**PLEASE READ CAREFULLY BEFORE SIGNING**

**SUBSCRIPTION AGREEMENT**

**OVERHILL CAT, LLC**

ALL SUBSCRIPTIONS ARE SUBJECT TO ACCEPTANCE BY  
MICHAEL RUDDER

THE MANAGER (the “MANAGER”) OF OVERHILL CAT, LLC

To: Overhill CAT, LLC

36 West 44th Street, Suite 1411

New York, NY 100036

Attn: Mr. Michael Rudder

Office: (212) 966-3611

Mobile: (646) 483-2203

Email: mrudder@rudderpg.com

Re: **Overhill CAT, LLC - Subscription Agreement for Units**

Ladies and Gentlemen:

1. **Overhill CAT, LLC**, a New York limited liability company (the “Company”), has been formed to only own, operate, lease, finance and sell the property commonly known as the Chelsea Arts Tower at 545 West 25th Street, 15th Floor, New York, NY (the “Property”), and to undertake such other activities related or incidental thereto as Management may determine is in the interests of the Company. A complete description of the purposes of the Property, the underwriting analysis, and the projected returns of the Company are set forth in the Transaction Overview attached hereto as **Exhibit A,** and in the Operating Agreement of the Company, dated \_\_\_\_\_ \_\_\_, 2018 (the “Operating Agreement”), attached hereto as **Exhibit B**. All capitalized terms used herein, but not otherwise defined, shall have the meaning assigned to them in the Operating Agreement.
2. The Company is seeking up to $2,200,000 of capital contributions to the Company by offering up to 44 Units of membership interests of the Company (each, a “Unit”) at $50,000 per Unit, although no minimum number of Units will be required for this offering. **In order to subscribe, the Subscriber must complete the signature page to this Subscription Agreement (including signing the signature page where indicated), sign the Operating Agreement and the delivery of the same together with a check, ACH or wire transfer in the amount of its capital contribution to the Company at the address above (or wire funds into an account of the Company designated by the Manager).**
3. The Manager (through his various investment entities) has agreed to subscribe to 10 Units (or $500,000) on the terms and conditions described in the Operating Agreement, which are different than the terms and conditions of the investors who subscribe pursuant to this Subscription Agreement.
4. The undersigned acknowledges and agrees that this Subscription Agreement is not revocable by the undersigned.
5. The undersigned acknowledges and agrees that its Subscription Agreement may be accepted in whole or in part, or not at all, in the sole discretion of the Manager. The undersigned agrees that, if this Subscription Agreement is accepted in whole or in part, the undersigned shall (without any further action): (a) become a Member of the Company and (b) be deemed to have agreed to each and every term and condition set forth in the Operating Agreement.
6. This Subscription Agreement is not binding on the Company until the Company accepts it and shall occur only upon a Manager’s countersignature to this Subscription Agreement and delivery of the same to the Subscriber.
7. To induce the Manager to accept this Subscription Agreement on behalf of the Company, the undersigned hereby represents and warrants that it is an “Accredited Investor,” as defined in Regulation D (“Regulation D”) promulgated under the Securities Act of 1933, as amended (the “Securities Act”), by reason of meeting one or more of the following standards, which are further detailed in Rule 501 of Regulation D:
   * + 1. The undersigned is a natural person whose individual net worth (including assets held jointly with such person's spouse) as of the date hereof exceeds $1,000,000, excluding the value of the primary residence of such natural person, calculated by subtracting from the estimated fair market value of the property the amount of indebtedness secured by the property, up to the estimated fair market value of the property. If Subscriber is relying exclusively on this paragraph to qualify as an Accredited Investor, then Subscriber will not increase the amount of any indebtedness secured by the primary residence of Subscriber within the 60 day period after the date of this Agreement.
       2. The undersigned is a natural person whose individual income exceeded $200,000 in each of the preceding two calendar years and who expects to have individual income in excess of $200,000 in the current year, or if married, the undersigned’s joint income exceeded $300,000 in each of the preceding two calendar years and who expect to have a joint income in excess of $300,000 in the current year.
       3. The undersigned (i) is a (A) corporation, (B) organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), (C) partnership, (D) plan established and maintained by a state, its political subdivisions, or any agency or instrumentality thereof, for the benefit of its employees, or (E) a Massachusetts or similar business trust, (ii) has total assets in excess of $5,000,000 and (iii) was not formed for the purpose of acquiring the Unit(s).
       4. The undersigned is a trust with total assets in excess of $5,000,000, not formed for the purpose of acquiring the Units, whose purchase of the Units is directed by a “sophisticated person,” as defined in Regulation D.
       5. The undersigned is a bank, savings and loan association, or insurance company, in each case as defined in the Securities Act.
       6. The undersigned is a broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934, as amended.
       7. The undersigned is a business development company as defined in Section 2(a)(48) of the Investment Company Act of 1940, as amended (the “Investment Company Act”), or a private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940, as amended.
       8. The undersigned is a Small Business Investment Company licensed by the United States Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958, as amended.
       9. The undersigned is an employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), (i) with investment decisions made by a plan fiduciary that is either a bank, savings and loan association, insurance company or registered investment advisor, or (ii) that has total assets in excess of $5,000,000 or (iii) that is a self‑directed plan with investment decisions made solely by persons that are Accredited Investors.
       10. The undersigned is an executive officer or Manager of the Company.
       11. The undersigned in an entity in which each of the equity owners meets one or more of the criteria in paragraphs (a) through (j) above.

If the undersigned does **not** meet any of the above standards, please indicate as such by marking this box:

8. To induce the Manager to accept this Subscription Agreement on behalf of the Company, the undersigned hereby represents and warrants that:

1. The undersigned has received the Transaction Overview, the Operating Agreement, and such other documents, materials and information as it (and its Purchaser Representative, as defined in Regulation D, if any) deems necessary or appropriate for evaluating an investment in the Company. The undersigned confirms that it has carefully read and understands these materials and has made such further investigation as it deemed appropriate to obtain additional information to verify the accuracy of such materials and to evaluate the merits and risks of an investment in the Company.
2. The undersigned confirms that the Units were not offered to it by any means of general solicitation or general advertising, that it has not been the recipient of, and is not relying on, any representations, warranties or written communications with respect to the offering of such Units other than the Operating Agreement, and in making an investment in the Company, the undersigned is not relying upon any information other than that contained in the Operating Agreement, any possible amendments thereto or updates thereof, and other written documentation supplied by the Manager or their affiliates, and the results of its own independent investigation.
3. The undersigned (and its Purchaser Repre­sentative, if any) has had an opportunity to ask questions of and receive answers from the Manager, or its representatives, concerning the terms and conditions of an investment in the Company, and all such questions have been answered to the full satisfaction of the undersigned. The undersigned understands and acknowledges that the Manager has encouraged each Subscriber to conduct its own due diligence regarding the merits and risks of the purchase of the Units. The undersigned has conducted such due diligence as it deemed appropriate, and is fully satisfied with the results of such due diligence.
4. The undersigned (or the undersigned and its Purchaser Representative, if any) believes that it has (or they have) such knowledge and experience in financial and business matters such that it is (or they are) capable of evaluating the merits and risks of an investment in the Company.
5. The undersigned is able to bear the economic risks of an investment in the Company, and at the present time could afford a complete loss of such investment.
6. The undersigned is acquiring Units for its own account, for investment purposes only, and not with a view towards the sale or other distribution thereof, in whole or in part.
7. The undersigned understands that the Units have not been registered under the securities laws of any state or under the Securities Act, and are offered in reliance on one or more exemptions therefrom, and that the Units have not been approved or disapproved by the Securities and Exchange Commission or by any other federal or state agency.
8. The undersigned recognizes that investment in the Company is a highly speculative venture involving a high degree of financial and other risk, and the undersigned is familiar with the nature of, and risks attendant to, investments in securities of the type being subscribed for hereunder and has determined, in consultation with its Purchaser Representative, if any, that the purchase of such securities is consistent with its investment objectives and risk tolerance.
9. The undersigned understands that: there are restrictions on the transferability of the Units; investors in the Company have no rights to require its Units to be registered under the Securities Act; there will be no public market for the Units; and it may not be possible for the undersigned to liquidate its investment in the Company and accordingly, the undersigned may have to hold its Units, and bear the economic risk of this investment, indefinitely. In addition, the undersigned understands and acknowledges that Rule 144 promulgated under the Securities Act requires that sales by the undersigned of securities distributed by the Company be aggregated with sales of such securities by other Members and Assignees under some circumstances and agrees to comply with such restrictions as the Manager deems necessary or appropriate to ensure compliance with Rule 144 by the Members and Assignees with respect to such securities.
10. The undersigned, if an individual, has reached the age of majority in his or her state of domicile. The information provided by the undersigned on the signature page hereto in response to the heading “Address” accurately reflects the undersigned's residence and/or principal place of business and is otherwise true, complete and correct.
11. If the undersigned is a partnership, corporation, trust, or other entity, the person executing this Subscription Agreement has the full power and authority to execute and deliver this Subscription Agreement on behalf of the subscribing entity for whom he or she is executing this Subscription Agreement (and to cause such subscribing entity to become a Member of the Company), such entity has the full power and authority to execute and deliver this Subscription Agreement and become a Member in the Company and such entity was not formed solely for the purpose of investing in Units or, if formed solely for the purpose of investing in Units, each of the equity owners of such entity is an Accredited Investor.
12. The undersigned acknowledges that it has been advised to consult with its own attorney regarding legal matters concerning the Company and to consult with its tax advisor regarding the tax consequences of participating in the Company.
13. The undersigned is aware that any tax treatment resulting from an investment in Units may be changed or lost through adoption of new laws or regulations, amendment of existing laws or regulations or contentions of taxing authorities with respect to tax positions taken by the Company.
14. If the undersigned is subject to ERISA, in making the proposed investment it is aware of and has taken into consideration the requirements of Section 404(a) of ERISA, including without limitation the diversification and prudence requirements of such Section.

9. The undersigned understands the meaning of the representations and warranties contained herein and understands and acknowledges that the Company and the Manager are relying upon the representations and warranties contained in this Subscription Agreement in determining whether the offering is eligible for exemption from the registration requirements of state securities law statutes, the Securities Act and the Investment Company Act and in determining whether to accept this Subscription Agreement. The undersigned hereby agrees to indemnify and hold harmless the Company and each Member, Manager, and other agent thereof from and against any and all losses, damages, expenses, liabilities and reasonable attorneys' fees (including attorneys' fees and expenses incurred in a securities or other action in which no judgment in favor of the undersigned is rendered) due to or arising out of a breach of any representation, warranty of or covenant of the undersigned in this Subscription Agreement. Notwithstanding anything contained herein to the contrary, the undersigned is not waiving any rights granted to it under federal or state securities law.

10. **RISK FACTORS**. An investment in the Company involves a high degree of risk and should only be made by persons who can afford the loss of their entire investment. Accordingly, the undersigned has considered carefully the following factors, in addition to the information concerning the Company and its business contained in the Transaction Overview before purchasing the Units offered hereby.

# **Failure to Close on Acquisition of the Property.** Although the property owner has entered into a Contract to purchase the Property (the “Purchase Agreement”), there can be no guarantee that the acquisition of the Property will ultimately be consummated. The acquisition of the Property may not be consummated in the event that the seller fails or refuses to convey the Property to the property owner, of if the Company discovers an issue with the Property prior to closing which makes financing difficult or impossible to obtain, or for some other, unforeseen reason.

* 1. **General Risks of Investing in Real Estate Projects.** The results reflected in any financial projections depend in part on events and factors beyond the control of the Company. Such factors include adverse changes in local population trends, market conditions, comparable values, local economic and social conditions, supply and demand of commercial real estate, interest rates, lease rates, real estate tax rates, unfavorable easements adjustments, governmental rules, regulations, fiscal policies, the enactment of laws unfavorable to real estate, environmental; fires, zoning, or hazardous material laws; uninsured losses; effects of inflation; and other risks.
  2. **Environmental Matters.** Various federal, state, and local laws impose liability for or relating to, among other things, the use, treatment, storage, release, and disposal of hazardous or toxic substances. Examples of hazardous substances include asbestos, solvents, petroleum, polychlorinated biphenyls (PCBs) and pesticides. Hazardous substances may exist at, or be released onto, a site as a result of leaks, spills, emissions, escapes and groundwater injection. The existence of hazardous substances at or release of hazardous substances on the Property may cause a diminution in the value of the Property. Investors may be characterized as owners, operators or generators under applicable laws and, accordingly, may have liability for or on account of matters relating to ownership.
  3. **Title and Perfection.** Matters relating to title to the Property will be insured through a title policy or endorsement thereto from a title company acceptable to the Company. The coverage offered by the title policy or any particular endorsement could prove to be insufficient to cover the full scope of potential loss intended to be covered by such policy or endorsement. Additionally, the title company insuring any such loss may become insolvent.
  4. **Casualty Losses;** **Insurance**. The Property will be insured in a manner customary for property similar to the Property. Certain types of losses (generally of an unusual catastrophic nature, such as losses from earthquakes and acts of terrorism), however, are insurable only within certain limits, or not at all. If such a casualty occurs, the investors may be obligated to rebuild the Property or otherwise remedy the loss without sufficient proceeds and could suffer a loss of capital. In addition, there is no assurance that insurance proceeds paid under the comprehensive insurance policies for the Property would completely compensate the investors for the covered loss or liability, and any such deficiencies could result in a substantial economic loss to the investors of their investment in the Company. It is also possible that the insurance carrier or underwriter may become insolvent and, as a result, otherwise covered losses or liabilities may not be paid.
  5. **Offering Price is Arbitrarily Determined.** The offering price of the Units was determined in good faith by the Company based on the Company’s determination of the value of the Property. However, the price is not necessarily related to the Company’s net worth, profits or earnings or the price paid by the Company’s current owner(s), or any other established criteria of value.
  6. **There is No Commitment to Purchase Units.** No entity or individual has any obligation to purchase any of the Units offered. Moreover, there is no minimum amount of Units that must be sold in order to close on any subscriptions received and accepted by the Company. Consequently, there is no assurance that any Units will be sold or that the amount of Units sold will be sufficient to fund the Company’s operations.
  7. **Units not a Diversified Investment.** An investment in the Units represents an investment in a single type of investment and industry. Therefore, an investment in the Units is not a diversified investment. Accordingly, the poor performance of the Company could adversely affect the profitability of the Units.
  8. **No Registration under Securities Laws and Lack of Liquidity.** The subscription is being conducted pursuant to one or more exemptions from federal and state securities laws. To perfect these exemptions, various filings may be made with the Securities and Exchange Commission (“SEC”) and the securities agencies of various states. However, these exemption filings do not constitute a “registration” as meant under the securities laws, such that the investor must recognize that none of the Units have been, nor will they be, registered under the Securities Act or applicable state securities laws. The Company does not intend to make and will have no obligation to make any filings or issue any reports designed to make the Units transferable or to qualify for any exemption from registration, which would enable the investors to sell their Units. No regulatory authority has reviewed the nature and amounts of compensation to be paid to the Company, the disclosure of risks and tax consequences inherent in such investment, or the other terms of the subscription. The investor recognizes that it does not necessarily have all of the protection afforded by applicable federal and state securities laws to registered or qualified offerings. The investor has therefore judged for itself the adequacy of the disclosures, the amounts of such compensation, and the fairness of the other terms of the subscription without the benefit of prior review by any regulatory authority.
  9. **Regulation D Compliance.** The Units are offered to the investor pursuant to the terms and subject to the conditions of Regulation D promulgated under the Securities Act. Unless the sale of the Units otherwise qualifies for the statutory private offering exception provided in Section 4(2) of the Securities Act, the investor will have the right to rescind the purchase of the Units if the subscription fails to comply with the requirements of Regulation D. A similar right may exist under applicable state securities exemptions. If the Company has used the proceeds raised from the sale of the Units prior to the time at which a proper rescission claim is made, there can be no assurance that funds will be available to return to the investors. Any rescission is likely to imperil the success of the business of the Company, with the further loss of investor funds.
  10. **Risks Related to US Federal Income Taxation.** The Company has not obtained an opinion of counsel with respect to federal or state tax consequences of an investment in the Units. The investor may recognize ordinary income and/or capital gains and/or loss from an investment in the Units. The investor is responsible for ascertaining whether an investment described herein poses tax related issues. The investor should obtain an opinion from a qualified advisor of its own choosing. The Company makes no representation nor offers tax related information to investors regarding the Units.
  11. **Limited Disclosure and Subsequent Modifications of Documents**. Because the offering of the Units is being made primarily to Accredited Investors (as such term is defined herein) and therefore is exempt from registration under the Securities Act, the Company is providing a level of disclosure appropriate for Accredited Investors. However, potential investors may request additional information from the Company. No such additional information may be relied upon unless it is provided by the Company in writing.
  12. **Financial Forecasts and Assumptions**. The projections and related assumptions contained in the Transaction Overview may not be realized. The forecasts are not projections of results of operations but rather illustrations of the results of operations based on certain assumptions. It is possible that the forecasts will not be indicative of the actual results of operations of the Company. There is no assurance that the forecasted revenues and expenses can or will be maintained, or that the various assumptions on which these calculations are based will prove to be accurate.
  13. **Management Indemnification.** Under applicable law and by Company agreement, management’s liability is limited under certain circumstances and the Company is required to indemnify and hold Management harmless from and against certain liability, losses, damages, deficiencies, and expenses.

O. **Heavy Reliance on Performance by Current Tenants**. This investment and its ultimate value is based on the current tenants (i.e. Young Woo & Associates, the Marlborough Gallery, Calvin Klein Studios, Glenn Fuhrman’s Flagg Art Foundation and Tina Kim Gallery), not defaulting on their leases, and continuing to pay their rent and extra charges throughout the current term of their respective leases. The Company is in receipt, or will be in receipt as a condition to closing, of tenant estoppel letters from the tenants that are duly executed, and state that the leases are in good standing and that the landlord is not in default thereunder. However, at any point in the future one or more of the tenants may default under their leases, thus greatly diminishing the value of the property. Furthermore, the tenants are not obligated to exercise their extension options, further increasing the possibility of a loss of value should one or more of the tenants not exercise their extension options, and replacement tenant(s) of equal or better credit, and on the same or better economic terms not being timely found to replace the existing tenants.

P. **Priority of Return of Capital and Preferred Returns.** As described in the Transaction Overview, the other Member of the property owner (the “Preferred Member”) is entitled to receive a return of its investment in the property owner prior to the return of the investments made by the investors in the Company and the Preferred Member is entitled to a distribution of any preferred returns owed to the Preferred Member prior to any preferred returns or distributions to the investors in the Company. The Company’s position in the capital stack of the property owner is riskier to the investors in the Company given the Preferred Member’s distribution priority.

1. In the event that this Subscription Agreement is accepted, the undersigned agrees that the representations, warranties and agreements set forth herein shall survive the acceptance of this Subscription Agreement and are not superseded by the Operating Agreement.
2. The undersigned represents and warrants that the information contained herein is true and correct as of the date hereof and agrees to promptly notify the Manager of any changes in such information that occur prior to the acceptance of this Subscription Agreement.
3. The undersigned agrees not to transfer or assign this Subscription Agreement.
4. Under penalties of perjury, the undersigned represents, warrants and certifies that it is not subject to “back up withholding” pursuant to Section 3406 of the Code, and that it has provided its correct tax identification number on this signature page of this Subscription Agreement.
5. This Subscription Agreement and the representations, warranties and covenants contained herein shall be binding upon the heirs, executors, administrators, and other successors of the undersigned and this Subscription Agreement shall inure to the benefit of and be enforceable by the Company and its successors and assigns. If there is more than one signatory hereto, the representations, warranties, and covenants of the undersigned are made jointly and severally.
6. This Subscription Agreement shall be construed in accordance with the laws of the State of New York, without regard to principles of conflicts of law.
7. The parties hereto irrevocably agree that all actions or proceedings in any way, manner or respect, arising out of or from or related to this Agreement shall be litigated only in courts having situs within New York, NY. Each party hereby consents and submits to the exclusive jurisdiction of any local, state or federal court located within New York County, New York and waives any right it may have to transfer the venue of any such litigation.
8. This Subscription Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, may be amended only by a writing signed by the Company and supersedes any prior agreement or understanding between the parties with respect to the subject matter hereof.
9. Whenever from the context it appears appropriate, each term stated in either the singular or the plural shall include the singular and the plural, and pronouns stated in any of the masculine, feminine or neuter gender shall include the masculine, feminine and neuter gender.
10. The undersigned understands and acknowledges that the Operating Agreement, and any amendments thereto or updates thereof, and any other information provided to the undersigned by the Company, constitutes confidential information. The undersigned agrees not to disclose any of such information to any third party other than its attorney and financial advisors without the prior written consent of the Manager. Without limiting the foregoing, the undersigned agrees not to distribute any tangible embodiments of such information (including, without limitation, in electronic form) without the written consent of the Manager and to immediately return such materials (and reproductions thereof) to the Company if it decides not to subscribe for any Units or this Subscription Agreement is otherwise terminated by the Company. The undersigned hereby agrees to indemnify and hold harmless the Company and each Member, Manager, and other agent thereof from and against any and all losses, damages, expenses, liabilities and reasonable attorneys' fees due to or arising out of a breach of this paragraph.

(SIGNATURE PAGES ATTACHED)

SIGNATURE PAGE TO SUBSCRIPTION AGREEMENT FOR

OVERHILL CAT, LLC

A. CAPITAL CONTRIBUTION: $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ($50,000 per Unit)

B. NAME OF SUBSCRIBER(S) *(print name on left hand side and sign and date on right hand side*):

(1) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Signature:

Print Name Title: Date:

IF SUBSCRIBER IS JOINT TENANT/TENANT IN COMMON *(second party should print name on left hand side and sign and date on right hand side*):

(2) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Signature:

Print Name Title: Date:

C. ADDRESS *(and mailing address,*

*if different)*:

Mailing:

D. EMAIL ADDRESS: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

E. FAX NUMBER:

F. TAXPAYER I.D. NUMBER OR SOCIAL SECURITY NUMBER OF EACH SUBSCRIBER:

(1)                                                      (2)

G. TYPE OF OWNERSHIP:

Individual Joint Tenants with Right of Survivorship

Tenants in Common Employee Benefit Plan

Partnership Corporation

Trust \_\_\_\_\_\_Limited Liability Company

Other *(specify)*

**OVERHILL CAT, LLC**

**SUBSCRIPTION AGREEMENT ACCEPTANCE PAGE**

The undersigned, the Manager of OVERHILL CAT, LLC, hereby accepts the foregoing Subscription Agreement this \_\_\_\_\_\_\_ day of , 2018 as to the entire Subscription Agreement, or portion of the Subscription Agreement set forth below, as the case may be:

Subscriber’s entire Subscription

That portion of Subscriber’s Subscription equal to $

OVERHILL CAT, LLC

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Michael Rudder, Manager