

COMMERCIAL UNIT

The Commercial Unit is located in the sub-cellar, cellar and first floor at 10 Warren Street, New York, New York. Although the Commercial Unit has its own separate entrance, prospective purchasers of the Residential Units located above and in proximity to the Commercial Unit must anticipate that because of the commercial usage there will be a greater number of people entering and leaving the Building and a higher volume of noise than might otherwise be expected.

Except as herein provided, the Commercial Unit may be used for any legal use permitted by the Zoning Resolution of the City of New York or other applicable laws, including any grandfathering of prior uses.

The Commercial Unit may be not be used, in whole or in part, for any of the following uses,

- (a) off-track betting parlor;
- (b) adult book store, massage parlor;
- (c) any substance abuse clinic;
- (d) eating and/or drinking establishment.
- (e) any fast food restaurant such as but not by way of limitation, McDonald's, Burger King, Nathan's, Taco Bell, Au Bon Pain, pizza by the slice establishments, Dunkin' Donuts, Wendy's, Subway, KFC, Roy Rogers;
- (f) dry cleaning establishment;
- (g) any establishment selling food or groceries.

The Common Charges payable by the Commercial Unit Owner are pursuant to its allocation of percentage of Common Interest. There are no exemptions for the Commercial Unit for any line item in the Condominium operating budget. However, all Units are responsible for their individual heat, hot water and cooking gas costs. The Common Charges payable by the Commercial Unit Owner are sufficient to cover the expenses fairly attributable to such Unit. The allocation of percentage of Common Interest and therefore Common Charges reflects the fact that the Commercial Unit will be making minimal use of certain services and common areas in the Building.

The Commercial Unit Owner, Terste Realty Corp., has no special rights with respect to subdividing the Commercial Unit. Additionally, the Commercial Unit Owner is treated like any other Unit Owner with respect to the requirements and consents needed for alterations. However, for as long as a fountain pen business remains in existence in all or part of the Commercial Unit, any Owner of any Commercial Unit located in whole or in part on the first floor and any Owner of a Unit located in whole or in part in the cellar or subcellar and any tenant or tenants of such Unit or Units pursuant to the terms of any lease pertaining thereto, shall each have an easement without charge or limitation by the Condominium, to install, repair or maintain either within or in the immediate location of such particular Unit at the first floor level a sign or signs, which may be illuminated, for advertising or identification purposes. However, any such Unit Owner or tenant shall not be permitted to maintain, erect or display any neon sign visible from the outside of the Unit. Once a fountain pen business ceases to operate within the Commercial Unit, then any such signs must be

approved by the Board of Managers prior to installation, which approval shall not unreasonably be withheld, delayed or denied. Such Commercial Unit Owner shall also have an easement without charge or limitation by the Condominium, to repair, maintain and/or replace the current canvas sign at the southwesterly corner of 10 Warren Street, for as long as a fountain pen business operates in all or part of the Commercial Unit. Such Commercial Unit Owner shall be responsible for removing such sign and for restoring the Building facade where such sign was attached at its sole cost and expense when such fountain pen business ceases to exist. The Commercial Unit Owner or its tenant shall obtain and pay for all permits required for such signs and any necessary renewal fees.