

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF IOWA

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<p>In Re:</p> <p>ALEXANDER SHCHARANSKY,</p> <p>Debtor and Debtor-in-Possession.</p>	<p>Case No. 16-01761-als</p> <p>Chapter 11</p> <p><b>DEBTOR’S MOTION FOR ORDER APPROVING SALE OF PROPERTY OF THE ESTATE PURSUANT TO 11 U.S.C. §363(f); AUTHORIZATION TO PAY SECURED CLAIMS, PROFESSIONAL FEES AND OTHER CLOSING EXPENSES AT CLOSING</b></p>
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COMES NOW Alex Shcharansky, ("Debtor"), Debtor and Debtor in Possession herein, through the undersigned counsel, and in support of his Motion for Order Approving Sale of Property of the Estate Pursuant to 11 U.S.C. §363(f) , Authorization to Pay Secured Claim, Professional Fees and Other Closing Expenses at Closing, states as follows:

1. Debtor commenced this Chapter 11 proceeding by filing of his Voluntary Chapter 11 Petition on September 2, 2016.
2. Debtor continues to serve as debtor-in-possession in this proceeding as of the date of this Motion.
3. Included as property of the estate in this Chapter 11 proceeding is a condominium unit located at 300 East 55<sup>th</sup> Street, Apt. 22A, in New York, New York (the "NY Condo"). The NY Condo is the principal asset of the estate and the Debtor intends to use proceeds from the sale of the NY Condo to pay the claims of creditors of

the estate, as such claims are allowed by the Court.

4. Prior to the commencement of this proceeding the Debtor had listed the NY Condo for sale with an initial selling price of \$4,990,000.00, but in order to facilitate a timely and expedient sale of the NY Condo the Debtor decreased the listing price for the NY Condo to \$4,250,000.00 during the pendency of this proceeding.

5. On November 22, 2016 the Debtor received a written offer from Pritesh and Samira Shah (“Purchasers”) to purchase the NY Condo for the amount of \$3,975,000.00. On December 5, 2016, the Debtor and the Purchasers entered into a Contract of Sale and certain Riders thereto (collectively, the “Contract for Sale”), concerning the Debtor’s sale of the NY Condo to the Purchasers, which Contract for Sale is expressly subject to Bankruptcy Court approval as set forth in Paragraph 5(a) of the same. A copy of the Contract for Sale is attached hereto, marked as Exhibit “A”, and is incorporated by reference herein.

6. Pursuant to the Contract for Sale, Ms. Shah, who is a licensed real estate broker, has agreed to waive her commission of three percent (3%) as part of the sale transaction, reducing the total commission to be paid by the Debtor at closing from six percent down to three percent, or a reduction of \$119,250.00 in total commission to be paid on account of the proposed sale.

7. Taking into account the reduced commission amount, and factoring in other estimated fees and charges that will be collected at closing (New York state transfer taxes, New York City transfer taxes, abstract, title and document fees, condominium association transfer and other fees), the Debtor anticipates receiving gross

proceeds in the approximate amount of \$3,770,000.00 at closing (such amount does not take into account payment of any secured claims attaching to the NY Condo). Attached hereto, and marked as Exhibit “B”, is a spreadsheet prepared by Debtor’s counsel showing the proceeds from the sale of the New York Condo and the anticipated closing costs and other expenses proposed to be paid by Debtor at closing of the transaction.

8. Pursuant to Paragraph 6(a)(i) of the Contract for Sale the sale of the NY Condo by Debtor to Purchasers is to be free and clear of all liens.

9. The closing of the sale of the NY Condo under the Contract for Sale is tentatively scheduled for February 1, 2017, however payoffs set forth herein have been calculated through February 15, 2017, as either party can extend closing for thirty (30) days from the initially identified closing date under New York law.

**I. SALE OF PROPERTY OF ESTATE FREE AND CLEAR OF LIENS PURSUANT TO 11 U.S.C. §363(f)**

10. Pursuant to 11 U.S.C. §363(b) a trustee may sell property of the estate other than in the ordinary course of business. The right to sell property afforded to a trustee under 11 U.S.C. §363(b) is extended to a Chapter 11 debtor in possession pursuant to 11 U.S.C. 1107, and the provisions of the Bankruptcy Code incorporated by reference therein.

11. Pursuant to 11 U.S.C. §363(f), a sale of property of the estate other than in the ordinary course of business that is authorized under §363(b), may be sold free and clear of liens, with such liens attaching to the proceeds of the proposed sale, if “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” (11 U.S.C. §363(f)(3)).

12. The NY Condo is subject to two (2) secured claims held by creditors that have both filed a Proof of Claim in this proceeding.

13. Emigrant Mortgage Company (“Emigrant”) holds a mortgage on the NY Condo that secures its claim in full. On November 10, 2016, Emigrant filed its Proof of Claim (Claim No. 8) asserting a secured claim in the amount of \$1,248,658.18, to which the Debtor has not objected. Subsequent to the filing of Emigrant’s Proof of Claim the Debtor made certain post-petition payments on his mortgage obligation with Emigrant totaling \$21,695.21, and after taking into account such payments Emigrant has estimated that the payoff on its secured claim on the date of closing will be approximately **\$1,259,348.24**. An accounting of the payoff of the secured claim held by Emigrant as of December 30, 2016, with the per diem rate of interest and other charges accruing thereafter, is attached hereto, marked as Exhibit “C” and is incorporated by reference herein.

14. The other creditors holding a claim secured by the NY Condo are judgment creditors Alex Komm, Ilya Markevich, Boris Pusin and Vadim Shapiro (herein collectively referred to as the “Shapiro Group”), who hold a judgment lien on the NY Condo junior in priority to the mortgage lien held by Emigrant. Pursuant to a Consent Order entered herein on November 21, 2016, the Shapiro Groups’ Amended Proof of Claim (amending original Claim No. 3) was allowed in the amount of \$2,028,253.28. The payoff of the Shapiro Group’s secured claim as of the tentative closing date is estimated to be **\$2,049,667.28**.

15. The secured claims held by Emigrant and the Shapiro Group are estimated to total **\$3,309,278.37** as of the tentative Closing Date identified in the Contract for Sale, which amount is substantially less than the **\$3,770,000.00** in proceeds that the Debtor anticipates receiving at the closing of the sale of the NY Condo to the Purchasers after payment of commissions and other closing costs.

16. Accordingly, pursuant to 11 U.S.C. §363(f)(3) the Debtor requests that the Contract for Sale of the NY Condo be approved free and clear of all liens, including the mortgage lien held by Emigrant, and the judgment lien held by the Shapiro Group, with the liens of such creditors attaching to the proceeds from the sale of the NY Condo in the same priority position as enjoyed by such creditors' lien interests in the NY Condo.

**II. AUTHORITY TO PAY REAL ESTATE COMMISSIONS AND ATTORNEY FEES (CLOSING SERVICES) AT CLOSING**

17. Previously the Debtor retained real estate brokerage firm Brown Harris Stevens and realtor Rachel Glazer (jointly "BHS") as a professional person pursuant to 11 U.S.C. §327(a) to assist the Debtor in marketing and selling the NY Condo. The Application indicated that BHS would be paid a commission fee of up to 6% for its services as real estate broker marketing the Debtor's NY Condo, and further asserted that such commission was standard in the real estate market in New York City. The Court entered its Order on October 27, 2016, approving the Debtor's retention of BHS to assist Debtor with the sale of the NY Condo pursuant to the terms set forth in the Debtor's Application.

18. Further, on October 12, 2016, the Debtor filed its Motion to assume the pre-petition listing agreement which Debtor had entered into with BHS regarding the sale of the NY Condo as an executory contract, which also provided for the Debtor to pay a commission fee of up to 6% to BHS for their services as real estate brokerage agents in the event that they were able to procure an acceptable offer to purchase the NY Condo from Debtor. On November 8, 2016, the Court entered its Order granting the Debtor's Motion to assume the pre-petition listing agreement with BHS.

19. The Contract for Sale of the NY Condo concerns an offer to purchase the NY Condo by the Purchasers which was procured by BHS acting in its duties as real estate broker of the Debtor.

20. Pursuant to 11 U.S.C. §330, the Debtors' listing agreement with BHS which is an executory contract assumed by the Debtor pursuant to 11 U.S.C. §365, and its retention of BHS as a professional person to assist with the sale of the NY Condo pursuant to 11 U.S.C. §327(a), the Debtor requests permission to pay a commission of three percent (3%) or \$119,250.00 to BHS as payment in full of its commission relative to the Contract for Sale.

21. In addition to retaining BHS to assist in the marketing and sale of the NY Condo, the Debtor also filed, on December 1, 2016 an application to retain attorney Derin Edip Walden to assist Debtor with the closing of the sale of the NY Condo, including drafting of the Contract for Sale, preparation of deeds and other conveyance documents, review of title, preparation of closing statements and other legal work related to the closing of the transaction in compliance with New York law.

22. As set forth in Debtor's Application, the fees to be paid on account of the services to be rendered by attorney Walden were to be a flat fee of \$3000.00 for the typical and contemplated closing services, and an additional flat fee of \$500.00 for attendance at the closing on behalf of the Debtor, for a total flat fee of \$3500.00. Any additional work beyond the scope of work initially identified and contemplated by the Debtor and attorney Walden would be paid at attorney Walden's normal hourly rate of \$400.00.

23. On December 13, 2016 the Court entered its Order approving the Debtor's Application to employ attorney Walden. As of the Closing Date it is anticipated that attorney Walden will have performed substantial work for the benefit of the estate with respect to the Debtor's performance under the Contract for Sale. The Debtor requests that, pursuant to 11 U.S.C. §331, that he be authorized to pay attorney Walden interim fees and expenses in the agreed upon flat fee of \$3500.00 at the closing of the transaction contemplated in the Contract for Sale, in payment for her services rendered to the estate, with the understanding that if attorney Walden seeks additional compensation beyond the standard and agreed upon flat fee of \$3500.00 attorney Walden will file a formal fee application with the Court pursuant to 11 U.S.C. §330 for final approval of all fees sought by attorney Walden concerning this matter.

24. The Debtor requests that he be authorized to pay a commission fee of **\$119,250.00** to BHS and closing attorney's fees in the amount of **\$3500.00** to attorney Walden, per the terms of the employment of each non-reorganization professional concerned, at the closing of the sale of the NY Condo pursuant to the Contract for Sale,

as the same may be approved by the Court.

### **III. AUTHORITY TO PAY SECURED CLAIMS AT CLOSING**

25. While the Debtor has sought permission to sell the NY Condo free and clear of the liens held by Emigrant and the Shapiro Group creditors, the Debtor believes it is in the best interest of the estate for the Debtor to be authorized to pay the secured claims of the respective creditors, as further set forth herein, at the closing of the transaction contemplated by the Contract for Sale.

26. On November 10, 2016, Emigrant filed its Proof of Claim (Claim No. 8) asserting a secured claim in the amount of \$1,248,658.18, which claim was secured by a mortgage attaching to the NY Condo. The Debtor has not objected to Emigrants' Proof of Claim, and requests that the Court determine the claim of Emigrant, as reflected by its Proof of Claim, to be an allowed claim under 11 U.S.C. 502(a).

27. Pursuant to a Consent Order entered herein on November 21, 2016, the Shapiro Groups' Amended Proof of Claim (amending original Claim No. 3) was allowed in the amount of \$2,028,253.28. The Debtor asks that the Court include in any Order approving this Motion that the claim of the Shapiro Group be deemed an allowed claim pursuant to 11 U.S.C. §502(a).

28. The secured claim of Emigrant Mortgage accrues interest at the per diem rate of \$131.4238 per day, or approximately \$3943 per month. The Debtor anticipates that his Chapter 11 plan may not be confirmed by the Court until July 15, 2017 or even later. To defer payment of the secured claim of Emigrant, which the Debtor has not objected to and hereby consents to, until such time as a Chapter 11 plan is confirmed by

the Court would deplete the estate of a significant amount of monies, estimated to be in excess of \$19,700.00 that could otherwise be directed towards payment of administrative expenses and general unsecured claims of creditors concerned herein, with no corresponding benefit to the estate.

29. The Debtor, as debtor-in-possession, believes it is in the best interest of the estate to pay the secured claim of Emigrant at closing of the sale of the NY Condo, and requests that the Court authorize the Debtor to pay the claim of Emigrant, estimated to be in the amount of \$1,259,348.24 as of the tentative Closing Date, with an adjustment for any additional per diem interest accrued at the rate of \$131.4238, or other fees charged, in the event that the Closing Date is delayed beyond February 15, 2017.

30. Similarly, the secured claim of the Shapiro Group accrues interest at the per diem rate of \$129.00 or approximately \$3870 per month. To defer payment of the Shapiro Group's secured claim, which the Debtor has consented to in the amount reflected by the Shapiro Group's amended proof of claim, until confirmation of a Chapter 11 plan would similarly cost the estate approximately \$19,350.00.

31. The Debtor, as debtor-in-possession, believes it is in the best interest of the estate to pay the secured claim of the Shapiro Group at closing of the sale of the NY Condo, and requests that the Court authorize the Debtor to pay the claim of the Shapiro Group, estimated to be in the amount of \$2,049,667.28 as of the tentative Closing Date, with an adjustment for any additional per diem interest accrued at the rate of \$129.00, in the event that the Closing Date is delayed beyond February 15, 2017.

32. The Shapiro Group's claim is subject to a potential offset held by the estate in the amount of \$42,234.50 and interest thereon in the amount of \$6310.55 on account of the Debtor's contribution claim against the Shapiro Group claimants, which matter is currently under appeal with the Iowa Supreme Court and being actively pursued by the Debtor (Case No. 16-1265). The Debtor filed his Appellant's Proof Brief with the Iowa Supreme Court on December 1, 2016. Until such time as the estate's contribution claim is fully resolved, the Debtor proposes to withhold from payment on the Shapiro Groups' claim the amount of \$48,545.05 (\$42,234.50 principal and \$6310.55 in interest from January 10, 2011 through February 15, 2017), with such amount to be held in escrow and subject to the Shapiro Group's continuing judgment lien until final resolution of the contribution claim is reached or the parties come to some agreement as to the treatment of the same.

33. Combined, payment of the Emigrant and Shapiro Group's secured claim at the Closing Date could save the estate approximately \$39,050.00 that would otherwise be paid to the respective secured creditors as additional post-petition interest on their claims, which could satisfy the Debtor's anticipated administrative expense claims and provide additional payment to the general unsecured creditors of the estate.

34. Assuming that the Court grants Debtor's Motion and authorizes the Debtor to pay the secured claims of Emigrant and the Shapiro Group as provided herein, the Debtor will retain approximately \$509,198.53 of the proceeds from the sale of the New York Condo to pay the administrative expense claims of the estate as well as the claims of the general unsecured creditors, which Debtor's Schedules quantify as

totaling \$290,181.47 in the aggregate.

35. The Debtor requests that he be authorized to pay the secured claim of Emigrant on the Closing Date from proceeds of the sale of the NY Condo in the estimated amount of **\$1,257,639.73**, plus any additional interest accruing thereon or other fees or charges incurred in the event that the Closing Date is delayed beyond February 15, 2017, and the secured claim of the Shapiro Group in the amount of **\$2,001,122.23** (\$2,049,667.28 less the withheld amount of \$48,545.05) plus any additional interest accruing thereon in the event the Closing Date is delayed beyond February 15, 2017 from such proceeds on the Closing Date.

**IV. ANALYSIS OF ANY POTENTIAL INCOME TAX  
OBLIGATIONS ARISING FROM THE SALE OF THE NY CONDO AND  
REQUEST TO BE RELIEVED FROM PRE-PAYMENT OF TAXES  
UNDER NEW YORK LAW**

36. The Debtor has conferred with his tax professional, Pittman & Company, LLP and John D. Pittman (“jointly “Pittman”) regarding any potential capital gain that the Debtor might experience as result of the sale of the NY Condo under the Contract for Sale and the determination of any resulting income tax obligation that the Debtor may owe either the Internal Revenue Service or the Iowa Department of Revenue with respect to the same.

37. Pittman has determined that, after payment of the secured claims of Emigrant and the Shapiro Group, as well as certain other general unsecured claims of creditors herein which concern legal fees incurred by the Debtor and related to the Debtor’s ownership interest in the NY Condo, that the Debtor’s adjusted basis in the

NY Condo will be such that the sale under the Contract for Sale will not result in any income being realized by the Debtor and therefore no additional income tax obligation will arise as a result of the sale of the NY Condo. An Affidavit of John D. Pittman setting forth his assessment of the tax consequences of the Debtor's sale of the NY Condo is attached hereto, labelled as Exhibit "D", and is incorporated by reference herein.

38. The Debtor requests that the Court authorize the Debtor, with the assistance of Pittman, to complete IRS form IT-2633 as required under New York law at closing from the Debtor as a non-resident seller of real estate, in accordance with Pittman's calculations as to the adjusted cost basis and deductible expenses pertaining to the NY Condo and the sale of the same under the Contract for Sale.

WHEREFORE, the Debtor prays that his Motion be granted and that the Court enter an Order directing that:

(i) the Debtor be authorized to sell the NY Condo pursuant to the Contract for Sale attached hereto free and clear of all liens pursuant to 11 U.S.C. §363(f) with a tentative Closing Date of February 15, 2017;

(ii) the Debtor, pursuant to 11 U.S.C. §330, be authorized to pay professional fees and expenses at the closing of the sale of the NY Condo to Brown Harris Stevens and agent Rachel Glazer ("BHS") in the form of a three percent (3%) commission of \$119,250.00 for services rendered by BHS and related to the listing, marketing and sale of the NY Condo to the Purchasers, as set forth in the Debtor's Application to Employ BHS as Real Estate Brokers and the pre-petition listing

agreement assumed by the Debtor pursuant to the Courts' Order of November 8, 2016 (Docket #59);

(iii) the Debtor be authorized, pursuant to 11 U.S.C. §331, to pay interim professional fees and expenses at the closing of the sale of the NY Condo to attorney Derin Edip Walden ("Walden") in the amount of \$3500.00 pursuant to the flat fee arrangement entered into by Debtor and attorney Walden as set forth in the Debtor's Application to Employ Attorney Walden as filed by the Debtor on December 8, 2016 (Docket #71) and approved by the Court in its Order of December 13, 2016 (Docket #79);

(iv) that the secured claim of Emigrant Mortgage Company ("Emigrant") as evidenced by the Proof of Claim it filed in this matter on November 10, 2016 (Claim No. 8) be deemed an allowed claim pursuant to 11 U.S.C. §502(a), and that the Debtor be authorized to pay the allowed secured claim of Emigrant Mortgage Company at closing of the sale of the NY Condo in the estimated amount of \$1,259,348.24, and any additional interest accruing on such claim, or fees or charges assessed by Emigrant under the mortgage documents in the event that closing is delayed beyond the Closing Date;

(v) that the claim of the Shapiro Group as evidenced by the Consent Order entered herein on November 21, 2016, approving the Shapiro Group's amended Proof of Claim be deemed an allowed claim pursuant to 11 U.S.C. §502(a), and that the Debtor be authorized to pay the secured claim of the Shapiro Group at closing of the sale of the NY Condo, in part, by paying the amount of \$2,001,122.23, to the Shapiro

Group, plus any additional interest accruing on such claim in the event that the closing is delayed beyond the Closing Date, with the Debtor retaining \$48,545.05 of the proceeds subject to the judgment lien of the Shapiro Group in the Debtor's counsel Trust Account pending resolution of the Debtor's contribution claim against the Shapiro Group and further order of the Court in this matter;

(vi) the Debtor be authorized to complete IRS form IT-2263 at closing in accordance with the calculations performed by CPA Pittman as to the adjusted cost basis of the NY Condo and deductible expenses that the Debtor will incur after payment of claims concerned in this proceeding as set forth in the attachment to Pittman's Affidavit attached to the Debtor's Motion;

(vii) the balance of the proceeds received by the Debtor from the sale of the NY Condo, after payment of the professional fees hereby awarded to BHS and attorney Walden, and payment of the secured claim of Emigrant in full and partial payment of the secured claim of the Shapiro Group as directed herein, estimated to be in the amount of \$509,198.53, be held by the Debtor in the Trust Fund of Wandro & Associates, P.C., counsel to the Debtor as debtor-in-possession pending further Order of this Court or confirmation of a Chapter 11 plan propounded by the Debtor; and

(viii) any and all other relief deemed just and equitable in the premises.

Dated: December 20, 2016.

Respectfully submitted,

*Terry L. Gibson*

Terry L. Gibson, IS9999619

Wandro & Associates, P.C.

2501 Grand Ave., Suite B

Des Moines, IA 50312

515-281-1475

[tgibson@2501grand.com](mailto:tgibson@2501grand.com)

**Counsel to Debtor and Debtor-in-Possession**

### Certificate of Service

The document was served electronically on parties who receive electronic notice through the CM/ECF as listed on CM/ECF's notice of electronic filing, and by mail, postage prepaid, to the parties listed below:

United States Trustee Office  
Southern District of Iowa  
210 Walnut Street, Suite 793  
Des Moines, Iowa 50309-2108

Derin Edip Walden, Esq.  
60 East 42<sup>nd</sup> Street  
46<sup>th</sup> Floor  
New York, NY 10165

Emigrant Mortgage Company, Inc.  
c/o Stagg Terenzi Confusione & Wabnik  
Attn: Cara M. Goldstein, Esq.  
401 Franklin Avenue, Suite 300  
Garden City, New York 11530

Bank Hapoalim  
P.O.B. 27  
50 50 Rothschild  
Tel Aviv, Israel 61000

American Express Small Business Platinum  
American Express Small Business  
P.O. Box 360001  
Fort Lauderdale, Florida 33336-0001

American Express - Delta Skymiles CC  
American Express Small Business Service  
P.O. Box 981540  
El Paso, Texas 79998-1540

American Express - Delta Skymiles Card  
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El Paso, Texas 79998-1540

Brown Winick Graves Gross Schoenebaum  
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Des Moines, Iowa 50309

Capital One MasterCard  
Capital One  
Attn: General Correspondence  
P.O. Box 30285  
Salt Lake City, Utah 84130-0287

Chase Business VISA - United Mileage Plus  
Chase Card Services  
P.O. Box 15298  
Wilmington, Delaware 19850

Chase-British Airways VISA Card  
Chase Card Services  
P.O. Box 15298  
Wilmington, Delaware 19850

Chase Presidential Plus United MC  
Chase Card Services  
P.O. Box 15298  
Wilmington, Delaware 19850

Chase-United Mileage Plus VISA  
Chase Card Services  
P.O. Box 15298  
Wilmington, Delaware 19850

Citi Simplicity Credit Card-MC  
Citibank Customer Services  
P.O. Box 6500  
Sioux Falls, South Dakota 57117

Citibank AAdvantage Card  
Citibank American Airlines AAdvantage  
Citibank Customer Services  
P.O. Box 6500  
Sioux Falls, South Dakota 57117

Credit Bureau Services of Iowa, Inc.  
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DCI Credit Services  
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Pittman & Company, LLP  
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Rachel A. Glazer  
Brown, Harris Stevens, LLC  
130 Fifth Ave.  
New York, NY 10011

Dated this 20th day of December, 2016.

Terry L. Gibson  
Terry L. Gibson

CONSULT YOUR LAWYER BEFORE SIGNING THIS AGREEMENT

Condominium Unit - Contract of Sale



This Contract made as of December 5, 2016 between

Alexander Shcharansky, Debtor In Possession, Ch. 11 #16-01761  
Having an address c/o Terry L. Gibson, Esq., Wandro & Associates, P.C., 2501 Grand, Suite B, Des Moines,  
IA 50312 ("Seller")

and Pritesh Shah and Samira Shah  
residing at [REDACTED] ("Purchaser")

1. Unit: The Seller agrees to sell and convey, and the Purchaser agrees to purchase the unit known as Unit No. 22A ("Unit") in the building ("Building") known as THE MILAN CONDOMINIUM (Condominium) and located at 300 EAST 55<sup>TH</sup> STREET, NEW YORK, NEW YORK 10022 together with 1.1599% percent interest in the Common elements (as defined in para. 6) appurtenant thereto, subject to the terms and conditions set forth. The Unit shall be as designated in the Declaration of Condominium Ownership (as the same may be amended from time to time, the "Declaration") of the Condominium, recorded in NEW YORK COUNTY, New York or by the By-Laws (as the same may be amended from time to time, the "By-Laws") of the Condominium.

SS

2. Personal Property: Included in this sale: (a) the sale includes all of Seller's right, title and interest, if any, in and to: (i) the refrigerators including ice makers, freezers, ranges, ovens and built in microwave ovens, dishwashers, clothes washing machines, clothes dryers, cabinets and counters, lighting and plumbing fixtures, air conditioning equipment, venetian blinds, shades, screens, storm windows and other window treatments, wall-to-wall carpeting, bookshelves, switch plates, door hardware, built-ins, fireplace equipment, built in wine racks, mantels, stained glass, built in mirrors and articles of property and fixtures attached to or appurtenant to the Unit, except those listed in subpara. 2(b), all of which included property and fixtures are represented to be owned by Seller, free and clear of all liens and encumbrances other than those encumbrances ("Permitted Exceptions") set forth on Schedule A (strike inapplicable items) to the extent they presently exist in the Unit in "as is condition,

property described in subpara 2(a), and Seller has the full right power and authority to sell, convey and transfer the same; Seller is currently a debtor-in-possession pursuant to a Chapter 11 bankruptcy proceeding initiated by Seller pending before the United States Bankruptcy Court for the Southern District of Iowa and identified as Case No. 16-01761. Accordingly Seller's sale of the subject Unit to Purchaser under the terms set forth herein is subject to approval of the United States Bankruptcy Court for the Southern District of Iowa ("Bankruptcy Court"), which Seller shall be obligated to obtain prior to the projected Closing Date. The Closing and Seller's obligations to sell the Unit to Purchaser are conditioned upon Seller obtaining approval from aforementioned Bankruptcy Court.

(b) Excluded from this sale are:

(b) The common charges imposed by the Condominium (excluding separately billed utility charges) for the Unit on the date hereof are \$2334.00 per month;

(i) furniture and furnishings (other than as specifically provided in this Contract);

(c) Seller has not received any notice, written or oral, of any intended assessment or increase in common charges not reflected in subpara 5(b). Purchaser acknowledges that it will not have the right to cancel this Contract in the event of the imposition of any assessment or increase in common charges after the date hereof of which Seller has not heretofore received written or oral notice;

(c) The property referred to in subpara. 2(a) (i) and (ii) may not be purchased if title to the Unit is not conveyed pursuant to this contract.

(d) The real estate taxes for the Unit for the fiscal year of 7/01/16 through 6/30/17 are \$34,406.00

3. Purchase Price: (a) The purchase price ("Purchase Price") is \$3,975,000.00 payable as follows:

(e) Seller is not a "sponsor" or a nominee of a "sponsor" under any plan of condominium organization affecting the Unit;

(i) \$397,500.00 ("Downpayment") on the signing of this Contract by check subject to collection, the receipt of which is hereby recognized, to be held in escrow pursuant to para. 16; and

(f) All refrigerators, freezers, ranges, dishwashers, washing machines, cloths dryers and air conditioning equipment included in this sale will be in working order at the time of the Closing;

(ii) \$3,577,500.00 constituting the balance of the Purchase Price, by certified check of Purchaser or official bank check (except as otherwise provided in this Contract) on the delivery of the deed.

(g) If a copy is attached to this Contract the copy of the Certificate of Occupancy covering the Unit is a true and correct copy and

(b) All instruments in payment of the Purchase Price shall represent United States currency and be drawn on or issued by a bank or trust company authorized to accept deposits in New York State. All checks in payment of the Downpayment shall be payable to the order of Escrowee (as hereinafter defined). All checks in payment of the balance of the Purchase Price shall be payable to the order of the Seller (or as Seller otherwise directs pursuant to subparas. 6(a)(ix) or 19(b)).

(h) Seller is not a "foreign person" as defined in IRC #1445 as amended, and the regulations thereunder (Code Withholding Section). (If applicable, delete and provide for compliance with Code Withholding Section, as defined in para. 18).

(c) Aside from the Downpayment and checks aggregating not more than \$1,000.00, including closing adjustments, all checks delivered by Purchaser shall be certified or official bank checks as herein provided.

4. Closing of Title: The closing documents referred to in para. 6 shall be delivered, and payment of the balance of the Purchase Price shall be made, at The Closing, to be held ON OR ABOUT FEBRUARY 1<sup>ST</sup> 2017 at 11:00 AM., at the offices of DERIN EDIP WALDEN, ESQ., 60 EAST 42<sup>ND</sup> STREET, 46<sup>TH</sup> FL, NEW YORK, NY 10165 or at the office of Purchaser's lending institution or its counsel-provided, however, that such office is located in either the City or County in which either (a) Seller's attorney maintains an office or (b) the Unit is located.

5. Representations, Warranties and Covenants: The Seller unconditionally represents, warrants and covenants that: (a) The Seller is the sole rightful owner of the Unit and the personal

6. Closing Documents: (a) At the Closing, Seller shall deliver to Purchaser the following:

(i) Bargain and sale deed with covenant against grantor's acts ("Deed"), complying with RPL § 339-0 and containing the covenant required by LL § 13 (5), conveying to Purchaser title to the Unit, and any garage or storage units appurtenant to the Unit, together with its undivided interest in the Common Elements (as such term is defined in the Declaration and which term shall be deemed to include Seller's right, title and interest in any limited common elements attributable to or used in connection with the Unit) appurtenant thereto, free

Exhibit Condo unit contract of sale Page 2 of 17

(ii) If a corporation and if required pursuant to BCL § 909, Seller shall deliver to Purchaser (1) a resolution of its board of directors authorizing the delivery of the Deed or a statement included in the Deed as follows: "This conveyance is made in the ordinary course of business actually conducted by the Grantor", and (2) a certificate executed by an officer of such corporation certifying as to the adoption of such resolution and setting forth facts demonstrating that the delivery of the Deed is in conformity with the requirements of BCL § 909. The Deed shall also contain a recital sufficient to establish compliance with such law;

(iii) A waiver of right of first refusal of the board of managers of the Condominium ("Board") if required in accordance with para 8;

(iv) A statement by the Condominium or its managing agent on behalf of and authorized by the Condominium that the common charges and any assessments then due and payable to the Condominium have been paid to the date of the Closing;

(v) All keys to the doors of, and mailbox and for, the Unit and storage units.

(vi) Such affidavits and/or other evidence as the title company ("Title Company") from which Purchaser has ordered a title insurance report and which is authorized to do business in New York State shall reasonably require in order to omit from its title insurance policy all exceptions for judgments, bankruptcies or other returns against Seller and persons or entities whose names are the same as or are similar to Seller's name;

(vii) New York City Real Property Transfer Tax Return, if applicable, prepared, executed and acknowledged by Seller in proper form for submission;

(ix) Checks in payment of all applicable real property transfer taxes except a transfer tax which by law is primarily imposed on the purchaser ("Purchaser Transfer Tax") in connection with the sale. In lieu of delivery of such checks, Seller shall have the right, upon not less than 3 business days notice to Purchaser, to cause Purchaser to deliver checks at the Closing and to credit the amount against the balance of the Purchase Price. Seller shall pay the additional transfer taxes, if any, payable after the Closing by reason of the conveyance of the Unit, which obligation shall survive the Closing;

(x) Certification that Seller is not a foreign person pursuant to para. 18. (*If inapplicable, delete and provide for compliance with Code Section, as defined in para. 18*); and

(xi) Affidavit that a single station smoke detecting alarm device is installed pursuant to New York Executive Law § 378(5).

(b) At the Closing, Purchaser shall deliver to Seller the following:

(i) Checks in payment of (y) the balance of the Purchase Price in accordance with subpara. 3(b) and (z) any Purchaser Transfer Tax;

(ii) If required by the Declaration or By-Laws, power of attorney to the Board, prepared by Seller, in the form required by the Condominium. The Power of attorney shall be executed and acknowledged by Purchaser and, after being recorded, shall be sent to the Condominium;

(iii) New York City Real Property Transfer Tax Return executed and acknowledged by Purchaser and an Affidavit in Lieu of Registration pursuant to New York Multiple Dwelling Law, each in proper form for submission, if applicable; and

(iv) If required, New York State Equalization Return executed and acknowledged by Purchaser in proper form for submission.

(c) It is a condition of Purchaser's obligation to close title hereunder that:

(i) All notes or notices of violations of law or governmental orders, ordinances or requirements affecting the Unit and noted or issued by any governmental department, agency or bureau having jurisdiction which were noted or issued on or prior to the date hereof shall have been cured by Seller;

(ii) Any written notice to Seller from the Condominium (or its duly authorized representative) that the Unit is in violation of the Declaration, By-Laws or rules and regulations of the Condominium shall have been cured; and

(iii) The Condominium is a valid condominium created pursuant to RFL Art. 9-B and the Title Company will insure the same.

7. Closing Adjustments: (a) The following adjustments shall be made as of 11:59 P.M. of the day before the Closing:

(i) Real estate taxes and water charges and sewer rents, unless same are part of common charges, on the basis of the fiscal

period for which assessed, except that if there is a water meter which the Board has installed, the amount of such taxes shall be based on the last available actual reading, subject to adjustment after the Closing, promptly after the next reading is available; provided, however, that in the event real estate taxes have not, as of the date of Closing, been separately assessed to the Unit, real estate taxes shall be apportioned on the same basis as provided in the Declaration or By-Laws or, in the absence of such provision, based upon the Unit's percentage interest in the Common Elements;

(ii) Common charges of the Condominium; and

(iii) If fuel is separately stored with respect to the Unit only, the value of fuel stored with respect to the Unit at the price then charged by Seller's supplier (as determined by a letter or certificate to be obtained by Seller from such supplier), including any sales taxes.

(b) If at the time of Closing the Unit is affected by an assessment which is or may become payable in installments, then, for the purposes of this Contract, only the unpaid installments which are then due shall be considered due and are to be paid by Seller at the Closing. All subsequent installments at the time of Closing shall be the obligation of Purchaser.

(c) Any errors or omissions in computing closing adjustments shall be corrected. This subpara. 7(c) shall survive the Closing.

(d) If the Unit is located in the City of New York, the "customs in respect to title closings" recommended by The Real Estate Board of New York, Inc., as amended and in effect on the date of Closing, shall apply to the adjustments and other matters therein mentioned, except as otherwise provided herein.

8. Right of First Refusal: If so provided in the Declaration or By-Laws, this sale is subject to and conditioned upon the waiver of a right of first refusal to purchase the Unit held by the Condominium and exercisable by the Board. Seller agrees to give notice promptly to the Board of the contemplated sale of the Unit to Purchaser, which notice shall be given in accordance with the terms of the Declaration and By-Laws, and Purchaser agrees to provide promptly all applications, information and references reasonably requested by the Board. If the Board shall exercise such right of first refusal, Seller shall promptly refund to Purchaser the Downpayment (which term, for all purposes of this contract, shall be deemed to include interest, if any, earned thereon, and title charges including but not limited to examination of title and departmental charges) and upon the making of such refund this Contract shall be deemed cancelled and of no further force or effect and neither party shall have any further rights against, or obligation or liabilities to, the other by reason of this contract. If the Board shall fail to exercise such right of first refusal within the time and in the manner provided for in the Declaration or By-Laws or shall declare in writing its intention not to exercise such right of first refusal (a copy of which writing shall be delivered to Purchaser promptly following receipt thereof), the parties hereto shall proceed with this sale in accordance with the provisions of this contract.

9. Processing Fee: Seller and Purchaser shall each pay any fees to the Condominium customarily charged to Sellers and Purchasers by the Condominium.

10. No Other Representations: Purchaser has examined and is satisfied with the Declaration, By-Laws and rules and regulations of the Condominium as amended, or has waived the examination thereof. Purchaser has inspected the Unit, its fixtures, appliances and equipment and the personal property, if any, included in this sale, as well as the Common Elements of the Condominium, and knows the condition thereof and, subject to subpara. 5(f), agrees to accept the same "as is," i.e., in the condition they are in on the date hereof, subject to normal use, wear and tear between the date hereof and the Closing. Purchaser has examined or waived examination of the last audited financial statements of the Condominium, and has considered or waived consideration of all other matters pertaining to this Contract and to the purchase to be made hereunder, and does not rely on any representations made by any broker or by seller or anyone acting or purporting to act on behalf of Seller as to any matters which might influence or affect the decision to execute this Contract or to buy the Unit, or said personal property, except those representations and warranties which are specifically set forth in this Contract.

11. Possession: Seller shall, prior to the Closing, remove from the Unit all furniture, furnishings and other personal property not included in this sale, shall repair any damage caused by such removal, and shall deliver exclusive possession of the Unit at the Closing, vacant, broom-clean and free of tenancies or other rights of use or possession.

12. Access: Seller shall permit Purchaser and its architect, decorator or other authorized persons to have the right of access to the Unit between the date hereof and the Closing for the purpose of inspecting the same and taking measurements, at reasonable times and upon reasonable prior notice to Seller (by telephone or otherwise) not to exceed (3) three visits. Further, Purchaser shall have the right to inspect the Unit at a reasonable time during the 24-hour period immediately preceding the Closing.

13. Defaults and Remedies: (a) If Purchaser defaults hereunder, Seller's sole remedy shall be to retain the Downpayment as liquidated damages, it being agreed that Seller's damages in case of Purchaser's default might be impossible to ascertain and that the Downpayment constitutes a fair and reasonable amount of damages under the circumstances and is not a penalty. (b) If Seller defaults hereunder, Purchaser shall have such remedies as Purchaser shall be entitled to at law or in equity, including, but not limited to, specific performance.

14. Notices: Any notice, request or other communication ("Notice") given or made hereunder (except for the notice required by para. 12), shall be in writing and either (a) sent by any of the parties hereto or and to their respective attorneys, by registered or certified mail, return receipt requested, postage prepaid, or (b) delivered in person or by overnight courier, with receipt acknowledged, to the address given at the beginning of this Contract for the party to whom the Notice is to be given, or to such other address for such party as said party shall hereafter designate by Notice given to the other party pursuant to this para. 14. Each Notice mailed shall be deemed given on the fourth business day following the date of mailing and each Notice delivered in person or by overnight courier shall be deemed given when delivered.

15. Purchaser's Lien: The Downpayment and all other sums paid on account of this Contract and the reasonable expenses of the examination of title, and departmental violation searches in respect of, the Unit are hereby made a lien upon the Unit, but such lien shall not continue after default by Purchaser.

16. Downpayment in Escrow: (a) Seller's attorney ("Escrowee") shall hold the Downpayment for Seller's account in escrow in a segregated bank account at the depository identified at the end of this Contract until Closing or sooner termination of this Contract and shall pay over or apply the Downpayment in accordance with the terms of this para. 16. Escrowee shall (not) (~~Delic if inapplicable~~) hold the Downpayment in an interest-bearing account for the benefit of the parties. If interest is held for the benefit of the parties, it shall be paid to the party entitled to the Downpayment and the party receiving the interest shall pay any income taxes thereon. If interest is not held for the benefit of the parties, the Downpayment shall be placed in an IRA account or as otherwise permitted or required by law. The Social Security or Federal Identification numbers of the parties shall be furnished to Escrowee at the end of this contract. At closing, the Downpayment shall be paid by Escrowee to Seller. If for any reason

Closing does not occur and either party gives Notice (as defined in para. 14) to Escrowee demanding payment of the Downpayment, Escrowee shall give prompt Notice to the other party of such demand. If Escrowee does not receive such Notice of objection within such 10 day period or if for any other reason Escrowee in good faith shall elect not to make such payment, Escrowee shall continue to hold such amount until otherwise directed by Notice from the parties to this Contract or a final, nonappealable judgment, order or decree of a court of competent jurisdiction. However, Escrowee shall have the right at any time to deposit the Downpayment with the clerk of a court in the county in which the Unit is located and shall give Notice of such deposit to Seller and Purchaser. Upon such deposit or other disbursement in accordance with the terms of this para. 16, Escrowee shall be relieved and discharged of all further obligations and responsibilities hereunder.

(b) The parties acknowledge that, although Escrowee is holding the Downpayment for Seller's account, for all other purposes Escrowee is acting solely as a stakeholder at the request of the parties and for their convenience and that Escrowee shall not be liable to either party for any act or omission on its part unless taken or suffered in bad faith or in willful disregard of this Contract or involving gross negligence on the part of Escrowee. Seller and Purchaser jointly and severally agree to defend, indemnify and hold Escrowee harmless from and against all costs, claims and expenses (including reasonable attorneys' fees) incurred in connection with the performance of Escrowee's duties hereunder, except with respect to actions or omissions taken or suffered by Escrowee in bad faith or in willful

disregard of this Contract or involving gross negligence on the part of Escrowee.

(c) Escrowee may act or refrain from acting in respect of any matter referred to herein in full reliance upon and with the advice of counsel which may be selected by it (including any member of its firm) and shall be fully protected in so acting or refraining from action upon the advice of such counsel.

(d) Escrowee acknowledges receipt of the Downpayment by check subject to collection and Escrowee's agreement to the provisions of this para. 16 by signing in the place indicated in this Contract.

(e) Escrowee or any member of its firm shall be permitted to act as counsel for Seller in any dispute as to the disbursement of the Downpayment or any other dispute between the parties whether or not Escrowee is in possession of the Downpayment and continues to act as Escrowee.

#### 17. INTENTIONALLY OMITTED

18. FIRPTA: Seller represents and warrants to Purchaser that Seller is not a "foreign person" as defined in IRC § 1445, as amended, and the regulations issued thereunder ("Code Withholding Section"). At the Closing Seller shall deliver to Purchaser a certification stating that Seller is not a foreign person in the form then required by the Code Withholding Section. In the event Seller fails to deliver the aforesaid certification or in the event that Purchaser is not entitled under the Code Withholding Section to rely on such certification, Purchaser shall deduct and withhold from the Purchase Price a sum equal to 10% thereof and shall at Closing remit the withheld amount with the required forms to the Internal Revenue Service.

19. Title Report: Acceptable Title: (a) Purchaser shall promptly after the date hereof, or after receipt of the mortgage commitment letter, if applicable, order a title insurance report from the Title Company. Promptly after receipt of the title report and thereafter of any continuation thereof and supplements thereto, Purchaser shall forward a copy of each such report, continuation or supplement to the attorney for Seller. Purchaser shall further notify Seller's attorney of any other objections to title not reflected in such title report of which Purchaser becomes aware following the delivery of such report, reasonably promptly after becoming aware of such objections.

(b) Any unpaid taxes, assessments, water charges and sewer rents, together with the interest and penalties thereon to a date not less than two business days following the date of Closing, and any other liens and encumbrances which Seller is obligated to pay and discharge or which are against corporations, estates or other persons in the chain of title, together with the cost of recording or filing any instruments necessary to discharge such liens and encumbrances of record, may be paid out of the proceeds of the monies payable at the Closing if Seller delivers to Purchaser at the Closing official bills for such taxes, assessments, water charges, sewer rents, interest and penalties and instruments in recordable form sufficient to discharge any other liens and encumbrances of record. Upon request made not less than 3 business days before the Closing, Purchaser shall provide at the Closing separate checks for the foregoing payable to the order of the holder of any such lien, charge or encumbrance and otherwise complying with subpara. 3(b). If the Title Company is willing to insure Purchaser that such charges, liens and encumbrances will not be collected out of or enforced against the Unit and is willing to insure the lien of Purchaser's Institutional Lender (as hereinafter defined) free and clear of any such charges, liens and encumbrances, the Seller shall have the right in lieu of payment and discharge to deposit with the Title Company such funds or give such assurances or to pay such special or additional premiums as the Title Company may require in order to so insure. In such cases the charges, liens and encumbrances with respect to which the Title Company has agreed to insure shall not be considered objections to title.

(c) Seller shall convey and Purchaser shall accept fee simple title to the Unit in accordance with the terms of this Contract, subject only to: (a) the Permitted Exceptions and (b) such other matters as (i) the Title Company or any other title insurer licensed to do business by the State of New York shall be willing, without special or additional premium, to omit as exceptions to coverage or to except with insurance against collection out of or enforcement against the Unit (ii) shall be accepted by any lender which has committed in writing to provide mortgage financing to Purchaser for the purchase of the Unit ("Purchaser's Institutional Lender"), except that if such acceptance by Purchaser's Institutional Lender is unreasonably withheld or delayed, such acceptance shall be deemed to have been given.

(d) Notwithstanding any contrary provisions in the Contract, express or implied, or any contrary rule of law or custom, if Seller shall be unable to convey the Unit in accordance with this Contract (provided that Seller shall release, discharge or otherwise cure at or prior to Closing any matter created by Seller after the date hereof and any existing mortgage, unless

this sale is subject to it) and if Purchaser elects not to complete this transaction without abatement of the Purchase Price, the sole obligation and liability of Seller shall be to refund the Downpayment to Purchaser, together with the reasonable cost of the examination of title and departmental violation searches in respect of, the Unit, and upon the making of such refund and payment, this Contract shall be deemed cancelled and of no further force or effect and neither party shall have any further rights against, or obligation or liabilities to, the other by reason of this contract. However, nothing contained in the subpara. 19(d) shall be construed to relieve Seller from liability due to a willful default.

20. Risk of Loss; Casualty: (a) The risk of loss or damage to the Unit or the personal property included in this sale, by fire or other casualty, until the earlier of the Closing or possession of the Unit by Purchaser, is assumed by Seller, but without any obligation of Seller to repair or re- place any such loss or damage unless Seller elects to do so as herein-after provided. Seller shall notify Purchaser of the occurrence of any such loss or damage to the Unit or the personal property included in this sale within 10 days after such occurrence or by the date of Closing, whichever first occurs, and by such notice shall state whether or not Seller elects to repair or restore the Unit and/or the personal property, as the case may be. If Seller elects to make such repairs and restorations, Seller's notice shall set forth an adjourned date for the Closing, which shall be not more than 60 days after the date of the giving of Seller's notice. If Seller either does not elect to do so or, having elected to make such repairs and restorations, fails to complete the same on or before said adjourned date for the Closing, Purchaser shall have the following options:

(i) To declare this Contract cancelled and of no further force or effect and receive a refund of the Downpayment in which event neither party shall thereafter have any further rights against, or obligations or liabilities to, the other by reason of this Contract, or

(ii) To complete the purchase in accordance with this Contract without reduction in the Purchase Price, except as provided in the next sentence. If Seller carries hazard insurance covering such loss or damage, Seller shall turn over to Purchaser at the Closing the net proceeds actually collected by Seller under the provisions of such hazard insurance policies to the extent that they are attributable to loss of or damage to any property included in this sale, less any sums theretofore expended by Seller in repairing or replacing such loss or damage or in collecting such proceeds; and Seller shall assign (without recourse to Seller) Seller's right to receive any additional insurance proceeds which are attributable to the loss of or damage to any property included in this sale.

(b) If seller does not elect to make such repairs and restorations, Purchaser may exercise the resulting option under (i) or (ii) of (a) above only by notice given to Seller within 10 days after receipt of Seller's notice. If Seller elects to make such repairs and restorations and fails to complete the same on or before the adjourned closing date, Purchaser may exercise either of the resulting options within 10 days after the adjourned closing date.

(c) In the event of any loss of or damage to the Common Elements which materially and adversely affects access to or use of the Unit, arising after the date of this Contract but prior to the Closing, Seller shall notify Purchaser of the occurrence thereof within 10 days after such occurrence or by the date of Closing, whichever occurs first, in which event Purchaser shall have the following options:

(i) To complete the purchase in accordance with this Contract without reduction in the Purchase Price; or

(ii) To adjourn the Closing until the first to occur of (1) completion of the repair and restoration of the loss or damage to the point that there is no longer a materially adverse effect on the access to or use of the Unit or (2) the 60<sup>th</sup> day after the date of the giving of Seller's aforesaid notice. In the event Purchaser elects to adjourn the Closing as aforesaid and such loss or damage is not so repaired and restored within 60 days after the date of the giving of Seller's aforesaid notice, then Purchaser shall have the right either to (x) complete the purchase in accordance with this Contract without reduction in the Purchase Price or (y) declare this Contract cancelled and of no further force or effect and receive a refund of the Downpayment, in which latter event neither party shall thereafter have any further rights against, or obligations or liabilities to, the other by reason of this Contract.

(d) In the event of any loss of or damage to the Common Elements which does not materially and adversely affect access to or use of the Unit, Purchaser shall accept title to the Unit in

accordance with this Contract without abatement of the Purchase Price.

21. Internal Revenue Service Reporting Requirement: Each party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, as such other party may reasonably request in order to comply with IRC § 6045(e), as amended, or any successor provision or any regulations promulgated pursuant thereto, insofar as the same requires reporting of information in respect of real estate transactions. The provisions of this para.21 shall survive the Closing. The parties designate Purchaser's Attorney as the attorney responsible for reporting this information as required by law.

22. Broker: Seller and Purchaser represent and warrant to each other that the only real estate broker with whom they have dealt in connection with this Contract and the transaction set forth herein is 3% to Brown Harris Stevens - Rachel Glazer (the other 3% to Samira Shah is waived) and that they know of no other real estate broker who has claimed or may have the right to claim a commission in connection with this transaction. The commission of such real estate shall be paid by Seller pursuant to separate agreement. If no real estate broker is specified above, the parties acknowledge that this Contract was brought about by direct negotiation between Seller and Purchaser and each represents to the other that it knows of no real estate broker entitled to a commission in connection with this transaction. Seller and Purchaser shall indemnify and defend each other against any costs, claims or expenses (including reasonable attorneys' fees) arising out of the breach of any representation, warranty or agreement contained in this para. 22. The provisions of this para. 22 shall survive the Closing or, if the Closing does not occur, the termination of this Contract.

~~23. Mortgage Contingency (Delete if inapplicable): (a) The obligations of Purchaser hereunder are conditioned upon issuance on or before (the "Commitment Date") of a written commitment from any Institutional Lender pursuant to which such Institutional Lender agrees to make a loan, other than a VA, FHA or other governmentally insured loan to Purchaser, at Purchaser's sole cost and expense, of \$ or such lesser sum as Purchaser shall be willing to accept at the prevailing fixed rate of interest not to exceed or initial adjustment rate of interest not to exceed for a term of at least 30 years and on other customary commitment terms, whether or not conditioned upon any factors other than an appraisal satisfactory to the Institutional Lender, secured by a first mortgage on the Unit together with its undivided interest in the Common Elements. Purchaser shall (i) make prompt application to an Institutional Lender for such mortgage loan; (ii) furnish accurate and complete information on Purchaser and members of Purchaser's family, as required; (iii) pay all fees, points and charges required in connection with such application and loan; (iv) pursue such application with diligence; (v) cooperate in good faith with such Institutional Lender to the end of securing such first mortgage loan and (vi) promptly give Notice to Seller of the name and address of each Institutional Lender to which Purchaser has made such application. Purchaser shall comply with all requirements of such commitment (or of any commitment accepted by Purchaser) and shall furnish Seller with a copy thereof promptly after receipt thereof. If such commitment is not issued on or before the Commitment Date, then, unless Purchaser has accepted a commitment that does not comply with the requirements set forth above, Purchaser may cancel this~~

~~Contract by giving Notice to Seller within 5 business days after the Commitment Date, in which case this Contract shall be deemed cancelled and thereafter neither party shall have any further rights against or obligation or liabilities to, the other by reason of this Contract except that the Downpayment shall be promptly refunded to Purchaser and except as set forth in para. 22. If Purchaser fails to give Notice of cancellation or if Purchaser shall accept a commitment that does not comply with the terms set forth above, the Purchaser shall be deemed to have waived Purchaser's right to cancel this Contract and to receive a refund of the Downpayment by reason of the contingency contained in this para. 23.~~

~~(b) For purposes of this Contract an "Institutional Lender" is any bank, savings bank, private banker, trust company, savings and loan association and credit union or similar banking institution whether organized under the laws of this state, the United States or any other State, foreign banking corporation licensed by the Superintendent of Banks of New York or the Comptroller of the Currency to do business in New York State, insurance company duly organized or licensed to do~~

SCHEDULE A - Permitted Exceptions

1. Zoning laws and regulations and landmark, historic or wetlands designation which are not violated by the Unit and which are not violated by the Common Elements to the extent that access to or use of the Unit would be materially and adversely affected.
  2. Consents for the erection of any structure or structures on, under or above any street or streets on which the Building may abut.
  3. The terms, burdens, covenants, restriction, conditions, easements and rules and regulations set forth in the Declaration, By-Laws and rules and regulations of the Condominium, the Power of Attorney from Purchaser to the board of managers of the Condominium and the floor plans of the Condominium, all as may be amended from time to time.
  4. Rights of utility companies to lay, maintain, install and repair pipes, lines, poles, conduits, cable boxes and related equipment on, over and under the Building and Common elements, provided that none of such rights imposes any monetary obligation on the owner of the Unit or materially interferes with the use of or access to the Unit.
  5. Encroachments of stops, areas, cellar steps, trim, cornices, lintels, window sills, awnings, canopies, ledges, fences, hedges, coping and retaining walls projecting from the Building over any street or highway or over any adjoining property and encroachments of similar elements projecting from adjoining property over the Common Elements.
  6. ~~any state of facts which an accurate survey or personal inspection of the Building, Common Elements or Unit would disclose, provided that~~
- Such facts do not prevent the use of the Unit for dwelling purposes, or if a storage unit, for storage purposes. For the purposes of this Contract, none of the facts shown on the survey, if any, identified below, shall be deemed to prevent the use of the Unit for dwelling purposes, and Purchaser shall accept title subject thereto
7. The lien of any unpaid common charge, real estate tax, water charge, sewer rent or vault charge, provided the same are paid or apportioned at the Closing as herein provided.
  8. The lien of any unpaid assessments to the extent of installments there-of payable after the Closing.
  9. Liens, encumbrances, and title conditions affecting the Common elements which do not materially and adversely affect the right of the Unit owner to use and enjoy the Common Elements.
  10. Notes or notices of violations of law or governmental orders, ordinances or requirements (a) affecting the Unit and noted or issued subsequent to the date of this Contract by any governmental department, agency or bureau having jurisdiction and (b) any such notes or notices affecting only the Common Elements which were noted or issued prior to or on the date of this Contract or up to Closing.
  11. Any other matters or encumbrances subject to which Purchaser is required to accept title to the Unit pursuant to this Contract.

~~The survey referred to in No 6 above was prepared by~~  
Dated \_\_\_\_\_ and last revised \_\_\_\_\_

~~business in New York State, insurance company duly organized or licensed to do business in New York State, mortgage banker licensed pursuant to Article 12-D of the Banking Law, and any instrumentality created by the United States or any state with the power to make mortgage loans.  
(Delete if inapplicable)(c) Purchaser and Seller agree that the submission of an application to a mortgage broker registered pursuant to Article 12-D of the New York Banking Law ("Mortgage Broker") shall constitute full compliance with the terms and conditions set forth in para. 22(a)(i) of this Contract and that Purchaser's cooperation in good faith with such Mortgage Broker to obtain a commitment from an institutional lender (together with Purchaser's cooperation in good faith with any institutional lender to which Purchaser's application has been submitted by such Mortgage Broker), and the prompt giving of Notice of Purchaser to Seller of the name and address of each Mortgage Broker to which Purchaser has submitted such an application shall constitute full compliance with the terms and conditions set forth in para 22(a)(v) and (vi) of this Contract~~

24. Gender: As used in this Contract, the neuter includes the masculine and feminine, the singular includes the plural and the plural includes the singular, as the context may require.

25. Entire Contract: All prior understandings and agreements, written or oral, between Seller and Purchaser are merged in the Contract and this Contract supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them with respect to the subject matter hereof

26. Captions: The captions in this Contract are for convenience and reference only and in no way defined, limit or describe the scope of this Contract and shall not be considered in the interpretation of this Contract or an provisions hereof

27. No Assignment by Purchaser: Purchaser may not assign this Contract or any of Purchaser's rights hereunder.

28. Successors and Assigns: Subject to the provisions of para. 27, the provisions of this Contract shall bind and inure to the benefit of the Purchaser and Seller and their respective distributees, executors, administrators, heirs, legal representatives, successors and permitted assigns.

29. No Oral Changes: This Contract cannot be changed or terminated orally. Any changes or additional provisions must be set forth in a rider attached hereto or in a separate written agreement signed by both parties to this Contract.

30. Contract Not Binding Until Signed: This Contract shall not be binding or effective until properly executed and delivered by Seller and Purchaser.

*In Witness Whereof*, the parties hereto have duly executed this Contract on the day and year first above written.

_____ Seller Alexander Shcharansky (Soc. Sec. No.)	_____ Purchaser Fritesh Shah (Soc. Sec. No.)
_____ Seller (Soc. Sec. No.)	_____ Purchaser Samira Shah (Soc. Sec. No.)
Agreed to as to para. 16 DERIN EDIP WALDEN, ESQ	Escrow Depository <u>STERLING NATIONAL BANK</u>

~~business in New York State, insurance company duly organized or licensed to do business in New York State, mortgage banker licensed pursuant to Article 12-D of the Banking Law and any instrumentality created by the United States or any state with the power to make mortgage loans.  
(Delete if inapplicable) (c) Purchaser and Seller agree that the submission of an application to a mortgage broker registered pursuant to Article 12-D of the New York Banking Law ("Mortgage Broker") shall constitute full compliance with the terms and conditions set forth in para 22(a)(i) of this Contract, and that Purchaser's cooperation in good faith with such Mortgage Broker to obtain a commitment from an Institutional Lender (together with Purchaser's cooperation in good faith with any Institutional Lender to which Purchaser's application has been submitted by such Mortgage Broker), and the prompt giving of Notice of Purchaser to Seller of the name and address of each Mortgage Broker to which Purchaser has submitted such an application shall constitute full compliance with the terms and conditions set forth in para 22(a)(v) and (vi) of this Contract.~~

24. Gender: As used in this Contract, the neuter includes the masculine and feminine, the singular includes the plural and the plural includes the singular, as the context may require.

25. Entire Contract: All prior understandings and agreements, written or oral, between Seller and Purchaser are merged in the Contract and this Contract supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them with respect to the subject matter hereof.

26. Captions: The captions in this Contract are for convenience and reference only and in no way defined limit or describe the scope of this Contract and shall not be considered in the interpretation of this Contract or any provisions hereof.

27. No Assignment by Purchaser: Purchaser may not assign this Contract or any of Purchaser's rights hereunder.

28. Successors and Assigns: Subject to the provisions of para 27, the provisions of this Contract shall bind and inure to the benefit of the Purchaser and Seller and their respective distributees, executors, administrators, heirs, legal representatives, successors and permitted assigns.

29. No Oral Changes: This Contract cannot be changed or terminated orally. Any changes or additional provisions must be set forth in a rider attached hereto or in a separate written agreement signed by both parties to this Contract.

30. Contract Not Binding Until Signed: This Contract shall not be binding or effective until properly executed and delivered by Seller and Purchaser.

*In Witness Whereof*, the parties hereto have duly executed this Contract on the day and year first above written.  
*Alexander Sheharansky DPA*  
\_\_\_\_\_  
Seller Alexander Sheharansky (Soc. Sec. No.)      Purchaser Pritesh Shah (Soc. Sec. No.)  
\_\_\_\_\_  
Seller (Soc. Sec. No.)      Purchaser Samira Shah (Soc. Sec. No.)  
Agreed to as to para 16 \_\_\_\_\_  
BERIN EDIP WALDEN, ESQ.      Escrow Depository STERLING NATIONAL BANK

**RIDER ANNEXED TO AND FORMING A PART OF CONTRACT OF SALE FOR  
at 300 EAST 55<sup>TH</sup> STREET, UNIT 22A, NEW YORK, NY 10022**

**DATED AS OF 20th 5<sup>th</sup>, 2016**

**Between**

**ALEXANDER SHCHARANSKY (DEBTOR IN POSSESSION, Ch. 11 #16-01761), as Seller,  
and  
PRITISH SHAH AND SAMIRA SHAH, as Purchaser**

31. In the event of any inconsistency between the provisions of this Rider and those contained in the Contract of Sale to which this Rider is annexed, the provisions of this rider shall govern and control.

32. Supplementing Paragraph 2, it is agreed that: except as necessary to comply with the express provisions of this contract, Seller is not obligated to install any equipment or appliance in the Unit or otherwise to make any repairs, improvements or decoration to the Unit or its equipment, appliance and fixtures. Seller shall not be responsible for or obligated to repair small holes or other immaterial damage to walls, ceilings, floors, or doors resulting from the removal of carpeting, paintings, photographs, ceiling fans, lighting fixtures or other hanging items which the Seller may be permitted to remove from the Unit. However, Seller agrees that the appliances included in this sale will be in working order at time of Closing. If appliances are not in working order at the time of Closing, the Seller either repair, give credit for cost of repair or will give Purchaser a credit for the replacement value of the appliance at the time the Contract was executed.

33. Supplementing Paragraph 6, the following is added if applicable, Seller shall prepare all real estate transfer tax forms on the New York City ACRIS system. In subparagraph 6(xi), the phrase “, carbon monoxide requirements” is hereby added after the phrase “smoke detecting alarm device”.

34. If Seller shall be unable to convey to Purchaser such title to the Premises as Purchaser may be entitled to under the provisions of this Contract, Purchaser shall have the following rights: (a) to accept whatever title Seller is able to convey without any abatement in the purchase price, or (b) to reject title. Purchaser shall not be entitled to any other rights and remedies. If Purchaser shall reject title under (b), neither party shall have any liability whatsoever to the other hereunder, but Purchaser shall be entitled only to the return of any sums deposited under this Contract. Purchaser shall not have the right to refuse to take title to the Premises by reason of the existence of any conditions to which Purchaser agrees to take subject under this Contract nor shall such conditions cause any reduction in the purchase price or entitle Purchaser to damages.

35. Purchaser shall promptly order a title examination of the Premises and shall promptly deliver a copy of the report thereof to the attorneys for Seller together with any title objections that Purchaser may have up to and including the date of said report. An email stating the title objections from Purchaser's attorney shall be considered acceptable. Seller shall be entitled to an adjournment of the Closing of title not to exceed 60 days in order to eliminate the

exceptions to title (other than those to which Purchaser has agreed to take subject or waived by Purchaser) but Seller shall be under no obligation to incur any expense in excess of \$1,000.00 in the aggregate to remove any exception nor shall Seller be obligated to bring any action or proceeding in order to deliver title in accordance with the terms of this Contract.

36. Supplementing and modifying the provisions of paragraphs 8 and 9, Purchaser shall pay any application or credit report fee charged by the Managing Agent in connection with the documents required to be submitted by the Purchaser in order to obtain the condominiums waiver of right of first refusal and approval of this transaction and any fees customarily paid for by the Purchaser. Seller shall pay any processing or transfer fee and any fees customarily paid for by the Seller.

37. The acceptance of the deed by the Purchaser shall be deemed to be a full performance and discharge of every agreement and obligation on the part of the Seller to be performed pursuant to the provisions of this Contract, except for those provisions and representations expressly provided herein to survive the Closing.

38. Purchaser acknowledges that this agreement is not binding on either party unless and until Sellers execute and deliver a copy of this agreement to Purchaser, or their attorney.

39. In the event that the deposit check under this contract is returned to Seller, or the Seller's Attorney, as escrowee, for "Insufficient Funds", or by reason of "Uncollected Funds", or as otherwise dishonored, then and in such event, this contract shall be deemed of no further force or effect and cancelled. If the Seller agrees to reinstate the contract by permitting Purchaser to make a deposit in the same account as the original deposit by a certified, bank teller's or cashier's check, then and in such event, Purchaser shall also pay the Seller's Attorney the sum of \$150.00 to defray the cost of bank charges, bookkeeping, correspondence and preparation of legal papers to reinstate contract.

40. Purchaser acknowledges having entered into this Contract without relying upon any promises, statements, estimates, representations, warranties, conditions or other inducements, express or implied, oral or written, not set forth in this Contract.

41. Extensions of any time limit set forth in this Contract may be granted in writing by the attorneys for the parties hereto with the same force and effect as if made by the parties themselves.

42. Apportionments shall be made on a basis of 365 day year for the actual number of days elapsed and calculated as of midnight of the day preceding the Closing of title.

43. Agreement may be by PDF, scan, facsimile, electronic signature or email and executed 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.

44. The parties agree that in any action brought to enforce this Agreement, the Prevailing party shall be entitled to reasonable attorney's fees and court costs.
45. Purchaser represents that Purchaser ~~has~~ sufficient funds to pay the balance at Closing. will have PS SS
46. Subsequent to the execution of this Contract but prior to Closing, the Board of Manager in its discretion may increase condominium fees, monthly common charges, or levy special assessments. Any changes to the foregoing shall not relieve the Purchaser of their obligations hereunder.

SIGNATURES ON PAGE TO FOLLOW

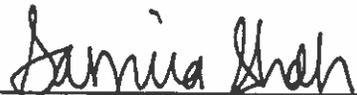
THE PROVISIONS OF THIS RIDER ARE PART OF THE CONTRACT, PROPER AND THE SIGNATURES AT THE END OF THE RIDER TO THE CONTRACT EMBRACE ALL THE PROVISIONS HEREOF.

Purchaser:

Seller:

  
\_\_\_\_\_  
PRITESH SHAH

\_\_\_\_\_  
ALEXANDER SHCHARANSKY

  
\_\_\_\_\_  
SAMIRA SHAH

THE PROVISIONS OF THIS RIDER ARE PART OF THE CONTRACT, PROPER AND THE  
SIGNATURES AT THE END OF THE RIDER TO THE CONTRACT EMBRACE ALL THE  
PROVISIONS HEREOF.

Purchaser:

Seller:

\_\_\_\_\_  
PRITESH SHAH

*Alexander Shcharansky* DFP  
\_\_\_\_\_  
ALEXANDER SHCHARANSKY

\_\_\_\_\_  
SAMIRA SHAH

\_\_\_\_\_

### Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards

#### Lead Warning Statement

Every Purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The Seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the Seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

#### Seller's Disclosure

- (a) Presence of lead-based paint and/or lead-based paint hazards (check (i) or (ii) below):
  - (i) – Known lead-based paint and/or lead-based paint hazards are present in the housing (explain): \_\_\_\_\_
  - (ii) X Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.
- (b) Records and reports available to the Seller (check (i) or (ii) below):
  - (i) – Seller has provided the Purchaser with all available records and reports pertaining to lead-based paint and/or paint hazards in the housing (list documents below): \_\_\_\_\_
  - (ii) X Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

#### Purchaser's Acknowledgement

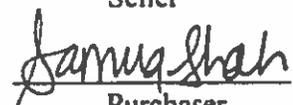
- (c) X Purchaser has received copies of all information listed above.
- (d) X Purchaser has received the pamphlet *Protect Your Family from Lead in Your Home*.
- (e) – Purchaser has (check (i) or (ii) below):
  - (i) – received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment of inspection for the presence of lead-based paint and/or lead-based paint hazards, or
  - (ii) X waived the opportunity to conduct a risk assessment of inspection for the presence of lead-based paint and/or lead-based paint hazards.

#### Agents' Acknowledgement (initial)

- (f) – Agent has informed the Seller of the Seller's obligations under U.S.C. 4852d and is aware of his/her responsibility to ensure compliance.

#### Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

_____ Seller	_____ Date	_____ Seller	_____ Date
 Purchaser	<u>12/2/16</u> Date	 Purchaser	<u>12/2/16</u> Date
_____ Agent	_____ Date	_____ Agent	_____ Date



## SECOND RIDER

SELLER: ALEXANDER SHCHARANSKY , DEBTOR IN POSESSION  
PURCHASER: PRITESH & SAMIRA SHAH  
PREMISES: 300 East 55<sup>th</sup> St., Unit 22A, New York N.Y. 10022  
DATE: December 5<sup>th</sup> 2016

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1. This Second Rider is made part of that certain Contract of Sale and first rider between Seller and Purchaser with respect to the Premises. If there is any inconsistency between the provisions of this Second Rider and those contained in such Contract of Sale or the first Rider, the provisions of this Second Rider shall govern and control.
2. Seller represents that he is the sole and rightful owner of the Unit and the fixtures and personalty described in supara 2(a) of the Contract and Seller has the full right, power and authority convey and transfer the same to Purchasers, subject to obtaining approval of the Bankruptcy Court.
3. Seller represents that he has not made any alterations, additions or improvements to the Unit without obtaining the approval of the Condominium, if such Condominium approval was required for the improvement, alteration or addition to the Unit.
4. Seller represents to the extent that it is his responsibility under the By-Laws and or House Rules, the plumbing, heating, air conditioning units and electrical systems of the Unit will be in working order at the time of the Closing.
5. Seller represents that to the best of his knowledge, there has been no water leakage, seepage, damage into or emanating from the Unit in the last thirty-six months preceding the date of this contract. To the best of his knowledge, Seller represents that there is no toxic mold in the Unit.
6. Seller shall provide copies of all notices, documents and/or correspondence sent from the managing agent and/or the Board to the Purchaser actually received by Seller between the date of the Contract and the Closing.
7. Seller represents that he has not made any written complaints to either the neighbors or the Board regarding noise and or odors. Similarly, to the best of his knowledge Seller (and his current or past tenants) have not been the subject of any complaints regarding noise or odors.
8. Seller has not treated the Unit for bed bugs and has no actual knowledge of the existence of bed bugs in the Unit for the last thirty-six months.
9. Notwithstanding anything to the contrary, Purchasers shall be allowed 3 three or more visits to the Unit to take measurements and/or get estimates subject to the approval of such visits by Seller's tenant, who has a right of occupancy through January 31, 2017. Seller shall promptly seek such approval on behalf of Purchaser when requested by Purchaser.

10. The Downpayment shall be payable as follows: \$39,750 on contract signing and \$357,750 within 3 business days of being provided written notice of Bankruptcy Court approval.

11. Seller shall use best efforts to obtain written Bankruptcy Court approval promptly after the execution of this Contract and deliver the same to Seller. Notwithstanding anything to the contrary, Purchasers shall have the absolute and unilateral right to terminate the contract at any time and immediately receive the Downpayment back if Seller doesn't obtain Bankruptcy Court approval on or before 2/1/17. In the case of any such termination, the Escrowee shall promptly refund the Downpayment to Purchasers and Purchasers shall have no further obligation to Seller.

12. Notwithstanding anything to the contrary, the anticipated Closing Date shall be on or about the *later* of (i) February 1<sup>st</sup>, 2017 and (ii) thirty (30) days after Seller delivers written Bankruptcy Court approval to Seller.

13. Seller covenants that there will be no tenants occupying the Unit and no outstanding leases affecting the Unit as of the Closing. At least 48 hours before the Closing, Seller shall ensure that any current tenants have been completely evicted and the Unit vacated and cleaned at Seller's sole cost and expense. The foregoing covenant shall be prerequisite Closing condition.

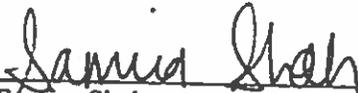
14. Promptly after execution of this contract, Seller shall provide Purchaser's lender and their representatives access to the Unit for the purpose of conducting an appraisal or other activities related to the Purchasers' financing of the purchase of the Unit.

15. Notwithstanding anything to the contrary herein, Purchasers have the absolute and unilateral right to terminate the contract at any time and have the Downpayment immediately returned to them if the tenants have not vacated the Unit by February 15, 2017. In the case of any such termination, the Escrowee shall promptly refund the Downpayment to Purchasers and Purchasers shall have no further obligation to Seller.

THE PROVISIONS OF THIS SECOND RIDER ARE PART OF THE CONTRACT, PROPER AND THE SIGNATURES AT THE END OF THIS SECOND RIDER TO THE CONTRACT EMBRACE ALL THE PROVISIONS HEREOF.

\_\_\_\_\_  
Alexander Shcharansky      Seller  
Debtor in possession

  
\_\_\_\_\_  
Pritesh Shah      Purchaser

  
\_\_\_\_\_  
Samira Shah      Purchaser

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THE PROVISIONS OF THIS SECOND RIDER ARE PART OF THE CONTRACT, PROPER AND THE SIGNATURES AT THE END OF THIS SECOND RIDER TO THE CONTRACT EMBRACE ALL THE PROVISIONS HEREOF.

  
Alexander Shcharansky  
Debtor in possession

Seller

\_\_\_\_\_  
Pritesh Shah

Purchaser

\_\_\_\_\_  
Samira Shah

Purchaser



**Seller:** Alexander Shcharansky, DIP  
**Purchaser:** Pritesh Shah and Samira Shah  
**Property:** 300 East 55th Street, Unit 22A, New York, NY 10022  
**closing date:**  
**closing location:**

\$ 3,975,000.00  
 \$ (39,750.00)  
 \$ 3,935,250.00

**PURCHASE PRICE**  
 down payment in escrow  
 Common charge adjustment  
 Tax adjustment  
**BALANCE DUE FROM BUYER**

Payee	description of item	type of check	amount due
The Milan Condominium	common charges (2.5 m. escrow	escrow	\$ 5,837.25
The Milan Condominium	move out fee	escrow	\$ 250.00
The Milan Condominium	move out deposit	ESCROW	\$ 1,000.00
Brown Harris Stevens	broker fee	escrow	\$ 119,250.00
Derin Edip Walden, Esq.	legal, POA, wire	ESCROW	\$ 3,550.00
Douglas Elliman	transfer fee/legal fees	ESCROW	\$ 1,500.00
title company	recording fees	escrow	\$ 750.00
title closer	notary fee	ESCROW	\$ 300.00
title company	transfer tax prep fee	ESCROW	\$ 250.00
NYC Dept. of Finance	NYC transfer tax 1.425%	ESCROW	\$ 56,643.75
NYC Dept. of Finance	NYS transfer tax \$4/\$1000	ESCROW	\$ 15,900.00
NYC Dept. of Finance	filing fee	escrow	\$ 100.00
NYS Income tax	IT2663 form	ESCROW	\$ 0.00
<b>Total Closing Costs</b>			<b>\$205,331.00</b>
<b>Proceeds net of Closing Costs:</b>			<b>\$3,769,669.00</b>
<b>Secured Creditor Payments</b>			
Emigrant	est. payoff to 2/15/17	bank	\$1,259,348.24
Shapiro Group (Claim of \$2,049,667.28 less holdback of \$48,545.05 est. payoff to 2/15/17	est. payoff to 2/15/17	bank	\$2,001,122.23
<b>Net of Secured Creditor Payments and Closing Costs-</b>			
<u>Alexander Shcharansky, DIP</u>	<u>balance</u>	<u>Wandro &amp; Ass. Trust Acct.</u>	<u>\$509,198.53</u>
<b>TOTAL</b>			