td>
<td>29%</td>
</tr>
<tr>
<td>2 BR</td>
<td>4</td>
<td>57%</td>
</tr>
<tr>
<td>3 BR</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>4 BR</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>7</td>
<td>100%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Market Rate Units</th>
<th># Units</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>studio</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>1 BR</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>2 BR</td>
<td>13</td>
<td>50%</td>
</tr>
<tr>
<td>3 BR</td>
<td>11</td>
<td>42%</td>
</tr>
<tr>
<td>4 BR</td>
<td>2</td>
<td>8%</td>
</tr>
<tr>
<td>Total</td>
<td>26</td>
<td>100%</td>
</tr>
</tbody>
</table>
6. Based on the Plans and the definition of Room Count, the Project contains the following unit breakdown.

<table>
<thead>
<tr>
<th>Affordable Units</th>
<th># Units</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>studio</td>
<td>1</td>
<td>14%</td>
</tr>
<tr>
<td>1 BR</td>
<td>2</td>
<td>29%</td>
</tr>
<tr>
<td>2 BR+</td>
<td>4</td>
<td>57%</td>
</tr>
<tr>
<td>Total</td>
<td>7</td>
<td>100%</td>
</tr>
</tbody>
</table>

7. Based on the Plans and the definition of Floor Area contained in the 421-a Statute, to wit, "the horizontal areas of the several floors or any portion thereof of a dwelling...measured from the exterior faces of exterior walls or from the center line of party walls," the Affordable Units make up the following percentage of the total floor area of the Project.

<table>
<thead>
<tr>
<th>Affordable Units Floor Area</th>
<th>Total Floor Area</th>
<th>Affordable Units Floor Area / Total Floor Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>5,484</td>
<td>62,493</td>
<td>9%</td>
</tr>
</tbody>
</table>

8. Based on the above calculations, the Project passes Affordable Unit construction test(s) B.

9. I have read this statement and it is true and correct to the best of my knowledge.

[Signature]
Date

Architect
STATE OF NEW YORK
[SEAL]

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"Room Count" shall be calculated in the following manner: Each dwelling unit with at least one room which either (i) contains no cooking facilities and measures at least one hundred and fifty (150) square feet, or (ii) contains cooking facilities and measures at least two hundred and thirty (230) square feet, shall count as two and one-half rooms. Every other room in the dwelling unit separated by either walls or doors, including bedrooms, shall count as an additional room, plus one-half room for a balcony, provided, however, that kitchens, cooking facilities, bathrooms or corridors shall not count as an additional room. To be included in the calculation of "room count," the room must meet the requirements of habitability as provided in Administrative Code §§ 27-746 and 27-751."
CLOSING COSTS AND ADJUSTMENTS

In addition to each Purchaser’s legal fees and all fees that are imposed by Purchaser’s lender (if any), Market-Rate Apartment Purchasers will pay the following estimated closing costs and expenses at the time of the Closing. Recording charges, fees, title costs and taxes are based on estimated rates in effect on the date of the Plan and are subject to change.

(a) A non-refundable contribution to the Working Capital Fund of the Apartment Corporation in an amount equal to two (2) months’ Maintenance Charges assessed against the Apartment at the time of Closing.

(b) New York State Real Estate Transfer Tax (“State Transfer Tax”) currently equal to $2 per $500 of purchase price plus, if applicable, a New York State Additional Tax (“Mansion Tax”) of 1% where the purchase price equals $1 million or more and the New York City Real Property Transfer Tax (“RPT Tax”) currently equal to 1% of the purchase price where the purchase price is $500,000 or less and 1.425% of the purchase price where the purchase price is more than $500,000.

The New York City Department of Finance has taken the position that where the purchaser of property assumes the obligation for the State Transfer Tax and the RPT Tax, which are generally an obligation borne by a seller, the amount of the tax which would otherwise be payable if the seller were to pay such taxes, will be treated as additional consideration for the transaction subject to tax. Consequently, the amount of the RPT Tax is computed as follows:

<table>
<thead>
<tr>
<th>Purchase Price Greater than</th>
<th>Purchase Price $500,000 or less</th>
</tr>
</thead>
<tbody>
<tr>
<td>$500,000</td>
<td></td>
</tr>
<tr>
<td>$1,500,000</td>
<td></td>
</tr>
</tbody>
</table>

1) Tentative City Tax:

Consideration: $400,000
Tax Rate: x 1%
Tentative Tax: $4,000

2) Tentative State Tax:

Net Consideration: $400,000
Rounded to nearest $500: $400,000
Tentative Tax ($2 per $500): $1,600
Thus, the effective RPT tax rate is approximately 1.014% of the purchase price where the purchase price is $500,000 or less and 1.451% where the purchase price is greater than $500,000. A similar position has been taken by the New York State Department of Taxation and Finance and as a result the effective tax rate for the State Transfer Tax is $4.06 per thousand dollars of the purchase price where the consideration is $500,000 or less and $4.074 per thousand dollars of the Purchase Price where the consideration is greater than $500,000.

Sponsor believes that the information set forth below reflects the current position of the New York City Department of Finance with respect to real property transfer taxes that are due and payable in connection with the transfer by a seller of one or more apartments to the same or related purchasers, whether pursuant to one or more purchase agreements:

1) **Purchase of a Single Apartment:**

   The tax on the Apartment is 1% if the consideration is $500,000 or less, or 1.425% if the consideration is greater than $500,000.

2) **Purchase of Multiple Apartments:**

   The tax on the Apartment is 1.425% if the consideration is $500,000 or less, or 2.625% if the consideration is greater than $500,000.
(c) To the extent that there is a credit against the transfer taxes due in connection with the sale of an Apartment as the result of the RPT Taxes and the State Transfer Taxes previously paid on the Cooperative Conversion Date, such credit will inure solely to Sponsor’s benefit. Each Market-Rate Apartment Purchaser will be required to pay to Sponsor at the Closing, the amount of the credit which may be attributable to Market-Rate Apartment Purchaser’s Apartment as a reimbursement to Sponsor for transfer taxes previously paid. Market-Rate Apartment Purchasers will owe the balance of such transfer taxes due, if any, to the taxing authorities.

(d) If any Purchaser obtains a mortgage loan for the purchase of an Apartment, such Purchaser will be responsible for the payment of all filing fees, origination appraisal and closing costs and other expenses in connection therewith (including legal fees) in amounts determined by governmental authorities and such lender.

(e) Closing fees payable to Seiden & Schein, P.C., in accordance with the following schedule, all of which fees will be cumulative to the extent applicable to any individual closing:

1. With respect to Market-Rate Apartment Purchasers, $3,000 for the preparation of closing documents, calculation of adjustments, attendance at Closing at the offices of Seiden & Schein, P.C.

2. If any Purchaser requires that the Closing occur other than at the office of Seiden & Schein, P.C., and Sponsor consents to such change, an additional attendance fee of $500 for each Closing held within the five boroughs of New York City and $1,000 for each Closing held outside of New York City.

3. If Sponsor, in its sole discretion, consents to any Purchaser’s request for an assignment of the Purchase Agreement, or for the addition, deletion or substitution of names on the Purchase Agreement, a fee of $1,000, payable in advance, for preparation of an assignment agreement.

4. If through no fault of Sponsor, any Purchaser fails to close on the date scheduled for Pre-Closing or Closing, then such Purchaser shall pay an additional fee of $500 for each rescheduled Pre-Closing or Closing granted at Purchaser’s request to defray the cost of preparing and coordinating the Pre-Closing or Closing and recalculating the closing apportionments.

(f) On the Cooperative Conversion Date, Sponsor will cause the Apartment Corporation to purchase leasehold title insurance, insuring the Apartment Corporation’s legal title to the Leasehold Property. Coverage is anticipated to cost approximately $448,257 (“Title Insurance Cost”) although may change based on factors such as price increases and effective title insurance rates. Sponsor will cover the cost of the premium for such title insurance.
(g) **Example of Closing Costs for Market-Rate Apartment Purchasers:**

The following table illustrates the projected estimates of the costs set forth in this section of the Offering Plan for a Market-Rate Apartment purchased by a Market-Rate Apartment Purchaser for a Purchase Price of $4,933,110, to which 30 Shares have been allocated:

| New York City and New York State Real Property Transfer Tax | $91,674 |
| New York State Mansion Tax | $50,232 |
| Prepayment of First Full Month’s Maintenance Charge | $4,976 |
| Working Capital Fund Contribution | $9,952 |
| Sponsor’s Closing Fees to Seiden & Schein, P.C. | $3,000.00 |

Pursuant to a Section 421-a Restrictive Declaration that will be recorded against the Property, Sponsor will pay the New York City and the New York State Real Property Transfer Taxes, and Sponsor’s Closing Fees to Seiden & Schein, P.C. with respect to its conveyance of the Shares appurtenant to the 421-a Affordable Apartments.

(h) **Example of Closing Costs for 421-a Affordable Apartments:**

The following table illustrates the projected amounts of the costs set forth in this section of the Offering Plan for a 421-a Affordable Apartment purchased by a 421-a Affordable Apartment Purchaser for a Purchase Price of $145,000, to which 9 Shares have been allocated:

| Prepayment of First Full Month’s Maintenance Charge | $1,480 |

**Closing Adjustments**

(i) **Adjustments.** At Closing, adjustments between Sponsor and Purchaser will be made as of midnight of the day preceding the Closing date with respect to (a) Maintenance Charges (if Maintenance Charges have been assessed by the Apartment Corporation) and Special Assessments (if any) for the month in which title closes; and (b) if Purchaser is occupying an Apartment pursuant to an interim lease or use and occupancy agreement, accrued rent and other charges.

(ii) **Penalties.** If Purchaser fails for any reason to close title to the Apartment on the original Apartment Closing Date, the Closing adjustments described above will be made as of midnight of the day preceding the Apartment Closing Date, regardless of when the actual Closing Date occurs.
WORKING CAPITAL FUND

On the Cooperative Conversion Date, or at each Market-Rate Apartment Purchaser’s respective Pre-Closing, or Closing, such Purchaser shall be required to make a contribution to the Apartment Corporation’s working capital fund (the “Working Capital Fund”). Such contribution shall be in an amount equal to two (2) times the monthly Maintenance Charges then in effect for such Apartment(s). 421-a Affordable Apartment Purchasers shall not be required to make a contribution to the Working Capital Fund.

On the Cooperative Conversion Date, Sponsor will apportion with the Apartment Corporation the following items as of midnight of the date preceding the Cooperative Conversion Date:

1. employees’ wages, vacation and severance pay, pension and welfare benefits and accruals, uniforms and all other payments or obligations relative to the employees of the Building;
2. deposits with utility companies, if any, and fees for assignable permits and licenses, if any;
3. charges for electricity and other utilities for the common areas;
4. cost of fuel on hand (plus sales tax), if any;
5. charges and receipts in connection with service, maintenance and concession contracts;
6. water charges and sewer rents on the basis of the fiscal or calendar year for which assessed (unless separately assessed to individual Apartments);
7. cost of Building supplies on hand at Sponsor’s cost (including sales tax);
8. premiums for transferable insurance policies; if any;
9. management fees; and
10. other customary adjustments.

If any of the foregoing items to be apportioned cannot be adjusted at the Cooperative Conversion Date because they are not fully ascertainable, they shall be apportioned and adjusted to the extent reasonably possible at the Cooperative Conversion Date, and a final adjustment will be made as soon thereafter as the undetermined amounts are ascertained. Except as herein otherwise expressly provided, the customs in respect to title closings adopted by the Real Estate Board of New York, Inc., as amended, shall apply to apportionments and other matters herein mentioned.

On the Cooperative Conversion Date it may be necessary for the Sponsor to advance funds for the purchase of certain equipment, tools and other essential items and/or to pre-pay certain expenses such as, but not limited to, insurance. If, on the Conversion Date, the cost of net closing adjustments in favor of the Sponsor exceeds the
balance of the Working Capital Fund, the payment of the balance owing shall be deferred and paid to Sponsor by the Apartment Corporation within twelve (12) months of the first day of Conversion Date, at an interest rate of five percent (5%) per annum, evidenced by a note (with provision for acceleration in the event of default) that will be executed by both Sponsor and the Apartment Corporation. As of the Filing Date, it is not possible to estimate the amount of the note. If the Apartment Corporation does not have sufficient funds to timely reimburse Sponsor, it may be necessary to impose a Special Assessment on each Shareholder.

The Working Capital Fund will be held and used for working capital, or such other appropriate purposes as will be determined by the Board and may be augmented by allocations from the monthly Maintenance Charges collected from each Shareholder. While Sponsor controls the Board, the Working Capital Fund will not be used to reduce estimated Maintenance Charges attributable to Unsold Shares.

No representation or warranty is made that the Working Capital Fund will be, or is intended to be, adequate to cover current or future expenses, for the first or any subsequent year of operation. If additional funds are required in excess of such Working Capital Fund, it may be necessary to increase Maintenance Charges or otherwise impose a Special Assessment on Shareholders. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund.

THE RESERVE FUND

A reserve fund for capital improvements is being established for the first year of the Apartment Corporation’s operation. The reserve fund is required in order to comply with Fannie Mae’s condominium guidelines. Please see Schedule B for further disclosure.
APARTMENT CORPORATION’S ACQUISITION OF THE PREMISES

Conveyance of the Premises

Pursuant to the terms of a Contract of Exchange, Sponsor will assign the Ground Lease to the Apartment Corporation upon (a) the completion of construction of the Building as evidenced by at least a temporary or permanent Certificate of Occupancy for the Building, and (b) the declaration of effectiveness of this Plan. The assignment will not include personal property. Sponsor shall assign to the Apartment Corporation or to each Purchaser, as applicable, all warranties and guaranties that Sponsor has received from any subcontractor or manufacturer applicable to the Building or individual Apartments. The date on which such assignment occurs is the “Cooperative Conversion Date.”

On the Cooperative Conversion Date, Sponsor will cause the Apartment Corporation to purchase leasehold title insurance from Fidelity National Title Insurance Company or such other title company of Sponsor’s choice which is a member of the New York Board of Title Underwriters (the “Title Company”), insuring the Apartment Corporation’s legal title to the Premises. Coverage will be in an amount equal to the sum of the total cash amount of the offering (i.e., approximately $157,843,740).

The Apartment Corporation will be the Ground Lessee and hold the leasehold estate free and clear of all liens and encumbrances except, however, the following:

(a) The terms and provisions of the Offering Plan;

(b) Rights of tenants or persons in possession, if any;

(c) Taxes, tax liens, tax sales, water charges, sewer rents, and assessments, if any, as of the date of exchange;

(d) Any state of facts that a current survey of the apartment or property shows;

(e) Any additional state of facts an updated survey might show, provided that if any updated survey reveals encroachments, if any, of building walls, foundations or appurtenances belonging to the Property upon adjoining premises, same shall not constitute objections to title if the Title Company or any other New York State licensed title company will insure that such encroachments may remain as long as the Building stands;

(f) The premises have been designated a part of the Greenwich Village Historic District by Notice of Designation recorded April 29, 1969 in Reel 138 Page 120 and are therefore subject to the restricted use as provided in the New York City Charter and Title 25, Chapter 3 of the New York City Administrative Code;
(g) Terms, covenants, conditions and right of reacquisition (the "Right of Reacquisition") as set forth in the deed recorded July 26, 1976 in Reel 374 Page 1813;

(h) Declaration of Intention to Preserve Restrictions on the Use of Land Pursuant to Real Property Law 345 made by The Board of Managers of the Diocesan Missionary and Church Extension Society of the Protestant Episcopal in the Diocese of New York, dated June 1, 2006 and recorded July 12, 2006 as CRFN 2006000394103 (including Right of Reacquisition).


(j) Consent and Subordination made by St. Luke’s School, dated December 16, 2013 as CRFN 2015000082583;

(k) Terms, covenants, conditions and provisions contained in the Lease made between The Rector, Churchwardens and Vestrymembers of the Church of St. Luke in the Fields, New York, New York, (Landlord) and 100 Barrow Street LLC (Tenant), dated February 25, 2015 a memorandum of which was recorded March 11, 2015 as CRFN 2015000082584 as Amended and Restated by Agreement dated as of May 11, 2015 but effective as of February 25, 2015, a memorandum of which was recorded July 20, 2015 as CRFN 2015000249668;

(l) Non-Disturbance Agreement made among The Board of Managers of The Diocesan Missionary and Church Extension Society of The Protestant Episcopal Church in the City of New York (Remainder Donee), The Rector, Churchwardens and Vestrymembers of the Church of St. Luke in the Fields, New York, New York, (Landlord) and 100 Barrow Street LLC, (Tenant), dated as of April 10, 2014 and recorded March 11, 2015 as CRFN 2015000082585;

(m) Non-Disturbance Agreement made among The Board of Managers of The Diocesan Missionary and Church Extension Society of The Protestant Episcopal Church in the City of New York (Remainder Donee), The Rector, Churchwardens and Vestrymembers of the Church of St. Luke in the Fields, New York, New York, (Landlord) and 100 Barrow Street LLC (Tenant), dated as of May 11, 2015, but effective as of February 25, 2015 and recorded as CRFN 2015000249670.
(n) DOB Light and Air Easement Agreement made between The Rector, Churchwardens and Vestrymembers of the Church of St. Luke in the Fields, New York, New York and 100 Barrow Street LLC, dated February 25, 2015 and recorded March 11, 2015 as CRFN 2015000082586. (Affects Lots 1, 6 and 38);

(o) DOB Light and Air Easement Agreement made between The Rector, Churchwardens and Vestrymembers of the Church of St. Luke in the Fields, New York, New York and 100 Barrow Street LLC, dated February 25, 2015 and recorded March 11, 2015 as CRFN 2015000082588. (Affects Lots 1, 46, 47, 48 and 49);

(p) DOB Light and Air Easement Agreement made between The Rector, Churchwardens and Vestrymembers of the Church of St. Luke in the Fields, New York, New York and 100 Barrow Street LLC, dated February 25, 2015 and recorded March 11, 2015 as CRFN 2015000082587. (Affects Lots 1 and 38);

(q) Terms, covenants, conditions, provisions and agreements of a lease dated as of May 11, 2015, but effective as of February 25, 2015 made by and between the Rector, Churchwardens and Vestrymembers of the Church of St. Luke in the Fields, New York, New York, as landlord and 100 Barrow Street LLC, as tenant, a memorandum of which was recorded on July 20, 2015 as CRFN 2015000249669.

(r) Non-Disturbance Agreement made among The Board of Managers of The Diocesan Missionary and Church Extension Society of The Protestant Episcopal Church in the City of New York (Remainder Donee), The Rector, Churchwardens and Vestrymembers of the Church of St. Luke in the Fields, New York, New York (Landlord), and 100 Barrow Street LLC (Tenant), dated as of May 11, 2015, but effective as of February 25, 2015 and recorded as CRFN 2015000249671.

(s) Declaration of Zoning Lot Restrictions made by The Rector, Churchwardens and Vestryman of the Church of St. Luke in the Fields, New York, New York, dated August 16, 2014 and recorded August 25, 2014 as CRFN 2014000281723;


(u) Waiver of Declaration of Zoning Lot Restrictions made by The Board of Managers of the Diocesan Missionary and Church Extension Society of the Protestant Episcopal Church in the Diocese of New York, dated


(w) Waiver of Declaration of Zoning Lot Restrictions made by The Board of Managers of the Diocesan Missionary and Church Extension Society of the Protestant Episcopal Church in the Diocese of New York, dated November 13, 2013 and recorded August 25, 2014 as CRFN 2014000281722;

(x) Consents by any owner of the Premises for the erection of any structure or structures on, under or above abutting streets;

(y) Building restrictions, regulations, zoning laws and ordinances now in effect or as may be amended between the date of presentation of this Plan and the Cooperative Conversion Date, provided same do not prohibit the existence of the Building or the use thereof as a multiple dwelling;

(z) The lien of any unpaid real estate and vault taxes, water charges or sewer rents not yet due (to be apportioned);

(aa) The revocable nature of the right, if any, to use vaults and other areas and space beyond the lot lines and under and abutting the public sidewalks;

(bb) Encroachments of stoops, areas, cellar steps, trim, cornices, projecting heating or air-conditioner units or equipment, if any, upon any abutting streets, highways or the adjoining sidewalks;

(cc) Easements and other rights of public utilities to install, replace, repair and maintain lines, pipes and equipment;

(dd) Service, union, concession, and maintenance contracts and leases, if any, as may be in force and effect on the Cooperative Conversion Date;

(ee) Variations between tax lot and lines of record title;

(ff) Any assignments of rents, other documents or UCC financing statements securing the Ground Lease or executed in connection therewith;

(gg) Zoning and other resolutions, regulations and ordinances (and amendments thereto) now or hereafter adopted;
(hh) The lien of any unpaid assessment payable in installments which are not yet due;

(ii) The lien of any unpaid parking violation bureau judgments with respect to any shareholder, partner, officer, director or individual in the chain of title to the Property, provided that the Title Company agrees to insure the Apartment Corporation against the collection thereof out of the Property;

(jj) Any unpaid federal or state estate taxes due and owing by the estates of any predecessors in the chain of title to the Property;

(kk) Any other lien or encumbrance or state of facts as to which the Title Company would be willing, in a fee policy, to insure provided it (i) will not be collected out of the Property if it is a lien or (ii) will not be enforced against the Property if it is not a lien;

(ll) Any other encumbrance or state of facts, imputed to or within the knowledge of the Apartment Corporation, which would not prevent the use of the Building for the purposes set forth in this Plan;

(mm) Any sidewalk violations; and

(nn) Standard exceptions to title set forth in the printed form of title insurance policy of the Title Company insuring the Apartment Corporation’s title.

For a description of Sponsor’s obligations, which shall survive the delivery of the Assignment of Ground Lease, please see the Section of the Offering Plan entitled “Rights and Obligations of Sponsor.”

If prior to the Cooperative Conversion Date, the Building, an Apartment, or the means of access to an Apartment, are damaged by fire or other casualty covered by insurance, maintained by or on behalf of Sponsor, Sponsor shall use such insurance proceeds, to cause to be repaired or replaced, the Building, an Apartment(s) or the access thereto. Prospective Shareholders waive any and all rights under Section 227 of the Real Property Law of the State of New York and in no event shall a Shareholder have any option to terminate a Purchase Agreement by reason of casualty damage provided Sponsor shall cause such damage to be repaired or replaced.

On the Cooperative Conversion Date, Sponsor may reserve the right to (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace satellite dishes, cell phone towers, antennae and similar equipment (collectively, the “Installations”) on the roof and facade of the Building and to retain any and all income derived therefrom, (b) to enter upon any Apartment or elsewhere on the Property to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the Installations as may be necessary or appropriate, and (c) to grant such rights to do any of the foregoing to its designees, assignees and licensees. The Apartment Corporation shall not be entitled to any portion
of fees, compensation or other profits received by Sponsor, its designees, assignees or licensees for the use of the Installations. Any and all Installations placed upon the roof and the facade of the Building by Sponsor, its designees, assignees or licensees shall be the exclusive property of Sponsor, its designees, assignees or licensees and neither the Apartment Corporation nor any Shareholder or occupant shall have any rights with respect thereto. Notwithstanding the foregoing, access to an Apartment in furtherance of the Installations and the rights reserved thereby with respect thereto shall be exercised in a manner so as to not unreasonably interfere with the use of the Apartments for their permitted purposes. Such entry shall be permitted on not less than one day’s notice, except that no notice is necessary in the case of an emergency.

Adjustments between Sponsor and Apartment Corporation

Prior to the Cooperative Conversion Date, payments advanced or made by Sponsor as the primary Shareholder of the Apartment Corporation, for or on behalf of the Apartment Corporation as beneficial owner of the Premises to operate the Building are expected to be treated, in part, as Maintenance Charges and, in part, as a loan. The amount advanced by Sponsor to be categorized as a loan will be determined as of the Cooperative Conversion Date, and will be the amount by which the net closing adjustments exceed the Working Capital Fund. The Apartment Corporation will pay the adjustment due to Sponsor equaling the Working Capital Fund. The Apartment Corporation will execute a note in favor of Sponsor for the sum that exceeds the Working Capital Fund. This amount will be substantially the same amount as would be adjusted between Sponsor and the Apartment Corporation if the Assignment of Ground Lease to the Apartment Corporation occurred on that date. Thus, to the extent Sponsor has paid expenses or advanced funds covering or attributable to the period of time on or after the Cooperative Conversion Date, or if Sponsor has received income with respect to the Building attributable to the period from and after the Cooperative Conversion Date, the Apartment Corporation will adjust with Sponsor to provide for apportionment of those expenses and income attributable to the period from and after the Cooperative Conversion Date. Such items could include, without limitation, the following:

(a) real estate taxes and/or real estate tax escrows;
(b) cost of fuel, plus sales tax;
(c) electricity and other utility costs for the common areas of the Building;
(d) charges and receipts in connection with service, maintenance and concession contracts;
(e) wages and payroll expenses, including vacation pay accrued, if any;
(f) utility deposits;
(g) insurance premiums and/or insurance premium escrows;

P:\Offering Plans\100 Barrow Street\Accepted for Filing\Apt Corp Acquisition of Premises.doc
(h) building supplies on hand, plus tax;

(i) management fees;

(j) rental income and maintenance; and

(k) other customary adjustments.

If any of the foregoing items to be apportioned cannot be adjusted on the Cooperative Conversion Date because they are not fully ascertainable, they shall be apportioned and adjusted on that date to the extent feasible, with final adjustment to be made as soon as possible thereafter. Any balance reimbursable to Sponsor will be paid by the Apartment Corporation pursuant to a promissory note to be executed on the Cooperative Conversion Date, payable monthly over the 12-month period following the Cooperative Conversion Date and which shall accrue interest at a rate of five (5) percent per annum.

For example, assuming that the Cooperative Conversion takes place as of January 1, 2019, it is anticipated that the Apartment Corporation will make the below listed adjustments with Sponsor and shall incur the below listed closing costs.

**Closing Costs**

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. New York City Transfer Tax:</td>
<td>$4,119,117</td>
</tr>
<tr>
<td>b. New York State Transfer Tax:</td>
<td>$627,676</td>
</tr>
<tr>
<td>c. Municipal Searches and Fees:</td>
<td>$1,500</td>
</tr>
<tr>
<td>d. Recording Fees and Miscellaneous:</td>
<td>$1,000</td>
</tr>
<tr>
<td>e. Ground Lease Payment ($1,757,480/12)</td>
<td>$146,479</td>
</tr>
</tbody>
</table>

$4,895,772

The Apartment Corporation will have available the Working Capital Fund and Maintenance to pay closing expenses and adjustments (if any). It should be noted that all of the above figures are approximations and that if the Cooperative Conversion Date were to take place on a different date the escrow amounts might be higher and there might be adjustments between the Apartment Corporation and Sponsor. In the event the Apartment Corporation does not have sufficient funds to cover the expenses and the adjustments with Sponsor, Sponsor will advance the necessary funds, as a loan to the Apartment Corporation.
SPECIAL TAX CONSEQUENCES OF CONTRACT OF EXCHANGE

The assignment of the Ground Lease to the Apartment Corporation has been structured to meet the requirements of Section 351 of the Internal Revenue Code ("IRC"). Pursuant to Section 351, property may be transferred to a controlled corporation in exchange for its stock, with gain being recognized by the transferor of the property only to the extent of any additional consideration, i.e., (a) cash or other property received by such transferor on the exchange, or (b) any excess liability to which the property is subject over the adjusted basis of the property to the transferor.

Sponsor is taking the position that the assignment of the Ground Lease to the Apartment Corporation qualifies as a transfer to a controlled corporation under IRC Section 351. The Apartment Corporation’s basis for the Ground Lease will be the same basis as that of Sponsor at the time of the transfer, increased as provided in IRC Section 362 by any gain recognized by Sponsor in connection with such transfer, which gain cannot be estimated at this time.

If this Plan had been structured as a “sale” transaction under which the Apartment Corporation would purchase the Ground Lease from the Sponsor, then the Apartment Corporation’s basis for depreciation would equal the purchase price of the Ground Lease paid to the Sponsor (plus certain acquisition costs). In a “sale” transaction, the price would equal the sum of (i) the net proceeds realized from the sale of Shares, (ii) the fair market value of the Unsold Shares and (iii) the mortgage indebtedness (if any) encumbering the Ground Lease.

If the transfer of the Ground Lease to the Apartment Corporation does, in fact, qualify as a Section 351 "Exchange", the Apartment Corporation’s basis is lower than the basis it would otherwise obtain in a “sale” transaction and (i) the Apartment Corporation will have lower available depreciation deductions and (ii) the Apartment Corporation will have a potentially greater tax liability in the event the Ground Lease is ever sold by the Apartment Corporation either voluntarily or involuntarily through a foreclosure of a mortgage, a condemnation, a substantial casualty or the like. In addition, a Shareholder who uses such Shareholder’s Apartment in a trade or business may have lower depreciation deductions under IRC Section 216(c). The lower basis does not affect the tax treatment of a Shareholder upon a sale of such Shareholder’s Shares unless said Shareholder has utilized the Apartment in a trade or business and claimed depreciation in regard thereto under IRC Section 216(c).

The Apartment Corporation’s basis in the Ground Lease (whether determined under the sale rules or the Section 351/362 rules) will be reduced to the extent of the depreciation taken each year. It is possible that the amount of depreciation will exceed the amortization of any future leasehold mortgages. The amount by which the unpaid principal balance of the mortgage indebtedness exceeds the Apartment Corporation’s basis would be of no consequence to the Apartment Corporation or its Shareholders unless the Ground Lease is sold. Under present tax laws, upon a sale of the Ground Lease, the Apartment Corporation would recognize gain at least equal to the extent of the amount by which the unpaid principal balance of the mortgage indebtedness exceeds the Apartment Corporation’s basis irrespective
of whether any cash is received on the sale. Subject to the two exceptions mentioned above, the Apartment Corporation would be required to pay corporate income taxes on such gain, which would reduce the net proceeds available for distribution to its Shareholders. The Shareholders of the Apartment Corporation would have no personal liability to pay such taxes.
February 22, 2016

100 Barrow Street Apartment Corp.
c/o Seiden & Schein, P.C.
570 Lexington Avenue
New York, NY 10022

Gentlemen:

100 Barrow Street Apartment Corp. (the "Corporation") will be organized under the laws of the State of New York, as described in the offering plan (the "Plan") to convert the leasehold estate and the building located at 100 Barrow Street (the "Building") to cooperative ownership. You have requested our opinion as to (i) whether the Corporation will qualify as a cooperative housing corporation for federal, New York State, and New York City income tax purposes after consummation of the Plan, and (ii) whether the Shareholders of the Corporation will be entitled to deduct for Federal, New York State and New York City income tax purposes their proportionate share of the real estate taxes and mortgage interest paid by the Corporation. Any capitalized term in this opinion letter not defined herein shall have the same meaning as in the Plan.

To qualify as a cooperative housing corporation under Section 216(b)(1) of the Internal Revenue Code of 1986, as amended (the "Code"), the Corporation must satisfy each of the following four requirements:

1. The Corporation must have one and only one class of stock outstanding.
2. Each tenant-stockholder of the Corporation must be entitled, solely by reason of his or her ownership of shares, to occupy for dwelling purposes an apartment in the Building.

3. No tenant-stockholder of the Corporation may be entitled, either conditionally or unconditionally, to receive any distribution not out of earnings and profits of the Corporation except on complete or partial liquidation of the Corporation.

4. For the Taxable Year in which its tenant stockholders wish to deduct interest or real estate taxes, the Corporation must meet one of the following tests (the “Annual Tests”):

   (a) Eighty percent (80%) or more of the Corporation’s gross income for the taxable year must be derived from “tenant-stockholders” (the “80% Test”). In order to meet the 80% test, at least 80 percent of the Corporation's gross income must be derived from tenant-stockholders. Qualifying income would include regular maintenance charges paid to the Corporation by tenant-stockholders. Gross income from other sources, including interest on reserve funds, will not constitute qualifying income.

   (b) At all times during such taxable year, 80 percent or more of the total square footage of the Corporation's property must be used or available for use by the tenant-stockholders for residential purposes or purposes ancillary to such residential use.

   (c) 90 percent or more of the expenditures of the Corporation paid or incurred during such taxable year must be paid or incurred for the acquisition, construction, management, maintenance, or care of the Corporation's property for the benefit of the tenant-stockholders.
The Code generally defines a “tenant-stockholder” as a person who is a stockholder in a cooperative housing corporation and whose stock is fully paid up in a specified amount. This amount is “an amount not less than an amount bearing a reasonable relationship to the portion of the value of the corporation's equity in the apartment and the land on which it is situated which is attributable to the apartment which such person is entitled to occupy.”

Stock will be fully paid up if it is paid for, in full in cash, at the closing. However, the amount paid for the stock must meet the “reasonable relationship” test described above. Whether or not such test is met is a question of fact.

In order to obtain a measure of assurance that the reasonable relationship test is met, 100 Barrow Street LLC, the sponsor of the Plan (the “Sponsor”), has retained Century Management Company Inc. (“Century”) to provide an opinion with respect to the Shares to be sold. The Sponsor has advised us that Century is a real estate management company which manages over 100 properties comprising approximately 100,000 units. Its opinion is that, as of the date the Shares are issued and based on the prices and share allocation in Schedule A of the Offering Plan, the price of the blocks of Shares allocated to each Apartment in the Building is not less than an amount which bears a reasonable relationship to the portion of the value of the Corporation's equity in the Building attributable to such Apartment. The Sponsor has agreed that the price for Shares allocable to an Apartment will be changed only if, in the opinion of Century, the new price bears such reasonable relationship.

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1 The Offering Plan uses the term Shareholder, and for the purposes hereof, this title in addition to the title “tenant-stockholder,” are interchangeable and have the same meaning.
Our opinion is based, in part, on the assumption that purchasers of Shares ("Shareholders") will meet the tenant-stockholder requirements described above. If the above requirements are not met by a Shareholder, such Shareholder will not qualify as a tenant-stockholder. If a sufficient number of purchasers fail to qualify as tenant-stockholders, the Corporation will fail to meet one of the Annual Tests, and will not qualify as a cooperative housing corporation under Code Section 216.

We have reviewed the Certificate of Incorporation and proposed By-Laws of the Corporation, the Plan, the proposed Contract of Exchange between Sponsor and the Corporation, the Assignment and Assumption of the 100 Barrow Street Ground Lease, and the Proprietary Lease, which is an exhibit to the Plan. The Corporation's Certificate of Incorporation and By-Laws provide that the Corporation has only one class of stock outstanding, that each Shareholder of the Corporation, solely by reason of his ownership of shares of stock of the Corporation, is entitled to occupy for dwelling purposes an apartment in the Building and that no Shareholder is entitled, either conditionally or unconditionally, to receive any distribution not out of earnings and profits of the Corporation, except upon complete or partial liquidation of the Corporation. If no action inconsistent with these provisions is taken by the Corporation or its Shareholders, the requirements described in paragraphs 1, 2, and 3 above will be met.

Based upon the foregoing and the documents referred to above, and assuming the Plan is consummated in accordance with its terms and that the agreement of the Sponsor with respect to the price of Shares will be fulfilled, but without making any warranty with respect to the facts stated in the Plan or the expertise or opinion of Century, it is our opinion that in any taxable year
in which one of the Annual Tests is met and the other conditions described previously continue to be met:

1. The Corporation will qualify as a cooperative housing corporation for such year within the meaning of Code Section 216(b)(1), and

2. Subject to limitations of deduction of interest discussed below and subject to the limitations imposed on the deduction of itemized deductions, each qualifying Shareholder who itemizes deductions will be entitled to deduct for federal, New York State and New York City income tax purposes amounts paid or accrued to the Corporation within the taxable year, to the extent such amounts represent such Shareholder’s proportionate share of interest allowable as a deduction to the Corporation paid or incurred by the Corporation on its indebtedness contracted in the acquisition, construction, alteration, rehabilitation, or maintenance of the Building, in each case to the extent that such Shareholder has paid during such Shareholder’s taxable year to the Corporation an amount equal to such proportionate share of interest.

3. Subject to the limitations discussed in the following paragraphs and subject to limitations imposed on the deduction of itemized deductions, interest on a loan secured by Shares paid or accrued by a Shareholder who is liable for the interest payment on such loan, and who uses the Apartment exclusively as his personal residence will be deductible for federal

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2 It is our opinion that the Corporation has not issued more than one class of stock, even though Shareholders who own Market-Rate Apartments are treated differently than shareholders who do not own Market-Rate Apartments because Shareholders who own Market-Rate Apartments do not have any restrictions with respect to the sale or the sublease of their apartments. Section 501(c) of the New York Business Corporation Law, under which the Corporation is incorporated, provides that subject to the designations, relative rights, preferences and limitations applicable to separate series and except as otherwise permitted by subparagraph two of paragraph (a) of section five hundred five of this article, each share shall be equal to every other share of the same class. The restrictions of sale and subleasing imposed on those Shareholders that do not own Market-Rate Apartments are imposed by AHC. A disparity imposed because of government regulations does not violate BCL Section 501(c) which mandates the equality of shares in a corporation. See Sherry Assoc. v. The Sherry Netherland, NYLJ, June 13, 1996.
income tax purposes in the appropriate year according to his method of accounting, provided that he itemizes his deductions. In rendering this opinion we assume that such interest is not prepaid, that the loan proceeds were used by the Shareholder to purchase the Apartment, that the Apartment is the Shareholder’s principal residence and that the owner of the Shares attributable to the Apartment is an individual.

Residential interest is deductible if paid or accrued during the taxable year on indebtedness which is secured by either the taxpayer’s principal residence, as defined for purposes of exclusion of gain on sale under Code Section 121, or on certain designated second homes. However, a ceiling is placed on the amount of indebtedness which may be taken into account for purposes of this deduction. In general, with respect to indebtedness incurred in purchasing Shares attributable to a Apartment, this ceiling is $1,000,000, or $500,000 in the case of a married individual filing a separate return. In addition, an individual may deduct interest on an additional $100,000 of indebtedness in excess of the $1,000,000 limit mentioned above as interest on home equity indebtedness. However, special limitations may apply to the deductibility of points and prepaid interest if any. In addition, interest on home equity indebtedness is not deductible for alternative minimum tax purposes.

4. We have reviewed whether a tenant-stockholder of the Corporation will be entitled to deduct for federal, New York State and New York City income tax purposes amounts paid or accrued by the Corporation within the taxable year as real estate taxes. Normally, a cooperative housing corporation which owns its building and the land it is situated on may deduct its real estate taxes as taxes under Code Section 164. However, in this case, the Corporation will not own the land but will lease the land from The Rector, Church Wardens &
Vestry Members of the Church of St. Luke in the Fields, New York (the “Fee Owner”), pursuant to the lease (the “Ground Lease”). The Ground Lease will expire in the year 2114. Under the terms of the Ground Lease, the tenant under the Ground Lease can construct a building on the land without any consent of the landlord and the tenant will be responsible for paying as additional rent all of the real estate taxes attributable to the land and building.

In Rev. Rul. 62-178, 1962-2 C.B. 91, the Internal Revenue Service held that a cooperative housing corporation which leases land and constructs thereon at its own expense an apartment building with an estimated useful life substantially shorter than the terms of the ground lease may deduct under Code Section 164, real estate taxes it pays or incurs with respect to the building, but not the land, pursuant to the terms of the ground lease, even though legal title to the building is vested in the lessor of the land. Consequently, the tenant-stockholders of the cooperative corporation may deduct amounts which they pay to the corporation representing their proportionate shares of such taxes attributable to the building, provided they itemize their deductions.

Pursuant to a letter from the architect for the Building, Barry Rice, the building which will be constructed on the land will have a useful life of 50 years which will be substantially less than remaining term of the Ground Lease. In addition, even though the Corporation did not construct the Building, the Corporation is succeeding to the rights of the tenant under the Ground Lease and therefore should be treated as if it constructed the Building. As a result, the provisions of Rev. Rul. 62-178, should apply to the Corporation as if it constructed the Building.

Therefore, since the term of the Ground Lease is substantially in excess of the useful life of the Building and the Landlord will not receive any benefit from the Building during the term
of the Ground Lease, pursuant to the terms of Rev. Rul. 62-178, and subject to the limitations imposed on the deduction of itemized deductions, the tenant-stockholders of the Corporation should be able to deduct for federal, New York State and New York City their proportionate share of the real estate taxes paid or accrued by the Corporation during the taxable year attributable to the Building and not the land upon which the Building is built. We also note that real estate taxes are not deductible for alternative minimum tax purposes.

5. We have been requested to comment on the federal income tax implications of the transaction in which the Building is transferred to the Corporation. The form of this transaction can affect the basis of the Building to the Corporation for federal income tax purposes.

We have been advised that the Sponsor intends to transfer its rights as tenant under the Ground Lease and the Building to the Corporation in exchange for shares of stock of the Corporation and then proceed to sell shares in the Corporation pursuant to the Offering Plan. This transaction would have been treated as a tax free transaction to the transferor under Code Section 351 if the transferor acquired control of the Corporation immediately after the transfer. Control is defined as owning 80% of more of the voting stock of the Corporation. However, in this case, even though Sponsor will acquire 80% of more of the voting stock of the Corporation, it will hold the stock out to sale to the general public. As a result, the Sponsor will not be deemed in control of the Corporation immediately after the transfer and the transfer will be treated as a sale. As a result, Corporation’s basis in the Building will be equal to its fair market value of the Building at the time of the transfer.
If the transaction is treated as a transaction that would qualify under Internal Revenue Code Section 351, the Corporation’s basis in the Building would be equal to the Sponsor’s basis in the Building plus any gain recognized on the transaction.

This opinion is not a warranty that any taxing authority will allow the deductions discussed and is based upon existing rules of law applied to the facts and documents referred to above. No assurances can be given that the tax laws and regulations of any taxing authority relied upon in rendering this opinion will not change, so as to disallow or modify the deductions described herein in whole or in part. In no event will the Sponsor, the Sponsor's counsel, the Corporation, counsel to the Corporation, the selling agent or any other person be liable if the Corporation ceases to meet the requirements of the Code or the New York State or New York City tax laws, as amended, if there are changes in the facts relied upon in rendering this opinion, or if there are changes in the applicable statutes, regulations, decisional law, or Internal Revenue Service rulings on which this opinion has been based. Moreover, no opinion is expressed nor is any warranty made with respect to the tax consequences of the Plan or any other matter except as expressly set forth.

Tax counsel is counsel to Sponsor and not the Shareholders. Each Shareholder should consult Shareholder’s own tax counsel as to the tax consequences of owning shares under the plan. All Shareholders and potential Shareholders are hereby informed that (i) any tax advice contained in this plan and/or the attorney’s income tax opinion is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties under the Internal Revenue Code, (ii) the advice is written to support the promotion or marketing of the transactions or matters
addressed in the plan, and (iii) each Shareholder, each potential Shareholder, and the Corporation seek advice based on its particular circumstances from an independent tax advisor.

We understand that this letter is to be made a part of the Plan and consent to its reproduction therein.

Very truly yours,

[Signature]

OLSHAN FROME WOLOSKY LLP
Management Agreement - Apartment Corporation

At or prior to the Cooperative Conversion Date, the Apartment Corporation will enter into a management agreement with a managing company to manage the Building (the “Managing Agent” or “Agent”, agreement between the Apartment and Corporation referred to as the “Management Agreement”). Sponsor has received a proposal from Century Management Services, Inc., 440 Ninth Avenue, 15th Floor, New York, New York 10001 to be the managing agent of the Building. However, the Sponsor reserves the right to substitute another Century Management Services, Inc. prior to the Cooperative Conversion Date on substantially the same terms as proposed by it. The Management Agreement will be for an initial term of one (1) year commencing on the Cooperative Conversion Date. The Managing Agent will receive an annual fee of $35,000 payable in equal monthly installments in advance of the first day of each month for the term of the Management Agreement. Thereafter, the annual fee will be as mutually agreed upon for the renewal period, or if a new annual fee has not been established, the Apartment Corporation shall continue to pay Agent the previous annual fee plus 2.5%. Neither party may terminate the Management Agreement during the period commencing on the Cooperative Conversion Date and expiring forty five (45) days thereafter. Either party may terminate the Management Agreement without cause at any time after forty five (45) days following the Cooperative Conversion Date, by notice to the other party given no less than thirty (30) days in advance of the intended date of termination.

The services to be rendered to the Apartment Corporation by the Managing Agent shall include, without limitation, the following:

1. Manage the payroll, and hire, discharge, and supervise Building employees as necessary;

2. Cause the Building to be maintained in such condition as may be advisable by the Apartment Corporation;

3. Notify the Board of any notice of violation and recommend and cause such violation to be complied with;

4. Procuring service contracts and insurance policies;

5. Purchasing supplies which shall be necessary to properly maintain the Building;

6. Maintenance of books and records of the Apartment Corporation;
7. If requested by Shareholders, list and offer for sale or lease Apartments in the Building;

8. Processing Apartment rental applications;

9. Coordinating the moving in and moving out of Shareholders and their tenants;

10. Billing and collecting of monthly Maintenance Charges from Shareholders, and render regular monthly statements of collections and disbursements to the Apartment Corporation;

11. Attending to reasonable complaints of Shareholders, commercial tenants, and sub-tenants;

12. Cooperation with the Apartment Corporation’s accountant in regard to the annual audit of the books of account of the Apartment Corporation, and the preparation and filing of federal, state, and city tax returns;

13. Distribution of copies of the statement prepared by the Apartment Corporation’s accountants, to Shareholders, which sets forth deductions for income tax purposes;

14. Preparation of an annual operating budget;

15. Send notices to Directors and Shareholders and attend meetings of the Shareholders and of the Board of Directors;

16. Assist in the preparation of an application for correction of the assessed valuation of the Property as requested by the Apartment Corporation;

17. Facilitate the Apartment Corporation’s performance of all obligations under contracts that the Apartment Corporation may enter into;

18. Cooperate with Shareholders’ and prospective Shareholders’ lenders with respect to loan closings and processing recognition agreements;

19. Arrange mortgage financing and re-financing as requested by the Apartment Corporation;

20. Process Shareholder Apartment alteration applications;

21. Do all things reasonably deemed necessary or desirable by the Board of Directors for the proper management of the Apartment Corporation;
All ordinary and customary expenses incurred by the Managing Agent in performance of its duties will be reimbursed by the Apartment Corporation. The Apartment Corporation will indemnify the Managing Agent against any claims, liabilities, costs or expenses in connection with the scope of its duties under the Management Agreement. The Management Agreement may not be assigned by the Agent or the Board.

Other Contractual Agreements

On or prior to the Cooperative Conversion Date, the Apartment Corporation, or a properly authorized entity acting on its behalf (including Managing Agent), may enter into contracts for other services as may be necessary or advisable.
IDENTITY OF PARTIES

Sponsor

The Sponsor of the Offering Plan is 100 Barrow Street LLC (the “Sponsor”), a New York limited liability company formed on October 9, 2013. Sponsor’s office address is 75 Broad Street, Suite 2100, New York, New York 10004.

Sponsor’s principals are David Von Spreckelsen and Richard T. Hartman. David Von Spreckelsen is a Division President of Sponsor. Richard T. Hartman is the President and Chief Operating Officer of Sponsor, as well as a Manager of Sponsor.

The sole member of Sponsor is 100 Barrow Street Member LLC (the “Sole Member”).

Neither Sponsor nor the Sole Member has been the sponsor or a principal of the sponsor of any other cooperative or condominium conversion plan within the last five (5) years.

David Von Spreckelsen and Richard T. Hartman have been involved in the following condominium offerings within the last five (5) years.

<table>
<thead>
<tr>
<th>NAME</th>
<th>ADDRESS</th>
<th>YEAR OF FILING</th>
</tr>
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<tbody>
<tr>
<td>The Touraine</td>
<td>132A East 6th Street a/k/a 861 Lexington Avenue New York, New York</td>
<td>2011</td>
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<tr>
<td>205 Water</td>
<td>205 Water Street Brooklyn, New York</td>
<td>2011</td>
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<tr>
<td>160 East 22nd Street Condominium</td>
<td>160 East 22nd Street New York, New York</td>
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</tr>
<tr>
<td>The 1110 Park Condominium</td>
<td>1110 Park Avenue New York, New York</td>
<td>2014</td>
</tr>
<tr>
<td>The Sutton Condominium</td>
<td>959 First Avenue New York, New York</td>
<td>2014</td>
</tr>
</tbody>
</table>

Mr. Von Spreckelsen founded Toll Brothers' New York City office in 2004. He is responsible for all New York City acquisitions and development, from site identification through construction and sales.
Prior to joining Toll Brothers, Mr. Von Spreckelsen was the Director of Acquisitions and Development for Silvercup Studios. At Silvercup, he oversaw the completion of The Renaissance, a 241-unit limited equity co-op in Harlem, including leasing the 65,000 square feet of retail space. Mr. Von Spreckelsen also started the rezoning of a Silvercup site on the East River that was recently certified under ULURP at 2 million square feet of buildable space for residential, office, retail, sound stages, and cultural uses.

Mr. Hartman is the Chief Operating Officer of Toll Brothers Inc.

During the past fifteen (15) years there have been no convictions, injunctions or judgments against Sponsor or its principals.

Managing Agent

Sponsor intends to retain Century Management Services, Inc., 440 9th Avenue, 15th Floor, New York, New York 10001 (“Century”), to manage the Building. Century has been in the real estate management business for over forty (40) years, and currently manages more than fifty-one (51) cooperative, condominium, and rental properties throughout the City of New York. These properties include, but are not limited to, 159 Madison Avenue, New York, New York 10016; 142 East 16th Street, New York, New York 10003; 141 East 3rd Street, New York, New York 10009; 130 East 18th Street, New York, New York 10003; and 29/35/45 East 9th Street, New York, New York 10003. Century has no financial relationship, past or present to the Sponsor. It will be paid a fee for its services.

Architect

Sponsor has retained Barry Rice Architect PLLC, having an office at 37 West 17th Street, 2nd Floor, New York, New York 10001 to prepare the Description of Property and Specifications, located in Part II of the Plan. Sponsor’s architect has no financial relationship, past or present, to the Property or to the Sponsor, except in its capacity as architect and is being paid a fee for its services.

Counsel to Sponsor

The Sponsor has retained the law firm of Seiden & Schein, P.C., 570 Lexington Avenue, New York, New York, 10022 (Tel. # (212) 935-1400) to represent it in the preparation and consummation of the Offering Plan. The principal attorney who is responsible for this matter is Alvin Schein, Esq. This firm drafted the Proprietary Lease, the By-Laws, this Plan, the form of Purchase Agreement and all other documents necessary in connection with the formation of the Apartment Corporation, and is advising the Sponsor in connection with all legal matters incidental thereto. It is suggested and expected that each Purchaser will consult and be represented by his own counsel in connection with this Plan.

Seiden & Schein, P.C. has no financial relationship, past or present, in the Property.
Attorneys for Apartment Corporation

Prior to the Cooperative Conversion Date, Sponsor will select counsel to represent the Apartment Corporation in connection with the Apartment Corporation’s acquisition of legal title to the Ground Lease and Building and its execution and delivery of documents entered into as of the Cooperative Conversion Date. The fees of such counsel will be paid by Sponsor.

Selling Agent

The Sponsor has retained Toll Brothers Real Estate Inc., having its principal office at 80 Merritt Boulevard, Fishkill, New York 12524, as Selling Agent for this Offering Plan. Toll Brothers Real Estate Inc. is an entity which is affiliated with Sponsor.
RIGHTS AND OBLIGATIONS OF SPONSOR

Sponsor shall have the following rights and obligations under this Plan:

Generally

(a) Purchasers are advised that this Plan may result in the creation of a cooperative in which the majority of the Apartments are not occupied by owner-occupant Shareholders. Sponsor is retaining the unconditional right to rent up to eighty-five percent (85%) of the Apartments offered for sale pursuant to this Plan. If Sponsor makes a bulk transfer of some or all of its Apartments, the transferee will be bound by and will assume Sponsor’s obligations. Sponsor does not represent that it will endeavor to sell, rather than rent, the remaining Apartments. Apartments retained by Sponsor may remain unsold indefinitely and Sponsor and/or Holders of Unsold Shares may dispose of such Apartments in any lawful manner including, but not limited to, selling to investors, renting to tenants, permitting occupancy by relatives or others, allowing Apartments to remain vacant or selling to Purchasers for personal occupancy.

(b) Sponsor will have the right to appoint, by designation, a majority of the Board of Directors and veto expenditures during the period which continues until the later to occur of: (i) ninety percent (90%) of the Apartments have closed or (ii) five (5) years after the Cooperative Conversion Date (“Sponsor Control Period”). Sponsor, including any designee thereof, will relinquish control of the Board of Directors if it has such control and will not elect a majority of its nominees for positions on the Board of Directors, even though its total number of Shares may otherwise enable it to do so. Sponsor, during the time there are Unsold Shares, will have the right to, and intends to, vote such Shares, but subsequent to relinquishing voting control of the Board of Directors, Sponsor will not use such vote to elect a particular individual to the Board of Directors which would, by the election of such individual, give Sponsor voting control of the Board. Notwithstanding the foregoing, Sponsor may, at its discretion, relinquish voting control of the Board prior to the end of the Sponsor Control Period.

(c) Sponsor shall cause the Building to be completed substantially in accordance with the Plans and Specifications identified in this Plan and in accordance with the Ground Lease. Sponsor reserves the right to substitute appliances, fixtures, equipment or materials of substantially equal or better quality for those described in the Plan and Specifications and make modifications in layout or design, provided however that Sponsor may not substitute equipment or materials of lesser quality or design or that Sponsor shall not change the size, location or value of any Apartments, or of other improvements or public areas if such changes adversely affect public areas or adversely affect the value of any Apartments to which title has closed or for which a Purchase Agreement has executed and is in effect unless all affected Shareholders consent in writing to such change and all affected contract vendees are given the right to rescind their Purchase Agreement and receive back their Down Payment. Any of the foregoing substitutions or modifications may be made without prior notice or amendment to the Plan. Sponsor will not be obligated to correct or be liable to any Purchaser by reason of
any variations from the Plans and Specifications or the description of the Building, or Apartments included in the Plan which are not in violation of applicable building codes nor require the approval of any governmental authority having jurisdiction or which are necessitated by job or site conditions or requirements so long as said variations are insubstantial changes in the dimensions or arrangements of rooms, walls or other areas within an Apartment, or the Building.

(d) Prior to the Closing or Pre-Closing of a particular Apartment, Sponsor shall obtain a temporary Certificate of Occupancy or a permanent Certificate of Occupancy covering that Apartment and the public areas of the Building. If a temporary Certificate of Occupancy is issued for the Building, Sponsor shall obtain a permanent Certificate of Occupancy for the Building within two (2) years subsequent to the initial issuance of such temporary Certificate of Occupancy, subject to construction delays caused by weather, strikes, lockouts, acts of God, shortages of or inability to obtain materials, equipment or labor, governmental restrictions or preemption, damage by fire or the elements, or any other cause over which Sponsor has no control, including, without limitation, special work requested or performed by or for a Purchaser with respect to a particular Apartment, but in any event, before expiration of the applicable temporary Certificate of Occupancy, as same may be renewed, replaced or extended. If the first Apartment Closing occurs prior to the issuance of a permanent Certificate of Occupancy for the Building, Sponsor shall maintain in escrow an amount reasonably necessary to complete the work required to obtain a permanent Certificate of Occupancy, as determined and certified by Sponsor’s architect. In lieu of depositing monies in escrow, Sponsor may deposit with an escrow agent an unconditional, irrevocable letter of credit or post a surety bond in the amount certified to be necessary to complete construction. In the event Sponsor desires to post a bond pursuant to this paragraph, prior to posting such bond Sponsor will file an amendment to the Plan disclosing same. It should be noted that this paragraph has been included in the Offering Plan pursuant to law and regulation and is subject to deletion or change in case of revision or amendment to such law and/or regulation.

(e) Sponsor will pay its general contractor who is required to pay all subcontractors, materialmen and others involved in the construction of the Project for authorized work performed and authorized fixtures, material and equipment supplied to or installed in the Project. Sponsor will cause all mechanics' liens arising out of said construction, or the furnishing or installation of fixtures or equipment, to be discharged or bonded promptly after Sponsor receives notice that any such liens are filed. Alternatively, at or about the time of the Cooperative Conversion Date, Sponsor shall provide such assurances to the title company as shall enable the title company to insure against collection or enforcement of the mechanic's liens from the Building or any portion thereof.

(f) On the Cooperative Conversion Date, Sponsor will cause the Building to be free of all liens and encumbrances other than the liens and encumbrances described in this Plan.
(g) Sponsor shall not be liable for or obligated to defend any suits or claims with respect to any Apartment, or the Building arising out of any occurrence taking place on or after the Cooperative Conversion Date.

(h) Only those obligations of Sponsor set forth in this section which are to be performed subsequent to the Cooperative Conversion Date shall survive the Cooperative Conversion Date.

(i) Except as specifically set forth in this Plan, no bond or other security has been furnished to secure Sponsor's obligations hereunder, including but not limited to its obligations to complete construction and to obtain a permanent Certificate of Occupancy.

(j) Sponsor shall pay Maintenance due from and after the Cooperative Conversion Date with respect to all Shares owned by Sponsor, until such Shares are sold or otherwise conveyed.

(k) Sponsor will obtain an updated opinion of "reasonable relationship", as of the Cooperative Conversion Date, as described in Part I of this Plan.

(l) Sponsor shall cause the Apartment Corporation to procure by the Cooperative Conversion Date, the insurance described in Schedule B.

(m) Sponsor shall keep copies of the Plan, exhibits and documents referred to in this Plan on file at the On-Site Sales Office, at Sponsor's office, or at such other designated location for six (6) years from the date this Plan is accepted for filing by the Department of Law.

(n) Sponsor shall deliver a set of "as built" plans for the Building to the Board of Directors of the Apartment Corporation after the first annual meeting of Tenant-Shareholders after the Cooperative Conversion Date.

(o) Sponsor and Sponsor's successors, assigns, designees, invitees, contractors, agents, employees and tenants, shall have by grant from each Purchaser, Tenant-Shareholder or tenant, as applicable, and from the Apartment Corporation as well, any and all easements and rights of access, in and to Apartments and terraces, patios and/or balconies appurtenant thereto, and common areas of the Building, as shall be reasonably necessary to complete construction in a manner consistent with the purposes of the Plan and Sponsor's rights and obligations hereunder. Sponsor will use reasonable efforts to notify parties of Sponsor's intended entry in advance, except in the case of emergency. In case of emergency, such right of entry shall be immediate, whether or not the party is present. Sponsor also will make reasonable efforts not to interfere with Tenant-Shareholder's use of the Apartment during Sponsor's work. However, there may be a temporary limitation as to use of the public areas of the Building. If reasonable care under the circumstances of Sponsor's access or entry is used to safeguard a Purchaser's or Tenant-Shareholder's property, such access or entry shall not render Sponsor or its agents liable for damages in an Apartment or common area, as applicable.
(p) Sponsor's reservation and rights pursuant to the foregoing and Sponsor's additional rights after the Cooperative Conversion Date, without prior notice or written amendment to this Plan, shall include, but are not limited to:

(i) the right to maintain general and sales and/or leasing office and personnel in the Building specifically and the Project generally, to post signs, and to conduct other activities connected with promotion, sales or leasing of Apartments, such as showing of Apartments and common areas in the Building, to prospective Purchasers or prospective tenants (if any); and

(ii) the right to maintain one or more Apartments in the Building as a sales and/or leasing office or model apartment and to change those Apartments from time to time;

(iii) the right of access in and to Apartments and common areas of the Building, for purposes of construction, repair, refurbishment, correction, alterations, finishing, servicing and similar work; and

(iv) the right to use elevators in the Building and/or Apartments in the Building and/or other areas of the Property generally, for the purpose of transporting or storing maintenance, repair, construction or other materials and supplies.

(q) With respect to the rights reserved in subparagraphs (i)-(iv) above, it is expressly provided and understood that Sponsor intends to use portions of the Building as construction, sales, leasing and promotion offices and for other purposes related to completion of construction of the Building and the sale and or leasing of Apartments. The Apartment Corporation may not enact rules or regulations or perform other acts, or make any other provisions that would interfere with Sponsor's rights in this paragraph.

(r) Sponsor reserves the right to dissolve or liquidate itself at any time after the first anniversary of the Cooperative Conversion Date, provided that construction of the Building has been completed and all Shares offered under this Plan have been sold. In the event that Sponsor dissolves or liquidates itself before all Shares offered under this Plan have been sold, the principals comprising Sponsor will provide financially responsible entities or individuals who will assume the status and the obligations of Sponsor with respect to the Shares which have not been sold.

(s) Sponsor will pay all expenses in connection with the sale of Apartments (except for costs specifically payable by Purchasers as set forth in this Plan), and will pay selling expenses incurred by Sponsor including, but not limited to, advertising and printing costs, architect and engineering fees, and costs of filing this Plan and amendments thereto.
Warranties

The Sponsor will promptly correct any material defects in the initial construction and/or renovation of the Building and the Apartments therein, or in the initial installation or operation of any mechanical equipment therein provided by Sponsor, due to substantially improper workmanship or material substantially at variance with the architectural plans and specifications, (a) provided that Sponsor is notified in writing of such defect(s) by the Tenant-Shareholder as to the Apartment affected within 180 days after the date that the Shares to such Apartment are conveyed to the Tenant-Shareholder or, (b) with respect to common areas of the Building, provided that Sponsor is notified in writing by the Board within one (1) year after the first Closing to an Apartment following the Cooperative Conversion Date. If any such defect in the common areas can only be detected by the occupancy of a particular Apartment, Sponsor will correct said defect in the construction of the common areas or in the installation or operation of any such mechanical equipment therein due to improper workmanship or materials substantially at variance with the architectural plans and specifications, including if such defect is discovered more than one (1) year from the Closing of such Apartment, provided that Sponsor is notified by the Board within thirty (30) days after the Closing to, or first leasing of, the Apartment in which the defect was discovered.

The quality of construction shall be comparable to local standards customary in the particular trade and in accordance with the plans and specifications.

Sponsor shall be deemed to have discharged any obligation it may have with respect to patent or latent defects, as the case may be, if (i) Sponsor is not notified within the time periods specified herein or (ii) the Board and/or the Tenant-Shareholder in question prevents Sponsor, Sponsor's contractors and/or the Managing Agent access to the Building or the Apartment in question as provided herein, or (iii) Sponsor shall have corrected the defect in accordance with the practice of the industry as determined by Sponsor's general contractor or architect or engineer, in their sole discretion.

Sponsor makes no warranties as to kitchen appliances, except that it will assign to the Purchaser any manufacturer's warranties thereon and any manufacturer's warranties existing for other items in Purchaser's Apartment to the extent same are assignable.

Notwithstanding the foregoing, Sponsor will not be responsible for correcting or repairing any latent defects of construction or defects in the installation or operation of any appliances, equipment or fixtures with respect to which assignable warranties or other undertakings (however denoted) from contractors, materialmen, or others, are assigned to the Board or Tenant-Shareholders. In addition, in no event shall the Sponsor be responsible for any condition resulting from (i) normal wear and tear or natural deterioration or from the normal settling or shifting of the Project; (ii) for defects of an insubstantial nature, such as, without limitation, partial or total death of any trees, shrubs, bushes or other landscape improvements, nail pops, ridging on sheet rock walls, lumber shrinkage, door sticking or window sticking due to weather, door warpage, scratches in stone or porcelain surfaces, bath and kitchen tile grouting, walls not square, electrical plates not straight, discoloration or
shrinkage, slight separation between base and floor, (iii) normal settlement and
deflection or any consequential damage resulting therefrom including, without
limitation, cracks in any concrete roof pavers, or concrete cracks which do not
impair the structural soundness of the Building, (iv) variations in any floor levels,
(v) ceiling imperfections, (vi) minor painting defects, (vii) alignment of bathroom
finishes, (viii) air infiltration from windows, (ix) normal plumbing system, heating
system and air conditioning system noises, (x) normal floor noises and creaking, (xi)
carpet or floor discoloring or stretching, (xii) variations in width, length or tone of
wood floor strips, also, normal shrinkage or expansion of wood flooring due to
changes in moisture content of wood, (xiii) repair of chips, scratches, mars, breaks
or other defects in windows and window sashes, sliding glass doors, shower doors,
electrical fixtures and globes, painted surfaces, sinks, tubs, basins, kitchen cabinets
and countertops, vanity tops and cabinets, ceramic tile, marble floors, saddles,
appliances, woodwork and doors, mirrors, hardware, appliance cabinets and
flooring, (xiv) subsequent to the Apartment Closing, paint touch-ups, repairs of
dented appliances, or replacement of fluorescent light ballasts, (xv) cracks or
variations in tone, finish or color of any stone used in bathrooms or cracks,
variations in tone, finish or color of vanity tops or other stone surfaces, (xvi) salting
or color variation in exterior colored mortar and deep colored brick, (xvii) ponding
and/or controlled drainage on the roof surface, or (xviii) cracks in any pressure
treated wood or redwood used or intended for use outside the Building. Sponsor
shall be obligated to repair only abnormally chipped stone or tile and porcelain
surfaces, which repair shall be made by filling the stone or tile or refinishing the
porcelain, but Sponsor shall not be obligated to replace such stone or tile or
porcelain surfaces.

Except as expressly set forth herein, Sponsor has no obligation to correct or repair
any defect or conditions in the Apartments, common areas of the Building. The
foregoing sets forth the entire obligation of Sponsor to correct any defects and none other
shall be implied. Sponsor shall have no obligation to repair or replace any defect
resulting from the failure by the appropriate Tenant-Shareholder or the Board to properly
service or maintain a particular item or items. Additionally, Sponsor shall have no
obligation to repair or replace any defect resulting directly or indirectly from work done
by any individual or entity retained by the Board or any Tenant-Shareholder(s).

Regardless of any of the above disclosures, Sponsor has a duty to construct the
Building in accordance with all applicable codes and the filed plans and specifications.
Any conflict between the above disclosures and Sponsor’s obligation to construct the
Building in accordance with applicable codes and the filed plans and specifications shall
be resolved in favor of the latter.

Leasing and Use of Unsold Apartments; Interim Leases

Sponsor may lease an Apartment to a Purchaser who has paid the requisite Down
Payment and executed a Purchase Agreement which has been countersigned by Sponsor,
for such rent and on such conditions as may be agreed to between Sponsor and Purchaser
(hereinafter, an "Interim Lease"). Interim Leases may be entered into only before the
Cooperative Conversion Date. The term of such Interim Lease shall terminate on the earlier of (i) twelve (12) months from the date of the Interim Lease or (ii) the Apartment Closing Date, subject to earlier termination due to Interim Lessee's default.

Each Interim Lease will provide that an uncured default by Purchaser under the Purchase Agreement with respect to the Apartment which is the subject of the lease will constitute a default under the Interim Lease, entitling Sponsor, at its sole option, immediately to terminate the Interim Lease and the Purchase Agreement. In addition, each Purchase Agreement may provide that an uncured default by Purchaser under any Interim Lease with respect to the Apartment which is the subject of the Purchase Agreement, including but not limited to, payment of rent as and when due, will constitute a default under the Purchase Agreement entitling Sponsor, at its sole option, to immediately terminate such Purchase Agreement and the Interim Lease and exercise any remedies provided therein. Before Sponsor may declare a default by a Purchaser under a Purchase Agreement by reason of an uncured default by such Purchaser under an Interim Lease, Sponsor must either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against such Purchaser as tenant under the Interim Lease, unless such Purchaser has vacate the Apartment.

Additional information concerning Interim Lease Agreements can be located in the section of this Plan entitled "Procedure to Purchase and Close."

All rights accruing to Sponsor under the foregoing provisions concerning leasing and use of Apartments owned by Sponsor shall also accrue to an affiliate or designee of Sponsor.

**Sponsor’s Credit of Funds to Apartment Corporation**

Sponsor shall credit the sum of $11,500,000.00 to the Apartment Corporation over a period of twenty (20) years in accordance with a schedule that is located in Part II of this Plan ("Sponsor’s Credit"). The first installment of Sponsor’s Credit shall commence on the Cooperative Conversion Date and will be used to offset Shareholder’s ground rent for the first year of the Apartment Corporation’s operation, as disclosed in the Apartment Corporation’s first year budget (Schedule B). After the first year of the Apartment Corporation’s operation, the Board of Directors shall be obligated under its By-Laws to apply Sponsor’s Credit solely toward the payment of ground rent. Sponsor’s Credit shall be secured by a guaranty of Sponsor’s affiliate, Toll Brothers, Inc., that shall be delivered to the Apartment Corporation on the Cooperative Conversion Date. Toll Brothers, Inc. is a publicly traded company (NYSE: Tol).

**Artwork Installed by Sponsor**

In the event that the Board of Directors decides, at any time, to remove or replace any of the artwork that was installed by Sponsor in the Building lobby or in any other common areas (including, but not limited to, any sculptures), the Board of Directors shall, prior to disposing of such artwork, offer such artwork back to Sponsor, in writing.
If Sponsor desires for such artwork to be returned to it, such return shall be made expeditiously by the Board of Directors, at the sole cost and expense of the Board of Directors, and at no cost to Sponsor. If Sponsor does not desire for such artwork to be returned to it, as evidenced by Sponsor's written response to the Board of Directors, or by a failure of Sponsor to respond to the Board of Directors within thirty (30) days from the postmark date of such written offer, the Board of Directors shall have the right to transfer such artwork to any other third party. Any artwork that is caused to be transported by the Board of Directors to Sponsor shall be transported in accordance with generally accepted and commercially reasonable industry standards for transporting artwork of the size and value of the artwork being returned (including adequate insurance coverage, which shall be purchased at the Board of Directors' sole cost and expense). The foregoing shall apply irrespective of whether Sponsor owns any Unsold Shares at the time that the Board of Directors determines to dispose of such artwork.
ASSIGNMENT OF PURCHASE AGREEMENTS

No assignment of a Purchase Agreement shall be permitted without Sponsor’s prior written consent, which may be withheld or delayed for any reason or no reason.

Any purported assignment by a Purchaser in violation of the Purchase Agreement will be voidable at the option of Sponsor. Sponsor’s refusal to consent to an assignment will not entitle a Purchaser to cancel the Purchase Agreement or give rise to any claim for damages against Sponsor. Under no circumstances will Sponsor consent to an assignment of the Purchase Agreement in which the Purchaser will receive consideration. If Sponsor, in its sole discretion consents to a Purchaser’s request for an assignment of the Purchase Agreement, the assignee of the Purchase Agreement shall be required to close title to the Apartment on the originally scheduled Closing Date set forth in the Purchase Agreement. If Sponsor, in its sole discretion, consents to a Purchaser’s request for an assignment of the Purchase Agreement, then the Purchaser shall be required to pay Sponsor’s attorneys a fee of $500.00, in advance, for preparation of an assignment agreement and any necessary revisions to the other Closing documents.
REPORTS TO SHAREHOLDERS

The Apartment Corporation, at its sole cost and expense, shall provide a copy of each of the following reports and/or notices to Shareholders annually:

1. An income tax deduction statement prepared by an independent licensed accountant prior to March 15 of each year;

2. An audited annual financial statement of the Apartment Corporation prepared by an independent public accountant; and

3. Notice of the holding of an annual meeting of Shareholders for the purpose of, among other things, election of members to the Board of Directors.

The above dates may be changed pursuant to the Apartment Corporation By-laws and the Proprietary Lease.
In accordance with Section 352-e (9) of the General Business Law, copies of this Plan and all documents referred to herein and all exhibits submitted to the Department of Law in connection with the filing of this Plan will be available at the On-Site Sales Office, or at the office of the Sponsor or at another designated location for inspection and copying by actual and prospective Purchasers of Shares offered by this Plan, and shall remain available for inspection without charge, and for copying at a reasonable charge, for a period of six (6) years following the Cooperative Conversion Date.
GENERAL

There are no lawsuits, administrative proceedings or other proceedings, the outcome of which may materially affect this offering, Sponsor’s capacity to perform all of its obligations under this Plan, the Apartment Corporation, or the operation of the cooperative.

The Premises have not been the subject of any prior cooperative or condominium offerings.

In accordance with the provisions of the laws of the City and State of New York, Sponsor represents that neither Sponsor nor its agents will discriminate against any person because of race, creed, color, national origin, marital status, sex or ancestry or any other basis prohibited by civil rights laws in the sale of Shares offered under this Offering Plan.
SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor adopts the Description of the Property, the Building and Specifications set forth in Part II of the Plan. Sponsor represents that to the best of its knowledge, the "Description of Property and Specifications" set forth in Part II of this Plan accurately summarizes the general nature of the systems, materials, equipment, appliances and fixtures to be contained in the Building on completion of construction, provided same are completed in substantial accordance with the Plans and Specifications. The Description of Property and Specifications was prepared by Barry Rice Architect, PLLC, 37 West 17th Street, 2nd Floor, New York, New York 10011 and is included in this Plan with the consent of said firm.

No bond or other security will be furnished to secure Sponsor’s obligations under this Offering Plan, including but not limited to its obligations to complete construction and obtain a permanent Certificate of Occupancy. (See the Section of the Plan entitled "Rights and Obligations of the Sponsor").
PART II
PURCHASE AGREEMENT

For Shares of The 100 Barrow Street Apartment Corp.
Allocated to Apartment No. _____ in
100 Barrow Street
New York, New York 10014

This PURCHASE AGREEMENT (this “Purchase Agreement” or “Agreement”), dated _____________, 201_, (the “Contract Date”) between 100 Barrow Street LLC, having an office at 75 Broad Street, Suite 2100, New York, New York 10004 (hereinafter "Sponsor"), and ____________________, residing at ____________________, New York___(hereinafter "Purchaser").

PURCHASE PRICE OF SHARES: $________________

PURCHASE PRICE FOR STORAGE SPACE (OPTIONAL): $______________

10% DOWN PAYMENT FOR SHARES: $________________

10% DOWN PAYMENT FOR STORAGE SPACE: $______________
("STORAGE LICENSE FEE DOWN PAYMENT")

BALANCE DUE AT CLOSING $________________

NO. OF SHARES: _________________ APARTMENT NO. _________________

STORAGE SPACE NUMBER: __________________

PURCHASER(S) NAME(S):

(1) __________________________ (2) __________________________

PURCHASER(S) MAILING ADDRESS(ES):

(1) __________________________ (2) __________________________

_________________________________________________________

BROKER (IF ANY): __________________________

PURCHASER’S ATTORNEY: __________________________

ADDRESS OF PURCHASER’S ATTORNEY: __________________________

_________________________________________________________

TELEPHONE: (____) _____-_________ E-MAIL: __________________________

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1. **Receipt of Documents.**

   a. Purchaser represents that Purchaser has received a copy of the Offering Plan for leasehold cooperative ownership of 100 Barrow Street, New York, New York 10014 and all filed amendments thereto (collectively the "Offering Plan" or "Plan") on not less than three (3) business days prior to signing this Agreement and that Purchaser has read the Plan. Purchaser understands that Purchaser and Sponsor are treating the entire content of the Plan and all filed amendments thereto as if they were included in this Agreement.

   b. If Purchaser executed this Agreement without having the opportunity to review the Plan for three (3) business days before signing, Purchaser shall have the right to rescind this Agreement and receive back the Down Payment within seven (7) days after the execution of this Agreement, provided written notice of rescission is personally delivered to Sponsor’s Counsel (as defined in Paragraph 5b, below) by the end of the seventh calendar day after the execution of this Agreement by Purchaser or is mailed to Sponsor’s Counsel and postmarked within the seven (7) day period.

2. **Agreement to Purchase.**

   a. Purchaser agrees to purchase, for the purchase price shown above (the "Purchase Price"), the shares of The 100 Barrow Street Apartment Corp. (the "Apartment Corporation") allocated to the Apartment specified above (the "Shares") and to assume or enter into a proprietary lease appurtenant to the Shares (the "Proprietary Lease"). The Shares and the Proprietary Lease are referred to in this Agreement from time to time collectively as the "Apartment." When this Agreement refers, however, to events "in" or "to" the Apartment, the term "Apartment" as so used shall mean the physical Apartment itself.

   b. **(STORAGE LICENSE--IF APPLICABLE).** Pursuant to the terms set forth in the Storage License Agreement to be dated as of the Closing Date between the Board of Directors of the Apartment Corporation (the "Board of Directors") and Purchaser, a form of which is attached hereto and made a part hereof as Exhibit A (the "Storage License"), Purchaser hereby agrees to license from the Board of Directors the Storage Spaces(s) for the License Fee(s) stated above.

   c. The Down Payment for the Apartment and the Down Payment for the Storage Space license, if any, are collectively referred to as the “Down Payment”.

   d. Purchaser hereby is either (i) delivering Purchaser’s check, in the amount of the Down Payment shown above, made payable to "Seiden & Schein, P.C., as Escrow Agent," for deposit in the Seiden & Schein, P.C. Attorney Escrow Account or (ii) effectuating a wire transfer, in the amount of the Down Payment shown above, to the account of Seiden & Schein, P.C. pursuant to wiring instructions to be provided by Sponsor. When Sponsor signs this Agreement, Sponsor will be acknowledging receipt of Purchaser’s wire transfer or check for the Down Payment shown above, subject to collection. In the event that the Down Payment check is dishonored, this Purchase Agreement shall be deemed terminated. Purchaser understands and agrees that until this Agreement is countersigned and returned to Purchaser, Purchaser shall have no rights as a Purchaser under this Agreement or the Offering Plan.

   e. The Balance Due at Closing (as provided on page 1 of this Purchase Agreement) shall be payable at the Closing (as defined in Paragraph 6) by unendorsed certified
or official bank check of Purchaser, or Purchaser's lender, drawn on a bank or trust company
which is a member of the New York Clearing House Association (or an successor organization)
to the order of Sponsor as otherwise directed by Sponsor.

3. **Agreement to Be Bound by the Documents.** Purchaser agrees to be
bound by the Offering Plan for the sale of shares of the Apartment Corporation which is
incorporated by reference and made a part of this Agreement with the same force and effect as if
set forth in full herein.

4. **Purchaser’s Representations.**
   a. In the event that a temporary or permanent Certificate of Occupancy is
   obtained for the portion of the Building containing the Apartment, and the Offering Plan has
   been declared effective, Purchaser understands and agrees that Purchaser shall be obligated to
   “Close,” as defined below (and in certain instances to “Pre-Close,” as defined below) under this
   Purchase Agreement, upon notice from Sponsor as provided in Paragraph 5 and Paragraph 6,
   below.

   b. Purchaser understands and agrees that Sponsor has the right to make
   changes or substitutions of materials or construction items in the Apartment and/or in the
   Building from those set forth in the Plans and Specifications, subject to the provisions of the
   Plan, and that Sponsor shall have no obligation to perform any extras or special work in the
   Apartment. Purchaser may not enter the Apartment for purposes of inspection until notified by
   Sponsor that Purchaser may inspect the Apartment as set forth in Paragraph 15 of this
   Agreement, and Purchaser may not do work in the Apartment before Purchaser owns the
   Apartment. Purchaser also understands that once Purchaser owns the Apartment, Purchaser may
   not make any alterations in the Apartment (other than decorative) unless and until Purchaser’s
   proposed alteration plans have been reviewed and approved by the Apartment Corporation in
   accordance with the Proprietary Lease or other rules and regulations governing alterations
   adopted by the Apartment Corporation. Purchaser understands that any furniture, decorations,
   paint, wallpaper, built-ins, shelves or electrical fixtures shown in the model Apartments, if any,
   are not included in this sale.

   c. Purchaser has examined or has been given the opportunity to examine, and
   is satisfied with or has waived the examination of the Proprietary Lease and the Apartment
   Corporation's Certificate of Incorporation, By-Laws, and the Ground Lease.

5. **Pre-Closing.**
   a. Notwithstanding anything in this Agreement to the contrary, if this
   Agreement is executed prior to the Cooperative Conversion Date, and once the Offering Plan has
   been declared effective, and at least a Temporary Certificate of Occupancy for the Apartment has
   been issued, Sponsor reserves the right to permit, and in certain instances described below to
   require, that Purchaser ”Pre-Close” under this Agreement on at least thirty (30) days’ written
   notice of the Pre-Closing date (the “Scheduled Pre-Closing”). To “Pre-Close” means that
   Purchaser shall (a) pay all monies due in connection with the purchase into escrow, (less the
   amount to be financed by Purchaser), (b) sign all Escrow Closing Documents, as defined below
   (which also will be held in escrow), and (c) at Sponsor’s discretion, enter into an "Interim Lease"
   for the Apartment, all as described in this Paragraph 5. If Purchaser Pre-Closes and enters into an
   Interim Lease for the Apartment, Purchaser will be permitted to take occupancy of the
Apartment prior to the Apartment Closing Date, as defined in the Offering Plan. Sponsor reserves the right to require Purchaser to Pre Close as a condition of entering into an Interim Lease.

b. At Purchaser's Pre-Closing, if applicable, Purchaser will be obligated to pay the Balance Due at Closing (less the amount to be financed) into escrow ("the Escrow Account") with Seiden & Schein, P.C. (the "Escrow Agent" or "Sponsor's Counsel"). Payment must be by unendorsed personal certified check of Purchaser (a "Certified Check") or unendorsed official bank check (a "Bank Check"), in either case drawn on a New York Clearinghouse bank and payable to Escrow Agent.

c. A Purchaser who Pre-Closes in accordance with the Plan, who delivers the entire Balance Due at Closing at the Pre-Closing and who is not in default under this Agreement on the Cooperative Conversion Date will become a Tenant-Shareholder on the Cooperative Conversion Date.

d. All funds deposited and held in the Escrow Account on account of the Purchase Price are referred to in this Purchase Agreement as "Escrow Funds".

e. The Pre-Closing shall occur at the offices of Sponsor's Counsel, located at 570 Lexington Avenue, 14th Floor, New York, New York 10022. At Pre-Closing, in addition to paying the Balance Due at Closing, Purchaser will be required to deliver to Escrow Agent Purchaser's personal certified checks payable to Sponsor in an amount equal to two (2) months' Maintenance to make a contribution or to reimburse Sponsor for its contribution to establish the Working Capital Fund as described in the Plan (the "Working Capital Fund Check"). Also at the Pre-Closing, Purchaser must pay by Certified Check or Bank Check the non-refundable Closing Fee in the amount of $3,000 to Sponsor's Counsel, or as Sponsor otherwise directs, as described in the Plan (the "Closing Fee Check"). If the Pre-Closing does not take place at the office of Sponsor's Counsel, Purchaser will pay a fee of $500.00 to Sponsor's Counsel for travel within the five boroughs of New York City; a $1,000.00 fee shall apply to Purchaser for travel outside of New York City. Such travel fees shall be in addition to the $3,000 Closing Fee. Purchaser also must deliver to Escrow Agent at the Pre-Closing, a Certified Check or Bank Check payable to the New York City Department of Finance in the amount of the New York City transfer tax ("NYC RPT Tax") and the New York State transfer tax ("NYS Transfer Tax") due in connection with this transaction, if any, (plus the then applicable filing fees) attributable to the transaction. This check is referred to as the "Transfer Tax Check." To the extent that any credit is available against the NYC RPT Tax and/or the NYS Transfer Tax on account of such taxes paid by Sponsor on the Cooperative Conversion Date, the Purchaser shall deliver a certified check payable to the Sponsor in the amount of such credit and the Transfer Tax Check shall be reduced accordingly. At the Pre-Closing, Purchaser also will be required to execute the Proprietary Lease or, at Sponsor's sole discretion, an assumption thereof, the NYC Real Property Transfer Tax Return and NYS Form TP-584, smoke detector affidavit and all other documents necessary to consummate the purchase under this Agreement (all such documents signed at the pre-closing are referred to collectively as the "Escrow Closing Documents"). An additional fee of $500.00 shall be due and payable to Sponsor's attorneys for any previously scheduled Pre-Closing which is adjourned by Purchaser less than five (5) business days before such Pre-Closing is scheduled to occur.

f. The Escrow Funds, the Working Capital Fund Check, the Transfer Tax Check and the Escrow Closing Documents shall be held in escrow by Escrow Agent until the
later of the Cooperative Conversion Date or Purchaser's Apartment Closing Date, at which time
the Escrow Funds, the Working Capital Fund Check, the Transfer Tax Check and the Escrow
Closing Documents will be disbursed in accordance with the terms of this Agreement and the
Offering Plan. If the Plan is abandoned, the Escrow Funds, plus interest earned thereon, the
Working Capital Fund Check, and the Transfer Tax Checks shall be returned to Purchaser, the
Escrow Closing Documents will become void and of no force and effect, and Escrow Agent will
have no further responsibilities or liabilities with respect thereto. The Closing Fee Check(s) will
not be held in escrow and the Closing Fee will not be refundable to Purchaser under any
circumstances.

g. If Purchaser Pre-Closes, Purchaser will adjust with the Apartment
Corporation or Sponsor as of the Apartment Closing Date for rent due under the Interim Lease (if
any) and Maintenance due to the Apartment Corporation under the Proprietary Lease, for the
month in which the Apartment Closing Date occurs. If the Apartment Closing Date is the first
of the month, Purchaser will be responsible for Maintenance rather than Interim Lease rent that
month, and will be obligated to pay the Maintenance directly to the Apartment Corporation.

h. If Purchaser Pre-Closes without entering into an Interim Lease, Purchaser
will nevertheless be required to pay the first month's Maintenance Charges into escrow with
Escrow Agent, to be released and adjusted between Purchaser and the Apartment Corporation
when the Escrow Funds are released to Sponsor and/or the Apartment Corporation, or returned to
Purchaser upon abandonment of the Plan.

i. Escrow Closing Documents of a Purchaser who Pre-Closed but who did
not become a Tenant-Shareholder on the Cooperative Conversion Date (e.g., failure to pay the
entire Balance due at Closing at the pre-closing), will be released on Purchaser's Apartment
Closing Date, when and if Purchaser pays the entire Balance Due at Closing to Sponsor and/or
otherwise complies with Purchaser's obligations under this Agreement and the Plan. At the time
Purchaser closes under this Purchase Agreement, the Escrow Funds will be released from escrow
to Sponsor and any interest earned on the Escrow Funds will be delivered to Purchaser.

6. **Apartment Closing Date.**

a. If Purchaser has not Pre-Closed on the Apartment, as described in
Paragraph 5 hereof, or if this Agreement is executed after the Cooperative Conversion Date,
Sponsor will notify Purchaser after the Cooperative Conversion Date, at least thirty (30) days in
advance, as to the "Apartment Closing Date" and the time of Closing ("Sponsor's Closing
Notice"). "Apartment Closing Date" and "Closing" refer to the time at which Purchaser (i) pays
the entire Balance Due at Closing for the Apartment and all associated Closing costs required
pursuant to this Agreement and the Plan, (ii) executes all documents required under the Plan to
be executed on the Apartment Closing Date, and (iii) thereby becomes a Tenant-Shareholder.
The date scheduled for Closing in Sponsor's Closing Notice is called the "Originally Scheduled
Closing Date." Purchaser shall pay the Balance Due at Closing by unendorsed personal certified
check ("Certified Check") or official bank check ("Bank Check"), in either case drawn on a New
York Clearinghouse Bank, payable to the order of Sponsor, or to any other person(s) or
entity(ies) Sponsor designates or directs.

b. The Closing shall occur at the offices of Sponsor's Counsel, located at 570
Lexington Avenue, 14th Floor, New York, New York 10022. If Purchaser does not Pre-Close, as
described above and in the Plan, Purchaser will be required to deliver to Sponsor, on Purchaser's
Apartment Closing Date, in addition to the Balance Due at Closing, the following payments and documents:

(i) Purchaser’s unendorsed Certified Check or Bank Check (in either case drawn on a New York Clearinghouse Bank) payable to Sponsor in an amount equal to two (2) months’ Maintenance allocated to the Apartment to reimburse Sponsor for Sponsor’s contribution on the Cooperative Conversion Date made on Purchaser’s behalf to establish the Working Capital Fund and Purchaser’s unendorsed Certified Check or Bank Check (in either case drawn on a New York Clearinghouse Bank);

(ii) Purchaser’s unendorsed Certified Check or Bank Check (in either case drawn on a New York Clearinghouse Bank) payable to Sponsor's Counsel, or as Sponsor otherwise directs, in the amount of $3,000 for the “Closing Fee”. In addition, for Closings that take place outside of the office of Sponsor’s counsel, Seiden & Schein, P.C., 570 Lexington Avenue, 14th Floor, New York, New York 10022, a travel fee, payable by Purchaser’s unendorsed Certified Check or Bank Check (in either case drawn on a New York Clearinghouse Bank) payable to Seiden & Schein, P.C., in the amount of $500.00 (for Closings occurring within New York City) or $1,000.00 (for Closings occurring outside of New York City). An additional fee of $500.00 shall be due and payable to Sponsor's attorneys for any previously scheduled Closing which is adjourned by Purchaser less than five (5) business days before such Closing is scheduled to occur. In addition to any other rights Sponsor may have by reason of Purchaser's failure to timely close title to the Shares when required, Sponsor shall be reimbursed by Purchaser for the cost of any Maintenance Charges which Sponsor would not otherwise have had to pay if there had been no unauthorized delay in closing of title to the Shares by Purchaser.

(iii) a duly completed and executed New York City Real Property Transfer Tax return (the “RPT Tax Return”), together with a duly completed and executed Smoke Detector Affidavit, both signed before a notary public, a duly completed and executed Form TP-584 (the “NYS Transfer Tax Return”) to be filed by Sponsor with the City of New York, together with Purchaser’s Certified Check or Bank Check payable to the New York City Department of Finance in the aggregate amount of the New York City transfer tax (“NYC RPT Tax”) and the New York State transfer tax (“NYS Transfer Tax”) due for the transaction, if any, plus all then applicable administrative filing fees due in connection therewith (the “Transfer Tax Check”) or, to the extent that any credit is available against the NYC RPT Tax and/or the NYS Transfer Tax on account of such taxes paid by Sponsor on the Cooperative Conversion Date, the Purchaser shall deliver a certified check payable to the Sponsor in the amount of such credit, and the Purchase’s Transfer Tax Check shall be reduced accordingly. Any credits available against the NYC RPT Tax and the NYS Transfer Tax previously paid shall inure to the benefit of the Sponsor. Accordingly, on the Apartment Closing Date, a Purchaser will be responsible to pay the full amount of the transfer taxes due and payable by the Purchaser in connection with the Purchase of the Apartment (assuming no credits were available) by paying the portion payable to the taxing authorities and the amount of the credit available to the Sponsor.

(iv) a check payable to Sponsor in reimbursement for per diem Maintenance Charges paid by Sponsor during the month in which the Closing occurs, or depending on the date of the Closing, a check payable to the Apartment Corporation for that month’s Maintenance;

(v) any other documents required pursuant to this Agreement or the terms of the Plan.
c. Sponsor shall have the right, from time to time, to adjourn the Originally Scheduled Closing Date for any reason whatsoever on written notice to Purchaser. If adjourned by Sponsor, Sponsor shall fix a new date and time for the Closing and shall give Purchaser not less than five (5) days written notice of the newly scheduled Apartment Closing Date (the “Rescheduled Closing Date”).

e. If Purchaser has inspected the Apartment as described in Paragraph 15 of this Agreement and has noted certain punchlist items which Sponsor has agreed to attend to, Purchaser shall nevertheless be obligated to close under this Agreement on or about the Originally Scheduled Closing Date or Rescheduled Closing Date (or on the date of the scheduled Pre-Closing, as defined below, if applicable). Unfinished items specified on the Punchlist will be completed by Sponsor within a reasonable period of time following the Closing (or Pre-Closing, as applicable), subject to force majeure delays, provided Purchaser permits Sponsor reasonable access to complete the work, as described in the Plan and in Paragraph 15 of this Agreement.

f. On the Apartment Closing Date, Purchaser will receive a Proprietary Lease and a certificate for the Shares in the name of Purchaser. Purchaser will also receive a written statement by the Apartment Corporation or its Managing Agent setting forth the amount and payment status of Maintenance Charges and assessments, if any, attributable to the Apartment. If the Shares and Proprietary Lease are to be conveyed or assigned, as applicable, to a Purchaser comprising more than one person, all co-purchasers must (i) execute this Agreement; (ii) be present at the Closing; and (iii) sign all Closing documents.

g. (IF APPLICABLE) At the Closing, Sponsor shall deliver to Purchaser a Storage License, which has been executed by the Board of Directors, and Purchaser shall co-execute such Storage License at the Closing.

7. **Liability to Convey Shares and Proprietary Lease; Liability for Adjournments.**

a. Sponsor's liability under this Agreement for Sponsor’s or the Apartment Corporation’s failure to deliver the Shares and the Proprietary Lease for any reason, shall be limited to the return of Purchaser's Down Payment paid hereunder, together with interest earned thereon, if any. Upon the return of Purchaser’s Down Payment, together with interest earned thereon, if any, this Agreement shall be null and void and Purchaser and Sponsor and the Apartment Corporation will be released from any and all liability to each other. In any event, Sponsor shall not be required to bring any action or proceeding or otherwise incur any expense to render title to the Shares and Proprietary Lease marketable or to cure any objection to title.

b. If Sponsor or Purchaser delays or adjourns the Closing, Sponsor and/or the Apartment Corporation shall not be liable for the costs, if any, Purchaser incurs as a result of the delay or adjournment, or for any other damages whatsoever.

8. **Mortgage Application.**

8.1 A Purchaser who desires mortgage financing shall in good faith make a truthful and complete loan application to TBI Mortgage Company (“TBI”), 250 Gibraltar Road, Horsham, Pennsylvania, 19044, (Telephone: 1-866-327-8173) at no cost to Purchaser within
eighteen (14) days of Purchaser’s execution of this Purchase Agreement (“Mortgage Application Period”), under the conditions herein stated. Purchaser may also submit an application, at Purchaser’s own expense, to any mortgage lender of Purchaser’s choosing within the Mortgage Application Period. If Purchaser chooses to apply to a lender other than TBI, Purchaser shall, within the Mortgage Application Period, complete and return to Sponsor the Request for Lender Information form attached as Exhibit B to this Purchase Agreement.

8.2 Purchaser shall furnish, within five (5) days of any request, all information required by any lender. Purchaser agrees immediately to send Sponsor copies of any notice from Purchaser’s lender(s) rejecting Purchaser’s loan application(s). If Purchaser is not approved for a mortgage within sixty (60) days after the date of Purchaser’s execution of this Purchase Agreement, Sponsor shall have the right (but not the obligation) to extend the mortgage application approval process until such time as: (1) Sponsor submits a loan application on substantially the same terms described TBI loan application to one (1) additional lender chosen by Sponsor, with no additional application fee to Purchaser, or (2) Sponsor declares this Purchase Agreement null and void in which event all sums paid on account of the Purchase Price and extras shall be returned to Purchaser with interest, if any earned thereon, and neither party shall have any further rights or liabilities hereunder.

8.3 Purchaser agrees within five (5) days of receipt (i) to accept a loan commitment from the lender that Purchaser intends to use for settlement and (ii) to mail an executed copy of the commitment to Sponsor. Purchaser further agrees to execute all documents and pay all fees required to consummate the mortgage transaction. SPECIAL RISKS: By accepting the loan commitment, Purchaser agrees to be responsible for and bear the risk of meeting all conditions, if any, including but not limited to, the sale of other real estate presently owned by Purchaser. Purchaser’s failure to fulfill any of such conditions or the termination or expiration of the mortgage commitment after it is received, for any reason, shall not release Purchaser from its obligations under this Purchase Agreement. Purchaser shall be obligated to close title to the Shares irrespective of whether Purchaser’s lender funds Purchaser’s mortgage loan.

8.4 If Purchaser has no intention to seek financing from any lender, then Purchaser is required to sign the “True Cash Sale Endorsement,” in the form attached to the Purchase Agreement as Exhibit C which excuses Purchaser from the obligation to complete and return the TBI Mortgage Application. Purchaser understands and acknowledges that by signing the True Cash Sale Endorsement, Purchaser’s desire to purchase an Apartment will be evaluated on Purchaser’s present financial ability to complete the purchase without financing.

9. **Closing Apportionments.** Subject to the provisions of Paragraph 5 of this Agreement, as of Purchaser’s Apartment Closing Date, Sponsor and/or the Apartment Corporation and Purchaser will apportion between themselves the Maintenance Charges attributable to the Apartment for the month in which the Closing occurs, so that Purchaser shall pay Maintenance Charges commencing at midnight on Purchaser’s Apartment Closing Date.

10. **Sponsor’s Rights If Purchaser Fails to Keep Promises and Agreements.**

a. If Purchaser fails to pay the Balance Due at Closing on the Originally Scheduled Closing Date or any Rescheduled Closing Date thereof, or if Purchaser is in default with respect to the Pre-Closing requirements of the Plan or under any Interim Lease entered into
in connection with a Pre-Closing or otherwise, or if when Sponsor or the Apartment Corporation
tender Purchaser the Shares and Proprietary Lease (or an assignment thereof), Purchaser does not
then sign any of the documents referred to in the Plan which Purchaser is required to sign, or if
Purchaser violates, repudiates or fails to perform any of the terms of this Agreement or fails to
keep any other promise contained in this Agreement, Purchaser shall be in default hereunder, and
Sponsor shall be entitled to terminate this Agreement.

b. Before Sponsor may terminate this Agreement and keep Purchaser's Down
Payment, Sponsor must send notice to Purchaser of Sponsor's intention to cancel this Purchase
Agreement if such default shall not be cured within thirty (30) days from the mailing date of
such notice. **TIME IS OF THE ESSENCE FOR PURCHASER TO CURE ANY DEFAULT
UNDER THIS PURCHASE AGREEMENT WITHIN SUCH THIRTY (30) DAY PERIOD.**
“Time is of the essence” means that if such default is not cured within thirty (30) days from the
mailing date of such written notice, Sponsor may (but shall not be obligated to) elect to cancel
this Agreement by notice of cancellation to Purchaser sent after the cure period has expired. In
the event that Sponsor shall elect to cancel this Agreement, Sponsor shall advise its attorneys,
Seiden & Schein, P.C., of Purchaser’s default and that Sponsor has elected to cancel this
Agreement by reason thereof, and Seiden & Schein, P.C., in accordance with Paragraph 11
hereunder, shall cause to have paid over to Sponsor, as liquidated damages, the Down Payment
and the interest earned thereon (if any), and upon such payment being made, each of the parties
hereto shall be relieved of any further liabilities or obligations hereunder, except as to provisions
in this Purchase Agreement which specifically survive the cancellation of this Agreement. If this
Agreement shall be canceled by Sponsor pursuant to the provisions of this Paragraph 10,
Sponsor may sell the Shares to any third party and shall be under no obligation to account to
Purchaser for any part of the proceeds of such sale. Seiden & Schein, P.C. may rely upon the
truth and accuracy of the facts contained in Sponsor’s certification and the authority of the
person or persons executing the same and shall have no liability as a result of such reliance.

c. **AFTER THE THIRTY (30) DAY (TIME BEING OF THE ESSENCE)
CURE PERIOD EXPIRES, IF PURCHASER’S DEFAULT REMAINS UNCURED, SPONSOR
MAY ALSO COMMENCE EVICTION PROCEEDINGS AGAINST PURCHASER IF
PURCHASER IS IN OCCUPANCY UNDER AN INTERIM LEASE OR OTHER
OCCUPANCY AGREEMENT AND FAILS TO VACATE THE APARTMENT, AND
THEREAFTER SELL THE APARTMENT TO ANOTHER PURCHASER AS IF THIS
AGREEMENT HAD NEVER BEEN MADE.

11. Deposit To Be Held in Trust; Down Payments to be Secured by Surety
Bonds.

a. The law firm of Seiden & Schein, P.C., with an address at 570 Lexington
Avenue, 14th Floor, New York, New York 10022, telephone number (212) 935-1400, shall serve
as escrow agent (the "Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated
Jay G. Seiden, Esq., Alvin Schein, Esq. and Adam A. Levenson, Esq. to serve as signatories on
the “Escrow Account,” as defined below. Each designated signatory is admitted to practice law
in the State of New York. Neither the Escrow Agent nor any authorized signatories on the
account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any
beneficial interest in the Escrow Account.
b. Subject to Section 20 hereof, Escrow Agent and all authorized signatories hereby submit to the jurisdiction of the State of New York and its courts for any cause of action arising out of this Purchase Agreement or otherwise concerning the release of the Deposit (as defined below) from Escrow.

c. The required Down Payment pursuant to this Purchase Agreement will be ten percent (10%) of the Purchase Price for the Shares. All monies, including the Down Payment and advances received by Sponsor (collectively, "Deposits") through its agents or employees pursuant to this Purchase Agreement either prior to or subsequent to the Consummation of the Plan will be deposited by Escrow Agent in a segregated, special escrow account or accounts titled "Seiden & Schein, P.C., Attorney Escrow Account", or similar name, with the name of Purchaser and Apartment number added to the title of a sub-account with Citibank, N.A. at its branch located at 399 Park Avenue, New York, New York (the “Escrow Account”). Such account or accounts shall be interest bearing if so requested by Purchaser in accordance with Section 71-a(3) of the Lien Law. The Escrow Account is not an IOLA account. The Escrow Account is federally insured by the FDIC to the maximum amount of $250,000. Such $250,000 coverage includes, in the aggregate, the Down Payment, plus any and all other deposits that Purchaser has on account at Citibank, N.A. Any Purchaser deposits at Citibank, N.A. (including the Down Payment) which, in the aggregate, exceed $250,000 will not be insured by the FDIC. Such funds will be held in trust in accordance with the escrow and trust provisions of Sections 352(h) and 352-e(2-b) of the New York General Business Law, the terms and conditions of the Offering Plan, and the Regulations promulgated pursuant to said Section 352-e(2-b) by the Attorney General's Office. Down Payments, with any accumulated interest, shall remain the property of Purchaser, except as provided by law, and as provided herein. Any Federal 1099 forms or other tax forms required to be forwarded by Escrow Agent to recipients of interest will be mailed by Escrow Agent to Purchaser (or to the designated interest-earning recipient of Purchaser, if Purchaser comprises two or more parties).

d. All Deposits tendered by Purchaser shall be in the form of a check which identifies Purchaser, and is made payable by Purchaser to the order of Seiden & Schein, P.C., as Escrow Agent.

e. Within five (5) business days after this Purchase Agreement has been executed by Purchaser, Sponsor, and Escrow Agent, Escrow Agent shall place the Deposit into the Escrow Account. Within ten (10) business days after the Deposit has been placed into the Escrow Account, Escrow Agent shall send written notice to the Purchaser and Sponsor. The notice shall provide the account number and the initial interest rate to be earned on the Down Payment.

f. If Purchaser does not receive written notice of such deposit within fifteen (15) business days after tender of the executed Purchase Agreement and Deposit, he or she may cancel this Purchase Agreement within ninety (90) days after tender of the executed Purchase Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, New York 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Down Payment was timely placed in the Escrow Account in accordance with the New York State Department of Law’s regulations concerning deposits and requisite notice was timely mailed to the Purchaser.
g. All Deposits received in connection with this Purchase Agreement, are and shall continue to be the Purchaser’s money, and may not be comingle[led with any other money or pledged or hypothecated by Sponsor, as per GBL § 352-h.

h. Under no circumstances shall Sponsor seek or accept release of the Down Payment of a defaulting Purchaser until after Consummation of the Plan. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-e and 352-h.

i. The Escrow Agent shall release the Down Payment if so directed:

(i) upon closing on the Shares pursuant to terms and conditions set forth in this Purchase Agreement; or

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

(iii) by a final, non-appealable order or judgment of a court of competent jurisdiction.

(iv) pursuant to the terms of an award issued upon the completion of binding arbitration conducted in accordance with Paragraph 20 herein.

In the event that the Down Payment is to be released pursuant to an arbitration award pursuant to paragraph (iv), above, Escrow Agent shall release such Down Payment no earlier than ninety (90) days after the delivery such award determination to Sponsor and Purchaser.

IF THE ESCROW AGENT IS NOT DIRECTED TO RELEASE THE DOWN PAYMENT PURSUANT TO PARAGRAPHS (I) THROUGH (IV) ABOVE, AND THE ESCROW AGENT RECEIVES A REQUEST BY EITHER PARTY TO RELEASE THE DOWN PAYMENT, THEN THE ESCROW AGENT MUST GIVE BOTH THE PURCHASER AND SPONSOR PRIOR WRITTEN NOTICE OF NOT FEWER THAN THIRTY (30) DAYS AFTER THE EXPIRATION OF THE THIRTY (30) DAY DEFAULT CURE PERIOD (TIME BEING OF THE ESSENCE), AS PROVIDED IN PARAGRAPH 10 HEREOF, BEFORE RELEASING THE DOWN PAYMENT (THE “30 DAY ESCROW NOTICE”). If the Escrow Agent has not received notice of objection to the release of the Down Payment prior to the expiration of the 30 Day Escrow Notice, the Down Payment and shall be released to Sponsor as liquidated damages and the Escrow Agent shall provide further written notice to both parties informing them of said release. If the Escrow Agent receives a written notice from either party objecting to the release of the Down Payment within the thirty (30) day period pursuant to the 30 Day Escrow Notice, the Escrow Agent shall continue to hold the Down Payment until otherwise directed pursuant to paragraphs (i) through (iv) above. Notwithstanding the foregoing, the Escrow Agent shall have the right at any time to deposit the Down Payment contained in the Escrow Account with the New York County Clerk and shall give written notice to both parties of such deposit.

J. Sponsor shall not object to the release of the Down Payment to:

(i) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan or an Amendment to the Plan; or
(ii) all Purchasers after an Amendment abandoning the Plan is accepted for filing by the Department of Law.

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

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

l. Escrow Agent shall maintain the Escrow Account under its direct supervision and control.

m. A fiduciary relationship shall exist between Escrow Agent, and Purchaser, and Escrow Agent acknowledges its fiduciary and statutory obligations pursuant to GBL §§ 352-e and 352-h.

n. Escrow Agent may rely upon any paper or document which may be submitted to it in connection with its duties under this Purchase Agreement and which is believed by Escrow Agent to be genuine and to have been signed or presented by the proper party or parties and shall have no liability or responsibility with respect to the form, execution or validity thereof.

o. Sponsor agrees that it shall not interfere with Escrow Agent's performance of its fiduciary duties and statutory obligations as set forth in GBL §§ 352-e and 352-h and the New York State Department of Law's regulations.

p. Prior to release of the Down Payment, Escrow Agent's fees and disbursements shall neither be paid by Sponsor from the Down Payment nor deducted from the Down Payment by any financial institution under any circumstance.

q. In the event of an uncured default by Purchaser in its obligations under this Purchase Agreement, the Down Payment and all other monies deposited by Purchaser with Escrow Agent or Sponsor pursuant to this Purchase Agreement or any amendment thereto, plus all interest earned thereon, shall be paid over to Sponsor as liquidated damages. Sponsor agrees not to seek the remedy of specific performance for the payment of the Balance of the Purchase Price in connection with this Purchase Agreement as to which there has been a default by Purchaser.

r. Notwithstanding the foregoing, in accordance with the Plan Sponsor intends to secure Down Payments made by Purchasers pursuant to this Purchase Agreement with surety bonds issued by North American Specialty Insurance Company ("NASIC") NASIC is licensed to write insurance in the State of New York. A copy of NASIC's specimen bond located in Part II of the Plan.
(i) All Down Payments received after the Filing Date, shall be initially placed, within five (5) business days after the Purchase Agreement has been signed by Purchaser and Sponsor, in a segregated special escrow account titled, “Seiden & Schein, P.C., Attorney Account,” as described herein. Such Down Payments shall be released by Seiden & Schein, P.C., as Escrow Agent, to the Sponsor, upon receipt by Escrow Agent of a copy of the surety bond issued to the Purchaser whose funds are being released.

(ii) A surety bond shall be issued to each Purchaser in the amount of his or her Down Payment. The bond shall remain in full force and effect until the earlier of the conveyance of title of the subject Apartment; an undisputed default by the Purchaser and cancellation of the Purchase Agreement; or mutual consent of the Purchaser and Sponsor. Upon the issuance of the bond, the Purchaser’s Down Payment shall be released from escrow.

(iii) Sponsor shall cause NASIC to mail or personally deliver the surety bond to the Purchaser before the funds are released to the Sponsor from the escrow account. The Sponsor, Escrow Agent and NASIC shall each retain a copy of the surety bond.

(iv) In the event that a Purchaser whose Down Payment has been released from escrow and is secured by a surety bond becomes entitled to a refund of the Down Payment, the Purchaser shall be required to collect it from NASIC. A Purchaser who becomes entitled to a refund of his or her Down Payment shall have the right to demand payment of the amount secured by the surety bond directly from NASIC, without first requesting payment from Sponsor. NASIC shall be obligated to pay the amount secured by the bond to the Purchaser without the consent or despite the objection of the Sponsor, upon the following events or circumstances:

1) timely rescission of a Purchase Agreement by a Purchaser pursuant to an offer of rescission contained in the Offering Plan or an amendment to the Offering Plan;

2) acceptance for filing by the Department of Law of an amendment abandoning the Offering Plan;

3) a determination by the Department of Law that rescission or the return of funds is required;

4) failure by the Sponsor to obtain a commitment by NASIC to renew the surety bond 60 days prior to its expiration;

5) direction by the Sponsor, upon request by the Purchaser.

A Purchaser’s inability to produce a copy of the surety bond shall not be a basis for NASIC to reject the Purchaser’s claim. NASIC shall retain a copy of the bond and shall pay the secured funds to the Purchaser without a copy of the bond as long as the Purchaser is able to provide proof of identity as the obligee on the bond.

12. **Agreement Subject to Plan being Declared Effective.** This Agreement is contingent upon Sponsor declaring the Plan effective. Sponsor has the right to abandon the Plan at any time before Sponsor declares the Plan effective. If the Plan is abandoned for any reason, Purchaser will, within forty-five (45) days thereafter, receive a refund in full of Purchaser’s Down Payment and any interest earned thereon, if Purchaser is entitled to the interest
hereunder or under the Plan. After Purchaser receives such refund neither Sponsor nor Purchaser will have any claim or cause of action against the other and neither party will have any further obligation under this Agreement.

13. **Risk of Loss: Casualty.**

   a. The signing of this Agreement by Purchaser signifies Purchaser’s acceptance of the condition of the Property as represented by Sponsor in the Offering Plan, including the Building, and the Apartment and all fixtures, machinery, equipment, furnishings, appliances, installations and other personal property contained therein (hereinafter collectively called “Installations”) in their respective existing conditions, ordinary wear and tear excepted between the date Purchaser signs this Agreement and delivery of the deed to Purchaser. Purchaser acknowledges having read the Section entitled “Description of Property and Specifications” set forth in Part II of the Offering Plan, which sets forth a description of the physical condition of the Building, and acknowledged having been given the opportunity to review the reports referred to in the Section of the Offering Plan entitled “Description of Property and Specifications” Purchaser understands that Sponsor has no obligation to make any repairs, improvements or decorations in or to the Property, the Building, the Apartment or the Installations, except as may otherwise be set forth in the Offering Plan.

   b. Prior to the conveyance of Shares and the execution of a Proprietary Lease to an Apartment, no Purchaser shall be permitted to enter the Apartment without the prior consent of Sponsor. Purchaser shall have the right to enter and inspect the Apartment on one (1) occasion prior to the Closing in the presence of Sponsor’s representative, upon making an inspection appointment with Sponsor’s representative as set forth in Paragraph 15 of this Agreement. Under no circumstances shall Purchaser perform or cause to be performed any work in the Apartment prior to the Closing thereto. Purchaser understands that the existence of any incomplete items of construction or Punchlist items, per Paragraph 15 of this Agreement, at Closing which do not materially affect the use and operation of the Apartment shall not be grounds for Purchaser to adjourn the Closing, or to refuse to pay the balance of the Purchase Price for the Shares and execute the Proprietary Lease, or to otherwise seek rescission of this Agreement.

   c. Except as set forth below, the risk of loss from fire or other casualty with respect to the Apartment shall remain with Sponsor until the Closing for the Apartment. Sponsor, at its sole discretion, reserves the right to either (i) repair or restore such Apartment, whereupon Purchaser shall be obligated to close without an abatement in the Purchase Price, or (ii) not repair or restore, or having completed any such repair or restoration, to thereafter elect not to complete such repairs or restoration, and in either case, cancel this Agreement, in which event, Sponsor shall terminate this Purchase Agreement and return Purchaser’s Down Payment, plus all interest accrued thereon. Subsequent to the filing of an amendment substantiating effectiveness of the Offering Plan, Sponsor may be required to repair or restore as set forth below. Notwithstanding the above, in the event that Purchaser, or one claiming by or through Purchaser, enters into possession of the Apartment prior to the Closing, then Purchaser shall bear the risk of loss or other casualty with respect to the Apartment, except as otherwise provided in the Offering Plan. Additionally, Purchaser shall be solely responsible for any damage to, or loss or other condition in the Apartment and Sponsor shall not be obligated to repair any damages to the Apartment or his appliances, fixtures and equipment, except as otherwise provided in the
Offering Plan. However, Purchaser does not assume the risk of loss to the Apartment if the cause of such loss originated outside his Apartment and did not result from the acts of Purchaser or the other occupants of the Apartment or Purchaser's guests, invitees or workmen. If Purchaser is obligated to repair the damage in accordance with the foregoing, then his failure to repair the damage shall not excuse him from paying the balance due under this Purchase Agreement, executing a Proprietary Lease, and accepting the Shares to the Apartment.

d. With respect to all risk of loss after an amendment substantiating effectiveness of the Offering Plan has been filed but prior to Closing, Sponsor is not obliged or liable to repair the damage or restore the Apartment other than to repair damage or destruction from fire or other casualty to the Property to the extent of an aggregate of an amount equaling one half of one percent of the Total Offering Price set forth on the front cover of the Offering Plan (minus certain amounts which Sponsor is required to spend to cure or comply with any work order from an insurer or to cure or comply with a defect in title or hazardous or dangerous condition against the Property which did not exist on the date of acceptance of the Offering Plan). If Sponsor or, after the Cooperative Conversion Date, the Shareholders, elect to repair or replace the loss or damage which Sponsor is not required to repair or replace, (i) this Agreement shall continue in full force and effect, (ii) Purchaser will not have the right to reject the Shares or to receive a credit against, or abatement of, the Purchase Price, and (iii) Sponsor will be entitled to a reasonable period of time to complete (or to permit the Apartment Corporation, as the case may be, to complete) such repairs or replacements. Purchaser will not be required to pay the balance of the Purchase Price unless and until (i) the Apartment has been substantially repaired to as near as reasonably possible to its condition immediately prior to the casualty, and (ii) its essential services (such as gas, electricity and heat) and a reasonable means of ingress and egress to the street have been restored. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss will belong entirely to Sponsor (subject to the rights, if any, of other Shareholders) and if such proceeds are paid to Purchaser, Purchaser will promptly, upon receipt, turn them over to Sponsor. The provisions of the preceding sentence will survive the Closing.

e. In the event Sponsor is not obligated to restore or repair as set forth above and notifies Purchaser that it does not elect to repair or restore the Apartment, or if the Shareholders do not resolve to make such repairs or restoration pursuant to the Apartment Corporation's Bylaws, as the case may be, this Agreement will be deemed canceled and of no further force or effect and Sponsor will instruct its attorneys to return to Purchaser all sums deposited hereunder (with interest, if any), whereupon the parties will be released and discharged from all obligations and liability hereunder and under the Offering Plan, except that if Purchaser is in default hereunder (beyond the applicable grace period, if any), Sponsor will retain the sums deposited hereunder as liquidated damages.

14. Notices. Any notice (including a letter, request, consent or other communication) which either party wants to give to the other concerning items relating to the sale and purchase of the Shares and Proprietary Lease, or the Closing under this Agreement, must be in writing and must be sent by registered or certified mail, return receipt requested, to the respective addresses shown on page one of this Agreement. Purchaser will send a copy of any notice Purchaser gives Sponsor to Seiden & Schein, P.C., 570 Lexington Avenue, New York, New York 10022, Attn: Alvin Schein, Esq. or to such other law firm as Sponsor may designate. Sponsor and Purchaser can specify a different address for themselves by giving notice.
of it to the other. A notice shall be considered given five (5) days after the date it is mailed, except that a notice of an address change shall be considered given when it is received. Any notice sent by Sponsor’s Counsel on Sponsor's behalf to Purchaser or to Purchaser's attorney set forth on the first page of this Agreement (or to any other attorney purporting to represent Purchaser), shall be deemed notice by Sponsor, as applicable, should notice need be given by Sponsor pursuant to this Agreement. If Purchaser's name, address or phone number changes, or if Purchaser's attorney's name, address or phone number changes from that set forth on the first page of this Agreement, Purchaser shall provide Sponsor with the pertinent new name, address and/or phone number immediately.

15. **Inspection and Acceptance of the Apartment.**

a. Prior to the Pre-Closing or Closing, no Purchaser shall be permitted to enter the Apartment without the prior consent of Sponsor. Purchaser shall have the right to enter and inspect such Apartment on one (1) occasion prior to the Pre-Closing or Closing in the presence of a representative of Sponsor, but shall be obligated to make an inspection appointment with Sponsor. Under no circumstances shall Purchaser perform or cause to be performed any work in such Apartment prior to the Closing. Purchaser understands that the existence of any incomplete items of construction at the Pre-Closing or Closing which do not materially affect the use and operation of the Apartment shall not be grounds for Purchaser to adjourn the Pre-Closing or Closing or to refuse to pay the balance of the Purchase Price of such Purchaser’s Apartment and close title to the Shares and execute a Proprietary Lease for Purchaser’s Apartment.

b. **IF APPLICABLE:** In the event that the Storage Space is not substantially complete and available for use on the Closing Date, Purchaser shall be obligated to execute a Storage License, deliver the entire Balance Due at Closing to Sponsor, close title to the Shares and execute a Proprietary Lease. However, the Storage Space Down Payment and the portion of the Balance Due at Closing attributed to the Storage Space will be held in escrow by Escrow Agent until Sponsor has notified Purchaser, in writing, that the Storage Space is substantially complete and available for use.

16. **Conditions for Binding Agreement.**

a. This Agreement shall not be binding until Purchaser and Sponsor have executed this Agreement and a fully executed counterpart of this Agreement has been delivered to Purchaser.

b. Within twenty (20) days after delivery by Purchaser to Sponsor or Sponsor’s agent of this Agreement as executed by Purchaser, Sponsor will either:

(a) accept this Agreement and cause to be returned to Purchaser a fully executed counterpart thereof, or;

(b) reject this Agreement and refund the Down Payment tendered by Purchaser.

THE SUBMISSION OF THIS AGREEMENT SHALL NOT BE DEEMED TO CONSTITUTE AN OFFER TO SELL, OR AN OPTION TO PURCHASE, AND THIS AGREEMENT SHALL NOT BE BINDING UPON SPONSOR UNLESS AND UNTIL IT IS
EXECUTED AND DELIVERED BY BOTH PURCHASER AND SPONSOR AND, IN SUCH EVENT, SUBJECT TO ALL THE TERMS AND CONDITIONS HEREOF.

c. Purchaser agrees that all terms and provisions of this Agreement are and shall be subject and subordinate to the Ground Lease and the lien of any underlying mortgages on the Building made before or after this Agreement is signed and any payments or expenses already made or incurred or which may later be made or incurred, to their full extent without the execution of any further legal documents by Purchaser. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with the building loan schedule of payments or accelerated by virtue of the lender's right to make advances before they become due in accordance with the schedule of payments, if any.

17. **Definitions.** The term "Purchaser" shall be read as "Purchasers" if more than one person is a purchaser, in which case Purchaser's obligations shall be considered joint and several. All capitalized terms used in this Agreement not otherwise defined in this Agreement, shall have the same meanings as they do in the Plan.

18. **Gender.** The use of the masculine gender in this Agreement shall be deemed to refer to the feminine gender or to an entity whenever the context so requires.

19. **Broker.** Purchaser represents and warrants to Sponsor that Purchaser did not negotiate for the Apartment with any broker in connection with this transaction except for the Selling Agent. Purchaser agrees to pay any broker engaged by Purchaser and to indemnify Sponsor and Selling Agent and hold Sponsor and Selling Agent harmless from and against any costs, claims or expenses Sponsor and/or Selling Agent may incur, including but not limited to attorneys' fees and disbursements, arising out of or in any way connected with, Purchaser's breach of the representations in this Paragraph 19. The provisions of this Paragraph 19 shall survive the Closing hereunder or any earlier termination of this Agreement.

20. **Jury Waiver.** Purchaser hereby waives trial by jury in any action, proceeding, or counterclaim involving any matter whatsoever arising out of, or in any way connected with this Purchase Agreement or the relationship of the parties as Purchaser and Sponsor, or the right of Purchaser to any statutory relief or remedy. Purchaser, on behalf of Purchaser and all permanent residents of the Apartment(s), including minor children, hereby agree that any and all disputes with Sponsor, Sponsor's parent company or its subsidiaries or affiliates arising out of the Apartment(s), this Purchase Agreement, any other agreements, communications or dealings involving Purchaser, or the construction or condition of the Apartment(s) including, but not limited to, disputes concerning breach of contract, express and implied warranties, personal injuries and/or illness, mold-related claims, representations and/or omissions by Sponsor, on-site and off-site conditions and all other torts and statutory causes of action ("Claims") shall be resolved by binding arbitration in New York County in accordance with the rules and procedures of Arbitration of the American Arbitration Association or its successor or an equivalent organization mutually agreed upon by the parties. The arbitrator will be neutral and independent of both the Sponsor and its principals. In addition, Purchaser agrees that Purchaser may not initiate any arbitration proceeding for any Claim(s) unless and until Purchaser has first given Sponsor specific written notice of each claim (at 250 Gibraltar Road, Horsham, PA 19044, Attn: Warranty Dispute Resolution) and given Sponsor a reasonable opportunity after such notice to cure any default, including the repair of the Apartment(s), in
accordance with the Offering Plan. The provisions of this paragraph shall be governed by the provisions of the Federal Arbitration Act, 9 U.S.C. §1, et seq. and shall survive settlement.

Arbitration is a less formal method of resolving disputes than litigation in a court, and arbitration has certain limitations, as compared to litigation in court. Such limitations include, but are not limited to, (i) giving up the right to bring a legal action against one another in court, except as may be provided by the rules of the arbitration forum in which a claim is filed; (ii) limiting the ability of the parties to obtain documents and perform discovery; (iii) arbitrators may not have to explain the reasons for their award; (iv) a notice of pendency may not be filed against a property based on ongoing arbitration proceedings.

As with litigation, certain time limits are imposed for bringing a claim in litigation.

Arbitration awards are generally binding and, therefore, a party’s ability to have a court reverse an arbitration award is limited (see New York Civil Practice Law and Rules §7511). PURCHASER SHALL BE OBLIGATED TO REIMBURSE SPONSOR FOR ANY LEGAL FEES AND DISBURSEMENTS INCURRED BY SPONSOR IN DEFENDING SPONSOR’S RIGHTS AND ENFORCING PURCHASER’S OBLIGATIONS UNDER THIS PURCHASE AGREEMENT.

For further information about arbitration, please visit www.adr.org.

The provisions of this Paragraph 20 shall survive the closing of title or the cancellation of this Purchase Agreement.

21. **Survival of Sponsor’s Obligations: Performance.**

   a. Sponsor will have no obligations under this Agreement or the Plan after Sponsor gives Purchaser the Shares and Proprietary Lease, except as provided herein and in the Offering Plan. All representations required by Article 23-A of the General Business Law to survive Closing hereunder shall survive delivery of the Shares and Proprietary Lease.

   b. The acceptance of the Shares and the assumption or entering into of the Proprietary Lease by Purchaser shall be deemed to be the full performance and discharge of every agreement and obligation (express or implied) on the part of Sponsor to be performed pursuant to this Agreement, except those which are herein specifically stated to survive the Closing, and as otherwise provided in the Offering Plan.

22. **Apartment Corporation Not a Party.** Purchaser understands that the Apartment Corporation is not a party to this Agreement or the sale contemplated hereby and that no representations, warranties or promises of any kind have been made to Purchaser by the Apartment Corporation. Purchaser agrees that no claim will be made against the Apartment Corporation by Purchaser in respect of, or arising out of, the purchase of the Shares and Proprietary Lease. The provisions of this Paragraph 22 shall survive the Closing.

23. **Strict Compliance.** Any failure by Sponsor to insist upon strict performance by Purchaser of any of the provisions of this Purchase Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and Sponsor, notwithstanding any such failure, shall have the right
thereafter to insist upon strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

24. **No Representation.** Purchaser acknowledges having entered into this Agreement without relying on any promises, statements, estimates, representations, warranties, conditions or other inducements, expressed or implied, oral or written, not set forth herein or in the Plan. Purchaser agrees that Sponsor will have no liability to Purchaser if there is a minor error or inaccuracy in the layout or dimensions of the Apartment as shown on the floor plans available for review at the On-Site Sales Office, so long as the layout and dimensions conform substantially to the floor plans which Purchaser has been given an opportunity to examine.

25. **Captions.** The captions in this Agreement are for convenience and reference only, are not part of the meaning of this Agreement, and in no way define, limit or describe the scope of this Agreement, or intent of any provision hereof.

26. **Entire Agreement; Binding Nature of Agreement.** Purchaser understands that this Agreement and the Plan constitute the entire agreement between the parties and contain the only representations made to Purchaser. Purchaser has not relied on any other representations, statements or warranties, and acknowledges that no one has authority to make any representation or warranty not set forth in the Plan. Purchaser had full opportunity to examine all documents and investigate all facts referred to in the Plan and will not bind Sponsor to any oral representations and/or agreements. Purchaser understands that this Agreement is binding upon Purchaser. In no event will this Agreement be amended to abrogate Sponsor's responsibilities or Purchaser's rights under Article 23-A of the General Business Law.

27. **No Recording. Assignment or Advertisement; No Lis Pendens.** Purchaser agrees not to record this Agreement. Purchaser also agrees not to advertise or otherwise offer, promote or publicize the availability of the Apartment for sale or lease prior to Closing hereunder. Purchaser has no right to assign this Agreement or Purchaser's rights hereunder without Sponsor's prior written consent. If Sponsor agrees to an assignment of this Agreement, Purchaser shall pay to Sponsor a fee of $1,000, payable in advance, for the preparation of an assignment agreement. Violation by Purchaser of any of Purchaser's agreements in this Paragraph 27 shall be a default under this Agreement. Purchaser waives any right Purchaser may have to file a *lis pendens* against the Property in the event of Sponsor's default under this Agreement.

28. **Sponsor's Right to Terminate this Agreement.** In the event Purchaser enters into an Interim Lease or other occupancy agreement for the Apartment with Sponsor, a default under the Interim Lease or occupancy agreement shall be a default under this Agreement, and a default under this Agreement shall be a default under the Interim Lease or occupancy agreement. Purchaser's failure to cure a default under the Interim Lease, occupancy agreement or this Agreement within the time period set forth in the Interim Lease, occupancy agreement or this Agreement, may result in termination of the Interim Lease, occupancy agreement and this Agreement, as applicable, and the retention by Sponsor of the Down Payment plus all interest earned thereon as liquidated damages.

29. **Conflicts with the Plan: Definitions.** Conflicts between any provisions of this Agreement and the Plan shall be resolved in favor of the Plan.
30. **Limitation of Sponsor’s Liability.** The Sponsor’s liability under this Agreement for failure to complete and/or deliver or have delivered title for any reasons whatsoever shall be limited to the return of the Down Payment hereunder (with interest, if any), and upon the return of said money, this Purchase Agreement shall be null and void and the parties hereto released from any and all liability hereunder.

31. **Amendment of Purchase Agreement.** This Purchase Agreement may not be amended, altered or discharged except by agreement in writing signed by the party sought to be charged therewith or by his, her or its duly authorized agent.

32. **Governing Law.** This Purchase Agreement shall be governed by and construed in accordance with the law of the State of New York.

33. **Conflict with Plan.** Any conflict between the Plan and this Purchase Agreement will be resolved in favor of the Plan.

34. **Foreign Investment in Real Property Tax Act.** Pursuant to the Foreign Investment in Real Property Tax Act (FIRPTA), upon disposition of a United States real property interest by a foreign person on or after January 1, 1985, the Purchaser of such real property interest must deduct and withhold a tax equal to ten percent (10%) of the purchase price unless the Sponsor furnishes a certificate that it is not a foreign entity or individual. Sponsor will furnish to Purchaser a non-foreign certification at Closing, thereby complying with FIRPTA and relieving Purchaser from any withholding obligations.

35. **Rules of Construction.** There shall be no presumption against the draftsman of this Purchase Agreement or the Plan.

36. **Costs of Enforcing and Defending Purchase Agreement.** Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor’s rights under this Purchase Agreement or, in the event Purchaser defaults under this Purchase Agreement beyond any applicable grace period, in canceling this Purchase Agreement or otherwise enforcing Purchaser’s obligations hereunder.

37. **Prohibited Purchaser and Prohibition Against Money Laundering.**

a. Purchaser is not now, nor shall be at any time prior to or at the Apartment Closing, a Person with whom a United States citizen, entity organized under the laws of the United States or its territories or entity having its principal place of business within the United States or any of its territories (collectively, a “U.S. Person”), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders or lists published by the Office of Foreign Assets Control, Department of the Treasury (“OFAC”). Neither Purchaser nor any Person who owns an interest in Purchaser is now nor shall be at any time prior to or at the Apartment Closing, a Person with whom a U.S. Person, including a “financial institution” as defined in 31 U.S.C. 5312 (a) (z), as periodically amended, is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by OFAC or otherwise.
b. Purchaser has taken, and shall continue to take until the Apartment Closing, such measures as are required by applicable law to assure that the funds used to pay to Sponsor for the Purchase Price are derived: (i) from transactions that do not violate United States law nor, to the extent such funds originate outside the United States, do not violate the laws of the jurisdiction in which they originated; and (ii) from permissible sources under United States law and to the extent such funds originate outside the United States, under the laws of the jurisdiction in which they originated. Purchaser is, and will at Closing be, in compliance with any and all applicable provisions of the USA PATRIOT Act of 2001, Pub. L. No. 107-56, the Bank Secrecy Act of 1970, as amended, 31 U.S. C. Section 5311 et. Seq., the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. Seq. the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957.

Dated: _____________________, 201_

______________________________
Purchaser

______________________________
Purchaser

ACCEPTED:

100 Barrow Street LLC

______________________________
David Von Spreckelsen
Division President

WITH RESPECT TO PARAGRAPH 11:

SEIDEN & SCHEIN, P.C.

By: _________________________
EXHIBIT A

FORM OF STORAGE SPACE LICENSE AGREEMENT

THIS STORAGE SPACE LICENSE AGREEMENT (this "Agreement") dated as of the _ day of _, 20_, by and between the Board of Directors of The 100 Barrow Street Apartment Corp. ("Licensor") having an office at 100 Barrow Street, New York, New York 10014 (the "Building") and ____________________________ having an address at 100 Barrow Street, Apartment ___, New York, New York ("Licensee").

WHEREAS, Licensee, owns or simultaneously herewith is acquiring title to shares of stock that are allocated to Apartment ___ (the "Apartment") in the Building and has executed a Proprietary Lease for the Apartment (the "Proprietary Lease"); and

WHEREAS, Licensee desires the right to the exclusive use of Storage Space # ___ (the "Designated Storage Space"), subject to the terms of this Agreement and to the terms of the Proprietary Lease;

NOW THEREFORE, in consideration of the sum of $10.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Licensor hereby grants to Licensee, its successors and assigns, a license for the exclusive use of the Designated Storage Space (the "License"), and Licensee hereby accepts such License from Licensor for a term commencing on the date hereof and terminating in ninety-nine (99) years from the date hereof.

2. The Designated Storage Space shall used solely for the storage of personal effects of the Tenant-Shareholder, and in no event shall any food or other perishable item or any hazardous, flammable or explosive item be stored in the Designated Storage Space, nor shall the Designated Storage Space be used for the storage of any item if storage of such item in the Designated Storage Space violates any applicable law, regulation, code or ordinance.

3. Licensee shall not (a) store any property in the Licensed Area, other than in the Designated Storage Space; or (b) allow any other person to use the License, except in accordance with the terms hereof.

4. This License may be assigned by Licensee, at any time, provided, however, that (i) the assignee is a shareholder of the Apartment Corporation or a lessee of a shareholder of the Apartment Corporation, (ii) the assignee assumes the obligations hereunder substantially in the form annexed hereto as Exhibit 1, (iii) notification of the assignment is delivered in writing to Licensor in compliance with the Proprietary Lease, as the same may be modified from time to time, and any other requirements of Licensor and (iv) no outstanding monies are owed to the Apartment Corporation by the Licensee and/or the assignee.

5. This License may be sub-licensed by Licensee, at any time, provided, however, that (i) the sub-licensee is a Shareholder of the Apartment Corporation or a lessee of a shareholder of the Apartment Corporation, (ii) Licensee and sub-licensee shall be
obligated to comply with the obligations stated herein, (iii) notification of the sub-license is delivered in writing to Licensor in compliance with its requirements, as the same maybe modified from time to time and Licensor consents to the sub-license, and (iv) no outstanding monies are owed to the Apartment Corporation by the Licensee and/or the sub-licensee.

6. This License shall automatically terminate at such time as the Licensee no longer owns or rents an apartment in the Building, unless this License is assigned to and assumed by another shareholder or licensee thereof.

7. Prior to the sale of Licensee’s shares of stock in the Apartment Corporation, Licensee shall offer the Designated Storage Space to Licensor on the same terms as provided for the Proprietary Lease.

8. Licensee represents that it has made a thorough inspection of the Licensed Area and agrees to take same in its “as is” condition as of the date of this Agreement. Licensee shall, throughout the term of this Agreement, take good care of the Designated Storage Space. All maintenance, repairs and replacements to the Designated Storage Space as well as the Licensed Area shall be performed by Licensor and the cost thereof shall be a Residential Common Expense, unless such repair or replacement is necessitated by the negligence, misuse, or abuse of a Licensee, in which case the entire cost and expense of such repair or replacement shall be borne by such Licensee. Licensee shall not hang signage of any kind on or from the Designated Storage Space, paint or otherwise alter the Designated Storage Space in any way without the written consent of Licensor.

9. Neither Licensor nor its respective agents or employees shall be liable for any theft or damage to any property stored in the Licensed Area and the Designated Storage Space.

10. The terms of this Agreement are subject to the terms of the Proprietary Lease and to the By-Laws of the Apartment Corporation (the “Cooperative Documents”). Nothing contained herein shall be construed as limiting the rights and obligations of the parties under the Cooperative Documents. Any conflict between the provisions of this Agreement and the Cooperative Documents shall be resolved in favor of the Cooperative Documents.

11. A. If Licensee defaults in its obligations hereunder or under the Cooperative Documents, and does not cure such default within sixty (60) days of written notice of such default by Licensor, then Licensor may, in addition to the rights and remedies set forth in the Cooperative Documents, (i) deny access to and use of the Designated Storage Space until Licensee cures such default or (ii) terminate this Agreement upon written notice to Licensee.

B. In the event that this Agreement is terminated by Licensor in accordance with paragraph (11)(A) hereof, no portion of the license fee shall be refunded to Licensee.

12. Licensor or its agents shall have the right to open the Designated Storage Space in an emergency at any time without notice, and, at other reasonable times upon prior notice to Licensee, to inspect and examine the Designated Storage Space and to make such repairs, replacements and improvements as Licensor shall deem necessary.
13. This Agreement shall constitute a License only and shall not be construed under any circumstances to be a sale of the Designated Storage Space or conveyance of title thereto. In no event shall a landlord/tenant relationship exist between the Licensor and the Licensee with respect to this Agreement.

14. Licensee shall indemnify and hold the Licensor and their respective officers, agents and employees, harmless from and against any and all liabilities, claims, penalties and judgments, together with any related costs and expenses, including reasonable legal fees, asserted against or sustained by any of them in connection with any act, omission, or negligence of Licensee or Licensee’s family, servants, employees, agents, guests and invitees in connection with this License.

15. Licensee shall be obligated to reimburse the Licensor for any legal fees and disbursements incurred by the Licensor in defending the rights of the Licensor under this Agreement or, in the event Licensee defaults under this Agreement beyond the sixty (60) day grace period described in paragraph 11 hereof, enforcing Licensee’s obligations hereunder.

16. Neither this Agreement nor any provision hereof may be waived, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, amendment, discharge or termination is sought and then only to the extent set forth in such instrument.

17. It is understood and agreed that all understandings and agreements heretofore had between the parties hereto are merged in this Agreement, which alone fully and completely express their agreement and that this Agreement supersedes any and all such understandings and agreements with respect to the subject matter hereof.

18. If any provision of this Agreement is invalid or unenforceable as against any party or under certain circumstances, the remainder of this Agreement and the applicability of such provision to other parties or circumstances shall not be affected thereby Each provision of this Agreement, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by Law.

19. Either party shall execute, acknowledge and deliver to the other party such instruments and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement 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.

20. Any failure by the Licensor to insist upon strict performance by Licensee of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and Licensor, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Licensee of any and all of the provisions of this Agreement to be performed by Licensee.

21. All notices made pursuant to this Agreement shall be made in accordance with the Cooperative Documents.
22. All terms not defined herein shall have the meaning ascribed to them in the Cooperative Documents.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first above written.

LICENSOR:

The Board of Directors of
The 100 Barrow Street Apartment Corp.

By: ____________________________
Name: ____________________________
Its: _____________________________

LICENSEE:

______________________________
EXHIBIT 1
TO FORM OF STORAGE SPACE LICENSE AGREEMENT

ASSIGNMENT AND ASSUMPTION
OF STORAGE SPACE LICENSE AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION OF STORAGE SPACE LICENSE AGREEMENT (this "Assignment") made as of the ___ day of ___ by and between (hereinafter referred to as the "Assignor"), having an address at ___________ (hereinafter referred to as the "Assignee"), having an address at ___________, New York ___.

WITNESSETH:

WHEREAS, Assignor executed that certain Storage Space License Agreement dated as of the ___ day of ___, 201_ (the "Agreement") to have the exclusive right to use Storage Space # located at 100 Barrow Street, New York, New York, in accordance with the terms of the Offering Plan dated ____, 201_ (the "Plan"), as amended to date; and

WHEREAS, the Assignor desires to assign to the Assignee all of the Assignor's right, title and interest in and to the Agreement; and

WHEREAS, the Assignee desires to assume all of the obligations and responsibilities of the Assignor in and to the Agreement; and

WHEREAS, the parties hereto wish to set forth their agreements with respect to this Assignment.

NOW, THEREFORE, in consideration of the mutual promises herein contained, and other good and valuable consideration, the parties hereto agree as follows:

1. ASSIGNMENT: The Assignor hereby assigns to the Assignee, from and after the date hereof, all of the Assignor’s right, title and interest in and to the Agreement, a copy of which is attached hereto and made a part hereof, for a purchase price of $___________.

2. ASSUMPTION: The Assignee hereby assumes all of the obligations, promises, covenants and responsibilities of the Assignor in and to the Agreement as if the Assignee had signed the Agreement originally as "Licensee."

3. AUTHORIZATION AND DIRECTION: The Assignor and the Assignee hereby authorize and direct the Board of Directors of The 100 Barrow Street Apartment Corp. ("Apartment Corporation") to have the books and records of the Apartment Corporation reflect that Assignee has the exclusive right to use Storage Space #.
4. **EFFECTIVE DATE:** This Assignment shall not be deemed effective unless and until signed by each of the parties hereto.

5. **DEFINED TERMS:** All terms not defined herein shall have the meanings ascribed to them in the Plan.

IN WITNESS WHEREOF, the Assignor and the Assignee have duly executed this Assignment and Assumption of Storage Space License Agreement on the day and year first above written.

ASSIGNOR: 
Signature: __________________________ 
Print Name: __________________________

ASSIGNEE: 
Signature: __________________________ 
Print Name: __________________________
EXHIBIT B

REQUEST FOR LENDER INFORMATION

PLEASE COMPLETE AND RETURN TO OUR SALES OFFICE NOT LATER THAN FOURTEEN (14) DAYS FROM THE DATE OF PURCHASER’S EXECUTION OF AGREEMENT OF SALE

Customer: _______________
Lot: _______________
Community: _______________

Please be advised that we made mortgage application with:

Lender: _____________________________
Address: _____________________________
Telephone No.: _____________________________
Fax No.: _____________________________
Email Address: _____________________________
Date of Application: _____________________________
Mortgage Amount: _____________________________
Mortgage Commitment Anticipated: _____________________________
(Date)

Mortgage Type:  Fixed  1 Yr. ARM  3 Yr. ARM  Other
Interest Rate:  Floating  Locked  If Locked:  Rate

Person with Whom Application was Filed: _____________________________

Also, please send copies of correspondence and closing information to:
Name: _____________________________
Address: _____________________________
Telephone No.: _____________________________

Authorization is hereby expressly given for the above mentioned Lender to release to TOLL BROTHERS, INC. and its affiliates and related companies any or all requested information concerning bank accounts, insurance policies, employment or mortgage verifications, and status reports related to the approval of my/our application for a mortgage loan in connection with the above property. The information requested is being requested for use in connection with a bona fide “permissible purpose” as defined in the Fair Credit Reporting Act.

Date: _____________________________  Purchaser: _____________________________

Date: _____________________________  Purchaser: _____________________________

PA-28
EXHIBIT C

TRUE CASH SALE ENDORSEMENT TO PURCHASE AGREEMENT

ENDORSEMENT TO PURCHASE AGREEMENT dated _________ between 100 Barrow Street LLC ("Sponsor") and ________________ ("Purchaser") of Apartment ___ in the Apartment Corporation known as The 100 Barrow Street Apartment Corp. (the "Agreement").

NOTWITHSTANDING anything contained in the Agreement to the contrary, Sponsor and Purchaser further agree as follows:

CASH SALE. Sponsor and Purchaser agree that the section of the Agreement entitled "Mortgage Application" is eliminated in its entirety and is deemed replaced with the following language:

"CASH SALE: Purchaser acknowledges that this Agreement is not contingent upon the Purchaser obtaining financing for the purchase of the Apartment and that Purchaser warrants that Purchaser will have sufficient funds on hand to complete closing hereunder. At any time and as often as Sponsor in its reasonable discretion deems appropriate, Sponsor may request reasonable written assurances of Purchaser's ability to satisfy Purchaser's obligations under the Agreement. Within ten (10) days of such request, Purchaser shall provide documentary evidence satisfactory to Sponsor in Sponsor's reasonable discretion that Purchaser will be able to satisfy Purchaser's obligations under the Agreement. Purchaser's failure to timely provide such documentary evidence of Purchaser's ability to perform shall constitute a material breach of this Agreement.

THIS ENDORSEMENT is intended to be incorporated into and made a part of the Agreement and all other terms and conditions contained in the Agreement, unless expressly modified herein, remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have hereunto set their hands and sales the day and year written.

SPONSOR: ___________________________ DATE: ___________________________

PURCHASER: ________________________ DATE: ___________________________

PURCHASER: ________________________ DATE: ___________________________
421-a AFFORDABLE APARTMENT PURCHASE AGREEMENT

For Shares of The 100 Barrow Street Apartment Corp.
Allocated to Apartment No. _____ in
100 Barrow Street
New York, New York 10014

This PURCHASE AGREEMENT (this "Purchase Agreement" or "Agreement"),
dated ____________, 201__, (the "Contract Date") between 100 Barrow
Street LLC, having an office at 75 Broad Street, Suite 2100, New York, New York 10004
(hereinafter "Sponsor"), and __________________________, residing at
______________________________, New York____ (hereinafter "Purchaser").

PURCHASE PRICE OF SHARES: $________________

PURCHASE PRICE FOR
STORAGE SPACE (OPTIONAL): $________________

10% DOWN PAYMENT FOR SHARES: $________________

10% DOWN PAYMENT FOR STORAGE SPACE:$________________
("STORAGE LICENSE FEE DOWN PAYMENT")

BALANCE DUE AT CLOSING $________________

NO. OF SHARES: ________________ APARTMENT NO. __________________

STORAGE SPACE NUMBER: ________________

PURCHASER(S) NAME(S):

(1) ____________________________ (2) ____________________________

PURCHASER(S) MAILING ADDRESS(ES):

(1) ____________________________ (2) ____________________________

PURCHASER’S SOCIAL SECURITY NUMBER(S):

(1) ____________________________ (2) ____________________________

PURCHASER’S ATTORNEY: ____________________________

ADDRESS OF PURCHASER’S ATTORNEY: ____________________________

TELEPHONE: (____)____-_________ E-MAIL: ____________________________
1. **Receipt of Documents.**

   a. Purchaser represents that Purchaser has received a copy of the Offering Plan for leasehold cooperative ownership of 100 Barrow Street, New York, New York 10014 and all filed amendments thereto (collectively the "Offering Plan" or "Plan") on not less than three (3) business days prior to signing this Agreement and that Purchaser has read the Plan. Purchaser understands that Purchaser and Sponsor are treating the entire content of the Plan and all filed amendments thereto as if they were included in this Agreement.

   b. If Purchaser executed this Agreement without having the opportunity to review the Plan for three (3) business days before signing, Purchaser shall have the right to rescind this Agreement and receive back the Down Payment within seven (7) days after the execution of this Agreement, provided written notice of rescission is personally delivered to Sponsor’s Counsel (as defined in Paragraph 5b, below) by the end of the seventh calendar day after the execution of this Agreement by Purchaser or is mailed to Sponsor’s Counsel and postmarked within the seven (7) day period.

2. **Agreement to Purchase.**

   a. Purchaser agrees to purchase, for the purchase price shown above (the "Purchase Price"), the shares of The 100 Barrow Street Apartment Corp. (the "Apartment Corporation") allocated to the Apartment specified above (the "Shares") and to assume or enter into a proprietary lease appurtenant to the Shares (the "Proprietary Lease"). The Shares and the Proprietary Lease are referred to in this Agreement from time to time collectively as the "Apartment." When this Agreement refers, however, to events "in" or "to" the Apartment, the term "Apartment" as so used shall mean the physical Apartment itself.

   b. **(STORAGE LICENSE-- IF APPLICABLE).** Pursuant to the terms set forth in the Storage License Agreement to be dated as of the Closing Date between the Board of Directors of the Apartment Corporation (the “Board of Directors”) and Purchaser, a form of which is attached hereto and made a part hereof as Exhibit A (the “Storage License”), Purchaser hereby agrees to license from the Board of Directors the Storage Spaces(s) for the License Fee(s) stated above.

   c. The Down Payment for the Apartment and the Down Payment for the Storage Space license, if any, are collectively referred to as the “Down Payment”.

   d. Purchaser hereby is either (i) delivering Purchaser's check, in the amount of the Down Payment shown above, made payable to "Seiden & Schein, P.C., as Escrow Agent," for deposit in the Seiden & Schein, P.C. Attorney Escrow Account or (ii) effectuating a wire transfer, in the amount of the Down Payment shown above, to the account of Seiden & Schein, P.C. pursuant to wiring instructions to be provided by Sponsor. When Sponsor signs this Agreement, Sponsor will be acknowledging receipt of Purchaser's wire transfer or check for the Down Payment shown above, subject to collection. In the event that the Down Payment check is dishonored, this Purchase Agreement shall be deemed terminated. Purchaser understands and agrees that until this Agreement is countersigned and returned to Purchaser, Purchaser shall have no rights as a Purchaser under this Agreement or the Offering Plan.

   e. The Balance Due at Closing (as provided on page 1 of this Purchase Agreement) shall be payable at the Closing (as defined in Paragraph 6) by unendorsed certified
or official bank check of Purchaser, or Purchaser’s lender, drawn on a bank or trust company which is a member of the New York Clearing House Association (or an successor organization) to the order of Sponsor as otherwise directed by Sponsor.

3. **Agreement to Be Bound by the Documents.** Purchaser agrees to be bound by the Offering Plan for the sale of shares of the Apartment Corporation which is incorporated by reference and made a part of this Agreement with the same force and effect as if set forth in full herein.

4. **Purchaser’s Representations.**

   a. In the event that a temporary or permanent Certificate of Occupancy is obtained for the portion of the Building containing the Apartment, and the Offering Plan has been declared effective, Purchaser understands and agrees that Purchaser shall be obligated to “Close,” as defined below (and in certain instances to “Pre-Close,” as defined below) under this Purchase Agreement, upon notice from Sponsor as provided in Paragraph 5 and Paragraph 6, below.

   b. Purchaser understands and agrees that Sponsor has the right to make changes or substitutions of materials or construction items in the Apartment and/or in the Building from those set forth in the Plans and Specifications, subject to the provisions of the Plan, and that Sponsor shall have no obligation to perform any extras or special work in the Apartment. Purchaser may not enter the Apartment for purposes of inspection until notified by Sponsor that Purchaser may inspect the Apartment as set forth in Paragraph 15 of this Agreement, and Purchaser may not do work in the Apartment before Purchaser owns the Apartment. Purchaser also understands that once Purchaser owns the Apartment, Purchaser may not make any alterations in the Apartment (other than decorative) unless and until Purchaser’s proposed alteration plans have been reviewed and approved by the Apartment Corporation in accordance with the Proprietary Lease or other rules and regulations governing alterations adopted by the Apartment Corporation. Purchaser understands that any furniture, decorations, paint, wallpaper, built-ins, shelves or electrical fixtures shown in the model Apartments, if any, are not included in this sale.

   c. Purchaser has examined or has been given the opportunity to examine, and is satisfied with or has waived the examination of the Proprietary Lease and the Apartment Corporation’s Certificate of Incorporation, By-Laws, and the Ground Lease.

5. **Pre-Closing.**

   a. Notwithstanding anything in this Agreement to the contrary, if this Agreement is executed prior to the Cooperative Conversion Date, and once the Offering Plan has been declared effective, and at least a Temporary Certificate of Occupancy for the Apartment has been issued, Sponsor reserves the right to permit, and in certain instances described below to require, that Purchaser "Pre-Close" under this Agreement on at least thirty (30) days’ written notice of the Pre-Closing date (the “Scheduled Pre-Closing”). To “Pre-Close” means that Purchaser shall (a) pay all monies due in connection with the purchase into escrow, (less the amount to be financed by Purchaser), (b) sign all Escrow Closing Documents, as defined below (which also will be held in escrow), and (c) at Sponsor’s discretion, enter into an "Interim Lease" for the Apartment, all as described in this Paragraph 5. If Purchaser Pre-Closes and enters into an Interim Lease for the Apartment, Purchaser will be permitted to take occupancy of the...
Apartment prior to the Apartment Closing Date as defined in the Offering Plan. Sponsor reserves the right to require Purchaser to Pre-Close as a condition of entering into an Interim Lease.

b. At Purchaser's Pre-Closing, if applicable, Purchaser will be obligated to pay the Balance Due at Closing (less the amount to be financed) into escrow ("the Escrow Account") with Seiden & Schein, P.C. (the "Escrow Agent" or "Sponsor's Counsel"). Payment must be by unendorsed personal certified check of Purchaser (a "Certified Check") or unendorsed official bank check (a "Bank Check"), in either case drawn on a New York Clearinghouse bank and payable to Escrow Agent.

c. A Purchaser who Pre-Closes in accordance with the Plan, who delivers the entire Balance Due at Closing at the Pre-Closing and who is not in default under this Agreement on the Cooperative Conversion Date will become a Tenant-Shareholder on the Cooperative Conversion Date.

d. All funds deposited and held in the Escrow Account on account of the Purchase Price are referred to in this Purchase Agreement as "Escrow Funds".

e. The Pre-Closing shall occur at the offices of Sponsor's Counsel, located at 570 Lexington Avenue, 14th Floor, New York, New York 10022. If the Pre-Closing does not take place at the office of Sponsor's Counsel, Purchaser will pay a fee of $500.00 to Sponsor's Counsel for travel within the five boroughs of New York City; a $1,000.00 fee shall apply to Purchaser for travel outside of New York City. At the Pre-Closing, Purchaser also will be required to execute the Proprietary Lease, at Sponsor's sole discretion, an assumption thereof, the New York City Real Property Transfer Tax Return and New York State Form TP-584, smoke detector affidavit and all other documents necessary to consummate the purchase under this Agreement (all such documents signed at the pre-closing are referred to collectively as the "Escrow Closing Documents").

f. The Escrow Funds, and the Escrow Closing Documents shall be held in escrow by Escrow Agent until the later of the Cooperative Conversion Date or Purchaser's Apartment Closing Date, at which time the Escrow Funds and the Escrow Closing Documents will be disbursed in accordance with the terms of this Agreement and the Offering Plan. If the Plan is abandoned, the Escrow Funds, plus interest earned thereon, shall be returned to Purchaser, the Escrow Closing Documents will become void and of no force and effect, and Escrow Agent will have no further responsibilities or liabilities with respect thereto.

g. If Purchaser Pre-Closes, Purchaser will adjust with the Apartment Corporation or Sponsor as of the Apartment Closing Date for rent due under the Interim Lease (if any) and Maintenance due to the Apartment Corporation under the Proprietary Lease, for the month in which the Apartment Closing Date occurs. If the Apartment Closing Date is the first of the month, Purchaser will be responsible for Maintenance rather than Interim Lease rent that month, and will be obligated to pay the Maintenance directly to the Apartment Corporation.

h. If Purchaser Pre-Closes without entering into an Interim Lease, Purchaser will nevertheless be required to pay the first month's Maintenance Charges into escrow with Escrow Agent, to be released and adjusted between Purchaser and the Apartment Corporation when the Escrow Funds are released to Sponsor and/or the Apartment Corporation, or returned to Purchaser upon abandonment of the Plan.
i. Escrow Closing Documents of a Purchaser who Pre-Closed but who did not become a Tenant-Shareholder on the Cooperative Conversion Date (e.g., failure to pay the entire Balance due at Closing at the pre-closing), will be released on Purchaser's Apartment Closing Date, when and if Purchaser pays the entire Balance Due at Closing to Sponsor and/or otherwise complies with Purchaser's obligations under this Agreement and the Plan. At the time Purchaser closes under this Purchase Agreement, the Escrow Funds will be released from escrow to Sponsor and any interest earned on the Escrow Funds will be delivered to Purchaser.

6. **Apartment Closing Date.**

a. If Purchaser has not Pre-Closed on the Apartment, as described in Paragraph 5 hereof, or if this Agreement is executed after the Cooperative Conversion Date, Sponsor will notify Purchaser after the Cooperative Conversion Date, at least thirty (30) days in advance, as to the “Apartment Closing Date” and the time of Closing ("Sponsor's Closing Notice"). “Apartment Closing Date” and "Closing" refer to the time at which Purchaser (i) pays the entire Balance Due at Closing for the Apartment and all associated Closing costs required pursuant to this Agreement and the Plan, (ii) executes all documents required under the Plan to be executed on the Apartment Closing Date, and (iii) thereby becomes a Tenant-Shareholder. The date scheduled for Closing in Sponsor's Closing Notice is called the "Originally Scheduled Closing Date." Purchaser shall pay the Balance Due at Closing by unendorsed personal certified check ("Certified Check") or official bank check ("Bank Check"), in either case drawn on a New York Clearinghouse Bank, payable to the order of Sponsor, or to any other person(s) or entity(ies) Sponsor designates or directs.

b. The Closing shall occur at the offices of Sponsor's Counsel, located at 570 Lexington Avenue, 14th Floor, New York, New York 10022. If Purchaser does not Pre-Close, as described above and in the Plan, Purchaser will be required to deliver to Sponsor, on Purchaser's Apartment Closing Date, in addition to the Balance Due at Closing, the following payments and documents:

(i) For Closings that take place outside of the office of Sponsor's counsel, Seiden & Schein, P.C., 570 Lexington Avenue, 14th Floor, New York, New York 10022, a travel fee, payable by Purchaser's unendorsed Certified Check or Bank Check (in either case drawn on a New York Clearinghouse Bank) payable to Seiden & Schein, P.C., in the amount of $500.00 (for Closings occurring within New York City) or $1,000.00 (for Closings occurring outside of New York City). An additional fee of $500.00 shall be due and payable to Sponsor’s attorneys for any previously scheduled Closing which is adjourned by Purchaser less than five (5) business days before such Closing is scheduled to occur. In addition to any other rights Sponsor may have by reason of Purchaser's failure to timely close title to the Shares when required, Sponsor shall be reimbursed by Purchaser for the cost of any Maintenance Charges which Sponsor would not otherwise have had to pay if there had been no unauthorized delay in closing of title to the Shares by Purchaser.

(ii) a duly completed and executed New York City Real Property Transfer Tax return (the “RPT Tax Return”), together with a duly completed and executed Smoke Detector Affidavit, both signed before a notary public, and a duly completed and executed Form TP-584 (the “NYS Transfer Tax Return”) to be filed by Sponsor with the City of New York. Any credits available against the New York City and New York State transfer taxes previously paid by Sponsor shall inure to the benefit of Sponsor;
(iii) a check payable to Sponsor in reimbursement for per diem Maintenance Charges paid by Sponsor during the month in which the Closing occurs, or depending on the date of the Closing, a check payable to the Apartment Corporation for that month's Maintenance;

(iv) any other documents required pursuant to this Agreement or the terms of the Plan.

c. Sponsor shall have the right, from time to time, to adjourn the Originally Scheduled Closing Date for any reason whatsoever on written notice to Purchaser. If adjourned by Sponsor, Sponsor shall fix a new date and time for the Closing and shall give Purchaser not less than five (5) days written notice of the newly scheduled Apartment Closing Date (the “Rescheduled Closing Date”).

e. If Purchaser has inspected the Apartment as described in Paragraph 15 of this Agreement and has noted certain punchlist items which Sponsor has agreed to attend to, Purchaser shall nevertheless be obligated to close under this Agreement on or about the Originally Scheduled Closing Date or Rescheduled Closing Date (or on the date of the scheduled Pre-Closing, as defined below, if applicable). Unfinished items specified on the Punchlist will be completed by Sponsor within a reasonable period of time following the Closing (or Pre-Closing, as applicable), subject to force majeure delays, provided Purchaser permits Sponsor reasonable access to complete the work, as described in the Plan and in Paragraph 15 of this Agreement.

f. On the Apartment Closing Date, Purchaser will receive a Proprietary Lease and a certificate for the Shares in the name of Purchaser. Purchaser will also receive a written statement by the Apartment Corporation or its Managing Agent setting forth the amount and payment status of Maintenance Charges and assessments, if any, attributable to the Apartment. If the Shares and Proprietary Lease are to be conveyed or assigned, as applicable, to a Purchaser comprising more than one person, all co-purchasers must (i) execute this Agreement; (ii) be present at the Closing; and (iii) sign all Closing documents.

g. (IF APPLICABLE) At the Closing, Sponsor shall deliver to Purchaser a Storage License, which has been executed by the Board of Directors, and Purchaser shall co-execute such Storage License at the Closing.

7. Liability to Convey Shares and Proprietary Lease; Liability for Adjournments.

a. Sponsor's liability under this Agreement for Sponsor’s or the Apartment Corporation’s failure to deliver the Shares and the Proprietary Lease for any reason, shall be limited to the return of Purchaser's Down Payment paid hereunder, together with interest earned thereon, if any. Upon the return of Purchaser’s Down Payment, together with interest earned thereon, if any, this Agreement shall be null and void and Purchaser and Sponsor and the Apartment Corporation will be released from any and all liability to each other. In any event, Sponsor shall not be required to bring any action or proceeding or otherwise incur any expense to render title to the Shares and Proprietary Lease marketable or to cure any objection to title.
b. If Sponsor or Purchaser delays or adjourns the Closing, Sponsor and/or the Apartment Corporation shall not be liable for the costs, if any, Purchaser incurs as a result of the delay or adjournment, or for any other damages whatsoever.

8. Mortgage Contingency.

8.1 A Purchaser who desires mortgage financing shall in good faith make a truthful and complete loan application to TBI Mortgage Company ("TBI"), 250 Gibraltar Road, Horsham, Pennsylvania, 19044, (Telephone: 1-866-327-8173) at no cost to Purchaser within 5 days after the date on which a fully-executed copy of this Agreement is delivered to Purchaser's attorney (the "Contract Date"), under the conditions herein stated. Purchaser may also submit an application, at Purchaser’s own expense, to any mortgage lender of Purchaser’s choosing, as provided below. If Purchaser chooses to apply to a lender other than TBI, Purchaser shall, within five 5 day after the Contract Date, complete and return to Sponsor the Request for Lender Information form attached as Exhibit B to this Purchase Agreement.

8.2 This Agreement is conditioned upon Purchaser obtaining a written mortgage loan commitment for a mortgage loan from an “Institutional Lender” (as such term is hereinafter defined), in an amount which shall not exceed ninety (90%) percent of the Purchase Price for a term of not more than thirty (30) years at the then prevailing fixed or variable rate of interest (the “Commitment”). Purchaser shall in good faith submit an application for a Commitment (the “Loan Application”) to an Institutional Lender (the “Lender”) within ten (10) business days after the date on which a fully-executed copy of this Agreement is delivered to Purchaser’s attorney (the “Contract Date”) and Purchaser shall promptly submit to the Lender, or as the Lender may direct, all required fees, information and supporting documents necessary for processing the Loan Application. Purchaser shall deliver to Sponsor evidence, in writing, of Purchaser’s submission of the Loan Application to the Lender no later than ten (10) business days after the Contract Date (the “Loan Application Notice”). In the event that Purchaser does not deliver the Loan Application Notice to Sponsor by the date which is ten (10) business days after the Contract Date, Sponsor shall have the right, but not the obligation, to cancel this Agreement and return Purchaser’s Down Payment and all interest accrued thereon, and the parties shall have no further rights or obligations to one another with respect to this Agreement.

8.3 Purchaser shall have forty-five (45) days after the Contract Date to obtain a Commitment for mortgage financing. In the event that Purchaser receives a declination letter for a Commitment from the Lender and delivers a copy thereof to Sponsor within two (2) business days after the expiration of such forty-five (45) day period, Sponsor shall declare this Agreement null and void pursuant to written notice to Purchaser at which time Purchaser shall receive a refund of the Down Payment, plus all interest accrued.

8.4 In the event that Purchaser does not obtain and deliver to Sponsor either a Commitment letter or a declination letter from the Lender within two (2) business days after the expiration of such forty-five (45) day time period, Sponsor shall have the option to either, (i) extend such forty-five (45) day period by fifteen (15) days to give the Purchaser a total of sixty (60) days from the Contract Date to obtain a Commitment, or (ii) declare this Agreement null and void pursuant to written notice to Purchaser at which time Purchaser shall receive a refund of the Down Payment, plus all interest accrued.

8.5 In the event that Sponsor elects to extend Purchaser’s time period to obtain a Commitment to a total of sixty (60) days from the Contract Date and Purchaser fails to obtain
and deliver a copy of the Commitment to Sponsor within two (2) business days after the expiration of such sixty (60) day time period, or delivers a declination letter from the Lender to Sponsor within two (2) business days after such sixty (60) day time period, Sponsor shall declare this Agreement null and void pursuant to written notice to Purchaser at which time Purchaser shall receive a refund of the Down Payment, plus all interest accrued.

8.6 No other financing contingency is permitted by this Agreement. Notwithstanding anything to the contrary contained herein, Sponsor shall have no obligation to secure a Commitment for Purchaser. Additionally, failure of Purchaser to comply with the terms and conditions of the Commitment which are unrelated to Sponsor's responsibility to perform under the terms of the Plan does not relieve Purchaser of its obligation to close title to the Unit.

8.7 Purchaser is obligated to maintain Purchaser's Commitment in effect until the Closing, including applying for an extension of such Commitment to the same Institutional Lender. Notwithstanding such obligation, in the event that the Commitment expires solely because Sponsor is not ready, willing, and able to close on title to the Unit, the following provisions shall apply:

(1) If the Commitment can only be extended on the same terms with the payment of money, Purchaser shall so inform Sponsor by written notice. Sponsor shall have the option to make such payment(s). Sponsor shall inform Purchaser of whether Sponsor has exercised such option by written notice no later than (10) days after receipt of such written notice from Purchaser. If Sponsor determines not to make such payment(s), Purchaser shall have the option to either (i) make such payment(s) and close on title to the Unit or (ii) terminate the Purchase Agreement upon written notice to Sponsor, which notice shall be delivered to Sponsor no later than ten (10) days after receipt of such written notice from Sponsor, and receive a refund of the down payment plus any interest accrued.

(2) If the Commitment can only be extended at a higher interest rate (with or without an extension fee), Purchaser shall so inform Sponsor by written notice. Sponsor shall have the option to pay such extension fee, if any, and/or buy down the interest rate (if a buy down is permitted by the Institutional Lender). Sponsor shall inform Purchaser of whether Sponsor has exercised such option by written notice no later than (10) days after receipt of such written notice from Purchaser. If Sponsor determines not to make such payment(s), Purchaser shall have the option to either (i) make such payments (to the extent permitted by the Institutional Lender) and close on title to the Unit or (ii) terminate the Purchase Agreement upon written notice to Sponsor, which notice shall be delivered no later than ten (10) days after receipt of such written notice from Sponsor, and receive a refund of the down payment plus any interest accrued.

8.8 SPONSOR'S EXECUTION OF THIS AGREEMENT SHALL BE CONDITIONED ON PURCHASER'S DELIVERY TO SPONSOR OF A LETTER FROM AN INSTITUTIONAL LENDER WHICH STATES THAT PURCHASER HAS PRE-QUALIFIED FOR A MORTGAGE LOAN.

8.9 In the event that the Institutional Lender fails to fund the loan for any reason, other than by reason of Purchaser's acts, omissions or delay or bad faith, Purchaser shall deliver written notice to Sponsor which notice must cite the reason(s) that the Lender will not fund and which must give Sponsor not less than ten (10) business days from actual receipt of the notice an opportunity to cause the Institutional Lender to agree to fund. If Sponsor is able to cause the Institutional Lender to fund, title to the Unit shall close in accordance with this
Agreement. If Sponsor is unable to cause the Institutional Lender to fund, Sponsor shall return to Purchaser the Down Payment and all interest accrued.

8.10. For the purposes hereof, the term “Institutional Lender” means any of the following that is authorized under Federal or New York State law to issue a mortgage loan secured by the Unit and is currently extending similarly secured loan commitments in the county where the Unit is located: a local, state, or federal agency, savings bank, commercial bank, life insurance company, public real estate investment company, pension fund, or other lender approved by HPD.

8.11 If Purchaser has no intention to seek financing from any lender, then Purchaser is required to sign the “True Cash Sale Endorsement,” in the form attached to the Purchase Agreement as Exhibit C which excuses Purchaser from the obligation to complete and return the TBI Mortgage Application. Purchaser understands and acknowledges that by signing the True Cash Sale Endorsement, Purchaser’s desire to purchase the Shares will be evaluated on Purchaser’s present financial ability to complete the purchase without financing.

9. Closing Apportionments. Subject to the provisions of Paragraph 5 of this Agreement, as of Purchaser’s Apartment Closing Date, Sponsor and/or the Apartment Corporation and Purchaser will apportion between themselves the Maintenance Charges attributable to the Apartment for the month in which the Closing occurs, so that Purchaser shall pay Maintenance Charges commencing at midnight on Purchaser’s Apartment Closing Date.

10. Sponsor’s Rights If Purchaser Fails to Keep Promises and Agreements.

a. If Purchaser fails to pay the Balance Due at Closing on the Originally Scheduled Closing Date or any Rescheduled Closing Date thereof, or if Purchaser is in default with respect to the Pre-Closing requirements of the Plan or under any Interim Lease entered into in connection with a Pre-Closing or otherwise, or if when Sponsor or the Apartment Corporation tender Purchaser the Shares and Proprietary Lease (or an assignment thereof), Purchaser does not then sign any of the documents referred to in the Plan which Purchaser is required to sign, or if Purchaser violates, repudiates or fails to perform any of the terms of this Agreement or fails to keep any other promise contained in this Agreement, Purchaser shall be in default hereunder, and Sponsor shall be entitled to terminate this Agreement.

b. Before Sponsor may terminate this Agreement and keep Purchaser’s Down Payment, Sponsor must send notice to Purchaser of Sponsor’s intention to cancel this Purchase Agreement if such default shall not be cured within thirty (30) days from the mailing date of such notice. TIME IS OF THE ESSENCE FOR PURCHASER TO CURE ANY DEFAULT UNDER THIS PURCHASE AGREEMENT WITHIN SUCH THIRTY (30) DAY PERIOD. “Time is of the essence” means that if such default is not cured within thirty (30) days from the mailing date of such written notice, Sponsor may (but shall not be obligated to) elect to cancel this Agreement by notice of cancellation to Purchaser sent after the cure period has expired. In the event that Sponsor shall elect to cancel this Agreement, Sponsor shall advise its attorneys, Seiden & Schein, P.C., of Purchaser’s default and that Sponsor has elected to cancel this Agreement by reason thereof, and Seiden & Schein, P.C., in accordance with Paragraph 11 hereunder, shall cause to have paid over to Sponsor, as liquidated damages, the Down Payment...
and the interest earned thereon (if any), and upon such payment being made, each of the parties hereto shall be relieved of any further liabilities or obligations hereunder, except as to provisions in this Purchase Agreement which specifically survive the cancellation of this Agreement. If this Agreement shall be canceled by Sponsor pursuant to the provisions of this Paragraph 10, Sponsor may sell the Shares to any third party and shall be under no obligation to account to Purchaser for any part of the proceeds of such sale. Seiden & Schein, P.C. may rely upon the truth and accuracy of the facts contained in Sponsor’s certification and the authority of the person or persons executing the same and shall have no liability as a result of such reliance.

c. AFTER THE THIRTY (30) DAY (TIME BEING OF THE ESSENCE) CURE PERIOD EXPIRES, IF PURCHASER’S DEFAULT REMAINS UNCURED, SPONSOR MAY ALSO COMMENCE EVICTION PROCEEDINGS AGAINST PURCHASER IF PURCHASER IS IN OCCUPANCY UNDER AN INTERIM LEASE OR OTHER OCCUPANCY AGREEMENT AND FAILS TO VACATE THE APARTMENT, AND THEREAFTER SELL THE APARTMENT TO ANOTHER PURCHASER AS IF THIS AGREEMENT HAD NEVER BEEN MADE.

11. Deposit To Be Held in Trust; Down Payments to be Secured by Surety Bonds.

a. The law firm of Seiden & Schein, P.C., with an address at 570 Lexington Avenue, 14th Floor, New York, New York 10022, telephone number (212) 935-1400, shall serve as escrow agent (the “Escrow Agent”) for Sponsor and Purchaser. Escrow Agent has designated Jay G. Seiden, Esq., Alvin Schein, Esq. and Adam A. Levenson, Esq. to serve as signatories on the “Escrow Account,” as defined below. Each designated signatory is admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in the Escrow Account.

b. Subject to Section 20 hereof, Escrow Agent and all authorized signatories hereby submit to the jurisdiction of the State of New York and its courts for any cause of action arising out of this Purchase Agreement or otherwise concerning the release of the Deposit (as defined below) from Escrow.

c. The required Down Payment pursuant to this Purchase Agreement will be ten percent (10%) of the Purchase Price for the Shares. All monies, including the Down Payment and advances received by Sponsor (collectively, “Deposits”) through its agents or employees pursuant to this Purchase Agreement either prior to or subsequent to the Consummation of the Plan will be deposited by Escrow Agent in a segregated, special escrow account or accounts titled “Seiden & Schein, P.C., Attorney Escrow Account”, or similar name, with the name of Purchaser and Apartment number added to the title of a sub-account with Citibank, N.A. at its branch located at 399 Park Avenue, New York, New York (the “Escrow Account”). Such account or accounts shall be interest bearing if so requested by Purchaser in accordance with Section 71-a(3) of the Lien Law. The Escrow Account is not an IOLA account. The Escrow Account is federally insured by the FDIC to the maximum amount of $250,000. Such $250,000 coverage includes, in the aggregate, the Down Payment, plus any and all other deposits that Purchaser has on account at Citibank, N.A. Any Purchaser deposits at Citibank, N.A. (including the Down Payment) which, in the aggregate, exceed $250,000 will not be insured by the FDIC. Such funds will be held in trust in accordance with the escrow and trust provisions of Sections 352(h) and 352-e(2-b) of the New York General Business Law, the terms
and conditions of the Offering Plan, and the Regulations promulgated pursuant to said Section 352-e(2-b) by the Attorney General's Office. Down Payments, with any accumulated interest, shall remain the property of Purchaser, except as provided by law, and as provided herein. Any Federal 1099 forms or other tax forms required to be forwarded by Escrow Agent to recipients of interest will be mailed by Escrow Agent to Purchaser (or to the designated interest-earning recipient of Purchaser, if Purchaser comprises two or more parties).

d. All Deposits tendered by Purchaser shall be in the form of a check which identifies Purchaser, and is made payable by Purchaser to the order of Seiden & Schein, P.C., as Escrow Agent.

e. Within five (5) business days after this Purchase Agreement has been executed by Purchaser, Sponsor, and Escrow Agent, Escrow Agent shall place the Deposit into the Escrow Account. Within ten (10) business days after the Deposit has been placed into the Escrow Account, Escrow Agent shall send written notice to the Purchaser and Sponsor. The notice shall provide the account number and the initial interest rate to be earned on the Down Payment.

f. If Purchaser does not receive written notice of such deposit within fifteen (15) business days after tender of the executed Purchase Agreement and Deposit, he or she may cancel this Purchase Agreement within ninety (90) days after tender of the executed Purchase Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, New York 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Down Payment was timely placed in the Escrow Account in accordance with the New York State Department of Law’s regulations concerning deposits and requisite notice was timely mailed to the Purchaser.

g. All Deposits received in connection with this Purchase Agreement, are and shall continue to be the Purchaser’s money, and may not be commingled with any other money or pledged or hypothecated by Sponsor, as per GBL § 352-h.

h. Under no circumstances shall Sponsor seek or accept release of the Down Payment of a defaulting Purchaser until after Consummation of the Plan. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-e and 352-h.

i. The Escrow Agent shall release the Down Payment if so directed:

(i) upon closing on the Shares pursuant to terms and conditions set forth in this Purchase Agreement; or

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

(iii) by a final, non-appealable order or judgment of a court of competent jurisdiction.

(iv) pursuant to the terms of an award issued upon the completion of binding arbitration conducted in accordance with Paragraph 20 herein.
In the event that the Down Payment is to be released pursuant to an arbitration award pursuant to paragraph (iv), above, Escrow Agent shall release such Down Payment no earlier than ninety (90) days after the delivery such award determination to Sponsor and Purchaser.

IF THE ESCROW AGENT IS NOT DIRECTED TO RELEASE THE DOWN PAYMENT PURSUANT TO PARAGRAPHS (I) THROUGH (IV) ABOVE, AND THE ESCROW AGENT RECEIVES A REQUEST BY EITHER PARTY TO RELEASE THE DOWN PAYMENT, THEN THE ESCROW AGENT MUST GIVE BOTH THE PURCHASER AND SPONSOR PRIOR WRITTEN NOTICE OF NOT FEWER THAN THIRTY (30) DAYS AFTER THE EXPIRATION OF THE THIRTY (30) DAY DEFAULT CURE PERIOD (TIME BEING OF THE ESSENCE), AS PROVIDED IN PARAGRAPH 10 HEREOF, BEFORE RELEASING THE DOWN PAYMENT (THE "30 DAY ESCROW NOTICE"). If the Escrow Agent has not received notice of objection to the release of the Down Payment prior to the expiration of the 30 Day Escrow Notice, the Down Payment and shall be released to Sponsor as liquidated damages and the Escrow Agent shall provide further written notice to both parties informing them of said release. If the Escrow Agent receives a written notice from either party objecting to the release of the Down Payment within the thirty (30) day period pursuant to the 30 Day Escrow Notice, the Escrow Agent shall continue to hold the Down Payment until otherwise directed pursuant to paragraphs (i) through (iv) above. Notwithstanding the foregoing, the Escrow Agent shall have the right at any time to deposit the Down Payment contained in the Escrow Account with the New York County Clerk and shall give written notice to both parties of such deposit.

j. Sponsor shall not object to the release of the Down Payment to:

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

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

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

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

l. Escrow Agent shall maintain the Escrow Account under its direct supervision and control.

m. A fiduciary relationship shall exist between Escrow Agent, and Purchaser, and Escrow Agent acknowledges its fiduciary and statutory obligations pursuant to GBL §§ 352-e and 352-h
n. Escrow Agent may rely upon any paper or document which may be submitted to it in connection with its duties under this Purchase Agreement and which is believed by Escrow Agent to be genuine and to have been signed or presented by the proper party or parties and shall have no liability or responsibility with respect to the form, execution or validity thereof.

o. Sponsor agrees that it shall not interfere with Escrow Agent's performance of its fiduciary duties and statutory obligations as set forth in GBL §§ 352-e and 352-h and the New York State Department of Law's regulations.

p. Prior to release of the Down Payment, Escrow Agent's fees and disbursements shall neither be paid by Sponsor from the Down Payment nor deducted from the Down Payment by any financial institution under any circumstance.

q. In the event of an uncured default by Purchaser in its obligations under this Purchase Agreement, the Down Payment and all other monies deposited by Purchaser with Escrow Agent or Sponsor pursuant to this Purchase Agreement or any amendment thereto, plus all interest earned thereon, shall be paid over to Sponsor as liquidated damages. Sponsor agrees not to seek the remedy of specific performance for the payment of the Balance of the Purchase Price in connection with this Purchase Agreement as to which there has been a default by Purchaser.

r. Notwithstanding the foregoing, in accordance with the Plan Sponsor intends to secure Down Payments made by Purchasers pursuant to this Purchase Agreement with surety bonds issued by North American Specialty Insurance Company ("NASIC") NASIC is licensed to write insurance in the State of New York. A copy of NASIC’s specimen bond located in Part II of the Plan.

(i) All Down Payments received after the Filing Date, shall be initially placed, within five (5) business days after the Purchase Agreement has been signed by Purchaser and Sponsor, in a segregated special escrow account titled, “Seiden & Schein, P.C., Attorney Account,” as described herein. Such Down Payments shall be released by Seiden & Schein, P.C., as Escrow Agent, to the Sponsor, upon receipt by Escrow Agent of a copy of the surety bond issued to the Purchaser whose funds are being released.

(ii) A surety bond shall be issued to each Purchaser in the amount of his or her Down Payment. The bond shall remain in full force and effect until the earlier of the conveyance of title of the subject Shares; an undisputed default by the Purchaser and cancellation of the Purchase Agreement; or mutual consent of the Purchaser and Sponsor. Upon the issuance of the bond, the Purchaser’s Down Payment shall be released from escrow.

(iii) Sponsor shall cause NASIC to mail or personally deliver the surety bond to the Purchaser before the funds are released to the Sponsor from the escrow account. The Sponsor, Escrow Agent and NASIC shall each retain a copy of the surety bond.

(iv) In the event that a Purchaser whose Down Payment has been released from escrow and is secured by a surety bond becomes entitled to a refund of the Down Payment, the Purchaser shall be required to collect it from NASIC. A Purchaser who becomes entitled to a refund of his or her Down Payment shall have the right to demand payment of the amount secured by the surety bond directly from NASIC, without first requesting payment from
Sponsor. NASIC shall be obligated to pay the amount secured by the bond to the Purchaser without the consent or despite the objection of the Sponsor, upon the following events or circumstances:

1) timely rescission of a Purchase Agreement by a Purchaser pursuant to an offer of rescission contained in the Offering Plan or an amendment to the Offering Plan;

2) acceptance for filing by the Department of Law of an amendment abandoning the Offering Plan;

3) a determination by the Department of Law that rescission or the return of funds is required;

4) failure by the Sponsor to obtain a commitment by NASIC to renew the surety bond 60 days prior to its expiration;

5) direction by the Sponsor, upon request by the Purchaser.

A Purchaser's inability to produce a copy of the surety bond shall not be a basis for NASIC to reject the Purchaser's claim. NASIC shall retain a copy of the bond and shall pay the secured funds to the Purchaser without a copy of the bond as long as the Purchaser is able to provide proof of identity as the obligee on the bond.

12. **Agreement Subject to Plan being Declared Effective.** This Agreement is contingent upon Sponsor declaring the Plan effective. Sponsor has the right to abandon the Plan at any time before Sponsor declares the Plan effective. If the Plan is abandoned for any reason, Purchaser will, within forty-five (45) days thereafter, receive a refund in full of Purchaser's Down Payment and any interest earned thereon, if Purchaser is entitled to the interest hereunder or under the Plan. After Purchaser receives such refund neither Sponsor nor Purchaser will have any claim or cause of action against the other and neither party will have any further obligation under this Agreement.

13. **Risk of Loss: Casualty.**

a. The signing of this Agreement by Purchaser signifies Purchaser's acceptance of the condition of the Property as represented by Sponsor in the Offering Plan, including the Building, and the Apartment and all fixtures, machinery, equipment, furnishings, appliances, installations and other personal property contained therein (hereinafter collectively called "Installations") in their respective existing conditions, ordinary wear and tear excepted between the date Purchaser signs this Agreement and delivery of the deed to Purchaser. Purchaser acknowledges having read the Section entitled "Description of Property and Specifications" set forth in Part II of the Offering Plan, which sets forth a description of the physical condition of the Building, and acknowledged having been given the opportunity to review the reports referred to in the Section of the Offering Plan entitled "Description of Property and Specifications" Purchaser understands that Sponsor has no obligation to make any repairs, improvements or decorations in or to the Property, the Building, the Apartment or the Installations, except as may otherwise be set forth in the Offering Plan.
b. Prior to the conveyance of Shares and the execution of a Proprietary Lease to an Apartment, no Purchaser shall be permitted to enter the Apartment without the prior consent of Sponsor. Purchaser shall have the right to enter and inspect the Apartment on one (1) occasion prior to the Closing in the presence of Sponsor’s representative, upon making an inspection appointment with Sponsor’s representative as set forth in Paragraph 15 of this Agreement. Under no circumstances shall Purchaser perform or cause to be performed any work in the Apartment prior to the Closing thereto. Purchaser understands that the existence of any incomplete items of construction or Punchlist items, per Paragraph 15 of this Agreement, at Closing which do not materially affect the use and operation of the Apartment shall not be grounds for Purchaser to adjourn the Closing, or to refuse to pay the balance of the Purchase Price for the Shares and execute the Proprietary Lease, or to otherwise seek rescission of this Agreement.

c. Except as set forth below, the risk of loss from fire or other casualty with respect to the Apartment shall remain with Sponsor until the Closing for the Apartment. Sponsor, at its sole discretion, reserves the right to either (i) repair or restore such Apartment, whereupon Purchaser shall be obligated to close without an abatement in the Purchase Price, or (ii) not repair or restore, or having completed any such repair or restoration, to thereafter elect not to complete such repairs or restoration, and in either case, cancel this Agreement, in which event, Sponsor shall terminate this Purchase Agreement and return Purchaser’s Down Payment, plus all interest accrued thereon. Subsequent to the filing of an amendment substantiating effectiveness of the Offering Plan, Sponsor may be required to repair or restore as set forth below. Notwithstanding the above, in the event that Purchaser, or one claiming by or through Purchaser, enters into possession of the Apartment prior to the Closing, then Purchaser shall bear the risk of loss or other casualty with respect to the Apartment, except as otherwise provided in the Offering Plan. Additionally, Purchaser shall be solely responsible for any damage to, or loss or other condition in the Apartment and Sponsor shall not be obligated to repair any damages to the Apartment or his appliances, fixtures and equipment, except as otherwise provided in the Offering Plan. However, Purchaser does not assume the risk of loss to the Apartment if the cause of such loss originated outside his Apartment and did not result from the acts of Purchaser or the other occupants of the Apartment or Purchaser’s guests, invitees or workmen. If Purchaser is obligated to repair the damage in accordance with the foregoing, then his failure to repair the damage shall not excuse him from paying the balance due under this Purchase Agreement, executing a Proprietary Lease, and accepting the Shares to the Apartment.

d. With respect to all risk of loss after an amendment substantiating effectiveness of the Offering Plan has been filed but prior to Closing, Sponsor is not obliged or liable to repair the damage or restore the Apartment other than to repair damage or destruction from fire or other casualty to the Property to the extent of an aggregate of an amount equaling one half of one percent of the Total Offering Price set forth on the front cover of the Offering Plan (minus certain amounts which Sponsor is required to spend to cure or comply with any work order from an insurer or to cure or comply with a defect in title or hazardous or dangerous condition against the Property which did not exist on the date of acceptance of the Offering Plan). If Sponsor or, after the Cooperative Conversion Date, the Shareholders, elect to repair or replace the loss or damage which Sponsor is not required to repair or replace, (i) this Agreement shall continue in full force and effect, (ii) Purchaser will not have the right to reject the Shares or to receive a credit against, or abatement of, the Purchase Price, and (iii) Sponsor will be entitled to a reasonable period of time to complete (or to permit the Apartment Corporation, as the case...
may be, to complete) such repairs or replacements. Purchaser will not be required to pay the balance of the Purchase Price unless and until (i) the Apartment has been substantially repaired to as near as reasonably possible to its condition immediately prior to the casualty, and (ii) its essential services (such as gas, electricity and heat) and a reasonable means of ingress and egress to the street have been restored. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss will belong entirely to Sponsor (subject to the rights, if any, of other Shareholders) and if such proceeds are paid to Purchaser, Purchaser will promptly, upon receipt, turn them over to Sponsor. The provisions of the preceding sentence will survive the Closing.

e. In the event Sponsor is not obligated to restore or repair as set forth above and notifies Purchaser that it does not elect to repair or restore the Apartment, or if the Shareholders do not resolve to make such repairs or restoration pursuant to the Apartment Corporation's Bylaws, as the case may be, this Agreement will be deemed canceled and of no further force or effect and Sponsor will instruct its attorneys to return to Purchaser all sums deposited hereunder (with interest, if any), whereupon the parties will be released and discharged from all obligations and liability hereunder and under the Offering Plan, except that if Purchaser is then in default hereunder (beyond the applicable grace period, if any), Sponsor will retain the sums deposited hereunder as liquidated damages.

14. Notices. Any notice (including a letter, request, consent or other communication) which either party wants to give to the other concerning items relating to the sale and purchase of the Shares and Proprietary Lease, or the Closing under this Agreement, must be in writing and must be sent by registered or certified mail, return receipt requested, to the respective addresses shown on page one of this Agreement. Purchaser will send a copy of any notice Purchaser gives Sponsor to Seiden & Schein, P.C., 570 Lexington Avenue, New York, New York 10022, Attn: Alvin Schein, Esq. or to such other law firm as Sponsor may designate. Sponsor and Purchaser can specify a different address for themselves by giving notice of it to the other. A notice shall be considered given five (5) days after the date it is mailed, except that a notice of an address change shall be considered given when it is received. Any notice sent by Sponsor's Counsel on Sponsor's behalf to Purchaser or to Purchaser's attorney set forth on the first page of this Agreement (or to any other attorney purporting to represent Purchaser), shall be deemed notice by Sponsor, as applicable, should notice need be given by Sponsor pursuant to this Agreement. If Purchaser's name, address or phone number changes, or if Purchaser's attorney's name, address or phone number changes from that set forth on the first page of this Agreement, Purchaser shall provide Sponsor with the pertinent new name, address and/or phone number immediately.

15. Inspection and Acceptance of the Apartment.

a. Prior to the Pre-Closing or Closing, no Purchaser shall be permitted to enter the Apartment without the prior consent of Sponsor. Purchaser shall have the right to enter and inspect such Apartment on one (1) occasion prior to the Pre-Closing or Closing in the presence of a representative of Sponsor, but shall be obligated to make an inspection appointment with Sponsor. Under no circumstances shall Purchaser perform or cause to be performed any work in such Apartment prior to the Closing. Purchaser understands that the existence of any incomplete items of construction at the Pre-Closing or Closing which do not materially affect the use and operation of the Apartment shall not be grounds for Purchaser to
adjourn the Pre-Closing or Closing or to refuse to pay the balance of the Purchase Price of such Purchaser’s Apartment and close title to the Shares and execute a Proprietary Lease for Purchaser’s Apartment.

b. IF APPLICABLE: In the event that the Storage Space is not substantially complete and available for use on the Closing Date, Purchaser shall be obligated to execute a Storage License, deliver the entire Balance Due at Closing to Sponsor, close title to the Shares and execute a Proprietary Lease. However, the Storage Space Down Payment and the portion of the Balance Due at Closing attributed to the Storage Space will be held in escrow by Escrow Agent until Sponsor has notified Purchaser, in writing, that the Storage Space is substantially complete and available for use.

16. **Conditions for Binding Agreement.**

a. This Agreement shall not be binding until Purchaser and Sponsor have executed this Agreement and a fully executed counterpart of this Agreement has been delivered to Purchaser.

b. Within twenty (20) days after delivery by Purchaser to Sponsor or Sponsor’s agent of this Agreement as executed by Purchaser, Sponsor will either:

   (a) accept this Agreement and cause to be returned to Purchaser a fully executed counterpart thereof, or;

   (b) reject this Agreement and refund the Down Payment tendered by Purchaser.

THE SUBMISSION OF THIS AGREEMENT SHALL NOT BE DEEMED TO CONSTITUTE AN OFFER TO SELL, OR AN OPTION TO PURCHASE, AND THIS AGREEMENT SHALL NOT BE BINDING UPON SPONSOR UNLESS AND UNTIL IT IS EXECUTED AND DELIVERED BY BOTH PURCHASER AND SPONSOR AND, IN SUCH EVENT, SUBJECT TO ALL THE TERMS AND CONDITIONS HEREOF.

c. Purchaser agrees that all terms and provisions of this Agreement are and shall be subject and subordinate to the Ground Lease and the lien of any underlying mortgages on the Building made before or after this Agreement is signed and any payments or expenses already made or incurred or which may later be made or incurred, to their full extent without the execution of any further legal documents by Purchaser. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with the building loan schedule of payments or accelerated by virtue of the lender's right to make advances before they become due in accordance with the schedule of payments, if any.

17. **Definitions.** The term "Purchaser" shall be read as "Purchasers" if more than one person is a purchaser, in which case Purchaser's obligations shall be considered joint and several. All capitalized terms used in this Agreement not otherwise defined in this Agreement, shall have the same meanings as they do in the Plan.

18. **Gender.** The use of the masculine gender in this Agreement shall be deemed to refer to the feminine gender or to an entity whenever the context so requires.
19. **Broker.** Purchaser represents and warrants to Sponsor that Purchaser did not negotiate for the Apartment with any broker in connection with this transaction except for the Selling Agent. Purchaser agrees to pay any broker engaged by Purchaser and to indemnify Sponsor and Selling Agent and hold Sponsor and Selling Agent harmless from and against any costs, claims or expenses Sponsor and/or Selling Agent may incur, including but not limited to attorneys’ fees and disbursements, arising out of or in any way connected with, Purchaser's breach of the representations in this Paragraph 19. The provisions of this Paragraph 19 shall survive the Closing hereunder or any earlier termination of this Agreement.

20. **Jury Waiver.** Purchaser hereby waives trial by jury in any action, proceeding, or counterclaim involving any matter whatsoever arising out of, or in any way connected with this Purchase Agreement or the relationship of the parties as Purchaser and Sponsor, or the right of Purchaser to any statutory relief or remedy. Purchaser, on behalf of Purchaser and all permanent residents of the Apartment(s), including minor children, hereby agrees that any and all disputes with Sponsor, Sponsor’s parent company or its subsidiaries or affiliates arising out of the Apartment(s), this Purchase Agreement, any other agreements, communications or dealings involving Purchaser, or the construction or condition of the Apartment(s) including, but not limited to, disputes concerning breach of contract, express and implied warranties, personal injuries and/or illness, mold-related claims, representations and/or omissions by Sponsor, on-site and off-site conditions and all other torts and statutory causes of action ("Claims") shall be resolved by binding arbitration in New York County in accordance with the rules and procedures of Arbitration of the American Arbitration Association or its successor or an equivalent organization mutually agreed upon by the parties. The arbitrator will be neutral and independent of both the Sponsor and its principals. In addition, Purchaser agrees that Purchaser may not initiate any arbitration proceeding for any Claim(s) unless and until Purchaser has first given Sponsor specific written notice of each claim (at 250 Gibraltar Road, Horsham, PA 19044, Attn: Warranty Dispute Resolution) and given Sponsor a reasonable opportunity after such notice to cure any default, including the repair of the Apartment(s), in accordance with the Offering Plan. The provisions of this paragraph shall be governed by the provisions of the Federal Arbitration Act, 9 U.S.C. §1, et seq. and shall survive settlement.

Arbitration is a less formal method of resolving disputes than litigation in a court, and arbitration has certain limitations, as compared to litigation in court. Such limitations include, but are not limited to, (i) giving up the right to bring a legal action against one another in court, except as may be provided by the rules of the arbitration forum in which a claim is filed; (ii) limiting the ability of the parties to obtain documents and perform discovery; (iii) arbitrators may not have to explain the reasons for their award; (iv) a notice of pendency may not be filed against a property based on ongoing arbitration proceedings.

As with litigation, certain time limits are imposed for bringing a claim in litigation.

Arbitration awards are generally binding and, therefore, a party’s ability to have a court reverse an arbitration award is limited (see New York Civil Practice Law and Rules §7511). PURCHASER SHALL BE OBLIGATED TO REIMBURSE SPONSOR FOR ANY LEGAL FEES AND DISBURSEMENTS INCURRED BY SPONSOR IN DEFENDING SPONSOR’S RIGHTS AND ENFORCING PURCHASER’S OBLIGATIONS UNDER THIS PURCHASE AGREEMENT.

For further information about arbitration, please visit www.adr.org.
The provisions of this Paragraph 20 shall survive the closing of title or the cancellation of this Purchase Agreement.

21. **Survival of Sponsor's Obligations: Performance.**

   a. Sponsor will have no obligations under this Agreement or the Plan after Sponsor gives Purchaser the Shares and Proprietary Lease, except as provided herein and in the Offering Plan. All representations required by Article 23-A of the General Business Law to survive Closing hereunder shall survive delivery of the Shares and Proprietary Lease.

   b. The acceptance of the Shares and the assumption or entering into of the Proprietary Lease by Purchaser shall be deemed to be the full performance and discharge of every agreement and obligation (express or implied) on the part of Sponsor to be performed pursuant to this Agreement, except those which are herein specifically stated to survive the Closing, and as otherwise provided in the Offering Plan.

22. **Apartment Corporation Not a Party.** Purchaser understands that the Apartment Corporation is not a party to this Agreement or the sale contemplated hereby and that no representations, warranties or promises of any kind have been made to Purchaser by the Apartment Corporation. Purchaser agrees that no claim will be made against the Apartment Corporation by Purchaser in respect of, or arising out of, the purchase of the Shares and Proprietary Lease. The provisions of this Paragraph 22 shall survive the Closing.

23. **Strict Compliance.** Any failure by Sponsor to insist upon strict performance by Purchaser of any of the provisions of this Purchase Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and Sponsor, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

24. **No Representation.** Purchaser acknowledges having entered into this Agreement without relying on any promises, statements, estimates, representations, warranties, conditions or other inducements, expressed or implied, oral or written, not set forth herein or in the Plan. Purchaser agrees that Sponsor will have no liability to Purchaser if there is a minor error or inaccuracy in the layout or dimensions of the Apartment as shown on the floor plans available for review at the On-Site Sales Office, so long as the layout and dimensions conform substantially to the floor plans which Purchaser has been given an opportunity to examine.

25. **Captions.** The captions in this Agreement are for convenience and reference only, are not part of the meaning of this Agreement, and in no way define, limit or describe the scope of this Agreement, or intent of any provision hereof.

26. **Entire Agreement; Binding Nature of Agreement.** Purchaser understands that this Agreement and the Plan constitute the entire agreement between the parties and contain the only representations made to Purchaser. Purchaser has not relied on any other representations, statements or warranties, and acknowledges that no one has authority to make any representation or warranty not set forth in the Plan. Purchaser had full opportunity to examine all documents and investigate all facts referred to in the Plan and will not bind Sponsor
to any oral representations and/or agreements. Purchaser understands that this Agreement is
binding upon Purchaser. In no event will this Agreement be amended to abrogate Sponsor's
responsibilities or Purchaser's rights under Article 23-A of the General Business Law.

27. **No Recording. Assignment or Advertisement; No Lis Pendens.** Purchaser agrees not to record this Agreement. Purchaser also agrees not to advertise or otherwise offer, promote or publicize the availability of the Apartment for sale or lease prior to Closing hereunder. Purchaser has no right to assign this Agreement or Purchaser's rights hereunder without Sponsor's prior written consent and without the prior written consent of the New York City Department of Housing Preservation and Development ("HPD"). If Sponsor and HPD agree to an assignment of this Agreement, Purchaser shall pay to Sponsor a fee of $1,000, payable in advance, for the preparation of an assignment agreement. Violation by Purchaser of any of Purchaser's agreements in this Paragraph 27 shall be a default under this Agreement. Purchaser waives any right Purchaser may have to file a *lis pendens* against the Property in the event of Sponsor's default under this Agreement.

28. **Sponsor's Right to Terminate this Agreement.** In the event Purchaser enters into an Interim Lease or other occupancy agreement for the Apartment with Sponsor, a default under the Interim Lease or occupancy agreement shall be a default under this Agreement, and a default under this Agreement shall be a default under the Interim Lease or occupancy agreement. Purchaser's failure to cure a default under the Interim Lease, occupancy agreement or this Agreement within the time period set forth in the Interim Lease, occupancy agreement or this Agreement, may result in termination of the Interim Lease, occupancy agreement and this Agreement, as applicable, and the retention by Sponsor of the Down Payment plus all interest earned thereon as liquidated damages.

29. **Conflicts with the Plan: Definitions.** Conflicts between any provisions of this Agreement and the Plan shall be resolved in favor of the Plan.

30. **Limitation of Sponsor's Liability.** The Sponsor's liability under this Agreement for failure to complete and/or deliver or have delivered title for any reasons whatsoever shall be limited to the return of the Down Payment hereunder (with interest, if any), and upon the return of said money, this Purchase Agreement shall be null and void and the parties hereto released from any and all liability hereunder.

31. **Amendment of Purchase Agreement.** This Purchase Agreement may not be amended, altered or discharged except by agreement in writing signed by the party sought to be charged therewith or by his, her or its duly authorized agent.

32. **Governing Law.** This Purchase Agreement shall be governed by and construed in accordance with the law of the State of New York.

33. **Conflict with Plan.** Any conflict between the Plan and this Purchase Agreement will be resolved in favor of the Plan.

34. **Foreign Investment in Real Property Tax Act.** Pursuant to the Foreign Investment in Real Property Tax Act (FIRPTA), upon disposition of a United States real property interest by a foreign person on or after January 1, 1985, the Purchaser of such real property interest shall pay to the United States an annual tax equal to a specified percentage of the purchase price of the property interest. Pursuant to this Act, the Purchaser of the Property represented herein shall pay the applicable taxes and shall indemnify and hold Sponsor harmless from any and all liability arising from such taxes. The Purchaser agrees to pay all taxes due under the Act and to indemnify and hold Sponsor harmless from any and all liability arising from such taxes.
property interest must deduct and withhold a tax equal to ten percent (10%) of the purchase price unless the Sponsor furnishes a certificate that it is not a foreign entity or individual. Sponsor will furnish to Purchaser a non-foreign certification at Closing, thereby complying with FIRPTA and relieving Purchaser from any withholding obligations.

35. **Rules of Construction.** There shall be no presumption against the draftsman of this Purchase Agreement or the Plan.

36. **Costs of Enforcing and Defending Purchase Agreement.** Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under this Purchase Agreement or, in the event Purchaser defaults under this Purchase Agreement beyond any applicable grace period, in canceling this Purchase Agreement or otherwise enforcing Purchaser's obligations hereunder.

37. **Prohibited Purchaser and Prohibition Against Money Laundering.**

   a. Purchaser is not now, nor shall be at any time prior to or at the Closing, a Person with whom a United States citizen, entity organized under the laws of the United States or its territories or entity having its principal place of business within the United States or any of its territories (collectively, a “U.S. Person”), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders or lists published by the Office of Foreign Assets Control, Department of the Treasury (“OFAC”). Neither Purchaser nor any Person who owns an interest in Purchaser is now nor shall be at any time prior to or at the Closing, a Person with whom a U.S. Person, including a “financial institution” as defined in 31 U.S.C. 5312 (a) (z), as periodically amended, is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by OFAC or otherwise.

   b. Purchaser has taken, and shall continue to take until the Closing, such measures as are required by applicable law to assure that the funds used to pay to Sponsor for the Purchase Price are derived: (i) from transactions that do not violate United States law nor, to the extent such funds originate outside the United States, do not violate the laws of the jurisdiction in which they originated; and (ii) from permissible sources under United States law and to the extent such funds originate outside the United States, under the laws of the jurisdiction in which they originated. Purchaser is, and will at Closing be, in compliance with any and all applicable provisions of the USA PATRIOT Act of 2001, Pub. L. No. 107-56, the Bank Secrecy Act of 1970, as amended, 31 U.S. C. Section 5311 et. Seq., the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. Seq. the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957.

38. **AHC and HPD Requirements for 421-a Affordable Apartments.** Purchaser shall be subject to the conditions and qualifications set forth by the New York City Department of Housing Preservation and Development (“HPD”) and the New York State Affordable Housing Corporation (“AHC”), which are described in the Plan, and are incorporated herein by reference. As a condition of purchasing the Shares, Purchaser shall be required to qualify as an Eligible Purchaser, and Purchaser shall execute any documentation necessary to
satisfy HPD’s and AHC’s requirements. Notwithstanding any provisions herein to the contrary, this Purchase Agreement may be rescinded by Sponsor if Purchaser is found to have falsely or fraudulently certified income or household composition in connection with the purchase of the Shares. In the event that Sponsor so rescinds this Purchase Agreement, Sponsor shall return Purchaser’s Down Payment with all interest accrued and thereafter neither party shall have any further rights or obligations with respect to this Purchase Agreement.

39. **Owner-Occupancy.** Purchaser acknowledges that for so long as the AHC Mortgage with respect to the Shares is outstanding, Purchaser shall be required to occupy the Apartment as a Primary Residence.

Dated: _____________, 201__

_____________________________
Purchaser

_____________________________
Purchaser

ACCEPTED:

100 Barrow Street LLC

_____________________________
David Von Spreckelsen
Division President

**WITH RESPECT TO PARAGRAPH 11:**

SEIDEN & SCHEIN, P.C.

By: ___________________________
EXHIBIT A

FORM OF STORAGE SPACE LICENSE AGREEMENT

THIS STORAGE SPACE LICENSE AGREEMENT (this “Agreement”) dated as of the ___ day of __________, 20__ by and between the Board of Directors of The 100 Barrow Street Apartment Corp. (“Licensor”) having an office at 100 Barrow Street, New York, New York 10014 (the “Building”) and ______________ having an address at 100 Barrow Street, Apartment __, New York, New York (“Licensee”).

WHEREAS, Licensee, owns or simultaneously herewith is acquiring title to shares of stock that are allocated to Apartment ___ (the “Apartment”) in the Building and has executed a Proprietary Lease for the Apartment (the “Proprietary Lease”); and

WHEREAS, Licensee desires the right to the exclusive use of Storage Space # ___ (the “Designated Storage Space”), subject to the terms of this Agreement and to the terms of the Proprietary Lease;

NOW THEREFORE, in consideration of the sum of $10.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Licensor hereby grants to Licensee, its successors and assigns, a license for the exclusive use of the Designated Storage Space (the “License”), and Licensee hereby accepts such License from Licensor for a term commencing on the date hereof and terminating in ninety-nine (99) years from the date hereof.

2. The Designated Storage Space shall be used solely for the storage of personal effects of the Shareholder, and in no event shall any food or other perishable item or any hazardous, flammable or explosive item be stored in the Designated Storage Space, nor shall the Designated Storage Space be used for the storage of any item if storage of such item in the Designated Storage Space violates any applicable law, regulation, code or ordinance.

3. Licensee shall not (a) store any property in the Licensed Area, other than in the Designated Storage Space; or (b) allow any other person to use the License, except in accordance with the terms hereof.

4. This License may be assigned by Licensee, at any time, provided, however, that (i) the assignee is a shareholder of the Apartment Corporation or a lessee of a shareholder of the Apartment Corporation, (ii) the assignee assumes the obligations hereunder substantially in the form annexed hereto as Exhibit 1, (iii) notification of the assignment is delivered in writing to Licensor in compliance with the Proprietary Lease, as the same may be modified from time to time, and any other requirements of Licensor and (iv) no outstanding monies are owed to the Apartment Corporation by the Licensee and/or the assignee.

5. This License may be sub-licensed by Licensee, at any time, provided, however, that (i) the sub-licensee is a Shareholder of the Apartment Corporation or a lessee of a shareholder of the Apartment Corporation, (ii) Licensee and sub-licensee shall be
obligated to comply with the obligations stated herein, (iii) notification of the sub-license is delivered in writing to Licensor in compliance with its requirements, as the same maybe modified from time to time and Licensor consents to the sub-license, and (iv) no outstanding monies are owed to the Apartment Corporation by the Licensee and/or the sub-licensee.

6. This License shall automatically terminate at such time as the Licensee no longer owns or rents an apartment in the Building, unless this License is assigned to and assumed by another shareholder or licensee thereof.

7. Prior to the sale of Licensee's shares of stock in the Apartment Corporation, Licensee shall offer the Designated Storage Space to Licensor on the same terms as provided for the Proprietary Lease.

8. Licensee represents that it has made a thorough inspection of the Licensed Area and agrees to take same in its "as is" condition as of the date of this Agreement. Licensee shall, throughout the term of this Agreement, take good care of the Designated Storage Space. All maintenance, repairs and replacements to the Designated Storage Space as well as the Licensed Area shall be performed by Licensor and the cost thereof shall be a Residential Common Expense, unless such repair or replacement is necessitated by the negligence, misuse, or abuse of a Licensee, in which case the entire cost and expense of such repair or replacement shall be borne by such Licensee. Licensee shall not hang signage of any kind on or from the Designated Storage Space, paint or otherwise alter the Designated Storage Space in any way without the written consent of Licensor.

9. Neither Licensor nor its respective agents or employees shall be liable for any theft or damage to any property stored in the Licensed Area and the Designated Storage Space.

10. The terms of this Agreement are subject to the terms of the Proprietary Lease and to the By-Laws of the Apartment Corporation (the "Cooperative Documents"). Nothing contained herein shall be construed as limiting the rights and obligations of the parties under the Cooperative Documents. Any conflict between the provisions of this Agreement and the Cooperative Documents shall be resolved in favor of the Cooperative Documents.

11. A. If Licensee defaults in its obligations hereunder or under the Cooperative Documents, and does not cure such default within sixty (60) days of written notice of such default by Licensor, then Licensor may, in addition to the rights and remedies set forth in the Cooperative Documents, (i) deny access to and use of the Designated Storage Space until Licensee cures such default or (ii) terminate this Agreement upon written notice to Licensee.

B. In the event that this Agreement is terminated by Licensor in accordance with paragraph (11)(A) hereof, no portion of the license fee shall be refunded to Licensee.

12. Licensor or its agents shall have the right to open the Designated Storage Space in an emergency at any time without notice, and, at other reasonable times upon prior notice to Licensee, to inspect and examine the Designated Storage Space and to make such repairs, replacements and improvements as Licensor shall deem necessary.
13. This Agreement shall constitute a License only and shall not be construed under any circumstances to be a sale of the Designated Storage Space or conveyance of title thereto. In no event shall a landlord/tenant relationship exist between the Licensor and the Licensee with respect to this Agreement.

14. Licensee shall indemnify and hold the Licensor and their respective officers, agents and employees, harmless from and against any and all liabilities, claims, penalties and judgments, together with any related costs and expenses, including reasonable legal fees, asserted against or sustained by any of them in connection with any act, omission, or negligence of Licensee or Licensee’s family, servants, employees, agents, guests and invitees in connection with this License.

15. Licensee shall be obligated to reimburse the Licensor for any legal fees and disbursements incurred by the Licensor in defending the rights of the Licensor under this Agreement or, in the event Licensee defaults under this Agreement beyond the sixty (60) day grace period described in paragraph 11 hereof, enforcing Licensee’s obligations hereunder.

16. Neither this Agreement nor any provision hereof may be waived, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, amendment, discharge or termination is sought and then only to the extent set forth in such instrument.

17. It is understood and agreed that all understandings and agreements heretofore had between the parties hereto are merged in this Agreement, which alone fully and completely express their agreement and that this Agreement supersedes any and all such understandings and agreements with respect to the subject matter hereof.

18. If any provision of this Agreement is invalid or unenforceable as against any party or under certain circumstances, the remainder of this Agreement and the applicability of such provision to other parties or circumstances shall not be affected thereby Each provision of this Agreement, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by Law.

19. Either party shall execute, acknowledge and deliver to the other party such instruments and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement 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.

20. Any failure by the Licensor to insist upon strict performance by Licensee of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and Licensor, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Licensee of any and all of the provisions of this Agreement to be performed by Licensee.

21. All notices made pursuant to this Agreement shall be made in accordance with the Cooperative Documents.
22. All terms not defined herein shall have the meaning ascribed to them in the Cooperative Documents.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first above written.

LICENSOR:

The Board of Directors of
The 100 Barrow Street Apartment Corp.

By: __________________________
Name: _________________________
Its: ___________________________

LICENSEE:

_____________________________
EXHIBIT 1
TO FORM OF STORAGE SPACE LICENSE AGREEMENT

ASSIGNMENT AND ASSUMPTION
OF STORAGE SPACE LICENSE AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION OF STORAGE SPACE LICENSE AGREEMENT (this "Assignment") made as of the __ day of __________, __________ by and between ___________________________ (hereinafter referred to as the "Assignor"), having an address at ___________________________, New York __________ and ___________________________ (hereinafter referred to as the "Assignee"), having an address at ___________________________, New York __________.

WITNESSETH:

WHEREAS, Assignor executed that certain Storage Space License Agreement dated as of the ___ day of __________, 201__ (the "Agreement") to have the exclusive right to use Storage Space #___ located at 100 Barrow Street, New York, New York, in accordance with the terms of the Offering Plan dated __________, 201__ (the "Plan"), as amended to date; and

WHEREAS, the Assignor desires to assign to the Assignee all of the Assignor's right, title and interest in and to the Agreement; and

WHEREAS, the Assignee desires to assume all of the obligations and responsibilities of the Assignor in and to the Agreement; and

WHEREAS, the parties hereto wish to set forth their agreements with respect to this Assignment.

NOW, THEREFORE, in consideration of the mutual promises herein contained, and other good and valuable consideration, the parties hereto agree as follows:

1. ASSIGNMENT: The Assignor hereby assigns to the Assignee, from and after the date hereof, all of the Assignor's right, title and interest in and to the Agreement, a copy of which is attached hereeto and made a part hereof, for a purchase price of $___ ____. ___.

2. ASSUMPTION: The Assignee hereby assumes all of the obligations, promises, covenants and responsibilities of the Assignor in and to the Agreement as if the Assignee had signed the Agreement originally as "Licensee."

3. AUTHORIZATION AND DIRECTION: The Assignor and the Assignee hereby authorize and direct the Board of Directors of The 100 Barrow Street Apartment Corp. ("Apartment Corporation") to have the books and records of the Apartment Corporation reflect that Assignee has the exclusive right to use Storage Space #__.
4. **EFFECTIVE DATE:** This Assignment shall not be deemed effective unless and until signed by each of the parties hereto.

5. **DEFINED TERMS:** All terms not defined herein shall have the meanings ascribed to them in the Plan.

IN WITNESS WHEREOF, the Assignor and the Assignee have duly executed this Assignment and Assumption of Storage Space License Agreement on the day and year first above written.

ASSIGNOR:  
Signature: ____________________  
Print Name: ____________________

ASSIGNEE:  
Signature: ____________________  
Print Name: ____________________
EXHIBIT B

REQUEST FOR LENDER INFORMATION

PLEASE COMPLETE AND RETURN TO OUR SALES OFFICE NOT LATER THAN FOURTEEN (14) DAYS FROM THE DATE OF PURCHASER'S EXECUTION OF AGREEMENT OF SALE

Customer: ___________________
Lot: ___________________
Community: ___________________

Please be advised that we made mortgage application with:

Lender: ___________________
Address: ___________________
Telephone No.: _______________
Fax No.: ___________________
Email Address: _______________
Date of Application: _______________
Mortgage Amount: _______________
Mortgage Commitment Anticipated: ___________________

(Date)

Mortgage Type: Fixed 1 Yr. ARM 3 Yr. ARM Other
Interest Rate: Floating Locked If Locked: Rate

Person with Whom Application was Filed: ___________________

Also, please send copies of correspondence and closing information to:
Name: ___________________
Address: ___________________
Telephone No.: _______________

Authorization is hereby expressly given for the above mentioned Lender to release to TOLL BROTHERS, INC. and its affiliates and related companies any or all requested information concerning bank accounts, insurance policies, employment or mortgage verifications, and status reports related to the approval of my/our application for a mortgage loan in connection with the above property. The information requested is being requested for use in connection with a bona fide "permissible purpose" as defined in the Fair Credit Reporting Act.

Date: ___________________ Purchaser: ___________________

Date: ___________________ Purchaser: ___________________
EXHIBIT C

TRUE CASH SALE ENDORSEMENT TO PURCHASE AGREEMENT

ENDORSEMENT TO PURCHASE AGREEMENT dated between 100 Barrow Street LLC ("Sponsor") and ("Purchaser") of Apartment in the Apartment Corporation known as The 100 Barrow Street Apartment Corp. (the "Agreement").

NOTWITHSTANDING anything contained in the Agreement to the contrary, Sponsor and Purchaser further agree as follows:

CASH SALE. Sponsor and Purchaser agree that the section of the Agreement entitled "Mortgage Application" is eliminated in its entirety and is deemed replaced with the following language:

"CASH SALE: Purchaser acknowledges that this Agreement is not contingent upon the Purchaser obtaining financing for the purchase of the Apartment and that Purchaser warrants that Purchaser will have sufficient funds on hand to complete the closing hereunder without obtaining mortgage financing. At any time and as often as Sponsor in its reasonable discretion deems appropriate, Sponsor may request reasonable written assurances of Purchaser’s ability to satisfy Purchaser’s obligations under the Agreement. Within ten (10) days of such request, Purchaser shall provide documentary evidence satisfactory to Sponsor in Sponsor’s reasonable discretion that Purchaser will be able to satisfy Purchaser’s obligations under the Agreement. Purchaser’s failure to timely provide such documentary evidence of Purchaser’s ability to perform shall constitute a material breach of this Agreement."

THIS ENDORSEMENT is intended to be incorporated into and made a part of the Agreement and all other terms and conditions contained in the Agreement, unless expressly modified herein, remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have hereunto set their hands and sales the day and year written.

SPONSOR: DATE:

PURCHASER: DATE:

PURCHASER: DATE:
FORM OF MARKET-RATE APARTMENT PROPRIETARY LEASE

THE 100 BARROW STREET APARTMENT CORP.,

Lessor

TO

______________________,

Lessee

PROPRIETARY LEASE

APARTMENT NO: ___
NO. OF SHARES: ___
ADDITIONAL SPACE ___
WINE CLOSET ___

P:\Offering Plans\100 Barrow Street\Accepted for Filing\Proprietary Lease (Market-Rate form).doc
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Definitions

Definitions of certain important terms used in this Proprietary Lease are set forth below.

“Apartment”: A residential apartment in the Building.

“Apartment Closing Date”: The date as of which a Purchaser under the Plan closes under a Purchase Agreement, becomes the Lessee under a Proprietary Lease for an Apartment and acquires the Shares allocated to that Apartment.

“Apartment Corporation”: The 100 Barrow Street Apartment Corp., a New York corporation formed under the New York Business Corporation Law, whose Shares together with Proprietary Leases appurtenant thereto, are offered for sale pursuant to the Plan.

“Apartment Corporation By-laws”: The document governing the operation of the Apartment Corporation, pursuant to which the Board of Directors is elected and governs.

“Board of Directors” or “Board”: The governing body of the Apartment Corporation.

“Building”: The structure being erected by Sponsor on the Land.

“City Register’s Office” or “Register’s Office”: The New York County office of the Register of The City of New York.

“Cooperative Conversion Date”: The date on which the Sponsor assigns to the Apartment Corporation all of Sponsor’s right title and interest in and to the Ground Lease.

“Ground Lease”: Ground Lease dated as of May 11, 2015 but effective as of February 25, 2015, between Sponsor, as tenant, and The Rector, Churchwardens and Vestrymembers of the Church of St. Luke in the Fields, New York New York, as landlord, as amended, and as may be further amended from time to time.

“Holder of Unsold Shares”: Sponsor and the persons so designated by Sponsor to whom the Unsold Shares are transferred for other than personal occupancy by themselves or their families.

“Land”: All that certain tract, plot, piece and parcel of land situate, lying and being at 100 Barrow Street in the City, County and State of New York.

“Lessee”: An owner of Shares allocated to and the tenant under a Proprietary Lease for, an Apartment.
“Lessor”: The Apartment Corporation.

“Maintenance”: Monthly charges payable by Lessees to the Apartment Corporation for operating expenses of the Building, including but not limited to, real estate taxes, debt service, and insurance.

“Managing Agent”: The managing agent engaged by the Apartment Corporation to manage the Building.

“Plan” or “Offering Plan”: The document and all supporting documents which is distributed to all prospective Purchasers by the Sponsor to comply with 13 N.Y.C.R.R. §18.9.

“Property”: The Land and the Building.

“Proprietary Lease” or “Lease”: The lease between the Apartment Corporation, as Lessor and a Lessee, as Lessee, permitting occupancy of an Apartment to which Shares have been allocated.

“Purchase Agreement”: A written agreement to purchase the Shares and appurtenant Proprietary Lease allocated to an Apartment.

“Purchaser”: The individual(s) named as purchaser in a Purchase Agreement under the Plan to buy the Shares allocated to an Apartment.

“Shares”: The issued corporate stock of the Apartment Corporation allocated to Apartments and offered for sale under the Plan.

“Sponsor”: 100 Barrow Street LLC

“Sponsor or its Designee”: 100 Barrow Street LLC or any person or entity designated by 100 Barrow Street LLC to act for or on behalf of 100 Barrow Street LLC in connection with the Board of Directors and/or the Plan.

“Tenant-Shareholder” or Shareholder”: An owner of Shares allocated to and the tenant under a Proprietary Lease for an Apartment.

“Underlying Mortgages”: All mortgages encumbering the Property, if any.

“Unsold Shares”: Those Shares allocated to Apartments not purchased and fully paid for by Purchasers as of the Cooperative Conversion Date. Unsold Shares lose their character as such upon a sale to a Purchaser pursuant to the Plan.
PROPRIETARY LEASE, made as of ___________, 20__ by and between The 100 Barrow Street Apartment Corp., a New York corporation formed pursuant to the Business Corporation Law, having an address at 100 Barrow Street, New York, New York 10014, hereinafter called the "Lessor", and ______________, having an address at 100 Barrow Street, Apartment ___, New York, New York 10014, hereinafter called the "Lessee," the "Tenant-Shareholder" or the "Shareholder."

WHEREAS, Lessor is the net lessee, by assignment, under the Ground Lease with The Rector, Churchwardens and Vestrymembers of the Church of St. Luke in the Fields, New York, New York (the "Ground Lessor") dated as of May 11, 2015 but effective as of February 25, 2015, as amended (the "Ground Lease"), for the Land and the Building which has an address at 100 Barrow Street, New York, New York 10014; and

WHEREAS, Lessee is the owner of the number of Shares of Lessor set forth on the cover page of this Proprietary Lease which have been allocated to the Apartment indicated on the cover page of this Proprietary Lease (the "Apartment");

NOW, THEREFORE, in consideration of the premises and of the rents, covenants and agreements hereafter provided and contained, the parties hereto agree as follows:

Demised Premises and Term

Lessor hereby Leases to Lessee, and Lessee hires from Lessor, subject to the terms and conditions hereof the Apartment, for a term that shall run from ___, 201__ until February 24, 2114 (unless sooner terminated as hereinafter provided). As used herein the "Apartment" means the rooms in the Building as partitioned on the date of the execution of this Lease designated by the above-indicated Apartment number together with their appurtenances and fixtures and the right to exclusive use of any additional space located outside of the partitioned rooms, which may include a terrace, balcony, garden or a portion of the roof outside of and adjoining said partitioned rooms, which are allocated exclusively to the Apartment ("Additional Space"), and the right to exclusive use of the wine closet allocated exclusively to the Apartment and made available to Lessee (the "Wine Closet"). Any such Additional Space and Wine Closet, the use of which are allocated exclusively to the Apartment, are identified on the cover page of this Proprietary Lease.

LESSEE ACKNOWLEDGES AND AGREES THAT THIS PROPRIETARY LEASE IS SUBJECT AND SUBORDINATE IN ALL RESPECTS TO THE PROVISIONS OF THE GROUND LEASE.
Article 1
Rent (Maintenance) How Fixed

1.1 The rent (sometimes called “Maintenance” or “Rent”) payable by Lessee for each year, or portion of a year, during the term shall equal that proportion of Lessor’s Cash Requirements (as defined below) for such year, or portion of a year, which the number of Shares of Lessor allocated to the Apartment bears to the total number of shares of Lessor issued and outstanding on the date of the determination of such Cash Requirements. Such Maintenance shall be payable in equal monthly installments, in advance, on the first day of each month, unless the Board of Directors of Lessor (hereinafter called the “Board of Directors” or the “Directors”) at the time of its determination of the Cash Requirements shall otherwise direct. Lessee shall also pay such additional Rent as may be provided for herein when due. Any special assessments enacted by the Directors shall be deemed additional Maintenance. Notwithstanding the foregoing, pursuant to the terms of the Ground Lease, Lessee shall not pay Maintenance more than one (1) month in advance of its due date, excluding security and other deposits required by the Board of Directors.

1.2 The Ground Lease and/or certain Underlying Mortgages and the requirements of insurers thereof, mandate that Lessor maintain certain reserves, which will be considered in determining Lessor’s Cash Requirements. Lessor shall increase Maintenance proportionately to any increases in operating expenses not covered by other sources of revenue.

1.3 Accompanying Shares to be Specified in Proprietary Leases

In every Proprietary Lease heretofore executed by Lessor there has been specified, and in every Proprietary Lease hereafter executed by it there will be specified, the number of Shares of Lessor issued to a lessee simultaneously therewith.

1.4 Cash Requirements

“Cash Requirements” whenever used in this Lease shall mean the estimated amount in cash which the Board of Directors shall from time to time in its judgment determine to be necessary or proper for (i) the operation, maintenance, care, alteration and improvement of the Property during the year or portion of the year for which such determination is made, (ii) the creation of such reserve for contingencies as it may deem proper, (iii) the creation of mortgage insurance escrows, property insurance and real estate tax escrows, operating deficit escrows and reserves for replacements in the amounts and at such times as may be required by holders or insurers of Underlying Mortgages, or which the Directors shall otherwise deem prudent and (iv) the payment of, or the establishment of one or more reserve funds for, any rentals and other sums payable under any obligations, liabilities or expenses incurred (even though incurred during a prior period) or to be incurred, after giving consideration to (1) income expected to be received during such period (other than Rent from proprietary lessees), and (2) cash on
hand which the Directors in their discretion may choose to apply. The Directors may from time to time modify their prior determination and increase or diminish the amount previously determined as Cash Requirements of Lessor for a year or portion thereof. No determination of Cash Requirements shall have any retroactive effect on the amount of the Rent payable by Lessee for any period prior to the date of such determination. All determinations of Cash Requirements shall be conclusive as to all lessees.

1.5 Authority Limited to Board of Directors

Whenever in this paragraph or any other paragraph of this Lease a power or privilege is given to the Directors, the same may be exercised only by the Directors, and in no event may any such power or privilege be exercised by a creditor, receiver or trustee.

1.6 Issuance of Additional Shares

If Lessor shall hereinafter issue its corporate Shares (whether now or hereafter authorized) in addition to those issued as of the date of the execution of this Lease, the holders of the Shares hereafter issued shall be obligated to pay Rent at the same rate as the other proprietary lessees from and after the date of issuance. If any such Shares shall be issued on a date other than the first or last day of the month, the Rent for the month in which such Shares are issued shall be apportioned as of 11:59PM on the day before the Apartment Closing Date. The Cash Requirements as last determined shall, upon the issuance of such Shares, be deemed increased by an amount equal to such Rent.

1.7 Paid-In-Surplus

The Directors may from time to time as may be proper determine how much, if any, of the Maintenance and other receipts received (but not more than such amount as represents payments on account of principal of mortgages on the property and other capital expenditures) shall be credited on the corporate accounts to “Paid-in-Surplus”. Unless the Directors shall determine otherwise, the amount of payments on account of principal of any mortgages shall be credited to Paid-in-Surplus.

1.8 Failure to Fix Cash Requirements

The failure of the Directors to determine Lessor’s Cash Requirements for any year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof, or a release of Lessee from the obligation to pay Maintenance or any installment thereof, but Maintenance computed on the basis of the Cash Requirements as last determined for any year or portion thereof shall thereafter continue to be the Maintenance until a new determination of Cash Requirements shall be made.
1.9 **Limitations on Certain Expenditures**

Notwithstanding anything in this Lease to the contrary, during the 5-year period following the Cooperative Conversion Date, Lessor, acting by its Directors or otherwise, may not, among other things, without the consent of Lessees owning at least 75% of the issued and outstanding Shares of Lessor, (i) increase the number of employees or provide services in addition to those contemplated in Schedule B of the Plan (unless the aggregate annual cost of any such additional employees or services, when added to the aggregate annual costs of all other expenses for that year, does not exceed the aggregate projected income for that year, without increasing annual Maintenance for that year), (ii) undertake any capital or major improvements unless required by law or by the holder or insurer of an Underlying Mortgage in accordance with the provisions of applicable loan or insurance documents, (iii) increase, extend, modify or refinance the mortgage indebtedness of the Lessor, or (iv) enter into any new mortgage, contract of sale or ground lease of the Property, or (v) increase the reserves, or establish any reserves in addition to the reserves described in the Plan, including without limitation, reserves for contingencies, repairs, improvements or replacements, other than a reserve for contingencies not exceeding 5% of the annual operating budget for that year. The foregoing super-majority voting requirement shall not be required (1) after the 5th anniversary of the Cooperative Conversion Date (unless Lessor decides to extend the super-majority requirement), (2) to comply with obligations of law (including subsequently enacted provisions), or (3) to cure or remedy any notices of violation of law, or any work orders or other requirements of the holder or insurer of an Underlying Mortgage, if any, on the Property.

**Article 2**

**Lessor's Repairs**

Lessor shall at its expense keep in good repair the Building, including, without limitation, the Apartments, and the Building’s equipment and apparatus, except those portions the maintenance and repair of which are expressly stated to be the responsibility of Lessee pursuant to Article 18 hereof.

**Article 3**

**Services by Lessor**

Lessor shall maintain and manage the Building as a first-class residential multiple dwelling, and shall provide the number of attendants requisite, in the judgment of the Directors, for the proper care and service of the Building. The covenants by Lessor herein contained are subject, however, to the discretionary power of the Directors to determine from time to time what services and what attendants shall be proper and the manner of maintaining and operating the Building, and also what existing services shall be increased, reduced, changed, modified or terminated.
Article 4
Damage to Apartment or Building

4.1 If the Apartment, or the means of access thereto, or the Building shall be damaged by fire or other cause covered by the property insurance maintained by or on behalf of Lessor with respect to the Building (any other damage to be repaired by Lessor or Lessee pursuant to Articles 2 and 18, as the case may be), Lessor shall, using insurance proceeds or other funds of Lessor for such purpose, with reasonable dispatch after receipt of notice of said damage, repair or replace or cause to be repaired or replaced, with materials of a kind and quality then customary in buildings of the type of the Building, the Apartment, and the means of access thereto, including the walls, floors, ceilings, pipes, wiring and conduits in the Apartment.

4.2 Anything in this Article 4 or in Article 2 to the contrary notwithstanding, Lessor shall not be required to repair or replace, or cause to be repaired or replaced, equipment, fixtures, furniture, furnishings or decorations installed by the Lessee under this Lease or any of Lessee's predecessors in title nor shall Lessor be obligated to repaint or replace wallpaper or other decorations in the Apartment or to refinish floors located therein.

4.3 Lessor shall be responsible for structural and extraordinary repairs and structural and extraordinary maintenance to terraces and balconies appurtenant to the Apartment, if any, as a common expense of all Shareholders, unless, however, the repair or maintenance was necessitated by the use or misuse of the terrace, patio or balcony by the Shareholder having the exclusive use thereof, in which event the cost shall be assessed against that Shareholder exclusively. Lessee shall have general maintenance responsibilities for any terrace, patio or balcony appurtenant to the Apartment, as described in Article 7 of this Lease.

4.4 At all times during the Lease term, Lessee will carry and maintain, at Lessee's expense, the following insurance, in the amounts specified below or such other amounts as Lessor may from time to time reasonably request, with insurance companies and on forms satisfactory to Lessor: insurance covering all of Lessee's furniture and fixtures, equipment, and any other personal property owned and used and found in, on, or about the Apartment, and any leasehold improvements in an amount not less than the full replacement cost. All policy proceeds to the extent necessary, will be used for the repair or replacement of the property damaged or destroyed; however, if this Proprietary Lease ceases under the provisions of the "Expiration of Lease Due to Damage" section set forth below, Lessee will be entitled to any proceeds resulting from damage to Lessee's furniture and fixtures, equipment, and any other personal property. All such policies maintained by Lessee will provide that they may not be terminated nor may coverage be reduced except after 30 days' prior written notice to Lessor. All such policies maintained by Lessee will be written as primary policies, not contributing with and not supplemental to the coverage that Lessor may carry.
4.5 **Abatement of Maintenance**

In case the damage resulting from fire or other cause shall be so extensive as to render the Apartment partly or wholly untenable, or if the means of access thereto shall be destroyed, the Rent hereunder shall proportionately abate until the Apartment shall again be rendered wholly tenantable or the means of access restored. However, if said damage shall be caused by the act or negligence of Lessee or the agents, employees, guests or members of the family of Lessee or any occupant of the Apartment, such rental shall abate only to the extent of the rental value insurance, if any, collected by Lessor with respect to the Apartment.

4.6 **Expiration of Lease Due to Damage**

Subject to the provisions concerning casualty contained in the Ground Lease, if the Directors shall determine that the (i) the Building is totally destroyed by fire or other cause, or (ii) the Building is so damaged that it cannot be repaired within a reasonable time after the loss shall have been adjusted with the insurance carriers, or (iii) the destruction or damage was caused by hazards which are not covered under insurance policies then in effect with respect to the Building, and if in any such case the record holders of at least two-thirds of the issued and outstanding Shares of the capital stock of Lessor, at a shareholders’ meeting duly called for that purpose held within 120 days after the determination by the Directors, shall vote not to repair, restore or rebuild, then upon the giving of notice pursuant to Article 38 hereof, this Lease and all other Proprietary Leases and all right, title and interest of the parties thereunder and the tenancies thereby created, shall thereupon wholly cease and expire and Rent shall be paid to the date of such destruction or damage. Lessee hereby waives any and all rights under Section 277 of the Real Property Law of the State of New York and in no event shall Lessee have any option or right to terminate this Lease by reason of casualty damages except as provided herein.

4.7 **Waiver of Subrogation in Lessor’s Insurance Policies**

Lessor agrees to use its best commercially reasonable efforts to obtain a provision in all insurance policies carried by Lessor, waiving the insurer’s right of subrogation against Lessee, and, to the extent that any loss or damage is fully covered by any insurance policies payable to Lessor which contain such waiver of subrogation and if the proceeds of such policies are paid to Lessor, Lessor releases Lessee from any liability with respect to such loss or damage. In the event that Lessee suffers loss or damage for which Lessor would be liable, and Lessee carries insurance which fully covers such loss or damage and the proceeds of such policy(ies) are paid to Lessee, and such insurance policy or policies contain a waiver of subrogation against Lessor, then in such event Lessee releases Lessor from any liability with respect to such loss or damage.
Article 5
Inspection of Books of Account

Lessor shall keep full and correct books of account at its principal office or at such other place as the Directors may from time to time determine, and the same shall be open during all reasonable business hours to inspection by Lessee or a representative of Lessee, upon Lessee’s reasonable prior notice and request. Lessor shall deliver to Lessee within a reasonable time after the end of each fiscal year an annual report of corporate financial affairs, including a balance sheet and a statement of income and expenses, certified by an independent certified public accountant.

Article 6
Changes in Terms and Conditions of Proprietary Lease

6.1 Amendment by Shareholders

Each Proprietary Lease made by Lessor shall be in the form of this Lease, except with respect to the statement as to the number of Shares owned by the lessee under such Lease, unless a variation of a particular Proprietary Lease is authorized by lessees owning at least 66-2/3% of the Shares then issued and outstanding, and executed by Lessor and the affected lessee. In addition, the form and provisions of all Proprietary Leases in effect at a given time, as well as the form of each Proprietary Lease to be executed after that time, may be changed by the approval of lessees owning at least 66-2/3% of the Shares then issued and outstanding. Such changes shall be binding on all lessees even if they did not vote for such changes except that (i) the proportionate share of Rent or Cash Requirements payable by any lessee may not be increased, (ii) the right of any lessee to cancel lessee’s Lease under the conditions set forth in Article 42 may not be eliminated or impaired, without, in each of the foregoing instances, the express consent of the lessee affected, and (iii) the provisions hereof are subject to the provisions of Article 43 of this Lease. Approval by lessees as provided for herein shall be evidenced by written consent or by affirmative vote taken at a meeting called for such purpose. Notwithstanding the foregoing, during the five-year period following the Cooperative Conversion Date, the Apartment Corporation may not, among other things, without the consent of Lessees owning at least 75% of the issued and outstanding Shares of the Apartment Corporation, (i) increase the number of employees or provide services in addition to those contemplated in Schedule B of the Plan as same may be amended (unless the aggregate annual cost of any such additional employees or services, when added to the aggregate annual cost of all other expenses for that year does not exceed the aggregate projected income for that year, without increasing annual Maintenance for that year), (ii) undertake any capital or major improvement, unless required by the holder or insurer of an Underlying Mortgage, (iii) increase, extend, modify or refinance the mortgage indebtedness of the Apartment Corporation, (iv) enter into any new mortgage, contract of sale or ground lease of the Building, (v) increase the reserves or establish any reserves in addition to those described in the Plan including, without limitation, any reserves for contingencies, repairs, improvements or replacements, other than a reserve for
contingencies not exceeding 5% of the annual operating budget for that year. The foregoing super-majority voting requirement shall not be required after the second anniversary of the Cooperative Conversion Date, or to comply with obligations of law (including subsequently enacted provisions) or to cure or remedy any notices of violation of law or any work orders.

6.2 Amendment to Conform to Plan.

Notwithstanding the provisions of paragraph 6.1 above to the contrary, Sponsor and Sponsor's successors and assigns are hereby appointed as the attorney-in-fact of Lessor, the Lessee hereunder, each contract vendee of Shares and this Lease and each holder of an Underlying Mortgage or other lien holder or party claiming a legal or equitable interest in the Apartments and/or the Building, with the power of substitution, for a period of five (5) years subsequent to the last Apartment Closing Date for an Apartment sold under the Plan, to act in the name, place and stead for any of said parties with respect to any and all applications, documents, agreements, amendments or supplements to the form of Proprietary Lease of Lessor or the Apartment Corporation By-laws, which may be required or necessary to carry out the provisions of the Plan, or which may be required or necessary by any governmental or quasi-governmental agency, institutional lender or title insurance company, to complete development of the Apartments and/or the Property or otherwise in furtherance of the purposes of the Plan. Any such act shall be in conformity with any the Underlying Mortgages. The power of attorney aforesaid is expressly declared and acknowledged to be coupled with an interest in the subject matter hereof and the same shall be binding upon the heirs, personal representatives, successors and assigns of any of the foregoing parties. Further, said power of attorney shall not be affected by the death, incompetence, disability or dissolution of any of the foregoing parties and is intended to deliver all right, title and interest of said parties in and to said powers.

Article 7
Terraces, Balconies, Roofs, Gardens

7.1 If the Apartment includes, as an appurtenance, a terrace or balcony as indicated on the cover page of this Proprietary Lease, Lessee shall have the exclusive use of such area, subject to (i) the applicable provisions of this Lease and (ii) the use of these areas by Lessor to the extent permitted in this Proprietary Lease. In connection with all such terraces and balconies, Lessor and its employees, contractors, agents and/or licensees (and their employees, contractors and agents) shall have the right of access to the roof (and all other portions of the Building) for such terraces and balconies and for the repair thereof. Lessor also shall have the right of access to terraces and balconies for such repair and/or maintenance as is the responsibility of Lessor under this Lease.

7.2 No planting, fences, decks, pavings, structures, lattices or any other item shall be erected or installed on the roof of the Building by Lessee or on any terrace, patio or balcony appurtenant to the Apartment. Any planting or structure erected by Lessee under
this Proprietary Lease or Lessee’s predecessor in interest on any terrace or balcony appurtenant to the Apartment, may be removed by Lessor at the expense of Lessee for the purpose of repairs, upkeep or maintenance of the Building and/or the Building.

7.3 If Lessee has the right to use a terrace, patio, balcony or portion of the roof appurtenant to the Apartment, Lessee shall be responsible for normal maintenance, repair and replacements to such terrace or balcony, or roof area and to any fencing or other enclosure around the terrace or balcony and to any decking, pavers or other surface of the terrace or balcony. Lessee shall, in this regard, at a minimum, be obligated to keep all drains and gutters on or appurtenant to the terrace or balcony or roof area free and clear of snow, ice, leaves and other debris, and to prevent water from backing up on the terrace or balcony. Lessees use of the terrace or balcony shall be subject to all rules and regulations adopted by Lessor regarding such use, including, without limitation, type of materials for fencing and decking, maintenance and repair schedules for fencing and decking, restrictions regarding plantings, furniture, plant containers, watering, play equipment, laundry, barbecuing, etc. Lessee shall be liable for all damage arising out of Lessee’s use or misuse of the terrace or balcony or roof area or the fixtures, structures or furnishings thereon.

Article 8
Assignment of Lessor’s Rights Against Occupant

If at the date of the commencement or assignment, if applicable, of this Lease, any third party shall be in possession or have the right to possession of the Apartment, then Lessor hereby assigns to Lessee all of Lessor’s rights against said third party from and after the date of the commencement of the term hereof, or effective date of assignment, if applicable, and Lessee by the execution hereof assumes all Lessor’s obligations to said third party only from said date. Lessor agrees to cooperate with Lessee, but at Lessee’s expense, in the enforcement of Lessee’s rights against said third party. Lessor and Lessee hereby agree that their rights under this Lease are subject to the rights of such third party occupants and that Lessee’s successors and assignees under this Lease shall continue to be bound by such rights so long as such occupancy continues.

Article 9
Cancellation of Prior Agreement

If at the date of the commencement of this Lease or at the date of assignment of this Lease to Lessee as applicable, Lessee has the right to possession of the Apartment under any interim lease or other lease or occupancy agreement or tenancy, this Lease shall supersede such agreement or tenancy which shall be of no further effect after the date of commencement of this Lease, except for claims theretofore arising thereunder.
Article 10
Quiet Enjoyment

Lessee, upon paying the Rent and performing the covenants and complying with the conditions on the part of Lessee to be performed as herein set forth, shall, at all times during the term hereby granted, quietly have, hold and enjoy the Apartment without any lawsuit, trouble or hindrance from Lessor, and subject to any and all mortgages and underlying Leases of the Building.

Article 11
Indemnity

Lessee agrees to save Lessor harmless from all liability, loss, damage and expense arising from injury to person or property occasioned by the failure of Lessee to comply with any provision of this Proprietary Lease, or due wholly or in part to any act, default or omission of Lessee or of any person dwelling, working or visiting in the Apartment, or by Lessor, its agents, servants or contractors when acting as agent for Lessee as in this Lease provided. This paragraph shall not apply to any loss or damage incurred by Lessor’s loss or damage to the extent Lessor’s loss or damage is covered by insurance which includes a waiver of insurer’s right of subrogation against Lessee.

Article 12
Payment of Rent: No Set-Off

Lessee will pay the Rent to Lessor upon the terms and at the times herein provided, without any deduction on account of any set-off or claim which Lessee may have against Lessor. If Lessee shall fail to pay any installment of Rent promptly, Lessee shall pay interest thereon at the maximum legal rate from the date when such installment shall have become due to the date of the payment thereof, and such interest shall be deemed additional Rent hereunder.

Article 13
House Rules

Lessor has adopted House Rules, and the Directors may alter, amend or repeal such House Rules and adopt new House Rules as described in the By-laws. This Lease shall be in all respects subject to such House Rules and Lessee hereby covenants to comply with all such House Rules and see that they are faithfully observed by the family, guests, employees and subtenants of Lessee. Breach of a House Rule shall be a default under this Lease. Lessor shall not be responsible to Lessee for the non-observance or violation of House Rules by any other lessee or person.
Article 14
Use of Premises

Lessee shall not, without the written consent of Lessor and upon such conditions as Lessor may prescribe, occupy or use the Apartment or permit the same or any part thereof to be occupied or used for any purpose other than as a private dwelling for Lessee and members of Lessee’s family. As used herein, members of Lessee’s family shall be limited to (i) husband, wife, son, daughter, stepson, stepdaughter, father, mother, stepfather, stepmother, brother, sister, grandfather, grandmother, grandson, granddaughter, father-in-law, mother-in-law, son-in-law or daughter-in-law, or (ii) any other person residing with the tenant or permanent tenant in the housing accommodation as a primary or principal residence, respectively, who can prove emotional and financial commitment, and interdependence between such person and the tenant or permanent tenant, as provided in 9 NYCRR §2520.6, as such section may amended from time to time.

Article 15
Subletting

15.1 The subleasing of Lessee’s Apartment is subject to Lessee’s compliance with the Right of First Refusal provisions in Article 35 of this Lease.

15.2 Any sublease which the Lessee proposes to enter into shall (i) be consistent with this Lease, (ii) be for a term of not less than twelve (12) months, (iii) provide that it may not be materially modified, amended, or extended without the prior consent in writing of the Board of Directors, (iv) provide that the tenant shall not further sublet the Apartment, Additional Space or Wine Closet, or any part thereof without the prior consent in writing of the Board of Directors, and (v) provide the Board of Directors, if permitted by applicable law, shall have the power to terminate such sublease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of such sublease. Except as otherwise provided herein, the form of any such sublease shall be a printed, reasonably applicable form of residential lease approved by the Board of Directors. Such sublease shall provide that if the Lessee shall default for a period of one month in the payment of any Maintenance Charges, or additional Rent, the Apartment Corporation may, at its option, so long as such default shall continue, after serving written notice of the default upon Lessee and the under-tenant, demand and receive from the under-tenant occupying the Apartment the Rent due or becoming due from such under-tenant to the Lessee, up to an amount sufficient to pay all sums due from the to the Apartment Corporation; that the under-tenant shall pay the Rent to the Apartment Corporation within 10 days of receipt of a demand therefor; that any such payment of Rent to the Apartment Corporation shall be sufficient payment and discharge of such under-tenant as between such under-tenant and the Lessee, to the extent of the amount so paid; and any such demand or acceptance of Rent from any under-tenant shall not be deemed a consent or approval of any under-letting or assignment by the Lessee, or a release or discharge of any of Lessee’s obligations hereunder.
Article 16
Assignment

16.1 Lessee shall not assign this Lease or transfer the Shares or any interest therein, and no such assignment or transfer shall take effect as against Lessor for any purpose, until:

(i) An instrument of assignment in form approved by Lessor executed and acknowledged by the assignor shall be delivered to Lessor; and

(ii) An agreement executed and acknowledged by the assignee in form approved by Lessor assuming and agreeing to be bound by all the covenants and conditions of this Lease to be performed or complied with by Lessee on and after the effective date of said assignment shall have been delivered to Lessor, or, at the request of Lessor, the assignee shall have surrendered the assigned Lease and entered into a new Lease in the same form for the remainder of the term; and

(iii) All Shares of Lessor to which this Lease is appurtenant shall have been transferred to the assignee, with any applicable transfer taxes paid and stamps affixed; and

(iv) All fees, charges and other sums due from Lessee shall have been paid to Lessor or the applicable party, together with a reasonable fee fixed by the Directors to cover processing by Lessor, including legal and other expenses of Lessor, and any fees imposed by Lessor's Managing Agent in connection with such assignment and transfer of Shares; and

(v) A satisfactory search or certification from a title insurance or abstract company as the Directors may require is obtained and delivered to the Directors; and

(vi) Notice shall have been given to the Board of Directors of the proposed assignment or transfer of Shares in accordance with Article 35 hereof.

Notwithstanding the foregoing, the assignment of this Lease and the transfer of the Shares of Lessee’s Apartment is subject to Lessee’s compliance with the Right of First Refusal provisions in Article 35 of this Lease.

16.2 Release of Lessee Upon Assignment

If this Lease shall be assigned in compliance herewith, Lessee-assignor shall have no further liability on any of the covenants of this Lease to be performed, from and after the date of the assignment.
16.3 **Further Assignment**

Regardless of any prior consent or waivers theretofore given, neither Lessee nor Lessee’s executor, nor administrator, nor any trustee or receiver of the property of Lessee, nor anyone to whom the interest of Lessee shall pass by law, shall be entitled further to assign this Lease, except in compliance with the requirements of this Lease.

16.4 **Statement by Lessor**

If this Lease is then in force and effect, Lessor will, upon request of Lessee, deliver to the assignee a written statement that this Lease remains on the date thereof in force and effect. However, no such statement shall be deemed an admission that there is no default under this Lease.

16.5 **No Waiver**

The restrictions on the assignment of this Lease as set forth above, are a special consideration and inducement for the entering into of this Lease by Lessor with Lessee (or for the granting by Lessor of consent to the assignment of this Lease to Lessee, as applicable). No demand or acceptance of Rent from a sublessee or an assignee hereof shall constitute or be deemed to constitute a consent to or approval of any sublease or assignment.

16.6 **Exceptions**

Notwithstanding anything contained in this Article 16 to the contrary, (i) an assignment, transfer or bequest of the Shares and this Lease to Lessee’s spouse (which term, for purposes of this Lease, shall be defined as an adult person to whom the Lessee is married, or an adult lifetime partner whose relationship with the Lessee is characterized by emotional and financial commitment and interdependence), or (ii) an assignment of this Lease and transfer of Shares through testamentary disposition, intestacy, or otherwise by operation of law, shall not constitute a transfer of Shares requiring compliance with the procedures outlined above. However, the individual(s) or entity (in the case of an estate or lending institution) acquiring Shares in such a manner shall be deemed to be the Lessee for purposes of this Lease, and shall be subject, to the terms and conditions of paragraph 16.1 of this Lease in connection with such party’s sale of the Shares and assignment of this Lease.

**Article 17**

**Pledge of Shares and Lease**

17.1 A pledge of this Lease and the Shares to which it is appurtenant by Lessee to a bank or other recognized lending institution, shall not be a violation of this Lease, provided, however, that Lessee shall not be in default under this Lease at the time of such pledge and the lien of the secured party shall in all respects be subordinate to the lien of
Lessor for payment of Maintenance and other amounts due Lessor pursuant to this Lease or otherwise. In the event of such pledge, except as otherwise provided in this Lease, neither the pledgee nor any transferee of pledgee shall be entitled to have the Shares transferred of record on the books of Lessor, to occupy or permit occupancy by others of the Apartment demised by this Lease, or to sell the Shares or this Lease, without in each instance complying with the provisions of Articles 15 and/or 16 of this Lease, as applicable. Acceptance by Lessor of payments by the pledgee or any transferee of the pledgee on account of Maintenance or additional Rent, shall not constitute a waiver of the foregoing provisions.

17.2 Lessor shall be authorized to enter into a recognition agreement with any permitted pledgee of this Lease and the Shares and to implement the provisions of any such executed recognition agreement. Such agreement may contain an acknowledgment in favor of pledgee, an agreement by Lessor to notify pledgee of any default by Lessee hereunder, the grant to pledgee of a right to cure any such default, and such other terms and conditions as shall be acceptable to Lessor in its sole discretion.

17.2 Nothing contained in this Article 17 shall be construed to restrict the authority of the Directors to establish a policy from time to time limiting the amount that may be borrowed by Lessee to a percentage of value of this Lease and the Shares to which it is appurtenant, or to establish additional rules and regulations governing the procedures to be followed in connection with the pledge or assignment of this Lease and the appurtenant Shares as collateral security for a loan.

**Article 18**

**Repairs by Lessee**

Lessee agrees that Lessee takes possession of the Apartment and its appurtenances and fixtures “as is” as of the date Lessee enters into this Lease or succeeds to the Lessee’s interest hereunder by assignment, as applicable. Subject to the provisions of Article 4 hereof Lessee shall keep the interior of the Apartment (including interior walls, floors and ceilings, but excluding windows, window panes, window frames, sashes, sills, and entrance doors and doors leading to terraces, balconies or patios appurtenant to this Lease, and frames and saddles) in good repair, and shall do all of the painting and decorating required for the interior of the Apartment, including, without limitation, the interior of window frames, sashes and sills. Any decorations, fixtures and coverings (including, without limitation, pictures, mirrors, shelving and lighting fixtures on the surfaces of walls, ceilings and floors that face the interior of the Apartment shall be installed to a depth of no more than one inch behind such surfaces for the purpose of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity of the Building or affect any of the mechanical, plumbing, or electrical systems of the Apartment or the Building. Lessee shall be solely responsible for the maintenance, repair and replacement of interior walls, floors and ceilings, and all plumbing, electrical, gas and heating fixtures, appliances and equipment within the Apartment, including, without limitation, toilets, bathtubs, sinks, refrigerator, dishwasher,
incremental units (if any), including the fans inside the units, air-conditioning equipment, ranges, washers, dryers and other appliances. Plumbing, gas and heating fixtures as said terms are used in this Article 18 shall include exposed gas, steam and water pipes within the Apartment attached to fixtures, appliances and equipment in the Apartment, and the fixtures, appliances and equipment in the Apartment to which they are attached, and any special pipes or equipment which Lessee may install within the walls or ceilings, or under the floor, but shall not include gas, steam, water or other pipes or conduits within the walls, ceilings or floors of the Building or air conditioning or heating equipment which is part of the standard building equipment. Lessee shall be solely responsible for the maintenance, repair and replacement of all lighting and electrical fixtures, appliances, and equipment, and all meters, fuse boxes or circuit breakers and electrical wiring and conduits from the junction box at the riser into and through the Apartment. Any ventilator or air conditioning device which shall be visible from the outside of the Building shall, if mandated by Lessor, be painted by Lessee in a standard color which Lessor may select for the Building and/or shall be limited to such model(s) as the Directors shall prescribe. The prior written consent of Lessor shall be required before Lessee commences any structural or non-structural additions or alterations in connection with Lessee’s responsibilities under this Article 18, or otherwise. Lessee shall be liable for loss or damage to the Building or the contents thereof, and to any other Apartment and the contents therewith, arising out of Lessee’s failure to comply with Lessee’s maintenance and repair obligations and responsibilities in this Article 18 and elsewhere in this Lease. Each Tenant-Shareholder must notify the Managing Agent in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Apartment and each Tenant-Shareholder shall take reasonable steps to ensure that the window “stops” in the windows of the Apartment are operational.

**Article 19**

**Odors and Noises**

Lessee shall not unreasonably permit cooking or other odors to escape into the common areas of the Building or any other Apartment. Lessee shall not permit or suffer any unreasonable noises or anything which will interfere with the rights of other lessees and Building occupants or unreasonably annoy them or obstruct the public halls or stairways in the Building.

**Article 20**

**Equipment and Appliances**

If in Lessor’s judgment, any of Lessee’s equipment or appliances shall result in damage to the Building, or poor quality services or interruption of service to the Building, or overloading of, or damage to facilities maintained by Lessor for the supplying of water, gas, electricity or air-conditioning to the Building, or if any such appliances visible from the outside of the Building shall become rusty or discolored, Lessee shall promptly,