
APARTMENT #

SHARES :

350 Bleecker Street Apartment Corp.

Lessor,

TO

Lessee

PROPRIETARY LEASE

TABLE OF CONTENTS

<u>Caption</u>	<u>Page</u>
Demised Premise; Term	1
Rent (Maintenance) How Fixed	1
Accompanying Share. to Be Specified in Proprietary Leases	2
Cash Requirements Defined	2
Authority Limited to Board of Directors	2
Issuance of Additional Shares.....	3
Paid-in-Surplus	3
Failure to Fix Cash Requirement.....	3
Lessor's Repairs	3
Services by Lessor	3
Damage to Apartment or Building	4
Rent Abatement	4
Expiration of Lease Due to Damage.....	4
Waiver of Subrogation	5
Inspection of Books of Account Annual Report	5
Changes in Terms and Conditions of Proprietary Leases	5
Penthouse, Terraces and Balconies.....	6
Assignment of Lessor's Rights Against Occupant	7
Cancellation of Prior Agreements.....	7
Quiet Enjoyment	7
Indemnity.....	7
Payment of Rent	7
House Rules.....	8
Use of Premises	8

<u>Caption</u>	<u>Page</u>
Subletting.....	9
Assignment.....	9
Consents: On Death of Lessee	10
Consents Generally: Stockholders' and Directors' Obligations to Consent	10
Release of Lessee Upon Assignment.....	10
Further Assignment or Subletting.....	11
Statement by Lessor	11
Pledge of Shares and Lease	11
Secured Party.....	11
Repairs By the Lessee	15
Odors and Noises	15
Equipment and Appliances	16
Rules and Regulations and Requirements of Mortgage .	16
Lessor's Right to Remedy Lessee's Defaults	16
Increase in Rate of Fire Insurance.....	17
Alterations.....	17
Removal of Fixtures	18
Surrender on Expiration of Term	18
Lease Subordinate to Mortgages and Ground Leases	19
Mechanic's Lien.....	20
Cooperation.....	20
Right of Entry; Key	20
Waivers.....	21
Notices.....	21
Reimbursement of Lessor's Expenses.....	21

<u>Caption</u>	<u>Page</u>
Lessor's Immunities	22
Storage Space and Laundry	22
Automobile. and Other Property	22
Window Cleaning	23
Termination of Lease by Lessor	23
Lessee Ceasing to own Accompanying Shares	23
Lessee Becoming a Bankrupt	24
Assignment, Subletting or Unauthorized Occupancy ...	24
Default in Rent	24
Default in Other Covenant	24
Lessee's Objectionable Conduct	25
Termination of All Proprietary Leases	25
Destruction of Building	25
Condemnation	25
Lessee's Default Under Security Agreement	25
Lessor's Rights After Lessee's Default	26
Collection of Rent from Subtenants	27
Sale of Shares	27
Waiver of Right of Redemption	28
Surrender of Possession	28
Lessee's Option to Cancel	28
Deposits Required	28
Removal of Fixtures; Possession	29
Permission to Show and Occupy Premises	29
Effective Date of Cancellation	29
Rights on Lessee's Default	30

<u>Caption</u>	<u>Page</u>
Extension of Option to Cancel	30
Right of Lessees to Cancel	30
Continuance of Cooperative Management of Building After All Leases Terminated	30
Unsold Shares	31
Subletting Apartment and Sale of Shares	31
Change in Form of Lease	32
Restriction on Cancellation	32
Foreclosure -- Receiver of Rents	32
To Whom Covenants Apply	33
Waiver of Trial by Jury	33
Lessor's Additional Remedies	33
Lessee More Than One Person	33
Effect of Partial Invalidity	33
Notice to Lessor of Default	34
Unity of Shares and Lease	34
Charges for Gas and Electricity	34
No Discrimination	35
Marginal Headings	35
Changes to Be in Writing	35
Certain Limitations on Lessor's Right to Increase Cash Requirements	35
Rights of Non-Purchasing Tenants in Occupancy	36
House Rules	38

PROPRIETARY LEASE

Proprietary Lease, made as of _____, 19____, by and between 350 Bleecker Street Apartment Corp., a New York Corporation, having an office at 350 Bleecker Street, New York, New York, hereinafter called the Lessor and _____, hereinafter called the Lessee.

Whereas, the Lessor is the owner of the land and the building erected thereon in the County of New York known as and by the street number 350 Bleecker Street hereinafter called the "building", and

Whereas, the Lessee is the owner of _____ shares of the Lessor, to which this lease is appurtenant and which have been allocated to Apartment _____ in the building;

Demised Premises; Term

Now, therefore, in consideration of the premises, the Lessor hereby leases to the Lessee, and the Lessee hires from the Lessor, subject to the terms and conditions hereof, Apartment ___ in the building (hereinafter referred to as the apartment) for a term from _____, 19____, until December 31, 2075 unless sooner terminated as hereinafter provided). As used herein "the apartment" means the rooms in the building as partitioned on the date of the execution of this lease designated by the above-stated apartment number, together with their appurtenances and fixtures and any closets, terraces, balconies, roof or portion thereof outside of said partitioned rooms, which are allocated exclusively to the occupant of the apartment.

Rent (Maintenance) How Fixed

1. (a) The rent (sometimes called maintenance) payable by the Lessee for each year, or portion of a year, during the term shall equal the proportion of the Lessor's cash requirements for such year, or portion of a year, which the number of shares of Lessor allocated to the apartment bears to the total number of share. of the Lessor issued and outstanding on the date of the determination of such cash requirements. Such maintenance shall be payable in equal monthly installments in advance on the first day of each month, unless the Board of Directors of the Lessor (hereinafter called Directors) at the time of its determination of the cash requirements shall otherwise direct. Lessee shall also pay Lessee's pro rata share (determined in the same manner as maintenance) of any special assessment that may be levied by Lessor from time to time to pay for any repair, alteration, or improvement to the corporate

property, or any deficit from operations for a prior period, or other cash requirements. Such special assessment shall be deemed additional rent and shall be payable in a lump sum or in periodic installments, a. the Directors shall determine The Lessee shall also pay such additional rent as may be provided for herein when due.

Accompanying Shares to Be Specified in Proprietary Leases

(b) In every proprietary lease heretofore executed by the Lessor there has been specified, and in every proprietary lease hereafter executed by it there will be specified, the number of shares of the Lessor issued to a lessee simultaneously therewith, which number, in relation to the total number of shares of the Lessor issued and outstanding, shall constitute the basis for fixing, as hereinbefore provided, the proportionate share of the Lessor's cash requirements which shall be payable as rent by the Lessee.

Cash Requirements Defined

(c) "Cash requirements" whenever used herein shall mean the estimated amount in cash which the Directors shall from time to time in its judgment determine to be necessary or proper for (1) the operation, maintenance, care, alteration and improvement of the corporate property during the year or portion of the year for which such determination is made; (2) the creation of such reserve for contingencies, repairs, replacements and general operations as it may deem proper; and (3) the payment of any obligations, liabilities or expenses incurred or to be incurred, after giving consideration to (i) income expected to be received during such period (other than rent from proprietary lessees), and (ii) cash on hand which the Directors in its discretion may choose to apply. The Directors may from time to time modify its prior determination and increase or diminish the amount previously determined as cash requirements of the corporation for a year or portion thereof. No determination of cash requirements shall have any retroactive effect on the amount of the rent payable by the lessee for any period prior to the date of such determination. All determinations of cash requirements. shall be conclusive as to all lessees

Authority Limited to Board of Directors

(d) Whenever in this paragraph or any other paragraph of this lease, a power or privilege is given to the Directors, the same may be exercised only by the Directors, and in no event may any such power or privilege be exercised by a creditor, receiver or trustee.

Issuance of Additional Shares

(e) If the Lessor shall hereafter issue shares (whether now or hereafter authorized) in addition to those issued on the date of the execution of this lease, the holders of the shares hereafter issued shall be obligated to pay rent at the same rate as the other proprietary lessees from and after the date of issuance. If any such shares are issued on a date other than the first or last day of a month, the rent for the month in which issued shall be apportioned. The cash requirements as last determined shall, upon the issuance of such shares, be deemed increased by an amount equal to such rent.

Paid-in Surplus

(f) The Directors may from time to time determine how much of the maintenance and other receipts, when received, shall be credited on the corporate accounts to "Paid-in-Surplus". (but not more than such amount as represents payments on account of principal of mortgages on the property and other capital expenditures)

Failure to Fix Cash Requirements

(g) The failure of the Directors to determine the Lessor's cash requirements for any year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof, or a release of the Lessee from the obligation to pay the maintenance or any installment thereof, but the maintenance computed on the basis of the cash requirements as last determined for any year or portion thereof shall thereafter continue to be the maintenance until a new determination of cash requirements shall be made.

Lessor's Repairs

2. The Lessor shall at its expense keep the building in good repair, including all of the apartments, the sidewalks and courts surrounding the same, and its equipment and apparatus except those portions the maintenance and repair of which are expressly stated to be the responsibility of the Lessee pursuant to Paragraph 18 hereof

Services by Lessor

3. The Lessor shall maintain and manage the building as a first class apartment building, and shall keep the elevators and the public halls, cellars and stairways clean and properly lighted and heated, and shall provide the number of attendants requisite, in the judgment of the Directors, for the proper care and service of the

building, and shall provide the apartment with a proper and sufficient supply of hot and cold water and of heat, and if there be central air conditioning equipment supplied by the Lessor, air conditioning when deemed appropriate by the Directors. The covenant. by the Lessor herein contained are subject, however, to the discretionary power of the Directors to determine from time to time what services and what attendants shall be proper and the manner of maintaining and operating the building, and also what existing services shall be increased, reduced, changed, modified or terminated.

Damage to Apartment or Building

4. (a) If the apartment or the means of access thereto or the building shall be damaged by fire or other cause covered by multiperil policies commonly carried by cooperative corporations in New York City (any other damage to be repaired by Lessor or Lessee pursuant to Paragraphs 2 and 18, as the case may be), the Lessor shall at its own cost and expense, with reasonable dispatch after receipt of notice of said damage, repair or replace or cause to be repaired or replaced with materials of a kind and quality then customary in buildings of the type of the building, the building, the apartment, and the means of access thereto, including the walls, floors, ceilings, pipes, wiring and conduits in the apartment. Anything in this Paragraph or Paragraph 2 to the contrary notwithstanding, Lessor shall not be required to repair or replace, or cause to be repaired or replaced, equipment, fixtures, furniture, furnishings or decoration. installed by the Lessee or any of his predecessors in interest nor shall the Lessor be obligated to repaint or replace wallpaper or other decorations in the Apartment or to refinish floors located therein.

Rent Abatement

(b) In case the damage resulting from fire or other cause shall be so extensive as to render the apartment partly or wholly untenable, or if the means of access thereto shall be destroyed, the rent hereunder shall proportionately abate until the apartment shall again be rendered wholly tenantable or the means of access restored; but if said damage shall be caused by the act or negligence of the Lessee or the agent., employees, guests or members of the family of the Lessee or any occupant of the apartment, such rental shall abate only to the extent of the rental value insurance, if any, collected by Lessor with respect to the apartment.

Expiration of Lease Due to Damage

(c) If the Directors shall determine that (i) the

building is totally destroyed by fire or other cause, or (ii) the building is so damaged that it cannot be repaired within a reasonable time after the loss shall have been adjusted with the insurance carrier., or (iii) the destruction or damage was caused by hazards which are not covered under the Lessor's insurance policies then in effect, and if in any such case the record holders of at least two-thirds of the issued shares at a shareholders' meeting duly called for that purpose held within 120 days after the determination by the Directors, shall vote not to repair, restore or rebuild, then upon the giving of notice pursuant to Paragraph 31 hereof, this Lease and all other proprietary lease. and all right, title and interest of the parties thereunder and the tenancies thereby created, shall hereupon wholly cease and expire and rent shall be paid to the date of such destruction or damage. The Lessee hereby waives any and all rights under Section 227 of the Real Property Law and in no event shall the Lessee have any option or right to terminate this Lease, except as provided herein.

Waiver of Subrogation

(d) Lessor agrees to use its best efforts to obtain a provision in all insurance policies carried by it waiving the right of subrogation against the Lessee; and, to the extent that any loss or damage is covered by the Lessor by any insurance policies which contain such waiver of subrogation, the Lessor releases the Lessee from any liability with respect to such loss or damage. In the event that Lessee suffers loss or damage for which Lessor would be liable, and Lessee carries insurance which covers such loss or damage and such insurance policy or policies contain a waiver of subrogation against the Landlord, then in such event Lessee releases. Lessor from any liability with respect to such loss or damage.

Inspection of Book. of Account Annual Report

5. The Lessor shall keep full and correct books of account at its principal office or at such other place as the Directors may from time to time determine, and the same shall be open during all reasonable hours to inspection by the Lessee or a representative of the Lessee. The Lessor shall deliver to the Lessee within a reasonable time after the end of each fiscal year an annual report of corporate financial affairs, including a balance sheet and a statement of income and expenses, certified by an independent certified public account.

Changes in Terms and Conditions of Proprietary Leases

6. Each proprietary lease shall be in the form of this lease, unless a variation of any lease is authorized by

at least two-thirds of the Lessor's shares then issued and executed by the Lessor and Lessee affected. The form and provisions of all the proprietary leases then in effect and thereafter to be executed may be changed by the approval of lessees owning at least 2/3 of the Lessor's shares then issued, and such changes shall be binding on all lessees even if they did not vote for such changes except that the proportionate share of rent or cash requirements payable by any lessee may not be increased nor may his right to cancel the lease under the conditions set forth in Paragraph 35 be eliminated or impaired without his express consent. Approval by lessees as provided for herein shall be evidenced by written consent or by affirmative vote taken at a meeting called for such purpose. Notwithstanding the foregoing, in no event shall any change in the form of proprietary lease and any of the provisions thereof be made which shall adversely affect certain rights granted to (i) purchasers of Unsold Shares (pursuant to Paragraph 38 hereof) or (ii) the Secured Party (its successors or assigns) as set forth in Paragraph 17(b) below, unless all such purchasers of Unsold Shares and the Secured Party affected thereby shall have unanimously agreed to each such change.

Penthouse, Terraces and Balconies

7. If the apartment includes a terrace, balcony, maid's room or a portion of the roof adjoining a penthouse, the Lessee shall have and enjoy the exclusive use of the terrace, maid's room, balcony or that portion of the roof appurtenant to the penthouse, subject to the applicable provisions of this lease and to the use of the terrace, balcony or roof by the Lessor to the extent herein permitted. The Lessee's use thereof shall be subject to such regulations as may, from time to time, be prescribed by the Directors. The Lessor shall have the right to erect equipment on the roof, including radio and television aerials and antennas, for its use and the use of the lessees in the building and shall have the right of access thereto for such installations and for the repair thereof. The Lessee shall keep the terrace, balcony, maid's room or portion of the roof appurtenant to his apartment clean and free from snow, ice, leaves and other debris and shall maintain all screens and drain boxes in good condition. No planting, fences, structures or lattices shall be erected or installed on the terraces, balconies or roof of the building without the prior written approval of the Lessor. No cooking shall be permitted on any terraces, balconies or the roof of the building, nor shall the walls thereof be painted by the Lessee without the prior written approval of the Lessor. Any planting or other structures erected by the Lessee or his predecessor in interest may be removed and restored by the Lessor at the expense of the Lessee for the purpose of repairs, upkeep or maintenance of the building.

Assignment of Lessor's Rights Against Occupant

8. If at the date of the commencement of this lease, any third party shall be in possession or have the right to possession of the apartment, then the Lessor hereby assigns to the Lessee all of the Lessor's rights against said third party from and after the date of the commencement of the term hereof, and the Lessee by the execution hereof assumes all of the Lessor's obligation. to said third party from said date. The Lessor agrees to cooperate with the Lessee, but at the Lessee's expense, in the enforcement of the Les-ee's right. against said third party.

Cancellation of Prior Agreements

9. If at the date of the commencement of this lease, the Lessee has the right to possession of the apartment under any agreement or statutory tenancy, this lease shall supersede such agreement or statutory tenancy which shall be of no further effect after the date of commencement of this lease, except for claims theretofore arising thereunder.

Quiet Enjoyment

10. The Lessee, upon paying the rent and performing the covenants and complying with the conditions on the part of the Lessee to be performed as herein set forth, shall, at all times during the term hereby granted, quietly have, hold and enjoy the apartment without any let, suit, trouble or hindrance from the Lessor, subject, however, to the rights of present tenants or occupants of the apartment, and subject to any and all mortgages and any underlying or overriding lease or ground lease (any such lease being hereinafter collectively called "ground lease") of the land or building, or both as provided in Paragraph 22 below.

Indemnity

11. The Lessee agrees to save the Lessor harmless from all liability, loss, damage and expense arising from injury to person or property occasioned by the failure of the Lessee to comply with any provision hereof, or due wholly or in part to any act, default or omission of the Lessee or of any person dwelling or visiting in the apartment, or by the Lessor, its agents, servants or contractors when acting as agent for the Lessee as in thi. lease provided. This paragraph shall not apply to any loss or damage when Lessor is covered by insurance which provides for waiver of subrogation against the Lessee.

Payment of Rent

12. The Lessee will pay the rent to the Lessor upon

the terms and at the times herein provided, without any deduction on account of any set-off or claim which the Lessee may have against the Lessor, and if the Lessee shall fail to pay any installment of rent promptly, the Lessee, if Lessor shall in its discretion so demand, shall pay interest thereon at the maximum legal rate from the date when such installment shall have become due to the date of the payment thereof, and such interest shall be deemed additional rent hereunder.

House Rules

13. The Lessor has adopted House Rules which are appended hereto; and the Directors may alter, amend or repeal such House Rules and adopt new House Rules. Such House Rules which, when a copy thereof has been furnished to the Lessee, shall be taken to be part hereof, and the Lessee hereby covenants to comply with all such House Rules and see that they are faithfully observed by the family, guests, employees and subtenants of the Lessee. Breach of a House Rule shall be a default under this lease. The Lessor shall not be responsible to the Lessee for the nonobservance or violation of House Rules by any other lessee or person.

Use of Premises

14. The Lessee shall not, without the written consent of the Lessor on such conditions as Lessor may prescribe, occupy or use the apartment or permit the same or any part hereof to be occupied or used for any purpose other than as a private dwelling for the Lessee and Lessee's family, guests and domestic employees; and in no event shall more than one couple occupy the apartment without the written consent of the Lessor. In addition to the foregoing, the apartment may be occupied from time to time by (a) a person with whom the lessee is cohabiting, and (b) guests of the Lessee for a period of time not exceeding one month, unless a longer period is approved in writing by the Lessor, but no such guests may occupy the apartment unless one or more of the permitted adult residents are then in occupancy or unless consented to in writing by the Lessor. Notwithstanding the foregoing, (a) Lessee may use the apartment for any home occupation use permitted under applicable zoning law, building code or other rules and regulations of governmental authorities having jurisdiction and (b) the Lessee who is a holder of a block of Unsold Shares (defined in Paragraph 38 below) shall have the right to use the apartment as a model or an office (or both) in connection with the sale or rental of apartment to which the Unsold Shares are allocated or for any other lawful purpose.

Subletting

15. Except as provided in Paragraph 17(b) and 38 of this lease, the Lessee shall not sublet the whole or any part of the apartment or renew or extend any previously authorized sublease, unless consent thereto shall have been duly authorized by a resolution of the Directors, or given in writing by a majority of the Director. or, if the Directors shall have failed or refused to give such consent, by Lessees owning at least 65% of the then issued and outstanding shares of the Lessor. Consent by Lessees as provided for herein shall be evidenced by written consent or by affirmative vote taken at a meeting called for such purpose. Any consent to subletting may be subject to such conditions as the Directors or Lessees, as the case may be, may impose. There shall be no limitation on the right of Directors or Lessees to grant or withhold consent to a subletting for any or no reason except as limited by law or the provisions of paragraph 48 hereof. No consent to a subletting shall operate to release the Lessee from any obligation hereunder.

Assignment

16. (a) The Lessee shall not assign this lease or transfer the shares to which it is appurtenant or any interest therein, and no such assignment or transfer shall take effect as against the Lessor for any purpose, until

(i) An instrument of assignment in form approved by Lessor executed and acknowledged by the assignor shall be delivered to the Lessor; and

(ii) An agreement executed and acknowledged by the assignee in form approved by Lessor assuming and agreeing to be bound by all the covenants and conditions of this lease to be performed or complied with by the Lessee on and after the effective date of said assignment shall have been delivered to the Lessor, or, at the request of the Lessor, the assignee shall have surrendered the assigned lease and entered into a new lease in the same form for the remainder of the term, in which case the Lessee's lease shall be deemed cancelled as of the effective date of said assignment; and

(iii) All shares of the Lessor to which this lease is appurtenant shall have been transferred to the assignee, with proper transfer taxes paid and stamps affixed; and

(iv) All sums due from the Lessee shall

have been paid to the Lessor, together with a sum to be fixed by the Directors to cover reasonable legal and other expenses of the Lessor and its managing agent in connection with such assignment and transfer of shares (subject to Paragraph 17(b) and 38 hereof; and

(v) A search or certification from a title or abstract company as the Directors may require shall be delivered to Lessor; and

(vi) Except in the case of an assignment, transfer or bequest of the shares and this lease to the Lessee's spouse or adult siblings or parents, and except as otherwise provided in Paragraphs 17(b) and 38 of this lease, consent to such assignment shall have been authorized by resolution of the Directors, or given in writing by a majority of the Directors or, if the Directors shall have failed or refused to give such consent within 30 days after submission of references to them or Lessor's agent, then by lessees owning of record at least 65% of the then issued shares of the Lessor. Consent by lessees as provided for herein shall be evidenced by written consent or by affirmative vote taken at a meeting duly called for such purpose.

Consents: On Death of Lessee

(b) If the Lessee shall die, consent shall not be unreasonably withheld to an assignment of the lease and shares to a financially responsible member of the Lessee's family (other than the Lessee's spouse, adult siblings or parents as to whom no consent is required).

Consents Generally: stockholders' and Directors' Obligations to Consent

(c) There shall be no limitation, except as above specifically provided, on the rights of Directors or lessees to grant or withhold consent, for any reason or for no reason, to an assignment. An assignment from a lessee to anyone who at the time of said assignment is already a stockholder of Lessor shall not require the consent of Directors or lessees.

Release of Lessee Upon Assignment

(d) If the lease shall be assigned in compliance herewith, the Lessee-assignor shall have no further liability on any of the covenants of this lease to be thereafter performed.

Further Assignment or Subletting

(e) Regardless of any prior consent theretofore given, neither the Lessee nor his executor, nor administrator, nor any trustee or receiver of the property of the Lessee, nor anyone to whom the interests of the Lessee shall pass by law, shall be entitled further to assign this lease, or to sublet the apartment, or any part thereof, except upon compliance with the requirements of this lease.

Statement by Lessor

(f) If this lease is then in force and effect, Lessor will, upon request of Lessee, deliver to the assignee a written effect; but no such statement shall be deemed an admission that there is no default under the lease.

Pledge of Shares and Lease

17. (a) A pledge of this lease and the shares to which it is appurtenant shall not be a violation of this lease: but, except as otherwise provided elsewhere herein, neither the pledgee nor any transferee of the pledged security shall be entitled to have the shares transferred of record on the books of the Lessor, nor to vote such shares, nor to occupy or permit the occupancy by others of the apartment, nor to sell such shares or this lease, without first obtaining the consent of the Lessor in accordance with and after complying with all of the provisions of paragraphs 14, 15 or 16, as the case may be. The acceptance by Lessor of payments by the pledgee or any transferee of the pledged security on account of rent or additional rent shall not constitute a waiver of the aforesaid provisions.

Secured Party

(b) Notwithstanding the provisions of subparagraph (a) of this Paragraph 17 or any other provision of this lease to the contrary, the following provisions of this Paragraph shall govern and be binding.

(i) The Lessor agrees that it shall give to any holder of a security interest in the shares of the Lessor specified in the recitals of this lease or mortgagee of this lease who so requests (any such holder being hereinafter referred to as a "Secured Party") a copy of any notice of default which the Lessor gives to the Lessee pursuant to the terms of this lease, and if the Lessee shall fail to cure the default specified in such notice within the time and in the manner provided for in this lease, then the Secured Party shall have an additional period of time, equal to the time originally given to the Lessee, to cure said default for the

account of the Lessee or to cause same to be cured, and the Lessor will not act upon said default unless and until the time in which the Secured Party may cure said default or cause same to be cured, as aforesaid, shall have elapsed and the default shall not have been cured.

(ii) If this lease is terminated by the Lessor as provided in Paragraphs 31 or 35 of this lease, or by agreement with the Lessee, (1) the Lessor promptly shall give notice of such termination to the Secured Party and (2) upon request of the Secured Party made within thirty (30) days of the giving of such notice, the Lessor (i) shall commence and prosecute a summary dispossess proceeding to obtain possession of the apartment, and (ii) shall, within sixty (60) days of its receipt of the aforesaid request by the Secured Party, reissue the aforementioned shares to, and (with respect to any termination other than under Paragraph 36 below) shall enter into a new proprietary lease for the apartment with, any individual designated by the Secured Party, or the individual nominee of the individual so designated by the Secured Party, all without the consent of the Directors or the shareholders to which reference is made in Paragraph 16 (a) (vi) and 32 (c) but with the consent only of the Lessor's then managing agent which shall not be unreasonably withheld or delayed, provided, however, that the Lessor shall have received payment of all rent, additional rent and other sums owed by the Lessee to the Lessor under this lease for the period ending on the date of reissuance of the aforementioned shares of the Lessor including, without limitation, sums owed under Paragraphs 32 (a) and (c) of this lease. The individual designated by the Secured Party, if and as long as such individual (by himself or a member of his family) does not actually occupy the apartment, shall have all of the rights provided for in Paragraphs 15, 16, 21 and 38 of this lease as if he were a holder of Unsold Shares; and accordingly, no surplus shall be payable by the Lessor to the Lessee as otherwise provided in Paragraph 32 (c).

(iii) If the purchase by the Lessee of the shares allocated to the apartment was financed by a loan made by a bank, savings bank or savings and loan association and a default or an event of default shall have occurred under the terms of the security agreement or leasehold mortgage entered into between the Lessee and the Secured Party, and if (1) notice of said default or event of default shall have been given to the Lessor, (2) an individual designated by the Secured Party, or the individual nominee of the individual so designated by the Secured Party, shall be entitled to become the owner of the shares and the lessee under this lease pursuant to the terms of said security agreement or leasehold mortgage (3) not less than five

days' written notice of an intended transfer of the shares and this lease shall have been given to the Lessor and the Lessee, (4) there has been paid all rent, additional rent and other sums owed by the Lessee to the Lessor under this lease for the period ending on the date of transfer of the aforementioned shares and (5) the Lessor shall be furnished with such affidavits, certificates, and opinions of counsel, in form and substance reasonably satisfactory to the Lessor, indicating that the foregoing conditions (1) through (4) have been met, then (a) a transfer of the shares and the proprietary lease shall be made to such individual, upon request, and without the consent of the Directors or the shareholders to which reference is made in Paragraph 16(a) (vi) but with the consent only of the Lessor's then managing agent which shall not be unreasonably withheld or delayed, and (b) the individual to whom such transfer is made (if and as long as such individual (by himself or a member of his family) does not actually occupy the apartment) shall have all of the rights provided for in Paragraphs 15, 16, 2t and 38 of this lease as if he were a holder of Unsold Shares.

(iv) Without the prior written consent of any Secured Party who has requested a copy of any notice of default as hereinbefore provided in subparagraph (a) of this Paragraph 39, (a) the Lessor and the Lessee will not enter into any agreement modifying or cancelling this lease, (b) no change in the forms, terms or conditions of this lease, as permitted by Paragraph 6, shall eliminate or modify any rights, privileges or obligations of a Secured Party as set forth in this Paragraph 17, (c) the Lessor will not terminate or accept a surrender of this lease, except as provided in Paragraphs 31 or 35 of this lease and in subparagraph (b) (i) of this Paragraph 17, (d) the Lessee will not assign this lease or sublet the apartment, (e) any modification, cancellation, surrender, termination or assignment of this lease or any sublease of the apartment not made in accordance with the provisions hereof shall be void and of no effect, (f) the Lessor will not consent to any further mortgage on this lease or security interest created in the shares, (g) the Lessee will not make any further mortgage or create any further security interest in the shares or this lease, and (h) any such further mortgage or security interest shall be void and of no effect.

(v) Any designee of a Secured Party to whom a transfer of a lease shall have been made pursuant to the terms of this subparagraph (b) may cancel this lease under the terms of Paragraph 35 hereof; except that such designee (a) may cancel this lease at any time after the designee acquires this lease and the shares appurtenant hereto due to foreclosure of the security agreement or leasehold mortgage; (b)

need give only thirty (30) days' notice of its intention to cancel; and (c) may give such notice at any time during the calendar year.

(vi) A Secured Party claiming or exercising any of the rights and privileges granted it pursuant to the provisions of this subparagraph (b) shall be deemed to have agreed to indemnify Lessor for all loss, liability or expense (including reasonable attorneys' fees) arising out of claims by Lessee, or his successors or assigns, against Lessor or the Secured Party, or their respective successors or assigns, for acts or omissions to act on the part of either Lessor or Secured Party, or their respective successors or assigns, pursuant to this subparagraph (b). Lessor will give the Secured Party written notice with reasonable promptness of any such claim against Lessor; and the Secured Party may contest such claim in the name and on behalf of Lessor with counsel selected by the Secured Party at the Secured Party's sole expense. Lessor shall execute such papers and do such things as are reasonably necessary to implement the provisions of this subpart (vi).

(vii) Upon Lessee's final payment under the loan given by the Secured Party or upon prepayment of said loan, Secured Party will give Lessor notice of such final payment or prepayment (as the case may be).

(viii) Upon request of the purchaser of Unsold Shares (referred to in Paragraph 38 below), Lessor shall enter into an agreement (commonly known as a "Recognition Agreement") with a Secured Party pursuant to which Lessor will acknowledge and agree that the foregoing provisions of this subparagraph (b) shall ensure to the benefit of, and apply to, the Secured Party. The Recognition Agreement may contain such additional or different provisions as the Secured Party may request and Lessor shall execute and deliver same to Lender provided only that such additional or different provisions are approved by counsel to Lessor (which approval may not be unreasonably withheld or delayed and shall be given or deemed given if same are of substantially similar tenor to the provisions of this subparagraph (b)). All costs and expenses incurred by Lessor in connection with such Recognition Agreement (including legal fees) shall be borne entirely by Lessor, and no charge therefor may be assessed to said purchaser of Unsold Shares, or his successors or assigns, including the individual acquiring this lease and the appurtenant shares from the purchaser of Unsold Shares. The provisions of this subpart (viii) shall not apply to a lessee who is not a purchaser of Unsold Shares.

(ix) Subject to the provisions of subpart (viii)

above, a Recognition Agreement between a Lender and Lessor may contain such additional or different provisions as the Lessor and said Lender may agree to.

Repairs by the Lessee

18. (a) The Lessee shall take possession of the apartment and its appurtenance and fixtures "as is" as of the commencement of the term hereof. Subject to the provisions of Paragraph 4 above, the Lessee shall keep the interior of the apartment (including interior walls, floors and ceilings, but excluding windows, window panes, window frames, sashes, sills, entrance door., frames and saddles) in good repair, shall do all of the painting and decorating required to his apartment, including the interior of window frames, sashes and sills, and shall be solely responsible for the maintenance, repair, and replacement of plumbing, gas and heating fixtures and equipment and such refrigerators, dishwashers, removable and through-the-wall air conditioners, washing machines, ranges and other appliances, as may be in the apartment. Plumbing, gas and heating fixtures as used herein shall include exposed gas, steam and water pipes attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which the Lessee may install within the wall or ceiling, or under the floor, but shall not include gas, steam, water or other pipes or conduits within the walls, ceilings or floors or air conditioning or heating equipment which is part of the standard building equipment. The Lessee shall be solely responsible for the maintenance, repair and replacement of all lighting and electrical fixtures, appliances, and equipment, and all meters, fuse boxes or circuit breakers and electrical wiring and conduits from the junction box at the riser into and through the Lessee's apartment. Any ventilator or air conditioning device which shall be visible from the outside of the building shall at all time. be painted by the Lessee in a standard color which the Lessor may select for the building. Lessee shall be solely responsible for the maintenance, repair and replacement of doors leading from the apartment to any maid's room, penthouse, terrace or balcony or any solarium and for the maintenance and repair of any terrace or balcony floor and to prevent water leaks therefrom or from any wall adjoining a terrace or balcony.

Odors and Noises

(b) The Lessee shall not permit unreasonable cooking or other odors to escape into the building. The Lessee shall not permit or suffer any unreasonable noise or anything which will interfere with the rights of other lessees or unreasonably annoy them or obstruct the public halls or stairways.

Equipment and Appliances

(c) If, in the Lessor's sole judgment, any of the Lessee's equipment or appliances shall result in damage to the building or poor quality or interruption of service to other portions of the building, or overloading of, or damage to facilities maintained by the Lessor for the supplying of water, gas, electricity or air conditioning to the building, or if any such appliances visible from the outside of the building shall become rusty or discolored, the Lessee shall promptly, on notice from the Lessor, remedy the condition and, pending such remedy, shall cease using any appliance or equipment which may be creating the objectionable condition.

Rules and Regulations and Requirements of Mortgage

(d) The Lessee will comply with all the requirements of the Board of Fire Underwriters, insurance authorities and all governmental authorities and with all laws, ordinances, rules and regulations with respect to the occupancy or use of the apartment. If any mortgage or ground lease affecting the land or the building shall contain any provisions pertaining to the right of the Lessee to make changes or alterations in the apartment, or to remove any of the fixtures, appliances, equipment or installations, the Lessee herein shall comply with the requirement of such mortgage or mortgages and ground lease relating thereto. Upon the Lessee's written request, Lessor will furnish Lessee with copies of applicable provisions of each and every such mortgage.

Lessor's Right to Remedy Lessee's Defaults

19. If the Lessee shall fail for 30 days after notice to make repairs to any part of the apartment, its fixtures or equipment as herein required, or shall fail to remedy a condition which has become objectionable to the Lessor for reasons above set forth, or if the Lessee or any person dwelling in the apartment shall request the Lessor, its agents or servants to perform any act not hereby required to be performed by the Lessor, the Lessor may make such repairs, or arrange for others to do the same, or remove such objectionable condition or equipment, or perform such act, without liability on the Lessor; provided that, if the condition requires prompt action, notice of less than 30 days may be given or, in case of emergency, no notice need be given. In all such cases the Lessor, its agents, servants and contractors shall, as between the Lessor and Lessee, be conclusively deemed to be acting as agents of the Lessee and all contracts therefor made by the Lessor shall be so construed whether or not made in the name of the

Lessee. If Lessee shall fail to perform or comply with any of the other covenants or provisions of this lease within the time required by a notice from Lessor (not less than 5 days), then Lessor may, but shall not be obligated, to comply herewith, and for such purpose may enter upon the apartment of Lessee. The Lessor shall be entitled to recover from the Lessee all expense incurred or for which it has contracted hereunder, such expenses to be payable by the Lessee only and a. additional rent.

Increase in Rate of Fire Insurance

20. The Lessee shall not permit or suffer anything to be done or kept in the apartment which will increase the rate of fire insurance on the building or the contents thereof. If, by reason of the occupancy or use of the apartment by the Lessee, the rate of fire insurance on the building or an apartment or the contents of either shall be increased, the Lessee shall (if such occupancy or use continues for more than 30 days after written notice from the Lessor specifying the objectionable occupancy or use) become personally liable for the additional insurance premiums incurred by Lessor or any lessee or lessees of apartments in the building on all policies so affected, and the Lessor shall have the right to collect the same for its benefit or the benefit of any such lessees as additional rent for the apartment due on the first day of the calendar month following written demand therefor by the Lessor.

Alterations

21. (a) The Lessee shall not, without first obtaining the written consent of the Lessor, which consent shall not be unreasonably withheld or delayed, make in the apartment or building, or on any roof, penthouse, terrace or balcony appurtenant thereto, any alteration, enclosure or addition or any alteration of or addition to the water, gas, or steam risers or pipes, heating or air conditioning system or units, electrical conduits, wiring or outlets, plumbing fixtures, intercommunication or alarm system, or any other installation or facility in the apartment or building. The performance by Lessee of any work in the apartment shall be in accordance with any applicable rules and regulations of the Lessor and governmental agencies having jurisdiction thereof. The Lessee shall not in any case install any appliances which will overload the existing wires or equipment in the building. Anything herein or in subparagraph (b) below to the contrary notwithstanding, the consent of the Lessor shall not be required for any of the foregoing alterations, enclosures or additions made by, or the removal of any additions, improvements or fixtures from the apartment by, a holder of Unsold Shares.

Notwithstanding the foregoing, no additions, alterations or improvements shall be made by a holder of Unsold Shares in the public areas of the building or in any apartment not leased to such holder of Unsold Shares without first obtaining the consent of the Lessor (which consent shall not be unreasonably withheld or delayed) and (if applicable) the lessee of such other apartment.

Removal of Fixtures

(b) Without Lessor's written consent, the Lessee shall not remove any fixtures, appliances, additions or improvements from the apartment except as hereinafter provided. If the Lessee, or a prior lessee, shall have heretofore placed, or the Lessee shall hereafter place in the apartment, at the Lessee's own expense, any additions, improvements, appliances or fixtures, including but not limited to fireplace mantels, lighting fixtures, refrigerators, air conditioners, dishwashers, washing machines, ranges, woodwork, wall paneling, ceilings, special doors or decorations, special cabinet work, special stair railings or other built-in ornamental items, which can be removed without structural alterations or permanent damage to the apartment, then title thereto shall remain in the Lessee and the Lessee shall have the right, prior to the termination of this lease, to remove the same at the Lessee's own expense, provided: (i) that the Lessee at the time of such removal shall not be in default in the payment of rent or in the performance or observance of any other covenants or conditions of this lease; (ii) that the Lessee shall, at the Lessee's own expense, prior to the termination of this lease, repair all damage to the apartment which shall have been caused by either the installation or removal of any of such additions, improvements, appliances or fixtures; (iii) that if the Lessee shall have removed from the apartment any articles or materials owned by the Lessor or its predecessor in title, or any fixtures or equipment necessary for the use of the apartment, the Lessee shall either restore such articles and materials and fixtures and equipment and repair any damage resulting from their removal and restoration, or replace them with others of a kind and quality customary in comparable buildings and satisfactory to the Lessor; (iv) that if any mortgagee had acquired a lien on any such property prior to the execution of this lease, Lessor shall first procure from such mortgagee its written consent to such removal, and any cost and expense incurred by the Lessor in respect thereof shall have been paid by the Lessee; and (v) that prior to any such removal, the Lessee shall give written notice thereof to the Lessor.

Surrender on expiration of Term

(c) On the expiration or termination of this lease,

shall surrender to the Lessor possession of the apartment with all additional, improvements, appliances and fixtures then included therein, except as hereinabove provided. Any additions, improvements, fixtures or appliances not removed by the Lessee on or before such expiration or termination of this lease, shall, at the option of the Lessor, be deemed abandoned and shall become the property of the Lessor and may be disposed of by the Lessor without liability or accountability to the Lessee. Any other personal property not removed by the Lessee at or prior to the termination of this lease may be removed by the Lessor to any place of storage and stored for the account of the Lessee without the Lessor in any way being liable for trespass, conversion or negligence by reason of any acts of the Lessor or of the Lessor's agents, or of any carrier employed in transporting such property to the place of storage, or by reason of the negligence of any person in caring for such property while in storage.

Lease Subordinate to Mortgages and Ground Leases

22. This lease is and shall be subject and subordinate to all present and future ground leases and to any mortgages now or hereafter liens upon such leases or on the land and building or buildings, and to any and all extensions, modifications, consolidations, renewals and replacements thereof and to all security agreements and chattel mortgages on personal property covered by any ground lease or mortgage. This clause shall be self-operative and no further instrument of subordination shall be required by any such mortgagee or ground lessee. In confirmation of such subordination the Lessee shall at any time, and from time to time, on demand, execute any instruments that may be required by any mortgagee, or by the Lessor, for the purpose of more formally subjecting this lease to the lien of any such mortgage or mortgages or ground leases, and the duly elected officers, for the time being, of the Lessor are and each of them is hereby irrevocably appointed the attorney-in-fact and agent of the Lessee to execute the same upon such demand, and the Lessee hereby ratifies any such instrument hereafter executed by virtue of the power of attorney hereby given.

In the event that a ground lease is executed and delivered to the holder of a mortgage or mortgages on such ground lease or to a nominee or designee of or a corporation formed by or for the benefit of such holder, the Lessee hereunder will attorn to such mortgagee or the nominee or designee of such mortgagee or to any corporation formed by or for the benefit of such mortgagee.

Mechanic's Lien

23. In case a notice of mechanic's lien against the building shall be filed purporting to be for labor or material furnished or delivered at the building or the apartment to or for the Lessee, or anyone claiming under the Lessee, the Lessee shall forthwith cause such lien to be discharged by payment, bonding or otherwise; and if the Lessee shall fail to do so within ten days after notice from the Lessor, then the Lessor may cause such lien to be discharged by payment, bonding or otherwise, without investigation as to the validity thereof or of any offsets or defenses thereto, and shall have the right to collect, as additional rent, all amounts so paid and all costs and expenses paid or incurred in connection therewith, including reasonable attorney's fees and disbursements, together with interest thereon from the time or times of payment.

Cooperation

24. The Lessee shall always in good faith endeavor to observe and promote the cooperative purposes for the accomplishment of which the Lessor is incorporated.

Right of Entry; Key

25. The Lessor and its agents and their authorized workmen shall be permitted to visit, examine, or enter the apartment and any storage space assigned to Lessee at any reasonable hour of the day upon notice, or at any time and without notice in case of emergency, to make or facilitate repairs in any part of the building or to cure any default by the Lessee and to remove such portions of the walls, floors and ceilings of the apartment and storage space as may be required for any such purpose, but the Lessor shall thereafter restore the apartment and storage space to its proper and usual condition at Lessor's expense if such repairs are the obligation of Lessor or at Lessee's expense if such repairs are the obligation of Lessee or are caused by the act or omission of the Lessee or any or the Lessee's family, guests, agents, employees or subtenants. In order that the Lessor shall at all times have access to the apartment or storage rooms for the purposes provided for in this lease, the Lessee shall provide the Lessor with a key to each lock providing access to the apartment or the storage rooms, and if any lock shall be altered or new lock installed, the Lessee shall provide the Lessor with a key thereto immediately upon installation. If the Lessee shall not be personally present to open and permit an entry at any time when an entry therein shall be necessary or permissible hereunder and shall not have furnished a key to Lessor, the Lessor or the Lessor's agents (but, except in an

emergency, only when specifically authorized by an officer of the Lessor or an officer of the managing agent of Lessor) may forcibly enter the apartment or storage space without liability for damages by reason thereof (if during such entry the Lessor shall accord reasonable care to the Lessee's property), and without in any manner affecting the obligations and covenants of this lease. The right and authority hereby reserved do not impose, nor does the Lessor assume by reason thereof, any responsibility or liability for the care or supervision of the apartment, or any of the pipes, fixtures, appliances or appurtenances therein contained, except as herein specifically provided.

Waivers

26. The failure of the Lessor to insist, in any one or more instances, upon a strict performance of any of the provisions of this lease, or to exercise any right or option herein contained, or to serve any notice, or to institute any action or proceeding, shall not be construed as a waiver, or a relinquishment for the future, of any such provisions, options or rights, but such provision, option or right shall continue and remain in full force and effect. The receipt by the Lessor of rent, with knowledge of the breach of any covenant hereof, shall not be deemed a waiver of such breach, and no waiver by the Lessor of any provision hereof shall be deemed to have been made unless in a writing expressly approved by the Directors.

Notices

27. Any notice by or demand from either party to the other shall be duly given only if in writing and sent by certified or registered mail, return receipt requested: if by the Lessee, addressed to the Lessor at the building with a copy sent by regular mail to the Lessor's managing agent; if to the Lessor, addressed to the building. Either party may by notice served in accordance herewith designate a different address for service of such notice or demand. Notices or demands shall be deemed given on the date when mailed, except notices of change of address shall be deemed served when received.

Reimbursement of Lessor's Expenses

28. If the Lessee shall at any time be in default hereunder and the Lessor shall incur any expense (whether paid or not) in performing acts which the Lessee is required to perform, or in instituting any action or proceeding based on such default, or defending, or asserting a counterclaim in any action or proceeding brought by the Lessee, the expense thereof to the Lessor, including reasonable

attorney's fees and disbursements, shall be paid by the Lessee to the Lessor, on demand, as additional rent.

Lessor's Immunities

29. (a) The Lessor shall not be liable, except by reason of Lessor's negligence, for any failure or insufficiency of heat, or of air conditioning (where air conditioning is supplied or air conditioning equipment is maintained by the Lessor), water supply, electric current, gas, telephone, or elevator service or other service to be supplied by the Lessor hereunder, or for interference with light, air, view or other interests of the Lessee. No abatement of rent or other compensation or claim of eviction shall be made or allowed because of the making or failure to make or delay in making any repairs, alterations or decorations to the building, or any fixtures or appurtenances therein, or for space taken to comply with any law, ordinance or governmental regulation, or for interruption or curtailment of any service agreed to be furnished by the Lessor, due to accidents, alterations or repairs, or to difficulty or delay in securing supplies or labor or other cause beyond Lessor's control, unless due to Lessor's negligence.

Storage Space and Laundry

(b) If the Lessor shall furnish to the Lessee any storage bins or space, the use of the laundry, or any facility outside the apartment, including but not limited to a television antenna, the same shall be deemed to have been furnished gratuitously by the Lessor under a revocable license. The Lessee shall not use such storage space for the storage of valuable or perishable property and any such storage space for the storage of valuable or perishable property and any such storage space assigned to Lessee shall be kept by Lessee clean and free of combustibles. If washing machines or other equipment are made available to the Lessee, the Lessee shall use the same on the understanding that such machines or equipment may or may not be in good order and repair and that the Lessor is not responsible for such equipment, nor for any damage caused to the property of the Lessee resulting from the Lessee's use thereof, and that any use that Lessee may make of such equipment shall be at his own cost, risk and expense.

Automobiles and Other Property

(c) The Lessor shall not be responsible for any damage to any automobile or other vehicle left in the care of any employee of the Lessor by the Lessee, and the Lessee hereby agrees to hold the Lessor harmless from any liability

arising from any injury to person or property caused by or with such automobile or other vehicle while in the care of such employee. The Lessor shall not be responsible for any property left with or entrusted to any employee of the Lessor, or for the loss of or damage to any property within or without the apartment by theft or otherwise.

Window Cleaning

30. The Lessee will not require, permit, suffer or allow the cleaning of any window in the premises from the outside (within the meaning of Section 202 of the New York Labor Law) unless the equipment and safety devices required by law, ordinance, rules and regulations, including, without limitation, Section 202 of the New York Labor Law, are provided and used, and unless the industrial code of the State of New York is fully complied with; and the Lessee hereby agrees to indemnify the Lessor and its employees, as a result of the Lessee's requiring, permitting, suffering or allowing any window in the premises to be cleaned from the outside in violation of the requirements of the aforesaid laws, ordinances, regulations and rules.

Termination of Lease by Lessor

31. If upon, or at any time after, the happening of any events mentioned in subdivisions (a) to (j) inclusive of this Paragraph 31, the Lessor shall give to the Lessee a notice stating that the term hereof will expire on a date at least five days thereafter, the term of this lease shall expire on the date so fixed in such notice as fully and completely as if it were the date herein definitely fixed for the expiration of the term, and all right, title and interest of the Lessee hereunder shall thereupon wholly cease and expire, and the Lessee shall thereupon quit and surrender the apartment to the Lessor, it being the intention of the parties hereto to create hereby a conditional limitation and thereupon the Lessor shall have the right to re-enter the apartment and to remove all persons and personal property therefrom, either by summary dispossession proceedings, or by any suitable action or proceeding at law or in equity, or by force or otherwise, and to repossess the apartment in its former estate as if this lease had not been made, and no liability whatsoever shall attach to the Lessor by reason of the exercise of the right of re-entry, repossession and removal herein granted and reserved.

Lessee Ceasing to Own Accompanying Shares

(a) If the Lessee shall cease to be the owner of the shares to which this lease is appurtenant, or if this lease shall pass or be assigned to anyone who is not then the owner of all said shares;

Lessee Becoming a Bankrupt

(b) If at any time during the term of this lease (i) the then holder hereof shall be adjudicated a bankrupt under the laws of the United States; or (ii) a receiver of all property of such holder or of this lease shall be appointed under any provision of the laws of the State of New York, or under any statute of the United States, or any statute of any state of the United States and the order appointing such receiver shall not be vacated within thirty days; or (iii) such holder shall make a general assignment for the benefit of creditors; or (iv) any of the shares owned by such holder to which this lease is appurtenant shall be duly levied upon under the process of any court whatever unless such levy shall be discharged within thirty days; or (v) this lease or any of the shares to which it is appurtenant shall pass by operation of law or otherwise to anyone other than the Lessee herein named or a person to whom such Lessee has assigned this lease in the manner herein permitted, but this subsection (v) shall not be applicable if this lease shall devolve upon the executors or administrators of the Lessee and provided that within eight (8) months (which period may be extended by the Directors) after the death of the Lessee this lease and shares shall have been transferred to an assignee in accordance with Paragraph 16 hereof; or (vi) this lease or any of the shares to which it is appurtenant shall pass to anyone other than the Lessee herein named by reason of a default by the Lessee under a pledge, security agreement or a leasehold mortgage made by the Lessee;

Assignment, Subletting or Unauthorized Occupancy

(c) If there be an assignment of this lease, or any subletting hereunder, without full compliance with the requirements of Paragraphs 15 or 16 hereof; or if any person not authorized by Paragraph 14 shall be permitted to use or occupy the apartment, and the Lessee shall fail to cause such unauthorized person to vacate the apartment within ten days after written notice from the Lessor;

Default in Rent

(d) If the Lessee shall be in default for a period of one month in the payment of any rent or additional rent or of any installment thereof and shall fail to cure such default within ten days after written notice from the Lessor;

Default in Other Covenants

(e) If the Lessee shall be in default in the performance of any covenant or provision hereof, other than

the covenant to pay rent, and such default shall continue for thirty days after written notice from the Lessor; provided, however, that if said default consists of the failure to perform any act the performance of which requires any substantial period of time, then if within said period of thirty days such performance is commenced and thereafter diligently prosecuted to conclusion without delay and interruption, the Lessee shall be deemed to have cured said default.

Lessee's Objectionable Conduct

(f) If at any time the Lessor shall determine, upon the affirmative vote of two-thirds of its then Board of Directors, at a meeting duly called for that purpose, that because of objectionable conduct on the part of the Lessee, or of a person dwelling or visiting in the apartment, repeated after written notice from Lessor, the tenancy of the Lessee is undesirable; (it being understood, without limiting the generality of the foregoing, that repeatedly to violate or disregard the House Rules hereto attached or hereafter established in accordance with the provisions of this lease, or to permit or tolerate a person of dissolute, loose or immoral character to enter or remain in the building or the apartment, shall be deemed to be objectionable conduct);

Termination of All Proprietary Leases

(g) If at any time the Lessor shall determine, upon the affirmative vote of two-thirds of its then Board of Directors at a meeting of such directors duly called for that purpose, and the affirmative vote of the record holders of at least 80% in amount of its then issued shares, at a shareholders' meeting duly called for that purpose, to terminate all proprietary leases;

Destruction of Building

(h) If the building shall be destroyed or damaged and the shareholders shall decide not to repair or rebuild as provided in Paragraph 4;

Condemnation

(i) If at any time the building or a substantial portion thereof shall be taken by condemnation proceedings;

Lessee's Default Under Security Agreement

(j) If Lessee shall default in the payment or performance of any of Lessee's obligations under any pledge

or other security agreement (the "Security Agreement") given a Secured Party (who has complied with the provisions of said Paragraph 17 (b)), and written notice of such default is given to Lessor by the Secured Party or its counsel.

Lessor's Rights After Lessee's Default

32. (a) In the event the Lessor resumes possession of the apartment, either by summary proceedings, action of ejectment or otherwise because of default by the Lessee in the payment of any rent or additional rent due hereunder, or on the expiration of the term pursuant to a notice given as provided in Paragraph 31 hereof upon the happening of any event specified in subsections (a) to (f) inclusive or (j) of Paragraph 31, Lessee shall continue to remain liable for payment of a sum equal to the rent which would have become due hereunder and shall pay the same in installment of such rent or additional rent shall prejudice the right of the Lessor to recover any subsequent installment. After resuming possession, the Lessor may, at its option, from time to time (i) relet the apartment for its own account, or (ii) relet the apartment as the agent of the lessee, in the name of the Lessee or in its own name, for a term or terms which may be less than or greater than the period which would otherwise have constituted the balance of the term of this lease, and may grant concessions or free rent, in its discretion. Any reletting of the apartment shall be deemed for the account of the Lessee, unless within ten days after such reletting the Lessor shall notify the Lessee that the premises have been relet for the Lessor's own account. The fact that the Lessor may have relet the apartment as agent for the Lessee shall not prevent the Lessor from thereafter notifying the Lessee that it proposes to relet the apartment for its own account. If the Lessor relets the apartment as agent for the Lessee, it shall after reimbursing itself for its expenses in connection therewith, including leasing commissions and a reasonable amount for attorneys' fees and expenses, and decorations, alterations and repairs in and to the apartment, apply the remaining avails of such reletting against the Lessee's continuing obligations hereunder. There shall be a final accounting between the Lessor and the Lessee upon the earliest of the following four dates: (A) the date of expiration of the term of this lease as stated on page 1 hereof; (B) the date as of which a new proprietary lease covering the apartment shall have become effective (C) the date the Lessor gives written notice to the Lessee that it has relet the apartment for its own account; (D) the date upon which all proprietary leases of the Lessor terminate. From and after the date upon which the Lessor becomes obligated to account to the Lessee, as above provided, the Lessor shall have no further

duty to account to the Lessee for any avails of reletting and the Lessee shall have no further liability for sums thereafter accruing hereunder, but such termination of the Lessee's liability shall not affect any liabilities theretofore accrued.

Collection of Rent from Subtenants

(b) If the Lessee shall at any time sublet the apartment and shall default in the payment of any rent or additional rent, the Lessor may, at its option, so long as such default shall continue, demand and receive from the subtenant the rent due or becoming due from such subtenant to the Lessee, and apply the amount to pay sums due and to become due from the Lessee to the Lessor. Any payment by a subtenant to the Lessor shall constitute a discharge of the obligation of such subtenant to the Lessee to the extent of the amount so paid. The acceptance of rent from any subtenant shall not be deemed a consent to or approval of any subletting or assignment by the Lessee, or a release or discharge of any of the obligations of the Lessee hereunder.

Sale of Shares

(c) Upon the termination of this lease under the provisions of subdivision (a) to (f) inclusive or (j) of Paragraph 31, the Lessee shall surrender to the corporation the certificate for the shares of the corporation owned by the Lessee to which this lease is appurtenant. Whether or not said certificate is surrendered, the Lessor may issue a new proprietary lease for the apartment and issue a new certificate for the shares of the Lessor owned by the Lessee and allocated to the apartment when a purchaser therefor is obtained, provided that the issuance of such shares and such lease to such purchaser is authorized by a resolution of the Directors, or by a writing signed by a majority of the Directors or by lessees owning, of record, at least a majority of the shares of the Lessor accompanying proprietary leases then in force. Upon such issuance the certificate owned or held by the Lessee shall be automatically cancelled and rendered null and void. The Lessor shall apply the proceeds received for the issuance of such shares first, towards the payment of Lessee's indebtedness hereunder (including interest, attorneys' fees and other expenses incurred by the Lessor); second, if said termination shall result pursuant to subdivision (j) of Paragraph 31 by reason of a default under the Security Agreement towards the payment of Lessee's indebtedness under the Security Agreement (including all costs, expenses and charges payable by Lessee thereunder); and, third, if the proceeds are sufficient to pay the foregoing, the Lessor shall pay over any surplus to the Lessee, but, if insufficient, the Lessee

shall remain liable for the balance of the indebtedness due hereunder and (if applicable) under said Security Agreement. Upon the issuance of any such new proprietary lease and certificate, the Lessee's liability hereunder shall cease and the Lessee shall only be liable for rent and expenses accrued to that time. The Lessor shall not, however, be obligated to sell such shares and appurtenant lease or otherwise make any attempt to mitigate damages.

Waiver of Right of Redemption

33. The Lessee hereby expressly waives any and all right of redemption in case the Lessee shall be disposed by judgement or warrant of any court or judge. The words "enter", and "re-entry" as used in this lease are not restricted to their technical legal meaning.

Surrender of Possession

34. Upon the termination of this lease under the provisions of subdivisions (a) to (f) inclusive or (j) of Paragraph 31, the Lessee shall remain liable as provided in Paragraph 32 of this lease. Upon the termination of this lease under any other of its provisions, the Lessee shall be and remain liable to pay all rent, additional rent and other charges due or accrued and to perform all covenants and agreements of the Lessee up to the date of such termination. On or before any such termination the Lessee shall vacate the apartment and surrender possession thereof to the Lessor or its assigns, and upon demand of the Lessor or its assigns, shall execute, acknowledge and deliver to the Lessor or its assigns any instrument which may reasonably be required to evidence the surrendering of all estate and interest of the Lessee in the apartment or in the building of which it is a part.

Lessee's Option to Cancel

35. (a) This lease may be cancelled by the Lessee on any September 30th after the third anniversary of the consummation of the Plan of cooperative organization pursuant to which proprietary leases were originally issued upon complying with all the provisions hereinafter set forth. Irrevocable written notice of intention to cancel must be given by the Lessee to the Lessor on or before April 1 in the calendar year in which such cancellation is to occur. At the time of the giving of such notice of intention to cancel there must be deposited with the Lessor by the Lessee:

Deposits Required

- (1) the Lessee's counterpart of this lease

with a written assignment in form required by the Lessor, in blank, effective as of August 31 of the year of cancellation, free from all subleases, tenancies, liens, encumbrances, pledges, security interests and other charges whatsoever (except rights of occupancy of third parties existing on the date the Lessor acquires title to the building);

(2) the Lessee's certificate for his shares of the Lessor, endorsed in blank for transfer and with all necessary transfer tax stamps affixed or with payment of any transfer taxes due thereon;

(3) a written statement setting forth in detail those additions, improvements, fixtures or equipment which the Lessee has under the terms of this lease the right to and intends to remove.

Removal of Fixtures; Possession

(b) All additions, improvements, appliances and fixtures which are removable under the terms of this lease and which are enumerated in the statement made as provided in subdivision (iii) above shall be removed by the Lessee prior to August 31st of the year of cancellation, and on or before said August 31st the Lessee shall deliver possession of the apartment to the Lessor in good condition with all required equipment, fixtures and appliances installed and in proper operating condition and free from all subleases and tenancies, liens, encumbrances, pledges, security interests and other charges and pay to the Lessor all rent, additional rent and other charges which shall be payable under this lease up to and including the following September 30th.

Permission to Show and Occupy Premises

(c) The Lessor and its agents may show the apartment to prospective lessees, contractors and architects at reasonable times after notice of the Lessee's intention to cancel. After August 31st or the earlier vacating of the apartment, the Lessor and its agents, employees and lessees may enter the apartment, occupy the same and make such alterations and additions therein as the Lessor may deem necessary or desirable without diminution or abatement of the rent due hereunder.

Effective Date of Cancellation

(d) If the Lessee is not otherwise in default hereunder and if the Lessee shall have timely complied with

all of the provisions of subdivisions (a) and (b) hereof, then this lease shall be cancelled and all rights, duties and obligations of the parties hereunder shall cease as of the September 30th fixed in said notice, and the shares of Lessor shall become the absolute property of the Lessor, provided, however, that the Lessee shall not be released from any indebtedness owing to the Lessor on said last mentioned date.

Rights on Lessee's Default

(e) If the Lessee shall give the notice but fail to comply with all of the other provisions of this paragraph, the Lessor shall have the option at any time prior to September 30th (i) of returning to the Lessee this lease, the certificate for shares and other documents deposited, and thereupon the Lessee shall be deemed to have withdrawn the notice of intention to cancel this lease, or (ii) of treating this lease as cancelled as of the September 30th named in the notice of intention to cancel as the date for the cancellation of such lease, and bringing such proceedings and actions as it may deem best to enforce the covenants of the Lessee hereinabove contained and to collect from the Lessee the payments which the Lessee is required to make hereunder, together with reasonable attorneys' fees and expenses.

Extension of Option to Cancel

36. (a) If on April 1st in any year the total number of shares owned by lessees holding proprietary leases who have given notice pursuant to Paragraph 35 of intention to cancel such proprietary leases on September 30th of said year shall aggregate ten percent (10%) or more of the Lessor's outstanding shares, exclusive of treasury shares, then the Lessor shall, prior to April 30th in such year, give a written notice to the holder of all issued shares of the Lessor stating the total number of shares then outstanding and in its treasury and the total number of shares owned by lessees holding proprietary leases who have given notice of intention to cancel. In such case the proprietary lessees to whom such notice shall have been given shall have the right to cancel their leases in compliance with the provisions of Paragraph 35 hereof, provided only that written notice of the intention to cancel such leases shall be given on or before the following July 1st instead of the preceding April 1st.

Right of Lessees to Cancel

(b) If lessees owning at least 80% of the then issued and outstanding shares of the Lessor shall exercise

the option to cancel their leases in one year, then this and all other proprietary leases shall thereupon terminate on the September 30th of the year in which such options shall have been exercised, as though every lessee had exercised such option. In such event none of the lessees shall be required to surrender his shares to the Lessor and all certificates for shares delivered to the Lessor by those who had, during that year, served notice of intention to cancel their leases under the provisions hereof, shall be returned to such lessees.

Continuance of Cooperative Management of Building After All Leases Terminated

37. No later than thirty days after the termination of all proprietary leases, whether by expiration of their terms or otherwise, a special meeting of shareholders of the Lessor shall take place to determine whether (a) to continue to operate the building as a residential apartment building, (b) to alter, demolish or rebuild the building or any part thereof, or (c) to sell the building and liquidate the assets of the Lessor, and the Directors shall carry out the determination made at said meeting of shareholders of the Lessor, and all of the holders of the then issued and outstanding shares of the Lessor shall have such rights as enure to shareholders of corporations having title to real estate.

Unsold Shares

38. (a) The term "Unsold Shares" means and has exclusive reference to the shares of the Lessor which were issued to the Lessor's grantor(s) or individuals produced by the Lessor's grantor(s) pursuant to the Plan of cooperative organization of Lessor under grantor(s) or individual(s); and, all shares which are Unsold Shares shall cease to be designated as Unsold Shares or to retain their character as such (regardless of transfer) until (1) such shares become the property of a purchaser for bona fide occupancy (by himself or a member of his family) of the apartment to which such shares are allocated, or (2) the holder of such shares (or a member of his family) becomes a bona fide occupant of the apartment. The term "holder of Unsold Shares" wherever used herein shall include a "purchaser of Unsold Shares", such terms being used interchangeably in this lease.

Subletting Apartment and Sale of Shares

(b) Neither the subletting of the apartment nor the assignment of this lease nor the sale of the shares allocated thereto, by the Lessee who is the holder of the block of Unsold Shares allocated thereto, shall require the consents of the Directors or shareholders, as provided in Paragraphs 15 and 16, nor shall Lessor Make any charge or impose any fee of any kind in connection therewith.

Change in Form of Lease

(c) Without the consent of the Lessee, no change in the form, terms or conditions of this proprietary lease, as permitted by Paragraph 6, shall (1) affect the rights of the Lessee who is the holder of the Unsold Shares accompanying this lease to sublet the apartment or to assign this lease, as provided in this paragraph, or (2) eliminate or modify any rights, privileges or obligations of such Lessee.

Restriction on Cancellation

(d) The provisions of Paragraph 35 may not be availed of by a Lessee who is the holder of a block of Unsold Shares accompanying this lease unless (i) lessees owning a majority of Lessor's outstanding shares shall have given notice of intention to cancel pursuant to Paragraph 35 or 36 or (ii) all Unsold Shares constitute 15% or less of Lessor's outstanding shares, at least five (5) years shall have elapsed since Lessor acquired title to the building and on the effective date of cancellation Lessee shall have paid to Lessor a sum equal to the product of the then current monthly rent (maintenance charges) payable under this lease multiplied by 24.

Foreclosure -- Receiver of Rents

39. Notwithstanding anything contained in this lease, if any action shall be instituted to foreclose any mortgage on the land or the building or the leasehold of the land or building, the Lessee shall, on demand, pay to the receiver of the rents appointed in such action rent, if any, owing hereunder on the date of such appointment and shall pay thereafter to such receiver in advance, on the first day of each month during the pendency of such action, as rent hereunder, the rent for the apartment as last determined and established by the Directors prior to the commencement of said action, and such rent shall be paid during the period of such receivership, whether or not the Directors shall have determined and established the rent payable hereunder for any part of the period during which such receivership may continue. The provisions of this Paragraph are intended for the benefit of present and future mortgagees of the land or the building or the leasehold of the land or building and may not be modified or annulled without the prior written consent of any such mortgage holder.

Balance of page
Intentionally left blank

To Whom Covenants Apply

40. The references herein to the Lessee or to a shareholder of the Lessor shall be deemed to include the executors, administrators, legal representatives, legatees, distributees and assigns of the Lessee or of such shareholder; and the covenants herein contained shall apply to, bind and enure to the benefit of the Lessor and its successors and assigns, and the Lessee and the executors, administrators, legal representatives, legatees, distributees, successors and assigns of the Lessee, except as hereinabove stated.

Waiver of Trial by Jury

41. To the extent permitted by law, the respective parties hereto shall and they hereby do waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other on any matters whatsoever arising out of or in any way connected with this lease, the Lessee's use or occupancy of the apartment, or any claim of damage resulting from any act or omission of the parties in any way connected with this lease or the apartment.

Lessor's Additional Remedies

42. In the event of a breach or threatened breach by Lessee of any provision hereof, the Lessee shall have the right of injunction and the right to invoke any remedy at law or in equity, as if re-entry, summary proceedings and other remedies were not herein provided for, and the election of one or more remedies shall not preclude the Lessor from any other remedy.

Lessee More Than One Person

43. If more than one person is named as Lessee hereunder, the Lessor may require the signatures of all such persons in connection with any notice to be given or action to be taken by the Lessee hereunder, including, without limiting the generality of the foregoing, the surrender or assignment of this lease, or any request for consent to assignment or subletting. Each person named as Lessee shall be jointly and severally liable for all of the Lessee's obligations hereunder. Any notice by the Lessor to any person named as Lessee shall be sufficient, and shall have the same force and effect as though given to all persons named as Lessee.

Effect of Partial Invalidity

44. If any clause or provision herein contained shall be adjudged invalid, the same shall not affect the validity of any other clause or provision of this lease, or

33

constitute any cause of action in favor of either party as against the other; and such clause shall be deemed deleted limited expended or otherwise modified or conditioned to the extent necessary to render it valid.

Notice to Lessor of Default

45. The Lessee may not institute an action or proceeding against the Lessor or defend or assert a counter-claim in any action by the Lessor related to the Lessee's failure to pay rent if such action defense or counterclaim is based upon the Lessor's failure to comply with its obligations under this lease or any law ordinance or governmental regulation unless such failure shall have continued for at least thirty days before such action or proceeding was commenced and the giving of written notice thereof by the Lessee to the Lessor.

Unity of Shares and Lease

46. The shares of the Lessor held by the Lessee and allocated to the apartment have been acquired and are owned subject to the following conditions agreed upon with the Lessor and with each of the other proprietary lessees for their mutual benefit:

(a) the shares represented by each certificate are transferable only as an entirety and only in connection with a simultaneous transfer of this lease unless transferred pursuant to Article V Section 4 of the By-Laws of the Lessor in connection with the regrouping of space in one or more apartments.

(b) the shares shall not be sold or transferred except to the Lessor or to an assignee of this lease after compliance with all of the provisions of this lease relating to assignments.

Charges for Gas and Electricity

47. If at any time or times during the term of this lease the consumption of gas or electricity or both in the apartment is measured by a meter which also measures consumption outside the apartment the Lessor may determine from time to time by resolution of the Board of Directors thereof the charges if any to be paid by the Lessee on account of such consumption of gas or electricity or both and any such charges shall be payable monthly in advance or in such payments or installments as shall be required by the Directors as shall be provided in such resolution.

Such charges may be determined in the proportion that

the number of shares of Lessor allocated to the apartment bears to all shares of Lessor then issued and outstanding, or in the approximate proportion that the floor area of the apartment bears to all floor areas measured by such meter, or such other equitable method as may be determined by the Directors.

No Discrimination

48. The Lessor will not discriminate against any person because of his race, creed, religion, color, national origin, ancestry, sex or other ground proscribed by law when exercising any right reserved to it in this lease.

Marginal Headings

49. The marginal headings of the several paragraphs of this lease shall not be deemed a part of this lease.

Changes to Be in Writing

50. The provisions of this lease cannot be changed orally.

Certain Limitations on Lessor's Right to Increase Cash Requirements

51. Supplementing and modifying Paragraph 1(c) above, so long as the Unsold Shares constitute 25% or more of the outstanding shares of the Lessor, the Lessor shall not take any of the following actions unless Lessees owning at least 75% of the shares of the Lessor approve same in writing or by vote, in person or by proxy, at a duly constituted meeting called for such purpose:

(i) increase the number or change the type of employees from that described in the aforesaid Plan in the footnotes to the Schedule of Projected Receipts and Expenses for First Year of Cooperative Operation;

(ii) provide for new or additional services from those indicated in the aforesaid Plan in the footnotes to the Schedule of Projected Receipts and Expenses for First Year of Cooperative Operation, unless the annual cost of such new or additional services, when added to the annual cost of all other services being provided, is no greater than those provided in said footnotes, or

(iii) undertake any capital or major improvement or addition, unless required by law.

Rights of Non-Purchasing Tenants in Occupancy

52. If the Lessee is a person other than the tenant-in-occupancy, the Lessee hereby irrevocably appoints the managing agent engaged by the Apartment Corporation, and its successors, as his or her agent to provide to the non-purchasing tenant(s) all services and facilities required by law.

Except for the Sponsor and holders of Unsold Shares, if the Lessee is one other than the tenant-in-occupancy of the unit, the Lessee agrees to deposit with such managing agent an amount not less than two months' maintenance charges to be used as working capital to furnish services required under the non-purchasing tenant's lease and under the New York City Rent Stabilization Law and Code, the Emergency Tenant Protection Act, the Multiple Dwelling Law and the Multiple Residence Law. Upon notice by the managing agent that the deposit has been diminished, the fund shall be replenished by the purchaser within 14 days. The failure of the Lessee to replenish the fund in a timely fashion shall result in the Apartment Corporation having a lien against the shares appurtenant to the premises. Interest, if any, earned on the deposits shall be the property of the Lessee.

IN WITNESS WHEREOF, the parties have executed this lease.

Lessor:

350 Bleecker Street Apartment Corp.

By.....

President
Secretary

Lessee:

..... (L.S.)

..... (L.S.)

Lessee.

Witnessed:

.....

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

On the ____ day of _____, in the year 19____, before me personally appeared _____, to me known, who being by me duly sworn, did depose and say that he resides at _____, that he is the _____ of 350 Bleecker Street Apartment Corp. the corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.

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

On the ____ day of _____, in the year 19____, before me personally appeared _____, to me known and known to me to be the individual described in and who executed the foregoing instrument, and duly acknowledged to me that he executed the same.

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

On the ____ day of _____, in the year 19____, before me personally appeared _____, the subscribing witness to the foregoing instrument, with whom I am personally acquainted, who being duly sworn, did depose and say that he resides at _____; that he knows _____ the individual described in and who executed the foregoing instrument; that he, said subscribing witness, was present and saw _____ execute the same; and that he, said witness, thereupon at the same time subscribed his name as witness thereto.

HOUSE RULES

(1) The public halls and stairways of the building shall not be obstructed or used for any purpose other than ingress to and egress from the apartments in the building, and the fire towers shall not be obstructed in any way.

(2) No patient of any doctor who has offices in the building shall be permitted to wait in the lobby.

(3) Children shall not play in the public halls, courts, stairways, fire towers or elevators and shall not be permitted on the roof unless accompanied by a responsible adult.

(4) No public hall above the ground floor of the building shall be decorated or furnished by any Lessee in any manner without the prior consent of all the Lessees to whose apartments such hall serves as a means of ingress and egress. In the event of disagreement among such Lessees, the Board of Directors shall decide.

(5) No Lessee 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, comfort or convenience of other Lessees. No Lessee shall play upon or suffer to be played upon any musical instrument or permit to be operated a phonograph or a radio or television loud speaker in such Lessee's apartment between the hours of eleven o'clock p.m. and the following eight o'clock a.m. if the same shall disturb or annoy other occupants of the building. No construction or repair work or other installation involving noise shall be conducted in any apartment except on weekdays (not including legal holidays) and only between the hours of 8:30 a.m. and 5:00 p.m.

(6) No article shall be placed in the halls or on the staircase landings or fire towers, nor shall anything be hung or shaken from the doors, windows, terraces or balconies or placed upon the window sills of the building.

(7) No awnings, window air-conditioning units or ventilators shall be used in or about the building except such as shall have been expressly approved by the Lessor or the managing agent, nor shall anything be projected out of any window of the building without similar approval.

(8) No sign, notice, advertisement or illumination shall be inscribed or exposed on or at any window or other part of the building, except such as shall have been approved in writing by the Lessor or the managing agent.

(9) No velocipedes, bicycles, scooters or similar

vehicles shall be allowed in a passenger elevator and baby carriages and the abovementioned vehicles shall not be allowed to stand in the public halls, passageways, areas or courts of the building.

(10) Messengers and tradespeople shall use such means of ingress and egress as shall be designated by the Lessor.

(11) Kitchen supplies, market goods and packages of every kind are to be delivered only at the service entrance of the building and through the service elevator to the apartments when such elevator is in operation.

(12) Trunks and heavy baggage shall be taken in or out of the building through the service entrance.

(13) Garbage and refuse from the apartments shall be disposed of only at such times and in such manner as the superintendent or the managing agent of the building may direct.

(14) Water closets and other water apparatus in the building shall not be used for any purposes other than those for which they were constructed, nor shall any sweepings, rubbish, rags or any other article be thrown into the water closets. The cost of repairing any damage resulting from misuse of any water closets or other apparatus shall be paid for by the Lessee in whose apartment it shall have been caused.

(15) No Lessee shall send any employee of the Lessor out of the building on any private business of a Lessee.

(16) No bird or animal shall be kept or harbored in the building unless the same in each instance have been expressly permitted in writing by the Lessor; such permission shall be revocable by the Lessor. In no event shall dogs be permitted on elevators or in any or the public portions of the building unless carried or on leash. No pigeons or other birds or animals shall be fed from the window sills, terraces, balconies or in the yard, court spaces or othe public portions of the building, or on the sidewalks or street adjacent to the building.

(17) No radio or television aerial shall be attached to or hung from the exterior of the building without the prior written approval of the Lessor or the managing agent.

(18) No vehicle belonging to a Lessee or to a member of the family or guest, subtenant or employee of a Lessee shall be parked in such manner as to impede or prevent ready access to any entrance of the building by another vehicle.

(18) No vehicle belonging to a Lessee or to a member of the family or guest, subtenant or employee of a Lessee shall be parked in such manner &S to impede or prevent ready access to any entrance of the building by another vehicle.

(19) The Lessee shall use the available laundry facilities only upon such days and during such hours as may be designated by the Lessor or the managing agent.

(20) The Lessor shall have the right from time to time to curtail or relocate any space devoted to storage or laundry purposes.

(21) Unless expressly authorized by the Board of Directors in each case, the floors of each apartment must be covered with rugs or carpeting or equally effective noise-reducing material to the extent of at least 80% of the floor area of each room excepting only kitchens, pantries, bathrooms, maid's rooms, closets, and foyer.

(22) No group tour or exhibition of any apartment or its contents shall be conducted, nor shall any auction sale be held in any apartment without the consent of the Lessor or its managing agent.

(23) The Lessee shall keep the windows of the apartment clean. In case of refusal or neglect of the Lessee during 10 days after notice in writing from the Lessor or the managing agent to clean the windows, such cleaning may be done by the Lessor, which shall have the right, by its officers or authorized agents, to enter the apartment for the purpose and to charge the cost of such cleaning to the Lessee.

(24) The passenger and service elevators, unless of automatic type and intended for operation by a passenger, shall be operated only by employees of the Lessor, and there shall be no interference whatever with the same by Lessees or members of their families or their guests, employees or subtenants.

(25) Complaints regarding the service of the building shall be made in writing to the managing agent of the Lessor.

(26) Any consent or approval given under these House Rules by the Lessor shall be revocable at any time.

(27) If there be a garage in the building, the Lessee will abide by all arrangements made by the Lessor with the garage operator with regard to the garage and the driveways thereto.

(28) The following rules shall be observed with respect:

(i) All wet debris is to be securely wrapped or bagged in small package size to fit easily into the hopper panel.

(ii) Debris should be completely drip-free before it leaves the apartment and carried to the incinerator closet in a careful manner and in a drip-proof container; then placed into the flue hopper so it will drop into the flue for disposal.

(iii) No bottles or cans shall be dropped down the flue before 10:00 a.m. or after 5:00 p.m., but shall be left in a neat manner in service elevator area, if such items must be disposed of before 10:00 a.m. or after 5:00 p.m.

(iv) Cartons, boxes, crates, sticks of wood or other solid matter shall not be stuffed into hopper opening. Small items of this nature may be left in a neat manner on the incinerator closet floor. Bulky items should be left at service elevator area between 10:00 a.m. and 6:00 p.m. and service employee summoned to dispose of them by way of the service elevator.

(v) Under no circumstances should carpet sweepings containing naphthalene, camphor balls or flakes, floor scrapings, plastic wrappings or covers, oil soaked rags, empty paint or aerosol cans or any other inflammable, explosive, highly combustible or noxious substances or lighted cigarettes or cigar stubs be thrown into the incinerator flue.

(vi) Vacuum cleaner bags must never be emptied into the flue. Such dust, dirt, etc. should be wrapped in a securely tied bag or package and then be placed through hopper door panel into flue.

(vii) The superintendent shall be notified of any drippings, or moist refuse appearing on incinerator closet floor and corridors.

(29) No Lessee shall install any plantings on the terrace, balcony or roof without the prior written approval of the Lessor. Plantings shall be contained in boxes of wood lined with metal or other material impervious to dampness and standing on supports at least two inches from the terrace, balcony or roof surface, and if adjoining a wall, at least three inches from such wall. Suitable weep holes shall be provided in the boxes to draw off water. In special locations, such as a corner abutting a parapet wall, plantings may be contained in masonry or hollow tile walls which shall be at least three inches from the parapet

wall, plantings may be contained in masonry or hollow tile walls which shall be at least three inches from the parapet and flashing, with the floor of drainage tiles and suitable weep hole. at the sides to draw off water. It shall be the responsibility of the Lessee to maintain the containers in good condition, and the drainage tiles and weep holes in operating condition.

(30) The agents of the Lessor, and any contractor or workman authorized by the Lessor, may enter any apartment at any reasonable hour of the day for the purpose of inspecting such apartment to ascertain whether measures are necessary or desirable to control or exterminate 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. If the Lessor takes measures to control or exterminate carpet beetles, the cost thereof shall be payable by the Lessee, as additional rent.

(31) These House Rules may be added to, amended or repealed at any time by resolution of the Board of Directors of the Lessor.

(32) No employee of Lessor may be used by any Lessee for the private business of any Lessee without the prior written consent of the Board of Directors having first been obtained in each instance.

Balance of page
intentionally left blank

AMENDMENTS TO PROPRIETARY LEASE

FLIP TAX AMENDMENT 1

Immediately following subparagraph (vi) in Paragraph 16(a) new subparagraph (vii) is added as follows:

(vii) As a condition to the transfer of shares of stock in the Corporation as an incident to a sale of the apartment to which such shares have been allocated, the seller shall pay to the corporation, by a certified check drawn on a New York bank payable to the Lessor, a fee of two per cent (2%) of the total sale price applicable thereto, payable at the time of such transfer. Such fee shall not be applicable to Unsold Shares (as defined in the Offering Plan therefor) or to transfers to or from the executors or administrators of a deceased stockholder or to assignments to an assignee who, at the time of the assignment, is a member of the immediate family of the Lessee, or to an executor or other personal representative on the death of a Lessee. For purposes of this subparagraph, "immediate family" shall mean the spouse, former spouse, parents or children of the Lessee. For purposes of this subparagraph, the "sale price" in a mortgage foreclosure sale shall mean the amount of the outstanding balance of the mortgage obligation.

[Passed on September 17, 1986]

FLIP TAX AMENDMENT 2

The Flip Tax provision of the Proprietary Lease is amended by substituting the following new subparagraph (vii) immediately following subparagraph (vi) in Paragraph 16(a):

(vii) As a condition to the transfer of shares of stock in the Corporation and as an incident to a sale of the apartment to which such shares have been allocated, the seller shall pay to the corporation, by a certified check drawn on a New York bank payable to the Lessor, a fee of two per cent (2%) of the total sale price applicable thereto, payable at the time of such transfer. Such fee shall not be applicable to Unsold Shares (as defined in the Offering Plan therefor) or to transfers from the executors or administrators of a deceased stockholder to a person who, immediately prior to the death of such stockholder, was a member of the immediate family of the Lessee or to assignments to an assignee who, at the time of the assignment is a member of the immediate family of the Lessee, or to an executor or other personal representative on the death of a Lessee. For purposes of this subparagraph, "immediate family" shall mean (A) the spouse, former spouse, parents or children of the Lessee or (B) the economic and social partner of a Lessee in an established

relationship in which both partners jointly owned and resided in the Unit being assigned for at least two years prior to the transfer.

[Passed November, 1998]

NOISE

REVISED HOUSE RULE #5 ADOPTED MAY 9, 1995
(ANNEX TO EXISTING HOUSE RULES)

That Article (5) of the House Rules is deleted in its entirety and the following is substituted in lieu thereof:

(5).1. Subject to the provisions hereof, no Lessee 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, comfort or convenience of other Lessees.

(5).2. No Lessee shall play upon or suffer to be played upon any musical instrument or permit to be operated a Sound Machine (as defined in the following sentence) except during the following hours:

Monday through Thursday, 9:00 A.M. through 9:00 P.M.,

Friday 9:00 A.M. through 10:00 P.M.

Saturday, noon through 10:00 P.M.

Sunday, noon through 10:00 P.M.

Legal Holidays, noon through 9:00 P.M.

if such musical instrument or Sound Machine shall disturb other occupants of the building. A "Sound Machine" is collectively defined as follows:

(5).2.1. Phonograph, radio, television, video tape player, audio tape player, CD player, or computer; or

(5).2.2. Any electronic or mechanical device with or without a loud speaker which is designed to reproduce or amplify sound; or

(5).2.3. Any other device or appliance that makes noise, even if making noise is not its primary purpose.

(5).3. An apartment which was created by combining one or more apartments shall be considered one apartment for the purposes of this House Rule #5.

(5).4. Anything contained in this House Rule #5 to the contrary notwithstanding, this House Rule shall not be deemed to prevent a Lessee from operating one or multiple musical instruments or Sound Machines simultaneously if by nature and design 100% of the noise remains contained in the apartment from

which such noise emanates. Such containment measures may include but shall not be limited to the use of headphones or acoustical installations.

(5).5 Notwithstanding anything to the contrary (except as provided in paragraph (5).4. above), in no event shall:

(a) noise exceed 45 decibels (including ambient street noise when the windows are closed) as heard in another Lessee's apartment, except during construction pursuant to an alteration agreement entered into between Lessor and Lessee,

(b) more than one musical instrument or Sound Machine be operated in any one apartment at one time.

(5).6. If a Lessee advises the Board in writing that such Lessee is being disturbed by noise emanating from another apartment, then the Board shall attempt to mediate the dispute, if any. If the mediation fails, the complaining Lessee may hire an engineer to measure the alleged noise heard in the complaining Lessee's apartment. Costs of the engineer shall be at the complaining Lessee's expense, except if the Board, in its sole discretion, elects to reimburse the complaining Lessee. Reimbursement of such fees is contingent upon the Board's determination of the following factors, in addition to such other factors as the Board may deem relevant:

(5).6.1. that these House Rules have been violated;

(5).6.2. that mediation has failed; and

(5).6.3. further legal action is necessary to resolve the dispute.

The Board may then take such legal action, which, in its sole opinion, it deems most appropriate.

(5).7. No construction or repair work or other installation involving noise shall be conducted in any apartment except on weekdays (not including legal holidays) and only between the hours of 9:00 A.M. and 6:00 P.M., except if specifically authorized in advance in writing by the Board.

(5).8. If any provision, paragraph, or subparagraph of this Rule is adjudged by any court of law to be void or unenforceable, in whole or part, such adjudication shall not be deemed to affect the validity of the remainder of the Rule, including any

2

other provision, paragraph, and subparagraph. Each provision, paragraph, and subparagraph of this Rule is declared to be separable from every other provision, paragraph, and subparagraph and constitutes a separate and distinct rule.

NOISE

REVISED HOUSE RULF #21 ADOPTED OCTOBER 14,1997
(ANNEX TO EXISTING HOUSE RULES)

That Article (21) of the House Rules is amended as follows:

(21) Unless expressly authorized by the Board Of Directors in each case, the floors of each apartment must be covered with rugs or carpeting or equally effective noise-reducing material to the extent of at least 80% of the floor area of each room excepting only kitchens, pantries, bathrooms, maid's rooms and closets.

UNSOLD SHARES

The amendment to the Proprietary Lease substitutes a new Paragraph 38.(a), as follows:

38. (a) The term "Unsold Shares" means and has exclusive reference to the shares of the Lessor which were issued to the Lessor's grantor(s) or individuals produced by the Lessor's grantor(s) pursuant to the Plan of cooperative organization of Lessor; and, all shares which are Unsold Shares shall be be designated as Unsold Shares and shall retain their character as such (regardless of transfer) until (1) such shares become the property of a purchaser for bona fide occupancy (by himself or a member of his family) of the apartment to which such shares are allocated, or (2) the holder of such shares (or a member of his family) becomes a bona fide occupant of the apartment. The term "holder of Unsold Shares" wherever used herein shall include a "purchaser of Unsold Shares," such terms being used interchangeably in this lease.

[Passed in November, 1997]