IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
Hudson 1701/1706, LLC, *et al.*,[1]	Case No. 25-11853 (KBO)
	(Jointly Administered)
Debtors.	

DEBTORS' MOTION PURSUANT TO 11 U.S.C. § 363(b) FOR AUTHORITY TO ENTER INTO PRECONSTRUCTION SERVICES AGREEMENT

The debtors and debtors in possession in the above-captioned cases (collectively, the "**Debtors**" or "**Company**") hereby move (the "**Motion**") for entry of an order, pursuant to sections 105(a) and 363(b) of chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**"), authorizing the Debtors to enter into that certain Preconstruction Services Agreement attached hereto as **Exhibit A** (the "**PSA**"), by and among the Debtors, PV Hudson LLC ("**PV Hudson**"), Parkview Financial REIT, LP ("**Parkview**"), SFA Holdings, LLC ("**Fetner/Farallon**" or the "**Development Manager**") to provide certain preconstruction services (the "**Services**") in connection with the Debtors' redevelopment project located at 356 West 58th Street, New York, NY 10019 (the "**Project**"). In support of this Motion, the Debtors respectfully state as follows:

JURISDICTION AND VENUE

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b). Venue of these cases and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicates for the relief requested herein are sections 105 and 363 of the Bankruptcy Code.

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are Hudson 1701/1706, LLC (0281) and Hudson 1702, LLC (0190). The Debtors' mailing address is c/o FTI Consulting, Inc. Attn: Alan Tantleff, 1166 Avenue of the Ame

BACKGROUND

2. On October 22, 2025 (the "**Petition Date**"), the Debtors each filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (the "**Court**"), thereby commencing these cases (the "**Chapter 11 Cases**"). The Chapter 11 Cases are jointly administered for procedural purposes only pursuant to Bankruptcy Rule 1015(b).

3. The Debtors continue to be in possession of their properties, to operate their business, and manage their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

4. On November 25, 2025, the Office of the United States Trustee appointed the Official Committee of Unsecured Creditors (the "**Committee**") [Docket No. 104]. No trustee or examiner has been appointed in these Chapter 11 Cases.

5. Additional factual background regarding the Debtors, including their business operations, their capital and debt structures and the events leading to the filing of these Chapter 11 Cases, is set forth in *the Amended and Restated Declaration of Alan Tantleff in Support of Debtors' Chapter 11 Petitions and First Day Motions* [Docket No. 60] (the "**First Day Declaration**")[2], which is fully incorporated herein by reference.

PRECONSTRUCTION SERVICES AGREEMENT

6. The Company was formed in March 2022 to redevelop and operate the historic Hudson Hotel as a multifamily residential property originally anticipated to include approximately 444 market rate rental units complete with commercial space and a penthouse. Redevelopment

[2] Capitalized terms used but not defined herein shall have the meanings ascribed to them in the First Day Declaration.

and construction at the Project commenced quickly after the Company's formation and was expected to conclude in May 2024. Unfortunately, regulatory issues, construction delays, onerous provisions in lease/loan documents, and attendant litigation and liquidity constraints have impacted the Project since its inception. As a result, the Debtors have been unable to complete their development of the Project, and construction is currently subject to a stop-work order due to regulatory issues stemming from disputes with certain of the Debtors' single room occupancy tenants.

7. As this Court is well aware, and as more fully set forth in the First Day Declaration, the Debtors commenced these Chapter 11 Cases after extensive efforts to recommence construction at the Project and resolve issues with 356W58 Ground Lessor LLC, the purported ground lessor to the Debtors (the "**Ground Lessor**") and mechanics and materialmen.

8. Since the Petition Date, the Debtors have worked to address regulatory issues and obtain approval to recommence development of, and construction at, the Project, all while continuing negotiations with various stakeholders, including governmental authorities, unions, contractors and materialmen, as well as the Ground Lessor. As part of this process, the Debtors have retained various professionals, including (a) Tri-Hill Management LLC, to act as the property manager for the Project, (b) DeSimone Builders, as the Project's general contractor, and (c) Taconic Development Advisors, LLC ("**Taconic**") to act as the Debtors' development advisor for the completion of the Project.

9. The Debtors and Parkview have also spent considerable time and effort seeking to identify a strategic partner to facilitate completion of the Project and emergence from the Chapter 11 Cases. These efforts have produced a critical dialogue with the Development Manager, which brings deep experience in financing and developing multi-family housing developments in New York City. Fetner/Farallon also has extensive experience working collaboratively with the various

regulatory agencies, including the New York City Department of Housing Preservation and Development (**"HPD"**), and is anticipated to be able to assist the Debtors in obtaining a cure agreement with HPD and a lifting of the HPD stop-work order related to the Project. In addition, the Debtors are informed that Fetner/Farallon and the Ground Lessor's indirect parent, Montgomery Street Partners (**"MSP"**), have collaborated on one or more projects in the past and are familiar with one another, thus further recommending Fetner/Farallon to participate in this process.

10. As an initial step in this process, to facilitate Fetner/Farallon's due diligence and development of a Project completion plan, the Debtors hereby seek to engage the Development Manager to provide certain preconstruction Services under the PSA. Under the PSA, it is contemplated that Fetner/Farallon will, in conjunction with the Debtors, engage in critical discussions with HPD, MSP, and other stakeholders. The Debtors are not aware of any pre-existing business or financial relationship between Fetner/Farallon or the Development Manager, on the one hand, and Parkview or PV Hudson, on the other hand.

11. In connection with the PSA and as part of the broader effort to identify a strategic partner for the Project, Parkview, through PV Hudson, and the Development Manager entered into a confidential Pre-Development Agreement dated August 11, 2026 (the **"Pre-Development Agreement"** or **"LOI"**). The Pre-Development Agreement sets forth the framework for the parties' broader strategic relationship, including the potential terms pursuant to which the Development Manager would participate as a development partner in the completion of the Project and the Debtors' emergence from the Chapter 11 Cases through a plan of reorganization. Among other things, the Pre-Development Agreement contemplates a potential equity investment by the Development Manager, a financing framework for completion of the Project, and the potential economic terms of a joint venture structure, all of which would be subject to further definitive

documentation, approval by the Debtors, and confirmation of a chapter 11 plan by the Court. The Hudson Debtors are expressly not parties to the Pre-Development Agreement and are not bound by its terms. The PSA, which is the subject of this Motion, represents the initial step contemplated by the Pre-Development Agreement, pursuant to which the Development Manager would be engaged by the Debtors to perform preconstruction Services while the parties continue to negotiate definitive documentation for the broader transaction. Due to the confidential and commercially sensitive nature of the Pre-Development Agreement, it is not being filed publicly with this Motion; however, the Debtors will make it available for in camera review by the Court upon request and a redacted version will be shared with counsel for the Committee and the Ground Lessor on a professional eyes-only basis.

12. As such, the PSA represents an important step toward formulating a plan of reorganization in the Chapter 11 Cases. Moreover, the Development Manager would replace Taconic at a significant monthly cost savings to the Debtors' estates. Under the Taconic engagement, the Debtors are obligated to pay approximately $130,000 per month in fees. By contrast, the PSA provides for a one-time Mobilization Payment of $100,000 and monthly Predevelopment Fees of $75,000, resulting in estimated savings to the estates of $55,000 per month going forward.

13. The preconstruction Services to be provided by Development Manager under the PSA are listed in Schedule 1 attached thereto and include, without limitation: (i) acting as the central point of coordination among the Debtors' architect and consultants; (ii) studying, evaluating, and updating the Project's budget and schedule; (iii) coordinating among the various local and state agencies, regulatory authorities and the SRO tenants; (iv) overseeing and coordinating the property manager and specialty contractors to keep critical building systems safe, compliant and operational; (v) coordinating and managing work items related to the LA Fitness

space; and (vi) preparing, maintaining and distributing various reporting deliverables including meeting minutes, action-item logs, budgets, cashflows, and tenant trackers.

14. In consideration of providing the Services under the PSA, the Development Manager will be entitled to the following compensation as set forth in section 4 of the PSA: (a) a Mobilization Payment in the amount of One Hundred Thousand Dollars ($100,000), and (b) Predevelopment Fees in the amount of Seventy-Five Thousand Dollars ($75,000) per month. In addition, the PSA provides for the reimbursement of reasonable expenses following submission and approval in accordance with the PSA.

RELIEF REQUESTED

15. The Debtors request entry of the proposed order attached hereto as **Exhibit B** (i) authorizing the Debtors to enter into the PSA and to take such actions in connection therewith as the Debtors deem necessary or appropriate, and (ii) granting such other and further relief as the Court deems just and proper.

BASIS FOR RELIEF

16. As more fully set forth above, the Debtors are seeking a strategic partner to facilitate the financing and completion of the Project pursuant to a plan of reorganization in the Chapter 11 Cases. The Debtors anticipate that the Development Manager will be that strategic partner and therefore seek to enter into the PSA to facilitate Development Manager's due diligence and formulation of a Project completion plan. And, as stated, in doing so, Development Manager would replace Taconic at significant savings to the Debtors' estates. As such, the Debtors' entry into the PSA is in the best interests of the Debtors, their estates, and all stakeholders.

17. Section 105(a) of the Bankruptcy Code, which codifies the inherent equitable powers of the bankruptcy court, empowers the court to "issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title." 11 U.S.C. § 105(a). This is

consistent with the broad equitable authority of the bankruptcy courts. *See, e.g., United States v. Energy Res. Co.,* 495 U.S. 545, 549 (1990).

18. Section 363(b) of the Bankruptcy Code permits a debtor to use property of the estate outside of the ordinary course of business after notice and a hearing.[3] 11 U.S.C. § 363. Section 363 applies when an agreement involves the disposition of the estate's assets in such a way that it ventures beyond an ordinary course transaction. *Myers v. Martin* (*In re Martin),* 91 F.3d 389, 395 (3d Cir. 1996).

19. The use or transfer of estate property under this provision must be supported by a sound business purpose. *The Committee of Equity Security Holders v. Lionel Corporation* (*In re Lionel Corporation*), 722 F.2d 1063, 1070-71 (2d Cir. 1983); *In re Decora Industries, Inc*., No. 00-4459, 2002 WL 32332749, at *2 (D. Del. May 20, 2002); *The Dai-Ichi Kangyo Bank, Ltd. v. Montgomery Ward Holding Corp.* (*In re Montgomery Ward Holding Corp.*), 242 B.R. 147, 153 (D. Del. 1999); *In re Delaware & Hudson Ry. Co.,* 124 B.R. 169, 176 (D. Del. 1991); *Travelers Casualty and Surety Company v. Future Claimants Representative*, No. 07-2785, 2008 WL 821088, at *4 (D.N.J. Mar. 25, 2008). A court determining whether a sound business purpose justifies the transaction "should consider all salient factors pertaining to the proceeding and, accordingly, act to further the diverse interests of the debtor, creditors and equity holders, alike." *In re Montgomery Ward,* 242 B.R. at 153-54 (quoting *In re Lionel*, 722 F.2d at 1071).

20. Authorizing the Debtors to enter into the PSA is consistent with the Court's powers under sections 105 and 363(b) of the Bankruptcy Code and is supported by a sound business purpose under Lionel and its progeny. The Project is subject to a stop-work order and ongoing regulatory issues that require prompt attention, creating urgency for the Debtors to retain a strategic

[3] Out of an abundance of caution, the Debtors are seeking relief under 363(b) of the Bankruptcy Code to the extent that entering into the PSA is deemed to be outside the ordinary course of the Debtors' business.

partner. The Development Manager has substantial qualifications and experience in financing and developing multi-family housing projects in New York City, including familiarity with New York City regulatory agencies and experience working collaboratively with them. The Development Manager would replace Taconic at significant cost savings compared to the Taconic engagement. Without a strategic partner capable of addressing the Project's regulatory, development, and financing needs, the Debtors risk further delays, additional costs, and further deterioration of the Project. These considerations, together with the anticipated benefits of facilitating the Project's completion and the Debtors' emergence from the Chapter 11 Cases, demonstrate that the PSA is in the best interests of the Debtors, their estates, and all stakeholders.

NOTICE

21. Notice of this Motion will be given to: (a) the Office of the United States Trustee for the District of Delaware; (b) the Committee; (c) counsel to the DIP Lender and Prepetition Lender; (d) the PSA counterparties; (e) counsel to the Ground Lessor; and (f) any party that has requested notice pursuant to Bankruptcy Rule 2002. The Debtors submit that, under the circumstances, no other or further notice is required.

22. No previous motion for the relief sought herein has been made to this or any other court.

CONCLUSION

WHEREFORE, the Debtors respectfully request that the Court enter an order, substantially in the form attached hereto as **Exhibit B**, authorizing the Debtors to enter into the PSA and to take any actions that the Debtors may deem to be necessary or beneficial to their estates in furtherance of the PSA and granting such other and further relief as is just and proper.

Dated: September 3, 2026
Wilmington, Delaware

CHIPMAN BROWN CICERO & COLE, LLP

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Counsel to the Debtors and Debtors in Possession

EXHIBIT A

PRECONSTRUCTION SERVICES AGREEMENT

This Preconstruction Services Agreement (this "Agreement") is entered into this 2nd day of September 2026, by and among Hudson 1701/1706, LLC and Hudson 1702, LLC (collectively, and as may be reorganized pursuant to a confirmed plan of reorganization in the Chapter 11 Cases (as defined below), "Owner"), PV Hudson LLC ("PV Hudson"), whose only obligations under this Agreement shall be the payment of any Termination Fee (as defined below) that may be earned and accrued under this Agreement, Parkview Financial REIT, LP ("Parkview"), whose only obligations under this Agreement shall be the honoring of draws by Owner from the DIP facility to fund Owner's payment obligations hereunder (subject to the terms of such DIP facility), SFA Holdings, LLC ("Fetner/Farallon" or "Development Manager"; each of Owner, PV Hudson, Parkview, and Development Manager is a "Party," and they are, collectively, the "Parties") with respect to providing certain Services (as defined herein) in connection with the Hudson Hotel redevelopment located at 356 West 58th Street, New York, NY 10019 (the "Project").

WHEREAS, Owner desires to engage Development Manager to perform such Services (as defined herein) as may be requested by Owner in connection with the Project;

WHEREAS, this Agreement shall become effective upon the entry by the Bankruptcy Court (as defined below) of an order, in form and substance reasonably acceptable to the Parties, approving this Agreement and the transactions contemplated hereby (the "Effective Date");

WHEREAS, until the Effective Date, this Agreement shall be of no force or effect, except as expressly provided herein;

NOW, THEREFORE, for good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, Owner, Parkview and Development Manager hereby agree as follows:

1. Services

(a) Scope of Services. Development Manager shall perform the scope of Services set out in the Proposal annexed hereto as **Schedule I** and any other preconstruction services as agreed to by Owner and Development Manager in accordance with the terms and conditions set forth in this Agreement (the "Services"). Owner and Development Manager may negotiate a mutually agreeable written development management agreement ("DMA") at a later date if so desired.

(b) Standard of Performance. Development Manager shall perform all Services (i) in compliance with all applicable law (as defined below), and (ii) with due diligence commensurate with similar services provided by development managers working on projects of similar scope, cost and complexity in the New York City metropolitan area (the "Standard of Care").

2. Project Contracts.

Unless otherwise agreed by Development Manager in writing, all design, construction, consulting, and other agreements for the performance of services and work for the Project (such agreements, the "Project Contracts") shall be entered directly by Owner, and not by Development Manager (whether directly or as agent for Owner). Development Manager shall make recommendations to Owner concerning appropriate design, construction, consulting, and other professionals for the Project, and shall facilitate negotiation of Project Contracts for such parties' services in consultation with the Owner; in all cases, such Project Contracts shall be directly executed by Owner and submitted for Owner's signature, subject to paragraph 4(c) below. For the avoidance of doubt: Owner shall have sole and absolute discretion to determine acceptable terms for all Project Contracts that it enters; Development Manager shall make recommendations concerning such issues during the negotiations of Project Contracts, but Development Manager does not guarantee that any particular terms will be agreed by design, construction, consulting, and other professionals for the Project, and is not responsible for the acts or omissions of such parties.

3. Term.

(a) This Agreement shall continue in effect from the Effective Date, until the earlier of: (i) six months from the date of this Agreement, after which the Agreement shall terminate automatically as governed by Section 7(c), unless (A) the Parties elect to extend in writing, or (B) Owner grants a commercially reasonable extension of such period provided that Development Manager is diligently pursuing conversion of this Agreement to a DMA, (ii) termination by either party pursuant to Section 7(a) or 7(b) below, and (iii) execution by Owner, Parkview, and Development Manager of a mutually agreeable DMA that replaces and supersedes this Agreement ("Term").

(b) Unless otherwise expressly stated, all references to days in this Agreement shall mean calendar days, not business days.

4. Compensation

(a) Preconstruction Services. In consideration for the Services, Development Manager shall earn a total fee of Seventy-Five Thousand Dollars ($75,000.00) per month ("Predevelopment Fee"), in accordance with Section 4(d) below, during the Term.

(b) Mobilization Payment. In addition to the Predevelopment Fee, Development Manager shall be compensated a fee of One Hundred Thousand Dollars ($100,000) (the "Mobilization Payment") to be paid by Owner within thirty (30) days after the Effective Date.

(c) Reimbursable Expenses. To the extent a Project Contract is reasonably recommended by Development Manager and necessary to Development Manager's performance of Services pursuant to this Agreement but is not entered into by Owner pursuant to Section 2, Development Manager may, with Owner's written consent (which may be provided by email), enter into such Project Contract and shall be entitled to reimbursement of such reasonable expenses incurred pursuant to said Project Contract, to the extent that the foregoing are approved in advance by Owner, such approval not to be unreasonably delayed or withheld ("Project Contract Reimbursable Expenses"). Development Manager shall provide reasonable backup accompanying

the monthly invoice for payment evidencing Reimbursable Expenses and such amounts shall be paid to Development Manager no later than thirty (30) days after receipt of such backup documentation.

(d) Payment Procedures for Predevelopment Fee and Reimbursable Expenses. The Predevelopment Fee shall be paid as follows: Fifty Thousand Dollars ($50,000) (the "Current Predevelopment Fee") due to Development Manager each month shall be paid current and the remaining Twenty-Five Thousand ($25,000) (the "Accrued Predevelopment Fee") due to Development Manager shall accrue monthly, to be paid upon the earlier of the expiration of the Term hereunder or the termination of this Agreement. Payment of the Current Predevelopment Fee for the initial month of Services under this Agreement shall be delivered on the same day as full execution of this Agreement, prorated for the remaining days of the month; thereafter, payment of the Current Predevelopment Fee shall be paid in advance on the first business day of the month. For accounting purposes, Development Manager shall submit to Owner an invoice for payment and accrual of the Predevelopment Fee each month. On or about the thirtieth (30th) day of each month during the Term, Development Manager shall provide an invoice for Reimbursable Expenses incurred in the prior month. Per Section 4(c) above, Development Manager shall provide reasonable backup accompanying the monthly invoice evidencing the Reimbursable Expenses. Within thirty (30) days after Development Manager submits an invoice for Reimbursable Expenses, Owner shall pay said invoice, to the extent that the Reimbursable Expenses are approved by Owner, such approval not to be unreasonably delayed or withheld. If Owner fails to timely make payment as provided in this Section 4(d), without limitation to its other remedies, Development Manager may, after ten (10) days' notice and opportunity to cure, suspend all Services (an "Owner Payment Default").

(e) Acknowledgment of DIP Financing. Development Manager, PV Hudson, and Parkview acknowledge that prior to the effective date of any confirmed chapter 11 plan of the Owner or closing date for any purchase of the Owner's assets in any court-approved sale of substantially all of the Owner's assets under section 363 of the Bankruptcy Code (as defined below) all amounts to be paid under this Agreement by Owner to Development Manager are payable solely pursuant to draws from the Debtor in Possession ("DIP") financing facility funded by Parkview in Owner's pending jointly administered cases under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"), Case No. 25-11853 (KBO) (Bankr. D. Del.) (the "Chapter 11 Cases"), and as a signatory to this Agreement, Parkview agrees to the Owner's payment obligations hereunder as being covered by the DIP facility budget, subject in all cases to the terms of such DIP financing facility; provided that nothing herein shall limit, modify or effect Development Manager's right to receive payment of, and Owner's obligations to pay, the Compensation provided for in this Agreement.

(f) Acknowledgement of Postpetition Agreement. The Parties acknowledge and agree that (a) Owner commenced its Chapter 11 Case on October 22, 2025 (the "Petition Date") and is entering into this Agreement following the Petition Date in its capacity as a debtor in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code; (b) this Agreement constitutes a new, postpetition contract and obligation of Owner as debtor in possession and is not an executory contract or unexpired lease "of the debtor" within the meaning of section 365 of the Bankruptcy Code; and (c) accordingly, this Agreement is not subject to assumption, rejection, or assumption and assignment pursuant to section 365 of the Bankruptcy Code; provided, however, that this

Agreement may be assumed by and assigned to a reorganized Owner or a successor in interest to Owner under any confirmed chapter 11 plan, subject to the standards of section 365 of the Bankruptcy Code. The Parties further acknowledge and agree that this Agreement shall remain binding upon and enforceable against Owner, including all rights and obligations with respect to payment of Compensation, notwithstanding (i) the confirmation or effectiveness of any chapter 11 plan or any conversion of the Chapter 11 Case, in each case subject to the terms of this Agreement, applicable law and any applicable order of the Bankruptcy Court or (ii) any decision or order of the Bankruptcy Court determining, defining, modifying, excusing or recharacterizing Owner's rights, obligations and interests, including economic, legal or beneficial, in the Project.

5. Indemnification.

(a) To the fullest extent permitted by law, Owner shall indemnify, defend (with counsel reasonably acceptable to Development Manager), and hold harmless Development Manager and its officers, directors, members, shareholders, managers, affiliates, personnel, employees, agents, and successors from all third-party claims, liabilities, actual losses, actual damages and reasonable, out-of-pocket costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) ("Claims") arising from (i) the breach of this Agreement by Owner, (ii) the willful misconduct, negligence, fraud or embezzlement of or by Owner or any of its personnel, officers, directors, shareholders, agents or employees, and (iii) performance of work or services by others not under the supervision of Development Manager.

(b) To the fullest extent permitted by law, Development Manager shall indemnify, defend, and hold harmless Owner from all third-party Claims arising from (i) the material breach of this Agreement by Development Manager, and (ii) the willful misconduct, negligence, fraud or embezzlement of or by Development Manager or any of its personnel, officers, directors, shareholders, agents or employees, but excluding those Claims subject to Owner's indemnification obligations under Section 5(a).

(c) The provisions of this Section 5 shall survive the termination or expiration of this Agreement. For the avoidance of doubt, it is understood that the terms of this Section 5 may be renegotiated as part of inclusion in a DMA.

6. [Intentionally Omitted].

7. Termination.

(a) Termination for Cause. Either party may terminate this Agreement for cause in the event of a material breach or default of this Agreement, in each case, by the other party upon ten (10) business days' written notice and opportunity for cure to the other party (other than as set forth in Section 4 hereof with respect to an Owner Payment Default (subject to cure period stated therein), which shall be an immediate termination right for Development Manager), if the breach or default is susceptible to cure, provided such cure period shall in no event exceed thirty (30) days. Without limitation to Development Manager's other rights and remedies under this Agreement and applicable law, within thirty (30) days after delivery of an invoice therefor, Owner shall pay Development Manager all amounts owed pursuant to Section 4(a), Section 4(b), Section 4(c), Section 4(d) (including any Accrued Development Fee) and any other provision of

this Agreement through the effective date of termination. For the avoidance of doubt, no Termination Fee shall be payable to Development Manager if this Agreement is terminated by Owner in the event of a material breach or default by Development Manager. Development Manager shall (i) preserve any and all work and (ii) deliver to Owner all Deliverables (defined below) and any property or Confidential Information belonging to Owner or the Project to Owner; such delivery shall be a condition to any payment due under this Section 7(a).

(b) Termination without Cause. Owner may terminate this Agreement at any time, for any reason upon thirty (30) days' notice to Development Manager. Development Manager shall be due all compensation for Services performed through the effective date of termination (including any Termination Fee (as defined below) earned and accrued prior to the date of such termination and any Accrued Development Fee earned and accrued prior to the date of such termination). All amounts due Development Manager pursuant to this Section 7(b) shall be paid within thirty (30) days after delivery of an invoice therefor. Development Manager shall preserve any and all work and provide delivery of documents, work papers, correspondence, and any property or confidential information belonging to Owner or the Project at Owner's request and without delay. In the event that this Agreement is terminated pursuant to this Section 7(b) during the Term, as may be extended, PV Hudson shall pay to Development Manager, in addition to all other sums due to Development Manager through the effective date of termination, a termination fee (the "Termination Fee"), the amount of which shall be determined in accordance with the terms set forth in **Schedule II** hereof and which shall be paid to Development Manager no later than thirty (30) days after delivery of an invoice therefor. Development Manager shall preserve any and all work and, as a condition to any payment under this Section 4(b), Development Manager shall deliver to Owner all Deliverables (defined below) and any property or Confidential Information belonging to Owner or the Project.

(c) Automatic Termination. If this Agreement terminates pursuant to Section 3(a)(i), all compensation for Services performed through the effective date of termination shall be paid by Owner pursuant to this Agreement (including any Accrued Development Fee); any Termination Fee earned and accrued prior to the date of such termination shall be paid by PV Hudson hereunder. All amounts due Development Manager pursuant to this Section 7(c) shall be paid within thirty (30) days after delivery of an invoice therefor. Development Manager shall preserve any and all work and, as a condition to any payment under this Section 4(c), Development Manager shall deliver to Owner all Deliverables (defined below) and any property or Confidential Information belonging to Owner or the Project.

8. Governing Law; Dispute Resolution.

(a) THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

(b) EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, IN ANY LEGAL ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, FIRST AND FOREMOST TO THE EXCLUSIVE JURISDICTION OF THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE (THE "BANKRUPTCY COURT") FOR SO LONG AS THE CHAPTER 11 CASES OF THE OWNER AND ITS AFFILIATES REMAIN PENDING AND

THE BANKRUPTCY COURT HAS JURISDICTION OVER SUCH ACTION OR PROCEEDING AND ELECTS TO EXERCISE SUCH JURISDICTION. TO THE EXTENT THE BANKRUPTCY COURT DOES NOT HAVE JURISDICTION OVER SUCH ACTION OR PROCEEDING, OR DECLINES TO EXERCISE SUCH JURISDICTION, EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE EXCLUSIVE JURISDICTION OF THE SUPREME COURT OF THE STATE OF NEW YORK FOR THE COUNTY OF NEW YORK (THE "NEW YORK SUPREME COURT"), AND THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK (THE "FEDERAL DISTRICT COURT," AND TOGETHER WITH THE NEW YORK SUPREME COURT, THE "NEW YORK COURTS"), AND THE APPELLATE COURTS FROM ANY THEREOF.

(c) EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT IN THE BANKRUPTCY COURT OR, IF THE BANKRUPTCY COURT DOES NOT HAVE JURISDICTION OVER SUCH ACTION OR PROCEEDING OR DECLINES TO EXERCISE SUCH JURISDICTION, IN ANY OF THE NEW YORK COURTS. EACH PARTY HERETO FURTHER IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING IN THE BANKRUPTCY COURT OR, AS APPLICABLE, ANY OF THE NEW YORK COURTS.

(d) EACH PARTY TO THIS AGREEMENT HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING UNDER THIS AGREEMENT OR IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO OR ANY OF THEM WITH RESPECT TO THIS AGREEMENT OR THE TRANSACTIONS RELATED THERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER FOUNDED IN CONTRACT OR TORT OR OTHERWISE; AND EACH PARTY HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY, AND THAT ANY PARTY TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION 8(d) WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE SIGNATORIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

(e) THE PREVAILING PARTY IN ANY ACTION TO ENFORCE OR INTERPRET THIS AGREEMENT OR ARISING OUT OF THIS AGREEMENT, THE SERVICES, OR THE PROJECT SHALL BE ENTITLED TO RECOVER ITS REASONABLE ATTORNEYS' FEES AND COSTS OF LITIGATION (AT ALL STAGES) FROM THE NON-PREVAILING PARTY.

(f) The provisions of this Section 8 shall survive the completion of Development Manager's Services under this Agreement and the expiration or termination of this Agreement.

9. Limitations of Liability.

(a) The Parties agree that notwithstanding anything to the contrary contained elsewhere in this Agreement or in any schedules or exhibits attached hereto or in any documents executed or to be executed in connection herewith, the limitations of liability set out in this Section 9 shall apply with respect to claims that arise under this Agreement.

(b) Other than as expressly set forth herein with respect to any Termination Fee payable by PV Hudson, no personal liability or personal responsibility of any sort with respect to any obligation of a Party hereunder or any alleged breach by such party is assumed by, or shall at any time be asserted or enforceable against, such Party's direct or indirect equity holders, directors, officers, employees, agents, constituent partners, members, managers, beneficiaries, trustees or representatives or any of their respective direct or indirect equity holders, directors, officers, employees, agents, constituent partners, members, managers, beneficiaries, trustees or representatives.

(c) No Party shall be liable to any other Party to this Agreement for any punitive, exemplary, special or consequential damages, including, without limitation lost profits, indirect loss or damage of any kind, loss of use, loss of product or business interruption in connection with the performance of this Agreement (except, in the case of punitive damages, to the extent actually paid to a third party pursuant to a court order or judgment obtained by such third party). Notwithstanding the foregoing, consequential damages (including, without limitation, lost profits, loss of use, or business interruption) shall be recoverable to the extent covered by insurance or the indemnification obligations owed either Party under this Agreement.

(d) The provisions of this Section 9 shall survive the termination or expiration of this Agreement. For the avoidance of doubt, it is understood that the terms of this Section 9 may be renegotiated as part of inclusion in a DMA.

10. Insurance.

(a) Owner shall cause to be furnished and maintained, during the Term of this Agreement, and for three years after the earlier of the Owner obtaining a letter of completion from the project architect for the Project ("Final Completion") and termination of this Agreement, commercial general liability insurance on an occurrence basis against claims for bodily injury and property damage (including loss of use), personal injury and advertising injury, and Owner's insurance policy shall name Development Manager, and such other parties as Development Manager may identify in writing, as an additional insured on a primary basis for all work and services performed under or incidental to this Agreement. Such insurance shall have the following minimum limits: five million dollars ($5,000,000) each occurrence (combined single limit bodily injury and property damage); five million dollars ($5,000,000) general aggregate per project site; five million dollars ($5,000,000) products/completed operations aggregate. The policy shall be endorsed with a waiver of subrogation in favor of Development Manager and any other additional insureds required by Development Manager.

(b) Development Manager shall furnish and maintain, during the Term of this Agreement, Professional Liability Insurance affording such coverage with a limit of not less than

Two Million Dollars ($2,000,000) for each claim and in the aggregate, coverage shall be maintained for a period of at least three (3) years after Final Completion, and Workers' Compensation and Employers Liability insurance as required by applicable law in the jurisdiction(s) where services are performed.

(c) Within two (2) business days after request by Development Manager made on or after the Effective Date, Owner shall furnish a certificate of insurance evidencing the coverage outlined above and a copy of the insurance policy. Insurance is to be placed with insurers with a Best's rating of no less than A- VII. No insurance required hereunder shall be cancelable or modified except after thirty (30) days' written notice to Development Manager.

(d) For the avoidance of doubt, it is understood that the terms of this Section 10 may be renegotiated as part of inclusion in a DMA.

11. Miscellaneous Provisions.

(a) Confidentiality. Development Manager acknowledges the confidentiality of all drawings, studies, data, financial information (including budgets, costs and reports), leasing information, and other similar information provided by or on behalf of Owner or generated in connection with this Project ("Confidential Information"). Except for (i) information that is legally available to the public (*e.g.*, not available due to Development Manager's breach of this paragraph) regarding the Project or that is developed without reference to Confidential Information; (ii) communications in connection with the Project between Development Manager and its affiliates, employees, personnel, representatives, partners, attorneys, accountants, consultants, and contractors, (iii) communications in connection with the Project with Owner and other entities, personnel, and users that are or will be involved with or connected to the Project, such as owners, tenants, lenders, developers, bidders, construction managers, contractors, subcontractors, consultants, design professionals, and their respective personnel and representatives, (iv) disclosures in connection with the Project to authorities having jurisdiction, entities with approval rights, and similar entities, and their respective personnel and representatives, (v) disclosures required by law or by legal procedure, or (vi) disclosures to potential purchasers, equity partners, lenders, transferees, or other transactional counterparties for sale, capitalization, or other disposition or transactions involving the Project, Development Manager shall not disclose Confidential Information to any third parties without Owner's prior written consent, not to be unreasonably withheld. Prior to any disclosure under the foregoing item (ii), Development Manager agrees that it shall inform any such party of the confidential nature of such disclosed Confidential Information and shall direct such party to treat such Confidential Information in accordance with the terms of this Agreement. Disclosures under items (ii), (iii), (iv), (v), and (vi) shall be limited to those consistent with the performance of this Agreement in reasonable furtherance of the Project in accordance with the Standard of Care. To the extent Development Manager is required to disclose Confidential Information in connection with legal process (*e.g.*, in response to a subpoena or similar) other than in the performance of the foregoing items (iii) and (iv), Development Manager shall give Owner, to the extent reasonably practicable, at least seven (7) days' written notice prior to the disclosure of the requested Confidential Information. Owner, PV Hudson, Parkview, and Development Manager stipulate that damages alone may be insufficient to provide full relief for a breach of this Section 11(a) and that Owner shall be entitled to seek specific performance and injunctive or other equitable relief as a remedy for any such

breach. This Section 11(a) contains the entire agreement between the parties respecting the matters herein set forth and supersedes all prior agreements between the parties hereto respecting such matters. The provisions of this Section 11(a) shall survive the termination or expiration of this Agreement for a period of two (2) years.

(b) Binding Effect. This Agreement is binding upon and shall inure to the benefit of the Parties hereto and their respective successors and permitted assigns.

(c) Notices. All notices required or permitted to be given by one party to the other hereunder shall be in writing, including email, and shall be sent by commercial messenger service or shall be hand-delivered to the following addresses and shall be deemed given upon delivery:

If to Owner:	Hudson 1701/1706, LLC and Hudson 1702, LLC c/o FTI Consulting 1166 Avenue of the Americas New York, NY 10036 Attention: Alan Tantleff Email: Alan.Tantleff@fticonsulting.com
with copies to:	Chipman Brown Cicero & Cole, LLP 1313 N. Market Street, Suite 5400 Wilmington, DE 19801 Attention: William Chipman, Esq. Email: chipman@chipmanbrown.com
If to Parkview:	Parkview Financial REIT, LP 11440 San Vicente Blvd Los Angeles, CA 90049 Attention: Legal Department Email: legaldepartment@parkviewfinancial.com
with copies to:	Hogan Lovells Cadwalader US LLP 1999 Avenue of the Stars, Suite 1400 Los Angeles, CA 90067 Attention: Richard Wynne Email: Richard.Wynne@hlc.com
If to Fetner/Farallon:	c/o Fetner Properties LLC 780 Third Avenue, Suite #401 New York, NY 10017 Attn: Hal Fetner Email: hal@fetner.com

with copies to:	Fried, Frank, Harris, Shriver & Jacobson LLP One New York Plaza New York, NY 10004 Attention: Christy Mazzola Email: Christy.mazzola@friedfrank.com
with copies to:	c/o Farallon Capital Management 1 Maritime Plaza, Suite #2100 San Francisco, CA 94111 Attn: Jack Kelly Email: jkelly@farallоncapital.com

(d) No Joint Venture. Nothing contained in this Agreement shall be construed to mean that Development Manager, Parkview, and Owner are joint venturers or partners, it being expressly understood and agreed by the Parties hereto that Development Manager, in performing its obligations under this Agreement, shall be deemed an independent contractor and not an employee of Owner.

(e) Assignment. Owner may assign this Agreement, in whole or in part, to (i) any "controlled affiliate" of Owner, (ii) the reorganized debtors under any confirmed chapter 11 plan of the Owner or any purchaser of the Owner's assets in any court-approved sale of substantially all of the Owner's assets under section 363 or 1123 of the Bankruptcy Code, or (iii) to a successor-in-interest to the property with the consent of Development Manager, not to be unreasonably withheld. Development Manager may not assign this Agreement, in whole or in part, without the prior written consent of Owner, which may be granted or withheld in Owner's sole discretion. Any attempted assignment in violation of this section shall be null and void. Development Manager shall promptly execute all documents and take all actions necessary to effectuate any assignment by Owner consented to by Development Manager as provided above. Notwithstanding anything to the contrary contained herein, Manager may delegate or subcontract any of its duties, responsibilities, or services under this Agreement to Farallon Capital Management or an affiliate thereof ("Subcontractor") pursuant to agreements between Development Manager and such entity (a "Subcontract"). Development Manager shall nevertheless remain responsible for the performance of all delegated duties, responsibilities, or services in accordance with this Agreement and for the acts or omissions of Subcontractor. Development Manager shall be solely responsible for all fees and other amounts payable to Subcontractor pursuant to the Subcontract and in no event shall such fees or other amounts due under the Subcontract increase any other sums required to be expended by Owner hereunder that would have been otherwise payable to Manager under this Agreement in the absence of any such delegation.

(f) Third-Party Relationships. The sole beneficiaries of this Agreement are the Parties hereto. Nothing contained in this Agreement shall create a contractual relationship with, an obligation to, or cause of action in favor of any third-party against Parkview, Owner or Development Manager. This Agreement is not intended to confer any benefits or rights upon any person or entity other than the express Parties hereto.

(g) Ownership of Documents. Provided that Owner has timely paid all amounts due under this Agreement as to which there is no bona fide dispute, all documents, materials,

correspondence, and information (including, but not limited to, plans, memoranda, notes, minutes, drawings, sketches, electronic data, contract documents, etc.) first prepared (or received) by Development Manager for the Project as part of the Services, expressly excluding any of the foregoing existing on or before commencement of the Services, or that are not created exclusively for the Project (collectively, the "Deliverables") shall at all times be the sole and exclusive property of Owner (limited to such interest Development Manager held in such Deliverables). Development Manager shall be permitted to retain record copies of the Deliverables.

(h) Severability. To the extent any term or provision of this Agreement is determined by a court of competent jurisdiction to be illegal, invalid or unenforceable under the law of the state where the Project is located, such term or provision shall be deemed severed from this Agreement and the remaining terms and provisions shall remain unaffected thereby.

(i) Neutral Interpretation. The Parties to this Agreement have had the opportunity to consult with legal counsel and negotiate the terms and conditions set forth herein. Any ambiguity in this Agreement shall not be construed more strictly against either party on the grounds that it was the drafter.

(j) No Waiver. The failure of a party hereto to insist upon the strict performance of any provisions of this Agreement, or the failure of a party hereto to exercise any right, option or remedy hereby reserved, shall not be construed as a waiver for the future of any such provision, right, option or remedy or as a waiver of a subsequent breach thereof. No provision of this Agreement shall be deemed to have been waived unless such waiver shall be in writing signed by the party to be charged.

(k) Entire Agreement; Amendment. This Agreement, including schedules and exhibits attached hereto, constitute the entire agreement and understanding of the Parties and supersedes all prior written or oral agreements or understandings with respect to the subject matter hereof. This Agreement may only be modified by a written amendment executed by Owner, Parkview, and Development Manager.

(l) Authority. The persons signing this Agreement represent that they are duly authorized to execute this Agreement on behalf of either Parkview, Owner or Development Manager respectively, and with full force and binding effect upon such party.

(m) Counterparts. This Agreement may be executed in two or more counterparts via e-mail or express mail (scanned electronic copy or original), each of which shall constitute an original but all of which together shall be deemed one and the same instrument. Facsimile or electronic signatures (e.g., DocuSign) shall be deemed originals. Signature pages may be detached from counterpart documents and reassembled to form duplicate executed originals.

(n) No Circumvention; Conflicts of Interest. During the Term, neither Development Manager nor any of its affiliates, principals, officers, or agents shall, directly or indirectly, negotiate, solicit, or enter into any agreement, arrangement, side letter, or transaction with MSP, HPD, or any other third party relating to the Project, or any economic, governance, or ownership interest therein, that bypasses, is inconsistent with, or is disadvantageous to Owner's rights, interests, or anticipated economics under this Agreement, without Owner's prior written consent.

Development Manager shall promptly disclose to Owner any actual or potential conflict of interest arising during the Term in connection with the performance of Services hereunder, including any existing or contemplated relationship with MSP, HPD, or any agency or tenant of the Project that could reasonably be expected to impair Development Manager's ability to act solely in Owner's interests. Development Manager hereby represents that it has not, on or prior to the date of this Agreement, engaged in any act that would have violated this Section 10(n) had it occurred on or after the date of this Agreement; provided, however, that Owner acknowledges that Development Manager may have had certain communications with MSP about a transaction with respect to the Project prior to this Agreement; provided, further, however, that Development Manager represents that neither it nor any of its affiliates, principals, officers or agents entered into any written agreement, written arrangement, side letter or written transaction with MSP with respect to the Project (a "Developer Project Agreement") prior to this Agreement and as of the date hereof no Developer Project Agreement exists.

[The remainder of this page is intentionally blank.]

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be duly executed and delivered as of the Effective Date.

OWNER:

HUDSON 1701/1706, LLC

By: _____
Name: Alan Tantleff_____
Title: Chief Restructuring Officer__

HUDSON 1702, LLC

By: _____
Name: Alan Tantleff_____
Title: Chief Restructuring Officer__

DEVELOPMENT MANAGER:

SFA HOLDINGS, LLC

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be duly executed and delivered as of the Effective Date.

OWNER:

HUDSON 1701/1706, LLC

By: _____
Name: _____
Title: _____

HUDSON 1702, LLC

By: _____
Name: _____
Title: _____

DEVELOPMENT MANAGER:

SFA HOLDINGS, LLC

By: _____
Name: Harold Fetner
Title: Manager

SOLELY OBLIGATED WITH RESPECT TO PAYMENT OF ANY TERMINATION FEE:

PV HUDSON LLC
By: Parkview Financial REIT, LP, its sole member
By: Parkview Financial Fund GP, Inc., its general partner

By: _____
Name: Ted Jung
Title: Authorized Signatory

SOLELY OBLIGATED WITH RESPECT TO FUNDING OF OWNER'S DRAWS UNDER THE DIP FINANCING FACILITY (SUBJECT TO THE TERMS THEREOF):

PARKVIEW FINANCIAL REIT, LP
By: Parkview Financial Fund GP, Inc., its general partner

By: _____
Name: Ted Jung
Title: Authorized Signatory

EXECUTION VER\SION

SCHEDULE I TO PRECONSTRUCTION SERVICES AGREEMENT

SCOPE OF SERVICES

Fetner shall serve as Development Manager and Owner's representative for the 356 W 58th Street Project under that certain Preconstruction Services Agreement to which this Schedule is made a part during the Term (as defined in the Preconstruction Services Agreement). In this capacity, Development Manager shall use commercially reasonable efforts to coordinate with Owner and Parkview and direct property management, design and engineering consultants, contractors, and agencies to (a) keep the building safe, compliant, and operational; (b) advance the regulatory and agency framework required to begin construction; and (c) manage the budget, schedule, and funding process that supports both.

In rendering Services, Development Manager may consult and confer with, among others, Parkview, FTI Consulting (restructuring/financial advisor), and LA Fitness as the principal commercial tenant; provided, however, that it is understood that Development Manager's client in rendering Services under this Agreement is solely Owner, its corresponding duties and obligations under this Agreement run solely to Owner and to no other entity (there being no third-party beneficiaries of this Agreement), and at all times during the Term, Development Manager shall report to Owner with respect to the Services; provided further, however, that Development Manager acknowledges that such consultations and conferences are subject to, without limitation, the Development Manager's obligations with respect to Confidential Information under Section 11(a) of the Agreement and non-circumvention in Section 11(n) of the Agreement.

Development Manager's Services shall include the following, which are subject to being reduced or supplemented by written agreement between the Development Manager, Parkview and Owner, email being sufficient:

1. **Development Management & Owner's Representation**
   - Act as the central point of coordination for Owner, running the standing weekly coordination meeting and driving items to resolution across all workstreams.
   - Maintain and circulate the running action-item log, tracking responsible parties, status, and open items meeting-to-meeting.
   - Develop and maintain the overall "action plan toward the start of construction," carrying cost and schedule assumptions for not-yet-released scopes (SRO unit construction, Alt-1 permit, SRO repair scope, conformance set, etc.).
   - Advise ownership on team onboarding where qualified vendors are needed and recommend procurement of assessments and services (e.g., generator assessment team).

2. **Budget, Cashflow & DIP Funding Administration**
   - Layer consultant deliverables into the overall development cashflow and budget.
   - Prepare and update the development budget at the request of Owner, the lender (Parkview), and FTI, including the updated budget/cashflow used to support the DIP budget submitted to the court.
   - Assemble and administer DIP Funding Requisitions, including compiling contractor and consultant requisitions.

- Coordinate the review of vendor invoices and payment summaries, including distinguishing pre-petition from post-petition amounts that cannot flow through DIP funding.
- Recommend invoices for payment by Owner.

3. Agency & Regulatory Coordination (CURE / SRO / Condo)

- Coordinate the CURE and relocation agreement process with counsel, Parkview, FTI, Clinton Housing, Community Board 4, and Goddard Riverside Law Project.
- Maintain the tenant tracker, including incorporating the tenant list provided by Clinton Housing.
- Track and help close out the remaining items required to finalize the CURE framework.
- Development Manager acknowledges that (a) 356W58 Ground Lessor LLC ("MSP") claims to be the owner of the retail and residential condominium units comprising the Project and that Owner holds only a leasehold interest in the units pursuant to a purported Ground Lease and (b) Owner disputes the ownership interest of MSP. Under the Ground Lease, Owner has certain obligations of disclosure to MSP regarding communications with regulatory authorities, with such obligations being subject to limitations under and in connection with the Chapter 11 Cases (as defined in the Agreement). Development Manager may communicate with MSP regarding such matters but only at the direction of and with the advance consent of Owner.

4. Preconstruction & Consultant Coordination

- Manage and integrate the engineering deliverables (Phase III / Milestone packages, schedule, and cashflow).
- Coordinate the CASA Temporary Protection Plan (TPP) closeout, including the fire-watch framework and the path to relieving fire watch once fire alarm and sprinkler scopes are complete.
- Coordinate Local Law 11 / façade work with ALSA and APCO, including remaining Cycle 8 inspections, coping repair, and tracking the status of Cycle 10B filing and DOB sign-off.
- Prepare the scope of work for SRO floor/unit construction to be performed post-CURE execution and oversee renovation of corridors and temporary SRO units where multiple trades are involved (with property manager responsible for debris removal and minor repairs in existing units).
- Carry the Conformance/IFC set as a defined assumption to be advanced toward the end of preconstruction so a fully coordinated set can be issued for bid and construction.

5. Building Stabilization & Property Management Oversight

Development Manager shall oversee and coordinate the property manager and specialty contractors to keep critical building systems safe, compliant, and operational.

- Elevators: Coordinate repairs, track in-service status car-by-car; and pursue formal status guidance.
- Generator: Recommend and onboard an assessment team and coordinate the repair/replacement schedule.
- Boiler / heating & hot water: Coordinate with property manager on all boiler, steam, hot-water, valve repairs and similar plumbing work; track tenant hot-water restoration; and plan valve repairs ahead of heating season to meet the statutory heat requirement (Oct 1–

May 31).
- Fire alarm: Coordinate with subcontractors on the trouble list and a core-coverage plan.
- Sprinkler: Coordinate the sprinkler assessment with subcontractors.

6. Major Tenant (LA Fitness) — Landlord's Work Coordination
- Serve as ownership's coordination lead on LA Fitness ("LAF") matters, working with FTI on the broader LAF negotiation and tracking the status of LAF's and the Landlord's respective work.
- Coordinate the design and delivery of Landlord's Work items required for delivery, including chiller replacement / cooling-tower rebuild (temporary and permanent options), storefront and canopy, Stair F enclosure, ADA elevator/lift, and railings.
- Manage scope that is on hold pending the larger LAF/FTI negotiation, and coordinate site-security and access matters (e.g., surveying and securing access points to the LAF space).

7. Reporting & Coordination Deliverables
- Prepare and distribute coordination meeting minutes and the running action-item log.
- Maintain the development budget, cashflow, and schedule and supporting DIP funding requisitions.
- Maintain the tenant tracker and the building systems/status tracker.
- Produce the scopes of work and action-plan assumptions described above as each scope is released.

EXECUTION VER\SION

SCHEDULE II TO PRECONSTRUCTION SERVICES AGREEMENT

TERMINATION FEE

In the event Owner terminates the Agreement pursuant to Section 7(b) of the Agreement or it has been automatically terminated pursuant to Section 7(c) of this Agreement, Parkview shall owe Development Manager a Termination Fee subject to the achievement(s) of the below described milestones within the allotted timeframes detailed therein, if applicable (each a "Milestone" and collectively the "Milestones"). All timeframes in this Schedule II shall be subject to commercially reasonable written extensions (email being sufficient) provided by Owner, which shall be subject to Developer Manager's diligent pursuit of each Milestone. Development Manager shall provide notice to Owner promptly following completion of each Milestone, including commercially reasonable evidence that such Milestone is complete. Owner shall acknowledge the completion of such Milestone in writing at its sole, reasonable discretion, not to be unreasonably withheld or delayed but such acknowledgement shall in no event be determinative of whether such Milestone was actually completed. For the avoidance of doubt, PV Hudson shall only owe to Development Manager the Termination Fee allocable to fully completed Milestones.

1. **Architectural Plan Development and Approval**
   - Development Manager shall have ninety (90) days from the Effective Date to complete the architectural plan and development and obtain initial business plan approval from Owner.
   - Such architectural plan and development shall include completion and presentation of the proposed redevelopment plans, including the revised unit mix, floor plans, and building layout.
   - Owner approval of the proposed design and confirmation that the plan supports the overall business strategy is required.
   - If the foregoing outcomes of this subsection 1 are achieved and confirmed pursuant to the terms in this Schedule II, Parkview shall owe Development Manager a Termination Fee in the amount of $200,000 in the event of a termination of the Agreement pursuant to Section 7(b) or Section 7(c), in addition to any other amounts as may be earned pursuant to this Schedule II.

2. **Preliminary Agreement on Framework for Transaction with Parkview and MSP**
   - Development Manager shall have sixty (60) days from the Effective Date to complete a preliminary written agreement on the framework for a transaction and resolution of disputes with the parent of the purported ground lessor of the Project, Montgomery Street Partners ("MSP"), subject to the non-disclosure and non-circumvention provisions in Schedule I.
   - A written acceptance by MSP of the broader partnership framework and key economic terms that have been presented is required.
   - A written confirmation, such as a signed Letter of Intent, that each of Owner, Parkview, Development Manager, and MSP are materially aligned to continue toward definitive triparty agreement, is required.
   - If both (i) the foregoing outcomes of this subsection 2 and (ii) the outcomes set forth in subsection 3 below are achieved and confirmed pursuant to the terms in this Schedule II, Parkview shall owe Development Manager a Termination Fee in the amount of $400,000

in the event of a termination of the Agreement pursuant to Section 7(b) or Section 7(c), in addition to any other amounts as may be earned pursuant to this Schedule II.

3. **HPD Approval of Affordable Housing Program**
   - Development Manager shall have ninety (90) days from the Effective Date to receive the New York City Housing Preservation & Development's ("HPD") approval of the Project's affordable housing program.
   - HPD's approval is required inclusive of approval of any revised affordable unit count, income restrictions, and associated regulatory requirements.
   - The confirmation by the authority having jurisdiction ("AHJ") of whether any available tax abatements, exemptions, or other financial incentives necessary to support the business plan is applicable to the Project, is required.

4. **Execution of Definitive Agreement with Parkview and MSP**
   - The final approval and execution of a binding, definitive agreement(s) among Owner, MSP, Parkview, and Development Manager reflecting the negotiated partnership structure is required, which shall be contingent on the achievement of the Milestone in subsection 2 of this Schedule II.
   - A resolution and written, executed settlement(s) of all material business and legal issues required to move forward with the transaction contemplated by the definitive agreement is required.
   - For the avoidance of doubt, this Milestone shall not be achieved by merely a settlement agreement or other legal relief as between Owner, MSP, Parkview, and/or their respective affiliates that was not brokered by Development Manager.
   - If the foregoing outcomes of this subsection 4 are achieved and confirmed pursuant to the terms in this Schedule II, Owner shall owe Development Manager a Termination Fee in the amount of $200,000 in the event of a termination of the Agreement pursuant to Section 7(b) or Section 7(c), in addition to any other amounts as may be earned pursuant to this Schedule II.

5. **Approval of Final Business Plan**
   - The completion and approval by Owner, Parkview, MSP and Development Manager of the comprehensive redevelopment business plan, including a project budget, capital structure, development schedule, leasing assumptions, and projected returns.
   - The receipt of all required stakeholder approvals necessary to implement the plan, including, but not limited to, HPD's approval of the final redevelopment framework and approval of any required lender, owner, or governmental or regulatory agency.
   - A confirmation from Owner, Parkview, MSP and Development Manager that the Project is entitled and capable of moving into execution.
   - If the foregoing outcomes of this subsection 5 are achieved and confirmed pursuant to the terms in this Schedule II, Owner shall owe Development Manager a Termination Fee in the amount of $200,000 in the event of a termination of the Agreement pursuant to Section 7(b) or Section 7(c), in addition to any other amounts as may be earned pursuant to this Schedule II.

Amounts that may be due under this Schedule II shall be cumulative, such that Development Manager's confirmed achievement of more than one Milestone shall earn Development Manager the Termination Fee attributable to such Milestone in the foregoing, up to a maximum available Termination Fee of One Million Dollars ($1,000,000).

Termination Fee Obligations

Owner shall not be responsible for the payment of any Termination Fee earned and accrued hereunder. Any such Termination Fee earned and accrued under the Agreement, subject to the terms and conditions thereof, shall be paid by Parkview to Development Manager.

EXHIBIT B

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
Hudson 1701/1706, LLC, *et al.*,[1]	Case No. 25-11853 (KBO)
	(Jointly Administered)
Debtors.	**Related Docket No.**

ORDER AUTHORIZING DEBTORS' ENTRY INTO PRECONSTRUCTION SERVICES AGREEMENT PURSUANT TO 11 U.S.C. § 363(b)

Upon the motion (the "**Motion**")[2] of the debtors and debtors in possession in the above-captioned cases (collectively, the "**Debtors**"), for entry of an order authorizing the Debtors to enter into that certain Preconstruction Services Agreement attached to the Motion as **Exhibit A** (the "**PSA**"), by and among the Debtors, PV Hudson LLC ("**PV Hudson**"), Parkview Financial REIT, LP ("**Parkview**"), SFA Holdings, LLC (**"Fetner/Farallon"** or the **"Development Manager"**) to provide certain preconstruction services (the "**Services**") in connection with the Debtors' development of a multi-family housing project located at 356 West 58th Street, New York, NY 10019 (the "**Project**"); and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware*, dated February 29, 2012; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C §§ 1408 and 1409; and adequate notice of the Motion and opportunity for objection having been given under the circumstances; and the Court having determined that the legal and factual bases set forth

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are Hudson 1701/1706, LLC (0281) and Hudson 1702, LLC (0190). The Debtors' mailing address is c/o FTI Consulting, Inc. Attn: Alan Tantleff, 1166 Avenue of the Americas, 15th Floor, New York, NY 10036.

[2] Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

in the Motion establish just cause for the relief granted herein and that such relief is in the best interests of the Debtors, their estates, their creditors and all parties in interest; and any objections to the Motion having been withdrawn or overruled on the merits; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein.

2. The Debtors are authorized, pursuant to sections 105(a) and 363(b) of the Bankruptcy Code, to enter into the PSA, and to take such actions in connection therewith as the Debtors deem necessary or appropriate.

3. The Debtors are authorized to enter into amendments, modifications, or waivers of terms of the PSA, from time to time as necessary, subject to the terms and conditions set forth in the PSA and without further order of the Court. Within two business days after the effective date of each such amendment, the Debtors will file a notice attaching a copy of any such amendments with the Court.

4. Notwithstanding any applicability of Bankruptcy Rule 6004(a), or 6004(h), the terms and conditions of this order shall be immediately effective and enforceable upon entry of this order.

5. The Debtors are authorized and empowered to take such actions as may be necessary and appropriate to implement the terms of this order.

6. This Court shall retain jurisdiction with respect to all matters relating to the interpretation or implementation of this order.