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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

A. L. Eastmond & Sons, Inc., et al.,

Debtors.

Chapter 11

Case No. 15-13214 (SHL)

(Jointly Administered)

**NOTICE OF HEARING ON REORGANIZED EASCO BOILER'S MOTION
PURSUANT TO 11 U.S.C. §§ 105(a) AND 363 OF THE BANKRUPTCY CODE FOR
AN ORDER AUTHORIZING SALE OF PROPERTY FREE AND CLEAR OF ALL
LIENS, CLAIMS AND ENCUMBRANCES AND "AS IS" AND "WHERE IS"**

PLEASE TAKE NOTICE, that Easco Boiler Corp., as the reorganized debtor in the above-captioned Chapter 11 case ("Easco Boiler") will present its Motion pursuant to 11 U.S.C. §§ 105(a) and 363, and Rules 2002 and 6004 of the Federal Rules of Bankruptcy Procedures (the "Bankruptcy Rules") for an order authorizing the sale of the Property free and clear of all liens, claims and encumbrances, but otherwise "as is" and "where is", to 1225 Randall Avenue, LLC (the "Stalking Horse Bidder") on the terms set forth in the Sale Agreement, dated as of September 19, 2016 (the "Sale Agreement"), between Easco Boiler and the Stalking Horse Bidder, a copy of which is annexed to the Motion as Exhibit A, or the ultimate successful bidder at an auction conducted pursuant to the bid procedures annexed to the Motion as Exhibit B (the "Bid Procedures"), as more fully detailed in the Motion, on **October 19, 2016 at 11:00 a.m. (Prevailing Eastern Time)**, before the Honorable Sean H. Lane, United States Bankruptcy Judge, Courtroom 701, United States Bankruptcy Court for the Southern District of New York, One Bowling Green, New York, NY 10004.

PLEASE TAKE FURTHER NOTICE, that all parties interested in making a bid for the Property should review the Bid Procedures in detail and ensure that they are able to comply with the terms thereof prior to submitting a bid to Easco Boiler. The deadline to submit such a bid (the "Bid Deadline") is **October 11, 2016 at 5:00 p.m. (Prevailing Eastern Time)**.

PLEASE TAKE FURTHER NOTICE, that in the event that Easco Boiler timely receives more than one Qualified Bid (as defined in the Bid Procedures), Easco Boiler shall conduct an auction of the Property (the "Auction"). Such Auction will take place on **October 18, 2016 at 10:00 a.m. (Prevailing Eastern Time)** at the law offices of Klestadt Winters Jureller Southard & Stevens, LLP, 200 West 41st Street, 17th Floor, New York, New York 10036. If Easco Boiler does not receive any higher or better offers than the bid of the Stalking Horse Bidder by the Bid Deadline, then an Auction will not be held, and Easco Boiler will consummate the terms of the sale with the Stalking Horse Bidder. If any party desires any additional information regarding the Property, the Auction, or is interested in submitting a bid to purchase the Property, they should contact Easco Boiler's real estate brokers at the following addresses:

Keen-Summit Capital Partners LLC	Keller Williams Realty NYC Group
1460 Broadway	2300 Eastchester Road
New York, NY 10036	Bronx, NY 10469
Attn: Harold Bordwin	Attn: Viola Taliaferrow
hbordwin@keen-summit.com	vtaliaferrow@yahoo.com

PLEASE TAKE FURTHER NOTICE, that the Motion and all exhibits thereto have been filed electronically with the Clerk of the United States Bankruptcy Court for the Southern District of New York, and may be reviewed by all registered users of the Court's website at <http://www.nysb.uscourts.gov>. Copies of the Motion and exhibits thereto may be obtained by telephonic or e-mail request to the undersigned counsel for Easco Boiler, Attn: Tracy L. Klestadt.

PLEASE TAKE FURTHER NOTICE, that objections, if any, to the relief sought in the Motion shall be made in writing, filed with the Court electronically by registered users of the Court's electronic case filing system and, by all other parties in interest, e-mailed, preferably in Portable Document Format (PDF), Microsoft Word or any other Windows-based word processing format, or mailed to the Clerk of the United States Bankruptcy Court, One Bowling Green, New York, NY 10004, with a hard copy delivered directly to the Chambers of the Honorable Sean H. Lane, United States Bankruptcy Judge, New York, NY 10004, and served upon (i) the undersigned counsel to Easco Boiler, 200 West 41st Street, 17th Floor, New York, NY 10036, Attn: Tracy L. Klestadt, tklestadt@klestadt.com, (ii) special counsel to Easco Boiler, Day Pitney LLP, One Canterbury Green, Stamford CT 06901, Attn: James Carlon, jcarlon@daypitney.com, (iii) counsel to the Stalking Horse Bidder, Kert & Kert PLLC, 666 Old Country Road, Garden City, New York 11530, Attn: Arnold L. Kert, akert@kertlaw.com, (iv) counsel to CCHP, LLC, Kriss & Feurstein, LLP, 360 Lexington Avenue, Suite 1200, New York, New York 10016, Att: Jerrold Feurstein, jfeurstein@kandfllp.com; and (v) the Office of the United States Trustee, 201 Varick Street, Suite 1006, New York, New York 10014, Attn: Susan Golden, susan.golden@usdoj.gov, so as to be actually received no later than **October 10, 2016 at 4:00 p.m. (Prevailing Eastern Time)**.

Dated: New York, New York
September 23, 2016

KLESTADT WINTERS JURELLER
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Counsel to reorganized debtor Easco Boiler

By: /s/ Tracy L. Klestadt

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

A. L. Eastmond & Sons, Inc., et al.,

Debtors.

Chapter 11

Case No. 15-13214 (SHL)

(Jointly Administered)

**REORGANIZED EASCO BOILER'S MOTION PURSUANT TO 11 U.S.C. §§ 105(a)
AND 363 OF THE BANKRUPTCY CODE FOR AN ORDER AUTHORIZING
SALE OF PROPERTY FREE AND CLEAR OF ALL LIENS, CLAIMS AND
ENCUMBRANCES AND "AS IS" AND "WHERE IS"**

TO THE HONORABLE SEAN H. LANE,
UNITED STATES BANKRUPTCY JUDGE:

Easco Boiler Corp., as the reorganized debtor in the above-captioned Chapter 11 case ("Easco Boiler"), submits this motion (this "Motion"), pursuant to Sections 105(a) and 363 of Title 11 of the United States Code (the "Bankruptcy Code") and Rules 2002 and 6004 of the Federal Rules of Bankruptcy Procedures (the "Bankruptcy Rules"), for an order (the "Sale Order") authorizing the sale of Easco Boiler's property located at 1225 Randall Avenue, Bronx, New York (the "Property"), free and clear of all liens, claims and encumbrances, but otherwise "as is" and "where is", to 1225 Randall Avenue, LLC (the "Stalking Horse Bidder") pursuant to the Sale Agreement, dated September 19, 2016 (the "Sale Agreement"), between Easco Boiler

and the Stalking Horse Bidder, a copy of which is attached hereto as Exhibit A, or the ultimate successful bidder (the “Purchaser”) at an auction for the sale of the Property (the “Auction”) conducted pursuant to the bid procedures annexed hereto as Exhibit B (the “Bid Procedures”), and respectfully set forth as follows:¹

Jurisdiction

1. This Court has jurisdiction over the Motion by virtue of 28 U.S.C. §§ 157 (a) and (b) and 1334 (b). The statutory predicates for the relief sought by this Motion are Sections 105(a) and 363 of the Bankruptcy Code and Bankruptcy Rules 2002 and 6004.

2. This Court additionally retained jurisdiction over the Motion pursuant to Section 14.1 of Debtors’ Second Amended Chapter 11 Plan of Reorganization [Docket No. 141] (the “Plan”).

Introduction

3. On December 1, 2015 (the “Petition Date”), A.L. Eastmond & Sons, Inc., Easco Boiler Corp. and Eastmond & Sons Boiler Repair & Welding Service, Inc., as debtors and debtors in possession (collectively, the “Debtors”), filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code (collectively, the “Case”) in the United States Bankruptcy Court for the Southern District of New York (this “Court”).

4. On July 6, 2016, this Court entered its Findings of Fact, Conclusions of Law and Order Confirming Debtors’ Second Amended Chapter 11 Plan of Reorganization Pursuant to 11 U.S.C. § 1129 and Fed. R. Bankr. P. 3020 [Docket No. 154] (“Confirmation Order”), confirming the Debtors’ Plan.

¹ In the event of any discrepancy between the provisions of this Motion and the provisions of the Bid Procedures or the Sale Agreement, the provisions of the Bid Procedures or the Sale Agreement, as applicable, shall control.

5. On July 15, 2016, the Debtors filed Notice that the Effective Date of the Plan occurred on July 11, 2016 [Docket No. 155].

6. Pursuant to the Plan, the Confirmation Order approved and authorized Easco Boiler to execute and deliver any and all documents necessary to consummate the New Value Contribution (as defined in the Plan), whereby the Debtors' President, Arlington Leon Eastmond, Jr., would contribute the Property, then owned by him personally, to Easco Boiler. See Plan § 9.3.

7. The New Value Contribution was consummated by Quitclaim Deed dated August 8, 2016. Easco Boiler is therefore the record owner of the Property, which is located in Bronx, New York. A copy of the legal description of the Property is annexed as Exhibit A to the Sale Agreement.

8. Pursuant to the Plan, the Confirmation Order approved and authorized the merger of the Debtors into Easco Boiler Corp. to form the reorganized Easco Boiler (the "Merger"). See Plan § 9.2.

9. The Merger was consummated on or about August 1, 2016 pursuant to that certain Certificate of Merger dated and filed as of such date with the Department of State of the State of New York. Easco Boiler is therefore the reorganized and sole surviving entity of the Debtors.

10. The form of the Bid Procedures for the sale of the Property, attached hereto as Exhibit B, was attached as Exhibit B to the Plan and approved by the Court in the Confirmation Order. See Plan § 9.5.

11. Easco Boiler's co-marketing and sales team, Keen-Summit Capital Partners LLC ("Keen-Summit") and Keller Williams Realty NYC Group ("Keller Williams") and, together with Keen Summit, the "Broker"), retained by order of this Court dated January 22, 2016, conducted a

robust marketing process for the sale of the Property. Easco Boiler received and evaluated multiple offers for purchase of the Property, culminating in an offer by the Stalking Horse Bidder with no contingencies in the amount of \$2,750,000 (the “Stalking Horse Bid”). After extensive good faith negotiations, Easco Boiler and the Stalking Horse Bidder entered into the Sale Agreement attached hereto as Exhibit A.

12. The Property constitutes collateral of the Debtors’ pre-petition secured lender, CCHP, LLC (the “Secured Lender”) pursuant to (i) that certain Loan and Security Agreement (the “Prepetition Secured Credit Agreement”), dated as of December 21, 2007, by and between the Debtors and Sovereign Bank, which was ultimately assigned to the Secured Lender, (ii) those certain Mortgages (collectively, the “Mortgages”), dated as of December 21, 2007, executed by A.L. Eastmond & Sons, Inc. (“A.L. Eastmond”) in favor of Sovereign Bank, duly recorded on January 25, 2008 in the Office of the City Register of the City of New York, Bronx County, and dated as of October 23, 2008, executed by A.L. Eastmond in favor of Sovereign Bank, duly recorded on November 13, 2008, in each case ultimately assigned to the Secured Lender, and (iii) that certain Mortgage Spreader Agreement (the “Mortgage Spreader Agreement”), recorded on November 4, 2010 in the Office of the City Register of the City of New York, Bronx County.

13. By this Motion and the Sale Agreement, Easco Boiler is seeking to sell the Property free and clear of all liens, claims and encumbrances under Section 363(f) of the Bankruptcy Code. Easco Boiler will utilize the proceeds of sale of the Property to repay the Secured Lender in part.

14. The Secured Lender holds a secured claim against Easco Boiler in the amount of \$11,973,346.75² as of the Petition Date, plus accrued and unpaid interest from the Petition Date, less adequate protection payments, less payment to the Secured Lender of proceeds of A.L. Eastmond's sale of its Oak Point Property (as defined in the Plan) (the "Secured Lender's Claim"). Based upon the Secured Lender's latest Statement dated July 19, 2016, the remaining Secured Lender's Claim as of the date of this Motion is approximately \$6,463,135.57. The Secured Lender's Claim is secured by the Property and substantially all other assets of the Debtors.

15. All secured tax claims alleged against the Property will either be satisfied and discharged prior to the closing of the sale of the Property or will be paid in full from the proceeds of the sale. Any other claims that are validly secured by the Property will attach to the proceeds of the sale of the Property in the same order and with the same priority with which they existed as of the Petition Date. It is anticipated that there will be insufficient proceeds over and above the amount of the Secured Lender's Claim to pay any junior liens from the sale of the Property. Nothing in this Motion is intended or should be deemed to constitute an admission by Easco Boiler or the Debtors as to the amount, validity or priority of any secured claims or liens filed or otherwise alleged to exist against the Property or any other assets of Easco Boiler.

16. Easco Boiler believes that it is in the best interest of all of Easco Boiler's creditors and interest holders that Easco Boiler proceed expeditiously with the sale of the Property to reduce the Secured Lender's Claim. Pursuant to the Plan, the Debtors' December 31, 2016 deadline for payment of the Secured Lender's Claim is accelerated to September 30, 2016 "if the

²The Secured Lender's proof of claim was filed in the amount of \$12,199,099.65 (See Claim No. 16, filed March 9, 2016).

Debtors do not provide [the Secured Lender] by such date with a bona fide third party (a) Other Real Properties Sale Agreement(s) for the Sale(s) of the remaining Collateral Real Properties, it being understood that...the purchase price for a Sale of the Randall Avenue Property shall be not less than \$2,000,000 and such Other Real Properties Sale Agreement shall require a contract deposit of no less than 10% of the purchase price...; (b) term sheet for a Refinancing of the remaining Collateral Real Properties; and/or (c) term sheet for an equity investment in the Debtors, which in each case shall provide, in the aggregate, sufficient funds to pay the remaining balance of the [Secured Lender's Claim] in full by December 31, 2016." See Plan § 5.2. The proposed sale of the Property complies with this provision of the Plan and is necessary to enable the Debtors to negotiate an investment or refinancing transaction to repay or refinance the balance of the Secured Lender's Claim, provide distributions to other creditors, and provide working capital for the operation of the business.

17. Consummating the sale of the Property pursuant to the Plan provides the economic benefits of the transfer tax exemption provided to debtors under Section 1146 of the Bankruptcy Code, benefitting all creditors of the estate.

Summary of the Relief Requested

18. By this Motion, Easco Boiler seeks this Court's authority, pursuant to Section 363(f) of the Bankruptcy Code, to sell the Property, pursuant to the Bid Procedures approved in the Plan and Confirmation Order and the Sale Agreement, free and clear of any and all liens, claims and encumbrances, other than the Permitted Exceptions (as defined in the Sale Agreement), with any such liens, claims, and encumbrances to attach to the net sale proceeds, but otherwise "as is" and "where is."

19. To effectuate the sale, Easco Boiler seeks entry of an order approving the sale of the Property to the Stalking Horse Bidder or such other Successful Bidder (as defined in the Bid Procedures) that submits the highest or best offer at Auction, and a finding by the Court that the Successful Bidder is a good faith purchaser entitled to the protections of Section 363(m) of the Bankruptcy Code.

20. The Sale Agreement provides for certain benchmarks and deadlines for completion. Therefore, Easco Boiler is required to comply with the deadlines in the Sale Agreement, including (i) entry of the Sale Order within thirty (30) days after execution of the Sale Agreement, or October 19, 2016, and (ii) closing of the sale within fifteen (15) days after entry of the Sale Order, but no later than forty-five (45) days after execution of the Sale Agreement (subject to a grace period), with time being of the essence of the Sale Agreement as to the parties' obligation to close on such date.

21. Easco Boiler's Secured Lender has consented to the use of cash collateral through December 31, 2016 to allow for the sale of the Property on the timeline set forth in the Sale Agreement and summarized above and to facilitate repayment or refinancing of the remaining Secured Lender's Claim pursuant to the Plan.

Relief Requested

I. Approval of the Sale Following Auction

Legal Authority

a. The Sale of the Property is Supported by Legitimate Business Justifications

22. Section 363(b)(1) provides that the "[t]he Debtors, after notice and a hearing, may use, sell or lease, other than in the ordinary course of business, property of the estate." 11 U.S.C. § 363(b)(1). The decision to use, sell or lease property of the estate is subject to the exercise of

Easco Boiler's business judgment. *See Committee of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.)*, 722 F.2d 1063, 1071 (2d Cir. 1983). Further, to obtain court approval to sell property under section 363(b) of the Bankruptcy Code, a debtor need only show a legitimate business justification for the proposed action. *See id.* at 1070 ("Where the debtor articulates a reasonable basis for its business decisions (as distinct from a decision made arbitrarily or capriciously), courts will generally not entertain objections to the debtor's conduct."); *Committee of Asbestos-Related Litigants and/or Creditors v. Johns-Manville Corp. (In re Johns-Manville Corp.)*, 60 B.R. 612, 616 (Bankr. S.D.N.Y. 1986).

23. Easco Boiler believes that the sale of the Property, pursuant to the approved Bid Procedures and Sale Agreement and as outlined herein, is the estate's best opportunity to achieve the highest and best offer and to recover the maximum value from the Property for the benefit of the estate and its creditors.

b. Sale Free and Clear of All Liens

24. Section 363(f) of the Bankruptcy Code authorizes a debtor to sell property free and clear of any interest in such property of an entity other than the estate only if:

- (i) applicable nonbankruptcy law permits the sale of such property free and clear of such interest;
- (ii) such entity consents;
- (iii) such interest is a lien and the price at which such property is to be sold is greater than the aggregate value of all liens on such property;
- (iv) such interest is in bone fide dispute; or
- (v) such entity should be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest.

25. Section 363(f) is drafted in the disjunctive and satisfaction of any one of its five requirements will suffice to permit the sale "free and clear" of Liens. *See Michigan Employment*

Sec. Comm'n v. Wolverine Radio Co., Inc. (In re Wolverine Radio Co.), 930 F.2d 1132, 1147 n.24 (6th Cir. 1991).

26. Several courts have held that notwithstanding the use of the term “interest” in the statutory language of section 363(f), such section grants bankruptcy courts the power to convey assets free and clear of claims. *See, e.g., In re Trans World Airlines, Inc.*, 322 F.3d 283, 290 (3rd Cir. 2003); *In re Medical Software Solutions*, 286 B.R. 431, 446 (Bankr. D. Utah 2002); *In re Trans World Airlines, Inc.*, Case No. 01-0056, 2001 WL 1820325 at *5 (Bankr. D. Del. Mar. 27, 2001) (“Authorizing the sale [of debtor’s assets] free and clear of . . . successor liability claims achieves the purpose of section 363 [of the Bankruptcy Code] intended by Congress.”). Section 105(a) of the Bankruptcy Code provides additional support for a court’s authority to convey assets free and clear of claims. *See Volvo White Truck Corp. v. Chambersburg Beverage, Inc. (In re White motor Credit Corp.)*, 75 B.R. 944, 948 (Bankr. N.D. Ohio 1987) (stating that the absence of specific authority to sell assets free and clear of claims poses no impediment to such sale, as such authority is implicit in the court’s equitable powers when necessary to carry out the provisions of Title 11). *See also, Equity Broadcasting Corp. v. Winstar New Media Co., Inc. (In re Winstar Communications, Inc.)*, 284 B.R. 40, 48 (Bankr. D. Del 2002) (approving a sale order transferring the debtor’s securities free and clear of all encumbrances pursuant to sections 105(a) and 363(f) of the Bankruptcy Code).

27. Although the Secured Lender’s Claim exceeds the Stalking Horse Bidder’s bid of \$2,750,000, Easco Boiler has determined in its business judgment that deleveraging the business by selling the Property to reduce the Secured Lender’s Claim is necessary in order to obtain an investment or refinancing transaction that will enable Easco Boiler to pay claims of creditors and obtain working capital. In addition, the proposed sale is required to keep Easco Boiler on track

towards meeting the Secured Lender's deadline of September 30, 2016 under Section 5.2 the Plan for establishing a means of repaying the Secured Lender's Claim by December 31, 2016. See Plan § 5.2. Selling the Property now is therefore in the best interests of all creditors.

28. For all of the foregoing reasons, Easco Boiler submits that the sale of the Property should be permitted free and clear of all liens, claims and encumbrances, occupants, tenancies and rights to possession of any person, including all Liens, other than as Permitted Exceptions (as each such term is defined in the Sale Agreement), with any such liens, claims and encumbrances to attach to the sale proceeds.

c. Purchaser is a Good Faith Purchaser Pursuant to Bankruptcy Code Section 363(m)

29. Easco Boiler also requests that this Court enter an order finding that the Successful Bidder, which may be the Stalking Horse Bidder, constitutes a good faith purchaser of the Property, pursuant to Section 363(m) of the Bankruptcy Code, such that the reversal or modification on any appeal of the sale of the Property to the Successful Bidder shall not affect the validity of the sale to the Successful Bidder, whether or not the Successful Bidder knew of the pendency of the appeal. Such relief will ensure the finality of the sale and garner the highest value for the Property and is a material term required by the Stalking Horse Bidder in the Sale Agreement.

30. As set forth in the Sale Agreement, the Stalking Horse Bidder, or any Successful Bidder designated after the Auction, have and will be required to represent to Easco Boiler that it is undertaking the Sale Agreement and the proposed transaction with Easco Boiler at arm's-length, for value and in good faith, without engaging in fraud or collusion of any kind, in accordance with Section 363(m) of the Bankruptcy Code.

Notice

31. Contemporaneously with the filing of the Motion, Easco Boiler filed with the Court and served by first class mail a notice of the relief requested in this Motion upon: (i) the Office of the United States Trustee; (ii) counsel to the Secured Lender; (iii) counsel to the Stalking Horse Bidder; (iv) all persons who made their interest in the property known to Easco Boiler, their counsel and/or their Broker or asserted any liens against or an interest in the Property, including, but not limited to, those parties identified in Easco Boiler's title search with respect to the Property; (v) the Internal Revenue Service; (vi) New York State Department of Taxation and Finance; (vii) Corporation Counsel for the City of New York; (ix) Office of the United States Attorney; (x) Office of the New York State Attorney General; (xi) all known creditors and parties-in-interest; (xii) all entities having filed a notice of appearance, and all others who are entitled to notice pursuant to Bankruptcy Rule 2002.

32. Easco Boiler respectfully submits that notice of this Motion is compliant with Bankruptcy Rules 2002 and 6004 and is otherwise reasonable and appropriate, and that no other or further notice of the relief requested herein is warranted or required.

No Prior Relief

33. Except as specifically set forth at length above, no prior motion for the relief sought herein has been made to this or any other court.

WHEREFORE, Easco Boiler respectfully requests that: (i) the Motion be granted; (ii) the proposed Sale Order in substantially the form to be provided following the designation of the Successful Bidder be entered; and (iii) it be granted such other and further relief as is just and proper.

Dated: New York, New York
September 23, 2016

**KLESTADT WINTERS JURELLER
SOUTHARD & STEVENS LLP**

Attorneys for reorganized debtor Easco Boiler

By: /s/ Tracy L. Klestadt

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AGREEMENT OF SALE

THIS AGREEMENT OF SALE is made this 19th day of September, 2016, by and between Easco Boiler Corporation (“*Seller*”), as debtor and debtor-in-possession under a confirmed Plan (as defined below) in a case under chapter 11 of Title 11 of the United States Code (the “*Bankruptcy Code*”), and 1225 Randall Avenue, LLC (“*Purchaser*”); Seller and Purchaser sometimes together referred to as the “*Parties*”.

WITNESSETH:

WHEREAS, for purposes of this Agreement, Seller is a debtor and debtor-in-possession in a chapter 11 bankruptcy case entitled *In re A. L. Eastmond & Sons, Inc., et al.*, Case No. 15-13214 (SHL) (“*Bankruptcy Case*”) pending before the United States Bankruptcy Court for the Southern District of New York (the “*Bankruptcy Court*”); and

WHEREAS, on July 6, 2016, the Bankruptcy Court entered its Findings of Fact, Conclusions of Law and Order Confirming Debtors’ Second Amended Chapter 11 Plan of Reorganization Pursuant to 11 U.S.C. § 1129 and Fed. R. Bankr. P. 3020 [Docket No. 154] (“*Confirmation Order*”), confirming the Seller’s Second Amended Chapter 11 Plan of Reorganization [Docket No. 141] (the “*Plan*”); and

WHEREAS, the bankruptcy estate of Seller is the fee title owner of that certain parcel of land bearing a street address of **1225 Randall Avenue, Bronx, New York**, as more particularly described in Exhibit “A” attached to this Agreement (the “*Premises*”); and

WHEREAS, Seller desires to sell to Purchaser and Purchaser agrees to purchase from Seller the Premises on the terms and subject to the conditions of this Agreement and pursuant to the Plan; and

WHEREAS, this Agreement is subject in all respects to the review and approval of the Bankruptcy Court; and

WHEREAS, the Parties agree that the recitals set forth above and below are integral and material portions of this Agreement.

NOW, THEREFORE, Seller and Purchaser, being legally bound and authorized, **DO HEREBY AGREE AS FOLLOWS:**

I. DEFINITIONS. For purposes of this Agreement, the following words and terms shall have the meanings specified in this Section I:

- (a) “*363 Motion*” has the meaning assigned to it in Section 3.1.
- (b) “*Agreement*” means when fully executed by Seller and Purchaser, this Agreement of Sale, together with all Exhibits annexed hereto.

- (c) “*Auction*” has the meaning assigned to it in Section 3.1.
- (d) “*Back-Up Bidder*” has the meaning assigned to it in the Bid Procedures.
- (e) “*Bankruptcy Case*” has the meaning assigned to it in the recitals hereto.
- (f) “*Bankruptcy Code*” has the meaning assigned to it in the Preamble.
- (g) “*Bankruptcy Court*” has the meaning assigned to it in the recitals hereto.
- (h) “*Bankruptcy Rules*” has the meaning assigned to it in Section 3.2.
- (i) “*Bid Procedures*” has the meaning assigned to it in Section 3.1.
- (j) “*Break-up Fee*” has the meaning assigned to it in Section 3.6.
- (k) “*Broker*” means, collectively, Keen-Summit Capital Partners LLC and Keller Williams Realty NYC Group.
- (l) “*Business Day*” means any day that is not a Saturday, Sunday or federal or state holiday in the state of New York, United States. Should any deadline set forth herein for any action fall on a day that is not a Business Day, such deadline shall be automatically extended to the next day that is a Business Day.
- (m) “*Clean Water Act*” has the meaning assigned to it in Section 6.
- (n) “*Closing*” has the meaning assigned to it in Section 4.1.
- (o) “*Closing Date*” means the date and time specified in Section 4.1 of this Agreement on which title to the Premises is conveyed to Purchaser pursuant to this Agreement.
- (p) “*Date of this Agreement*” shall mean the date when an original Agreement, fully executed by Seller and Purchaser, together with all Exhibits annexed hereto is received by Purchaser.
- (q) “*Deed*” has the meaning assigned to it in Section 10.1(a).
- (r) “*Deposit*” has the meaning assigned to it in Section 2.1(a).
- (s) “*Escrow Agent*” means Day Pitney LLP.
- (t) “*Execution Date*” means the date upon which a fully executed copy of this Agreement has been delivered to both Seller and Purchaser.
- (u) “*Liens*” means all liens, claims and encumbrances, other than Permitted Exceptions.
- (v) “*Minimum Overbid*” has the meaning assigned to it in Section 3.1.
- (w) “*Permitted Exceptions*” has the meaning assigned to it in Section 5.1.
- (x) “*Plan*” has the meaning assigned to it in the recitals hereto.
- (y) “*Premises*” has the meaning assigned to it in the recitals hereto.
- (z) “*Purchase Price*” has the meaning assigned to it in Section 2.1.

- (aa) "*Purchaser*" has the meaning assigned to it in the Preamble.
- (bb) "*Sale Order*" has the meaning assigned to it in Section 3.1.
- (cc) "*Secured Lender*" means CCHP, LLC, as Seller's pre-petition secured lender, with respect to its right to credit bid for the Property under Section 363(k) of the Bankruptcy Code.
- (dd) "*Seller*" has the meaning assigned to it in the Preamble.
- (ee) "*Successful Bidder*" has the meaning assigned to it in the Bid Procedures.
- (ff) "*Title Company*" means New York Abstract Services, Inc. or such company licensed in the State of New York chosen by Purchaser.

2. PURCHASE PRICE, ESCROW OF DEPOSIT.

2.1 Payment of Purchase Price. The Purchase Price for the Premises (the "*Purchase Price*") shall be the sum of TWO MILLION SEVEN HUNDRED FIFTY THOUSAND AND 00/100 DOLLARS (\$2,750,000.00). The Purchase Price shall be paid as follows:

(a) Simultaneously upon the execution and delivery of this Agreement by the parties, Purchaser shall deposit with the Escrow Agent by a bank wire transfer of immediately available federal funds to an account designated by Escrow Agent or by official bank check the sum of TWO HUNDRED SEVENTY-FIVE THOUSAND AND 00/100 DOLLARS (\$275,000.00) (the "*Deposit*"), subject to collection. The Deposit shall be held by Escrow Agent in accordance with the terms and conditions of Section 2.2. The escrow depository is Bank of America, 1 Atlantic Street, Stamford CT 06901.

(b) The balance of the Purchase Price TWO MILLION FOUR HUNDRED SEVENTY-FIVE THOUSAND AND 00/100 DOLLARS (\$2,475,000.00), as adjusted by prorations and credits, shall be paid by Purchaser on the Closing Date by wire transfer of immediately available federal funds to an account or accounts designated in writing by Seller.

2.2 Escrow of Deposit.

(a) The Deposit shall be delivered to the Escrow Agent. The Escrow Agent shall hold the proceeds thereof in escrow in an insured non-interest-bearing bank account (or as otherwise agreed in writing by Seller, Purchaser and the Escrow Agent) until the Closing or earlier termination of this Agreement and shall pay over or apply the Deposit in accordance with the terms of this Agreement. At the Closing, the Escrow Agent shall pay the Deposit or apply the Deposit in accordance with the terms of this Agreement. If for any reason the Closing does not occur and either party makes a written demand upon the Escrow Agent for payment of the Deposit, the Escrow Agent shall give written notice to the other party of such demand. If the Escrow Agent does not receive a written objection from the other party to the proposed payment within five (5) Business Days after the giving of such notice, the Escrow Agent is hereby

authorized to make such payment. If the Escrow Agent does receive a written objection within such five (5)-Business Day period or if for any other reason the Escrow Agent in good faith shall elect not to make such payment, the Escrow Agent shall continue to hold the Deposit until otherwise directed by written instructions from Seller and Purchaser or a final judgment of a court. The Escrow Agent shall, however, have the right at any time to deposit the Deposit with a Clerk of the Bankruptcy Court, giving written notice of such deposit to Seller and Purchaser. Upon such deposit the Escrow Agent shall be relieved and discharged of all further obligations and responsibilities hereunder, after transfer to the Clerk except with respect to the Escrow Agent's gross negligence, bad faith or willful disregard of this Agreement.

(b) The parties acknowledge that the Escrow Agent is acting solely as a stake holder at their request and for their convenience, and the Escrow Agent shall not be liable to either of the parties for any act or omission on its part unless taken or suffered in bad faith, in willful disregard of this Agreement or involving gross negligence. Seller and Purchaser shall jointly and severally indemnify and hold the Escrow Agent harmless from and against all costs, claims and expenses, including reasonable counsel fees, incurred in connection with performance of the Escrow Agent's duties hereunder, except with respect to actions or omissions taken or suffered by the Escrow Agent in bad faith, in willful disregard of this Agreement or involving gross negligence on its part. The Escrow Agent has acknowledged acceptance of these provisions by signing in the place indicated on the signature page of this Agreement.

(c) Purchaser acknowledges that Escrow Agent is also acting as counsel for Seller in connection with the sale of the Premises, and Purchaser acknowledges that it is aware of the potential for actual or apparent conflict of interest which may arise in connection with such representation and Escrow Agent's performance of its duties hereunder. Purchaser hereby waives all rights to object to such conflict of interest and releases Escrow Agent from any liability in connection with such conflict of interest, although not from liability for default under this Agreement. Purchaser hereby consents to Escrow Agent's continuing representation of Seller in all matters relating to the sale of the Premises, expressly including any dispute relating to this Agreement.

3. BANKRUPTCY COURT MATTERS.

3.1 363 Motion. Seller agrees that as promptly as practicable after the date hereof, but in no event later than five (5) Business Days after the Execution Date, Seller shall file with the Bankruptcy Court a motion reasonably acceptable to Purchaser (the "*363 Motion*") seeking an order (the "*Sale Order*") that approves this Agreement and the sale contemplated hereby, subject to the bid procedures annexed to the 363 Motion (the "*Bid Procedures*") to be followed in the event an auction sale (the "*Auction*") is to be held to consider a competitive offer for the Premises by any qualified person, which include, without limitation, (i) that to be deemed a qualified bid at the Auction, the aggregate consideration proposed by such competing bid must equal or exceed \$2,875,000.00 (the "*Minimum Overbid*") and (ii) that the minimum increment for any subsequent bid shall be at least \$25,000.00 in excess of the Minimum Overbid, or the previous bid, as applicable.

3.2 Notice and Deadlines. Seller shall file all pleadings with the Bankruptcy Court as necessary or appropriate to seek entry of the Sale Order and shall provide timely notice to creditors and all other parties entitled to notice of such pleadings under applicable requirements, including the Bankruptcy Code and the Federal Rules of Bankruptcy Procedure (the "*Bankruptcy Rules*"). Seller shall obtain entry of the Sale Order within thirty (30) days after the Execution Date (unless extended by mutual consent of the Seller and Purchaser). Purchaser shall promptly take such actions as are reasonably requested by Seller to assist in obtaining entry of the Sale Order, including without limitation, furnishing affidavits, financial information or other documents or information for filing with the Bankruptcy Court and making Purchaser's employees and representatives available to testify before the Bankruptcy Court.

3.3 Appeals of Bankruptcy Orders. If, following the Closing, the Sale Order shall be appealed by any person (or a petition for certiorari or motion for rehearing, reconsideration or argument shall be filed with respect thereto), Seller and Purchaser, exclusively at their option and expense, shall take all reasonable steps as may be necessary to defend against such appeal, petition or motion, and endeavor to obtain an expedited resolution of same. An appeal (or petition for certiorari or motion for rehearing, reconsideration or argument) of the Sale Order shall not delay or stay the Closing, except if and to the extent that such order has been stayed by the Bankruptcy Court.

3.4 Competing Offers. This Agreement is subject to approval by the Bankruptcy Court and the consideration by Seller of higher or otherwise better competing bids in accordance with the Bid Procedures. If one or more Qualified Bids (as defined in the Bid Procedures) is received prior to the expiration of the Bid Deadline (as defined in the Bid Procedures), Seller shall conduct an open Auction of the Premises in accordance with the Bid Procedures, at which Purchaser shall be permitted to credit bid the Break-Up Fee. At least two (2) Business Days before the Auction, Purchaser shall be notified and provided copies of the Qualified Bids, and Purchaser shall be given the reasonable opportunity to increase its bid to provide the highest or otherwise best offer for the Premises, provided that every bid submitted by Purchaser is a binding bid in accordance with the Bid Procedures.

Seller shall be permitted to cause its representatives and agents to initiate contact with, solicit or encourage submission of any inquiries, proposals or offers by any person (in addition to Purchaser and its affiliates, agents and representatives) in connection with any sale or other disposition of all or any part of the Premises, so long as Seller does not take any action to encourage the withdrawal of Purchaser's bid.

3.5 Additional Closing Conditions.

(i) In addition to the conditions set forth in Section 9 hereof, the obligations of the parties to consummate the Closing are conditioned upon the entry by the Bankruptcy Court of the Sale Order, which shall not be stayed, not later thirty (30) days after the Execution Date (unless extended by mutual consent of the Seller and Purchaser), in form and substance mutually acceptable to Seller and Purchaser:

(a) approving this Agreement and the transactions contemplated herein and finding that this Agreement and the transactions contemplated herein are fair and reasonable and constitute exchanges of fair consideration and reasonably equivalent value under the Bankruptcy Rules and under the laws of the United States and any state, territory or possession thereof;

(b) finding that (w) notice of the hearing concerning approval of the transactions contemplated hereby was given in accordance with the Bankruptcy Code and Bankruptcy Rules and applicable procedural rules and constitutes adequate notice as is required and appropriate under the particular circumstances in accordance with the Bankruptcy Code and Bankruptcy Rules and any other applicable laws, (x) Seller has the legal power and authority to convey all the rights, title and interest of Seller in and to the Premises, (y) Seller has good and marketable title to or a valid and enforceable interest in all of the Premises and (z) Purchaser is a good faith purchaser entitled to all the protections afforded by Section 363(m) of the Bankruptcy Code;

(c) providing for the sale and delivery of the Premises to Purchaser free and clear of any and all Liens (other than Permitted Exceptions) to the fullest extent permitted by 11 U.S.C. § 363(f) and case law interpreting Section 363 of the Bankruptcy Code, with such Liens, if any, to attach to the consideration to be received by Seller in the same priority and subject to the same defenses and avoidability, if any, as before the Closing;

(d) finding that Purchaser has not assumed any liabilities of Seller and providing that Purchaser shall not have any liability as a successor of Seller; and

(e) providing that, in the event of a credit bid for the Property by the Secured Lender under Section 363(k) of the Bankruptcy Code, Purchaser shall be entitled to an allowed administrative expense claim under Sections 503(b) and 507(a)(2) of the Bankruptcy Code senior to all other unsecured claims (including all administrative expense claims) against Seller in the Bankruptcy Case in the amount of the Break-Up Fee, payable at Closing from the Secured Lender's Cash Collateral (as defined in Section 363 of the Bankruptcy Code) or, if such Cash Collateral is insufficient for such purpose, directly by the Secured Lender.

(ii) Purchaser acknowledges that Seller does not guarantee the satisfaction of the conditions precedent listed in this Section 3.5 and that Seller's failure to satisfy such conditions shall not be deemed to be a default hereunder but rather, same shall merely be a failure of a condition to Closing, in which event Purchaser's sole remedy shall be to (i) waive such condition(s) and proceed to Closing, or (ii) terminate this Agreement and receive a refund of the Deposit; provided, however, Seller shall be permitted to adjourn the Closing Date for a period of up to thirty (30) days in order to satisfy any condition precedent that has not been satisfied.

3.6 Break-Up Fee. In the event that Seller does not consummate the transaction contemplated by this Agreement with Purchaser by reason of Seller's acceptance or selection, and the Bankruptcy Court's approval, of a competing bid for the Premises (provided the Purchaser is not in default of this Agreement), Seller shall refund the Deposit and, in consideration for Purchaser having expended considerable time and expense in connection with

this Agreement and the negotiation thereof, Purchaser shall be entitled to a break-up fee in an amount equal to Two and One-Half Percent (2.5%) of the Purchase Price equal to \$68,750.00 (the "*Break-Up Fee*"). The Break-Up Fee shall be promptly due and payable to Purchaser immediately upon the earlier of (a) closing of a transaction resulting from a competing bid (including a credit bid by the Secured Lender, in which case the Break-Up Fee shall be paid out of Cash Collateral) for the Premises or otherwise directly by the Secured Lender and (b) the forfeiting of the deposit of a competing bidder whose bid was accepted by Seller in accordance with the procedures set forth in the Bid Procedures.

Notwithstanding the foregoing, in the event Purchaser is selected as the Back-up Bidder in accordance with the Bid Procedures, Seller shall hold the Deposit in escrow and shall refund the Deposit to Purchaser within five (5) Business Days following the earliest of (a) the closing with the successful competing bidder and (b) the date that is twenty-one (21) days after entry of an order by the Bankruptcy Court approving the sale to the successful competing bidder (unless such order has been stayed or appealed, in which case the Deposit shall be held until the expiration of such stay or resolution of such appeal); provided, however, that if the closing of the sale to the successful competing bidder does not occur due to a default by the successful competing bidder, Purchaser shall be deemed to be the Successful Bidder, and the Closing shall promptly occur with respect to Seller and Purchaser, and the Deposit shall be applied to the Purchase Price at Closing.

Seller acknowledges and agrees that (1) payment of the Break-Up Fee and establishment of the Minimum Overbid as set forth herein and in the Bid Procedures are reasonable and are material inducements to the Purchaser to enter into the transaction contemplated by this Agreement and an integral part of the transaction contemplated by this Agreement and (2) Purchaser would not have entered into this Agreement absent, among other terms of this Agreement, the Break-Up Fee and Minimum Overbid provisions set forth herein and in the Bid Procedures.

4. CLOSING.

4.1 Closing Date. Subject to the satisfaction or waiver of all conditions precedent with respect to each party's obligations, the closing (the "*Closing*") of the sale and purchase contemplated herein shall occur at the offices of the Escrow Agent on a day and at a time which is not more than fifteen (15) days after the Bankruptcy Court enters the Sale Order, which has not been stayed (or, if the Sale Order has been stayed or appealed, twenty-one (21) days following the expiration of the stay or resolution of the appeal), but in no event later than forty-five (45) days from the Execution Date (the "*Closing Date*") and TIME SHALL BE OF THE ESSENCE, subject to a five (5) day grace period, such period being a *final* time of the essence date, with respect to Purchaser's and Seller's obligation to close on the Closing Date.

5. TITLE MATTERS.

5.1 Condition to Title. The Premises shall be sold and conveyed, and Purchaser shall purchase the Premises, free and clear of all Liens pursuant to Section 363(f) of the Bankruptcy Code, with such Liens to attach to the consideration to be received by Seller in

the same priority and subject to the same defenses and avoidability, if any, as before the Closing, subject to: (a) the terms and conditions of the Sale Order, (b) such title exceptions affecting the Premises as the Title Company or any other reputable title insurance company licensed to do business in the State of New York shall, at regular rates, be willing to (i) omit as exceptions to coverage, and (c) those matters listed in Exhibit "A-1" to this Agreement (collectively, the "*Permitted Exceptions*"). Seller and Purchaser hereby expressly agree that the state of title set forth in the Sale Order and Exhibit "A-1" hereto, including the Permitted Exceptions, reflect good, marketable, and acceptable title to the Premises.

5.2 Title Commitment. Purchaser is in receipt of a current Commitment for Title Insurance No. NY CT 16-00165-BX issued by Chicago Title Insurance Company. Notwithstanding the foregoing, Purchaser shall be permitted to obtain a title policy for the Premises from the Title Company or such company licensed in the State of New York chosen by Purchaser.

6. CONDITION OF THE PREMISES.

(a) Purchaser is a sophisticated investor and Purchaser's decision to purchase the Premises is based upon its independent expert evaluations of such facts and materials deemed relevant to Purchaser and its agents. In entering into this Agreement and consummating the transactions contemplated hereunder, Purchaser has not relied upon any oral or written information from Seller or any of Seller's agents, consultants, advisors or representatives, except for Seller's representations and warranties expressly set forth in this Agreement. Without limiting the generality of the foregoing, except as otherwise expressly set forth in this Agreement, PURCHASER ACKNOWLEDGES AND AGREES WITH SELLER THAT PURCHASER IS PURCHASING THE PREMISES IN "AS IS", "WHERE IS" AND "WITH ALL FAULTS" CONDITION ON THE CLOSING DATE, AND TOGETHER WITH ANY LATENT DEFECT OR NON-DISCOVERABLE DEFECT, SPECIFICALLY AND EXPRESSLY WITHOUT ANY WARRANTIES, REPRESENTATIONS OR GUARANTEES, EITHER EXPRESS OR IMPLIED OF ANY KIND, NATURE, OR TYPE WHATSOEVER FROM OR ON BEHALF OF SELLER AND SELLER DISCLAIMS AND PURCHASER WAIVES, RELEASES AND DISCHARGES SELLER FROM ANY AND ALL WARRANTIES, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR AS TO ANY ENVIRONMENTAL MATTERS. Seller shall have no obligation to remove any violations against the Premises that exist as of the date of Execution Date or on the Closing Date. Purchaser agrees that its covenants, agreements and obligations under this Agreement shall not be excused or affected by (i) the physical condition of the Premises, the physical condition or operation of the improvements or personal property, or the fitness, merchantability or suitability of the Premises for any use or purpose, (ii) the compliance or non-compliance with any laws, codes, ordinances, rules or regulations of any governmental authority, or by any violations thereof, (iii) the environmental condition of the Premises or the Premises' compliance or non-compliance with any laws, code, ordinances, rules or regulations of any governmental authority relating to the presence, use, storage, handling or removal of any Hazardous Substances

(defined below), (iv) engineering controls, institutional controls, environmental covenants and deed restrictions implemented to address the presence of Hazardous Substances and for the remediation of the Premises to non-residential standards, (v) the current or future use of the Premises, including, but not limited to Purchaser's intended uses of the Premises, (vi) the current or future real estate tax liability, assessment or valuation of the Premises, (vii) the availability or non-availability of any benefits conferred by federal, state or municipal laws, whether for subsidies, special real estate tax treatment or other benefits of any kind, (viii) the availability or unavailability of any licenses, permits, approvals or certificates which may be required in connection with the operation of the Premises, (ix) the compliance or non-compliance of the Premises, in its current or any future state, with applicable zoning ordinances and the ability to obtain a change in the zoning or a variance with respect to the Premises' non-compliance, if any, with any zoning ordinances, or (x) the actual or projected revenue and expenses of the Premises provided in this Agreement. Seller is not liable or bound in any manner by any oral or written statements, representations, real estate brokers, "set-ups," offering memoranda or information pertaining to the Premises furnished by any real estate broker, advisor, consultant, agent, employee, representative or other person. For the purposes of this Agreement, "Hazardous Substances" means: (w) those substances included within the definitions of any one or more of the terms "hazardous substances," "hazardous materials," "toxic substances," and "hazardous waste" in the Comprehensive Environmental, Response, Compensation and Liability Act, as amended, 42 U.S.C. §§9601 and 9657 et seq., the Resource Conservation and Recovery Act of 1976, as amended, 42 U.S.C. §6901 et seq., and the Hazardous Materials Transportation Act, as amended, 49 U.S.C. Sections 1801 et seq. and in the regulations promulgated pursuant to such laws; and (x) such other substances, materials and wastes as are regulated under applicable environmental laws or which are classified as hazardous or toxic under environmental laws; (y) any materials, wastes or substances that are (1) petroleum or in whole or in part derived from petroleum; (2) asbestos or asbestos-containing materials; (3) polychlorinated biphenyls; (4) designed as a "hazardous substance" pursuant to section 311 of the Clean Water Act, as amended, 13 U.S.C. §1321 et seq. (33 U.S.C. §1321) (the "*Clean Water Act*") or designated as "toxic pollutants" pursuant to §307 of the Clean Water Act (33 U.S.C. §1317); (5) flammable explosives; or (6) radioactive materials; and (z) degradation products of any of the foregoing.

7. ACCESS FOR INSPECTIONS.

7.1 Purchaser may request access to the Premises at any time prior to Closing for the purpose of inspecting the Premises upon not less than three (3) Business Days' prior written notice to Seller. All access taken by Purchaser pursuant to the provisions of this Section 7 shall be in accordance with all the laws, rules and regulations applicable thereto and subject to the terms and conditions of this Agreement. Purchaser hereby agrees to indemnify and hold Seller harmless from any and all Liens, loss, damage, penalties, liabilities or claims arising from Purchaser's exercise of the rights herein granted, including, but not limited to attorney's fees and costs.

7.2 Prior to any access or entry, Purchaser shall maintain, at Purchaser's sole cost, and shall require any contractor, consultant or agent Purchaser may engage to maintain, at all times as required in this Agreement, the insurance coverage set forth below with good and solvent insurance companies licensed to do business in New York State with full policy limits applying, but not less than as set forth below:

(a) Workers' Compensation Insurance as required by laws and regulations applicable to and covering employees of Purchaser, its contractors, consultants or agents;

(b) Commercial General Liability Insurance with a broad form contractual liability endorsement and with a combined single limit of not less than Two Million and No/100 Dollars (\$2,000,000.00) per occurrence for bodily injury and property damage and an excess umbrella liability policy for bodily injury and property damage in the amount of Five Million and No/100 Dollars (\$5,000,000.00); and

(c) Business Automobile Liability Insurance covering all vehicles used in the operations of Purchaser with limits of liability of not less than Seven Hundred Fifty Thousand and No/100 Dollars (\$750,000.00) combined single limit.

A certificate naming Seller, its affiliates, successors and assigns as their interests may appear (as advised by Seller to Purchaser), as additional insureds shall be delivered to Seller prior to any entry at the Premises. Such certificate shall provide that any change restricting or reducing coverage or the cancellation of any policies under which certificates are issued shall not be valid as respects the Seller's, or its members', officers', employees', subsidiaries' and affiliates' interest herein until the Seller has received thirty (30) days prior notice in writing of such change or cancellation.

7.3 The rights granted here shall be at Purchaser's sole risk. Seller shall owe no duty, whatsoever, to anyone utilizing such access to either warn or protect against any risk or hazard whether or not Seller has actual or constructive knowledge of same. During such access, the foregoing personnel shall not cause any interference with the operations of Seller or any other occupant or damage to the Premises. Seller may require that persons granted access be accompanied by Seller's representative.

7.4 All property inspections and all due diligence are the sole responsibility of Purchaser and any costs associated with same shall be paid for by Purchaser, provided that Seller shall provide Purchaser with such inspections of the Premises and related information in possession of Seller and reasonably requested by Purchaser.

8. REPRESENTATIONS.

Seller and Purchaser do hereby represent and warrant to the other as follows, which representations and warranties shall be true and correct as of the Date of this Agreement and as of the Closing Date:

8.1 Validity. This Agreement, once approved by the Bankruptcy Court, constitutes a valid and binding obligation of Seller and Purchaser in accordance with its terms.

8.2 Authority. Subject to Bankruptcy Court approval, Seller and Purchaser have the full right and authority to execute this Agreement and fulfil all of the transactions hereby contemplated, subject to the terms and conditions of the Agreement.

9. CONDITIONS TO CLOSING.

9.1 Purchaser's Condition. In addition to the conditions set forth in Section 3.5, the obligation of Purchaser to consummate the transactions contemplated by this Agreement shall be subject to the following conditions: (i) the performance and observance by Seller of all covenants, warranties and agreements of this Agreement to be performed or observed by Seller prior to or on the Closing Date and (ii) the fulfillment on or before the Closing Date of all other conditions precedent to Closing benefiting Purchaser specifically enumerated in this Agreement, any or all of which may be waived in writing by Purchaser in its sole discretion.

9.2 Seller's Condition. In addition to the conditions set forth in Section 3.5, the obligation of Seller to consummate the transactions contemplated by this Agreement shall be subject to the following conditions: (i) the performance and observance by Purchaser of all material covenants and agreements of this Agreement to be performed or observed by Purchaser prior to or on the Closing Date and (ii) the fulfillment on or before the Closing Date of all conditions precedent to Closing benefiting Seller specifically set forth in this Agreement, any or all of which may be waived by Seller in its sole discretion.

10. ITEMS TO BE DELIVERED AT CLOSING.

10.1 Seller's Deliveries. At Closing, Seller shall deliver or cause to be delivered to Purchaser the following items executed and acknowledged by Seller, as appropriate:

- (a) A bargain and sale with covenants against grantor's acts (the "*Deed*") attached hereto and made a part hereof in substantially the same form as Exhibit B.
- (b) Sole and exclusive possession of the Premises, free of any tenancies and any rights of possession.
- (c) Deliver to Purchaser such documents in such form as may be reasonably required by the Title Company, including, but not limited to, an Affidavit of Non-Foreign Status (FIRPTA).
- (d) A copy of the Sale Order.

(e) Such further instruments, agreements or other documents as may be necessary to effectuate the provisions of this Agreement as identified by the Title Company, the Bankruptcy Court and the Parties.

10.2 Purchaser's Deliveries. At Closing, Purchaser shall deliver or cause to be delivered to Seller the following items:

(a) The balance of the Purchase Price as adjusted under this Agreement in accordance with Section 2.1 (b).

(b) Such further instruments, agreements and other documents as may be necessary to effectuate the provisions of this Agreement as identified by the Title Company, the Bankruptcy Court and the Parties.

11. CLOSING COSTS AND ADJUSTMENTS.

11.1 Closing Costs. Seller shall seek inclusion of terms in the Sale Order that (a) Seller's sale, transfer, assignment and conveyance of the Premises and other assets transferred hereunder to Purchaser shall be entitled to the protections afforded under Section 1146(c) of the Bankruptcy Code, and (b) directing the clerk of the county in which the Premises is located to accept for recording all instruments delivered in connection with the Closing of the transactions contemplated under this Agreement without the imposition, levying or collection of conveyance, stamp, recording or any similar or related kind of taxes, assessment or required payment of any kind. If such a provision is not included, the Parties shall prepare and cause to be filed transfer tax returns indicating exemption by reason of the conveyance being pursuant to the Sale Order. Although the Parties do not believe transfer taxes are payable, Seller shall be solely responsible for paying any transfer or similar taxes with respect to the Premises due as a result of the transactions provided for in this Agreement not avoided under Section 1146(c) of the Bankruptcy Code. The provisions of this Section 11.1 shall survive the Closing or a termination of this Agreement. Purchaser shall pay (a) the costs of the title insurance premiums for the title policy, and (b) the cost of any title endorsements and affirmative insurance required by Purchaser payable in connection with the conveyance of the Premises. The Seller shall pay recording charges, if any, payable in connection with the conveyance of the Premises. Seller and Purchaser shall pay their respective legal, consulting and other professional fees and expenses incurred in connection with this Agreement and this transaction.

11.2 Adjustments. Adjustments shall be made and paid at the Closing as follows:

(a) All utility, water and sewer charges (as applicable), real estate taxes and assessments, including any special assessments, assessed against the Premises and all fuel charges shall be apportioned as of Closing or credited to Buyer against the Purchase Price.

12. ADDITIONAL AGREEMENTS.

Purchaser and Seller represent and agree as follows:

12.1 Condemnation. Seller shall provide to Purchaser copies of any notices of Condemnation received by Seller, within seven (7) days of receipt of same. In the event that any material portion of the Premises shall be taken in condemnation or under the right of eminent domain after the Execution Date and before the Closing Date, Purchaser may at its option, either (i) terminate this Agreement or (ii) proceed to Closing under this Agreement and pay the full Purchase Price as set forth in Section 2 of this Agreement as applicable, in which latter event, all awards or settlements under any such proceedings, whether or not made prior to Closing, shall become the right and property of Purchaser. Seller or its designee shall assign to Purchaser any claim or interest therein, and Seller or its designee hereby agrees to execute any documents reasonably required by Purchaser in connection therewith after the Closing. In the event Purchaser terminates this Agreement hereunder, the Deposit shall be returned to Purchaser and this Agreement shall have no further force or effect, whatsoever, except for obligations of Purchaser which have previously accrued hereunder or which survive the expiration of termination of this Agreement.

12.2. Cooperation. Seller and Purchaser shall, from time to time, and at Closing, execute and deliver such further instruments as Purchaser or Seller or their counsel or Title Company may reasonably request or require to effectuate the intent of this Agreement and shall otherwise cooperate with each other in furtherance of the purposes of this Agreement.

13. REMEDIES; TERMINATION.

13.1 This sale is a cash sale and is not subject to any financing contingency. Purchaser may not delay the Closing Date or terminate this Agreement due to Purchaser's inability to obtain financing. If Purchaser fails to close on the Closing Date due to a lack of funds, Purchaser shall be in default of this Agreement and Seller's remedy shall be to terminate this Agreement and retain the Deposit made hereunder as liquidated damages. The parties agree that the actual damages upon the Purchaser's default would be extremely difficult or impractical to ascertain and that the Deposit, which has been negotiated, represents a fair and reasonable amount of damages Seller will sustain if Purchaser defaults under this Agreement and fails to close on the Closing Date.

13.2 In the event Purchaser violates or fails to fulfill or perform any of the terms and conditions of this Agreement required to be performed by Purchaser prior to Closing or if Purchaser fails to consummate the acquisition of the Premises as required hereunder, TIME BEING OF THE ESSENCE, subject to a five (5) day grace period, such period being a *final* time of the essence date, with respect to Purchaser's and Seller's obligation to close on the Closing Date. Seller may terminate this Agreement upon written notice to the Purchaser and the Deposit shall be retained by Seller, as the Seller's sole and exclusive remedy, as liquidated damages for such violation or failure, whereupon this Agreement shall become null and void, and neither party shall have any further rights or obligations hereunder, except for such obligations as expressly survive the termination of this Agreement. The parties agree that the actual damages upon Purchaser's default would be extremely difficult or impractical to ascertain and that the Deposit, which has been negotiated, represents a fair and reasonable amount of damages that

Seller will sustain if Purchaser violates or fails to fulfill and perform any of the terms and conditions of this Agreement required to be performed by Purchaser resulting in a failure to close, under the circumstances existing at the time hereof.

13.3 In the event Seller violates or fails to fulfill or perform any of the terms and conditions of this Agreement required to be performed by Seller prior to Closing or if Seller fails to consummate the sale of the Premises as required hereunder, Purchaser reserves the right to seek specific performance and reasonable legal fees and expenses incurred therefor or at its election, cancel and terminate this Agreement upon written notice to Seller and the Deposit shall be delivered to Purchaser by the Escrow Agent, as the Purchaser's sole and exclusive remedy, whereupon this Agreement shall become null and void, and neither party shall have any further rights or obligations hereunder, except for such obligations as expressly survive the termination of this Agreement.

13.4 Notwithstanding anything to the contrary set forth in this Agreement, in no event shall Seller be liable to Purchaser or to any representatives, agents, affiliates or subsidiaries of Purchaser, for any special, exemplary, indirect or consequential damages, including without limitation any lost profits, loss of business, business interruption, lost savings or other incidental or punitive damages, even if Seller has been advised of the possibility of such damages.

14. BROKER.

Seller represents and warrants to Purchaser that no broker or finder has been engaged by Seller in connection with the sale contemplated under this Agreement other than the Broker. Seller has entered into a separate agreement with the Broker governing the commission payable hereunder, which shall be paid solely by Seller. Purchaser represents and warrants to Seller that no broker or finder has been independently engaged by Purchaser in connection with the sale contemplated under this Agreement other than Feinberg Bros. Agency, Inc. Purchaser has entered into a separate Agreement with Feinberg Bros. Agency, Inc. governing a commission due hereunder which shall be paid by Purchaser. The Parties shall indemnify and hold the other party harmless from and against any loss, liability or expense including, without limitation, reasonable attorneys' fees, by reason of any claim for a real estate sales commission made by any real estate broker or other person alleging relations, conversations or negotiations with it arising out of the transactions contemplated in this Agreement if such claims are based in whole or part in part on dealings or discussions or agreements with the indemnifying party. Nothing contained herein shall be construed to create any rights in any person or entity as a third-party beneficiary to this Agreement. The provisions of this Section 14 shall survive the Closing.

15. NOTICES.

No notice, request, consent, approval, waiver or any communications under this Agreement shall be effective unless received, but any such communication shall be deemed to have been given upon receipt of same, if the same is in writing and is sent by hand courier, recognized overnight delivery service, facsimile (followed by postage prepaid regular mail) email (followed by postage prepaid regular mail) or mailed by registered or certified mail return receipt requested, postage prepaid, addressed to the parties at the addresses noted herein below. Copies

of all notices shall be provided to each party and the attorney for each party, as applicable, at the respective addresses also noted below:

SELLER: Easco Boiler Corp.
Attn: Arlington Leon Eastmond, Jr.
1175 Leggett Avenue
Bronx, New York 10017
E-mail: teastmond@easco.com

ADDITIONAL NOTICE TO SELLER: Day Pitney LLP
One Canterbury Green
Stamford, CT 06901
Attn: James Carlon, Esq.
E-mail: jcarlon@daypitney.com

PURCHASER: 1225 Randall Avenue, LLC

ADDITIONAL NOTICE TO PURCHASER: _____
Attn:
E-mail:
Kert & Kert
666 Old Country Road #301
Garden City, NY 11530
Attn: Arnold Kert, Esq.
E-mail: akert@kertlaw.com

16. APPLICABLE LAW; LIMITED RIGHT OF ASSIGNMENT BY PURCHASER.

(a) This Agreement and the performance hereof shall be governed, interpreted, construed and regulated by the laws of the State of New York.

(b) The rights of Purchaser under this Agreement shall not be assigned by Purchaser without the prior written consent of Seller, except that Purchaser may, on notice to Seller, assign its rights under this Agreement to an entity in which Purchaser has a majority and controlling ownership interest and shall continue through Closing to own the majority and controlling interest and over which Purchaser maintains, and continues to maintain, management and control through Closing, provided further that Purchaser shall continue to remain liable for all financial and other obligations of the Purchaser hereunder both as a direct obligor and as a guarantor of payment to the extent such payment is required under this Agreement. In enforcing any obligation of Purchaser hereunder, Seller need not exhaust any other remedy or first pursue any remedy against any other party or entity, but shall at all times be entitled to seek remedies of any kind or nature, legal or equitable, against Purchaser or its assignee if such is the case.

(c) Any prohibited assignment of Purchaser's rights under this Agreement shall be deemed a breach of this Agreement entitling Seller, at its option to terminate this

Agreement, on notice to Purchaser, and for Seller to retain the entire Deposit as liquidated damages. In that instance, this Agreement shall have no further force or effect, whatsoever, except for those obligations of Purchaser that have previously accrued hereunder.

17. SEVERABILITY.

If any term, covenant, condition or provision of this Agreement or the application thereof to any person or circumstance shall at any time and to any extent be found invalid or unenforceable, the remainder of this Agreement or the application of such terms and provisions to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and each term, covenant, condition and provision of this Agreement shall be valid and deemed enforceable to the full extent permitted by law.

18. INTERPRETATION.

Wherever herein the singular number is used, the same shall include the plural, and the masculine gender shall include the feminine and neuter genders, and vice versa, as the context shall require. This Agreement may be executed in original or PDF form in several counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

19. SECTION HEADINGS.

The section headings in this Agreement are inserted as a matter of convenience for reference and are not to be given any effect whatsoever in construing any provision of this Agreement.

20. ENTIRE AGREEMENT.

This Agreement sets forth all of the promises, agreements, conditions and understandings between the parties hereto under the subject matter throughout, and there are no promises, agreements, conditions or understandings, either written or oral, either expressed or implied, between them other than as set forth herein. Except as herein otherwise specifically provided, no subsequent alterations, amendments, changes or additions to this Agreement shall be binding upon either party unless agreed to in writing and signed by each party.

21. RECORDING OF AGREEMENT OR MEMORANDUM PROHIBITED.

Purchaser agrees not to record this Agreement or any memorandum of this Agreement. If Purchaser breaches its promise, Seller may declare this Agreement in default and terminate same as provided herein. In that event, Seller shall retain the Deposit, and this Agreement shall have no further force or effect, whatsoever, except for those obligations of Purchaser that have previously accrued hereunder.

22. PRESENTATION OF THIS AGREEMENT.

This Agreement shall be considered only as an offer to Purchaser and shall not be enforceable against Seller until the same and all of its terms and conditions are approved by both Seller and the Bankruptcy Court on notice to all creditors in accordance with Section 3 of this Agreement above, and this Agreement is executed and delivered by and on behalf of Seller with the receipt of the Deposit by Escrow Agent.

23. NO PRESS RELEASES.

No press release or public statement concerning the transactions contemplated by this Agreement shall be made by either party without the prior written approval of the other, which consent may be withheld by the other party in its sole discretion. Purchaser acknowledges that the existence of, and the terms and provisions of this Agreement and the information provided to Purchaser by Seller or otherwise obtained by Purchaser in the conduct of any investigations in connection with the transactions contemplated by this Agreement (including, but not limited to, information and material furnished to Purchaser prior to the date hereof), is confidential and proprietary to the Seller and shall be maintained in the strictest of confidence by Purchaser, provided that Purchaser may disclose such matters (i) as may be required, on advice of counsel, pursuant to applicable law or court order after giving Seller prior written notice of Purchaser's intention to disclose such matters and giving Seller a reasonable opportunity to seek a protective order or other relief; and (ii) to Purchaser's financial advisers and attorneys in connection with the transactions contemplated by this Agreement, provided such financial advisers agree in writing to hold such information in the strictest of confidence on terms not less onerous than the restrictions contained in this provision.

24. TIME OF THE ESSENCE. Time, wherever specified herein for satisfaction of conditions or performance of obligations by Purchaser and Seller, is of the essence of this Agreement.

25. COUNTERPARTS. This Agreement may be executed by original or PDF signatures in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. This Agreement shall become binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the parties reflected hereon as the signatories. The Parties agree that facsimile and PDF copy signatures shall have the same force and effect as original signatures.

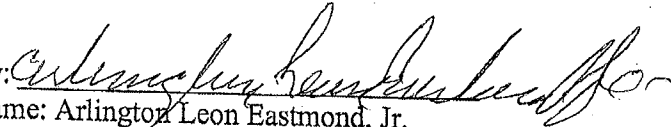
26. MISCELLANEOUS. If any date herein set forth for the performance of any obligations by Seller or Purchaser or for the delivery of any instrument or notice as herein provided should be on a day other than a Business Day, then compliance with such obligations or delivery shall be deemed acceptable on the immediately next occurring Business Day. For purposes of this Agreement, the term "**Business Day**" means a calendar day other than Saturday, Sunday or any State of New York or Federal holiday for which financial institutions or post offices are generally closed for observance thereof.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals as
of the date first above written.

SELLER:

EASCO BOILER CORP., a New York
corporation

By: 
Name: Arlington Leon Eastmond, Jr.
Title: Authorized Signatory

PURCHASER:

1225 RANDALL AVENUE, LLC, a New York
limited liability company

By: _____
Name:
Title:

Escrow Terms of Section 2.2 Agreed to:

DAY PITNEY LLP,
Escrowee

By: _____
Name: James Carlon, Esq.
Title: Partner

[SIGNATURE PAGE OF SALE AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals as
of the date first above written.

SELLER:

EASCO BOILER CORP., a New York
corporation

By: _____
Name: Arlington Leon Eastmond, Jr.
Title: Authorized Signatory

PURCHASER:

1225 RANDALL AVENUE, LLC, a New York
limited liability company

By: _____
Name: *ERET NASSA*
Title: *MANAGING MEMBER*

Escrow Terms of Section 2.2 Agreed to:

DAY PITNEY LLP,
Escrowee

By: _____
Name: James Carlon, Esq.
Title: Partner

[SIGNATURE PAGE OF SALE AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals as of the date first above written.

SELLER:

EASCO BOILER CORP., a New York
corporation

By: _____
Name: Arlington Leon Eastmond, Jr.
Title: Authorized Signatory

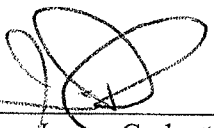
PURCHASER:

1225 RANDALL AVENUE, LLC, a New York
limited liability company

By: _____
Name:
Title:

Escrow Terms of Section 2.2 Agreed to:

DAY PITNEY LLP,
Escrowee

By:  _____
Name: James Carlton, Esq.
Title: Partner

[SIGNATURE PAGE OF SALE AGREEMENT]

Form 8002 (3/00) - Bargain and Sale Deed, with Covenants against Grantor's Acts - Individual or Corporation.
(Single sheet)

EXHIBIT A

LEGAL DESCRIPTION

Parcel "A"

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of the Bronx, County of Bronx, described as follows:

BEING known and designated as Lot #168, Block 2765 B, Sec. 10 on the Tax Map of the City of New York for the Borough of the Bronx, as said Map was on 5/21/51 and more particularly bounded and described as follows:

BEGINNING at the corner formed by the Intersection of the northerly side of Randall Avenue, 100 feet wide with the westerly side of Barretto Street, 60 feet wide;

RUNNING THENCE northerly along the westerly side of Barretto Street, 97.83 feet;

THENCE westerly at right angles to Barretto Street, 100 feet wide;

THENCE southerly at right angles to Randall Avenue, 97.83 feet to the northerly side of Randall Avenue;

THENCE easterly along the northerly side of Randall Avenue, 100 feet to the point or place of BEGINNING.

PARCEL "B"

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough and County of Bronx, City and State of New York, bounded and described as follows:

BEGINNING at a point formed by the intersection of the easterly side of Casanova Street with the northerly side of Randall Avenue;

THENCE northerly along the easterly side of Casanova Street, 100 feet;

THENCE easterly parallel with the northerly side of Randall Avenue, 100 feet to the center line of the block between Casanova and Barretto Street;

THENCE southerly along the center line of the block, 100 feet to the northerly side of Randall Avenue;

THENCE westerly along the northerly side of Randall Avenue, 100 feet to the point or place of BEGINNING.

Form 8002 (3/00) - Bargain and Sale Deed, with Covenants against Grantor's Acts - Individual or Corporation.
(Single sheet)

EXHIBIT A-1

PERMITTED EXCEPTIONS

1. Metal fence encroaches 0.3 of a foot onto Randall Avenue and 0.6 of a foot onto Barretto Street.
2. Overhead utility lines protrudes up to 1.4' onto Premises.
3. Anchor pole & guy wire protrude 2.1' onto Premises.

Form 8002 (3/00) – Bargain and Sale Deed, with Covenants against Grantor's Acts – Individual or Corporation.
(Single sheet)

EXHIBIT B

BARGAIN AND SALE WITH COVENANTS DEED

CONSULT YOUR LAWYER BEFORE SIGNING THIS INSTRUMENT – THIS INSTRUMENT SHOULD BE USED BY LAWYERS ONLY.

THIS INDENTURE, made the _____ day of _____, 2016
BETWEEN EASCO BOILER CORP., a New York corporation having an address at 1175 Leggett Avenue, Bronx, New York 10474

party of the first part, and _____, a _____,

party of the second part.

WITNESSETH, that the party of the first part, in consideration of _____ Dollars (\$) and other valuable consideration paid by the party of the second part, and, in accordance with that certain Order Pursuant to 11 U.S.C. Sections 105 (a) and 363 of the Bankruptcy Code Authorizing Sale of Property Free and Clear of All Liens, Claims and Encumbrances and "As Is" and "Where Is" entered _____ 2016 by the United States Bankruptcy Court Southern District of New York, Case No 15-13214 (SHL) of which a certified copy is being recorded simultaneously herewith, does hereby grant and release unto the party of the second part, the heirs or successors and assigns of the party of the second part forever.

Form 8002 (3/00) - Bargain and Sale Deed, with Covenants against Grantor's Acts - Individual or Corporation.
(Single sheet)

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the County of the Bronx, City and State of New York, bounded and described more particularly on Exhibit A attached hereto and made a part hereof (the "Premises");

Said Premises being the same premises described in the deed to the parties of the first part herein from _____, and _____, dated _____ and recorded _____ in Reel _____ Page _____. Said Premises are known and designated as Block _____, Lots _____ and _____.

This conveyance has been made with the unanimous written consent in writing of all the shareholders and directors of the party of the first part.

Attached hereto as Exhibit B is a certified copy of the order confirming the party of the first part's Chapter 11 Plan of Reorganization.

TOGETHER with all right, title and interest, if any, of the party of the first part, in and to any streets and roads abutting the above-described premises to the center lines thereof; TOGETHER with the appurtenances and all the estate and rights of the party of the first part in and to said Premises; TO HAVE AND TO HOLD the Premises herein granted unto the party of the second part, the heirs or successors and assigns of the party of the second part forever.

AND the party of the first part covenants that the said Premises is transferred free and clear of all liens, claims and encumbrances.

AND the party of the first part, in compliance with Section 13 of the Lien Law, covenants that the party first part will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the total of the same for any other purpose.

The word "party" shall be construed as if it read "parties" whenever the sense of this indenture so requires.

[SIGNATURE PAGE FOLLOWS]

Form 8002 (3/00) - Bargain and Sale Deed, with Covenants against Grantor's Acts - Individual or Corporation.
(Single sheet)

IN WITNESS WHEREOF, the party of the first part has duly executed this deed the day and year first above written.

IN PRESENCE OF:

EASCO BOILER CORP., a New York
corporation

Name: Arlington Leon Eastmond, Jr.
Title: Authorized Signatory

Form 8002 (3/00) - Bargain and Sale Deed, with Covenants against Grantor's Acts - Individual or Corporation.
(Single sheet)

EXHIBIT A

Legal Description

Parcel

Form 8002 (3/00) - Bargain and Sale Deed, with Covenants against Grantor's Acts - Individual or Corporation.
(Single sheet)

EXHIBIT B

Chapter 11 Plan of Reorganization

(See attached)

Acknowledgement taken in New York State

State of New York, County of _____, ss:

On the _____ day of _____, in the year _____, before me,
the undersigned, personally appeared

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) or the person upon behalf of which the individual(s) acted, executed the instrument.

Acknowledgement by Subscribing Witness taken in New York State

State of New York, County of _____, ss:

On the _____ day of _____, in the year _____, before me,
the undersigned, personally appeared

the subscribing witness to the foregoing instrument, with whom I am personally acquainted, who being by me duly sworn, did depose and say, that he/she/they reside(s) in

that he/she/they know(s)

to be the individual described in and who executed the foregoing instrument; that said subscribing witness was present and saw said

execute the same; and that said witness at the same time subscribed his/her/their name(s) as a witness thereto.

Acknowledgement taken in New York State

State of New York, County of _____, ss:

On the _____ day of _____, in the year 2016 before me,
the undersigned, personally appeared Arlington Leon Eastmond, Jr.

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) or the person upon behalf of which the individual(s) acted, executed the instrument.

Acknowledgement taken outside New York State

*State of _____, County of _____, ss:
*(or insert District of Columbia, Territory, Possession or Foreign Country)

On the _____ day of _____, in the year _____, before me,
the undersigned, personally appeared

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) or the person upon behalf of which the individual(s) acted, executed the instrument, and that such individual made such appearance before the undersigned in the (add the city or political subdivision and the state or country or other place the acknowledgement was taken).

Title No.: _____
A.L. Eastmond & Sons, Inc.

TO

and

SECTION

BLOCK:

LOTS:

COUNTY OR TOWN :

RETURN BY MAIL TO:

Zip No.

951013

B-1

RESERVE THIS SPACE FOR USE OF RECORDING OFFICE



EXHIBIT B
BID PROCEDURES

The following Bid Procedures shall govern the process for the auction and sale of that certain real property located at 1225 Randall Avenue, Bronx, New York (the “Property”) by Easco Boiler Corp., as reorganized debtor (“Easco Boiler”), and pursuant to the confirmed Second Amended Chapter 11 Plan of Reorganization [Docket No. 141] (the “Plan”) of A. L. Eastmond & Sons, Inc., Easco Boiler Corp. and Eastmond & Sons Boiler Repair & Welding Service, Inc., in the chapter 11 cases jointly administered under the caption *A. L. Eastmond & Sons, Inc., et al.*, Case No. 15-13214 (SHL), pending before the United States Bankruptcy Court, Southern District of New York (the “Bankruptcy Court”), the Bankruptcy Court’s Findings of Fact, Conclusions of Law and Order Confirming Debtors’ Second Amended Chapter 11 Plan of Reorganization Pursuant to 11 U.S.C. § 1129 and Fed. R. Bankr. P. 3020 [Docket No. 154], and any other orders issued by the Bankruptcy Court regarding the sale of the Property or the Plan.

1. Determination of “Qualified Bidder” Status. Any potential bidder who wishes to participate in the Auction (as hereinafter defined) and to bid to acquire the Property must be a “Qualified Bidder”. A Qualified Bidder is a potential bidder who, on or before **October 11, 2016 at 5:00 p.m.(Prevailing Eastern Time)** (the “Bid Deadline”), delivers a “Bid Package” (as defined below) to the following parties so that it is actually received by such parties by the Bid Deadline:

a. counsel to Easco Boiler, Klestadt Winters Jureller Southard & Stevens, LLP, 200 West 41st Street, 17th Floor, New York, NY 10036, Attn: Tracy L. Klestadt, tklestadt@klestadt.com;

b. special counsel to Easco Boiler, Day Pitney LLP, One Canterbury Green, Stamford CT 06901, Attn: James Carlon, jcarlon@daypitney.com;

c. counsel to the Stalking Horse Bidder, Kert & Kert, 666 Old Country Road #301, Garden City, NY 11530, Attn: Arnold Kert, akert@kertlaw.com;

d. Keen-Summit Capital Partners LLC (“Keen-Summit”), 1460 Broadway, New York, New York 10036, Attn: Harold Bordwin, hbordwin@keen-summit.com; and

e. Keller Williams Realty NYC Group (“Keller Williams” and, together with Keen-Summit, the “Broker”), 2300 Eastchester Road, Bronx, NY, Attn: Viola Taliaferrow, vtaliaferrow@yahoo.com.

A “Bid Package” shall consist of a written and signed irrevocable and binding offer that:

(a) fully discloses the identity of the person or entity that will be bidding for the Property (the “Potential Bidder”) or otherwise participating in connection with such bid on behalf of the Potential Bidder, the terms of any such participation (including, if the Potential Bidder is an entity formed for the purpose of consummating the proposed transaction contemplated by the bid, the equity holder or other financial backer), the Potential Bidder’s address, telephone number and

email address where the bidder may be contacted;

(b) is accompanied by financial information which fairly and reasonably demonstrates the Potential Bidder's ability (and the sources of the Potential Bidder's ability) to close on its purchase of the Property if the Potential Bidder should be the Successful Bidder (as hereinafter defined), in an amount at least as much as its bid;

(c) is accompanied by evidence that a good faith deposit in the amount of 10% of the Potential Bidder's bid, or at least \$287,500.00 (10% of the Minimum Overbid) (the "Deposit"), in immediately available funds, has been made (or is concurrently being made) by wire transfer to Day Pitney LLP, as escrow agent (the "Escrow Agent"), pursuant to wire instructions to be provided by Easco Boiler, and acknowledges that the Deposit shall be held by the Escrow Agent in a non-interest bearing, segregated, account of the primary account Easco Boiler maintains in accordance with the terms hereof;

(d) attaches an executed agreement to purchase the Property in substantially the same form as the sale agreement entered into between Easco Boiler and the Stalking Horse Bidder, marked to show proposed changes thereto (the "Modified Agreement"); and

(e) includes an executed original of these Bid Procedures acknowledging and agreeing to these Bid Procedures, including the following:

(i) the Potential Bidder is not a partner, officer, director, stockholder, agent, employee or insider of Easco Boiler, Easco Boiler's principals, Klestadt Winters Jureller Southard & Stevens, LLP, the Broker, or any relative of any of the foregoing; (y) the Potential Bidder relied solely on its own independent investigation, analysis, appraisal and evaluation of the Property and it did not rely upon and did not receive any written or oral statements, representations, warranties, promises or guarantees whatsoever, whether express or implied or by operation of law or otherwise, with respect to the Property and (z) the Potential Bidder has received the Broker's Information Memorandum for the Property and agrees to be bound by the Disclaimer on pages 2-3 thereof;

(ii) the Potential Bidder is financially able and interested in acquiring the Property for a cash price of not less than \$2,875,000.00 (the "Minimum Overbid"), without contingencies as to financing and/or additional due diligence;

(iii) the Potential Bidder's bid is irrevocable until one day after the Closing Date (as defined herein) or until its bid is affirmatively rejected;

(iv) the Potential Bidder's offer shall not be binding upon Easco Boiler prior to the time that the Auction is conducted and the sale of the Property approved by the Bankruptcy Court;

(v) if the Potential Bidder is the Successful Bidder, it shall, within two (2) business days after the Auction, increase the Deposit as necessary to an amount equal to ten (10%) percent of its final bid at the Auction, with TIME BEING OF THE ESSENCE AS TO THE SUCCESSFUL BIDDER'S OBLIGATION TO INCREASE THE DEPOSIT;

(vi) if the Potential Bidder is the Successful Bidder, it shall close on the purchase of the Property within fifteen (15) days after entry by the Bankruptcy Court of an order approving the sale of the Property (the "Sale Order"), or on such other date as Easco Boiler and the Successful Bidder shall otherwise agree to in writing, or as may otherwise be directed by Bankruptcy Court order (such date, the "Closing Date"), with TIME BEING OF THE ESSENCE AS TO THE SUCCESSFUL BIDDER'S OBLIGATION TO CLOSE ON THE CLOSING DATE AND TO PAY THE BALANCE OF THE PURCHASE PRICE AT THE CLOSING;

(vii) if the Potential Bidder is determined by Easco Boiler to have submitted the second highest or best bid at the Auction (the "Back-up Bid") and, therefore, to be designated the back-up bidder (the "Back-up Bidder"), and is notified in writing that the Easco Boiler has determined to proceed with the Back-up Bid after default by the Successful Bidder, the Potential Bidder shall close on the purchase of the Property on the Back-up Closing Date (as hereinafter defined), with TIME BEING OF THE ESSENCE AS TO THE BACK-UP BIDDER'S OBLIGATION TO CLOSE AND TO PAY THE BALANCE OF THE PURCHASE PRICE ON THE BACK-UP CLOSING DATE; and

(viii) if such Potential Bidder (x) is the Successful Bidder, the Deposit shall become non-refundable and shall be forfeited by such Successful Bidder as liquidated damages in the event the Successful Bidder shall fail to close the purchase of the Property on the Closing Date, except as otherwise expressly permitted under the sale agreement entered into between Easco Boiler and such Successful Bidder; and (y) if the Back-up Bidder and Easco Boiler determine to proceed with the Back-up Bid after default by the Successful Bidder, the Deposit shall become non-refundable and shall be forfeited by such Back-up Bidder as liquidated damages if the Back-up Bidder shall fail to close the purchase of the Property on the Back-up Closing Date, except as otherwise expressly permitted under the sale agreement entered into between Easco Boiler and such Back-up Bidder.

2. Qualified Bidders and the Stalking Horse Bid. The Stalking Horse Bidder is deemed a Qualified Bidder and shall be deemed to have submitted the opening bid of \$2,750,000.00 (the "Stalking Horse Bid"), with the right to submit additional Bids. Easco Boiler's prepetition secured lender, CCHP, LLC, is deemed a Qualified Bidder with respect to its right to credit bid its allowed secured claim under section 363(k) of the Bankruptcy Code.

3. Auction. If Easco Boiler determines that there are no submissions by Qualified Bidders other than the Stalking Horse Bidder by the Bid Deadline, then the Stalking Horse Bidder shall be determined to be the Successful Bidder pursuant to its Stalking Horse Bid. In the event that Easco Boiler receives by the Bid Deadline one or more submissions that Easco Boiler determines to be from Qualified Bidders, then Easco Boiler shall conduct an auction with respect to the Property (the "Auction") on **October 18, 2016 at 10:00 a.m. (Prevailing Eastern Time)** at the offices of Klestadt Winters Jureller Southard & Stevens, LLP, 200 W. 41st Street, 17th Floor, New York, New York 10036, or such other location determined by Easco Boiler. The Auction shall be live and in person. The Auction shall be governed by the following procedures:

(a) Only Easco Boiler, the Stalking Horse Bidder, Qualified Bidders, their respective counsel, agents and designated representatives, the Broker, CCHP, LLC and/or its counsel, and a stenographer may attend the Auction;

(b) Only the Stalking Horse Bidder and Qualified Bidders shall be entitled to make any subsequent and additional bids at the Auction;

(c) Each Qualified Bidder shall be required to confirm that it has not engaged in any collusion with respect to the bidding or the sale;

(d) Qualified Bidders shall participate in person at the Auction;

(e) The first bid over the Stalking Horse Bid shall be no less than the Minimum Overbid. Any subsequent bid shall be at least \$25,000 higher than the Minimum Overbid or the previous bid, as applicable;

(f) The Auction shall continue until such time as it appears to Easco Boiler, in its reasonable discretion, that none of the Qualified Bidders is prepared to advance the Auction and there is only one offer that Easco Boiler determines is the highest or best offer submitted at the Auction from among the Qualified Bidders, including the Stalking Horse Bidder (the "Successful Bid"). Easco Boiler shall give fair warning of the closing of the bidding;

(g) If more than one Qualified Bidder submits a bid in excess of the Stalking Horse Bid, after selection of the Successful Bidder, then Easco Boiler shall determine which bid constitutes the Back-up Bid;

(h) Deposits submitted by Qualified Bidders who do not become the Successful Bidder or Back-up Bidder shall be returned by Easco Boiler to such Qualified Bidders within three (3) business days after the Auction, except as otherwise provided herein. Notwithstanding the return of a Deposit, the underlying bid shall be irrevocable until one (1) day after the Closing Date or until the bid is affirmatively rejected;

(i) Bids at the Auction must be all cash, without financing or other contingencies; and

(j) Bidders at the Auction must be able and willing to close on the

sale of the Property within fifteen (15) days after entry of the Sale Order.

4. Obligation to Close and Default. (a) The Successful Bidder shall close on the purchase of the Property and pay the amount of the Successful Bid, less its Deposit previously posted, on the Closing Date, with TIME BEING OF THE ESSENCE AS TO THE SUCCESSFUL BIDDER'S OBLIGATION TO CLOSE ON THE CLOSING DATE AND TO PAY THE BALANCE OF THE PURCHASE PRICE AT THE CLOSING. The Successful Bidder shall be obligated to close title to the Property with no contingency of any kind or nature that will permit the Successful Bidder not to proceed at the closing of the sale, other than the inability of Easco Boiler to deliver title to the Property. In the event the Successful Bidder shall fail to timely close the purchase of the Property in accordance with all of the provisions of the sale agreement entered into between Easco Boiler and the Successful Bidder, the Successful Bidder shall be in default and the Successful Bidder shall forfeit its Deposit. Notwithstanding the foregoing, Easco Boiler shall have the right, but not the obligation, to extend the time for closing of the sale by the Successful Bidder up to an additional ten (10) business days (the "Adjourned Closing Period"), with TIME BEING OF THE ESSENCE as to the Successful Bidder's obligation to close during such Adjourned Closing Period; and in such event, if the Successful Bidder shall fail to close the purchase of the Property prior to expiration of the Adjourned Closing Period in accordance with the provisions of its sale agreement, the Successful Bidder shall be in default and the Successful Bidder shall forfeit its Deposit.

(b) If for any reason the Successful Bidder shall fail to timely close the sale of the Property, and Easco Boiler, in accordance with the provisions of the sale agreement entered into between Easco Boiler and the Successful Bidder, determine to proceed with the Back-up Bid, the Back-up Bidder shall close on the purchase of the Property and pay the amount of the Back-up Bid, less its Deposit previously posted, on the later of the Closing Date and ten (10) business days after written notice of the Successful Bidder's default in closing (the "Back-up Closing Date"), with TIME BEING OF THE ESSENCE AS TO THE BACK-UP BIDDER'S OBLIGATION TO CLOSE ON THE BACK-UP CLOSING DATE AND TO PAY THE BALANCE OF THE PURCHASE PRICE AT THE CLOSING. If Easco Boiler proceeds with the Back-up Bid, then the Back-up Bidder shall be obligated to close title to the Property and there shall be no contingency of any kind or nature that will permit the Back-up Bidder not to proceed on the Back-up Closing Date other than the inability of Easco Boiler to deliver title to the Property. In the event the Back-up Bidder shall be obliged, but shall fail, to timely close the purchase of the Property in accordance with the provisions of the sale agreement entered into between Easco Boiler and the Back-up Bidder, the Back-up Bidder shall be in default, and the Back-up Bidder shall forfeit its Deposit. Notwithstanding the foregoing, Easco Boiler shall have the right, but not the obligation, to extend the Back-up Closing Date up to an additional ten (10) business days (the "Adjourned Back-up Closing Period"), with TIME BEING OF THE ESSENCE as to the Back-up Bidder's obligation to close prior to the expiration of the Adjourned Back-up Closing Period; and in such event, if the Back-up Bidder shall fail to close the purchase of the Property prior to expiration of the Adjourned Back-up Closing Period in accordance with the provisions of its sale agreement, the Back-up Bidder shall be in default and the Back-up Bidder shall forfeit its Deposit.

5. Deposits of Successful Bidder and Back-up Bidder. (a) The Deposit

submitted by the Successful Bidder shall be held by the Escrow Agent pending the closing of the sale. The Successful Bidder's Deposit shall be applied to the sale price upon the closing of the sale, unless the Successful Bidder shall default and fail to close in accordance with the provisions of the sale agreement between Easco Boiler and the Successful Bidder and forfeit its Deposit.

(b) The Deposit submitted by the Back-up Bidder shall be held by the Escrow Agent in a non-interest bearing, segregated account until the earlier of (i) the closing of the sale and (ii) forty-five (45) calendar days after the Auction; provided, however, if the Successful Bidder fails to close and Easco Boiler decides to proceed with the Back-up Bid, then the Back-up Bidder's Deposit shall continue to be held by the Escrow Agent and shall be applied to the sale price upon the closing of the sale on the Back-up Closing Date, unless the Back-up Bidder shall default and fail to close and forfeit its Deposit, which shall be remitted to Easco Boiler and retained by Easco Boiler as liquidated damages.

6. Due Diligence. Each bidder is solely responsible for conducting its own due diligence and must complete its due diligence prior to the submission of its bid.

7. Reservation of Rights. In the interest of maximizing the results realized through the Auction, Easco Boiler reserves the right to: (a) modify any of the deadlines set forth in these Bid Procedures; (b) modify or waive, at or prior to the close of the Auction, the procedures and terms and conditions regarding the sale of the Property; and/or (c) adjourn the Auction.

8. Additional Terms, Conditions and Procedures.

(a) If Easco Boiler is unable to deliver title to the Property in accordance with these Bid Procedures or the Plan for any reason whatsoever, the Successful Bidder or Back-up Bidder, as applicable, shall have no recourse against Easco Boiler, its counsel, the Broker or any or auctioneer that may be retained by order of the Bankruptcy Court (except to the extent expressly set forth in the sale agreement executed by and between Easco Boiler and the Successful Bidder or Back-up Bidder, as applicable); provided, however, that a Qualified Bidder in this circumstance shall be entitled to a return of its Deposit.

(b) All parties participating in the Auction are thereby deemed to consent to the jurisdiction of the Bankruptcy Court to determine any dispute concerning these Bid Procedures or the sale of the Property, and the Bankruptcy Court shall retain sole and exclusive jurisdiction over all matters relating to these Bid Procedures, the Property, the Plan and the sale contemplated hereby.

(c) The sale of the Property is subject to final approval by the Bankruptcy Court at a hearing to be held on **October 19, 2016 at 11:00 a.m. (Prevailing Eastern Time)** (or as soon thereafter as practicable), before the Honorable Sean H. Lane, United States Bankruptcy Judge for the Southern District of New York, One Bowling Green, New York, NY 10004.

THE UNDERSIGNED BIDDER HEREBY CONSENTS TO AND AGREES TO BE

BOUND BY THE FOREGOING AUCTION SALE PROCEDURES:

Print Name of Bidder:

Print Name and Title of Authorized Representative of Bidder:

Signature of Authorized Representative:

_____ Date: _____

Bidder's Contact Information:

Telephone: (Work) _____ (Cell) _____

Email: _____

Bidder's Legal Counsel:

Address: _____

Telephone: _____

Email: _____