

LONDON TERRACE TOWERS
SUBLEASE AGREEMENT

The parties agree as follows:

Date of this Sublease: _____

Parties to this Sublease: Landlord(s): _____

Address for notices: _____

Tenant (1): _____

Tenant (2): _____

If there are more than one Landlord or Tenant, the words "Landlord" and "Tenant" used in this Sublease includes them.

Information from Proprietary Lease Date of Proprietary Lease: _____

A copy of the Proprietary Lease is attached as an important part of the Sublease.

1. Terms: 12 Months

Beginning: _____

Ending: _____

2. Premises Rented.

3. Rent.

The yearly rent is \$_____. You, the Tenant, will pay this yearly rent to the Landlord in twelve equal monthly payments of \$_____. Payments shall be paid in advance on the first day of each month during the Term.

4. Agreement to Lease and Pay Rent.

Landlord sublets the premises to you, the Tenant, for the Term. Landlord states that it has the authority to do so. You, the Tenant, agree to pay the Rent and other charges as required in the Sublease. You, the Tenant, agree to do everything required of you in the Sublease.

5. No Authority.

You, the Tenant, have no authority to contact or make any agreement with the Apartment Corporation about neither the premises nor the Proprietary lease. You, the Tenant, may not pay rent or other charges to the Apartment Corporation, but only to the Landlord.

6. Successors.

Unless otherwise stated, the Sublease is binding on all parties who lawfully succeed to the rights or take the place of the Landlord or you, the Tenant. Examples are an assign, heir, or a legal representative such as an executor of your will or administrator of your estate.

7. Changes.

This sublease can be changed only by an agreement in writing signed by the parties to the sublease.

8. Sublease Approval.

This Sublease is subject to the approval of London Terrace Towers Owners, Inc. (the "Apartment Corporation"). Tenant is responsible for the payment of all application fees. Tenant is aware that such fees are non-refundable. In the event this Sublease is not approved by the Apartment Corporation, Landlord shall promptly return the security deposit and first month's rent to Tenant and this Sublease shall be deemed null and void. This Sublease is for a one year term. Renewals may be permitted with the consent of the Apartment Corporation upon Tenant's submission of a full subtenant package.

9. Sublease is subject and subordinate.

This Sublease is subject and subordinate to the Proprietary Lease, By-Laws, Rules and Regulations of the Apartment Corporation, to which the Unit is presently or may in the future, be subject. Tenant shall not perform any act, or fail to perform an act, if the performance or failure to perform would be a violation of or default of the Proprietary Lease or Rules and Regulations. Tenant shall not exercise any right or privilege under this Sublease, the performance of which would be a default in or violation of the Proprietary Lease or Rules and Regulations. Tenant must promptly execute any certificate(s) that Landlord requests to show that this Sublease is so subject and subordinate. Tenant authorizes Landlord to sign these certificate(s) for Tenant. Tenant acknowledges that Tenant has had the opportunity to read the Proprietary Lease or Rules and Regulations. Tenant agrees to observe and be bound by all the terms contained in it which apply to the occupancy or user of the Unit.

10. Use.

The Unit must be used only as a private residence and for combination of living/working as permitted by the New York City Zoning Code and for no other reason. Only the party signing this Sublease and the spouse and children of that party may reside in the Unit. Tenant will not provide key(s) to any individual(s) not residing in the Unit. Tenant must provide a Key(s) to the Apartment Corporation. Failure to do so may result in termination of this sublease by the Apartment Corporation.

11. Rent, Additional Rent.

A. The rent payment for each month must be made on the first day of that month at Landlord's address. Landlord need not give notice to pay the rent. Rent must be paid in full and no amount subtracted from it. The first month's rent is to be paid when Tenant signs this Sublease. Tenant may be required to pay other charges to Landlord under the terms of this Sublease, which are called "Additional Rent". This Additional Rent is payable as rent, together with the next monthly rent due. If Tenant fails to pay the Additional Rent on time, Landlord shall have the same rights against

Tenant as if Tenant failed to pay rent. Payment of rent in installments is for Tenant's convenience only. If Tenant defaults, Landlord may give notice to Tenant that Tenant may no longer pay rent in installments. The entire rent for the remaining part of the Term will then be due and payable.

B. This Sublease and the obligation of Tenant to pay rent and perform all of the agreements on the part of Tenant to be performed shall not be affected, impaired or excused, nor shall there be any apportionment or abatement of rent for any reason including, but not limited to, damage to the Unit.

12. Security.

Tenant has given security to Landlord in the amount stated in the Sublease Agreement ("Security").

If Tenant does not pay rent on time, Landlord may use the Security to pay for rent past due. If Tenant fails to perform any other term in this Sublease, Landlord may use the security for reimbursement of amounts Landlord may spend, or damages Landlord suffers because of Tenant's failure. If the Landlord uses the Security Tenant shall, upon notice from Landlord, send to Landlord an amount equal to the sum used by Landlord. At all times Landlord is to have the amount of Security stated in the Sublease Agreement.

If Tenant fully performs all terms of this Sublease, pays Rent and Additional Rent on time and leaves the Unit in good condition on the last day of the Term, then Landlord will return the Security being held.

The Security is for Landlord's use as stated in this Section. Landlord may put the Security in any bank or other depository permitted by law. If the law states the Security must bear interest, unless the Security is used by Landlord as stated Landlord will give Tenant the interest less the sum Landlord is allowed to keep for expenses. If the law does not require

Security to bear interest, Tenant will not be entitled to it. Landlord need not give Tenant interest on the Security if Tenant is not fully performing any term in this Sublease.

13. Alterations.

Tenant must obtain Landlord's prior written consent to install any "built in" decoration, partitions, railings or make alteration or to paint or wallpaper the Unit. Tenant must not change the plumbing, ventilating, air conditioning, electric or heating systems. Landlord has the right to demand that Tenant remove the alterations and installations before the end of the Term. The demand shall be by notice, given at least 15 days before the end of the Term. Tenant shall comply with the demand at Tenant's own cost. Landlord is not required to do or pay for any work unless stated in this Sublease.

If a Mechanic's Lien is filed on the Unit or Building for Tenant's failure to pay for alterations or installations in the Unit, Tenant must immediately pay or bond the amount stated in the Lien. Landlord may pay or bond the Lien immediately, if Tenant fails to do so within 20 days after Tenant is given notice about the Lien. Landlord's costs shall be Additional Rent.

14. Repairs.

Tenant must take good care of the Unit and all equipment and fixtures in it. Tenant must, at Tenant's cost make all repairs and replacements whenever the need results from Tenant's act or neglect. If Tenant fails to make a needed repair or replacement, Landlord may do it. Landlord's expense will be Additional Rent. Subject to Tenant's obligations under this Sublease, Landlord will be required, to the extent the Apartment Corporation is obligated to maintain the Unit under the terms of the Proprietary Lease, to maintain the unit, or repair any damage to it, except where caused in whole or in part by the act, failure to act, or negligence of Tenant, or Tenant's licensees, invitees, guests, contractors or agents. Tenant must give Landlord prompt notice of required repairs or replacements.

15. Fire, accident, defects, damage.

Tenant must give Landlord prompt notice of fire, accident, damage or dangerous or defective condition. If the Unit can not be used because of fire or other casualty, Tenant is not required to pay rent for the time the Unit is unusable. If part of the Unit can not be used, Tenant must pay rent for the usable part. Landlord shall have the right to decide which part of the Unit is usable. Landlord need only arrange for the damaged structural parts of the Unit to be repaired. Landlord is not required to arrange for the repair or replacement of any equipment, fixtures, furnishing or decorations. Landlord is not responsible for delays due to settling insurance claims, obtaining estimates, labor and supply problems or any other cause not fully under Landlord's control.

If the fire or other casualty is caused by an act or neglect of Tenant or guest of Tenant, or at the time of the fire or casualty Tenant is in default in any term of this Sublease, then all repairs will be made at Tenant's expense and Tenant must pay the full rent with no adjustment. The cost of the repairs will be Additional Rent.

If there is more than minor damage to the Unit by fire or other casualty, Landlord may cancel this Sublease within 30 days after that fire or casualty by giving notice. The Sublease will end 30 days after Landlord's cancellation notice to Tenant. Tenant must deliver the Unit to Landlord on or before the cancellation date in the notice and pay all rent due to the date of the fire or casualty. If the Sublease is canceled Landlord is not required to arrange for the repair of the Unit. The cancellation does not release Tenant of liability in connection with the fire or casualty. This Section, when permitted, is intended to replace the terms of applicable statutory law. Tenant has no right to cancel this Sublease due to fire or casualty.

16. Liability.

Landlord is not liable for loss, expense, or damage to any person or property, unless due to Landlord's negligence. Landlord is not liable to Tenant if anyone is not permitted or is refused entry into the Building.

Tenant must pay for damages suffered and money spent by Landlord relating to any claim arising from any act or neglect of Tenant. If an action is brought against Landlord arising from Tenant's act or neglect Tenant shall defend Landlord at Tenant's expense with an attorney of Landlord's choice.

Tenant is responsible for all acts of Tenant's family, employees, guests or invitees. Tenant must carry whatever property or liability insurance Landlord may require and will name Landlord as a party insured. Tenant shall deliver a copy of the binder to Landlord upon Landlord's request.

17. Entry by Landlord.

Landlord or parties authorized by Landlord may enter the Unit upon 24 hours notice between the hours of 6:30 a.m. and 7:00 p.m. or such other reasonable hours to: repair, inspect, exterminate, install or work on systems and cause performance of other work that Landlord decides is necessary. Landlord shall also have access at any time for emergencies or for the elevator installation project.

If Landlord enters the Unit, Landlord will try not to disturb Tenant. Landlord may cause to be kept in the Unit all equipment necessary to make repairs or alterations to the Unit or Building. Landlord is not responsible for disturbance or damage to Tenant because of work being performed on or equipment kept in the Unit. Landlord's use of the Unit does not give Tenant a claim of eviction or the right to abate its rent or maintenance payment. Landlord or those authorized by Landlord may enter the Unit to get to any part of the Building.

In the event Landlord has served Tenant with a Notice of Termination of Lease, Notice to Vacate or the like, Landlord shall have the right to show the Unit to possible buyers, lenders or tenants upon reasonable notice to Tenant.

18. Construction or demolition.

Construction or demolition may be performed in or near the Building. Even if it interferes with Tenant's ventilation, view or enjoyment of the Unit it shall not affect Tenant's obligation in this Sublease.

19. Assignment and sublease.

Tenant shall not assign this Sublease or sublet all or part of the Unit or permit any other person to use the Unit. If Tenant takes such action, Landlord has the right to cancel the Sublease. Tenant must get Landlord's written permission each time Tenant wants to assign or sublet. Permission to assign or sublet is good only for that assignment or sublease. Tenant remains bound to the terms of this Sublease after a permitted assignment or sublet even if Landlord accepts rent from the assignee or subtenant. The amount accepted will be credited toward rent due from Tenant. The assignee or subtenant does not become Landlord's tenant. Tenant is responsible for acts of any person in the Unit.

20. Tenant's Certificate.

Upon request by Landlord, Tenant shall sign a certificate stating the following; (1) This Sublease is in full force and unchanged (or, if changed, how it was changed); and (2) Landlord has fully performed all of the terms of this Sublease and Tenant has no claim against Landlord; and (3) Tenant is fully performing all the terms of the Sublease and will continue to do so; and (4) rent and Additional Rent have been paid to date. The certificate will be addressed to the party Landlord chooses.

21. Condemnation.

If all or a part of the Building or Unit is taken or condemned by a legal authority, Landlord may, on notice to Tenant, cancel the Term. If Landlord cancels, Tenant's rights shall end as of the date the authority takes title to the Unit or Building. The cancellation date must not be less than 30 days from the date of the Landlord's cancellation notice. On the cancellation date Tenant must deliver the Unit to Landlord together with all rent due to that date. The entire award for any taking including the portion for fixtures and equipment belongs to

Landlord. Tenant gives Landlord any interest Tenant may have to any part of the award. Tenant shall make no claim for the value of the remaining part of the Term.

22. Tenant's duty to obey laws and regulations.

Tenant must, at Tenant's expense, promptly comply with all laws, orders, rules, requests, and directions, of all governmental authorities. Landlord's insurers, Board of Fire Underwriters, or similar groups. Notices received by Tenant from any authority or group must be promptly delivered to Landlord. Tenant will not do anything which may increase Landlord's insurance premiums. If Tenant does, Tenant must pay the increase in premium as Additional Rent.

23. No liability for property.

Landlord is not liable or responsible for (a) loss, theft, misappropriation or damage to the personal property, or (b) injury caused by the property or its use. Tenant shall carry renters insurance for the loss of Tenant's personal property, furniture, fixtures and equipment and shall provide the Landlord and the Board of Directors with a Certificate of Insurance within thirty days after the commencement of the Lease. In the event Tenant fails to deliver such evidence of renters insurance this sublease may be terminated by any Board member. Tenant shall indemnify and hold Landlord harmless for any loss, claim or Liability arising from leaks emanating from the Apartment.

24. Correcting Tenant's defaults.

If Tenant fails to correct a default after notice from Landlord, Landlord may correct it at Tenant's expense. Landlord's cost to correct the default shall be Additional Rent.

25. Notices.

Any bill, statement or notice must be in writing. If to Tenant, it must be delivered or mailed to the Tenant at the Unit. If to Landlord it must be mailed to Landlord's address. It will be considered delivered on the day mailed or if not mailed, when left at the proper address. A Notice must be sent by certified mail. Landlord must notify Tenant if Landlord's address is changed. The signatures of all Tenants in the Unit are required on every notice by Tenant.

Notice by Landlord to one named person shall be as though given to all those person. Each party shall accept notices of the other.

26. Tenant's default.

A. Landlord must give Tenant notice of default. The following are defaults and must be cured by Tenant within the time stated:

- (1) Failure to pay rent or Additional Rent on time, 3 days.
- (2) Improper conduct by Tenant annoying other tenants, 3 days.
- (3) Failure to comply with any other term or Rule in the Proprietary Lease or this Sublease, 5 days.

If Tenant fails to cure in the time stated, Landlord may cancel the Sublease by giving Tenant a cancellation notice. The cancellation notice will state the date the Term will end which may be no less than 3 days after the date of the notice. On the cancellation date in the notice the Term of this Sublease shall end. Tenant must leave the Unit and give Landlord the keys on or before the cancellation date. Tenant continues to be responsible as stated in this Sublease.

B. If (1) the Sublease is canceled; or (2) rent or Additional Rent is not paid on time; or (3) Tenant vacates the Unit, Landlord may, in addition to other remedies, use eviction or other lawsuits method to take back the Unit.

C. If this Sublease is canceled, or Landlord takes back the Unit, the following takes place:

- (1) Rent and Additional Rent for the unexpired Term becomes due and payable Tenant must also pay Landlord's expenses as stated in Paragraph 19 C(3).
- (2) Landlord may re-rent the Unit and anything in it. The re-renting may be for any Term. Landlord may charge any rent or no rent and give allowances to the new tenant. Landlord may, at Tenant's expense, do any work Landlord

feels needed to put the Unit in good repair and prepare it for renting. Tenant remains liable and is not released in any manner.

(3) Any rent received by Landlord for the re-renting shall be used first to pay Landlord's expenses and second to pay any amounts Tenant owes under this Sublease. Landlord's expenses include the costs of getting possession and re-renting the Unit, including, but not only, reasonable legal fees, brokers fees, cleaning and repairing costs, decorating costs and advertising costs.

(4) From time to time Landlord may bring actions for damages. Delay or failure to bring an action shall not be a waiver of Landlord's rights. Tenant is not entitled to any excess of rents collected over the rent paid by Tenant to Landlord under this Sublease.

D. Landlord has no duty to re-rent the Unit. If Landlord does re-rent, the fact that all or part of the next tenant's rent is not collected does not affect Tenant's liability. Landlord has no duty to collect the next tenant's rent. Tenant must continue to pay rent, damages losses and expenses without offset.

E. If Landlord takes possession of the Unit by Court order, or under the Sublease, Tenant has no right to return to the Unit.

27. Jury Trial and counterclaims.

Landlord and Tenant agree not to use their right to a Trial by Jury in any action or proceeding brought by either against the other, for any matter concerning this Sublease or the Unit. The giving up of the right to a Jury Trial is a serious matter. There are rules of law that protect that right and limit the type of action in which a Jury Trial may be given up. Tenant gives up any right to bring a counterclaim or set-off in any action by Landlord against Tenant on any matter directly or indirectly related to this Sublease.

28. Bankruptcy, insolvency.

If (1) Tenant assigns property for the benefit of creditors, (2) Tenant files a voluntary petition or an involuntary petition is filed against Tenant under any bankruptcy or insolvency law, or (3) a trustee or receiver of Tenant or Tenant's property is appointed, Landlord may give Tenant 30 days notice of cancellation of the Term of this Sublease. If any of the above is not fully dismissed within the 30 days, the Term shall end as of the date stated in the notice. Tenant must continue to pay rent, damages, losses and expenses without offset.

29. No Waiver.

Landlord's failure to enforce, or insist that Tenant comply with a term in this Sublease is not a waiver of Landlord's rights. Acceptance of rent by Landlord is not a waiver of Landlord's rights. The rights and remedies of Landlord are separate and in addition to each other. The choice of one does not prevent Landlord from using another.

30. Illegality.

If a term in this Sublease is illegal, that term will no longer apply. The rest of this Sublease remains in full force.

31. Representations, changes in Sublease.

Tenant has read this Sublease. All promises made by the Landlord are in this Sublease. There are no others. This Sublease may not be changed by either party without the consent of all Shareholders.

32. Inability to perform.

If due to labor trouble, government order, lack of supply, Tenant's act or neglect or any other cause not fully within the reasonable control of Landlord, Landlord is delayed or unable to carry out any of their respective obligations, requirements, promises or agreements, if any, this Sublease shall not be ended or Tenant's obligations affected in any manner.

33. Limit of recovery against Landlord.

Tenant is limited to Landlord's interest in the Unit for payment of a judgment or other court remedy against Landlord.

34. End of Term.

At the end of the Term, Tenant must: leave the Unit clean and in good condition, subject to ordinary wear and tear; remove all of the Tenant's property and all Tenant's installation and decorations other than those belonging to the Landlord; repair all damages to the Unit and Building caused by moving; and restore the Unit to its condition at the beginning of the Term. If the last day of the Term is on a Saturday, Sunday or State or Federal holiday, the term shall end on the prior business day. Any of Tenant's personal property remaining in the Unit after the termination of the Sublease shall be considered abandoned and Landlord shall have the right to dispose of it without any liability to Tenant.

35. Space "as is".

Tenant has inspected the Unit and Building. Tenant states that they are in good order and repair and takes the Unit as is.

36. Quiet enjoyment.

Subject to the terms of this Sublease, as long as Tenant is not in default Tenant may peaceably and quietly have, hold, and enjoy the Unit for the Term. Tenant understands that during Tenant's tenancy an elevator is being installed and the front facade restored. Noise, vibrations, and dust emanating from these two projects shall not be the basis for a claim that the Landlord is breaching the warranty of habitability.

37. Landlord's consent.

If Tenant requires Landlord's consent to any act and such consent is not given, Tenant's only right is to ask the Court to force Landlord to give consent. Tenant agrees not to make any claim against Landlord for money or subtract any sum from the rent because such consent was not given.

38. Miscellaneous.

This Sublease is binding on Landlord and Tenant and their heirs, distributees, executors, administrators, successors and lawful assigns.

39. Landlord.

Landlord means the owner of the shares of stock allocated and Proprietary Lease appurtenant to the Unit. Landlord's obligations end when Landlord's interest in the Unit is transferred. Any acts Landlord may do may be performed by Landlord's agents.

40. Broker.

Landlord and Tenant each represents and warrants to the other that it has not dealt with any real estate broker other than _____ in connection with this Sublease. Each party shall indemnify and defend each other against any costs, claims, expenses, including reasonable attorneys' fees, arising out of the breach on their respective parts of any representation or agreement contained in this paragraph.

41. Paragraph headings.

The paragraph headings are for convenience only.

42. No Liability.

A. Landlord, and its respective agents, contractors and employees, shall not be liable for, injury to any person, or for property damage sustained by Tenant, its licensees, invitees, guests, contractors and agents, or by any other person for any reason except for negligence of Landlord.

B. Tenant agrees to protect, indemnify and save Landlord harmless from all losses, costs, or damages suffered by reason of any act or other occurrence which causes injury to any person or property and is related in any way to the use of the Unit.

43. Power and Authority.

Landlord and Tenant hereby represent that each party has the power, authority and legal right to enter this Sublease and that this Sublease constitutes a legal, valid and binding obligation of each party, enforceable in accordance with its terms.

Landlord (signature)

Landlord (print name)

Tenant 1 (signature)

Tenant 1 (print name)

Tenant 2 (signature)

Tenant 2 (print name)

LANDLORD

STATE OF NEW YORK)

COUNTY OF _____) ss.:

On the _____ day of _____ in the year 20____ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

TENANT 1

STATE OF NEW YORK)

COUNTY OF _____) ss.:

On the _____ day of _____ in the year 20____ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

TENANT 2

STATE OF NEW YORK)

COUNTY OF _____) ss.:

On the _____ day of _____ in the year 20____ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

STATE OF NEW YORK)

COUNTY OF _____) ss.:

On the _____ day of _____ in the year 20____ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public
