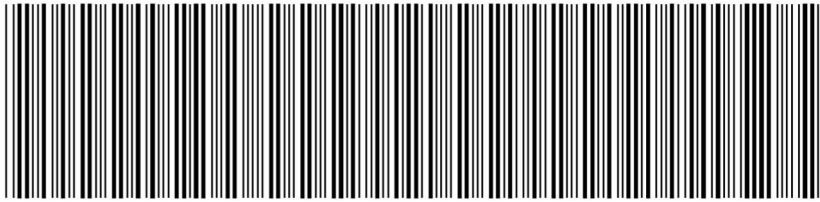


**NYC DEPARTMENT OF FINANCE
OFFICE OF THE CITY REGISTER**

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.



2009033000145001002EB973

RECORDING AND ENDORSEMENT COVER PAGE

PAGE 1 OF 81

Document ID: 2009033000145001

Document Date: 03-03-2009

Preparation Date: 03-30-2009

Document Type: CONDO DECLARATION

Document Page Count: 79

PRESENTER:

FIRST AMERICAN TITLE INSURANCE- PICK UP FOR
GAIL
633 THIRD AVENUE
3008-229740 (JG)
NEW YORK, NY 10017
212-850-0670

RETURN TO:

TARTER KRINSKY & DROGIN LLP
1350 BROADWAY
FIRST AMERICAN TITLE INSURANCE- PICK UP FOR
GAIL
NEW YORK, NY 10018

PROPERTY DATA

Borough	Block	Lot	Unit	Address
BROOKLYN	2289	1001 Entire Lot	COMU	44 BERRY STREET

Property Type: COMMERCIAL CONDO UNIT(S)

Borough	Block	Lot	Unit	Address
BROOKLYN	2289	1002 Entire Lot	RESU	44 BERRY STREET

Property Type: MULTIPLE RESIDENTIAL CONDO UNT

x Additional Properties on Continuation Page

CROSS REFERENCE DATA

CRFN _____ or Document ID _____ or _____ Year _____ Reel _____ Page _____ or File Number _____

PARTIES

PARTY 1:

THE 44 BERRY STREET CONDOMINIUM
44 BERRY STREET
BROOKLYN, NY 11211

FEES AND TAXES

Mortgage		Filing Fee:	
Mortgage Amount:	\$ 0.00		\$ 0.00
Taxable Mortgage Amount:	\$ 0.00	NYC Real Property Transfer Tax:	
Exemption:			\$ 0.00
TAXES: County (Basic):	\$ 0.00	NYS Real Estate Transfer Tax:	
City (Additional):	\$ 0.00		\$ 0.00
Spec (Additional):	\$ 0.00		
TASF:	\$ 0.00		
MTA:	\$ 0.00		
NYCTA:	\$ 0.00		
Additional MRT:	\$ 0.00		
TOTAL:	\$ 0.00		
Recording Fee:	\$ 438.00		
Affidavit Fee:	\$ 0.00		

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

Recorded/Filed 03-31-2009 16:07

City Register File No.(CRFN):

2009000093731



Annette McMill

City Register Official Signature

NYC DEPARTMENT OF FINANCE
OFFICE OF THE CITY REGISTER



2009033000145001002CBBF3

RECORDING AND ENDORSEMENT COVER PAGE (CONTINUATION) PAGE 2 OF 81

Document ID: 2009033000145001

Document Date: 03-03-2009

Preparation Date: 03-30-2009

Document Type: CONDO DECLARATION

PROPERTY DATA

Borough	Block	Lot	Unit	Address
BROOKLYN	2289	23	Entire Lot	44 BERRY STREET
Property Type: OTHER				

CONDO #2395



ANDREW M. CUOMO
Attorney General

STATE OF NEW YORK
OFFICE OF THE ATTORNEY GENERAL

ERIC CORNGOLD
Executive Deputy Attorney General
Division of Economic Justice

KENNETH E. DEMARIO
Bureau Chief
Real Estate Finance Bureau

February 12, 2009

David Hirschhorn, Esq.
138 Goodhill Road
Weston, New York 06883

Re: 44 Berry Street Condominium
File No: NA09-0028

Dear Mr. Hirschhorn:

The Department of Law has reviewed your application for a "no-action letter" submitted on December 9, 2008 for the creation of a two unit condominium with a residential unit and a commercial unit.

On the basis of the facts and circumstances stated in your letter and supporting documentation, the Department has determined that it will not take any enforcement action because the described transaction occurs without filing or registration pursuant to Section 352-e and Section 359-e of the General Business Law. We understand that it is your opinion as counsel that the transaction is not subject to those registration and filing requirements.

This position is based solely upon the limited information supplied and representations made in your letter and supporting documentation. Any different set of facts or circumstances might result in the Department's taking a different position. In addition, this letter expresses the Department's position on enforcement action which could arise from this transaction only, occurring without filing or registration, and does not purport to express any legal conclusion on any subsequent transaction or offering.

The issuance of this letter shall not be construed to be a waiver of or limitation on the Attorney General's authority to take enforcement action for violations of Article 23-A of the General Business Law and other applicable provisions of law.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Marissa Piesman".

Marissa Piesman
Assistant Attorney General

R

CONDOMINIUM PLAN NO.:

2395

DECLARATION OF CONDOMINIUM

Establishing a Plan for Condominium Ownership of the Premises Known as 44 Berry Street,
Brooklyn, New York, Pursuant to Article 9-B of the Real Property Law of the
State of New York

Name: The 44 Berry Street Condominium

Declarant: CCM Ventures 7 LLC
331 West 57th Street
Suite 301
New York, N.Y. 10019

Date of Declaration: March 3, 2009

The land affected by the within instrument lies in Block 2289, f/k/a Lot 23 and n/k/a Lots 1001
and 1002 on the Tax Map of the County of Kings, City of New York.

Condominium Floor Plans Filed Under City Register File Number: _____

RECORD AND RETURN TO:
Tarter Krinsky & Drogin LLP
1350 Broadway
New York, New York 10018
Attention: David J. Pfeffer

First American Title Insurance Company of New York
633 Third Avenue
New York, New York 10017
T - (212) 922-9700
F - (212) 922-0881

INDEX TO DECLARATION

<u>Section</u>	<u>Subject</u>	<u>Page</u>
1.	Submission of Property	1
2.	Building	1
3.	Name of Condominium; By-Laws	1
4.	Definitions	1
5.	Units.....	2
6.	Dimensions of the Units	2
7.	Use of Units	3
8.	Common Elements.....	4
9.	Determination of Percentages in Common Elements	8
10.	Encroachments.....	10
11.	Easements	10
12.	Power of Attorney to Board of Managers	13
13.	Acquisition of Units by Board of Managers	14
14.	Person to Receive Service.....	14
15.	Units Subject to Declaration, By-Laws and Rules and Regulations	14
16.	Amendment of Declaration.....	15
17.	Definition of Declarant or its Designee	17
18.	Common Charges	17
19.	Conveyance of a Unit.....	18
20.	Termination of Condominium	18
21.	Changes by the Commercial Unit Owner	19
22.	Changes in the Residential Section.....	20
23.	Additional Rights of Declarant	20
24.	Covenant of Further Assurance	21
25.	Covenants Run With The Land.....	22
26.	Invalidity	23
27.	Waiver.....	23
28.	Captions	23
29.	Gender.....	23

EXHIBITS

Schedule A	Property Description
Schedule B	Building Description
Schedule C	Unit Designation

DECLARATION ESTABLISHING THE 44 BERRY STREET CONDOMINIUM FOR PREMISES: 44 BERRY STREET, BROOKLYN, NEW YORK, ^{11/24} PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY LAW OF THE STATE OF NEW YORK.

CCM Ventures 7 LLC, a New York limited liability company with an office at 331 West 57th Street, Suite 301, New York, N.Y. 10019, hereinafter referred to as the "Declarant," does hereby declare:

1. Submission of Property.

The Declarant hereby submits the land more particularly described on Schedule A attached hereto and made a part hereof, together with the Building and improvements thereon erected or to be erected (the "Building") owned by the Declarant in fee simple absolute (the land and Building hereinafter collectively called the "Property") to the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act").

2. Building.

Schedule B attached hereto and made a part hereof contains a description of the Building, including the number of stories, the number of Units and the principal materials of which it is constructed.

3. Name of Condominium; By-Laws.

(a) This Condominium shall be known as the "The 44 Berry Street Condominium" (the "Condominium"), and (b) attached to this Declaration and made a part hereof are the By-Laws of the Condominium which By-Laws set forth detailed provisions governing the operation, use and occupancy of the Condominium. Said By-Laws, as they may be amended from time to time, are hereinafter referred to as the "By-Laws".

4. Definitions.

(a) Unit. Any space in the Building designated as a "Residential Unit" or a "Commercial Unit" in this Declaration or on "Floor Plans" (as hereinafter defined) or as hereafter amended, together with said Unit's appurtenant undivided interest in the Common Elements. All Residential and Commercial Units are collectively called "Units."

(b) Residential Unit(s). The Unit(s) designated as such in this Declaration, together with such Unit(s)' appurtenant undivided interest in the Common Elements. The Residential Unit shall initially consist of (i) forty-two (42) residential apartments located on Floors 2 through 6, (ii) hallways and common areas located on portions of the Cellar and Ground Floor, (iii) a passenger elevator, (iv) stairwells on floors 2 to 6, and (v) such other areas of the Building designated on the Floor Plans as a part of the Residential Unit.

(c) Residential Unit Owner(s). The owner(s) of the Residential Unit(s).

(d) Residential Section. The portion of the Building containing the Residential Units, the Special Residential Limited Common Elements and the Residential Limited Common Elements, all as and to the extent hereinafter defined in this Declaration or in an amendment hereto. As of the date hereof, no Special Residential Limited Common Elements have been designated.

(e) Commercial Unit(s). The Unit(s) designated as such in this Declaration, together with said Unit(s)' appurtenant undivided interest in the Common Elements. The Commercial Unit shall initially consist of the portion of the Cellar and Ground Floor designated as such on the Floor Plans.

(f) Commercial Unit Owner(s). The owner(s) of the Commercial Unit(s).

(g) Commercial Section. The portion of the Building containing the Commercial Unit(s) and the Commercial Limited Common Elements, all as and to the extent hereinafter defined in this Declaration or in an amendment hereto.

5. Units.

Annexed hereto and made a part hereof as Schedule C, is a list of each Unit in the Building, its Unit designation, tax lot number, location, approximate size, number of rooms, and the Common Elements to which it has immediate access all as shown on the floor plans (the "Floor Plans") of the Building, certified by Agustin Ayuso, R.A. and filed in the Office of the City Register, Kings County, under the City Register File Number stated on the cover hereof immediately preceding the recording of this Declaration, and the percentage of interest of each Unit in the Common Elements. As set forth in Schedule C hereof, there is initially 1 Residential Unit and 1 Commercial Unit.

6. Dimensions of the Units.

(a) Each Unit consists of the area measured (1) horizontally from (i) the exposed exterior surface of the exterior masonry wall of the Building; (ii) the center line of gypsum board, concrete masonry unit or chase wall demising partitions which separate the Unit from another Unit, which line runs continuously through columns, and runs so that heating units are included in their entirety within the area of the Unit they serve; and (iii) the center line of gypsum board demising partitions which separate the Unit from a Common Element, which line runs so that shaft portions of chase walls are always included within the area of the contiguous Unit rather than the Common Element; and (2) vertically, consisting of the space measured from (i) the unexposed top surface of the Unit's concrete subfloor to the unexposed bottom surface of the concrete floor slab of the Unit above, or (ii) in case of the Commercial Units, from the exposed surface of the concrete floor slab of the cellar to the unexposed bottom surface of the concrete floor slab of the Residential Unit above. Ducts, pipes and columns shown within a Unit are not part of the Unit unless they exclusively serve such Unit.

(b) The Units include: (i) the interior walls, partitions, floor coverings and finished ceilings affixed, attached or appurtenant to such Unit, (ii) any and all equipment, fixtures and appliances (including without limitation, heating and plumbing facilities, sinks, bathtubs,

{Client\002851\RE1464\00181241.DOC;2}

water closets, refrigerators, ranges, dishwashers and any other fixtures and equipment), affixed, attached or appurtenant to such Unit and benefiting only that Unit (including without limitation, the air conditioning compressors and air handlers located outside of a Unit but exclusively serving such Unit, and (iii) any floor constituting a mezzanine or balcony contained within the Unit and any interior stairway leading from and to the upper and lower levels of any Unit, and any door leading from any balcony, terrace or roof terrace appurtenant to such Unit.

7. Use of Units.

(a) Residential Unit(s). The Residential Unit shall be used for residential use only. Notwithstanding the foregoing (i) while the Declarant or its designee owns any Residential Unit, Declarant or its designee shall have the right to use any such Unit for general and sales office purposes, as models and to use such Units and the Common Elements for other purposes connected with the promotion, sales or leasing of Units or parts thereof; and to erect and maintain signs at the Building in connection with the offering and sale by Declarant or its designee of Units (or portions thereof) therein; to have Declarant's employees, contractors, representatives and sales agents present on the site; and to do all things necessary or appropriate including the use of the Common Elements to sell or lease Units (or parts thereof), to complete construction and to comply with Declarant's obligation under any offering plan; (ii) any Residential Unit may be used for professional offices or for any home occupation or ancillary use which is permitted by and consistent with all applicable laws, including zoning ordinances.

(b) Commercial Unit(s). The Commercial Unit(s) may be used for any lawful retail, business, commercial or professional purposes consistent with the certificate of occupancy and applicable building laws, codes, rules, and regulations. No use of the Commercial Unit(s) shall violate the zoning applicable to the Property and the then existing Certificate of Occupancy, provided, however, that a Commercial Unit Owner may, with respect to its Unit, and at its sole cost and expense, obtain a zoning variance and/or a new or amended Certificate of Occupancy to authorize any such use and the Board of Managers shall cooperate with the Commercial Unit Owner(s) in such regard but without unreimbursed expense to the Condominium.

(c) The Board of Managers of the Condominium will execute all applications and other documents and otherwise fully cooperate with Declarant, the owners of Unsold Units, or the Commercial Unit Owner(s) in obtaining a new or amended Certificate of Occupancy to reflect a change in use of an Unsold Unit or Commercial Unit, respectively, but Declarant, the Unsold Unit Owner, or the Commercial Unit Owner(s) (as the case may be) will pay any and all requisite governmental fees or other governmental charges in connection therewith and will indemnify and hold the Board of Managers of the Condominium harmless from all liability, loss, damage or reasonable expense resulting therefrom.

8. Common Elements.

(a) Generally. The Common Elements of the Condominium (the "Common Elements") consist of the entire Property including the Land, and all parts of the Building and improvements thereon other than the Units. The Common Elements include, but are not limited to, those rooms, areas, corridors, spaces and other parts of the Building and all equipment, systems

{Client\002851\RE1464\00181241.DOC;2}

and facilities therein for the common use of the Units and the Unit Owners or which are necessary or convenient for the existence, maintenance or safety of the Property. Those portions of the Common Elements of the Condominium which serve or benefit exclusively (a) the Residential Units or the Residential Unit Owners are called the "Residential Limited Common Elements" and (b) the Commercial Unit(s) or the Commercial Unit Owner(s) are called the "Commercial Limited Common Elements." A Common Element which is neither a Residential or Commercial Limited Common Element is a "General Common Element". Within the category of Residential Limited Common Elements is the subcategory "Special Residential Limited Common Elements" which are Residential Limited Common Elements appurtenant to one or more but not all of the Residential Units, the use of which is restricted to the Owner or Owners of such Residential Unit(s). If the Commercial Unit(s) are subdivided, a portion of such unit or any previously created or Commercial Limited Common Element may be designated as the case may be, as a Commercial Limited Common Element or as a "Special Commercial Limited Common Element." As of the date hereof, there are no Special Residential Limited Common Elements, or Special Commercial Limited Common Elements.

The Common Elements are not subject to partition nor are they severable from the Units, except in accordance with the Condominium Act.

(b) General Common Elements.

The General Common Elements consist of the Land and all portions of the Building other than the Units, the Residential Limited Common Elements, the Special Residential Limited Common Elements and the Commercial Limited Common Elements. The General Common Elements include, without limitation, the following:

1. All land, foundations, columns, beams and supports, including load bearing walls;
2. All roofs, but not including those roofs or portions thereof, if any, which are part of a Unit, Residential Limited Common Elements or Commercial Limited Common Elements as set forth herein or on the Floor Plans;
3. All concrete floor slabs, floor core, subfloors, concrete ceilings and all public halls, stairwells, fire passages and doors, landings and stairs (except those, if any, located within a Unit or those which are defined as Residential Limited Common Elements or Special Residential Limited Common Elements);
4. All exterior walls of the Building (but not including the portions thereof on the Unit side of such walls, or the façade and or storefront bounding the Commercial Unit), walls and partitions separating Units from corridors, elevator shafts, stairs, compactors and other mechanical equipment and spaces, and walls and partitions separating a Unit from other Units or Common Elements located beyond the center line thereof;

5. All central and appurtenant installations for services such as power, light, telephone, gas, sewer, plumbing, drainage, hot and cold water distribution, heat, ventilation, air conditioning and other mechanical and electrical systems serving all Units and/or the General Common Elements (but excluding the heat pump units, air conditioning compressors and air handlers exclusively serving a particular Unit which shall constitute a portion of such Unit, if located within the Unit or a Special Limited Common Element appurtenant to the Unit they serve if located outside of the Unit);

6. All areas of the Property and/or equipment as are so designated on the Floor Plans;

7. All tanks, pumps, motors, fans, compressors, mechanical, electric, and plumbing systems, including related control equipment serving all Units and/or the General Common Elements;

8. The area shown on the Floor Plans as the shaftway; and

9. All other areas of the Property, air rights and all other parts of the building and all apparatus, systems, equipment and installations in the Building or on the Property for the common use of the Units and Unit Owners or which are necessary or convenient to the existence, maintenance or safety of the Property.

(c) Residential Limited Common Elements

The Residential Limited Common Elements include, without limitation, the following:

1. The Main Roof and mechanical bulkhead.

2. The roof terrace located above the Fourth Floor and accessible through the apartments as shown on Fifth Floor Floor Plans;

3. All windows, casements, window frames, entrance doors and door frames serving a Residential Unit;

4. All central and appurtenant installations for services such as power, light, telephone, gas, sewer, plumbing, drainage, hot and cold water distribution, heat, ventilation, air conditioning and other mechanical and electrical systems which exclusively serve the Residential Units;

5. All tanks, pumps, motors, fans, compressors, mechanical, electric, and plumbing systems, and other equipment, including related control equipment which exclusively serve the Residential Units;

6. All areas of the Property and/or equipment as are so designated on the Floor Plans; and

7. All other areas of the Property, and all other parts of the building and all apparatus, systems, equipment and installations in the Building or on the Property for the common use of the Residential Units and Residential Unit Owners exclusively, or which are necessary or convenient to the existence, maintenance or safety of the Residential Section exclusively.

(d) Commercial Limited Common Elements

The Commercial Limited Common Elements consist of the exterior facade and storefront bounding each Commercial Unit, including all windows, casements, frames, and exterior doors exclusively serving the Commercial Unit. The Commercial Unit Owner shall have the right to alter and replace the Commercial Limited Common Elements appurtenant to its Unit without the consent of the Board of Managers or other Unit Owners, provided that any such alteration or replacement shall be at the sole cost and expense of such Commercial Unit Owner and shall be done in compliance with law and otherwise in accordance with the provisions of the Declaration and By-Laws governing alterations generally.

(e) Maintenance and Repair of Common Elements.

The cost of all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary to the (i) General Common Elements, shall be undertaken by the Board of Managers and shall constitute a General Common Expense, unless such work is necessitated by the negligence, misuse, or neglect of a Unit Owner, in which event such expense will be charged to such Unit Owner, (ii) Residential Limited Common Elements, shall be undertaken by the Residential Unit Owner at its sole cost and expense, (iii) Special Residential Limited Common Elements, other than structural items, shall be undertaken by the Residential Unit Owner to whose Unit such Special Residential Limited Common Element is appurtenant, at his sole cost and expense, unless such work is necessitated by the negligence, misuse or neglect of another Unit Owner or is due to the condition of, or damage to or from the General Common Elements or other Special Residential Limited Common Elements, in which event the cost and expense of such repair shall be charged to such other Unit Owner or constitute a General Common Expense, respectively, and (iv) Commercial Limited Common Elements shall be undertaken by the Commercial Unit Owner at its sole cost and expense. To the extent such work is necessitated by the negligence, misuse or neglect of more than one Unit Owner, the cost shall be borne by such other Unit Owners in the proportion that their percentage interest in the Common Elements bears to the aggregate percentage interest in the Common Elements of all Unit Owners responsible therefor.

9. Determination of Percentages in Common Elements.

{Client\002851\RE1464\00181241.DOC;2}

The percentage of interest in the Common Elements applicable to each Unit as shown in Schedule C was determined pursuant to Section 339-(i)(1)(ii) of the Condominium Act and is based upon the approximate proportion that the floor area of the Unit bears to the aggregate floor area of all of the Units, but such proportion reflects the substantially exclusive advantages enjoyed by one or more, but not all of the Units in a part or parts of the Common Elements. The aggregate Common Interest of all Units is 100%.

In computing the Common Interest, the area of each Unit was included using the "Adjusted Area" of such Unit rather than the actual floor area. Adjusted Area is based on the interior floor area of the Unit, plus 50% of the area of any balcony, roof terrace or reserved roof area appurtenant to such Unit as set forth in the following:

UNIT	APPROX INTERIOR AREA (SQ. FT.)	AREA OF TERRACE OR BALCONY OR ROOF (SQ. FT.)	ADJUSTED AREA (50% OF TERRACE, BALCONY OR ROOF) (SQ. FT.)	PERCENT OF COMMON INTEREST
Residential	37,749	9,003	4501.5	76.93%
Commercial	12,667	0	0	23.07%

10. Encroachments.

If any portion of the Common Elements now encroaches upon any Unit, or if any Unit now encroaches upon any other Unit or upon any portion of the Common Elements as a result of the construction of the Building, or if any such encroachment shall occur hereafter as a result of settling or shifting of the Building, or by reason of the repair and/or restoration by the Board of Managers of the Building, any Unit or the Common Elements, or by reason of the installation, maintenance, repair or replacement of flues, vents, air conditioning, heating, ventilation and other mechanical fixtures or equipment on the exterior wall or on the roof, a valid easement for the encroachment and for the maintenance thereof, so long as the Building stands, shall exist. In the event the Building, any Units or any Common Elements shall be partially or totally destroyed as a result of fire or other casualty or shall be taken as a result of condemnation or eminent domain proceedings and then be repaired or rebuilt, thereafter encroachments of parts of the Common Elements upon any Unit or of any Unit upon any other Unit or upon any portion of the Common Elements due to such repair or rebuilding shall be permitted and valid easements for such encroachments and the maintenance thereof shall exist so long as the Building shall stand.

11. Easements.

(a) Each Unit Owner shall have an easement in common with the owners of all other Units to use, install, operate, maintain, alter, repair, rebuild, restore and replace all pipes, wires, ducts, vents, ventilating shafts and flues, cables, conduits, public utility lines and other Common Elements located in any of the other Units and serving his or her Unit. Each Unit shall be subject to an easement in favor of the owners of all other Units to use, install, operate, maintain, alter, repair, rebuild, restore and replace all pipes, wires, ducts, vents, ventilating shafts and flues, cables, conduits, public utility lines and other Common Elements located in any of the other Units and serving his or her Unit and other Common Elements serving such other Units and located in such Unit.

(b) The Board of Managers shall have a right of access to each Unit to inspect the same, to remove violations therefrom and to maintain, repair or replace the Common Elements contained therein or elsewhere in the Building to the extent access in, to or through such Unit shall be reasonably necessary to accomplish the foregoing.

(c) Each Residential Unit Owner shall have in common with all other Residential Unit Owners an easement for the exclusive use of the Residential Limited Common Elements. The Commercial Unit and the Residential Section shall be subject to such easement.

(d) The Commercial Unit Owners shall have an easement for the exclusive use of the Commercial Limited Common Elements. The Residential Section shall be subject to such easement.

(e) Each Unit Owner shall have in common with all other Unit Owners, an easement for ingress and egress through the Residential Section and the Commercial Section and for the use of any Common Element, to the extent such is necessitated by an emergency. The Residential Section and the Commercial Section shall be subject to such easement.

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

(g) Each Commercial Unit Owner shall have with respect to its Commercial Unit, and all other units shall be subject to, an easement (i) to make such additions, alterations, improvements and modifications to the exterior facade of the Building bounding such Commercial Unit, including windows, doors and their respective frames, and any structural additions or alterations which may be necessary to effect the foregoing, which in the reasonable opinion of the

{Client\002851\RE1464\00181241.DOC;2}

applicable Commercial Unit Owner, shall not be architecturally inconsistent with the basic design of the Building; (ii) to install, operate, maintain, repair, alter, rebuild, restore and replace the Commercial Unit or the Commercial Limited Common Elements located in, over, under, through or upon any Residential Unit, any other Common Elements, or elsewhere on the Property, and (iii) to maintain any encroachment on any Unit, the General Common Elements or the Limited Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the Commercial Unit(s) or the Limited Common Elements, provided that access to any Unit or the Common Elements in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the use of the Residential Units for their permitted purposes. Such entry shall be permitted on not less than one day's prior notice, except that no notice will be necessary in the case of an emergency.

(h) Each Unit shall have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units and the Common Elements.

(i) Declarant or its designee and their respective successors and assigns shall, to the extent permitted by law, have an easement to erect, maintain, repair and replace, from time to time, one or more signs on the Property for the purposes of advertising the sale or lease of any Unsold Unit and shall have an additional easement providing access in and to all Units and Common Elements consistent with any Offering Plan for condominium ownership of the Property, as amended from time to time, including without limitation, the right to develop, renovate, maintain, repair, refurnish, offer, sell and lease Units. The Commercial Unit Owner and its successors and assigns shall, to the extent permitted by law, have an easement to erect, maintain, repair and replace, from time to time, one or more signs and awnings on the Property for the purposes of advertising the sale or lease of all or any portion of its Unit and to promote the operation of any business including retail stores of a tenant or occupant of all or any portion of their respective Units.

(j) Declarant or its designee and the Board of Managers shall have the right to grant such additional electric, gas, steam or other utility easements or relocate any existing utility easements upon any portion of the Residential Section, the Commercial Section or the Property, as the case may be, as Declarant or its designee, or the Board of Managers, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof, or for the general health or welfare of the owners, tenants and occupants of the appropriate Units, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use and normal conduct of business of the tenants and occupants of the Commercial Unit(s) or with the use of the Residential Units for their permitted purposes. Any utility company and its employees and agents shall have the right of access to any Unit or the Common Elements in furtherance of such easement, provided such right of access shall be exercised in such a manner as to not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Unit or with the use of the Residential Units for their permitted purposes.

(k) The Commercial Unit Owners shall each have with respect to their Commercial Unit, and each Unit shall be subject to, an easement and right, without the consent of

{Client\002851\RE1464\00181241.DOC;2}

the Board of Managers or any Unit Owner (i) to install one or more doors connecting the Commercial Unit to the corridor adjacent to the Commercial Unit and leading to the Lobby of the Residential Unit (designated as such on the Floor Plans of the first floor), for emergency egress provided, however, that such doors shall be equipped with such security devices as the Residential Unit Owner may reasonably require, including the right to make such additions, alterations, improvements and modifications, structural or otherwise, which may be necessary to effect the foregoing; (ii) to install upon any portion of the roof constituting a General Common Element or Commercial Limited Common Element, antennae, satellite dishes, transmitters and receivers ("collectively, "Transmission Equipment") together with such cabling, conduits, relays and controls connecting the Transmission Equipment to the Commercial Unit as the Commercial Unit Owner shall elect, provided, however, that all such installations and the operation thereof shall be done in accordance with all applicable laws, codes and regulations and provided further, that the exact location of such installations shall be made in consultation with the Residential Committee so as to select a location that will not materially adversely affect the permitted use of any portion of the roof by Residential Unit Owners; this easement shall include the right to maintain, repair, upgrade and replace any installations permitted hereby; (iii) to install upon and through any portion of the roof constituting a Commercial Limited Common Element, skylights and related equipment and controls as the Commercial Unit Owner shall elect, provided, however, that all such installations and the operation thereof shall be done in accordance with all applicable laws, codes and regulations; this easement shall include the right to maintain, repair, upgrade and replace any installations permitted hereby and (iv) to the extent permitted by law, to erect, maintain, repair and replace one or more signs and awnings on the Property for the purpose of advertising the operation of any business of the Commercial Unit Owners or of the tenants or occupants of the Commercial Units.

(L) The Commercial Unit Owner and the Residential Unit Owner shall each have an easement, on a first come first serve basis, to enter upon the portion of the Second Floor roof setback designated on the Floor Plans as a General Common Element for the purpose of installing and maintaining thereon, such HVAC equipment, together with such piping, ducts, cabling, conduits, relays and controls connecting the HVAC equipment to the Commercial Unit as the Commercial Unit Owner shall elect, provided, however, that all such installations and the operation thereof shall be done in accordance with all applicable laws, codes and regulations. In the case of the Commercial Unit Owner, the Commercial Unit Owner and its employees, agents and contractors shall have an easement and a right of access through the Residential Unit and the terrace adjacent thereto, in order to access the rear portion of the roof.

(M) Access to a portion of the second floor roof setback, which area is shown on the Floor Plans as a General Common Element, is through part of the Residential Unit. Accordingly, the Board of Managers and the Commercial Unit Owner on behalf of itself, its contractors, agents and employees, shall have an easement in, upon and through the Residential Unit in order to access the second floor to the extent necessary for maintenance, repair and improvements in and to the roof and any permitted installations thereon, or as may otherwise be necessary and appropriate in connection with the operation and maintenance of the Condominium or their respective Units.

(N) The Declarant reserves to itself, its successors and assigns, an easement to install, affix to the Building, erect, maintain and replace signs, banners and similar items on the exterior facades of the Building. Such easement shall include a right of access to the roof and other portions of the Building as may be reasonably necessary to effectuate the principal easement reserved hereby. All work performed by or with the consent of the Declarant shall be done in accordance with applicable law and building code and shall be done without expense to the Condominium. The Declarant shall have the right, without the consent of the Board of Managers or any Unit Owner, to assign this easement or to otherwise lease and or license the rights reserved hereby. The Declarant shall not be required to pay any fee to the Condominium by reason of such easement nor shall the Condominium be entitled to receive any portion of any fee received by the Declarant. The Declarant shall have the right, at its expense, to have electric service brought to the roof for purposes of operating illumination and otherwise in connection with the operation of any permitted installations.

The beneficiary of any easement granted by the above sub-paragraphs of this paragraph 11 shall have the responsibility of repairing any damage resulting therefrom.

12. Power of Attorney to Board of Managers.

Subject to any express provision to the contrary contained in this Declaration, each Unit Owner shall grant to the persons who shall from time to time constitute the Board of Managers, an irrevocable power of attorney, coupled with an interest, in recordable form on behalf themselves (1) to acquire any Unit which may be used as a superintendent's apartment or may be surrendered or which may be the subject of a foreclosure or other judicial sale in the name of the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, and to convey, sell, lease, mortgage, vote the votes appurtenant thereto (other than for the election of members of the Board of Managers) or otherwise deal with any such Unit so acquired, or to sublease any Unit so leased by the Board of Managers, or (2) to create any easements or carry out the provisions of any Offering Plan for the Condominium, or (3) subject to any express provisions to the contrary contained in this Declaration, to execute, acknowledge and deliver a declaration or other instrument which the Board deems necessary or appropriate to comply with any law, ordinance or regulation of any agency or instrumentality of the City of New York in connection with the Common Elements, and (4) to act as agent for each Unit Owner to execute, acknowledge and deliver any declaration, instrument or document to change or amend the Declaration, By-Laws or Rules and Regulations which is required to enable the Declarant or its designee or a Unit Owner to effectuate any such alteration, change or amendment permitted to be made by such owner pursuant to the Declaration and By-Laws. The Board of Managers shall cause such power of attorney to be recorded in the Office of the City Register, New York County, at the expense of the Unit Owner immediately upon receipt by the Board of Managers thereof.

13. Acquisition of Units by Board of Managers.

(a) In the event any Unit Owner shall surrender his Unit, together with: (i) the undivided interest in the Common Elements appurtenant thereto; (ii) the interest of such Unit

{Client\002851\RE1464\00181241.DOC;2}

Owner in any other Units acquired by the Board of Managers or its designees on behalf of all Unit Owners or the proceeds of the sale or lease thereof, if any; and (iii) the interest of such Unit Owner in any other assets of the Condominium (hereinafter collectively called the "Appurtenant Interests"), pursuant to the provisions of Section 339-x of the Real Property Law of the State of New York, or (b) the Board of Managers shall purchase from any Unit Owner who has elected to sell the same, a Unit, together with the Appurtenant Interests, pursuant to Section 1 of Article VII of the By-Laws, or (c) the Board of Managers shall purchase at a foreclosure or other judicial sale, a Unit, together with the Appurtenant Interests, title to any such Unit, together with the Appurtenant Interests, shall be held by the Board of Managers or its designee on behalf of all Unit Owners who shall be entitled to receive the income therefrom or bear the expenses thereof, in proportion to their respective Common Interest if it acquired the Unit under (a) or (c) above or on behalf of all Unit Owners in proportion to their respective Common Interest among Unit Owners if it acquired the Unit under (b) above.

14. Person to Receive Service.

So long as the Declarant shall own any Unit, the Declarant shall be designated to receive notice of process in any action which may be brought against the Condominium. Once the Declarant shall no longer own any Unit, the person who from time to time holds the office of President of the Board of Managers (or in the absence of the President, any other member of the Board of Managers of the Condominium), is hereby designated to receive notice of process in any action which may be brought against the Condominium.

15. Units Subject to Declaration, By-Laws and Rules and Regulations.

All present and future owners, tenants and occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time and any recorded encumbrances to which they are subordinate. The acceptance of a deed or conveyance, or the entering into of a lease, or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

16. Amendment of Declaration.

(a) Subject to the provisions contained herein or in the By-Laws with respect to certain types of amendments by or affecting Declarant, or its designee or the Commercial Unit Owners and except for the provisions of this Paragraph 16, (i) this Declaration may be amended only by the vote of at least 90% in number and in Common Interest of all Unit Owners, cast in person or by proxy, at a meeting duly held in accordance with the provisions of the By-Laws, provided, however, that the Common Interest appurtenant to each Unit as expressed in this Declaration shall not be altered without the consent of all Unit Owners affected, (ii) any provision of this Declaration affecting only the Residential Section or the Residential Unit Owners may be

{Client\002851\RE1464\00181241.DOC;2}

amended by the Residential Unit Owner and (iii) any provision of this Declaration affecting only the Commercial Section or the Commercial Unit Owner(s), may be amended by the Commercial Unit Owner. Subject to the provisions contained herein or in the By-Laws with respect to amendments by or affecting Declarant or its designee or any Unsold Residential Unit or the Commercial Units, no amendment to the Declaration may be made without the written consent of the holders of Residential and Commercial Unit mortgages, if required by the terms of such mortgages. In all events, any Residential or Commercial Unit mortgage must state that if consent by the holder thereof to amendments to the Declaration is necessary, such consent shall not be unreasonably withheld or delayed. No such amendment shall be effective until recorded in the Office of the City Register, New York County.

(b) The Declarant shall have the right, without vote or consent of other Unit Owners or the Board of Managers or the holders of Unit mortgages, to execute or upon request, to require the Board of Managers to execute and record in the Office of the City Register, New York County, and elsewhere if required by law, an amendment or amendments to this Declaration (together with such other documents, plans and maps as may be required to effectuate the amendment) to reflect any changes in Units and the reapportionment of the Common Elements resulting therefrom made by the Declarant in accordance with subparagraph (c) of this Paragraph 16. All expenses in connection with the preparation, recording and filing of any such amendment shall be paid by the Declarant.

(c) Except as provided in this Paragraph 16 with regard to the right of the Declarant to amend this Declaration, Paragraphs 5, 6 and 23 of this Declaration may not be amended without the consent of the Unit Owner of every Unit affected by such amendment. The provisions of this Paragraph 16 may not be added to, amended or deleted, in whole or in part, without the consent of the Declarant or its designee, so long as the Declarant or its designee owns any Unit.

(d) No amendment shall change a Unit Owner's proportionate share of the Common Interest, unless all Unit Owners affected agree to such amendment by recorded instrument.

(e) No amendment shall be passed which shall impair or prejudice the rights and priorities of mortgagees.

(f) Irrespective of any other provision of this Declaration, no action of partition or division of the Common Elements shall be brought nor shall Condominium ownership of the Property be terminated where such partition, division or termination will result in a violation of the then existing local zoning or building laws or codes.

(g) If (i) the Commercial Unit(s) are subdivided or the size thereof is otherwise changed and the percentage interest in the Common Elements appurtenant to the Commercial Unit(s) is/are reapportioned among any existing or newly created condominium units resulting from any subdivision thereof (or any combining of newly created Commercial Units), or (ii) a Limited Common Element is designated as part of a newly created Commercial condominium unit or part of a Commercial Unit is designated as a newly created Limited Common Element, then

{Client\002851\RE1464\00181241.DOC;2}

such Unit Owner shall have the right to require, following written request, any other Unit Owner or the Board of Managers on behalf of all Unit Owners to execute, and record in the Office of the City Register, New York County, and elsewhere, if required by law, an amendment to this Declaration (together with such other documents as such Unit Owner deems appropriate to effectuate the same) reflecting (A) such change in the size of the Commercial Unit or the subdivision of the Commercial Unit into separate commercial condominium units (or the subsequent combination of such newly created condominium units) and the reapportionment of the percentage interests in the Common Elements among such newly created condominium units or (B) such designation of a Limited Common Element in a newly created condominium unit or such designation of part of the Commercial Unit as a newly created Limited Common Element. In such event, the approval of at least 70% in number and in Common Interest of all Unit Owners shall be deemed granted (if required) in accordance with the procedure set forth herein and in the By-Laws for amending the Declaration by virtue of the power of attorney granted to the Board of Managers by each Unit Owner. The foregoing right of a Commercial Unit Owner is subject to the requirements set forth in Articles II and V of the By-Laws that such amendment or change not adversely affect the Residential Unit Owners or the Residential Section.

(h) Amendments, modifications, additions or deletions of or to this Declaration, the By-Laws and the Rules and Regulations may be necessary, appropriate or desirable in connection with the operation of the Commercial Unit or the subdivision of the Commercial Unit into additional separate condominium units and/or the offering for sale or lease of all or any portion of the Commercial Unit and it is contemplated that in connection therewith, the Commercial Unit Owner will cause this Declaration to be so amended, modified, added to or deleted from and that the resulting provisions governing the Commercial Units may be similar or dissimilar to those currently affecting the Residential Section and Residential Unit Owners.

(i) The provisions of Paragraphs 16, 17, 22 and 23 may not be modified, amended, added to or deleted, in whole or in part, without the consent of Declarant or its designee and the provisions of Paragraphs 16 and 21 may not be modified, amended, added to or deleted, in whole or in part, without the consent of the Commercial Unit Owners.

(j) The Declaration, the By-Laws and Rules and Regulations may not be amended or modified so as to adversely affect the special rights, benefits, privileges or exemptions of the Commercial Unit Owners and/or the Commercial Unit without the prior written consent of the Commercial Unit Owners.

17. Definition of "Declarant or its Designee".

The term "Declarant" or "its designee" or "Declarant or its Designee" as used in this Declaration shall mean Declarant or any affiliate of Declarant or any person or entity appointed or designated by Declarant to act for or on behalf of Declarant in connection with the Condominium and/or the Board of Managers of the Condominium including any Committee of said Board of Managers. An affiliate of Declarant shall be deemed to be a person or an entity who or which (i) owns more than 50% of the legal or beneficial interest of Declarant or any partner in Declarant, or (ii) an entity with respect to which Declarant or any partner in Declarant owns more than 50% of the legal or beneficial interest, or (iii) is or was a partner in Declarant. A Declarant shall have the

{Client\002851\RE1464\00181241.DOC;2}

right to designate a person or entity to succeed to its rights and any such designee shall also be deemed a "designee".

18. Common Charges.

All sums assessed as Common Charges (which shall include General Common Charges, and Residential Common Charges, and Commercial Common Charges, if any) by the Board of Managers of the Condominium but unpaid, together with interest thereon at the maximum rate permitted by law, shall constitute a lien on the Unit prior to all other liens except: (a) tax or assessment liens on the Unit by the taxing subdivision of any governmental authority, and (b) all sums unpaid on any first mortgage of record encumbering the Unit. A lien for Common Charges may be filed against a delinquent Unit and foreclosed by the Condominium when Common Charges are past due in accordance with the laws of the State of New York in like manner as a mortgage on real property. In any such foreclosure, the Condominium shall also have a right to recover all costs and expenses incurred including reasonable attorneys' fees. In the event the proceeds of the foreclosure sale are not sufficient to pay such unpaid Common Charges, the unpaid balance shall be charged to all Unit Owners as a General Common Expense. However, where the holder of an institutional first mortgage of record, or other purchaser of a Unit at a foreclosure sale of an institutional mortgage, obtains title to a Unit as a result of foreclosure, or the institutional mortgage holder obtains title in lieu of foreclosure, such acquirer of title, his or her successors or assigns, shall not be liable and the Unit shall not be subject to a lien for the payment of Common Charges payable by such unit, which were assessed and became due prior to the acquisition of title to such Unit by such acquirer. In such event, the unpaid balance of Common Charges shall be charged to all Unit Owners as a General Common Expense. The term "institutional mortgage" used herein shall mean a first mortgage granted by a federal or state savings and loan association, savings or commercial bank, life insurance company, trust company, pension fund, agency of the United States or of the City or State of New York, or other similar institutional lender or a purchase money mortgage granted by the seller of the Unit.

Every Unit Owner shall pay the Common Charges assessed against him or his Unit when due and no Unit Owner may exempt himself or the Unit from liability for the payment of Common Charges assessed against him or the Unit by waiver of the use of any of the Common Elements or by abandonment of the Unit. However, no Unit Owner shall be liable for the payment of any Common Charges accruing subsequent to a sale, transfer or other conveyance by him of such Unit made in accordance with Section 339-x of the Condominium Act or in accordance with the provisions of the Declaration and the By-Laws.

19. Conveyance of a Unit.

In any conveyance of a Unit in accordance with this Declaration and By-Laws, the Grantee of the Unit shall be jointly and severally liable with the Grantor for any unpaid Common Charges against the Unit through the time of the grant or conveyance, without prejudice to the Grantee's right to recover from the Grantor the amounts paid by the Grantee therefor. Any such Grantee shall be entitled to a statement from the Board of Managers setting forth the amount of Common Charges against the Grantor and such Grantee shall not be liable for any unpaid Common Charges against the Grantor in excess of the amount set forth in such statement.

{Client\002851\RE1464\00181241.DOC;2}

"Grantee" as used in this paragraph shall not include either the holder of an institutional mortgage of record or other purchaser of a Unit at a foreclosure sale of an institutional mortgage.

20. Termination of Condominium.

The Condominium shall continue and shall not be subject to an action for partition until (a) terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws, or (b) such time as withdrawal of the Property from the provisions of the New York Condominium Act is authorized by a vote of at least 90% in number and in common interest of all Unit Owners. No such vote under clause (b) in the preceding sentence shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of at least two-thirds (2/3) of the holders of Residential and Commercial Unit first mortgages (based upon one vote for each first mortgage owned), if any. Declarant or its designee will not vote its interest appurtenant to any Unsold Residential Unit for such withdrawal unless at least 90% in number and in Common Interest of all other Unit Owners so elect such withdrawal at which time Declarant or its designee may choose to vote either in favor of or against withdrawal from condominium ownership, as it sees fit. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of his or her share of such net proceeds all liens on the Unit, in the order of priority of such liens.

21. Changes By The Commercial Unit Owner.

Except to the extent prohibited by law, each Commercial Unit Owner shall have the right, without prior notice and without the vote or consent of the Board of Managers, any other Unit Owners or the holders of Residential Unit mortgages, to: (a) decorate, make alterations, additions, improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, of any type or nature whatsoever, in, to and upon their respective Commercial Unit; (b) change the layout of, or number of rooms in their respective Commercial Unit from time to time; (c) change the number of Commercial Units by subdividing the same into any desired number of condominium units (or by combining any units resulting from any such prior subdivision); (d) designate with respect to the affected Unit, a Limited Common Element or Special Limited Common Element as part of a newly created condominium unit or designate part of such Unit as a newly created Limited Common Element or Special Limited Common Element; (e) reapportion among the newly created condominium units resulting from any subdivision (or combination) their percentage interests in the Common Elements in such manner as may be then permitted under applicable law; and (f) change, alter or modify the facade and exterior portion of the Building adjacent to their respective Commercial Unit and the Commercial Limited Common Elements adjacent to or between their respective Commercial Unit and the sidewalks, Common Elements or other Units in the Building, and (g) install and/or connect equipment or facilities to any Building systems, and/or to maintain, repair or replace equipment, systems, installations or facilities comprised of or located in the Common Elements which service or will service the Unit or Limited Common Elements appurtenant thereto, if any.

The foregoing rights shall be subject to the following: (a) the percentage interest in the Common Elements of any other Unit shall not be changed by reason thereof, unless the owner of such Unit shall consent thereto, (b) the Commercial Unit Owner shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board of Managers and all other Unit Owners harmless from any liability arising therefrom and (c) the Commercial Unit Owners establish to the reasonable satisfaction of the Board of Managers that said Unit Owner has procured adequate liability insurance against damage to the Residential Section and General Common Elements for the work being performed, (d) to the extent the Commercial Unit owners utilize utilities for which they do not then share in the cost of, the Commercial Unit Owners shall pay their fair share of such utilities supplied by the Residential Section consistent with the method of allocation contained in Schedule B of the Offering Plan, and (e) any such connection, installation, maintenance, repair or replacement (i) will not permanently adversely affect any Building systems (including without limitation, heating, plumbing, electrical and sanitary systems) or otherwise diminish the capacity of any Building system available to other Unit Owners so as to impair the use of any Unit or General or Residential Limited Common Element for its intended purpose; (ii) will not adversely affect the structural integrity of the Building or any portion thereof; (iii) will not adversely affect the operation of the Building; (iv) will not adversely affect any Unit Owner or the use of any Unit for its intended purpose; and provided further that; (v) no equipment shall be installed which encroaches on any hallway or the lobby or any other usable or rentable space within the General Common Elements;

22. Changes In The Residential Section.

Except to the extent prohibited by law, Declarant or its designee and any subsequent Residential Unit Owner (provided the Residential Unit shall be as configured as provided for on the date of this Declaration) shall have the right, without prior notice and without the vote or consent of the Board of Managers, any other Unit Owner or the holders of Residential or Commercial Unit Mortgages, if any, to: (a) make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon Unsold Residential Units; (b) change the layout of or number of rooms in, any Unsold Residential Units from time to time; (c) change the size and/or number of Unsold Residential Units by subdividing one or more Unsold Residential Units into two or more separate Residential Units, combining separate Unsold Residential Units (including those resulting from such subdivision or otherwise) into one or more Residential Units, altering the boundary walls between any Unsold Residential Units, and erecting or modifying certain walls or corridors to allocate a portion of the Residential Limited Common Elements to the exclusive use of a Unit(s) which area shall then become a Special Residential Limited Common Element, or otherwise; and (d) if appropriate, reapportion among the Unsold Residential Units affected by any such change in size or number pursuant to the preceding clause (c), their percentage interests in the Common Elements; provided, however, that the percentage interest in the Common Elements of any other Units (other than Unsold Residential Units) shall not be changed by reason thereof unless the owners of such Units shall consent thereto and, further provided, that Declarant or such Residential Unit Owner shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board of Managers and all other Unit Owners harmless

from any liability arising therefrom. The provisions of this paragraph 22 may not be added to, amended, modified or deleted without the prior written consent of Declarant or its designee.

23. Additional Rights of Declarant.

(a) Declarant hereby reserves to itself the right for itself and its designees, invitees, contractors, agents, employees and tenants, of ingress, egress and access in and to the Units, Common Elements and Limited Common Elements to make such changes, alterations, repairs, adjustments or to take such other actions as may be necessary or desirable to enable the completion of construction of the Property substantially in accordance with the Plans and Specifications previously filed, as same have or may be amended, with the New York City Department of Buildings and other applicable governmental authorities having jurisdiction thereof in accordance with the Offering Plan for Condominium Ownership of the Property .

(b) So long as the Declarant or its designee shall have an interest in any Unit, the Declarant or its designee shall have the right, without the consent of the Board of Managers, other Unit Owners or the holders of Unit mortgages, to (i) make alterations, additions or improvements, structural and non-structural, ordinary and extraordinary, interior and exterior, in, to and upon any Units owned by it, (ii) change the layout or number of rooms in the Unit, (iii) change the size and/or number of such Units by subdividing a Unit, combining separate Units (including those resulting from such subdivision or otherwise) into one or more Units, altering the boundary walls between Units, erecting or modifying certain walls or corridors to allocate a portion of the Residential Limited Common Elements to the exclusive use of a Unit(s) which area shall then become a Special Residential Limited Common Element, or otherwise, and (iv) re-apportion among the Units affected by such change their appurtenant interests in the Common Elements, provided, however, that in each instance Declarant shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board of Managers and all other Unit Owners harmless from any liability arising therefrom.

24. Covenant of Further Assurances.

(a) Any Person who is subject to the terms of this Declaration, whether such Person is a Unit Owner, a lessee or a sublessee of a Unit Owner, an occupant of a unit, a member of the Condominium Board, an officer of the Condominium, the Sponsor or otherwise, shall, at the expense of any such other Person Requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action, as such other Person may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or in the Plan or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

(b) If any Unit Owner or any other Person who is subject to the terms of this Declaration fails or refuses to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten days after request therefor, to take any action that such Unit Owner or Person is required to take pursuant to this Declaration or the Plan, then the Condominium Board is hereby

authorized as attorney-in-fact for such Unit Owner or other Person, which power shall be deemed to be coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit Owner or other Person.

(c) If any Unit Owner or the Condominium Board or any other Person who is subject to the terms of this Declaration fails or refuses to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten days after request therefor, to take any action that the Condominium Board, Unit Owner, or other Person is required to take pursuant to this Declaration or the Plan at the request of Sponsor, then Sponsor is hereby authorized as attorney-in-fact for the Condominium Board, such Unit Owner, or other Person, which power shall be deemed to be coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Condominium Board, such Unit Owner, or other Person, and such document or action shall be binding on the Condominium Board, such Unit Owner, or other Person, as the case may be.

(d) Nothing contained in this Article 24 shall be in derogation of Section 339(i) of the Condominium Act.

25. Covenants to Run with the Land.

(a) All provisions of this Declaration, the By-Laws and the Rules and Regulations, including, without limitation, the provisions of this Article 25 shall, to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions thereof shall be binding upon, and shall inure to the benefit of, the owner of all or any part thereof, or interest therein, and his heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in, or for the benefit of, the general public. All present and future owners, tenants and occupants of Units shall be subject to, and shall comply with, the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the succeeding to title, the entering into a lease, or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant, or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having, at any time, any interest or estate in such Unit as though such provisions were recited and stipulated at length in each and every deed, conveyance, or lease.

(b) If any provision of this Declaration or of the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act, but shall nevertheless be valid and binding upon, and shall inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part

{Client\002851\RE1464\00181241.DOC;2}

thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provisions as a covenant running with the Land. If any provision that is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provisions shall be deemed included as a part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

(c) Subject to the terms of paragraph (b) of this Article 25 if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon, and shall inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

26. Invalidity.

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

27. Waiver.

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

28. Captions.

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

29. Gender.

The use of the masculine gender in this Declaration shall be deemed to refer to the feminine or neuter gender and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed this 3rd day of March, 2009

CCM Ventures 7 LLC

By: Cayuga Capital Management, LLC,
its Managing Member

By: [Signature]
James Wiseman, Principal

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

On the 3rd day of March in the year 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared James Wiseman, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individuals, or the person upon behalf of which the individual acted, executed the instrument.

[Signature]
Notary Public

WALEA VALENTIN
Notary Public, State of New York
No. 01VAG173311
Qualified in Kings County
Commission Expires August 27, 2011

SEAL

Schedule A

DESCRIPTION OF THE LAND

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

BEGINNING at the corner formed by the intersection of the Northwestern side of Berry Street with the Northeastly side of North 11th Street;

RUNNING THENCE Northwesternly along the Northeastly side of North 11th Street 130 feet to the center line of the party wall dividing the 4-story brick building which is the most Northwesternly portion of the parcel herein described from the 4-story brick building abutting on the Northwest;

THENCE Northeastly and parallel with Berry Street through the center of the aforesaid party wall 58 feet 5 1/4 inches to the exterior of the Northeastly (rear) wall of the aforesaid 4-story brick building;

THENCE Southeastly and parallel with North 11th Street 63 feet 8 1/2 inches along the exterior of the Northeastly (rear) wall of two 4-story buildings and to the exterior of the Northwesternly wall of the 6-story brick building standing on the premises hereby described;

THENCE Northeastly and parallel with Berry Street and along the exterior building wall last mentioned 22 feet 1/2 inch to the exterior of the Northerly wall of the said 6-story brick building;

THENCE Southeastly and parallel with North 11 Street along the exterior of the Northerly wall of said 6-story building 66 feet 3 1/2 inches to the Northwesternly side of Berry Street;

THENCE Southwesterly along the Northwesternly side of Berry Street 80 feet 4 inches to the point or place of **BEGINNING**.

BEING and intended to be the same premises conveyed to the Party of the First Part (Grantor) by Deed dated December 14, 1998 and recorded in the Office of the City Register-Kings County on July 29, 1999 in Reel 4540, Page 2421.

SAID premises being known as and by street address, 44/48 Berry Street a/k/a 107/117 North 11th Street, Brooklyn, New York 11211.

Schedule B

DESCRIPTION OF BUILDING AND UNITS

The Building consists of one (1) Residential Condominium Unit, containing forty-two (42) apartments and associated common areas, occupying part of the Cellar, part of the Ground Floor and Floors 2 through 6, and one (1) Commercial Condominium Unit occupying part of the Cellar and part of the Ground Floor.

The Building consists of three joined building structures: The main corner 6-story structure is constructed of steel reinforced poured-in-place concrete columns and solid brick masonry bearing walls. Floors and roof are steel reinforced poured-in-place concrete slabs. A second 4-story structure is built with the same materials as the adjacent 6-story building. The third 4-story structure is constructed with heavy timber columns and solid masonry walls. The floors and roof of this third structure are strip wood decking over heavy timber joists and beams.

The total height of the Building to the high point of the roof is approximately eighty-three (83) feet above the sidewalk.

The exterior of the Building is constructed of mostly exposed brick, with some sections plastered.

All windows are insulated glass with thermally broken aluminum frames.

SCHEDULE C
TO DECLARATION OF CONDOMNIUM
THE 44 BERRY STREET CONDOMINIUM
44 BERRY STREET
BROOKLYN, NY

UNIT	TAX LOT	LOCATION IN BUILDING	APROX INTERIOR AREA (SQ. FT.)	APROX EXTERIOR AREA (SQ. FT.) <i>Or Residential Limited Common</i>	NUMBER OF ROOMS/ BATHS	COMMON ELEMENTS TO WHICH UNIT HAS IMMEDIATE ACCESS	PERCENT OF COMMON INTEREST (Note 1)
Residential Unit	1002	Part of Cellar and Ground Floor and Floors 2 through 6	37,749	9,003	N/A	elevator, fire stairs, corridor	76.93%
Commercial Unit	1001	Part of Cellar and Ground Floor	12,667	0	N/A	elevator, fire stairs, corridor	23.07%
Total	2						100.00%

Note 1: Area, for purposes of computing the Common Interest, is computed using 100% of interior area and 50% of exterior area. See Article 9.

<u>Square Footage by Floor</u>				
<u>Floor</u>	<u>Residential Unit (Tax Lot 1002)</u>	<u>Commercial Unit (Tax Lot 1001)</u>	<u>General Common Element</u>	<u>Residential Limited Common Element</u>
Cellar	1085	5451	2467	0
Ground	626	7146	1231	0
2	8632	14	357	0
3	8632	14	357	0
4	8632	14	357	0
5	4895	14	357	3737
6	4895	14	357	0
Roof	211	0	456	4599
Elevator Machine Room/EMR Roof	141	0	0	667

CONDO # 2395

BY-LAWS

of

The 44 Berry Street Condominium
44 Berry Street
Brooklyn, New York

(Part 2 of the Declaration)

TABLE OF CONTENTS

ARTICLE	TITLE	PAGE
ARTICLE I PLAN OF UNIT OWNERSHIP1		
Section 2.	Definitions	1
Section 4.	Application.	1
Section 5.	Office.	2
ARTICLE II BOARD OF MANAGERS.....2		
Section 1.	Number and Qualification.....	2
Section 2.	Powers and Duties.	3
Section 3.	Managing Agent and Manager.	8
Section 4.	Election and Term of Office.	8
Section 5.	Removal of Members of the Board of Managers.	9
Section 6.	Vacancies.	9
Section 7.	Organization Meeting.....	10
Section 8.	Regular Meetings.	10
Section 9.	Special Meetings.	10
Section 10.	Waiver of Notice.	10
Section 11.	Quorums.	11

Section 12.	Fidelity Bonds.	11
Section 13.	Compensation.	11
Section 14.	Liability of the Board of Managers..	11
Section 15.	Executive Committee.	12
Section 16.	Other Committees.	12
Section 17.	Resolutions.	13
ARTICLE III UNIT OWNERS.....		13
Section 1.	Annual Meetings.	13
Section 2.	Place of Meetings.	13
Section 3.	Special Meetings.	13
Section 4.	Notice of Meetings.	13
Section 5.	Adjournment of Meetings.	14
Section 6.	Order of Business.	14
Section 7.	Title to Units..	14
Section 8.	Voting.	14
Section 9.	Majority of Unit Owners.	15
Section 10.	Quorum.	15
Section 11.	Majority Vote.	15
Section 12.	Action Without Meeting.	15
ARTICLE IV OFFICERS.....		16
Section 1.	Designation.	16

Section 2.	Election of Officers.	16
Section 3.	Removal of Officers.	16
Section 4.	President.	16
Section 5.	Vice President.	16
Section 6.	Secretary.	17
Section 7.	Treasurer.	17
Section 8.	Agreements, Contracts, Deeds, Checks, etc.	17
Section 9.	Compensation of Officers.	17
ARTICLE V OPERATION OF THE PROPERTY		17
Section 1.	Determination of Common Expenses and Fixing of Common Charges.	17
Section 2.	Insurance.	19
Section 3.	Repair or Reconstruction After Fire or Other Casualty.	21
Section 4.	Payment of Common Charges.	22
Section 5.	Collection of Assessments.	22
Section 6.	Default in Payment of Common Charges.....	22
Section 7.	Foreclosure of Liens for Unpaid Common Charges.	23
Section 8.	Statement of Common Charges.	23
Section 9.	Abatement and Enjoinment of Violations by Unit Owners.	23
Section 10.	Maintenance and Repairs.	23
Section 11.	Violations of Maintenance Obligations.....	25
Section 12.	Use of Units.	26

Section 13.	Additions, Alterations or Improvements by Board of Managers.	27
Section 14.	Additions, Alterations or Improvements by Unit Owners.	28
Section 15.	Use of Common Elements and Facilities.	31
Section 17.	Right of Access.	31
Section 18.	Removal of Garbage and Refuse.	31
ARTICLE VI MORTGAGES.....		32
Section 1.	Notice to Board of Managers.	32
Section 2.	Notice of Unpaid Common Charges or Other Default.	32
Section 3.	Notice of Default.	32
Section 4.	Examination of Books.	32
ARTICLE VII SALES, LEASES AND MORTGAGES OF UNITS		32
Section 1.	Sales and Leases.	32
Section 2.	Consent of Unit Owners to Purchase of Residential Units By Board of Managers.	35
Section 3.	No Severance of Ownership.	35
Section 4.	Release by Board of Managers of Right of First Refusal.	35
Section 5.	Certificate of Termination of Right of First Refusal.	35
Section 6.	Financing of Purchase of Residential and Storage Units by Board of Managers.	35
Section 7.	Exceptions.	36
Section 8.	Gifts and Devises, etc.	36
Section 9.	Waiver of Right of Partition.....	36

Section 10.	Payment of Assessments.	36
Section 11.	Mortgage of Units.	36
ARTICLE VIII CONDEMNATION.....		37
Section 1.	Condemnation.	37
ARTICLE IX RECORDS		38
Section 1.	Records and Audits.	38
ARTICLE X MISCELLANEOUS.....		38
Section 1.	Notices.	38
Section 2.	Invalidity.	38
Section 3.	Captions.	39
Section 4.	Gender.	39
Section 5.	Waiver.	39
Section 6.	Insurance Trustee.	39
ARTICLE XI AMENDMENTS TO BY-LAWS AND RIGHTS OF DECLARANT		39
Section 1.	Amendments to By-Laws.	39
Section 2.	Declarant's Rights.	40
Section 3.	Use Changes.	41
ARTICLE XII CONFLICTS.....		41
Section 1.	Conflicts.	41
Exhibit A - Rules and Regulations		A-1

BY-LAWS
OF
THE 44 BERRY STREET CONDOMINIUM

ARTICLE I

Plan of Unit Ownership

Section 1. Purpose. The purpose of these By-Laws is to set forth the rules and procedures governing the operation and conduct of The 44 Berry Street Condominium ("Condominium"). The Condominium comprises the land and building situate thereon in the Borough of Brooklyn, City of New York, County of Kings and State of New York, more particularly described in Schedule A of the Declaration recorded in the Office of the City Register, Kings County, simultaneously herewith, and the Building now or hereafter constructed on said land (the land Building hereinafter are collectively called the "Property"). The Property has been submitted pursuant to the provisions of Article 9-B of the Real Property Law of the State of New York (hereinafter referred to as the "Condominium Act") by the recording of the Declaration.

Section 2. Definitions. Capitalized terms used in these By-Laws and not otherwise defined herein shall have meanings as defined in the Declaration to which these By-Laws are attached.

Section 3. Applicability of By-Laws. The provisions of these By-Laws are applicable to the Property and to the use and occupancy thereof.

Section 4. Application. All present and future owners, mortgagees, lessees and occupants of Units and their employees, agents, licensees, invitees and any other persons who may use the facilities of the Property in any manner are subject to these By-Laws, the Declaration and the Rules and Regulations attached hereto as Exhibit A, each as may be amended from time to time. The acceptance of a deed or conveyance or the succeeding to title to a Unit (by operation of law or otherwise) or the entering into of a lease or the act of occupancy or acceptance of surrender of a Unit shall constitute an agreement that these By-Laws, the Rules and Regulations and the provisions of the Declaration, as they may be amended from time to time, are assumed, accepted, ratified, and will be complied with.

Section 5. Office. The office of the Condominium and of the Board of Managers shall be located at the Property or at such other place in the County of New York or Kings as the Board of Managers may from time to time designate.

Section 6. Initial Units and Future Subdivision. As of the date hereof, the Condominium consists of a Commercial Unit and a Residential Unit containing multiple apartment dwellings. These By-Laws contemplate the possibility of a future subdivision of the Commercial Unit and/or the Residential Unit into multiple condominium units and in such case, provide for the management and operation of each of the Residential Section and the Commercial Section independently of one another, to the extent hereinafter provided, through the use of a Residential Committee and/or a Commercial Committee acting under the auspices of the Board of Managers. So long as such subdivision(s) has(have) not occurred (i) the Condominium shall be operated by the Board of Managers and such Committees shall not be created, and (ii) wherever the approval or consent of a such Committee shall be required, such approval may be granted by the respective Unit Owner.

Section 7. Common Ownership By Declarant. As of the date hereof it is anticipated that all of the Units will be under the common ownership of the Declarant and or its designee. For so long as the Declarant and its designee shall continue to own all of the Units, the Declarant and/or its Designee, acting jointly, shall be entitled to waive such provisions of these By-Laws as the Declarant and/or its Designee, acting jointly may elect, unless such waiver shall otherwise be prohibited by the Condominium Act or by any other applicable law, code or regulation.

ARTICLE II

Board of Managers

Section 1. Number and Qualification. The affairs of the Condominium shall be governed by a Board of Managers. The Board of Managers shall initially consist of three (3) persons designated by Declarant until their successors shall have been elected by the Unit Owners, including Declarant or its designee, at the first meeting of Unit Owners held pursuant to Section 1 of Article III of these By-Laws. Of these three (3) members, two (2) shall be elected by the Residential Unit Owners, including Declarant or its designee, and shall be referred to herein as "Residential Members" individually, and collectively, as the "Residential Committee", and one (1) member shall be elected by the Commercial Unit Owner(s), including Declarant or its designee, and shall be referred to herein as "Commercial Member."

All members of the Board of Managers shall be Unit Owners or spouses of Unit Owners or mortgagees of Units or, in the case of partnership or limited liability company owners or mortgagees, shall be partners, member, managers or employees of such partnership or limited liability company or, in the case of corporate Unit Owners or mortgagees, shall be officers, directors, shareholders or employees of such corporations or, in the case of fiduciary Unit Owners or mortgagees, shall be the fiduciaries or officers or employees of such fiduciaries or, in the case of the Declarant, shall be the designees of the Declarant.

Section 2. Powers and Duties. (a) The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Condominium and may do all such acts and things except as by law or by the Declaration or by these By-Laws may not be delegated to the Board of Managers by the Unit Owners. Such powers and duties of the Board of Managers shall include, but shall not be limited to the following:

(i) Operation, care, upkeep and maintenance (including the removal of trash, debris, snow and ice) of the Common Elements (as such term is defined in the Declaration);

(ii) Determination of the General Common Expenses required for the affairs of the Condominium, including, without limitation, the operation and maintenance of the General Common Elements; and determination of the portion of General Common Expenses to be paid by the Residential Unit Owners as part of their Residential Common Charges, if any, and the portion of General Common Expenses to be paid by the Commercial Unit Owner as part of its Commercial Common Charges.

(iii) Collection of the Common Charges from the Unit Owners, and to the extent the Units are not separately assessed for real estate taxes, to establish a method for allocating the tax imposed among all Units in a manner consistent with the method of allocation set forth in the Offering Plan, if any, and billing and collecting the same;

(iv) Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements;

(v) Adoption and amendment of rules and regulations covering the details of the operation and use of the General Common Elements and Limited Common Elements, except that no rule or regulation may be adopted in connection with the use or operation of the Commercial Unit or Commercial Limited Common Elements unless consented to in writing by a majority of the Commercial Committee of the Board of Managers;

(vi) Opening and maintaining bank accounts on behalf of the Condominium and designating the signatories required therefor;

(vii) Purchasing or leasing or otherwise acquiring in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, Residential Units offered for sale or lease by their owners to the Board of Managers;

(viii) Acquiring by surrender or by purchase, Units at foreclosure or other judicial sales in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners;

(ix) Acquiring in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners, rights and interests in real and personal property for use in connection with the ownership and operation of the Property;

(x) Selling, leasing, subleasing Units leased by the Board of Managers, mortgaging, voting the votes appurtenant to (other than for the election of members of the Board of Managers), or otherwise dealing with Units acquired by, the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners;

(xi) Organizing corporations or other entities to act as designees of the Board of Managers in acquiring title to or leasing Units or rights and interests in real and personal property for use in connection with the ownership and operation of the Common Elements on behalf of all Unit Owners;

(xii) Leasing portions of the Common Elements and granting licenses for vending machines and other concessions;

(xiii) Obtaining insurance, pursuant to the provisions of Article V, Section 2 hereof;

(xiv) Making repairs, additions and improvements to or alterations of the Common Elements (provided the consent of the Commercial Committee is obtained with respect to alterations, additions or improvements to the General Common Elements) and making of repairs to and restoration of the Common Elements in accordance with the other provisions of these By-Laws after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings;

(xv) Borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the General Common Elements, provided, however, that (A) the consent of at least 80% in number and in Common Interest of the Unit Owners, present in person and/or by proxy and voting at a meeting duly called and held for such purpose in accordance with the provisions of these By-Laws, shall be required for the borrowing of any sum in excess of \$25,000 for the General Common Elements or if the \$25,000 be for the Residential Limited Common Elements or for the

Commercial Limited Common Elements, then the required 80% in number shall be of the Residential Unit Owners or Commercial Unit Owners, respectively, and (B) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the consent of the Unit Owner. If any sum borrowed by the Board of Managers on behalf of the Condominium pursuant to the authority contained in this paragraph (xv) is not repaid by the Board, a Unit Owner who pays to the creditor such proportion thereof as his interest in the Common Elements bears to the interests in the Common Elements of all the Unit Owners responsible for paying therefor shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to file against the Unit Owner's Unit;

(xvi) Levying fines against Unit Owners for violations of the rules and regulations governing the operation and use of the Common Elements, except that no fines shall be levied against the Declarant and no fines shall be levied against a Commercial Unit Owner or its tenants except by the unanimous consent of the Commercial Members of the Board of Managers;

(xvii) Adjusting and settling claims under insurance policies obtained pursuant to Article V, Section 2, and executing and delivering releases upon settlement of such claims on behalf of all Unit Owners;

(xviii) Executing, acknowledging and delivering (i) any declaration or other instrument affecting the Property which the Board of Managers deems appropriate or necessary to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Property, or (ii) any consent, covenant, restriction, easement or declaration affecting the Property which the Board of Managers deems necessary or appropriate;

(xix) Preparing, executing and recording, on behalf of all Unit Owners, as their attorney-in-fact, a restatement of the Declaration and/or these By-laws whenever the Board of Managers deems it advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these By-Laws; and

(xx) Executing, acknowledging and delivering any document or other instrument necessary to commence, pursue, compromise or settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Units for the benefit and on behalf of each Unit Owner who has given appropriate written authorization, provided that each such Unit Owner indemnifies the Board of Managers from and against all claims, costs and

expenses (including, without limitation, reasonable attorney's fees and disbursements) resulting from such proceedings.

(b) Residential Committee. The Residential Committee shall be entitled, to the extent permitted by law, to make determinations and undertake certain of the foregoing tasks on behalf of the Board of Managers insofar as the determination and tasks affect only the Residential Section and do not adversely affect the Commercial Section. Thus, subject to the foregoing, the determinations and actions the Residential Committee may make include, without limitation, those concerning:

(i) Operation, care, upkeep, maintenance, repair and replacement of the Residential Section;

(ii) The amount of Residential Common Charges in excess of the Residential Unit Owners' share of the General Common Charges as determined by the Condominium Board of Managers;

(iii) Employment and dismissal of the personnel necessary for the maintenance and operation of the Residential Section;

(iv) Ordinary repairs, restorations, additions and improvements to, or alteration of, the Residential Limited Common Elements;

(v) Repairs to and restorations of the Residential Section or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings;

(vi) Enforcing obligations of Residential Unit Owners;

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

(viii) Borrowing money on behalf of the Residential Section when required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations or additions to or alterations of, the Residential Section or otherwise in connection with any permitted action or activity of the Residential Committee, provided, however, that (A) the consent of at least 70% in number and in Residential Common Interest of all Residential Unit Owners authorized to vote and present in person or by proxy at a meeting duly called and held for such purpose in accordance with these By-Laws, shall be required for any borrowings in excess of the aggregate amount of \$25,000 (including the pro rata share of the Residential Section with respect to any borrowing made by

the Board of Managers pursuant to Article II, Section 2(a)(xv)) in any one fiscal year (regardless of the balance of any loans outstanding from previous years), (B) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the consent of the Owner of such Unit, and (C) the Commercial Unit Owner will not be liable for repayment of any portion of any such loan. If any sum borrowed by the Residential Committee pursuant to the authority contained in this subparagraph (viii) is not repaid for the Residential Unit Owners by said Committee, a Residential Unit Owner who pays to the creditor in proportion to his Residential Common Interest shall be entitled to obtain from the creditor a release of any judgment or any lien which said creditor has filed or has the right to file against such Residential Unit Owner's Unit.

(c) Commercial Committee. The Commercial Committee shall be entitled, to the extent permitted by law and by the Owners of the Commercial Unit(s), to make determinations and undertake certain tasks on behalf of the Board of Managers, insofar as said determinations and tasks affect only the Commercial Unit(s) and do not adversely affect the Residential Section. Thus, subject to the foregoing, the determinations and actions the Commercial Committee may make include, without limitation, those concerning:

(i) Operation, care, upkeep, maintenance, repair and replacement of the Commercial Limited Common Elements;

(ii) The amount and nature of the costs and expenses in connection with the operation, care, upkeep, maintenance, repair and replacement of the Commercial Limited Common Elements to be reflected in the Commercial Common Charges, if any, subject to the right of the Board of Managers to determine the share of the General Common charges of the Commercial Unit Owner(s); and

(iii) Opening and maintaining bank accounts on behalf of Commercial Unit Owner(s) (with respect to matters in the Committee's jurisdiction) and designating the signatories required therefor; and

(d) Action By the Residential Committee or Commercial Committee. Any action required or permitted to be taken by either the Residential Committee or the Commercial Committee pursuant to the provisions of these By-Laws or the Declaration, may, if required, be taken by either the Residential Committee or the Commercial Committee in the name of the Condominium Board which upon request shall execute, acknowledge and deliver any instrument, document or application in connection therewith; provided, however, that the committee desiring to take such action shall indemnify and hold harmless the other and, in the case of action taken by the Commercial Committee, the Commercial Committee shall also indemnify and hold harmless the Residential Unit Owners from any expense or liability thereof or therefrom.

(e) **Actions Where No Consent Necessary.** Notwithstanding anything to the contrary contained in these By-Laws, (a) no action which is taken or omitted to be taken by or on behalf of the Residential Committee shall be deemed to adversely affect in any way the Commercial Unit or the use of the Commercial Unit for its permitted purposes and thus shall not require the consent or approval of the Commercial Unit Owner unless the use of any portion of the Residential Section would result in or involve a violation of the provisions of Article V, Section 13, and (b) no action which is taken or omitted to be taken by or on behalf of the Commercial Committee or Commercial Unit Owners shall be deemed to adversely affect in any way the Residential Section or the use of Residential Units for their permitted purposes and thus shall not require the consent or approval of the Residential Committee or Residential Unit Owners unless the use of the Commercial Unit (or any portion thereof) would result in or involve a violation of the provisions of Article V, Section 13, and (c) any action taken by the Commercial Committee or Commercial Unit Owners involving an addition, alteration, or improvement to any portion of the Building which is authorized by any provision of the Declaration or these By-Laws, shall be deemed not to adversely affect the Residential Section or the use of Residential Units for their permitted purposes and thus shall not require the consent or approval of the Residential Committee or Residential Unit Owners, unless the use of the Commercial Unit (or any portion thereof) would result in or involve a violation of the provisions of Article V, Section 13.

(f) Notwithstanding the provisions of this Section 2, so long as all Units shall be owned by Declarant or its designee, Declarant shall not be required to create the Residential or Commercial Committees.

Section 3. **Managing Agent and Manager.** The Board of Managers may employ for the Condominium (and/or for the Residential Section of the Condominium) a managing agent and/or a manager at a compensation established by the Board of Managers (or by the Residential Committee if a Residential Section managing agent or manager is employed), to perform such duties and services as the Board of Managers shall authorize, including, but not limited to the duties listed in subdivisions (i), (iii), (iv), (xii) and (xiv) of Section 2, paragraph (a) of this Article II. The Board of Managers may delegate to the manager or managing agent all of the powers granted to the Board of Managers by these By-Laws other than the powers set forth in subdivisions (ii), (v), (vi), (vii), (viii), (x), (xi), (xv) and (xvii) of Section 2, paragraph (a) of this Article II. Any managing agent exclusively managing the Residential Section shall be in addition to the managing agent managing the Condominium (which agent may be the same individual or entity).

Section 4. **Election and Term of Office.** (a) Except as provided in Section 1 of Article III of these By-Laws, at the first meeting of Unit Owners, the initial term of office of one (1) Residential Member of the Board of Managers shall be fixed at three (3) years or until his successor shall have been elected, the term of office of one (1) Residential Member

of the Board of Managers shall be fixed at two (2) years or until his successor shall have been elected and the term of office of the Commercial Member of the Board of Managers shall be fixed at one (1) year or until his successor shall have been elected. Following their initial term, each member of the Board of Managers shall serve for a term of three (3) years or until his successor shall have been elected or designated, if permitted hereby, by the Unit Owners.

(b) So long as the Declarant shall own any Unit, the number of members of the Residential Committee and of the Board of Managers may not be changed without Declarant's consent.

(c) Notwithstanding any provisions of the By-Laws or Declaration to the contrary, so long as the originally named Declarant (or its designee) shall own all of the Units, the Declarant or its designee shall be entitled to appoint the members of the Board of Managers who shall serve until they shall resign or be replaced by a subsequent appointment by the Declarant or its designee.

Section 5. Removal of Members of the Board of Managers. At any regular or special meeting of Unit Owners, any one or more of (i) the Residential Members (other than a member designated by the Declarant or its designee) may be removed with or without cause by a majority of the Residential Unit Owners and a successor may then or thereafter be elected by the Residential Unit Owners to fill the vacancy thus created and (ii) the Commercial Members (other than a member designated by the Declarant or its designee) may be removed with or without cause by a majority of the Commercial Unit Owners and a successor may then and there, or thereafter be elected by the Commercial Unit Owners to fill the vacancy thus created. Any member of the Board of Managers whose removal has been proposed shall be given an opportunity to be heard at the meeting. If a member of the Board of Managers ceases to be a Unit Owner or mortgagee (or a partner, officer, director, stockholder or employee of a partnership or corporate Unit Owner or mortgagee or fiduciary Unit Owner or mortgagee), unless such member is a designee of the Declarant or its designee, he shall be deemed to have resigned effective as of the date such ownership or mortgage interest ceased.

Section 6. Vacancies. Vacancies in the Residential Committee and Commercial Committee of the Board of Managers caused by any reason other than the removal of a member thereof by a vote of the Residential or Commercial Unit Owners, respectively, shall be filled by vote of a majority of the remaining Committee members, respectively, at a special meeting of the respective Committee held for that purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum, and each person so elected shall be a member of the Board of Managers for the remainder of the term of the predecessor member and until a successor shall be elected at the next annual meeting of Unit Owners.

Section 7. Organization Meeting. The first meeting of the members of the Board of Managers following each annual meeting of the Unit Owners shall be held within ten (10) days thereafter at such time and place as shall be fixed by a majority of the members of the Board of Managers and no notice shall be necessary to the newly elected members of the Board of Managers in order legally to constitute such meeting, providing a majority of the whole Board of Managers shall be present thereat. The first meeting of the Residential Committee and of the Commercial Committee shall be held immediately following the first meeting of the Board of Managers.

Section 8. Regular Meetings. Regular meetings of the Board of Managers and of the Residential Committee and of the Commercial Committee may be held at such time and place as shall be determined from time to time by a majority of the members of the Board or Committee, as the case may be, but at least four such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Managers and Residential Committee shall be given to each member of the Board of Managers and Committee, by certified mail, return receipt requested, receipted hand delivery or confirmed facsimile, at least seven (7) business days prior to the day named for such meeting. Notwithstanding the foregoing, so long as the Declarant shall own all of the Units, except as otherwise provided by law, no regular or annual meetings shall be required by these By-Laws to be held.

Section 9. Special Meetings. Special meetings of the Board of Managers or as the case may be Residential Committee may be called by the President upon three (3) business days' notice to each member of the Board of Managers or Residential Committee, given by certified mail, return receipt requested, receipted hand delivery or confirmed facsimile,, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Managers or Residential Committee shall be called by the President or Secretary in like manner and on like notice on the written request of at least three (3) members of the Board of Managers or Residential Committee, respectively. Any member of the Commercial Committee may call a special meeting upon three (3) business days' notice to each Member, given by certified mail, return receipt requested, receipted hand delivery or confirmed facsimile, which notice shall state the time, place and purpose of the meeting.

Section 10. Waiver of Notice. Any member of the Board of Managers or Residential or Commercial Committee may at any time waive notice of any meeting of the Board of Managers or Residential or Commercial Committee in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Managers or Residential or Commercial Committee at any meeting of the Board or Residential or Commercial Committee shall constitute a waiver of notice by him of the time and place thereof. Any one or more members of the Board of Managers or any committee thereof may participate in a meeting of the Board or committee by means of a conference telephone or similar communications equipment allowing all persons participating in the

meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting. If all the members of the Board of Managers or Residential or Commercial Committee are present at any meeting of the Board or Residential or Commercial Committee, as the case may be, no notice shall be required and any business may be transacted at such meeting.

Section 11. Quorums. (a) Except as otherwise required in these By-Laws, all determinations of the Board of Managers or a Committee shall be made at a meeting of the Board or Committee at which a quorum is present. At all meetings (i) of the Residential Committee, a majority of the members thereof at least one of whom shall be a member designated by the Declarant so long as the Declarant shall have the right to do so and (ii) of the Board of Managers, a majority of the members thereof, at least one of whom shall be a Commercial Member shall constitute a quorum for the transaction of business. The votes of a majority of the members present at a meeting at which a quorum is present shall constitute the decision of the Committee or Board of Managers, respectively. If at any meeting of the Board of Managers or Committee there shall be less than a quorum present a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice. Any action required or permitted to be taken by the Board of Managers or any committee thereof may be taken without a meeting if all members of the Board or the committee consent in writing to the adoption of a resolution authorizing such action and the writing or writings are filed with the minutes of the proceedings of the Board or the committee.

(b) When the Residential Committee and the Commercial Committee, each acting in accordance with the provisions of this Article II, have made the same determination as to any matter which is required or permitted to be determined by the Board of Managers, such determination shall constitute the determination of the Board of Managers and no further meeting of the Board of Managers shall be necessary.

Section 12. Fidelity Bonds. Unless otherwise determined, the Board of Managers shall obtain adequate fidelity bonds for all members of the Board of Managers, officers and employees of the Condominium and the managing agent handling or responsible for Condominium funds. The premiums on such bonds shall constitute a General Common Expense.

Section 13. Compensation. No member of the Board of Managers shall receive any compensation from the Condominium for acting as such.

Section 14. Liability of the Board of Managers. The members of the Board of Managers shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Unit

Owners shall indemnify and hold harmless each of the members of the Board of Managers against all liability to others arising from their acts as, or by reason of the fact that such person was, a member of the Board of Managers. It is intended that the members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium within the scope of their authority. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers or out of the aforesaid indemnity in favor of the members of the Board of Managers shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interests of all Unit Owners in the Common Elements. Every agreement made by the Board of Managers or by the managing agent on behalf of the Condominium shall provide that the members of the Board of Managers, or the managing agent, as the case may be, are acting only as agents for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners), and that any liability of a Unit Owner thereunder shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interests of all Unit Owners in the Common Elements.

Section 15. Executive Committee. The Board of Managers may, by resolution duly adopted, appoint an Executive Committee to consist of three (3) or more members of the Board of Managers, at least one of whom shall be designated by the Declarant, so long as the Declarant has the right to designate a Residential Member, and one of whom shall be a Commercial Member. Such Executive Committee shall have and may exercise all the powers of the Board of Managers in the management of the business and affairs of the Condominium during the intervals between the meetings of the Board of Managers insofar as may be permitted by law, except that the Executive Committee shall not have the power (a) to determine the Common Charges and Common Expenses, (b) to adopt or amend the rules and regulations covering the details of the operation and use of the Common Elements, or (c) to exercise any of the powers set forth in subdivisions (vii), (viii), (ix), (x), (xiii), (xiv), (xv) and (xvii) of Section 2, paragraph (a) of this Article II.

Section 16. Other Committees. The Board of Managers may by resolution create such other committees as it shall deem appropriate and such committees shall have such powers and authority as the Board of Managers shall vest therein. Any such Committee shall consist of a member appointed by Declarant or its designee so long as Declarant or its designee shall have the right to appoint a Residential Member. Unless the provisions of the Declaration or By-Laws expressly require otherwise, the decisions of any such committee shall be based upon a vote by a majority of the committee members.

Section 17. Resolutions. The Residential Committee and Commercial Committee shall each cause to be promptly delivered to the other copies of all resolutions adopted by it affecting the Property.

ARTICLE III

Unit Owners

Section 1. Annual Meetings. The first annual meeting of the Unit Owners shall be held within thirty (30) days after the recording of the Declaration of Condominium and these By-Laws. Thereafter, annual meetings of Unit Owners shall be held on the anniversary of the first meeting unless such date shall occur on a Saturday or Sunday, in which event the meeting shall be held on the succeeding Monday. At such meeting the Residential Members shall be elected by ballot of the Residential Unit Owners, including Declarant or its designee, in accordance with the requirements of Section 4 of Article II of these By-Laws. After the first meeting, the Unit Owners may transact such other business at such meetings as may properly come before them.

Section 2. Place of Meetings. Meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable place convenient to the Unit Owners as may be designated by the Board of Managers or applicable Committee.

Section 3. Special Meetings. It shall be the duty of the President (who shall also be the President of the Residential Committee) to call a special meeting of the Unit Owners or Residential Unit Owners if so directed by resolution of the Board of Managers or Residential Committee, respectively, or upon a petition signed and presented to the Secretary by not less than 25% in Common Interest, in the aggregate, of all Unit Owners with respect to calling a special meeting of all Unit Owners, or 25% in Common Interest, in the aggregate, with respect to calling a special meeting of Residential Unit Owners. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting of the Unit Owners at least ten (10) but not more than forty (40) days prior to such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Unit Owner of record, at the Property or at such other address as such Unit Owner shall have designated by notice in writing to the Secretary. If the purpose of any meeting shall be to act upon a proposed amendment to the Declaration or to these By-Laws, the notice of meeting shall be mailed at least thirty (30) days prior to such meeting. The mailing of a notice of meeting in the manner provided in this Section shall be considered service of notice.

Section 5. Adjournment of Meetings. If any meeting of Unit Owners cannot be held because a quorum is not present, a majority in Common Interest of the Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

Section 6. Order of Business. The order of business at all meetings of the Unit Owners shall be as follows:

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

Section 7. Title to Units. Title to Units may be taken in the name of an individual or in the names of two or more persons, as tenants-in-common or as joint tenants or as tenants by the entirety, or in the name of a limited liability company, corporation or partnership, or in the name of a fiduciary or in such other manner as may be permitted by applicable law.

Section 8. Voting. The owner or owners of each Unit (except the Board of Managers or its designee) or some person designated by such owner or owners to act as proxy on his or their behalf and who need not be an owner shall be entitled to cast the votes appurtenant to such Unit at all meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary, and shall be revocable at any time by written notice to the Secretary by the owner or owners so designating. Any or all of such owners may be

present at any meeting of the Unit Owners and may vote or take any other action as a Unit Owner either in person or by proxy (those owning a Unit jointly or in common must act unanimously). The total number of votes of all Unit Owners shall be 100,000 and each Unit Owner (including the Declarant or its designee, if the Declarant shall then own one or more Units and the Board of Managers) shall be entitled to cast one vote at all meetings of the Unit Owners for each .001 per cent of interest in the Common Elements appurtenant to his or their Unit. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity. Notwithstanding the foregoing, so long as there shall be 2 Units, the Residential Unit Owner shall be entitled to cast 2 votes and the Commercial Unit Owner shall be entitled to cast 1 vote.

Section 9. Majority of Unit Owners. As used in these By-Laws (i) "majority of Unit Owners" shall mean those Unit Owners having more than 50% of the total authorized votes of all Unit Owners, and (ii) "majority of Residential Unit Owners" shall mean those Residential Unit Owners having more than 50% of the total authorized votes of all Residential Unit Owners. In both cases, such majority, present in person or by proxy and voting at any meeting of the Unit Owners or Residential Unit Owners, as the case may be, shall be determined in accordance with the provisions of Section 8 of this Article III.

Section 10. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of Unit Owners having one-third of the total authorized votes of all Unit Owners shall constitute a quorum at all meetings of Unit Owners and the presence in person or by proxy of Residential Unit Owners having one-third of the total authorized votes of all Residential Unit Owners shall constitute a quorum at all meetings of Residential Unit Owners. Notwithstanding the foregoing, so long as there shall be 2 Units, the Unit Owner from each Unit shall be required to be present to constitute a quorum.

Section 11. Majority Vote. Except where otherwise provided in the Declaration, these By-Laws or by law, a higher percentage vote is required, (a) the vote of a majority of Unit Owners at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purpose, and (b) the vote of a majority of Residential Unit Owners at a meeting at which a quorum shall be present shall be binding upon all Residential Unit Owners for all purposes.

Section 12. Action Without Meeting. (a) Any action required or permitted to be taken by the Unit Owners may be taken without a meeting if the number of Unit Owners required by the Declaration, these By-Laws or applicable law consent in writing to the adoption of a resolution authorizing such action and the writing or writings are filed with the records of the Condominium.

(b) When Residential Unit Owners and Commercial Unit Owners, each acting separately in accordance with this Article III, have made the same determination as to

any matter which is required or permitted to be determined by all Unit Owners, such determination shall constitute the determination of all Unit Owners and no joint meeting of all Unit Owners shall be necessary to constitute a determination by all Unit Owners.

ARTICLE IV

Officers

Section 1. Designation. The principal officers of the Condominium shall be the President, Vice President, Secretary, and Treasurer, all of whom shall be elected by the Board of Managers. All officers except the Secretary must be Residential Unit Owners. The President, Vice-President and Treasurer must be members of the Residential Committee as well, and shall hold the same offices with respect to the Residential Section. The Secretary may be a Residential Unit Owner or may be an employee of the Managing Agent, but in any event need not be a member of the Board of Managers and shall not be appointed Secretary with respect to both the Residential Section and the Condominium. The Board, or the Residential Committee, as the case may be, may appoint such other officers as in its judgment may be necessary.

Section 2. Election of Officers. The officers of the Condominium shall be elected annually by the Board of Managers at the organization meeting of each new Board of Managers and shall hold office at the pleasure of the Board of Managers. Except to the extent prohibited by applicable law, nothing in these By-Laws shall prevent a single individual from holding one or more offices simultaneously.

Section 3. Removal of Officers. Upon the affirmative vote of a majority of the members of the Board of Managers, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Board of Managers, or at any special meeting of the Board of Managers called for such purpose. Any officer whose removal has been proposed shall be given an opportunity to be heard at the meeting.

Section 4. President. The President shall be the chief executive officer of the Condominium and the Residential Committee. He shall preside at all meetings of the Unit Owners, Board of Managers, Residential Unit Owners and Residential Committee. Subject to the provisions of these By-Laws, he shall have all of the general powers and duties which are incident to the office of president of a corporation organized under the Business Corporation Law of the State of New York, including but not limited to the power to appoint committees from among the Unit Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Condominium.

Section 5. Vice President. The Vice President, shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If

neither the President nor the Vice President is able to act, the Board of Managers or the Residential Committee as the case may be, shall appoint some other member of the Board of Managers or Residential Committee to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Managers or by the President.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Board of Managers; he shall have charge of such books and papers as the Board of Managers may direct; and he shall, in general, perform all the duties incident to the office of secretary of a corporation organized under the Business Corporation Law of the State of New York.

Section 7. Treasurer. The Treasurer of the Condominium shall also be the Treasurer of the Residential Committee and shall have the responsibility for Condominium and Residential Section funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data. He shall be responsible for the deposit of all monies and other valuable effects in the name of the Board of Managers, or the Residential Committee or the managing agent, in such depositories as may from time to time be designated by the Board of Managers, or the Residential Committee and he shall perform, in general, all the duties incident to the office of treasurer of a corporation organized under the Business Corporation Law of the State of New York.

Section 8. Agreements, Contracts, Deeds, Checks, etc. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium or Residential Committee, as the case may be, shall be executed by any two officers of the Condominium, or by such other person or persons as may be designated by the Board of Managers or the Residential Committee.

Section 9. Compensation of Officers. No officer shall receive compensation from the Condominium for acting as such. The provisions of this Section 9 of this Article IV shall not be amended so long as Declarant shall own more than 85% of the Units.

ARTICLE V

Operation of the Property

Section 1. Determination of Common Expenses and Fixing of Common Charges. (a) Except as otherwise provided herein, the Board of Managers shall from time to time, and at least annually, prepare a budget for the Condominium, determine the amount of

the General Common Charges payable by the Unit Owners to meet the General Common Expenses of the Condominium and determine the portion of General Common Expenses to be paid by the Residential Unit Owners as part of their Residential Common Charges and the portion of General Common Expenses to be paid by the Commercial Unit Owners as part of their respective Common Charges. The General Common Expenses shall include, among other things, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Managers pursuant to the provisions of Section 2 of this Article V, and such other expense items which are to be shared by the Residential and Commercial Sections. The General Common Expenses may also, subject to certain approval rights of Declarant, include such amounts as the Board of Managers may deem proper for the operation and maintenance of the Property, including, without limitation, an amount for working capital of the Condominium for a general operating reserve, for a reserve fund for replacement, and to make up any deficit in the General Common Expenses for any prior year.

(b) All Common Expenses relative to the General Common Elements shall be included in the Common Charges payable by all Unit Owners and shall be apportioned between the Commercial Unit and the Residential Units in the aggregate, on the basis of their respective Common Interest except as the Board of Managers shall otherwise unanimously determine.

(c) The Board of Managers shall advise all Unit Owners promptly, in writing, of the amount of General Common Charges, Residential Common Charges, and Commercial Common Charges, if applicable, payable by each of them, respectively, as determined by the Board of Managers, as aforesaid, and shall furnish to all Unit Owners copies of each budget upon which such Common Charges and Expenses are based. That portion of the Common Charges which is allocated by the Board of Managers to principal payments on indebtedness or for capital improvements shall be treated upon the books of the Condominium as capital contributions.

(d) In addition to the Residential Unit Owners' share of the General Common Expenses and except as otherwise provided herein, all costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of and any alteration, addition or improvement to Residential Limited Common Elements ("Residential Common Expenses") may be determined by the Residential Committee and shall be borne solely by the Residential Unit Owners. Residential Common Expenses may include, without limitation, such amounts as the Residential Committee may require for the purchase, lease or sublease by the Board of Managers or its designee, corporate or otherwise, on behalf of all Residential Unit Owners of any Residential Unit whose owner has elected to sell, lease, transfer or convey such Unit. Residential Common Expenses shall also include all such other items provided for in the Declaration or these By-Laws to be Residential Common Expenses. The Residential Committee shall from time to time and at least annually, in cooperation with

the Board of Managers prepare a budget to meet Residential Common Expenses and shall allocate and assess among the Residential Unit Owners, pro rata in accordance with their respective Residential Common Interests (except as otherwise provided in the Declaration or these By-Laws), charges ("Residential Common Charges") to meet (a) Residential Common Expenses and (b) the Residential Unit Owners' pro rata share of the General Common Expenses. The Residential Committee shall promptly advise all Residential Unit Owners, in writing, of the amount of Residential Common Charges payable by each of them and shall furnish to all Residential Unit Owners, copies of each budget upon which such Residential Common Charges are based. At the option of the Residential Committee, the budget adopted by the Board of Managers may include the Residential Common Expenses, in lieu of the separate budget.

(e) Except as otherwise provided herein, all costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of and any alteration, addition or improvement to, the Commercial Limited Common Elements ("Commercial Common Expenses") may be determined by the Commercial Committee and shall be borne solely by the Commercial Unit Owner(s) in proportion to their relative interest in the Common Elements.

Section 2. Insurance. The Board of Managers shall be required to obtain and maintain, to the extent obtainable and to the extent determined by the Board of Managers to be appropriate or relevant, the following insurance: (1) fire insurance with extended coverage, vandalism and malicious mischief endorsements insuring the Building (including all structural elements of the Units and the bathroom and kitchen fixtures installed therein by Declarant, partitions, floors and ceilings within the Units, but not including furniture, furnishings, kitchen appliances or other personal property supplied or installed by Unit Owners or tenants of Unit Owners), together with all service machinery contained therein, and covering the interests of the Condominium, the Board of Managers, and all Unit Owners and their mortgagees, as their interests may appear, in an amount equal to the full replacement value of the Building (exclusive of the cost of excavation and foundations), without deduction for depreciation; each of said policies shall contain a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee hereinafter set forth; (2) rent insurance covering the Common Charges payable by the Unit Owners; (3) worker's compensation insurance for Condominium employees; (4) boiler and machinery insurance; (5) water damage legal liability insurance; (6) Officers' and Directors' Liability Insurance; (7) Fidelity Insurance covering the Managing Agent and all employees and members of the Board of Managers who handle Condominium funds; and (8) such other insurance as the Board of Managers may determine necessary or prudent. The proceeds of all policies of physical damage insurance will be payable to the Board of Managers if \$100,000 or less, and to a bank,

trust company or savings and loan association designated by the Board of Managers as the "Insurance Trustee", if more than \$100,000, in accordance with the terms of these By-Laws, to be applied for the purpose of repairing, restoring or rebuilding the Building unless otherwise determined by the Unit Owners as hereinafter set forth. No portion of the insurance proceeds shall be applied to the payment of the mortgage indebtedness of any Unit Owner unless the Unit Owners determine not to repair, restore or rebuild the Building.

The amount of fire insurance to be maintained until the first meeting of the Board of Managers following the first annual meeting of the Unit Owners shall be at least in the sum of \$1,000,000.

All policies of physical damage insurance shall contain waivers of subrogation and waivers of any defense based on co-insurance or of invalidity arising from any acts of the insured, or of pro-rata reduction of liability, and shall provide that such policies may not be cancelled or substantially modified without at least thirty (30) days' prior written notice to all of the insureds, including all mortgagees of Units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees of Units at least ten (10) days prior to expiration of the then current policies and each Unit Owner shall receive a certificate of such insurance. Prior to obtaining any policy of fire insurance or any renewal thereof, the Board of Managers shall obtain an appraisal from a fire insurance company or otherwise of the full replacement value of the Building (exclusive of the cost of excavation and foundations) including all of the Units and all of the Common Elements therein, without deduction for depreciation, for the purpose of determining the amount of fire insurance to be effected pursuant to this Section.

The Board of Managers shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Managers may from time to time determine, covering each member of the Board of Managers, the managing agent, the manager, and each Unit Owner. Such public liability coverage shall also cover cross liability claims of one insured against another. The Board of Managers shall review such limits once each year. Until the first meeting of the Board of Managers following the first annual meeting of the Unit Owners, umbrella public liability insurance shall be in a single limit of \$1,000,000 covering all claims for bodily injury or property damage arising out of one occurrence and in a limit of \$1,000,000 for each occurrence for water damage legal liability claims.

The Commercial Unit Owner(s) shall each obtain and keep in full force and effect, a policy of comprehensive general public liability and property damage insurance with a broad form contractual liability endorsement under which the insurance company waives subrogation, the Board of Managers as agent for the Unit Owners is named as an additional

insured, and under which the insurer agrees to indemnify and hold the Board harmless from and against all cost, expense and/or liability arising out of or based upon any and all claims, accidents, injuries and damages caused by the Commercial Unit Owner(s) conduct and/or use or misuse of the Commercial Unit(s) and any Limited Common Element appurtenant thereto. Such policy shall contain a provision that no act or omission of the Commercial Unit Owner shall affect or limit the obligation of the insurance company to pay the amount of any loss sustained and shall be non-cancelable with respect to the Board without thirty (30) days' prior written notice to the Board by certified mail, return receipt requested, which notice shall contain the policy number and the names of the insureds. A certificate thereof shall be delivered to the Board. Failure to deliver said certificate shall not absolve the Commercial Unit Owner of liability or render the Board liable. The minimum limits of liability shall be a combined single limit with respect to each occurrence in an amount of not less than \$1,000,000 for injury or death and damage to property. All insurance required to be carried by the Commercial Unit Owner pursuant to the terms of the Declaration and/or By-Laws shall be effected under valid and enforceable policies issued by reputable and independent insurers admitted and licensed to do business in the State of New York. To the extent any tenant of the Commercial Unit carries and maintains such coverage, the Unit Owner's responsibility hereunder shall be satisfied.

No Unit Owner shall be prohibited from carrying other insurance for their own benefit provided that all such policies shall contain waivers of subrogation and further provided that the liability of the carriers issuing insurance obtained by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

Section 3. Repair or Reconstruction After Fire or Other Casualty. In the event of damage to or destruction of the Building as a result of fire or other casualty (unless such damage or destruction shall give a Unit Owner or lienor a right of partition as provided by the Condominium Act), the Board of Managers shall arrange for the prompt repair and restoration of the Building (including any damaged Units, and any kitchen or bathroom fixtures installed therein, and partitions, floors and ceilings within the Unit, but not including any wall, ceiling or floor decorations or coverings or furniture, furnishings, fixtures, appliances or equipment supplied or installed by Unit Owners or tenants of Unit Owners) and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a General Common Expense and the Board of Managers may assess all the Unit Owners for such deficit as part of the Common Charges.

If, as the result of damage to or destruction of the Building by fire or other casualty, the Property becomes subject to an action for partition at the suit of any Unit Owner

or lienor as if owned in common, in accordance with the provisions of the Condominium Act, the Property will not be repaired and the net proceeds of sale, together with the net proceeds of insurance policies (or if there shall have been a repair or restoration pursuant to the first paragraph of this Section 3, and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration, then the excess of such insurance proceeds) shall be divided by the Board of Managers or the Insurance Trustee, as the case may be, among all the Unit Owners in proportion to their respective Common Interest, after first paying out of the share of each Unit Owner the amount of any unpaid liens on his Unit, in the order of the priority of such liens.

Section 4. Payment of Common Charges. Each Unit Owner shall be obligated to pay the Common Charges allocated to his Unit pursuant to the provisions of Section 1 of this Article V at such time or times as the Board of Managers shall determine. No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against his Unit subsequent to a sale, transfer or other conveyance by him (made in accordance with the provisions of Section 1 of Article VII of these By-Laws) of such Unit, together with the Appurtenant Interests, as defined in Section 1 of Article VII hereof. In addition, any Unit Owner may, subject to the terms and conditions specified in these By-Laws, provided that his Unit is free and clear of liens and encumbrances other than a permissible mortgage and the statutory lien for unpaid Common Charges, convey his Unit, together with the "Appurtenant Interests", to the Board of Managers, or its designee, corporate or otherwise, on behalf of all other Unit Owners, and in such event be exempt from Common Charges thereafter assessed. A purchaser of a Unit shall be liable for the payment of Common Charges assessed against such Unit prior to the acquisition by him of such Unit, except that a first mortgagee or other purchaser of a Unit from a first mortgagee at a foreclosure sale of such Unit shall not be liable for and such Unit shall not be subject to a lien for the payment of Common Charges assessed prior to the foreclosure sale (except for Common Charges due prior to the date of the first mortgage).

Section 5. Collection of Assessments. The Board of Managers shall assess Common Charges against the Unit Owners from time to time and at least annually and shall take prompt action to collect any Common Charges due from any Unit Owner which remains unpaid for more than (30) days from the due date for payment thereof.

Section 6. Default in Payment of Common Charges. In the event of default by any Unit Owner in paying to the Board of Managers the Common Charges or any assessment as determined by the Board of Managers, such Unit Owner shall be obligated to pay interest at the maximum rate permitted by law on such Common Charges or assessments from the due date thereof, together with all expenses, including attorneys' fees, incurred by the Board of Managers in any proceeding brought to collect such unpaid Common Charges or assessments. The Board of Managers shall have the right and duty to attempt to recover such

Common Charges or assessments, together with interest thereon, and the expenses of the proceeding, including attorneys' fees, in an action brought against such Unit Owner, or by foreclosure of the lien on such Unit granted by Section 339-z of the Real Property Law of the State of New York, in the manner provided in Section 339-aa thereof.

Section 7. Foreclosure of Liens for Unpaid Common Charges. In any action brought by the Board of Managers to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use of his Unit and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Board of Managers, acting on behalf of all Unit Owners, shall have power to purchase such Unit at the foreclosure sale and to acquire, hold, lease, mortgage, vote the votes appurtenant to (other than for the election of members of the Board of Managers), convey or otherwise deal with the same. A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing the same.

Section 8. Statement of Common Charges. The Board of Managers (or a managing agent on its behalf) shall promptly provide any Unit Owner with a written statement of all unpaid Common Charges due from such Unit Owner upon written request therefor and may impose a fee therefor.

Section 9. Abatement and Enjoinment of Violations by Unit Owners. The violation of any rule or regulation adopted by the Board of Managers, or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Board of Managers the right, in addition to any other rights set forth in these By-Laws (a) upon reasonable notice to the Unit Owner, to enter the Unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provision hereof (provided, however, that no prior notice shall be required in the event that the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the property or for the safety of the residents of the Condominium or other persons or required to avoid the suspension of any necessary service to the Condominium); or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

Section 10. Maintenance and Repairs. (a) All maintenance of and repairs to any Unit, structural or nonstructural, ordinary or extraordinary (other than maintenance of and repairs to any Common Elements contained therein and not necessitated by the negligence, misuse or neglect of the Owner of such Unit) shall be made by the Owner of such Unit. Each Unit Owner shall be responsible for all damages to any and all other Units and/or to the Common Elements that occur as a result of his failure to perform such maintenance and

repairs. The items for which Unit owners are individually responsible include, but are not limited to, the interior walls, ceilings and floors in the Unit, kitchen and bathroom fixtures and appliances, windows and their frames, sills, sashes, mullions, mechanisms and latches, all interior doors (including doors to the balcony, if any) and their frames, hardware, glass and saddles, exposed plumbing, gas and heating fixtures and equipment, air conditioning units, lighting and electrical fixtures.

(b) All painting, decorating, maintenance (including the removal of trash, debris, snow and ice), repairs and replacements, whether structural or non-structural, ordinary or extraordinary, to the General Common Elements or Residential Limited Common Elements, whether located inside or outside of the Units (unless necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner), shall be made by the Board of Managers if concerning a General Common Element, or the Residential Committee if concerning a Residential Limited Common Element, and shall be charged to all the Unit Owners as a General Common Expense if concerning a General Common Element, or to the Residential Unit Owners as a Residential Common Expense if concerning the Residential Limited Common Elements. Notwithstanding the foregoing, Residential Unit Owners shall paint and generally maintain the Unit side of the door to their Unit opening onto the public corridor.

(c) The interior and exterior surfaces of all exterior windows located in a Residential Unit and in the Commercial Unit are to be cleaned by the Unit Owner at the Unit Owner's expense. Broken exterior windows in a Unit shall be replaced by the Board of Managers at the Unit Owner's sole cost and expense, unless the breakage was caused by the Board of Managers or its agents, in which case replacement shall be by the Board at its sole cost and expense or unless in the case of the Commercial Unit(s), the Unit Owner notifies the Board it will cause such replacement to be done promptly.

(d) (i) The Commercial Unit Owner, at its expense, shall keep its Unit in good order, shall cause any street level entrance door or doors and all street level glass surfaces and any service entrance area to be cleaned at regular intervals shall not at any time sweep any refuse, rubbish or dirt into the gutters or streets, and shall cause any portions of the Unit used for storage, preparation, service or consumption of food or beverages to be exterminated against infestation by vermin, roaches or rodents regularly, and in addition, whenever there shall be evidence of any infestation.

(ii) If the Commercial Unit, or any portion thereof, shall be used as a restaurant, food market or otherwise for the sale of food or beverages, whether for consumption within or without the Unit, said Unit Owner shall cause all refuse and rubbish in the Unit to be stored in sealed, watertight, containers having rubber wheels and bumpers fashioned so as to prevent damage to the Unit and the Building, and to be removed daily from

the Unit and the Building, and shall not suffer or permit said Unit Owner's employees or any persons making deliveries to or from the Unit or removing refuse and rubbish therefrom, to leave any food, refuse and rubbish containers or other matter standing upon the streets or sidewalks adjacent to the Building. If the Unit Owner shall fail to comply with the foregoing provisions of this paragraph, the Board of Managers, in addition to all other remedies provided in the Declaration and By-Laws, may remove any food, refuse and rubbish containers and other matter so left standing at the Commercial Unit Owner's expense, without any liability on the part of the Board of Managers therefor. If the Commercial Unit shall have an appurtenant service entrance, said Unit Owner shall cause all deliveries to and from the Commercial Unit and refuse and rubbish removal to be made exclusively through such service entrance.

(iii) All painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary, in or to the Commercial Limited Common Elements (except any Special Limited Common Elements) will be made by the Commercial Committee, unless otherwise provided in these By-Laws.

Section 11. Violations of Maintenance Obligations. (a) In the event any Residential Unit Owner, after receipt of written notice from the Board of Managers or Residential Committee, fails or neglects in any way to perform any obligations with respect to the painting, decorating, maintenance, repair or replacement of his or her Unit as provided in this Article V or of any Common Element for which such Unit Owner is responsible under the Declaration or these By-Laws, the Residential Committee may perform or cause to be performed such painting, decorating, maintenance, repair or replacement unless such Unit Owner, within five (5) days after receiving notice of such default by the Residential Committee, cures such default or in the case of a default not reasonably susceptible to cure within such period, commences and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred in connection with the making of any such painting, decorating, maintenance, repair or replacement in such Residential Unit Owner's Unit, together with interest thereon at the rate of 2% per month (but in no event in excess of the maximum rate permitted by law), shall be immediately payable by such Residential Unit Owner to the Board of Managers and shall, for all purposes hereunder, constitute a Residential Common Charges payable by such Unit Owner.

(b) In the event that the Commercial Unit Owner(s) fails or neglects in any way to perform any obligation with respect to the repair or replacement of any part of their respective Unit, the Board of Managers may, but shall not be obligated to, perform or cause to be performed any such repair or replacement provided that (i) the Board of Managers gives the Unit Owner written notice that such repair or replacement is necessary and that the Board of Managers will complete such repair or replacement in the event the Unit Owner does not

promptly act or complete the repair or replacement, and (ii) in the event the Board of Managers shall make such repair or replacement, it shall be at the expense of the Board of Managers which shall then submit a bill for reimbursement to the Unit Owner. The Board of Managers shall have the right, in the event that the Unit Owner disputes the amount of such payment or liability of the Unit Owner to pay same, to submit such dispute to Arbitration. If the Unit Owner has disputed the bill, the Unit Owner shall pay the cost of such repair or replacement only after a determination by Arbitration, provided that such Arbitration determines that (i) the cost of such repair or replacement was reasonable, (ii) the Unit Owner failed to perform such repair or replacement, and (iii) the repair or replacement was property required to be performed by the Unit Owner. In the event that such repair or replacement is made by the Board of Managers, the Board of Managers shall indemnify the Unit Owner and hold it harmless from and against any claims, costs, expenses or liabilities whatsoever, including counsel fees, in any way incurred by the Unit Owner in connection with the completion of such repair or replacement by the Board of Managers or any defect therein (but not for the existence of the condition requiring such repair or replacement).

Section 12. Use of Units. (a) In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of the Property shall be restricted to and shall be in accordance with the applicable provisions of the Declaration.

(b) The Property shall only be used for its intended purposes as provided hereunder and in the Declaration. The use of the Residential Section of the Building as residences by Residential Unit Owners or tenants, guests and invitees thereof shall not be deemed to be objectionable by the Commercial Unit Owner or Board of Managers and any lawful use of the Commercial Unit shall not be deemed to be objectionable by the Residential Unit Owners or the Board of Managers;

(c) No immoral, improper, offensive or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof relating to any portion of the Property, shall be complied with by and at the sole expense of the Unit Owners or the Board of Managers, whoever shall be responsible to maintain or repair, that portion of the Property to which such violations relate;

(d) Rules, regulations and By-Laws concerning the Residential Units and the Residential Limited Common Elements may be promulgated and amended from time to time by the Residential Committee provided that copies are furnished to each Residential Unit Owner not less than five (5) days prior to the time that they become effective. Any residential rule or regulation may be rescinded by vote of 70% of the Residential Unit Owners at a

meeting duly called for that purpose. Rules, regulations and By-Laws affecting the Commercial Unit may be promulgated, amended and rescinded only by unanimous consent of the Commercial Committee of the Board of Managers. The initial rules and regulations are attached hereto as Exhibit A;

(e) The Unit Owners, at their sole expense, shall comply with all laws, orders and regulations of federal, state and municipal authorities and with any direction of any public officer or officers, pursuant to law, and all rules, orders, regulations or requirements of the New York Board of Fire Underwriters, or any other similar body which shall impose any violation, order or duty upon the Condominium, its Board of Managers or the Commercial Unit Owner, with respect to said Unit as a result of (i) any authorized or unauthorized use or occupation thereof by said Unit Owner or its tenants, or (ii) the conduct by the Unit Owner of its business in the Commercial Unit in a manner different from the ordinary and proper conduct of such business. The Commercial Unit Owner shall not do or permit to be done any act or thing in or upon their Unit or Common Elements of the Condominium which will invalidate or be in conflict with any insurance policies covering the Condominium and fixtures and property therein, and shall not do, or permit anything to be done in or upon their Unit, or bring or keep anything therein, except as now or hereafter permitted by the New York City Fire Department, New York Board of Fire Underwriters, New York Fire Insurance Rating Organization or other authority having jurisdiction;

(f) The Commercial Unit Owner shall not at any time use or occupy or suffer or permit anyone to use or occupy their Unit or do anything in their Unit or the Building, or suffer or permit anything to be done in their Unit or the Building, in violation of any temporary or permanent certificate of occupancy issued for the Unit and/or the Building, and in the event that any Department of the City or State of New York shall at any time contend and/or declare by notice, violation, order or in any other manner whatsoever that the Unit is used for a purpose which is a violation of such certificate of occupancy, the Unit Owner shall, upon ten (10) days' written notice from the Board of Managers, immediately discontinue such use of the Unit unless such Unit Owner shall be contesting by bona-fide claim the propriety of such claim and no Unit Owner or member of the Board of Managers shall be subject to criminal prosecution as a result thereof and the Residential Unit Owners are not prohibited from using their Units as a result thereof; and

Section 13. Additions, Alterations or Improvements by Board of Managers.

(a) Whenever in the judgment of the Board of Managers the General Common Elements shall require additions, alterations or improvements costing in excess of \$50,000, and the making of such additions, alterations or improvements shall have been approved by 80% in number and in Common Interest of all Unit Owners present in person and/or by proxy and voting at a meeting duly held in accordance with these By-Laws (and by the holders of Unit first mortgages, if such approval is required), the Board of Managers shall proceed with such

additions, alterations or improvements and shall assess all Unit Owners for the cost thereof as a General Common Charge. Any additions, alterations or improvements to the General Common Elements costing \$50,000 or less may be made by the Board of Managers without approval of the Unit Owners, or the holders of Unit first mortgages and the cost thereof (unless paid from the contingency fund) shall constitute part of the General Common Expenses payable by the Unit Owners.

(b) Whenever in the judgment of the Residential Committee, the Residential Limited Common Elements shall require additions, alterations or improvements costing in excess of \$50,000 and the making of such additions, alterations or improvements shall have been approved by 70% in number and in Residential Common Interest of the Residential Unit Owners present in person and/or by proxy and voting at a meeting duly held in accordance with these By-Laws (and by the holder of Unit first mortgages, if such approval is required), the Board of Managers shall proceed with such additions, alterations or improvements and shall assess all Residential Unit Owners for the costs thereof as a Residential Common Charge. Any addition, alteration or improvement to the Residential Limited Common Elements costing \$50,000 or less may be made by the Board of Managers without approval of the Residential Unit Owners or the holders of first Mortgages thereon, provided the Residential Committee has approved such addition, alteration or improvement, and the cost thereof shall constitute part of the Residential Common Expenses payable only by the Residential Unit Owners.

(c) So long as the Declarant or its designee shall own any Unit, the Board of Managers may not make any addition, alteration or improvement to the General Common Elements without the Declarant's or its designee's prior written consent, which consent shall not be unreasonably withheld.

Section 14. Additions, Alterations or Improvements by Unit Owners. (a) No Residential Unit Owner shall install any major appliance (other than a replacement of an existing appliance) or make any structural addition, alteration or improvement in or to his Residential Unit without the prior written consent thereto of the Residential Committee. The Residential Committee shall have the obligation to answer any written request by a Residential Unit Owner for approval of a proposed installation or structural addition, alteration or improvement in such owner's Residential Unit within thirty (30) days after such request, and failure to do so within the stipulated time shall constitute a consent by the Residential Committee to the proposed installation, addition, alteration or improvement except that the passage of time shall not constitute approval for the installation of a clothes washing or drying appliance. Prior to and as a condition of the granting of any such approval, the Residential Committee may, at its sole option, require the Residential Unit Owner to procure and agree to maintain during the course of such work such insurance as the Board or Residential Committee may reasonably prescribe and to execute an agreement, in form and

substance satisfactory to the Board or Residential Committee, setting forth the terms and conditions under which such alteration, addition, improvement, or repair may be made, including, without limitation, the indemnity referred to in paragraph (C) hereof and the days and hours during which any such work may be done and requiring the Unit Owner to agree to reimburse the Board or Residential Committee for any architectural, engineering and legal fees or costs it incurs in connection with such approval. Any application to any department of The City of New York, or to any other governmental authority for a permit to make an installation, addition, alteration or improvement in or to any Residential Unit shall be executed by the Board of Managers only, without, however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor, materialman, architect or engineer on account of such installation, addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this Section 14 shall not apply to a Residential Unit owned by Declarant or its designee.

(b) No Residential Unit Owner (other than Declarant) shall resurface the balcony or terrace appurtenant to his Unit without the prior written approval of the Board of Managers. No Residential Unit Owner shall (a) paint, decorate or enclose any portion of a balcony or terrace, or (b) paint, decorate, alter or replace the exterior of the Residential Unit's windows or the door leading to a balcony or terrace (if any), without the prior written approval of the Board of Managers and Declarant (for so long as Declarant owns any Residential Unit) in each instance. The Board and Declarant are not obligated to give such approval.

(c) All alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with Law. In connection therewith, the Board of Managers shall promptly execute and deliver all applications for permits and/or all other documents required by any departments of the City of New York, or any other governmental authority having jurisdiction thereof, required in connection with the making of alterations, additions, improvements or repairs in or to a Unit or the Commercial Limited Common Elements, provided that:

(i) with respect only to a Residential Unit (other than an Unsold Residential Unit), all such work of a structural nature must first be approved by the Board of Managers and Declarant if such approval is required pursuant to the terms of paragraph (A) hereof; and

(ii) the Unit Owner requesting that the Board of Manager execute such application and/or other documents shall sign and deliver an agreement (on the form prepared by the attorneys for the Board and in substance reasonably satisfactory to the Board) indemnifying and holding harmless the Board from any loss, damage, liability, cost and expense by virtue of the execution of such application or other documents.

(d) Intentionally Omitted.

(e) The Declarant or its designee, shall have the right, without the consent of the Board of Managers, other Unit Owners or the holders of Unit mortgages, to (i) make alterations, additions or improvements, structural and non-structural, ordinary and extraordinary, interior and exterior, in, to and upon any Unit owned by it; (ii) change the layout or number of rooms in the Unit; (iii) change the size and/or number of such Units by subdividing a Unit, combining separate Units (including those resulting from such subdivision or otherwise) into one or more Units, altering the boundary walls between Units and erecting or modifying certain walls or corridors to allocate a portion of the Residential Limited Common Elements to the exclusive use of a Unit(s) which area shall then become a Special Residential Limited Common Element, or otherwise and (v) reapportion among the Units affected by such change their appurtenant interests in the Common Elements, provided, however, that in each instance there shall be compliance with any and all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board of Managers and all other Unit Owners harmless from any liability arising therefrom.

(f) The Declarant and every subsequent owner of a Commercial Unit(s) (or Units, if it be subdivided) shall have the right, without the consent of the Board of Managers, other Unit Owners, or the holders of mortgages on any other Units, to (a) make alterations, additions or improvements, structural and non-structural, interior and exterior, ordinary and extraordinary, in, to and upon their respective Units, (b) alter or improve the Special Limited Common Elements; (c) subdivide the Unit into single Units and recombine Units resulting from such subdivision; and (d) alter any boundary walls between one or more subdivided Units, provided, however, that in each instance the Commercial Unit Owner shall comply, if applicable, with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board of Managers and all other Unit Owners harmless from any liability arising therefrom, except that any such Unit Owner must also receive the consent of the Commercial Committee of the Board of Managers, which consent may not be unreasonably withheld or delayed. If Commercial Unit(s) are subdivided, recombined, or boundary walls altered, the Owners thereof shall have the right, without the consent of the Board of Managers, other Unit Owners, or the holders of mortgages on other Units, to apportion among the resulting Units their appurtenant interests in the Common Elements.

(g) If any Commercial Unit is subdivided, (i) a dividing wall or walls shall be deemed Special Limited Common Elements for the exclusive use of the Unit Owners whose Units are separated by such walls and shall be maintained, repaired and replaced by the Owners of the subdivided Units at their sole cost and expense and as their joint and several obligation, and (ii) all drains, flues, vents, condensate and refrigerant lines and other mechanical fixtures and equipment (except fixtures and equipment installed by the Owner of a subdivided Unit or a tenant of such Owner) used in common by two or more Unit Owners

shall be maintained, repaired and replaced by the Owners of such subdivided Units at their sole cost and expense and as their joint and several obligation.

Section 15. Use of Common Elements and Facilities. (a) A Unit Owner shall not place or cause to be placed in the lobbies, vestibules, public halls, stairways, elevators or other Common Elements or common facilities, other than the areas designated as storage areas, any furniture, packages or objects of any kind. The lobbies, vestibules, public halls, stairways and elevators shall only be used for normal transit.

(b) Residential Unit Owners shall require their tradesmen to utilize exclusively the elevators designated by the Residential Committee for transporting packages, merchandise or any other objects which may affect the comfort or well-being of the passengers of the elevators used for transportation of owners, residents and their invitees.

(c) The Common Elements and facilities shall be used only for their intended purposes. No Residential Unit Owner shall make any addition, alteration, improvement or change in or to any Common Element without the prior written consent of the Residential Committee (and the holders of Unit mortgages, if required).

(d) So long as the Declarant owns any Unit, the Declarant shall have the right to maintain general and sales offices on or about the Property, to have the Declarant's employees present on the Property, to use the Common Elements and to do all things necessary or appropriate to sell Units located at the Property, including but not limited to the right to erect and maintain signs on exterior portions of the Building and elsewhere on the Property, but the Declarant shall be obligated to repair and maintain the portions of the Property used by the Declarant for such purpose for so long as such use shall continue.

Section 17. Right of Access. All Unit Owners shall grant the Managing Agent and/or any other person authorized by the Board of Managers or the Managing Agent a right of access to his Unit for the purpose of making inspections or for the purpose of correcting any condition originating in his Unit and which threatens another Unit or a Common Element, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in his Unit or elsewhere in the Building, or to correct any condition which violates the provisions of any mortgage covering another Unit, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not.

Section 18. Removal of Garbage and Refuse. Garbage and refuse removal from the Residential Units shall be conducted in accordance with such rules as the Residential Committee shall enact. The City of New York provides such service initially and the cost, if any, shall be a Residential Common Expense of all Residential Unit Owners. Garbage and

refuse removal from the Commercial Unit shall be conducted in accordance with such rules as the Commercial Committee shall enact subject to these By-Laws. The Commercial Unit Owner shall arrange for such service directly and at its own cost and expense. The Commercial Committee may arrange for such service for the Commercial Unit Owners collectively and the cost and expense for such service shall be borne by those Unit Owners in the proportion that the Common Interest allocable to the Unit of each such Owner bears to the Common Interest to all such Units.

ARTICLE VI

Mortgages

Section 1. Notice to Board of Managers. A Unit Owner who mortgages his Unit shall notify the Board of Managers of the name and address of his mortgagee and shall file a conformed copy of the note and mortgage with the Board of Managers; the Board of Managers shall maintain such information in a book entitled "Mortgages of Units".

Section 2. Notice of Unpaid Common Charges or Other Default. The Board of Managers, whenever so requested in writing by a mortgagee of a Unit, shall promptly report any then unpaid Common Charges due, or other default, by the owner of the mortgaged Unit.

Section 3. Notice of Default. Whenever, the Board of Managers, shall give notice to a Unit Owner of a default in paying Common Charges or other default it shall simultaneously send a copy of such notice to each holder of a mortgage covering such Unit whose name and address has theretofore been furnished to the Board of Managers.

Section 4. Examination of Books. Each Unit Owner and each mortgagee of a Unit shall be permitted to examine the books of account of the Condominium at reasonable times, on business days, but not more often than once a month.

ARTICLE VII

Sales, Leases and Mortgages of Units

The provisions of this Article VII shall not apply so long as there shall be a single Residential Unit.

Section 1. Sales and Leases. (a) No Residential Unit Owner may sell his Unit or any interest therein except by complying with the following provisions:

Any Residential Unit Owner who receives an offer (hereinafter called an "Outside Offer") for the sale of his Residential Unit together with: (i) the undivided interest in the Common Elements appurtenant thereto; (ii) the interest of such Unit Owner in any Units theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners, or the proceeds of the sale or lease thereof, if any; and (iii) the interest of such Unit Owner in any other assets of the Condominium (hereinafter collectively called the "Appurtenant Interests"), which he intends to accept, shall give notice to the Board of Managers of such offer and of such intention, the name and address of the proposed purchaser, the terms of the proposed transaction and the proposed contract of sale and such other information as the Board of Managers may reasonably require, and shall offer to sell such Residential Unit, together with the Appurtenant Interest, to the Board of Managers, or its designee, corporate or otherwise, on behalf of the owners of all other Residential Units on the same terms and conditions as contained in such Outside Offer. The giving of such notice shall constitute a warranty and representation by the Unit Owner who has received such offer to the Board of Managers on behalf of the other Residential Unit Owners that such Unit Owner believes the Outside Offer to be bona fide in all respects. Within thirty (30) days after receipt of such notice, the Board of Managers may elect, by notice to such Unit Owner, (a) to purchase such Residential Unit, together with the Appurtenant Interest (or to cause the same to be purchased by its designee, corporate or otherwise) on behalf of all other Residential Unit Owners, on the same terms and conditions as contained in the Outside Offer and as stated in the notice from the offering Unit Owner, or (b) to produce a Purchaser who will purchase such Unit, together with the Appurtenant Interest, on the same terms and conditions as contained in the Outside Offer and as stated in the notice from the offering Unit Owner. In the event the Board of Managers shall elect to purchase such Residential Unit, together with the Appurtenant Interests, or to cause the same to be purchased by its designee, corporate or otherwise, title shall close at the office of the attorneys for the Condominium in accordance with the terms of the offer but not less than forty-five (45) days after the giving of notice by the Board of Managers of its election to accept such offer. At the closing, the Unit Owner shall convey the Residential Unit and Appurtenant Interests to the Board of Managers or to its designee, on behalf of all other Residential Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York, with all transfer stamps affixed, and shall pay all New York City Real Property Transfer taxes and all other taxes arising out of such sale including, if applicable, the tax on gains from certain real property transfers required pursuant to Article 31-B of the Tax Law of the State of New York and The Foreign Investment in Real Property Transfer Act of 1984. Real estate taxes, mortgage interest and Common Charges and Expenses shall be apportioned between the Unit Owner and the Board of Managers, or its designee, as of the closing date. In the event the Board of Managers or its designee shall fail to accept such offer or to produce a purchaser within thirty (30) days as aforesaid or fails to act within said thirty-day period, the offering Unit Owner shall be free to contract to sell such Residential Unit, together with the Appurtenant Interests, within sixty days after the expiration of the period in which the Board of Managers or its designee might have accepted such offer,

to the Outside Offeror, on the terms and conditions set forth in the notice from the offering Unit Owner to the Board of Managers of such Outside Offer and in the proposed contract of sale submitted therewith. Any such deed to an Outside Offeror shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and Regulations, as the same may be amended from time to time. In the event the offering Unit Owner shall not, within such 60-day period, contract to sell such Residential Unit, together with the Appurtenant Interests, to the Outside Offeror on the terms and conditions contained in the Outside Offer, or if the Unit Owner shall so contract to sell his Unit and the Appurtenant Interests within such sixty day period, but such sale shall not be consummated pursuant to the terms of such contract within 180 days after the date of such contract, then should such offering Unit Owner thereafter elect to sell such Residential Unit, together with the Appurtenant Interests, to the same or another Outside Offeror on the same or other terms and conditions, the offering Unit Owner shall be required to again comply with all of the terms and provisions of this Section 1 of this Article VII.

Any purported sale of a Residential Unit in violation of this Section shall be voidable at the election of the Board of Managers. The granting of an option to purchase a Residential Unit shall be deemed to be a sale of the Residential Unit and the provisions of this Section shall apply thereto.

(b) No Residential Unit Owner may lease his Unit except by complying with the following provisions:

Any Residential Unit Owner who receives an offer for a lease of his Unit which he intends to accept shall give notice to the Board of Managers of such offer and of such intention, the name and address of the proposed lessee, the terms of the proposed lease, references, and such other information as the Board of Managers may reasonably require, including, but not limited to a copy of the proposed lease. The Board of Managers shall from time to time prescribe a form upon which the aforesaid information shall be listed.

Any such lease shall be consistent with these By-Laws. The tenant shall not sublet the demised premises, or any part thereof; the Board of Managers shall have power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder in the event of a default by the tenant in the performance of such lease, and the Board of Managers shall have the right to terminate the lease on not less than thirty (30) days' prior written notice upon foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York. Except as hereinbefore set forth, the form of any such lease shall be the then current form of apartment lease recommended by The Real Estate Board of New York, Inc., with such modifications as shall be approved in writing by the Board of Managers or on such form as then proscribed by the Board of Managers or Residential Committee.

(c) The provisions of this Section 1 of Article VII shall not apply to the Commercial Unit or to any Unit owned by Declarant or its designee. No transfer fee or similar charge or assignment shall be made against the Commercial Unit Owner or Declarant or its designee with respect to any such transfer, sale or lease.

Section 2. Consent of Unit Owners to Purchase of Residential Units By Board of Managers. The Board of Managers shall not exercise any option hereinabove set forth to purchase any Residential Unit without the prior approval of a majority of the Residential Unit Owners.

Section 3. No Severance of Ownership. No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his Unit without including therein the Appurtenant Interests, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit to which such interests are appurtenant, or as part of a sale, transfer or other disposition of such part of the Appurtenant Interests of all Units.

Section 4. Release by Board of Managers of Right of First Refusal. The right of first refusal contained in Section 1 of this Article VII may be released or waived by the Board of Managers, only in writing, in which event the Residential Unit, together with the Appurtenant Interests, may be sold, conveyed or leased free and clear of the provisions of such Section.

Section 5. Certificate of Termination of Right of First Refusal. A certificate, executed in recordable form and acknowledged by the Secretary of the Condominium, stating that the provisions of Section 1 of this Article VII have been met by a Unit Owner, or have been duly waived by the Board of Managers, and that the rights of the Board of Managers thereunder have terminated, shall be conclusive upon the Board of Managers and the Unit Owners in favor of all persons who rely thereon in good faith. Such certificate shall be furnished to any Unit Owner who has in fact complied with the provisions of Section 1 of this Article VII or in respect to whom the provisions of such Section have been waived subject to payment of processing fee as may be imposed by the Board or Residential Committee, and to the Commercial Unit Owner, upon request without charge.

Section 6. Financing of Purchase of Residential and Storage Units by Board of Managers. Acquisition of Residential Units by the Board of Managers, or its designee, on behalf of all Residential Unit Owners, may be made from the working capital and Common Charges in the hands of the Board of Managers, or if such funds are insufficient, the

Board of Managers may levy an assessment against each Residential Unit Owner in proportion to his/her ownership in the Common Elements, as a Common Charge, which assessment shall be enforceable in the same manner as provided in Sections 6 and 7 of Article V, or the Board of Managers, in its discretion, may borrow money to finance the acquisition of such Residential, provided, however, that no financing may be secured by an encumbrance or hypothecation of any property other than the Residential Unit, together with the Appurtenant Interest in the Common Element, so to be acquired by the Board of Managers.

Section 7. Exceptions. The restrictions set forth in the provisions of Section 1 of this Article VII shall not apply with respect to (a) any sale or conveyance by a Unit Owner of his Unit, together with the Appurtenant Interest in the Common Elements, to his spouse or to any of his adult children or grandchildren or to his parents or grandparents or his brothers or sisters, or any one or more of them, or (b) the sale or lease of a Residential Unit owned by the Declarant or its designee or (c) the acquisition, sale or lease of a Unit, together with the Appurtenant Interest in the Common Element, by a bona fide mortgagee who shall acquire title to such Unit by foreclosure or by deed in lieu of foreclosure, or (d) the sale or lease of a Commercial Unit by the Declarant or its designee or any other subsequent or other owner of a Commercial Unit or units subdivided from a Commercial Unit.

Section 8. Gifts and Devises, etc. Any Unit Owner shall be free to convey or transfer his Unit and Appurtenant Interests by gift, or to devise his Unit and Appurtenant Interests by will, or to pass the same by intestacy, without restriction.

Section 9. Waiver of Right of Partition with respect to Such Units as Are Acquired by the Board of Managers, or its Designee, on Behalf of All Unit Owners as Tenants-in-Common. In the event that a Unit shall be acquired by the Board of Managers, or its designee, on behalf of all Unit Owners as tenants-in-common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such Unit.

Section 10. Payment of Assessments. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate, sell or lease his Unit unless and until he shall have paid in full to the Board of Managers all unpaid Common Charges and assessments theretofore assessed by the Board of Managers against his Unit and until he shall have satisfied all unpaid liens against such Unit, except permitted mortgages.

Section 11. Mortgage of Units. Each Residential Unit Owner shall have the right to mortgage his Unit without restriction provided that (i) any such Residential or Storage Unit mortgage shall be substantially in the form of the New York statutory form of mortgage, or in such form as an institutional lender (bank, trust company, insurance company or savings and loan association) shall require, (ii) the Board of Managers is notified in writing of the making of the mortgage and receives a conformed copy of the mortgage and note, (iii) the mortgage states that if consent by the mortgagee is required to any amendment to the

Condominium Declaration and By-Laws such consent will not be unreasonably withheld or delayed, and (iv) the Unit Owner making such mortgage first pays all assessments and Common Charges previously assessed by the Board of Managers against the Unit, and satisfies all unpaid liens against the Unit, except for the lien of a permitted mortgage. The Commercial Unit Owner Unit Owner shall have the right to mortgage their respective Units without restriction or limitation.

ARTICLE VIII

Condemnation

Section 1. Condemnation. In the event of a taking in condemnation or by eminent domain of part or all of the Common Elements, the award made for such taking shall be payable to the Board of Managers if such award amounts to \$100,000 or less and to the Insurance Trustee if such award amounts to more than \$100,000. If 80% or more of the Unit Owners duly and promptly approve the repair and restoration of such Common Elements the Board of Managers shall arrange for the repair and restoration of such Common Elements, and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event that 80% or more of Unit Owners do not duly and promptly approve the repair and restoration of such Common Elements, the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the net proceeds of such award in the same manner as they are required to distribute insurance proceeds where there is no repair or restoration of the damage, as provided in Section 3 of Article V of these By-Laws.

ARTICLE IX

Records

Section 1. Records and Audits. The Board of Managers or the managing agent shall keep detailed records of the actions of the Board of Managers and the managing agent, minutes of the meetings of the Board of Managers, minutes of the meetings of the Unit Owners, and financial records and books of account of the Condominium, including a chronological listing of receipts and expenditures, as well as a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges against such Unit, the date when due, the amounts paid thereon, and the balance remaining unpaid. An annual report of the receipts and expenditures of the Condominium audited by an independent certified public accountant, shall be rendered by the Board of Managers to all Unit Owners, promptly after the end of each fiscal year. The cost of such report shall be paid by the Board of Managers as a Common Expense. Records of the Board of Managers shall be kept at its offices at the Property and shall be available for inspection by all Unit Owners and other interested persons.

ARTICLE X

Miscellaneous

Section 1. Notices. All notices hereunder shall be sent by registered or certified mail to the Board of Managers c/o the Managing Agent, or if there be no managing agent, to the office of the Board of Managers or to such other address as the Board of Managers may hereafter designate from time to time, by notice in writing to all Unit Owners and to all mortgagees of Units. All notices to any Unit Owner shall be sent by registered or certified mail to the Building or to such other address as may have been designated by him from time to time, in writing, to the Board of Managers, except that notices of an annual meeting pursuant to Article III, Section 4 may be sent by regular mail. All notices to mortgagees of Units shall be sent by registered or certified mail to their respective addresses, as designated by them from time to time, in writing, to the Board of Managers. All notices shall be deemed to have been given when mailed, except notices of change of address which shall be deemed to have been given when received.

Section 2. Invalidity. The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these By-Laws.

Section 3. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws, or the intent of any provision thereof.

Section 4. Gender. The use of the masculine gender in these By-Laws shall be deemed to be the feminine or neuter gender and the use of the singular shall be deemed to be the plural, whenever the context so requires or admits.

Section 5. Waiver. No restriction, condition, obligation, or provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

Section 6. Insurance Trustee. The Insurance Trustee shall be a bank or trust company in The City of New York, designated by the Board of Managers and having a capital, surplus and undivided profits of \$100,000,000 or more. In the event that the Insurance Trustee shall resign, the new Insurance Trustee shall also be a bank or trust company in the City of New York, designated by the Board of Managers and having a capital surplus and undivided profits of \$100,000,000 or more. The Board of Managers shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a General Common Expense of the Condominium.

ARTICLE XI

Amendments to By-Laws and Rights of Declarant

Section 1. Amendments to By-Laws. Except as otherwise provided herein, these By-Laws may be modified or amended by the vote of at least 80% in number and in Common Interest of all Unit Owners at a meeting of Unit Owners duly held for such purpose, but only with the written approval of the holders of Unit mortgages, if such approval is required. However, By-Laws affecting the Commercial Unit(s) may be amended only by the unanimous consent of the Commercial Committee.

The following provisions of these By-Laws may not be amended without the consent in writing of the Declarant, so long as the Declarant shall be the owner of one or more Residential Units or the Commercial Unit Owner, if such amendment may adversely affect such Commercial Unit Owner, or any rights appurtenant to its Unit:

A. Section 1 of Article II insofar as it provides that the Declarant, so long as the Declarant is the owner of Residential Units the Commercial Unit Owners, shall be entitled to elect members of the Board of Managers;

B. Section 2 of Article II insofar as it provides that the Board of Managers may not exercise certain powers without the Declarant's prior written consent and as to any charge which may affect the Commercial Unit Owner.

C. Section 4(b) of Article II.

D. Section 5 of Article II relating to removal of Declarant's designees.

E. Sections 15 and 16 of Article II insofar as they provide for representation of the Declarant, so long as it is the owner of one or more Units, and Commercial Unit Owner on any committee created by the Board of Managers;

F. Section 8 of Article III insofar as it provides that the Declarant, so long as the Declarant is the owner of one or more Units, may vote the votes appurtenant thereto;

G. Sections 1 and 2 of Article V insofar as it provides for allocation of certain expenses and insurance requirements.

H. Sections 10 and 12 of Article V insofar as it provides for the Commercial Unit Owner's responsibilities regarding use, maintenance and repair of the Unit.

I. Section 13(c) of Article V.

J. Section 14 of Article V insofar as each provides that the provisions of such Section shall not apply to any Unit owned by the Declarant or its designee or a Commercial Unit Owner who shall have the right to make alterations, additions and improvements thereto and to subdivide and combine Units and alter the boundary walls thereof without the consent of the Board of Managers, other Unit Owners or the holders of Unit mortgages;

K. Section 15(d) of Article V insofar as it provides for the right of the Declarant to use the Common Elements and to do all things necessary and appropriate to sell unsold Units;

L. Section 1(c) of Article VII and Section 7 of Article VII insofar as it provides that the provisions of Section 1 of Article VII shall not apply with respect to a sale or lease of a Residential Unit owned by the Declarant or its designee or to the sale or lease of any Commercial Unit; and

M. All or any portion of Sections 1, 2 or 3 of this Article XI.

Section 2. Declarant's Rights. The rights contained in this Declaration and these By-Laws in favor of Declarant or Sponsor or the designee of either shall inure to the

benefit of any successor or assign thereof and any successor, purchaser or transferee of a Unit designated as a successor, assign or designee thereof in the specific deed affecting the conveyance thereof.

Section 3. Use Changes. Notwithstanding anything to the contrary herein contained, no provision of these By- Laws relating to the use of the Units may be amended without the consent of every Unit Owner affected by such amendment, nor shall these By-Laws be amended so as to adversely effect the rights, privileges, duties and obligations of each Unit Owner unless the Unit Owner adversely affected gives his written consent to such Amendment.

ARTICLE XII

Conflicts

Section 1. Conflicts. These By-Laws are set forth to comply with the requirements of Article 9-B of the Real Property Law of the State of New York. In case any of these By-Laws conflict with the provisions of said statute or of the Declaration, the provisions of said statute or of the Declaration, as the case may be, shall control.

EXHIBIT A

RULES AND REGULATIONS APPLICABLE TO RESIDENTIAL UNITS

One. Unit Owners will not clean, nor require, permit, suffer or allow any windows to be cleaned from the outside in violation of Section 202 of the Labor Law or of the rules of the Board of Standards and Appeals or of any other board or body having or asserting jurisdiction.

Two. No article shall be placed in any of the halls or on any of the staircases or fire tower landings, nor shall any fire exit be obstructed by any object. Nothing shall be hung or shaken from the doors or windows or placed upon the window sills or any other exterior surface of the Building.

Three. Children shall not play in the public halls, basement space, Building exits, Building entrances, elevator vestibules, stairways, roof or roof landings, fire towers, elevators or other common areas.

Four. No hallway or elevator vestibule of the Building which is a Residential Limited Common Element shall be decorated or furnished by any Unit Owner in any manner except upon written consent of the Residential Committee.

Five. Each Unit Owner shall keep his Unit in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance.

Six. No window fans, terrace or balcony enclosures, window air-conditioner or awnings shall be used or installed in or about any Residential Unit except such as shall have been approved in writing by the Residential Committee.

Seven. No radio or television aerial shall be attached to or hung from the exterior of the Building and no awning, sign, notice, display, advertisement or illumination shall be inscribed or exposed on or at any window of, or on or at any terrace or balcony of a Residential Unit except such as shall have been approved in writing by the Residential Committee or the managing agent on behalf of the Committee, which approval may be granted or refused in the sole discretion of the Committee or the managing agent. No consent shall be necessary for any sign, notice, advertisement or illumination the Declarant may place on or at any window of a Residential Unit owned by Declarant or its designee; nor shall anything be projected from any window of a Residential Unit without similar approval.

Eight. No ventilator, air conditioning unit, washing machine, dryer or other major appliance other than one customary apartment refrigerator, range, microwave oven and/or dishwasher shall be installed in any Residential or Storage Unit without the prior written approval of the Residential Committee or the managing agent as to the type, location and manner of installation of such appliance, which approval may be granted or refused in the sole discretion of the Residential Committee. Each Unit Owner shall keep any such approved appliance from protruding from the window of the Unit and in good appearance and mechanical repair. No Unit Owner shall permit any such approved appliance to leak condensation, or to make any noise or odor which may unreasonably disturb or interfere with the rights, comforts or conveniences of any other occupant of the Building. The Unit Owner shall keep such approved appliance in good order and repair and properly painted. The Board of Managers or the managing agent, in their discretion, may remove such appliance from the Unit, charging the cost of removal to the Unit Owner, and the appliance shall not be replaced until it has been put in proper condition and only with the further written consent of the Residential Committee.

Nine. All radio, television or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction, and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in such Unit Owner's Unit. No Unit Owner shall use any electrical equipment which shall interfere with television or radio reception.

Ten. No bicycles, scooters, baby carriages or similar vehicles shall be allowed to stand in the public halls, passageways, courts or other public areas of the Building.

Eleven. No Unit Owner shall make or permit any disturbing noises in the Building, or do or permit anything to be done therein which will interfere with the rights, comforts or conveniences of other Unit Owners. No Unit Owner shall play upon or suffer to be played upon any musical instrument, or operate or permit to be operated a phonograph or a radio or television set or other loud speaker in such owner's Unit, if the same shall disturb or annoy other occupants of the Building, and in no event shall practice or suffer to be practiced either vocal or instrumental music between the hours of ten P.M. and the following nine A.M.

Twelve. No bird, reptile, or other animal shall be permitted, kept or harbored in any Unit (except for one dog or one cat in any Residential Unit) unless the same in each instance be expressly permitted in writing by the Board of Managers or the managing agent and such consent, if given, shall be revocable by the Board of Managers or the managing agent in their sole discretion, at any time. In no event shall any bird, reptile, dog, cat or other animal be permitted in any elevators, other than the elevator designated by the Board of

Managers or the managing agent for that purpose, or in any of the public portions of the Building, unless carried or on leash. Any pets approved by Board that are not carried shall be transported only in the elevator designated by the Board of Managers or the managing agent for that purpose.

Thirteen. Servants, messengers and tradespeople shall use the elevator designated by the Board of Managers or the managing agent for that purpose, for ingress and egress, and shall not use any of the other elevators for any purpose, except that nurses in the employ of Unit Owners or their guests or tenants may use any of the other elevators when accompanying said Unit Owners, their guests or tenants. However, a guest of a Unit Owner or a tenant may use any of the other elevators freely.

Fourteen. Supplies, goods and packages of every kind are to be delivered to Units only through the entrance of the Building designated by the Board of Managers (or the Residential Committee), or the managing agent and by the elevator designated by the Board of Managers or the managing agent for that purpose. Trunks and heavy baggage shall be taken in or out of the Building by the elevator designated by the Board of Managers or the managing agent or the manager for that purpose, and through the designated entrance only.

Fifteen. No bulky refuse from the Residential or Commercial Units shall be left for disposal in the public halls of the Building.

Sixteen. Water-closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags or any other article be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Unit shall be repaired and paid for by the owner of such Unit.

Seventeen. No occupant of the Building shall send any employee of the Board of Managers or of the managing agent out of the Building on any private business.

Eighteen. The agents of the Board of Managers or the managing agent, and any contractor or workman authorized by the Board of Managers or the managing agent, may enter any Unit in the Building at any reasonable hour of the day with prior notice for the purpose of inspecting such Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests.

Nineteen. Corridor doors and roof doors shall be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

Twenty. The Board of Managers or the managing agent may retain a pass-key to each Unit.

Twenty-One. No vehicle belonging to a Unit Owner or to a member of the family or guest, tenant or employee of a Unit Owner shall be parked in such manner as to impede or prevent ready access to the Building entrance or exit.

Twenty-Two. The Board of Managers or the managing agent may from time to time curtail or relocate any space devoted to storage or service purposes in the Building.

Twenty-Three. Complaints regarding the service to the Building shall be made in writing to the Board of Managers or to the managing agent.

Twenty-Four. Any consent or approval given under these rules and regulations may be added to, amended or repealed at any time by resolution of the Board of Managers.

Twenty-Five. Clothes and other articles shall not be dried or aired on the roof, from the windows, terraces or balconies.

Twenty-Six. No garbage cans, ice, mats or other articles shall be placed in the halls or on the staircase landings, nor shall anything be hung from the windows, or placed upon the window sills. No linens, cloths, clothing, curtains, rugs or mops be shaken or hung from or on any of the windows or doors.

Twenty-Seven. Unit Owners will faithfully observe the following procedures with respect to the use of the compactor: (a) wrap dust, floor and powdered waste in compact packages before depositing the same; (b) thoroughly drain and wrap in paper all garbage before depositing the same; (c) refrain from forcing large bundles into the chute; (d) crush or tie into tight bundles all loose papers before placing the same in the hopper door; (e) cause all bundles of waste to slide out of the hopper into the chute; (f) refrain from depositing waste of an explosive nature therein.

Twenty-Eight. Except for owners of Units having roof terraces, if any, Unit Owners, their families, guests, servants, employees, agents, visitors or licensees shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the roof of the Building.

Twenty-Nine. Unit Owners shall not cause or permit any unusual or objectionable noise, odors or substances to be produced upon or to emanate from their Units.

Thirty. No Unit Owner or any of his agents, servants, employees, licensees or visitors shall at any time bring into or keep in his Unit any inflammable, combustible or

explosive fluid, material, chemical or substance, except for normal household or professional office use.

Thirty-One. If any key or keys are entrusted by a Unit Owner or by any member of his family or by his agent, servant, employee, licensee or visitor to an employee of the Board of Managers or of the managing agent, whether for such Unit Owner's Unit or an automobile, trunk or other item of personal property, the entrusting of the key shall be at the sole risk of such Unit Owner, and neither the Board of Managers nor the managing agent shall be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

Thirty-Two. No Unit owner shall affix any equipment or other personal property to any terrace or balcony, nor permit any equipment or personal property to remain upon a terrace or balcony which could with the passage of time, cause structural damage to the same, or damage to the surface of such terrace or balcony. A Unit owner shall not paint, tile, carpet, install decking, or otherwise alter or modify the surface of any terrace or balcony. No planters shall be permitted to remain on any terrace or balcony unless suitable drainage containers or facilities (approved by the Board of Managers) are provided to prevent ponding water.

Thirty-Three. Each Residential Unit Owner shall carpet at least 80% of the floor area of the Residential Unit. Floor area for this purpose shall exclude the kitchen, bathrooms, closets and stairs.