
BY-LAWS
OF
THE LESSTER CONDOMINIUM

TABLE OF CONTENTS

	Page
Article I. Plan of Condominium Ownership.....	1
A. Definitions.....	1
B. Condominium Unit Ownership.....	2
C. Applicability of By-Laws.....	2
D. General Application.....	2
E. Office.....	2
Article II. Condominium, Voting, Quorum, Proxies and Waivers.....	2
A. Condominium.....	2
B. Voting.....	3
C. Quorum.....	3
D. Vote Required to Transact Business.....	3
E. Right to Vote.....	3
F. Proxies.....	3
G. Waiver and Consent.....	3
H. Place of Meetings.....	4
I. Annual Meetings.....	4
J. Special Meetings.....	4
K. Notice of Meetings.....	4
L. Order of Business.....	4
Article III. Board of Managers.....	5
A. Number and Qualification.....	5
B. Election and Term Office.....	5
C. Removal.....	6
D. Vacancy and Replacement.....	6
E. Powers.....	6
F. Repairs and Maintenance.....	11
G. Compensation.....	13
H. Meetings.....	13
I. Annual Statement.....	14
J. Fidelity Bonds.....	14
K. Managing Agent.....	15
L. Liabilities of the Board of Managers and Unit Owners.....	15

Article IV.	Officers.....	15
	A. Elective Officers.....	15
	B. Election.....	16
	C. Appointive Officers.....	16
	D. Term.....	16
	E. The President.....	16
	F. The Vice President.....	16
	G. The Secretary.....	16
	H. The Treasurer.....	16
	I. Agreements, etc.....	17
Article V.	Notices.....	17
	A. Definitions.....	17
	B. Service of Notice - Waiver.....	17
Article VI.	Finances.....	17
	A. Checks.....	17
	B. Assessment.....	18
	C. Foreclosure of Liens.....	19
	D. Statement of Common Charges.....	19
	E. Liability for Water, Electricity.....	19
	F. Operating Account.....	19
	G. Other Accounts.....	19
Article VII.	Insurance.....	19
	A. Insurance to be Carried by Board.....	19
	B. Restoration or Reconstruction after Fire or Other Casualty.....	21
Article VIII.	Use of Units.....	22
Article IX.	House Rules.....	23

Article X.	Changes to Condominium.....	26
Article XI.	Default.....	26
Article XII.	Amendments.....	28
Article XIII.	Selling, Mortgage and Leasing Units.....	29
	A. Selling and Leasing of Units.....	29
	B. Waiver of Partition Rights.....	31
	C. Mortgaging of Units.....	31
	D. Gifts, etc.....	32
Article XIV.	Condemnation.....	32
Article XV.	Miscellaneous.....	32
	A. Insurance.....	32
	B. Severability.....	33
	C. Notice to Condominium.....	33
	D. Notice of Unpaid Assessment.....	33
	E. Examination of Books and Records.....	33
	F. Construction.....	33
	G. Sponsor Controls.....	33
	H. Violations.....	33
	I. Compliance with Applicable Rent Laws.....	34
	J. Compliance with Article 9-B.....	34

BY-LAWS
OF
THE LESSTER CONDOMINIUM
ARTICLE I
PLAN OF CONDOMINIUM OWNERSHIP

Section 1. Definitions.

(a) "Apartment Unit" means any of the ten (10) Residential apartments contained in the Condominium as set forth in Exhibit B hereto. The Apartment Units are sometimes hereinafter collectively referred to as "Units" and individually as a "Unit". The categories of Units above set forth shall be deemed to include as appropriate any Unit whose category and use is changed pursuant to the provisions hereof and of the Declaration, from and after the date of any such changes.

(b) Each Apartment Unit shall consist of the area enclosed horizontally by the unexposed faces of the plaster walls at the exterior walls of the Building and the unexposed faces of the plaster walls of the Unit side of the plaster walls dividing the Unit from corridors, stairs or other Units and vertically by the upper face of the concrete forming the floor of the Unit up to the unexposed face of the plaster wall forming the upper ceiling of the Unit. Doors and windows which open from a Unit and interior walls of a Unit shall be deemed to be part of the Unit.

(c) "Unit Owner" means the owner of a Unit. Every Unit Owner shall be treated for all purposes as a single owner, irrespective of whether such ownership is joint, in common, or tenancy by the entirety or whether the Unit is owned by an individual, corporation, partnership, fiduciary or any other entity. Where such ownership is joint, in common or by tenancy by the the entirety, majority vote of such owners shall be necessary to cast any Unit Owner's vote referred to in these By-Laws.

(d) "Building" means the buildings and improvements constructed on the land described in Exhibit A, known as and by 454 St. Nicholas Avenue, New York, New York.

(e) "Party Wall" means a wall which is common to and separates two Units.

(f) "Condominium" as hereinafter referred to shall mean The Lesster Condominium which is composed of the Unit Owners.

(g) "Unsold Units" means any Unit owned by the Sponsor or its designee prior to sale thereof to a bona fide purchaser, including any Units not offered for sale under the Plan.

(h) The term "Apartment Unit" used herein shall be construed to mean "Unit" and the term "Unit Owner" as used herein shall be construed to mean "Unit Owner" as defined in Section 339-e of Article 9-B of the Real Property Law of the State of New York.

Section 2. Condominium Unit Ownership. The property located at 454 St. Nicholas Avenue, in the Borough of Manhattan, County, City and State of New York, as specifically set forth in the Declaration and more commonly known as The Lesster Condominium, has been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York.

Section 3. Appicability of By-Laws. The provisions of these By-Laws are applicable to the Condominium. The term "Condominium" as used herein shall include the land and the Buildings and improvements thereon including the Units, the common elements and the use and occupancy thereof.

Section 4. Personal Application. All present or future Unit Owners, mortgagees and lessees, or their employees, guests, invitees or any other person that might use the facilities of the Condominium in any manner are subject to these By-Laws, the Declaration and any Rules and Regulations established by the Board of Managers. The mere acquisition or rental of any of the Units or the mere act of occupancy or use of any of said Units will signify that these By-Laws, the Declaration and the Rules and Regulations are 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.

ARTICLE II

CONDOMINIUM, VOTING, QUORUM, PROXIES AND WAIVERS

Section 1. Condominium. The Condominium shall be limited to Unit Owners. "Unit Owner" as referred to herein shall mean all of the owners of each Unit.

Section 2. Voting. Each Unit Owner (including the Sponsor and the Board of Managers, if the Sponsor or Board of Managers shall then own or hold title to one or more Units) shall be entitled to cast one vote at all Unit Owners' meetings (or at any other time when the vote or consent of Unit Owners is required under these By-Laws or the Declaration), for each Unit owned by such Unit Owners, but the Board of Managers shall not cast any of its votes for the election of any member to the Board.

Section 3. Quorum. So many Unit Owners as shall represent at least 51% of the total authorized votes of all Unit Owners shall constitute a quorum at all meetings of the Unit Owners for the transaction of business, except as otherwise provided by Statute, by the Declaration, or by these By-Laws. For purposes of this Section, Owners shall be deemed to be present if represented by a written proxy. If, however, such quorum shall not be present or represented at any meeting of the Unit Owners, the Unit Owners entitled to vote thereat, present in person or represented by written proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting originally called.

Section 4. Vote Required to Transact Business. When a quorum is present at any meeting, the vote of a majority of the Unit Owners present in person or represented by written proxy shall decide any question brought before such meeting and such vote shall be binding upon all Unit Owners, unless the question is one upon which, by express provisions of the Declaration, Statute, or of these By-Laws, a different vote is required, in which case such express provisions shall govern and control the decision of such question.

Section 5. Right to Vote. At any meeting of Unit Owners, every Unit Owner having the right to vote shall be entitled to vote in person, or by proxy. Such proxy shall only be valid for such meeting or subsequent adjourned meetings thereof.

Section 6. Proxies. All proxies shall be in writing and shall be filed with the Secretary prior to the meeting at which the same are to be used. A notation of such proxies shall be made in the minutes of the meeting.

Section 7. Waiver and Consent. Whenever the vote of Unit Owners at a meeting is required or permitted by any provision of the Declaration, Statutes or of these By-Laws to be taken in connection with any action of the Condominium, the meeting and vote of Unit Owners may be dispensed with if all Unit Owners who would have been entitled to vote upon the action if such meeting were held, shall consent in writing to such action being taken.

Section 8. Place of Meetings. Meetings shall be held at such suitable place convenient to the Unit Owners as may be designated by the Board of Managers.

Section 9. Annual Meetings. Within 120 days after title to the first Unit is conveyed by the Sponsor, the Sponsor shall call the first annual Unit Owners meeting. At such meeting, a new Board of Managers shall be elected by the Unit Owners and the former members of the Board shall thereupon resign unless also elected to such new Board. Thereafter, annual meetings shall be held on the anniversary of such date in each succeeding year. At such meetings, Board of Managers shall be elected by ballot of the Unit Owners, in accordance with the requirements of Article III of these By-Laws. The Unit Owners may also transact such other business of the Condominium as may properly come before them.

Section 10. Special Meetings. It shall be the duty of the President to call a special meeting of the Unit Owners as directed by the Board of Managers or upon presentment to the Secretary of a petition signed by a majority of the Unit Owners.

Section 11. Notice of Meetings. It shall be the duty of the Secretary to mail or make personal delivery of the notice of each annual or special 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 least ten but not more than twenty days prior to such meeting.

Section 12. Order of Business. The order of business at all meetings shall be as follows:

- a. Roll call
- b. Proof of notice of meeting or waiver of notice
- c. Reading of minutes of preceding meeting
- d. Report of officers
- e. Report of committees
- f. Election of inspectors of election (in the event there is an election)
- g. Election of Managers (in the event there is an election)
- h. Unfinished business
- i. New business

ARTICLE III

BOARD OF MANAGERS

Section 1. Number and Qualification. The affairs of the Condominium shall be governed by a Board of Managers. The number of Managers which shall constitute the whole Board shall not be less than three (3) and not more than ten (10). The initial Board of Managers shall consist of three persons designated by the Sponsor until their successors shall have been elected by the Unit Owners at the first meeting of Unit Owners held pursuant to Article II, Section 9 of these By-Laws.

All members of the Board of Managers, other than the Sponsor or its designee(s), shall be owners or spouses of owners or mortgagees of Units, or, in the case of partnership owners or mortgagees, shall be members or employees of such partnership, or in the case of corporate owners or mortgagees, shall be officers, directors, shareholders or employees of such corporations, or in the case of fiduciary owners or mortgagees, shall be the fiduciaries or officers or employees of such fiduciaries. More than one person per Unit may serve on the Board of Managers.

Section 2. Election and Term of Office. The term of office of the members of the Board of Managers shall be three (3) years or, until their successors are elected or appointed, except that the first term of office of the Board elected or appointed at the first annual meeting of Unit Owners shall be fixed at three years for one member, or until a successor is elected or appointed, two years for one member, or until a successor is elected or appointed, and one year for one member, or until a successor is elected or appointed. The individuals receiving the highest number of votes will serve the longest terms. However, if Sponsor is entitled to appoint a majority of Board members at the first meeting, in accordance with Article II, Section 1 of these By-Laws, one of Sponsor's designees shall hold office for one year and the other designee shall hold office for two years.

At the expiration of the term of office of each member elected or appointed at the first meeting of Unit Owners, successors shall be elected for a term of three (3) years. As a result of this procedure, the terms of one-third of the members of the Board of Managers will expire each year, in accordance with the Condominium Act. Members may serve for more than one term.

Notwithstanding the foregoing, the Sponsor will have the right to designate three members of the Board so long as it owns in number at least three of the Units, two members of the Board so long as it owns two of the Units and one member of the Board so long as it owns at least one Unit. The term of the office of members who have been designated by the Sponsor shall be one (1) year.

When Sponsor or its designee no longer owns any Units, Sponsor's appointee to the Board shall step down at the end of his or her term and a successor shall be elected for a term of one or two years, whichever term will facilitate the expiration of the term of the remaining Board members annually. The successor to the new Board member shall be elected for a term of two years in accordance with the foregoing.

Section 3. Removal. At any regular or special meeting of Unit Owners, any one or more of the members of the Board of Managers, other than a member designated by Sponsor or its designee, may be removed with cause by a majority of the Unit Owners and a successor may then and there or thereafter be elected to fill the vacancy thus created, provided notice of such proposed removal was given to the Board member and in the notice of the meeting. Any member of the Board of Managers whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at the meeting. A member of the Board of Managers designated by Sponsor or its designee may only be removed by Sponsor or its designee, and only the Sponsor or its designee shall have the right to designate a replacement. No Manager, other than a member of the first Board of Managers, or a Manager elected or designated by the Sponsor, shall continue to serve on the Board if, during his term of office he ceases to be a Unit Owner or mortgagee (or a partner, officer, director, stockholder or employee of a partnership or corporate owner or mortgagee or fiduciary owner or mortgagee). He shall be deemed to have resigned effective as of the date such ownership or mortgage interest ceased.

Section 4. Vacancy and Replacement. If the office of any Manager or Managers becomes vacant by reasons of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining Managers, though less than a quorum, at a special meeting of Managers duly called for this purpose, shall choose a successor or successors, who shall hold office for the unexpired term in respect to which such vacancy occurred. If the vacancy occurs with respect to any member of the Board of Managers who has been designated by the Sponsor, the Sponsor shall have the sole right to choose such Manager's successor to fill the unexpired portion of his term.

Section 5. Powers

(a) The property and business of the Condominium shall be managed by its Board of Managers, which may exercise all powers of the Condominium and do all such lawful acts and things as are

not by Statute or by the Declaration or by these By-Laws, directed or required to be exercised or done by the Unit Owners personally. These powers shall specifically include, but not be limited to, the following items:

- (i) To determine and levy monthly assessments ("common charges") (payable in advance,) to cover the cost of common expenses, If required, to meet any additional necessary expenses, the Board of Managers may increase the monthly assessments or vote a special assessment in excess of that amount, but said increases can only be assessed among the Unit Owners pro rata according to the formula provided for herein;
- (ii) To collect, use and expend the assessments collected to maintain, care for and preserve the Units, Building, and other common interests, including the purchase of supplies and equipment to accomplish the same;
- (iii) To make repairs, restore or alter any Units or the common elements after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings, in accordance with Article VII, Section 2;
- (iv) To enter the Units when necessary, and with as little inconvenience to the Unit Owner as possible, in connection with the maintenance, care and preservation of the Property;
- (v) To open bank accounts on behalf of the Condominium, and to designate the signatories to such bank accounts;
- (vi) To insure and keep insured the common elements and Units in accordance with Article VII of these By-Laws;
- (vii) To collect delinquent assessments by suit or otherwise, to abate nuisances and to enjoin or seek damages from the Unit Owners for violations of the house rules and regulations herein referred to;

(viii) To purchase any Unit at a foreclosure or other judicial sale or in accordance with Article XIII of these By-Laws on behalf of all the Unit Owners;

(ix) To make reasonable rules and regulations and to amend the same from time to time (subject to any restrictions on amendment herein set forth), which rules and regulations and amendments shall be binding upon the Unit Owners when the Board has approved them in writing. A copy of such rules and regulations and all amendments shall be delivered to each Unit Owner;

(x) To employ and terminate the employment of employees and independent contractors.

(xi) To bring and defend actions by or against one or more than one Unit Owner with regard to the operation of the Condominium. The Board may, in its discretion, fund the cost of any such litigation out of the common charge assessments. The Board shall also have the right to engage in any litigation it deems necessary to carry out the provisions of the Declaration of Condominium and these By-Laws and may fund the cost of any such litigation out of the common charge assessments. Without limiting the foregoing, the Board may engage in reasonable litigation pertaining to the maintenance and operation of the common elements;

(xii) To acquire Units on behalf of all Unit Owners, which are in foreclosure or have been abandoned. To take any and all steps necessary to repair or renovate any Unit so acquired and to vote as a Unit Owner, offer such Unit for sale or lease or take any other actions regarding such Unit as shall be deemed proper by the Board;

(xiii) To grant utility or other easements as may, at any time, be required for the benefit of the Condominium and Unit Owners without the necessity of the consent thereto, or joining therein, by the Unit Owners or any mortgagee;

(xiv) To borrow money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the common elements, provided, however, that (i) the consent of at least 70% of all Unit Owners, obtained 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 in any fiscal year of any sum in excess of \$10,000 and (ii) 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 written consent of the Owner of such Unit;

(xv) To act as an agent of each Unit Owner to protest or apply to the local and county real estate tax assessment agency board of review by filing a single complaint on behalf of all such Unit Owners pursuant to any applicable sections of the Real Property Tax Law. In connection with such complaint, the Board of Managers may retain legal counsel on behalf of all Unit Owners for which it is acting as agent and charge all such Unit Owners a pro rata share of expenses, disbursements, and legal fees, for which charges the Board of Managers shall have a lien pursuant to Article VI of these By-Laws;

(xvi) In the event the Units have not been separately assessed at the time of the First Closing (as defined in the Plan), to receive and maintain the Tax Reserve (as defined in the Plan), to use same for the payment of real estate taxes on the entire Building and land thereunder, and, should there be any amount remaining in such fund following separate assessment of the Units, to apply same as a credit against common charges on a pro rata basis for all Unit Owners who have contributed to such fund;

(b) The Board of Managers may, by resolution or resolutions passed by a majority of the whole Board, designate one or more committees, each of such committees to consist of at least three (3) Managers or Unit Owners, one of whom shall be a Manager, which, to the extent provided in said resolution or resolutions, shall have and may exercise the powers of the Board of Managers in the management of the business and affairs of the Condominium

and may have power to sign all papers which may be required, provided the said resolutions shall specifically so provide. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Managers. Committees established by resolution of the Board of Managers shall keep regular minutes of their proceedings and shall report the same to the Board as required.

(c) Notwithstanding anything to the contrary contained in these By-Laws, the Board will not take any of the following actions except upon the approval in writing or by vote at a duly constituted meeting called for such purpose of 70% of all members:

(i) increase the number, or change the type, of employees from those hired at the time of recording the Declaration;

(ii) provide for new or additional services from those being provided at the time of recording the Declaration; or

(iii) impose any common charge for the purpose of making any capital or major improvement, alteration or addition to the common elements or to any Unit, unless required by Law or necessary for the health or safety of residents of the Building (but nothing contained herein will restrict the right and obligation of the Condominium Board to maintain and repair the common elements and to levy common charges therefor).

(d) Notwithstanding anything to the contrary in these By-Laws, the Board may not take any action to amend the Certificate of Occupancy of the Building so as to render illegal or improper the existing use of any Unit without the written consent of the owner of such Unit.

(e) Each member of the Board will perform his duties, and will exercise his powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by law, no contract or other transaction between the Board and either (1) any of its members or (2) any corporation, partnership, fiduciary, firm, association or other entity in which any of the members of the Board are officers, directors, employees, partners, fiduciaries, beneficiaries or principals, or are otherwise interested, pecuniary or otherwise, will be deemed either void or voidable because any such interested member of the Board was present at the meeting or meetings of the Board during which such contract or transaction was discussed, authorized, approved or ratified; provided, however, that either:

(i) the material facts as to such member of the Board's interest in such contract or transaction are disclosed in good faith or known to the Board, and the Board approves such contract or transaction by a vote sufficient for such purpose without counting the vote of such interested member of the Board; or

(ii) the fact thereof is disclosed to, or known by, a majority of Unit Owners, and a majority of Unit Owners authorize, approve or ratify such contract or transaction.

Any interested member of the Board may be counted in determining the presence of a quorum of any meeting of the Board that authorizes, approves, or ratifies any such contract or transaction, but no such member will be entitled to participate on a vote which authorizes, approves or ratifies such contract or transaction.

Section 6. Repairs and Maintenance. All maintenance, repairs and replacement of or to (i) the Common Elements of the Property, including but not limited to exterior walls, roof and roof members; or (ii) any pipes, wire, conduits and public utility lines, any portion of which is located in one Unit and services another Unit or more than one Unit, or so much of any pipes, wires, conduits and public utility lines as are located in the Common Elements, but serve one or more Units; or unexposed portions of pipes, conduits and wires within any Unit (provided such repairs are not necessitated by the neglect, misuse, or negligence of the Unit Owner, in which event such repairs shall be made by or at the sole expense of such Unit Owner), shall be made by the Board of Managers and the cost thereof shall be a common expense. Except as is otherwise specifically provided, all maintenance to the Units, including plumbing stoppages, window cleaning, painting and decorating in the Units (except for painting and cleaning of the exterior surfaces of doors and windows which open from an Apartment Unit which painting and cleaning are performed by the Board of Managers), and repairs and replacements to the Units including windows and doors (including all glass breakage), and repairs to pipes, wires and conduits located in and servicing the same Unit, other than as set forth above, shall be made by the respective Unit Owners at their own expense.

All Limited Common Elements shall be maintained and repaired by the Unit Owner to whom such Common Element is restricted in use. However, the Board of Managers shall make any structural repairs thereto and shall repair and replace any pipes, wires, conduits and public utility lines located underground or overhead of any Limited Common Element, except where any such repair or replacement is necessitated by the negligence, misuse or neglect of the Unit Owner or Owners to whom the Common Element is restricted in use, in which event such cost and expense shall be assessed to and paid for by such Unit Owner or Owners. The Board of Managers shall repair all plumbing stoppages and electrical problems occurring in the Common Elements.

The Board of Managers and its agents, employees and contractors shall have a right of access to any Unit and to all portions of the Common Elements for the purpose of carrying out any of its obligations under these By-Laws or the Declaration of the Condominium. All repairs or maintenance, to the doors, windows, or the exterior surface of the Building, including roofs, or to any generally visible portion of the Common Elements whether made by the Unit Owner or by the Board of Managers shall be carried out in such a manner so as to conform to the existing materials, style and color. Unit Owners shall be required to perform maintenance, painting or repairs to their Unit where necessary to protect any of the Common Elements or any other Unit. Failure to perform such maintenance, painting or repairs within ten (10) days of receiving written notice of the necessity of such maintenance, painting or repairs, or, where an emergency condition is perceived by the Board of Managers to exist, or where a New York City Buildings Department Notice of Violation is received, within the time prescribed by either the written notice or the Notice of Violation, shall result in the Board of Managers having the right to perform such maintenance or repair or cure such violations and to charge the Unit Owner for the cost of all such repairs, maintenance or cure. In the event that the Board of Managers charges a Unit Owner for repairs, maintenance or such cure to his Unit or for repairs, maintenance or such cure to any Common Element restricted in use to such Unit Owner, and the Unit Owner fails to make prompt payment, such charges shall be considered as additional Common Charges due from said Unit Owner, and the Board of Managers shall be entitled to bring suit thereon. In the event the Board brings such a suit, the Unit Owner shall be liable for the reasonable attorneys fees and cost of such suit or proceeding, together with interest on all sums due, chargeable at the maximum legal rate permitted to be charged such Unit Owner.

No Unit Owner (other than the Sponsor or its designees acting pursuant to rights granted in the Plan, these By-Laws or the Declaration) will make any structural alteration, addition, improvement or repair in or to his Unit or its appurtenant Limited Common Elements without the prior written approval of the Board. If, however, the Board shall fail to answer any written, reasonably detailed request for such approval within 30 days after such request is received, such failure to respond will constitute the Board's consent thereto. Prior to, and as a condition of, the granting of any such approval, the Board may, at its sole option, require the Unit Owner to procure, and agree to maintain during the course of such work, such insurance as the Board may reasonably prescribe, and to execute an agreement, in form and substance satisfactory to the Board, setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the indemnity hereinafter referred to and the days and hours during which any such work may be done.

All alterations, additions, improvements and repairs by Unit Owners will be made in compliance with applicable building codes, rules and regulations. In connection therewith, the Unit Owner (or the Board, at the Unit Owner's expense, if any) will execute applications, to any departments of the City of New York, or to any other governmental agencies having jurisdiction thereof, for any and all permits required in connection with the making of alterations, additions, improvements or repairs in or to a Unit or its appurtenant restricted common elements, provided that where such work is of a structural nature was approved by the Condominium Board, if required, has been pursuant to the terms of the preceding paragraph.

Neither the Board nor any Unit Owner (other than the Unit Owner making or causing to be made any alteration, improvements, additions or repairs in or to his Unit and appurtenant Limited Common Elements) will incur any liability, cost or expense either, (i) in connection with the preparation, execution or submission of the applications referred to in the preceding paragraph; (ii) to any contractor, subcontractor, materialman, architect or engineer on account of any alterations, improvements, additions or repairs made or caused to be made by any Unit Owner; or (iii) to any person asserting any claim for personal injury or property damage arising therefrom. Any Unit Owner making or causing to be made any alterations, improvements, additions or repairs in or to his Unit and/or appurtenant Limited Common Elements will agree (in a writing executed and delivered to the Board, if the Board so requests), and will be deemed to agree (in the absence of such writing), to indemnify and hold the Board, the members of the Board, the officers of the Board, the Managing Agent and all other Unit Owners harmless from and against any such liability, cost and expense.

Section 7. Compensation. Managers and officers, as such, shall receive no compensation for their services, but shall be entitled to reimbursement for their reasonable and necessary out-of-pocket disbursements in connection with their duties as such.

Section 8. Meetings.

(a) The first meeting of each newly elected Board shall be held immediately upon adjournment of the meeting at which they were elected, provided a quorum shall then be present, or as soon thereafter as may be practicable. The annual meeting of the Board of Managers shall be held at the same place as the Unit Owners meetings. The time, date, places and regularly scheduled meetings of the Board shall be set at the first meeting of the Board of Managers.

(b) Regularly scheduled meetings of the Board may be held without special notice.

(c) Special meetings of the Board may be called by the President on 2 days notice to each Manager either personally or by telephone, mail or telegram. The President or Secretary shall also, upon the written request of at least three (3) managers, call special meetings in like manner and on like notice to those called by the President.

(d) At all meetings of the Board, a majority of the Managers shall be necessary and sufficient to constitute a quorum for the transaction of business. An act of the majority of the Managers present at any meeting at which there is a quorum shall be deemed to be the act of the Board of Managers, except as may be otherwise specifically provided by statute or by the Declaration or by these By-Laws. If a quorum shall not be present at any meetings of managers, the Managers present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until such time as a quorum shall be present.

(e) Before, or at any meeting of the Board of Managers, any Manager may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Manager at any meeting of the Board shall be the waiver of notice by him of the time and place thereof. If all the Managers are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

(f) Managers or members of any committee of the Board of Managers may participate in a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear one another.

Section 9. Annual Statement. The Board of Managers shall present and furnish to all Unit Owners, their mortgagees and the Department of Law of the State of New York (if legally required) at the annual meeting, and, when called for by a vote of the Unit Owners at any special meeting of the Unit Owners, a full and clear statement of the business conditions and affairs of the Condominium, including a balance sheet and profit and loss statement verified by an independent public accountant and a statement regarding any taxable income attributable to the Unit Owner. Such statement shall also include a notice of the holding of the annual Unit Owners meeting. Such annual statements shall be given not later than four months after the end of each fiscal year of the Condominium.

Section 10. Fidelity Bonds. The Board of Managers may require that all officers and employees of the Condominium handling or responsible for Condominium funds furnish adequate fidelity bonds. The premiums on such bonds shall be treated as a Common Charge.

Section 11. Managing Agent. If approved by a majority of the Unit Owners, the Board of Managers shall employ for the Condominium a managing agent under a term contract or otherwise at a compensation established by the Board, to perform such duties and services as the Board shall authorize including, but not limited to, such duties set forth in subsections (ii), (iii), (iv), (vi), (vii), and (x) of subsection (a) of Section 5 of this Article III, and such other duties as may, from time to time, be delegated by the Board of Managers; provided, however, that the Board of Managers shall not delegate duties and services except to the extent permitted by law.

Section 12. Liabilities of the Board of Managers and Unit Owners. Any contract, agreement, or commitment made by the Board of Managers shall state that it is made by the Board of Managers, as agent for the Unit Owners as a group only and that no member of the Board of Managers, nor individual Unit Owners shall be liable for such contract, agreement or commitment. The Unit Owners shall be liable as a group under such contract, agreement or commitment but the liability of each Unit Owner shall be limited to such proportion of the total liability thereunder as his common interest bears to the common interest of all Unit Owners. The Board of Managers shall have no liability to the Unit Owners in the management of the Condominium except for willful misconduct or bad faith and the Unit Owners shall severally indemnify all members of the Board of Managers against any liabilities or claims arising from acts taken by a member of the Board of Managers in accordance with his duties as such member, except acts of willful misconduct or acts made in bad faith. Such several liability of the Unit Owners shall, however, be limited as to each Unit Owner to such proportion of the total liability thereunder as such Unit Owner's common interest bears to the common interest of all Unit Owners.

ARTICLE IV

OFFICERS

Section 1. Elective Officers. The officers of the Condominium shall be chosen by the Board of Managers and shall be a president, a vice president, a secretary and a treasurer. The Board of Managers may also choose one or more assistant secretaries and assistant treasurers and such other officers as in their judgment may be necessary. All officers must be Unit Owners (including the parties set forth in Article III, Section 1 for non-individual Unit Owners) or members of the Board of Managers. Two or more offices may not be held by the same person.

Section 2. Election. The Board of Managers at its first meeting after each annual Unit Owners Meeting shall elect a president, a vice president, a secretary and a treasurer. Only the president must be a member of the Board.

Section 3. Appointive Officers. The Board may appoint such other officers and agents as it shall deem necessary. Such officers and agents shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

Section 4. Term. The officers shall hold office until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Managers may be removed with or without cause, at any time, by the affirmative vote of a majority of the entire Board of Managers. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Managers.

Section 5. The President. The President shall be the chief executive officer of the Condominium; he shall preside at all meetings of the Unit Owners and Managers, shall be an ex-officio member of all standing committees, shall have general and active management of the business of the Condominium, shall see that all orders and resolutions of the Board are carried into effect and shall have such other powers and duties as are usually vested in the office of President of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 6. The 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 and shall have such other powers and duties as are usually vested in the office of Vice President of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 7. The Secretary. The Secretary and/or Assistant Secretary shall attend all sessions of the Board and all Unit Owners' meetings and record all votes and the minutes of all proceedings in a book to be kept for that purpose, and shall perform like duties for the standing committees when required. He shall give, or cause to be given, notice of all Unit Owners meetings and special meetings of the Board of Managers, and shall perform such other duties as may be prescribed by the Board of Managers or by the President, under whose supervision he shall be.

Section 8. The Treasurer. The Treasurer shall have the custody of the condominium funds and securities and shall keep in books belonging to the Condominium full and accurate chronological accounts of receipts and disbursements, including the vouchers

related to such disbursements, and shall deposit (in such depositories as may be designated by the Board of Managers) all monies and other valuable effects in the name and to the credit of the Condominium.

He shall disburse the funds of the Condominium as may be ordered by the Board, making proper vouchers for such disbursements and shall render to the President and Managers, at the regular meeting of the Board or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Condominium.

He shall keep detailed financial records and books of account of the Condominium, including 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.

Section 9. Agreements, etc. All agreements and other instruments shall be executed on behalf of the Condominium by the President or such other person as may be designated by the Board of Managers.

ARTICLE V

NOTICES

Section 1. Definitions. Whenever under the provisions of the Declaration or of these By-Laws, notice is required to be given to the Board of Managers, any Manager or Owner, it shall not be construed except where specifically provided otherwise, to mean personal notice; but such notice may be given in writing, by mail, by depositing the same in a post office or letter box in a postpaid sealed wrapper, addressed to the President of the Board of Managers, such Manager or Unit Owner at such address as appears on the books of the Condominium.

Section 2. Service of Notice - Waiver. Whenever any notice is required to be given under the provisions of the Declaration, or by these By-Laws, a waiver thereof, in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE VI

FINANCES

Section 1. Checks. All checks or demands for money and notes of the Condominium shall be signed by the President and

at least one other such person or persons as the Board of Managers may from time to time designate.

Section 2. Assessments. The Board of Managers shall from time to time, but at least annually, fix and determine the budget representing the sum or sums necessary and adequate for the continued operation of the Condominium and shall send a copy of the budget and any supplement to the budget to every Unit Owner and Mortgagee. They shall determine the total amount required, including the operational items such as insurance, repairs, reserves, betterments, maintenance of the Common Elements and other operating expenses, as well as charges to cover any deficits from prior years. The total annual requirements shall be assessed as a single sum against all Units and prorated against each of said Units according to the respective common interests appurtenant to such Units. This proration of assessments shall remain constant regardless of the percentage of the building square footage included in each Unit or the common elements restricted to the use of the Owner of said Unit.

All of said assessments whether covering common expenses or special expenses, shall be deemed to be common charges and shall be payable in advance as ordered by the Board of Managers. In the event of a default in the payment of monthly common charge assessment by any Unit Owner, the Board, at its sole option, may declare the common charge assessment on said Unit Owner's Unit for the balance of the fiscal year immediately due and payable. Following a default, prior to making any such declaration the Board shall send notice to the delinquent Unit Owner and the mortgagee, if any, of such Unit giving the Unit Owner a five day grace period in which to make his payment. The Board may charge the delinquent Unit Owner a fee of not more than forty dollars to cover the additional burden to the Board occasioned by the lack of timely payment. Interest at the highest legal rate may also be collected by the Board on the common charge assessment from its due date to the date payment is actually received from the Unit Owner. Special assessments, should such be required, shall be levied and paid in the same manner as hereinabove provided for regular assessments. The Unit Owner agrees to pay promptly when due the monthly and all special assessments assessed against his own Unit. Any Unit Owner who fails to pay any assessment imposed by the Condominium to meet any common expense shall be liable for any expenses incurred by the Condominium in collecting said assessment including interest at the highest legal rate and reasonable attorneys fees. The Board shall have the right to take action (by way of foreclosure of the lien on such Unit in accordance with Section 339 of the Real Property Law or otherwise) to collect from any Unit Owner any common charges which remain unpaid 90 days from its due date.

No Unit Owner shall be liable for any common charges which

accrue against his Unit subsequent to a sale, transfer or other conveyance by him of his Unit in accordance with these By-Laws and the Declaration. A purchaser of a Unit (other than an institutional mortgagee as defined in the Declaration, or a purchaser at a foreclosure sale of such a mortgage) shall be liable for the payment of all common charges assessed against the Unit and unpaid at the time of the purchase.

Section 3. Foreclosure of Liens for Unpaid Common Charges. The Board shall have the power to purchase any Unit at a foreclosure sale resulting from any action brought by the Board to foreclose a lien on the Unit because of unpaid common charges. In the event of such purchase, the Board shall have the power to hold, lease, mortgage, vote, sell or otherwise deal with the Unit. A suit to recover a money judgment for unpaid common charges shall also be obtainable separately without waiving the lien on the Unit.

Section 4. Statement of Common Charges. Upon the written request of any Unit Owner or his mortgagee, the Board shall promptly furnish such Unit Owner or his mortgagee with a written statement of the unpaid common charges due from such Unit Owner.

Section 5. Liability for Water, Electricity and Gas. All electricity consumed in the Common Elements and all gas, water and heat consumed in the Units and in the Common Elements shall be a common expense. Electricity consumed in each Apartment shall be individually metered and all charges therefor paid for by the respective Unit Owner. Similarly, gas for cooking appliances shall be individually metered and all charges therefor paid by the Unit owner.

Section 6. Operating Account. There shall be established and maintained a cash deposit account to be known as the "Operating Account" into which shall be deposited the operating portion of all monthly and special assessments as fixed and determined for all Units. Disbursements from said account shall be for the general needs of the building's operation, including, but not limited to, wages, repairs, betterments, maintenance and other operating expenses of the Common Elements and for the purchase, lease, sale or other expenses resulting from the purchase or lease of Units.

Section 7. Other Accounts. The Board shall maintain any other accounts it shall deem necessary to carry out its purposes.

ARTICLE VII

INSURANCE

Section 1. Insurance to be Carried by the Board. The Board

of Managers shall be required to obtain and maintain, to the extent obtainable, the following insurance: fire insurance with extended coverage, water damage, and vandalism and malicious mischief endorsements insuring the building, including all of the Units (but not including furniture, furnishings or other personal property supplied or installed by Unit Owners), together with all heating, air conditioning and other service machinery contained therein, covering the interest of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as such interest may appear, in an amount equal to or greater than 80% of the replacement value of the Building or in a lesser amount with Agreed Endorsement Coverage so as to avoid co-insurance. Each of such 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 hereinafter set forth. All such policies shall provide that adjustment of loss shall be made by the Board of Managers, and that the net proceeds thereof shall be payable to the Board of Managers. The Board of Managers is hereby irrevocably appointed agent for each Unit Owner and for each Owner of a mortgage or other lien upon a Unit and for each owner of any other interest in the condominium property to adjust all claims arising under insurance policies purchased by the Board of Managers and to execute and deliver releases upon the payment of claims.

The fire insurance will commence with the closing of title to the first Unit and shall, until the first meeting of the Board of Managers following the first Unit Owners meeting, be in an amount at least equal to the amount set forth in Schedule B to the Offering Plan. The Board of Managers shall review the amount of fire insurance annually.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro rata liability of the insurer as a result of any insurance carried by Unit Owners or of the invalidity arising from any acts of the insured or any Unit Owners, and shall provide that such policies may not be cancelled or substantially modified without at least 10 days prior written notice to all of the insured, 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 10 days prior to expiration of the then current policies. 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, including all of the common elements appurtenant thereto, for the purpose of determining the amount of fire insurance to be effected pursuant to this Section.

The Board shall also obtain and maintain, to the extent applicable or obtainable: (1) workermen's compensation insurance; (2) comprehensive general liability insurance covering each member of the Board and each Unit Owner in order to limit the liability of Unit Owners for personal injury and tort, in such amounts as the Board may deem proper, and (3) such other insurance as the Board may from time to time deem appropriate. In addition, there shall be an umbrella policy of at least the amount set forth in Schedule B to the Offering Plan covering losses above such limits. The Board of Managers shall review all such limits once each year.

The comprehensive general liability insurance policy to be maintained until the first meeting of the Board of Managers following the first annual meeting of the Unit Owners, will be \$1,000,000 covering claims for death or bodily injury arising in the common elements and \$100,000 for claims for property damage arising in the common elements and including \$1,000,000 for officers and directors liability. The general liability insurance shall also cover cross liability claims of one insured against another.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit, provided that such policies contain waivers of subrogation, and further provided, that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

Section 2. Restoration 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 80% or more of the Units are destroyed or substantially damaged and 80% or more in number and common interest of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration), the Board of Managers shall arrange for the prompt repair and restoration of the Building (including any kitchen or bathroom fixtures initially installed therein by the Sponsor, any heating, air conditioning or other service machinery which is covered by insurance but not including any wall, ceiling or door decorations or coverings or other furniture, furnishings, fixtures or equipment installed by Unit Owners in the Units), and the Board of Managers 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 common expense and the Board of Managers may assess all the Unit Owners for such deficit as part of the Common Charges. In the event of a casualty loss, all Unit Owners shall continue to pay Common Charges.

ARTICLE VIII

USE OF UNITS

Each Apartment Unit shall be used only for residential purposes in compliance with the uses permitted under the Building's Certificate of Occupancy and all applicable laws. As set forth in Article NINETEENTH of the Declaration, Sponsor and its designees have the right to change the category and use of any Unsold Unit, subject to the applicable provisions of such Article NINETEENTH.

A Unit may be owned by an individual, corporation, partnership, fiduciary or any other entity and may only be occupied by (i) the individual Unit Owner (or members of his family or guests), (ii) an officer, director, stockholder or employee of such corporation (or members of his family or guests), (iii) a partner or employee of such partnership (or members of his family or guests), (iv) the fiduciary or beneficiary of such fiduciary (or members of his family or guests) or (v) a principal or employee of such other entity (or members of his family or guests), as the case may be. Unless otherwise consented to by the Board, occupants of a leased Unit must be (i) an individual lessee (or members of his family or guests), (ii) an officer, director, stockholder or employee of a corporate lessee (or members of his family or guests), (iii) a partner or employee of a partnership lessee (or members of his family or guests), (iv) a fiduciary or beneficiary of a fiduciary lessee (or members of his family or guests), or (v) a principal or employee of such other entity which is a lessee (or members of his family or guests). "Members of his family" or words of similar import whenever used herein shall be deemed to mean spouse, parents, parents-in-law, brothers, sisters, children and grandchildren and nothing contained herein shall be deemed to prohibit the exclusive occupancy of any Apartment Unit by such family members or guests. Notwithstanding the foregoing, the Board may consent to occupancy of a Unit by persons other than those set forth above.

No portion of a Unit (other than the entire Unit) may be sold, conveyed, leased or subleased.

The Sponsor may, without the permission of the Board use any Unsold Units (as hereinafter defined) or Units not offered for sale under the Plan as models and sales and/or promotion offices in connection with the sale or rental of the Units or for any other purpose, subject only to compliance with applicable governmental laws and regulations.

ARTICLE IX

HOUSE RULES

In addition to the other provisions of these By-Laws, the following house rules and regulations together with such additional rules and regulations as may hereafter be adopted by the Board of Managers shall govern the use of the Units and the conduct of all occupants thereof; provided that no such additional or amended rule or regulation may restrict or impair any rights of Sponsor or its designees under the Plan, Declaration and By-Laws, without such Owner's prior written consent.

Section 1. Owners of a Unit, members of their families, their employees, guests and their pets shall not use or permit the use of the premises in any manner which would be illegal or disturbing or a nuisance to other said Owners, or in such a way as to be injurious to the reputation of the Condominium.

Section 2. The Common Elements shall not be obstructed, littered, defaced or misused in any manner, except as provided for herein.

Section 3. Each Unit Owner shall be individually liable for any and all damage to the Common Elements and the property of the Condominium, which shall be caused by said Unit Owner or such other person for whose conduct he is legally responsible.

Section 4.

(a) Every Unit Owner must promptly perform all maintenance and repair work he is required to do to the interior and exterior of his Unit and to portions of the Common Elements irrevocably restricted to his use pursuant to the provisions of the Declaration and these By-Laws where, the failure to perform such maintenance or repair work, would affect the Condominium in its entirety or in a part belonging to other Unit Owners. A Unit Owner shall be expressly responsible for the damages and liabilities that his failure to do so may engender.

(b) Any repairs or maintenance work to any Unit shall only be performed between the hours of 8 a.m. to 5 p.m. Monday through Saturday, unless there is an emergency situation requiring immediate correction or the Board approves in writing other hours.

(c) All the repairs to internal installations of the Unit located in and servicing only that Unit, such as telephones and sanitary installations, shall be at the Unit Owner's expense.

Section 5.

(a) Each Unit Owner shall keep his Unit in a good state of repair 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.

(b) No radio or television aerial shall be attached to or hung from the exterior of the Unit, except such as shall have been approved in writing by the Board of Managers or the managing agent; nor shall anything be projected from any window of the Building without similar approval.

(c) 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 use.

(d) No Unit Owner shall make or permit any disturbing noises in his Unit, 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 at disturbing high volume a phonograph or a radio or television set or other loud speaker in such Owner's Unit between the hours of twelve o'clock midnight and the following seven o'clock a.m., if the same shall disturb or annoy other occupants of the Building, and in no event shall a Unit Owner practice or suffer to be practiced either vocal or instrumental music between the hours of ten o'clock p.m. and the following nine o'clock a.m.

(e) It is prohibited to hang garments, rugs, etc., from the windows or from the Building or to string clotheslines on or over the Common Elements (including the Limited Common Elements).

(f) No sign of any kind shall be displayed to the public view on or in any Unit.

(g) Patios shall be kept free from snow, ice and water and a Unit Owner shall not install or affix awnings, fences, or objects of any kind to the patios of his Unit without the written consent of the Board of Managers.

(h) No planters or plantings shall be installed on the roof without the prior written approval of the Board. Plantings and/or planters, where allowed, shall conform to the following:

(i) Plantings shall be contained in clay pots or boxes of wood bound with metal.

(ii) Boxes shall stand on supports at least four inches from the roof surface.

(iii) Pots must be placed on drainage saucers.

(iv) All planters must be placed a minimum of four inches from any wall, parapet, roof, fence or other planters.

(v) Suitable weep holes shall be provided in all planters to draw off water.

(vi) Planters with a soil depth greater than fourteen inches, must if other than in the rear yard be supported by grating which will properly distribute the weight.

(vii) No plants will be allowed to grow out over the parapet.

(viii) No plants will be allowed over eight feet in height will be permitted in the Common Elements or on any part of the roof.

(ix) No planter may be attached to, rest on or be suspended from any wall, parapet or fence.

(x) It shall be the responsibility of the Unit Owner to maintain the containers in good condition, and the drainage weep holes in operating condition.

Notwithstanding the foregoing provisions, Unit Owners shall promptly remove any planter upon demand by the Board if in the Board's reasonable judgment such planter is causing or may cause damage to the terrace surface below such planter.

(i) No one shall ride mopeds or skateboards on any portions of the Common Elements.

(j) No animals or reptiles of any kind shall be raised, bred, or kept in any Unit or on the Common Elements, except that dogs, cats or other household pets, not to exceed two per Unit, may be kept in the Units, subject to the rules and regulations adopted by the Board of Managers, provided that they are not kept, bred or maintained for any commercial purposes; and provided further that any such pet causing or creating a nuisance or unreasonable disturbance or noise shall be permanently removed

from the property subject to these restrictions upon three (3) days written notice from the Board of Managers. In no event shall any dog be permitted on any portion of the Common Elements not irrevocably restricted in use to the Owner of the Unit, unless carried or on a leash. Unit Owners shall be required to clean up after their pets at all times.

The provisions set forth above shall not be applicable to the Sponsor. The Sponsor, its designees, nominees and agents, shall have the right and privilege to maintain general and local sales offices in and about the Condominium, including any model Units located within the Building and shall have the right and privilege to have their representatives, employees and agents present on the Condominium premises to show the Units to prospective purchasers, to utilize the common elements, and, without limitation, to do any and all things necessary and incident to the sale of the Units, without charge or contribution other than in the form of Common Charge payments as otherwise provided for herein.

The Sponsor shall have the right to continue to employ signs of its choice upon the Condominium premises in its efforts to sell the Units. Incident to the rights and privileges provided for herein, the officers, employees, agents, contractors, guests and invitees of the Sponsor, its successors and assigns, shall have the right of ingress and egress to and throughout the common elements of the Condominium. The last two paragraphs of this Article IX may not be modified or amended without the written consent of the Sponsor so long as the Sponsor continues to own one or more Units.

ARTICLE X

CHANGES TO CONDOMINIUM

The Sponsor or its designees and other Unit Owners shall have the rights and obligations with respect to changes in the Condominium as set forth in Article NINETEENTH of the Declaration.

ARTICLE XI

DEFAULT

In the event a Unit Owner does not pay when due any sums, charges or assessments required to be paid, the Board of Managers shall notify the Unit Owner and the mortgagee, if any, of such Unit. In such an instance the Board may, at its sole option, declare the Common Charge assessment on said Unit Owner's Unit for the balance of the fiscal year immediately due and payable. Prior

to making any such declaration, following a default the Board shall send notice to the delinquent Unit Owner and the mortgagee, if any, of such Unit, giving the Unit Owner a five day grace period in which to make his payment. The Board may charge the delinquent Unit Owner a fee of not more than fifty dollars to cover the additional burden to the Board occasioned by the lack of timely payment. Interest at the highest legal rate may be collected by the Board on the common charge assessment from its due date to the date payment is actually received from the Unit Owner. If any sum, charge or assessment shall remain unpaid for 90 days after the giving of notice by the Board of Managers or Manager, acting on behalf of the Board, that the payment is overdue, the Board may foreclose the lien encumbering the Unit as a result of non-payment of the required monies as set forth in the Declaration (subject to the lien of any first mortgage), in the same manner as the foreclosure of a mortgage. In the event the owner of a Unit does not pay the assessment required to be paid by him within ninety (90) days of its due date, said Unit Owner shall be liable for the Condominium's reasonable costs and reasonable attorney's fees incurred by it incident to the collection or enforcement of such lien. In addition, if the Board brings an action to foreclose the aforementioned lien, the defaulting Unit Owner will be required to pay a reasonable rental for the use of his Unit, and the plaintiff in such foreclosure action will be entitled to the appointment of a receiver to collect such sum. All such interest, costs and expenses and rentals will be added to and will constitute common charges payable by such Unit Owner.

If any Unit Owner violates or breaches any of his obligations under the provisions of the Declaration or By-Laws, the Board will have the right to enjoin, abate or remedy the continuance or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity. The violation or breach of any of the terms of the Plan, Declaration and By-Laws with respect to any of the rights, easements, privileges or licenses granted to Sponsor or its designee will give to Sponsor or such designee the right to enjoin, abate or remedy the continuance or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity.

The remedies specifically granted to the Board, or to Sponsor or its designee in this Article XI, or elsewhere in the Plan, Declaration and By-Laws will be cumulative, will be in addition to all other remedies obtainable at law or in equity and may be exercised at one time or at different times, concurrently or in any order, in the sole discretion of the Board or Sponsor or such designee, as the case may be. Further, the exercise of any remedy will not operate as a waiver, or preclude the exercise, of any other remedy.

Each Unit Owner, for himself, his heirs, successors and assigns, agrees to the foregoing provisions relating to default, regardless of the harshness of the remedy available to the Condominium and regardless of the availability of other equally adequate legal procedures. It is the intent of all Unit Owners to give the Condominium a method and procedure which will enable it at all times to operate on a business-like basis, to collect those monies due and owing it from the Unit Owners and to preserve each Unit Owner's right to enjoy his Unit free from unreasonable restraint.

Subject to the terms and conditions contained in these By-Laws, any Unit Owner may convey his Unit, together with its appurtenant common interest, to the Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, without being compensated therefor, and, in such event, will become exempt from the payment of Common Charges thereafter accruing; provided, however, that: (i) all common charges then due and payable with respect to such Unit have been paid; (ii) such Unit is free and clear of all liens and encumbrances other than a first mortgage permitted hereunder and the statutory lien for unpaid common charges which are to be paid as aforesaid; and (iii) no substantial uncured violation of any provision of the Declaration or By-Laws then exists with respect to such Unit.

ARTICLE XII

AMENDMENTS

These By-Laws may be altered, amended or added to at any duly called Unit Owners meeting; provided: (1) that the notice of the meeting shall contain a full statement of the proposed amendment; (2) that the amendment shall be approved by eighty (80%) percent of the Unit Owners in number and common interest; and (3) said amendment shall be set forth in a duly recorded amendment to the By-Laws. However, no amendment shall materially adversely affect the validity or priority of any Unit Owner's interests or the interests of holders of a mortgage encumbering a Unit or Units, without the prior written consent of such Unit Owner and mortgagee, and no amendment shall affect or impair any rights granted or reserved to Sponsor or its designees under the Plan, Declaration and By-Laws without the prior written consent of Sponsor or its designees as the case may be.

ARTICLE XIII

SELLING, MORTGAGING AND LEASING UNITS

Section 1. Selling and Leasing of Units. No Unit Owner (other than the Sponsor or its designee or as otherwise specifically excepted by this Section) may convey his Unit or any interest therein by sale or lease except in the manner set forth in this Section.

Any Unit Owner who receives a bona fide written offer for the sale or lease of his Unit and who desires to accept such offer shall give written notice by registered mail to the Board of Managers of such offer and such intention together with the name and address of the proposed purchaser or lessee and the terms of the sale or lease, together with an offer to sell or lease such Unit to the Board of Managers on the same terms and conditions as contained in such offer. The giving of such notice shall constitute a warranty and representation by the Unit Owner to the Board of Managers that the Unit Owner has received such offer, believes it to be bona fide, and intends to accept it.

Immediately upon receipt of such notice, the Board may, if it believes accepting such offer to be in the best interest of the Condominium, call a special Unit Owners meeting to be held no more than five days after the receipt of such a notice for the purpose of voting upon the offer contained in such notice. Within ten days after receipt of such notice, the Board may elect to purchase or lease such Unit by giving written notice by registered mail to such Unit Owner of its intention to buy or lease such Unit on the same terms and conditions as contained in the offer and as stated in the notice from the Unit Owner. In the event the Board shall elect to purchase or lease such Unit, the closing of title or lease shall be held at the office of the attorneys for the Condominium sixty (60) days after the giving of notice by the Board of its election to accept said offer. In the event the Unit is being sold, the Unit Owner shall deliver at the closing a duly executed bargain and sale deed with covenant against grantor's acts in form and substance similar to the standard form of the New York Board of Title Underwriters. In the event the Unit is being leased, then at the closing the Unit Owner shall execute and deliver to the Board a lease on the same terms and conditions contained in the offer and notice sent by the Unit Owner.

In the event the Board shall fail to accept said offer as aforesaid, the Unit Owner shall be free to contract to sell or lease such Unit for a period of 90 days after the expiration of the period in which the Board might have accepted such offer, to the offeror whose name appears in the notice and on the same terms and conditions as set forth in such notice. In the event

of sale of the Unit resulting from a failure of the Board to accept such offer, the deed conveyed to the purchaser shall provide that the grantee upon acceptance of the deed assumes all of the provisions of the Declaration and these By-Laws. In the event of a lease of the Unit resulting from a failure of the Board to accept such offer, the lease conveyed to the lessee shall be consistent with the Declaration and these By-Laws and shall provide that it may not be modified, amended, extended, assigned or sublet without the prior consent in writing of the Board of Managers. Except as set forth herein, the form of such lease shall be the then current form of apartment lease recommended by the Real Estate Board of New York, Inc. with only such modifications as shall be approved in writing by the Board of Managers. In the event the Unit Owner shall not sell or lease the Unit within such sixty-day period, then he shall be again required to comply with all of the terms and provisions of this section before offering the Unit for sale or lease.

In order to purchase or lease any Unit offered for sale or lease in accordance with this section, the affirmative vote of at least 80% of all the Unit Owners cast at a special meeting called by the Board of Managers shall be necessary.

No Unit Owner shall in any event convey, mortgage, pledge, hypothecate, sell or lease his Unit unless and until all unpaid common charges assessed against his Unit shall have been paid to the Board of Managers. However, such unpaid common charges can be paid out of the proceeds from sale of a Unit or by the purchaser. Further, a Unit Owner may convey his Unit and his common interest appurtenant thereto, to the Board of Managers on behalf of all Unit Owners free of any cost to the Board or the Unit Owners and upon such conveyance in compliance with Article XI hereof such Unit Owner shall not be liable for any common charges thereafter accruing against such Unit.

Any sale or lease of any Unit in violation of this section shall be voidable at the election of the Board, and, if the Board shall so elect, the selling or leasing Unit Owner will be deemed to have authorized and empowered the Board to institute legal proceedings to eject the purported purchaser (in the event of an unauthorized sale) or to evict the purported tenant (in the event of an unauthorized leasing) in the name of such Unit Owner as the owner or landlord, as the case may be. Such Unit Owner will reimburse the Board for all costs and expenses paid or incurred in connection with such proceedings, including, without limitation, reasonable attorney's fees and court costs. The Sponsor, its assignees and designees may sell and/or lease Units to which any one of them holds title without prior approvals.

In the event that the Board shall elect to purchase or lease any such Unit, the Board may thereupon assess all other Unit

Owners for the costs of such purchase or lease. Such assessment shall be a common charge apportioned among the other Unit Owners pro rata according to the respective common interest appurtenant to the Units owned by such Unit Owners and shall be payable by them within thirty (30) days of the notice of such assessment.

In the event the Board shall not elect to purchase or lease any such Unit in accordance with the provisions of this section, then, on the request of the Unit Owner offering such Unit for sale or lease, the Board shall issue a written statement attesting to the fact that such offer was made and declined by the Board and including therein the terms and conditions of such offer. If the Board shall fail to call a meeting of Unit Owners as aforesaid with respect to the offer, it shall be deemed to have declined the offer.

The provisions of this section shall not apply to the acquisition or sale of a Unit by a mortgagee who shall acquire title to such Unit by foreclosure or by deed in lieu of foreclosure. Such provisions shall, however, apply to the sale or lease by any purchaser from such mortgagee. Notwithstanding anything to the contrary herein contained, there shall be no obligation to offer the Board a first right of refusal as aforesaid on any sale or lease of (i) any Unsold Unit prior to conveyance of same by the Sponsor or its designees to a bona fide purchaser, or (ii) any Unit by any individual Unit Owner to a member of his family as defined in Article VIII hereof or by any non-individual Unit Owner to any entity or individual which controls, is controlled by, or is under common control with such Unit Owner, or (iii) the Commercial Unit at any time.

Whenever the term "Unit" is referred to in this section it shall include the Unit, the Unit Owner's undivided interest in the common elements and the Unit Owner's interest in any Units acquired by the Board of Managers.

Section 2. Waiver of Partition Rights. The Unit Owners waive all of their voting rights concerning partition respecting any Unit acquired by the Board of Managers in accordance with this Article.

Section 3. Mortgaging of Units. No Unit Owner shall mortgage his Unit except by a mortgage loan granted by a federal or state savings and loan association, savings or commercial bank, life insurance company, pension fund, trust company, agency of the United States Government or of the City or State of New York or other similar institutional lender or a purchase money mortgage loan granted by the Seller of any Unit; provided that any past due common charges are paid in full at the time of placing any such mortgage. Any sum of money to be paid or any act to be

performed by a Unit Owner pursuant to the terms of the Declaration or By-Laws may be paid or performed by his permitted mortgagee, and the Condominium Board will accept such permitted mortgagee's payment or performance with the same force and effect as if the same were paid or performed by such Unit Owner.

Section 4. Gifts, etc. Any Unit Owner may convey or transfer his Unit by gift during his lifetime or devise his Unit by will or pass the same by intestacy, without restriction, except that the new Unit Owner shall be bound by and his Unit subject to all the provisions of the Declaration and By-Laws.

ARTICLE XIV

CONDEMNATION

In the event all or part of the common elements are taken in condemnation or eminent domain proceedings, the award from such proceedings shall be paid to the Board of Managers to be distributed in accordance with Section 2 of Article VII but in the following amounts:

(a) so much of the award as is applicable to unrestricted common elements, to the Unit Owners pro rata according to the respective common interests appurtenant to the Units owned by such Unit Owners;

(b) so much of the award as is applicable to irrevocably restricted common elements, to the Unit Owner having general use of such common elements.

In such eminent domain or condemnation proceeding, the Board shall request that the award shall set forth the amount allocated to unrestricted common elements and to each irrevocably restricted common element. In the event the award does not set forth such allocation then the question of such allocation shall be submitted to arbitration in New York City in accordance with the rules of the American Arbitration Association or any successor organization thereto.

ARTICLE XV

MISCELLANEOUS

Section 1. Insurance. Under no circumstances shall a Unit Owner permit or suffer anything to be done or left in his Unit which will increase the insurance rates on his Unit or any other Unit or on the common elements.

Section 2. Severability. Should any of the covenants, terms or provisions herein imposed be void or be or become unenforceable at law or in equity, the remaining provisions of these By-Laws shall, nevertheless, be and remain in full force and effect.

Section 3. Notice to Condominium. A Unit Owner who mortgages his Unit, shall notify the Condominium through the managing agent, if any, or the President of the Board of Managers in the event there is no managing agent, of the name and address of his mortgagee; and the Board of Managers shall maintain such information in a book entitled "Mortgagees of Units".

Section 4. Notice of Unpaid Assessment. The Board of Managers shall at the request of a mortgagee of a Unit, report any unpaid assessments due from the Unit Owner of such Unit.

Section 5. Examination of Books and Records. Every Unit Owner or his representative and mortgagee shall be entitled to examine the books and records of the Condominium at convenient hours of weekdays.

Section 6. Construction. Wherever the masculine singular form of the pronoun is used in these By-Laws, it shall be construed to mean the masculine, feminine or neuter; singular or plural, wherever the context so requires.

Section 7. Sponsor Controls. Notwithstanding any other provisions of these By-Laws, the By-Laws may not be amended to eliminate any rights expressly granted to the Sponsor without the Sponsor's express written consent. So long as the Sponsor or its designee shall continue to own Apartment Units representing 25% or more in number or interest in the common elements attributable to all Apartment Units or for five years after the closing of the first Unit, whichever is earlier, the Sponsor's prior written consent shall be required, if the resulting cumulative financial cost to the Condominium for the year, inclusive of any resulting deficiency or liability, would exceed 20% of the Condominium's prior year operating budget, to take any action to (a) make capital additions or improvements; (b) increase or decrease the level of services (without regard to the cost of said services) over those provided for in the prior year's operating budget; (c) establish additional reserve fund; or (d) borrow money.

Section 8. Violations. Any violation of any municipal law or ordinance placed on the Condominium or any Unit or common element thereof which is caused by or results from the acts or occupancy of any Unit Owner shall be promptly cured by and at the sole cost of such Unit Owner, and if not so cured may be cured by the Board at the Unit Owner's expense as provided in Article III, Section 6.

Section 9. Compliance with Applicable Rent Laws. The Board will operate the Building at the same level of services as those supplied on the date of recording the Declaration in accordance with the Rent Stabilization Law, General Business Law Section 352-eeee, and all other applicable rent laws, except for those services that are the obligation of Sponsor or its designees to provide the Unsold Units pursuant to the terms of the Declaration or these By-Laws. The Board will not impose any charge or fee upon the tenants or occupant of the Unsold Units for using the Common Elements or on account of any services provided to such tenants or occupants unless permitted by such applicable rent laws, and any such permitted charge or fee will be increased from time to time only to the extent allowed under such applicable rent laws.

Section 10. Compliance with Article 9-B. These By-Laws are set forth to comply with the requirements of Article 9-B of the Real Property Laws of the State of New York. In case any of these By-Laws conflict with the provisions of said Statute or the Declaration, the provisions of the Statute or of the Declaration, whichever the case may be, shall control.