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*Attorneys for the Debtors*

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

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In re:	)	Chapter 11
	)	
HARRIET MOUCHLY WEISS	)	Case No: 17-10562-MG
AND CHARLES WEISS,	)	
	)	
Debtors.	)	

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**NOTICE HEARING ON DEBTORS' MOTION FOR  
ENTRY OF AN ORDER APPROVING THE SALE  
OF APARTMENT 9HJC FREE AND CLEAR OF  
LIENS, CLAIMS, ENCUMBRANCES AND OTHER INTERESTS**

**PLEASE TAKE NOTICE** that a hearing on the Motion of Harriet Mouchly Weiss and Charles Weiss (together, the "Debtors") for Entry of an Order approving the sale of shares of and a related lease for a cooperative apartment unit owned by the Debtors' located at 415 East 52<sup>nd</sup> Street, Apartment 9HJC, New York, New York free and clear of all liens, claims, encumbrances and other interests (the "Sale Motion"), will be held before the Honorable Martin Glenn, U.S.B.J., at the United States Bankruptcy Court, One Bowling Green, Room 523, on **January 8, 2017 at 11:00 a.m.** (**Eastern Time**), or as soon thereafter as counsel may be heard (the "Hearing").

**PLEASE TAKE FURTHER NOTICE** that objections, if any, to the relief requested in the Motion must be in writing, must conform to the Federal Rules of

Bankruptcy Procedure and the Local Bankruptcy Rules of the Bankruptcy Court for the Southern District of New York (the "Court"), must set forth the name of the objecting party, and the basis for the objection and the specific grounds therefor, and must be filed with the Court electronically, (with a hard copy delivered directly to chambers), and any objection must further be served upon: (i) Law Offices of Gabriel Del Virginia, 30 Wall Street, 12th Floor, New York, New York 10005, Attention: Gabriel Del Virginia, Esq. and (ii) the United States Trustee's Office for the Southern District of New York 201 Varick Street, Suite 1006, New York, New York 10014, so as to be received no later than **January 5, 2017 at 4:00 p.m. prevailing Eastern Time.**

**PLEASE TAKE FURTHER NOTICE** that, unless objections are timely received and filed, the relief requested in the Motion may be granted without further notice.

Dated: New York, New York  
December 5, 2017

**LAW OFFICES OF  
GABRIEL DELVIRGINIA  
*Attorneys for the Debtors***

**By: Gabriel Del Virginia**  
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**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re:	)	Chapter 11
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HARRIET MOUCHLY WEISS	)	Case No: 17-10562-MG
AND CHARLES WEISS,	)	
	)	
Debtors.	)	
	)	

**DEBTORS' MOTION FOR ENTRY OF AN ORDER APPROVING THE  
SALE OF APARTMENT 9HJC FREE AND CLEAR OF  
LIENS, CLAIMS, ENCUMBRANCES AND OTHER INTERESTS**

TO THE HONORABLE MARTIN GLENN,  
UNITED STATES BANKRUPTCY JUDGE:

Harriet Mouchly Weiss and Charles Weiss (together, the "Debtors") by their  
attorneys, the Law Offices of Gabriel Del Virginia, respectfully state:

### **SUMMARY OF RELIEF REQUESTED**

The Debtors' own 1059 shares (the "Shares") in a cooperative apartment building located at 415 East 52nd Street, apartments 9HC, 9JC and 9GC, New York, New York 10022 (the "Property"). The Property is the only significant asset that can be liquidated to satisfy claims against the Debtors. The Debtors located purchasers for Apartment 9HJC, Anna Monteleone, a/k/a Anna Liapakis Monteleone, and Leonard Monteleone (the "Purchasers").

In cooperation with 100 Mile Fund, LLC ("100 Mile"), a secured lender in this case with a lien on the Property, the Debtors retained Bryan L. Rozenywaig ("Mr. Rozenywaig") to market and sell Apartment 9HJC. After extensive marketing, Mr. Rozenywaig has determined that the Purchasers have provided the highest and best offer for Apartment 9HJC. After considering the Purchasers' offer, the Debtors and the Purchasers have negotiated a Contract of Sale (the "Purchase Agreement"), a copy of which is annexed hereto as **Exhibit A**, that provides for the sale of Apartment 9HJC for a purchase price of \$1,925,000.00, of which twenty-five (25%) is to be paid in cash at Closing and the remaining \$1,443,750.00 is to be financed (the "Purchase Price"), subject to Bankruptcy Court approval. The Purchasers have agreed to pay a ten percent (10%) down-payment or \$192,500.00 (the "Contract Deposit") upon execution of the Purchase Agreement and will close within thirty (30) days of the sale of their current apartment, subject to certain contingencies.<sup>1</sup>

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<sup>1</sup> The Purchase Agreement provides for a financing contingency.

Subject to this Court's approval, the Debtors have accepted the Purchasers' offer. As such, the Debtors seek entry of an order (the "Sale Order"), in substantially the form annexed hereto as **Exhibit B** approving the sale of Apartment 9HJC to the Purchasers free and clear of all liens, claims, encumbrances, and other interests (the "Sale") pursuant to Bankruptcy Code sections 363(b) and (f), and 365(a), (b) and (f).

In support of this Motion, the Debtors submit the Declaration of Bryan L. Rozencwaig, annexed hereto as **Exhibit C** (the "Declaration"). The Debtors reserve the right to file additional documents and present such further information or evidence to the Court as may be appropriate in support of the relief requested herein. As described below, the proposed sale will maximize the value of Apartment 9HJC for the benefit of the Debtors' estate. Accordingly, the Debtors seek this Court's approval of the Sale.

### **JURISDICTION AND VENUE**

1. This Court has jurisdiction to consider this motion (the "Sale Motion") and the relief requested herein pursuant to 28 U.S.C. §§ 157 and 1334. Consideration of this Motion is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The predicates for the relief requested herein are section 363 and 365 of Title 11, U.S.C. §§ 101, *et seq.* (the "Bankruptcy Code"), Rules 2002, 6004, 6006 and 9006 of the Federal Rules of Bankruptcy Procedure Rules (the "Bankruptcy

Rules”), Rules 6004-1 and 6006-1 of the Local Bankruptcy Rules (the “LBR”) of this Court, and General Order M-383.

### **BACKGROUND**

3. The Debtors filed their voluntary petition for relief under chapter 11 of Title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”) on March 9, 2017 (the “Petition Date”).

4. The Debtors continue to manage their property as debtors-in-possession. No trustee or examiner has been appointed in this case, and no official committee of unsecured creditors has been appointed.

5. The Debtors are residents of New York and have been for at least the past 180 days.

6. The Debtors’ need to seek relief was necessitated by the imminent sale of the Shares in their residence that they pledged to a lender for a business loan.

7. Since the Petition Date, the Debtors have used the breathing spell provided by the bankruptcy filing to seek purchasers for assets to enable them to restructure their debts. The Shares are the primary asset of the Debtors’ estate. The Debtors reside in Apartment 9HC and 9JC (adjoined as Apartment 9HJC), which is the subject of this Sale Motion. The third apartment, Apartment 9GC, was sold pursuant to an Order of this Court entered on November 3, 2017, to Jan Berris.

### **APARTMENT 9HJC**

8. The Debtors own 1799 shares of cooperative housing corporation known as Sutton House Inc. (the "Corporation"), which owns the building where Apartment 9HJC is located. The Debtors are lessees under the Corporation's proprietary lease (the "Lease").

9. Apartment 9HJC is subject to security interests: (i) in favor of 100 Mile to secure a claim of approximately \$81,500 (the "100 Mile Secured Claim"); (ii) in favor of the Corporation for unpaid common charges and other maintenance for the month of December in the approximate amount of \$4,215 (the "Corporation Secured Claim"); and (iii) in favor of World Business Lenders, LLC to secure a claim of approximately \$1.35 million (the "World Business Claim").

10. The claims of creditors asserting a security interest against Apartment 9HJC exceed the estimated value of the apartment. The Debtors, in consultation with Mr. Rozencwaig, believe that the Purchase Price is the highest offer likely to be obtained for Apartment 9HJC.

### **THE MARKETING PROCESS AND PROPOSED SALE**

11. On August 25, 2017, the Court entered an order authorizing the Debtors to retain Mr. Rozencwaig as their real estate broker to market and sell Apartment 9HJC.

12. Mr. Rozencwaig actively marketed Apartment 9HJC both prior to the Petition Date and for several months thereafter.

13. The Debtors originally engaged the Mr. Rozencwaig in September 2016 to sell the Property pursuant to the exclusive Real Estate Brokerage Agreement dated September 8, 2016 (the "Original Agreement"). Pursuant to the Original Agreement, Mr. Rozencwaig prepared a robust process to market the Property, including marketing and advertising the Property as well as conducting open houses and showing the property to individuals interested in purchasing the Property. A mailing campaign, an email blast to other brokerage firms, internet marketing to scores of real estate websites and newspaper ads have been ready to launch for some time. Mr. Rozencwaig performed extensive research into the market for Property and the neighborhood in which it is located, and cross-referenced comparable large combined units as well as the market for the three units individually.

14. After the Petition Date, once engaged by order of the Bankruptcy Court, Mr. Rozencwaig engaged in additional marketing efforts which included: a) hiring professional photographer to produce appealing photographs of the apartment, b) hiring a professional draftsman to draft the floorplan, c) listing the apartment on the major real estate websites Street Easy, Zillow, and Trulia, d) contacting brokers at numerous major NYC real estate agencies Halstead, Douglas Elliman, Corcoran, Keller Williams, e) sending post cards to the every apartment in the three tower building complex offering the apartment for sale, f) conducting open houses, g) conducting private showings to numerous individual potential



buyers and brokers. Following are the offers that were received by Mr. Rozencwaig as a result his marketing efforts:

- a. \$1,855,000 – 75% Financing/25% Cash;
- b. \$1,700,000 – 100% Cash;
- c. \$1,925,000 – 75% Financing/25% Cash

These offers all began lower but after significant negotiations each of the potential buyers communicated that they would not increase their offers further.

15. Based upon all final offers received, the Debtors determined that the Purchasers' offer should be accepted without further solicitation of bids.

**Selection of the Purchasers**

16. The Purchase Agreement is conditioned on approval of the Court. While the Debtors are not seeking higher and better offers, as discussed above Apartment 9HJC has actively been marketed for more than a year. The offer received from the Purchasers is the highest and best offer that has been received for Apartment 9HJC. The Debtors do not believe that additional time spent marketing Apartment 9HJC will yield any better offer. If the Purchasers are forced to wait a protracted period of time to finalize the purchase, however, the Debtors risk the chance that the Purchasers may simply choose to purchase another property. It should also be noted that the Purchasers already reside in the building and have had their prior purchaser and substantial renovation approved by this co-

op board.

### **The Purchase Agreement**<sup>2</sup>

17. Following is a summary of the material terms of the Purchase Agreement:

- **Purchase Price:** \$1,925,000.00 million, with 25% to be paid in cash and the remainder to be financed; however, there is no financing contingency.
- **Deposit:** \$192,500.00 upon execution of the Purchase Agreement. (“Deposit”).
- **Flip Tax:** The Seller will pay the “Flip Tax” comprised of 60% of the annual maintenance, totaling \$16,696.08.
- **Apartment 9HJC:** Apartment 9HJC includes the Shares and the Debtors’ rights and interests under the Lease for Apartment 9HJC and all other improvements, structures and fixtures, placed, constructed or installed therein.
- **Closing Conditions Required by the Purchaser:** The Purchaser’s closing conditions include, among other things: (i) approval by the board of the Corporation of the Purchaser as the assignee of the Debtors’ interest in the Lease, and the ability of the Debtors to deliver possession of Apartment 9HJC at closing free of liens, claims and encumbrances, as provided in the Purchase Agreement; (ii) the delivery of customary closing documents; and (iii) a Sale Order being entered pursuant to Bankruptcy Code section 363, which Order has not been stayed.
- **Closing Conditions Required by the Debtors:** The Debtors’ closing conditions will generally be limited to: (i) the accuracy of the Purchasers’ representatives and warranties; (ii) the Purchasers’ compliance with covenants and performance of agreements and obligations; and (iii) entry of the Sale Order.
- **No Reliance on Warranties or Representations:**

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<sup>2</sup> Capitalized terms not defined herein are ascribed the meanings of such terms as set forth in the Purchase Agreement. The summary of the Purchase Agreement is provided for the convenience of the Court and parties in interest. In the event of any inconsistency between the summary in this Motion and the terms of the Purchase Agreement, the terms of the Purchase Agreement shall govern.

Apartment 9HJC will be conveyed by the Debtors to, and accepted by the Purchaser “AS IS”, “WHERE IS”, “WITHOUT FAULTS”, “WITHOUT ANY EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION OF ANY KIND”, except as expressly provided in the Purchase Agreement and the Sale Order. Without limiting the generality of the foregoing, neither the Debtors nor any other person or entity makes any warranty or representation regarding the condition, working order, existence, quantity or location of such assets, and the Purchasers shall have no recourse and may not assert any claim against the Debtors, their estate, or their representatives based on any such warranty or representation.

### **EXTRAORDINARY PROVISIONS OF THE PROPOSED SALE**

18. Pursuant to the Amended Guidelines for the Conduct of Asset Sales established and adopted by the United States Bankruptcy Court for the Southern District of New York pursuant to General Order M-383 (the “Sale Guidelines”), the Debtors are required to highlight any “extraordinary provisions.” The extraordinary provisions are as follows:

- The Debtors do not intend to seek or solicit higher or better offers on Apartment 9HJC. The apartment has been marketed extensively both by Mr. Rozencwaig both prepetition and postpetition. Based upon extensive marketing efforts, Debtors – in consultation with Mr. Rozencwaig – believe that the offer of the Purchasers is the highest and best likely to be received.
- The proceeds of the Sale will be used to pay holders of liens in order of priority.

### **SALE HEARING**

#### **Objections to the Sale**

19. The Debtors propose that objections to the Sale, if any, must be filed with this Court and served so as to be received by: (i) Debtors’ counsel at Law

Offices of Gabriel Del Virginia, 30 Wall Street, Floor 12, New York, New York 10005, Attn: Gabriel Del Virginia, Esq.; and (ii) the United States Trustee for the Southern District of New York, U.S. Federal Office Building, 201 Varick Street, Suite 1006, New York, New York 10014, so as to be actually received no later than three (3) business days before the Sale Hearing (the “Objection Deadline”).

### **Notice of the Sale Hearing**

20. Bankruptcy Rule 6004(a) provides that notice of a proposed sale of property of the estate, other than in the ordinary course of business, shall be given to all known creditors and parties-in-interest pursuant to Bankruptcy Rule 2002(a)(2), (c)(1), (i) and (k).

21. Bankruptcy Rule 2002(a) requires that “the clerk, or some other person as the court may direct,” give “the debtor, the trustee, all creditors and indenture trustees at least 21 days’ notice by mail of: (2) a proposed use, sale, or lease of property of the estates other than in the ordinary course of business....” Fed. R. Bankr. P. 2002(a). Bankruptcy Rule 2002(c) requires that this notice include “the time and place of any public sale, the terms and conditions of any private sale and the time fixed for filing objections.” Fed. R. Bankr. P. 2002(c).

22. Bankruptcy Rule 6004(c) requires that a motion pursuant to section 363(f) of the Bankruptcy Code for authority to sell property free and clear of liens or other interests “shall be served on the parties who have liens or other interest in the property to be sold.” Fed. R. Bankr. P. 6004(c).

23. Moreover, Bankruptcy Rule 6006(c) requires that notice of a motion to assume and assign an unexpired executory contract be given to the non-debtor party to such contract.

24. Notice of the Debtors' proposed Sale of Apartment 9HJC, along with a copy of this Motion, will be given to the Office of the United States Trustee and all creditors in this case as well as any party that filed a request for notice. Thus, all required parties will receive information concerning the sale of Apartment 9HJC, including: the property of the estate that is being sold by the Debtors; the Purchase Price and the terms of the Sale; and the time, date, and location of the Sale Hearing that will be held if an objection is filed. The Debtors submit that these notice procedures satisfy the requirements of Bankruptcy Rules 2002, 6004 and 6006 and LBR 6004-1 and 6006-1, and respectfully request that the Court approve them.

**THE SALE ORDER SHOULD BE ENTERED**

**A. The Sale of the Apartment 9HJC is an Exercise of the Debtors' Sound Business Judgment**

25. Bankruptcy Code section 363(b) governs transactions outside the ordinary course of business involving property of the Debtors' estate and provides, in relevant part, that, "[t]he trustee, after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estates...." 11 U.S.C. § 363(b).

26. The sale or use of property of the estate outside the ordinary course of business should be approved by the Court if it is demonstrated that there is a sound business justification for the proposed transaction. See *In re Chrysler LLC*, 576 F.3d 108, 117-18 (2d Cir. 2009), citing *In re Iridium Operating LLC*, 478 F.3d 452, 466 (2d Cir. 2007) (“In this Circuit, the sale of an asset of the estates under § 363(b) is permissible if the ‘judge determining [the] § 363(b) application expressly find[s] from the evidence presented before [him or her] at the hearing [that there is] a good business reason to grant such an application.’” (citing *Comm. of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.)*, 772 F.2d 1063, 1071 (2d Cir. 1983); *In re Gen. Motors Corp.*, 407 B.R. 463, 491 (Bankr. S.D.N.Y. 2009)).

27. Apartment 9HJC is property of the Debtors’ estate and it is the most significant asset available to satisfy creditors’ claims. The Debtors’ decision to sell Apartment 9HJC has been made in light of the benefits of such a sale and the lack of viable alternatives to address claims against the Debtors’. The Debtors have determined in their business judgment that selling Apartment 9HJC pursuant to the Purchase Agreement is in the best interests of the Debtors’ estate. The Debtors submit that the Purchase Price is fair and reasonable based upon the offers received for Apartment 9HJC to date after significant marketing efforts.

28. Based upon the foregoing, the Debtors submit that the Sale of Apartment 9HJC offers the greatest benefit to the Debtors’ estate, and is an exercise of their sound business judgment.

**B. Apartment 9HJC Should be Sold Free and Clear of Liens, Claims, Encumbrances and Interests**

29. Pursuant to section 363(f) of the Bankruptcy Code, a trustee may sell property under Bankruptcy Code section 363(b) free and clear of liens, claims and encumbrances if one of the following conditions is satisfied: (i) applicable nonbankruptcy law permits the sale of the property free and clear of such interest; (ii) the entity holding the lien, claim or encumbrance consents to the sale; (iii) the interest is a lien and the price at which such property to be sold is greater than the aggregate value of all liens on the property; (iv) the interest is in bona fide dispute; or (v) the entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of its interest. 11 U.S.C. § 363(f). *See In re Smart World Tech., LLC*, 423 F.3d 166, 169 n. 3 (2d Cir. 2005) (“Section 363 permits sales of assets free and clear of claims and interests. It thus allows Purchaser ... to acquire assets [from a debtor] without any accompanying liabilities.”); *In re Dundee Equity Corp.*, No. 89-B-10233, 1992 WL 53743, at \*3 (Bankr. S.D.N.Y. Mar. 6, 1992) (“Section 363(f) is in the disjunctive, such that the sale free of the interest concerned may occur if any one of the conditions of § 363(f) have been met”).

30. The Debtors respectfully submit that cause exists to authorize the sale of Apartment 9HJC pursuant to the Purchase Agreement free and clear of all liens, claims, encumbrances, and other interests, including possessory leasehold

interests (collectively, “Liens”), other than the Lease, because section 363(f)(2) is satisfied.

31. Section 363(f)(2) is satisfied as to those parties that consent or do not object to the proposed sale. All parties in interest will be given sufficient opportunity to object to the relief requested by the Debtors, and any such entity that does not object to the Sale should be deemed to have consented. See *Futuresource LLC v. Reuters Ltd.*, 312 F.3d 281, 285-86 (7th Cir. 2002) (“It is true that the Bankruptcy Code limits the conditions under which an interest can be extinguished by a bankruptcy sale, but one of those conditions is the consent of the interest holder, and lack of objection (provided of course there is notice) counts as consent. It could not be otherwise; transaction costs would be prohibitive if everyone who *might* have an interest in the bankrupt's assets had to execute a formal consent before they could be sold.”) (internal citations omitted); *Hargrave v. Township of Pemberton (In re Tabone, Inc.)*, 175 B.R. 855, 858 (Bankr. D.N.J. 1994) (failure to object to sale free and clear of liens, claims and encumbrances satisfies section 363(f)(2)); *Citicorp Homeowners Serv., Inc. v. Elliot (In re Elliot)*, 94 B.R. 343, 345 (E.D. Pa. 1988) (same). Courts in this district have applied the same principle. See *In re Enron Corp.*, 2004 WL 5361245 at \*2 (Bankr. S.D.N.Y. 2004); *In re Enron Corp.*, 2003 WL 21755006 at \*2 (AJG) (Bankr. S.D.N.Y. 2003) (order deeming all parties who did not object to proposed sale to have consented under section 363(f)(2)).



32. Based upon the foregoing, sufficient cause exists for the sale of Apartment 9HJC free and clear of all of the Liens, with the Liens to attach to the proceeds of the Sale with the same priority, validity and extent that existed on the Petition Date.

**C. The Purchasers Should be Afforded All Protections Under Section 363(m) as Good Faith Purchasers**

33. Section 363(m) of the Bankruptcy Code protects a good faith purchaser's interest in property purchased from the estate notwithstanding that the sale conducted under section 363(b) may later be reversed or modified on appeal. Specifically, section 363(m) states that:

The reversal or modification on appeal of an authorization under [section 363(b)] ... does not affect the validity of a sale ... to an entity that purchased ... such property in good faith, whether or not such entity knew of the pendency of the appeal, unless such authorization and such sale ... were stayed pending appeal.

11 U.S.C. § 363(m); *see also Allstate Ins. Co. v. Hughes*, 174 B.R. 884, 888 (S.D.N.Y. 1994) (“Section 363(m) ... provides that good faith transfers of property will not be affected by the reversal or modification on appeal of an unstayed order, whether or not the transferee knew of the pendency of the appeal”); *In re Stein & Day, Inc.*, 113 B.R. 157, 162 (Bankr. S.D.N.Y. 1990) (“pursuant to 11 U.S.C. § 363(m), good faith purchasers are protected from the reversal of a sale on appeal unless there is a stay pending appeal”). The Second Circuit has indicated that a party would have to show fraud or collusion between a buyer and the debtor-in-possession or

trustee to demonstrate a lack of good faith. See *Kabro Assocs. of West Islip, LLC, v. Colony Hill Assocs. (In re Colony Hill Assocs.)*, 111 F.3d 269, 276, (2d Cir. 1997) (“[t]ypically, the misconduct that would destroy a [purchaser’s] good faith status at a judicial sale involves fraud, collusion between the [buyer] and other bidders or the trustee, or an attempt to take grossly unfair advantage of other bidders”); see also *In re Angelika Films 57<sup>th</sup>, Inc.*, Nos. 97 Civ. 2239 (MBM), 97 Civ. 2241 (MBM), 1997 WL 283412, at \*7 (S.D.N.Y. 1997); *In re Bakalis*, 220 B.R. 525, 537 (Bankr. E.D.N.Y. 1998).

34. Here, the Purchasers and Debtors have satisfied the requirements of section 363(m). The Purchase Agreement is the result of arm’s-length, good-faith negotiations between the Debtors and the Purchasers, and each of them have been represented by their respective professionals. The Debtors submit that the Purchasers are “good-faith” purchasers within the meaning of section 363(m) of the Bankruptcy Code and should be entitled to its protection. Accordingly, the Debtors request that the Court make a finding that the Purchasers are entitled to the protections of section 363(m) of the Bankruptcy Code.

#### **NO PRIOR REQUEST**

35. No prior motion for the relief requested herein has been made to this or any other Court.

#### **CONCLUSION**

**WHEREFORE**, the Debtors respectfully request entry of the Sale

Order substantially in the form annexed hereto as **Exhibit B** authorizing the relief requested herein and granting such other and further relief as is just and proper.

Dated: New York, New York  
December 5, 2017

**LAW OFFICES OF GABRIEL DEL  
VIRGINIA**

*Attorneys for the Debtors*

**By: Gabriel Del Virginia**

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30 Wall Street, 12th Floor  
New York, New York 10005  
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**EXHIBIT A – PURCHASE AGREEMENT**

Contract of sale cooperative apartment, 7-2001  
Prepared by the Committee on Condominium and Cooperative of the Real Property Section of the New York State Bar Association

CONSULT YOUR LAWYER BEFORE SIGNING THIS AGREEMENT

Contract of Sale - Cooperative Apartment

This Contract is made as of ~~SEPTEMBER 5, 2017~~ between the "Seller," and the "Purchaser," identified below.

**I Certain Definitions and Information**

1.1 The "Parties," are:

1.1.1 "Seller": HARRIET MOUCHLY-WEISS and CHARLES WEISS

Prior names used by Seller:

Address: 415 E 52 ST #9HC, NEW YORK, NY 10022

S.S. No.: - - - [CW]; 257-64-0433 [HW]

1.1.2 "Purchaser": LEONARD ~~and~~ ANNA MONTELEONE

Address: 415 E 52 ST #2EB, NEW YORK, NY 10022

S.S. No.: - - - [ ]; - - - [ ]

1.2 The "Attorneys," are (name, firm name, address and telephone, fax):

1.2.1 "Seller's Attorney,"

Paul D'Emilia, Esq.

260 West End Ave., Suite 12A

NY, NY 10023

917-701-4067 tel

pdemilia@demilialaw.com

1.2.2 "Purchaser's Attorney,"

Jordan Barness

Barness & Barness LLP

767 Third Ave. 36th Flr.

New York, NY 10017

Office: 212-752-3575

Cell: 646-391-6555

Email: jordan@barnesslaw.com

1.3 The "Escrowee," is the Seller's Attorney.

Douglas Elliman by Hellen Arden and Oliver Gold and Rozencwaig Realty by: Bryan Rozencwaig

1.4 The Managing Agent is (name, address and telephone, fax): Douglas Elliman Property Management, 675 Third Avenue, 6th Floor, New York, NY 10017, Bus: 212-455-4722, eFax: 646-843-2483, martin.brooks@ellimanpm.com

1.5 The real estate "Broker(s)" (see ¶ 12) is/are: None

1.6 The name of the cooperative housing corporation ("Corporation") is: SUTTON HOUSE INC.

1.7 The "Unit" number is: 9HJC

1.8 The Unit is located in "Premises" known as: 415 E 52 ST #9HJC, NEW YORK, NY 10022

1.9 The "Shares," are the 1799 shares of the Corporation allocated to the Unit.

1.10 The "Lease" is the Corporation's proprietary lease or occupancy agreement for the Unit, given by the Corporation which expires on

1.11 "Personalty" is the following personal property, to the extent existing in the Unit on the date hereof: the refrigerators, freezers, ranges, ovens, built-in microwave ovens, dishwashers, garbage disposal units, cabinets and counters, lighting fixtures, chandeliers, wall-to-wall carpeting, plumbing and heating fixtures, central air-conditioning and/or window or sleeve units, washing machines, dryers, screens and storm windows, window treatments, switch plates, door hardware, mirrors, built-ins not excluded in ¶ 1.12 and

1.12 Specifically excluded from this sale is all personal property not included in ¶ 1.11 and

1.13 The sale does include Seller's interest in Storage, if any. ("Included Interests")

1.14 The "Closing" is the transfer of ownership of the Shares and Lease.

1.15 The date scheduled for Closing is on or about ~~October 17, 2017~~ ("Scheduled Closing Date") at 11:00AM (See ¶¶ 9 and 10)

30 days after the sale of Purchaser's current apartment

all to be delivered in working order

Monteleone

a/k/a Anna Liapakis Monteleone

45

1.16 The "Purchase Price" is: \$1,925,000.00

1.16.1 The "Contract Deposit" is: \$192,500.00

1.16.2 The "Balance" of the Purchase Price due at Closing is: 1,732,500.00 (See ¶ 2.2.2)

1.17 The monthly "Maintenance" charge is \$4,215.06 (See ¶ 4)

1.18 The "Assessment", if any, payable to the Corporation, at the date of this Contract is \$None, payable as follows:

1.19 [Seller] shall pay the Corporation's flip tax, transfer fee (apart from the transfer agent fee) and/or waiver of option fee ("Flip Tax"), if any.

1.20 Financing Options (Delete two of the following ¶¶ 1.20.1, 1.20.2 or 1.20.3)

1.20.1 Purchaser may apply for financing in connection with this sale and Purchaser's obligation to purchase under this Contract is contingent upon issuance of a Loan Commitment Letter by the Loan Commitment Date (¶ 18.1.2).

1.21 If ¶ 1.20.1 or 1.20.2 applies, the "Financing Terms" for ¶ 18 are: a loan of \$1,443,750.00 for a term of 30 years or such lesser amount or shorter term as applied for or acceptable to Purchaser; and the "Loan Commitment Date" for ¶ 18 is 30 calendar days after the Delivery Date.

1.22 The "Delivery Date" of this Contract is the date on which a fully executed counterpart of this Contract is deemed given to and received by Purchaser or Purchaser's Attorney as provided in ¶ 17.3.

1.23 All "Proposed Occupants" of the Unit are: Purchasers and their children

1.23.1 persons and relationship to Purchaser: n/a

1.23.2 pets: \_\_\_\_\_

1.24 The Contract Deposit shall be held in a non-interest bearing IOLA escrow account. If the account is a non- IOLA account then interest shall be paid to the Party entitled to the Contract Deposit. The Party receiving the interest shall pay

any income taxes thereon. The escrow account shall be a segregated bank account at Depository: Chase Bank Address: 2099 Broadway, NY, NY 10023 (See ¶ 27)

1.25 This Contract is continued on attached rider(s).

## **2 Agreement to Sell and Purchase; Purchase Price; Escrow**

2.1 Seller agrees to sell to Purchaser, and Purchaser agrees to purchase from Seller, the Seller's Shares, Lease, Personality and any Included Interests and all other items included in this sale, for the Purchase Price and upon the terms and conditions set forth in this Contract.

2.2 The Purchase Price is payable to Seller by Purchaser as follows:

2.2.1 the Contract Deposit at the time of signing this Contract by Purchaser's good check to the order of Escrowee; and

2.2.2 the Balance at Closing, only by cashier's or official bank check or certified check of Purchaser payable to the direct order of Seller. The check(s) shall be drawn on and payable by a branch of a commercial or savings bank, savings and loan association or trust company located in the same City or County as the Unit. Seller may direct, on reasonable Notice (defined in ¶ 17) prior to Closing, that all or a portion of the Balance shall be made payable to persons other than Seller (see ¶ 17.7).

## **3 Personality**

3.1 Subject to any rights of the Corporation or any holder of a mort-gage to which the Lease is subordinate, this sale includes all of the Seller's interest, if any, in the Personality and the Included Interests.

3.2 No consideration is being paid for the Personality or for the Included Interests; nothing shall be sold to Purchaser if the Closing does not occur.

3.3 Prior to Closing, Seller shall remove from the Unit all the furniture, furnishings and other property not included in this sale, and repair any damage caused by such removal.

## **4 Representations and Covenants**

4.1 Subject to any matter affecting title to the Premises (as to which Seller makes no representations or covenants), Seller represents and covenants that:

4.1.1 Seller is, and shall at Closing be, the sole owner of the Shares, Lease, Personality and Included Interests, with the full right, power and authority to sell and assign them. Seller shall make timely provision to satisfy existing security interest(s) in the Shares and Lease and have the same delivered at Closing (See ¶ 10.1);

4.1.2 the Shares were duly issued, fully paid for and are non-assessable;

4.1.3 the Lease is, and will at Closing be, in full force and effect and no notice of default under the Lease is now or will at Closing be in effect;

4.1.4 the Maintenance and Assessments payable as of the date hereof are as specified in ¶ 1.17 and 1.18;

4.1.5 as of this date, Seller neither has actual knowledge nor has received any written notice of any increase in Maintenance or any Assessment which has been adopted by the Board of Directors of the Corporation and is not reflected in the amounts set forth in ¶¶ 1.17 and 1.18;

4.1.6 Seller has not made any material alterations or additions to the Unit without any required consent of the Corporation or, to Seller's actual knowledge, without compliance with all applicable law. This provision shall not survive Closing.

4.1.7 Seller has not entered into, shall not enter into, and has no actual knowledge of any agreement (other than the Lease) affecting title to the Unit or its use and/or occupancy after Closing, or which would be binding on or adversely affect

Purchaser after Closing (e.g. a sublease or alteration agreement);

4.1.8 Seller has been known by no other name for the past 10 years except as set forth in ¶ 1.1.1.

4.1.9 at Closing in accordance with ¶ 15.2:

4.1.9.1 there shall be no judgments outstanding against Seller which have not been bonded against collection out of the Unit ("Judgments");

4.1.9.2 the Shares, Lease, Personality and any Included Interests shall be free and clear of liens (other than the Corporation's general lien on the Shares for which no monies shall be owed), encumbrances and adverse interests ("Liens");

4.1.9.3 all sums due to the Corporation shall be fully paid by Seller to the end of the payment period immediately preceding the date of Closing;

4.1.9.4 Seller shall not be indebted for labor or material which might give rise to the filing of a notice of mechanic's lien against the Unit or the Premises; and

4.1.9.5 no violations shall be of record which the owner of the Shares and Lease would be obligated to remedy under the Lease.

4.2 Purchaser represents and covenants that:

4.2.1 Purchaser is acquiring the Shares and Lease for residential occupancy of the Unit solely by the Proposed Occupants identified in ¶ 1.23

4.2.2 Purchaser is not, and within the past 7 years has not been, the subject of a bankruptcy proceeding;

4.2.3 if ¶ 1.20.3 applies, Purchaser shall not apply for financing in connection with this purchase.

4.2.4 Each individual comprising Purchaser is over the age of 18 and is purchasing for Purchaser's own account (beneficial and of record);

4.2.5 Purchaser shall not make any representations to the Corporation contrary to the foregoing and shall provide all documents in support thereof required by the Corporation in connection with Purchaser's application for approval of this transaction; and

4.2.6 there are not now and shall not be at Closing any unpaid tax liens or monetary judgments against Purchaser.

4.3 Each Party covenants that its representations and covenants contained in ¶ 4 shall be true and complete at Closing and, except for ¶ 4.1.6, shall survive Closing but any action based thereon must be instituted within one year after Closing.

## **5 Corporate Documents**

Purchaser has examined and is satisfied with, or (except as to any matter represented in this Contract by Seller) accepts and assumes the risk of not having examined, the Lease, the Corporation's Certificate of Incorporation, By-laws, House Rules, minutes of shareholders' and directors' meetings, most recent audited financial statement and most recent statement of tax deductions available to the Corporation's shareholders under Internal Revenue Code ("IRC") §216 (or any successor statute).

## **6 Required Approval and References**

6.1 This sale is subject to the unconditional consent of the Corporation.

6.2 Purchaser shall in good faith:

6.2.1 submit to the Corporation or the Managing Agent an application with respect to this sale on the form required by the Corporation, containing such data and together with such documents as the Corporation requires, and pay the applicable fees and charges that the Corporation imposes upon Purchaser. All of the foregoing shall be submitted within 10 business days after the Delivery Date, or, if ¶ 1.20.1 or

1.20.2 applies and the Loan Commitment Letter is required by the Corporation, within 5 business days after the ~~later~~ of (i) the Loan Commitment Date (defined in ¶ 1.21) or (ii) the date of receipt of the Loan Commitment Letter (defined in ¶ 18.1.2);

6.2.2 attend (and cause any Proposed Occupant to attend) one or more personal interviews, as requested by the Corporation; and

6.2.3 promptly submit to the Corporation such further references, data and documents reasonably requested by the Corporation.

6.3 Either Party, after learning of the Corporation's decision, shall promptly advise the other Party thereof. If the Corporation has not made a decision on or before the Scheduled Closing Date, the Closing shall be adjourned for 30 business days for the purpose of obtaining such consent. If such consent is not given by such adjourned date, either Party may cancel this Contract by Notice, provided that the Corporation's consent is not issued before such Notice of cancellation is given. If such consent is refused at any time, either Party may cancel this Contract by Notice. In the event of cancellation pursuant to this ¶ 6.3, the Escrowee shall refund the Contract Deposit to Purchaser.

6.4 If such consent is refused, or not given, due to Purchaser's bad faith conduct, Purchaser shall be in default and ¶ 13.1 shall govern.

#### 7 Condition of Unit and Personalty; Possession

7.1 Seller makes no representation as to the physical condition or state of repair of the Unit, the Personalty, the Included Interests or the Premises. Purchaser has inspected or waived inspection of the Unit, the Personalty and the Included Interests and shall take the same "as is", as of the date of this Contract, except for reasonable wear and tear. However, at the time of Closing, the appliances shall be in working order and required smoke detector(s) shall be installed and operable.

7.2 At Closing, Seller shall deliver possession of the Unit, Personalty and Included Interests in the condition required by ¶ 7.1, broom-clean, vacant and free of all occupants and rights of possession.

#### 8 Risk of Loss

8.1 The provisions of General Obligations Law § 5-1311, as modified herein, shall apply to this transaction as if it were a sale of realty. For purposes of this paragraph, the term "Unit" includes built-in Personalty.

8.2 Destruction shall be deemed "material" under GOL § 5-1311, if the reasonably estimated cost to restore the Unit shall exceed 5% of the Purchase Price.

8.3 In the event of any destruction of the Unit or the Premises, when neither legal title nor the possession of the Unit has been transferred to Purchaser, Seller shall give Notice of the loss to Purchaser ("Loss Notice") by the earlier of the date of Closing or 7 business days after the date of the loss.

8.4 If there is material destruction of the Unit without fault of Purchaser, this Contract shall be deemed canceled in accordance with ¶ 16.3, unless Purchaser elects by Notice to Seller to complete the purchase with an abatement of the Purchase Price; or

8.5 Whether or not there is any destruction of the Unit, if without fault of Purchaser, more than 10% of the units in the Premises are rendered uninhabitable, or reasonable access to the Unit is not available, then Purchaser shall have the right to cancel this Contract in accordance with ¶ 16.3 by Notice to Seller.

8.6 Purchaser's Notice pursuant to ¶ 8.4 or ¶ 8.5 shall be given within 7 business days following the giving of the Loss Notice

except that if Seller does not give a Loss Notice, Purchaser's Notice may be given at any time at or prior to Closing.

8.7 In the event of any destruction of the Unit, Purchaser shall not be entitled to an abatement of the Purchase Price (i) that exceeds the reasonably estimated cost of repair and restoration or (ii) for any loss that the Corporation is obliged to repair or restore; but Seller shall assign to Purchaser, without recourse, Seller's claim, if any, against the Corporation with respect to such loss.

#### 9 Closing Location

The Closing shall be held at the location designated by the Corporation or, if no such designation is made, at the office of Seller's Attorney.

#### 10 Closing

10.1 At Closing, Seller shall deliver or cause to be delivered:

10.1.1 Seller's certificate for the Shares duly endorsed for transfer to Purchaser or accompanied by a separate duly executed stock power to Purchaser, and in either case, with any guarantee of Seller's signature required by the Corporation;

10.1.2 Seller's counterpart original of the Lease, all assignments and assumptions in the chain of title and a duly executed assignment thereof to Purchaser in the form required by the Corporation;

10.1.3 FIRPTA documents required by ¶ 25;

10.1.4 keys to the Unit, building entrance(s), and, if applicable, garage, mailbox, storage unit and any locks in the Unit;

10.1.5 if requested, an assignment to Purchaser of Seller's interest in the Personalty and Included Interests;

10.1.6 any documents and payments to comply with ¶ 15.2

10.1.7 If Seller is unable to deliver the documents required in ¶ 10.1.1 or 10.1.2 then Seller shall deliver or cause to be delivered all documents and payments required by the Corporation for the issuance of a new certificate for the Shares or a new Lease.

10.2 At Closing, Purchaser shall:

10.2.1 pay the Balance in accordance with ¶ 2.2.2;

10.2.2 execute and deliver to Seller and the Corporation an agreement assuming the Lease, in the form required by the Corporation; and

10.2.3 if requested by the Corporation, execute and deliver counterparts of a new lease substantially the same as the Lease, for the balance of the Lease term, in which case the Lease shall be canceled and surrendered to the Corporation together with Seller's assignment thereof to Purchaser.

10.3 At Closing, the Parties shall complete and execute all documents necessary:

10.3.1 for Internal Revenue Service ("IRS") form 1099-S or other similar requirements;

10.3.2 to comply with smoke detector requirements and any applicable transfer tax filings; and

10.3.3 to transfer Seller's interest, if any, in and to the Personalty and Included Interests.

10.4 Purchaser shall not be obligated to close unless, at Closing, the Corporation delivers:

10.4.1 to Purchaser a new certificate for the Shares in the name of Purchaser; and

10.4.2 a written statement by an officer or authorized agent of the Corporation consenting to the transfer of the Shares and Lease to Purchaser and setting forth the amounts of and payment status of all sums owed by Seller to the Corporation, including Maintenance and any Assessments, and the dates to which each has been paid.

#### 11 Closing Fees, Taxes and Apportionments

11.1 At or prior to Closing,

11.1.1 Seller shall pay, if applicable:

11.1.1.1 the cost of stock transfer stamps; and

11.1.1.2 transfer taxes, except as set forth in ¶ 11.1.2.2

11.1.2 Purchaser shall pay, if applicable:

11.1.2.1 any fee imposed by the Corporation relating to Purchaser's financing; and

11.1.2.2 transfer taxes imposed by statute primarily on Purchaser (e.g., the "mansion tax"),

11.2 The Flip Tax, if any, shall be paid by the Party specified in ¶ 1.19.

11.3 Any fee imposed by the Corporation and not specified in this Contract shall be paid by the Party upon whom such fee is expressly imposed by the Corporation, and if no Party is specified by the Corporation, then such fee shall be paid by Seller.

11.4 The Parties shall apportion as of 11:59 P.M. of the day preceding the Closing, the Maintenance, and any other periodic charges due the Corporation (other than Assessments) and STAR Tax Exemption (if the Unit is the beneficiary of same), based on the number of the days in the month of Closing.

11.5 Assessments, whether payable in a lump sum or installments, shall not be apportioned, but shall be paid by the Party who is the owner of the Shares on the date specified by the Corporation for payment. Purchaser shall pay any installments payable after Closing provided Seller had the right and elected to pay the Assessment in installments.

11.6 Each Party shall timely pay any transfer taxes for which it is primarily liable pursuant to law by cashier's, official bank, certified or attorney's escrow check. This ¶ 11.6 shall survive Closing.

11.7 Any computational errors or omissions shall be corrected within 6 months after Closing. This ¶ 11.7 shall survive Closing.

#### **12 Broker**

12.1 Each Party represents that such Party has not dealt with any person acting as a broker, whether licensed or unlicensed, in connection with this transaction other than the Broker(s) named in ¶ 1.5.

12.2 Seller shall pay the Broker's commission pursuant to a separate agreement. The Broker(s) shall not be deemed to be a third-party beneficiary of this Contract.

12.3 This ¶ 12 shall survive Closing, cancellation or termination of this Contract.

#### **13 Defaults, Remedies and Indemnities**

13.1 In the event of a default or misrepresentation by Purchaser, Seller's sole and exclusive remedies shall be to cancel this Contract, retain the Contract Deposit as liquidated damages and, if applicable, Seller may enforce the indemnity in ¶ 13.3 as to brokerage commission or sue under ¶ 13.4. Purchaser prefers to limit Purchaser's exposure for actual damages to the amount of the Contract Deposit, which Purchaser agrees constitutes a fair and reasonable amount of compensation for Seller's damages under the circumstances and is not a penalty. The principles of real property law shall apply to this liquidated damages provision.

13.2 In the event of a default or misrepresentation by Seller, Purchaser shall have such remedies as Purchaser is entitled to at law or in equity, including specific performance, because the Unit and possession thereof cannot be duplicated.

13.3 Subject to the provisions of ¶ 4.3, each Party indemnifies and holds harmless the other against and from any claim, judgment, loss, liability, cost or expense resulting from the indemnitor's breach of any of its representations or covenants stated to survive Closing, cancellation or termination of this Contract. Purchaser indemnifies and holds

harmless Seller against and from any claim, judgment, loss, liability, cost or expense resulting from the Lease obligations accruing from and after the Closing. Each indemnity includes, without limitation, reasonable attorneys' fees and disbursements, court costs and litigation expenses arising from the defense of any claim and enforcement or collection of a judgment under this indemnity, provided the indemnitee is given Notice and opportunity to defend the claim. This ¶ 13.3 shall survive Closing, cancellation or termination of this Contract.

13.4 In the event any instrument for the payment of the Contract Deposit fails of collection, Seller shall have the right to sue on the uncollected instrument. In addition, such failure of collection shall be a default under this Contract, provided Seller gives Purchaser Notice of such failure of collection and, within 3 business days after Notice is given, Escrowee does not receive from Purchaser an unendorsed good certified check, bank check or immediately available funds in the amount of the uncollected funds. Failure to cure such default shall entitle Seller to the remedies set forth in ¶ 13.1 and to retain all sums as may be collected and/or recovered.

#### **14 Entire Agreement; Modification**

14.1 All prior oral or written representations, understandings and agreements had between the Parties with respect to the subject matter of this Contract, and with the Escrowee as to ¶ 27, are merged in this Contract, which alone fully and completely expresses the Parties' and Escrowee's agreement.

14.2 The Attorneys may extend in writing any of the time limitations stated in this Contract. Any other provision of this Contract may be changed or waived only in writing signed by the Party or Escrowee to be changed.

#### **15 Removal of Liens and Judgments**

15.1 Purchaser shall deliver or cause to be delivered to Seller or Seller's Attorney, not less than 10 calendar days prior to the Scheduled Closing Date a Lien and Judgment search, except that Liens or Judgments first disclosed in a continuation search shall be reported to Seller within 2 business days after receipt thereof, but not later than the Closing. Seller shall have the right to adjourn the Closing pursuant to ¶ 16 to remove any such Liens and Judgments. Failure by Purchaser to timely deliver such search or continuation search shall not constitute a waiver of Seller's covenants in ¶ 4 as to Liens and Judgments. However, if the Closing is adjourned solely by reason of untimely delivery of the Lien and Judgment search, the apportionments under ¶ 11.3 shall be made as of 11:59 P.M. of the day preceding the Scheduled Closing Date in ¶ 1.15.

15.2 Seller, at Seller's expense, shall obtain and deliver to the Purchaser the documents and payments necessary to secure the release, satisfaction, termination and discharge or removal of record of any Liens and Judgments. Seller may use any portion of the Purchase Price for such purposes.

15.3 This ¶ 15 shall survive Closing.

#### **16 Seller's Inability**

16.1 If Seller shall be unable to transfer the items set forth in ¶ 2.1 in accordance with this Contract for any reason other than Seller's failure to make a required payment or other willful act or omission, then Seller shall have the right to adjourn the Closing for periods not exceeding 60 calendar days in the aggregate, but not extending beyond the expiration of Purchaser's Loan Commitment Letter, if ¶ 1.20.1 or 1.20.2 applies.

16.2 If Seller does not elect to adjourn the Closing or (if adjourned) on the adjourned date of Closing Seller is still unable to perform, then unless Purchaser elects to proceed with the Closing without abatement of the Purchase Price,



either Party may cancel this Contract on Notice to the other Party given at any time thereafter.

16.3 In the event of such cancellation, the sole liability of Seller shall be to cause the Contract Deposit to be refunded to Purchaser and to reimburse Purchaser for the actual costs incurred for Purchase's lien and title search, if any.

#### **17 Notices and Contract Delivery**

17.1 Any notice or demand ("Notice") shall be in writing and delivered either by hand. Overnight delivery or certified or registered mail, return receipt requested, to the Party and simultaneously, in like manner, to such Party's Attorney, if any, and to Escrowee at their respective addresses or to such other address as shall hereafter be designated by Notice given pursuant to this ¶ 17.

17.2 The Contract may be delivered as provided in ¶ 17.1 or by ordinary mail.

17.3 The Contract or each Notice shall be deemed given and received:

17.3.1 on the day delivered by hand;

17.3.2 on the business day following the date sent by overnight delivery;

17.3.3 on the 5th business day following the date sent by certified or registered mail; or

17.3.4 as to the Contract only, 3 business days following the date of ordinary mailing.

17.4 A Notice to Escrowee shall be deemed given only upon actual receipt by Escrowee.

17.5 The Attorneys are authorized to give and receive any Notice on behalf of their respective clients.

17.6 Failure or refusal to accept a Notice shall not invalidate the Notice.

17.7 Notice pursuant to ¶¶ 2.2.2 and 13.4 may be delivered by confirmed facsimile to the Party's Attorney and shall be deemed given when transmission is confirmed by sender's facsimile machine.

#### **18 Financing Provisions**

18.1 The provisions of ¶¶ 18.1 and 18.2 are applicable only if ¶ 1.20.1 or 1.20.2 applies.

18.1.1 An "Institutional Lender" is any of the following that is authorized under Federal or New York State law to issue a loan secured by the Shares and Lease and is currently extending similarly secured loan commitments in the county in which the Unit is located: a bank, savings bank, savings and loan association, trust company, credit union of which Purchaser is a member, mortgage banker, insurance company or governmental entity.

18.1.2 A "Loan Commitment Letter" is a written offer from an Institutional Lender to make a loan on the Financing Terms (see ¶ 1.21) at prevailing fixed or adjustable interest rates and on other customary terms generally being offered by Institutional Lenders making cooperative share loans. An offer to make a loan conditional upon obtaining an appraisal satisfactory to the Institutional Lender shall not become a Loan Commitment Letter unless and until such condition is met. An offer conditional upon any factor concerning Purchaser (e.g. sale of current home, payment of outstanding debt, no material adverse change in Purchaser's financial condition, etc.) is a Loan Commitment Letter whether or not such condition is met. Purchaser accepts the risk that, and cannot cancel this Contract if, any condition concerning Purchaser is not met.

18.2 Purchaser, directly or through a mortgage broker registered pursuant to Article 12-D of the Banking Law, shall diligently and in good faith:

18.2.1 apply only to an Institutional Lender for a loan on the Financing Terms (see ¶ 1.21) on the form required by the

Institutional Lender containing truthful and complete information, and submit such application together with such documents as the Institutional Lender requires, and pay the applicable fees and charges of the Institutional Lender, all of which shall be performed within 5 business days after the Delivery Date;

18.2.2 promptly submit to the Institutional Lender such further references, data and documents requested by the Institutional Lender; and

18.2.3 accept a Loan Commitment Letter meeting the Financing Terms and comply with all requirements of such Loan Commitment Letter (or any other loan commitment letter accepted by Purchaser) and of the Institutional Lender in order to close the loan; and

18.2.4 furnish Seller with a copy of the Loan Commitment Letter promptly after Purchaser's receipt thereof.

18.2.5 Purchaser is not required to apply to more than one Institutional Lender.

18.3 If ¶ 1.20.1 applies, then

18.3.1 provided Purchaser has complied with all applicable provisions of ¶ 18.2 and this ¶ 18.3, Purchaser may cancel this Contract as set forth below, if:

18.3.1.1 any Institutional Lender denies Purchaser's application in writing prior to the Loan Commitment Date (see ¶ 1.21); or

18.3.1.2 a Loan Commitment Letter is not issued by the Institutional Lender on or before the Loan Commitment Date; or

18.3.1.3 any requirement of the Loan Commitment Letter other than one concerning Purchaser is not met (e.g. failure of the Corporation to execute and deliver the Institutional Lender's recognition agreement or other document, financial condition of the Corporation, owner occupancy quota, etc.); or

18.3.1.4 (i) the Closing is adjourned by Seller or the Corporation for more than 30 business days from the Scheduled Closing Date and (ii) the Loan Commitment Letter expires on a date more than 30 business days after the Scheduled Closing Date and before the new date set for Closing pursuant to this paragraph and (iii) Purchaser is unable in good faith to obtain from the Institutional Lender an extension of the Loan Commitment Letter or a new Loan Commitment Letter on the Financing Terms without paying additional fees to the Institutional Lender, unless Seller agrees, by Notice to Purchaser within 5 business days after receipt of Purchaser's Notice of cancellation on such ground, that Seller will pay such additional fees and Seller pays such fees when due. Purchaser may not object to an adjournment by Seller for up to 30 business days solely because the Loan Commitment Letter would expire before such adjourned Closing date.

18.3.2 Purchaser shall deliver Notice of cancellation to Seller within 5 business days after the Loan Commitment Date if cancellation is pursuant to ¶ 18.3.1.1 or 18.3.1.2 and on or prior to the Scheduled Closing Date if cancellation is pursuant to ¶ 18.3.1.3 or 18.3.1.4.

18.3.3 If cancellation is pursuant to ¶ 18.3.1.1, then Purchaser shall deliver to Seller, together with Purchaser's Notice, a copy of the Institutional Lender's written denial of Purchaser's loan application. If cancellation is pursuant to ¶ 18.3.1.3, then Purchaser shall deliver to Seller together with Purchaser's Notice evidence that a requirement of the Institutional Lender was not met.

18.3.4 Seller may cancel this Contract by Notice to Purchaser, sent within 5 days after the Loan Commitment Date, if Purchaser shall not have sent by then either (i) Purchaser's

Notice of cancellation or (ii) a copy of the Loan Commitment Letter to Seller, which cancellation shall become effective if Purchaser does not deliver a copy of such Loan Commitment Letter to Seller within 10 business days after the Loan Commitment Date.

18.3.5 Failure by either Purchaser or Seller to deliver Notice of cancellation as required by this ¶ 18.3 shall constitute a waiver of the right to cancel under this ¶ 18.3.

18.3.6 If this Contract is canceled by Purchaser pursuant to this ¶ 18.3, then thereafter neither Party shall have any further rights against, or obligations or liabilities to, the other by reason of this Contract, except that the Contract Deposit shall be promptly refunded to Purchaser and except as set forth in ¶ 12. If this Contract is canceled by Purchaser pursuant to ¶ 18.3.1.4, then Seller shall reimburse Purchaser for any non-refundable financing and inspection expenses and other sums reimbursable pursuant to ¶ 16.

18.3.7 Purchaser cannot cancel this Contract pursuant to ¶ 18.3.1.4 and cannot obtain a refund of the Contract Deposit if the Institutional Lender fails to fund the loan:

18.3.7.1 because a requirement of the Loan Commitment Letter concerning Purchaser is not met (e.g., Purchaser's financial condition or employment status suffers an adverse change; Purchaser fails to satisfy a condition relating to the sale of an existing residence, etc.) or

18.3.7.2 due to the expiration of a Loan Commitment Letter issued with an expiration date that is not more than 30 business days after the Scheduled Closing Date.

#### **19 Singular/Plural and Joint/Several**

The use of the singular shall be deemed to include the plural and vice versa, whenever the context so requires. If more than one person constitutes Seller or Purchaser, their obligations as such Party shall be joint and several.

#### **20 No Survival**

No representation and/or covenant contained herein shall survive Closing except as expressly provided. Payment of the Balance shall constitute a discharge and release by Purchaser of all of Seller's obligations hereunder except those expressly stated to survive Closing.

#### **21 Inspections**

Purchaser and Purchaser's representatives shall have the right to inspect the Unit within 48 hours prior to Closing, and at other reasonable times upon reasonable request to Seller.

#### **22 Governing Law and Venue**

This Contract shall be governed by the laws of the State of New York without regard to principles of conflict of laws. Any action or proceeding arising out of this Contract shall be brought in the county or Federal district where the Unit is located and the Parties hereby consent to said venue.

#### **23 No Assignment by Purchaser; Death of Purchaser**

23.1 Purchaser may not assign this Contract or any of Purchaser's rights hereunder. Any such purported assignment shall be null and void.

23.2 This Contract shall terminate upon the death of all persons comprising Purchaser and the Contract Deposit shall be refunded to the Purchaser. Upon making such refund and reimbursement, neither Party shall have any further liability or claim against the other hereunder, except as set forth in ¶ 12.

#### **24 Cooperation of Parties**

24.1 The Parties shall each cooperate with the other, the Corporation and Purchaser's Institutional Lender and title company, if any, and obtain, execute and deliver such documents as are reasonably necessary to consummate this sale.

24.2 The Parties shall timely file all required documents in connection with all governmental filings that are required by law. Each Party represents to the other that its statements in such filings shall be true and complete. This ¶ 24.2 shall survive Closing.

#### **25 FIRPTA**

The parties shall comply with IRC §§ 897, 1445 and the regulations thereunder as same may be amended ("FIRPTA"). If applicable, Seller shall execute and deliver to purchaser at Closing a Certification of Non- Foreign Status ("CNS") or deliver a Withholding Certificate from the IRS. If Seller fails to deliver a CNS or a Withholding Certificate, Purchaser shall withhold from the Balance, and remit to the IRS, such sum as may be required by law. Seller hereby waives any right of action against Purchaser on account of such withholding and remittance. This ¶ 25 shall survive Closing.

#### **26 Additional Requirements**

26.1 Purchaser shall not be obligated to close unless all of the following requirements are satisfied at the time of the Closing:

26.1.1 the Corporation is in good standing;

26.1.2 the Corporation has fee or leasehold title to the Premises, whether or not marketable or insurable; and

26.1.3 there is no pending *in rem* action, tax certificate/lien sale or foreclosure action of any underlying mortgage affecting the Premises.

26.2 If any requirement in ¶ 26.1 is not satisfied at the time of the Closing, Purchaser shall give Seller Notice and if the same is not satisfied within a reasonable period of time thereafter, then either Party may cancel this Contract (pursuant to ¶ 16.3) by Notice.

#### **27 Escrow Terms**

27.1 The Contract Deposit shall be deposited by Escrowee in an escrow account as set forth in ¶ 1.24 and the proceeds held and disbursed in accordance with the terms of this Contract. At Closing, the Contract Deposit shall be paid by Escrowee to Seller. If the Closing does not occur and either Party gives Notice to Escrowee demanding payment of the Contract Deposit, Escrowee shall give prompt Notice to the other Party of such demand. If Escrowee does not receive a Notice of objection to the proposed payment from such other Party within 10 business days after the giving of Escrowee's Notice, Escrowee is hereby authorized and directed to make such payment to the demanding party. If Escrowee does receive such a Notice of objection within said period, or if for any reason Escrowee in good faith elects not to make such payment, Escrowee may continue to hold the Contract Deposit until otherwise directed by a joint Notice by the Parties or a final, non-appealable judgment, order or decree of a court of competent jurisdiction. However, Escrowee shall have the right at any time to deposit the Contract Deposit and the interest thereon, if any, with the clerk of a court in the county as set forth in ¶ 22 and shall give Notice of such deposit to each Party. Upon disposition of the Contract Deposit and interest thereon, if any, in accordance with this ¶ 27, Escrowee shall be released and discharged of all escrow obligations and liabilities.

27.2 The Party whose Attorney is Escrowee shall be liable for loss of the Contract Deposit. If the Escrowee is Seller's attorney, then Purchaser shall be credited with the amount of the contract Deposit at Closing.

27.3 Escrowee will serve without compensation. Escrowee is acting solely as a stakeholder at the Parties' request and for their convenience. Escrowee shall not be liable to either Party for any act or omission unless it involves bad faith, willful disregard of this Contract or gross negligence. In the event of

any dispute. Seller and Purchaser shall jointly and severally (with right of contribution) defend (by attorneys elected by Escrowee), indemnify and hold harmless Escrowee from and against any claim, judgment, loss, liability, cost and expenses incurred in connection with the performance of Escrowee's acts or omissions not involving bad faith, willful disregard of this Contract or gross negligence. This indemnity includes, without limitation, reasonable attorneys' fees either paid to retain attorneys or representing the fair value of legal services rendered by Escrowee to itself and disbursements, court costs and litigation expenses.

27.4 Escrowee acknowledges receipt of the Contract Deposit, by check subject to collection.

27.5 Escrowee agrees to the provisions of this ¶ 27.

27.6 If Escrowee is the Attorney for a Party, Escrowee shall be permitted to represent such Party in any dispute or lawsuit.

27.7 This ¶ 27 shall survive Closing, cancellation or termination of this Contract

#### **28 Margin Headings**

The margin heading do not constitute part of the text of this Contract.

#### **29 Miscellaneous**

This Contract shall not be binding unless and until Seller delivers a fully executed counterpart of this Contract to Purchaser (or Purchaser's Attorney) pursuant to ¶ 17.2 and 17.3. This Contract shall bind and inure to the benefit of the Parties hereto and their respective heirs, personal and legal representatives and successors in interest.

#### **30 Lead Paint**

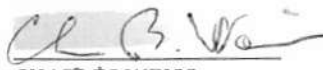
If applicable, the complete and fully executed Disclosure of Information on Lead Based Paint and or Lead-Based Paint Hazards is attached hereto and made a part hereof.

In Witness Whereof, the Parties hereto have duly executed this Contract as of the date first above written.

ESCROW TERMS AGREED TO:

\_\_\_\_\_  
ESCROWEE

SELLER:



\_\_\_\_\_  
CHARLES WEISS



\_\_\_\_\_  
HARRIET MOUCHLY-WEISS

\_\_\_\_\_

PURCHASER:

\_\_\_\_\_  
LEONARD MONTELEONE

\_\_\_\_\_  
ANNA MONTELEONE

\_\_\_\_\_

In Witness Whereof, the Parties hereto have duly executed this Contract as of the date first above written.

ESCROW TERMS AGREED TO:

\_\_\_\_\_  
ESCROWEE

SELLER:

\_\_\_\_\_  
CHARLES WEISS

\_\_\_\_\_  
HARRIET MOUCHLY-WEISS

\_\_\_\_\_  
\_\_\_\_\_

PURCHASER:



\_\_\_\_\_  
LEONARD MONTELEONE

\_\_\_\_\_  
ANNA MONTELEONE

\_\_\_\_\_  
\_\_\_\_\_

**PURCHASER'S RIDER TO CONTRACT OF SALE - COOPERATIVE APARTMENT,  
BETWEEN CHARLES WEISS AND HARRIET MOUCHLY-WEISS ("SELLER") TO  
LEONARD MONTELEONE AND ANNA MONTELEONE ("PURCHASER")  
PREMISES: UNIT 9HJC 415 EAST 52<sup>ND</sup> STREET, NEW YORK, NY 10022.**

1. In the event of any conflict or inconsistency between the provisions of this Purchaser's Rider and those set forth in the printed portion of the Contract of Sale or Seller's Rider annexed to and made a part of the Contract of Sale to which this Purchaser's Rider is annexed, the provisions of this Purchaser's Rider shall govern and be binding.

Supplementing paragraph 4:

"4.1.8(a) Presently and during the past 24 months, there are no, and there have been no, water leaks into the Unit from the exterior of the Building or from any other Unit, and Seller has not received any notice that there are or have been any such leaks, or any leaks purportedly emanating from the Unit and into any other unit or part of the Premises."

"4.1.8(b) Neither Seller nor any person acting on behalf of Seller has ever made any written complaint to the Corporation, Managing Agent or any other shareholder of the Corporation regarding noise, offensive odors, second hand smoke, offensive conduct, lack of heat or hot water or water pressure, mold, vermin (including bed bugs) or any other disturbance or adverse condition affecting the Unit, nor have any existed during the term of Seller's ownership."

"4.1.8(c) Seller has not received any written notice of default under the Lease, or any written notice from the Corporation that Seller is obligated to perform any repairs or maintenance in the Unit."

4.1.8 (d) To the best of Seller's knowledge, there is sufficient electric current to the Unit to operate all the appliances, light fixtures and air-conditioners in the Unit."

4.1.8 (e) To the best of Seller's knowledge the heating, electrical and plumbing systems servicing the Unit, and all window balances are functional.

2. Seller hereby represents that this contract is subject to and conditioned upon there not being any adverse interest and/or pending and/or threatened claims, disputes, litigation in connection with the subject unit except for the pending Chapter 11 proceeding. Notwithstanding the foregoing, this representation shall not include any actions that are personal to the Seller and do not implicate title to the Unit.
3. Seller agrees that, prior to Closing, to remove all personal property not included in the

sale and repair any damage caused by such removal other than minor holes from picture hooks, nails, scratches and similar insignificant damage.

4. Seller represents that Seller is not a "foreign person" as defined in § 1445 of the Internal Revenue Code of 1986 and the regulations promulgated thereunder, and at Closing, Seller shall deliver to Purchaser at Closing a "non-foreign" certification. This clause shall survive Closing.
5. Insert the following at the end of paragraph 4.1.6:
  - i. and Seller further represents that no structural alterations were made to the unit by Seller other than build ins.
6. Seller represent that they have not been notified during the prior 24 month period immediately preceding the date of this Contract, of any leaks in the Unit which are purported to emanate from the Unit or any leaks into the Unit or of any other material problems which affect the condition of the Unit, including but not limited to, lack of hot water, lack of heat, rodents, vermin, insects, bugs (including bedbugs), water pressure issues, mold, asbestos, second hand smoke, excessive noise, offensive conduct, odors or issues tantamount to the creation of a nuisance, or any other disturbance or adverse condition affecting the Unit.
7. Notwithstanding anything to the contrary, Seller must cure and satisfy all existing financing in the chain of ownership, judgments, liens and violations affecting the Unit. Additionally, Seller must cure any existing funding filed by a UCC-1(s) via a properly filed UCC-3 termination. Any judgments, liens, violations and financing must be cured thirty (30) days after Board approval is issued, except for any Seller existing financing which may be paid and satisfied at or prior to the time of Closing unless any delay is caused by the bankruptcy process. Except for any delays pursuant to the bankruptcy process, if Seller does not cure by such time then the Purchaser may in its sole discretion cancel this Contract of Sale but shall maintain all of its remedies pursuant to Paragraph 13.2 of the printed form of the Contract of Sale.
8. Paragraph 1.13 of the printed form of Contract of Sale is amended to add at the end thereof:
  - i. *"Said sale does not include any interest as Seller has, owns and has no rights in any Included Interest in the building."*
9. Paragraph 1.18 of the printed form of Contract of Sale at the end thereof add:
  - i. *"There are no current assessments and Seller has no knowledge of the imposition of any assessments or the increase in the maintenance charges."*
10. Paragraph 1.23.1 of the printed form of Contract of Sale, after the word "Purchaser" add:

*"and Purchaser's immediate Family when visiting."*

11. Paragraph 2.1 of the printed form of Contract of Sale the items stricken are not intended to be excluded but rather do not currently exist in the Unit.
12. Paragraph 6.2.1 is amended to delete and replaced with the following:
  - i. *"submit to the Corporation or the Managing Agent an application with respect to this sale on the form required by the Corporation, containing such data and together with such documents as the Corporation reasonably requires, and pay the applicable fees and charges that the Corporation imposes upon Purchaser. All of the foregoing shall be submitted no later than 5 business days after Purchaser's actual receipt of the Loan Commitment Letter."*
13. In the event that the Corporation shall impose an assessment with respect to the Unit applicable to the period of Seller's ownership that is intended to offset a tax abatement but is nonetheless payable by Purchaser because such tax abatement is not in effect for the Unit as a result of the Seller not qualifying for the full abatement, e.g. as a result of Seller not being a primary resident of NYC, during the time of their ownership, then Seller shall reimburse Purchaser for the payment of such assessment. Conversely, if Purchaser shall receive a tax abatement or refund issued with respect to a period in which Seller owned the Unit, which is not offset by the payment of an assessment to the Corporation, Purchaser shall deliver to Seller such portion of the abatement or refund as shall be applicable to the period of Seller's ownership, calculated on a per-diem basis. The provisions of this Paragraph shall survive the closing for one (1) year.
14. If at the time of Closing an assessment is in effect for which the Seller has elected to pay in installments and the Corporation requires that the installments allocable to periods from and after the closing shall be paid in full at closing, then such installments shall be paid at closing by Purchaser. Seller shall be responsible for the full payment of all installments allocable to periods prior to Closing.
15. Seller represents, warrants and covenants that at Closing there will be no monies owed by the Seller to the Cooperation or the managing agent and if so they will be paid in full at closing.
16. Seller represents that the Unit has only been used for residential purposes.
17. There has not been in the past twenty-four (24) months and there is not now any casualty affecting the Unit. There is no disrepair or damage to the Unit due to any prior casualty, flood or fire affecting the Unit.
18. Seller agrees to maintain adequate fire and other hazard insurance for the Unit, its contents and the personal property included in this sale to cover the replacement value of the same in case of a fire or other casualty occurring before the Closing.




19. The printed form of contract to which this rider is attached is a computer generated version of what appears to be the standard form of Contract of Sale - Cooperative Apartment prepared by the Committee on Condominiums and Cooperatives of the Real Property Section of the New York State Bar Association and approved by the Committee on Cooperatives and Condominiums of the Association of the Bar of the City of New York. Any material deviation from such form or any changes to such form that are not made in bold type, handwritten clear strikeouts or by other means rendering such changes readily apparent, shall not be binding upon the Purchaser.
20. Modifying and amending Paragraphs 6, 6.1, 6.2, 6.3 and 6.4 of the preprinted Contract, any approval of the sale by the Corporation that is not unconditional, including but not limited to any approval that places additional financial requirements or conditions on the Purchaser, shall constitute a denial for purposes of this Contract and shall allow either party to deem this Contract cancelled according to the same terms as in Paragraphs 6, 6.1, 6.2, 6.3 and 6.4. Nothing herein shall be construed however, to prohibit the Purchaser from accepting any such conditions set by the Corporation in the sole and absolute discretion of the purchaser. Notwithstanding the foregoing, Seller shall have the option to satisfy any financial requirements or conditions which may be placed on the Corporation's approval of Purchasers provided same does not result in any additional financial liability or obligation on the part of Purchasers. However, Purchaser shall be obligated to sell Purchaser's current apartment 2EB at 415 East 62<sup>nd</sup> Street New York, New York 10022.
21. It is consented to and agreed that "PDF" signature copies or facsimile copies of the signatures of the Parties of this Contract of Sale and pages that same are located thereon shall be deemed to be originals. It is further agreed that this Contract of Sale may be executed in one or more counterparts, each of which shall be an original, and all of which together shall constitute a single Contract of Sale. This Contract of Sale shall be deemed to have become effective when one or more such counterparts shall have been signed by each of the Parties below.
22. Supplementing and amending section 18: Purchaser's obligation to close shall be contingent upon the Institutional Lender actually funding the loan and closing the loan transaction except if the Institutional Lender fails to fund the loan due to the failure of the Purchaser to provide documents or do acts within Purchaser's reasonable control. If the Lender fails to fund for reasons beyond Purchasers' control Purchaser shall have the option to cancel the contract and receive Purchaser's contract deposit returned.
23. It is further understood and agreed that Purchaser's obligation to close with respect to the contemplated transaction hereunder is contingent upon the completed sale of Purchaser's current apartment 2EB at 415 East 62<sup>nd</sup> Street New York, New York 10022.
24. Supplementing paragraph 24.1, if Purchaser obtains a Title Insurance Policy or leasehold insurance with respect to the acquisition of the Shares and the Lease then in such event the Seller shall execute the customary title affidavit at closing and Seller shall comply with the reasonable requests of such title company insuring the acquisition of said Shares and Lease.

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

**THIS SPACE LEFT INTENTIONALLY BLANK-SIGNATURE PAGE TO FOLLOW  
IMMEDIATELY HEREAFTER**

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

**In witness whereof, the parties have executed this Purchaser's Rider as of the date above first  
written.**



\_\_\_\_\_  
Charles Weiss, as Seller



\_\_\_\_\_  
Harriet Mouchly-Weiss, Seller

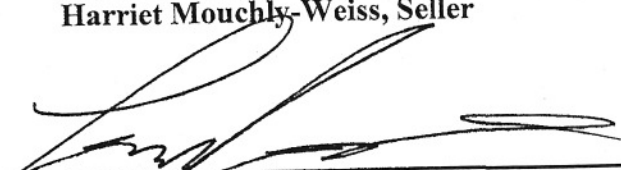
\_\_\_\_\_  
Leonard Monteleone, as Purchaser


\_\_\_\_\_  
Anna Monteleone, as Purchaser

In witness whereof, the parties have executed this Purchaser's Rider as of the date above first written.

\_\_\_\_\_  
Charles Weiss, as Seller

\_\_\_\_\_  
Harriet Mouchly-Weiss, Seller

  
\_\_\_\_\_  
Leonard Monteleone, as Purchaser

  
\_\_\_\_\_  
Anna Monteleone, as Purchaser

**RIDER TO CONTRACT OF SALE OF CO-OP #9HJC 415 EAST 52 ST, NY, NY 10022**

Charles Weiss & Harriet Mouchly-Weiss, Seller & Leonard & Anna Monteleone, Purchaser

R1. In the event of any conflict, discrepancy, and/or inconsistency between the language or terms in this Rider and the language or terms of the accompanying Contract of Sale (the "Sale Contract"), this Rider shall govern. Capitalized terms used but not defined herein shall have the means assigned to such terms in the Sale Contract. The Sale Contract and this Rider, together, shall be referred to as the "Contract."

R2. Harriet Mouchly-Weiss and Charles Weiss (the "Seller" or the "Debtor") are debtors in possession in a bankruptcy case entitled In re Harriet Mouchly-Weiss and Charles Weiss, Case Number 17-10562-MG (the "Bankruptcy Case") under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") pending in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"). Seller is selling the 415 Est 52 Street #9HJC (the "Unit") in said Bankruptcy Case. The Contract is subject to and expressly conditioned upon the approval of the Bankruptcy Court in all respects. The sale of this Unit pursuant to this Contract remains subject to the entry of a Bankruptcy Court order under 11 USC section 363(b), (f), and (m) (the "Sale Order"), on notice to all creditors and other parties in interest and an opportunity for a hearing as may be required by Federal Rules of Bankruptcy Procedure and/or by the Local Rules of the Bankruptcy Court. The Sale Order shall provide, in all respects, that the purchaser is a good faith purchaser pursuant to section 363(m) of the Bankruptcy Code and that the Unit is sold free and clear of all liens, claims rights of first refusal, taxes, encumbrances, tenancies and other interests. Notwithstanding any other provision herein, at closing, sale proceeds shall be paid and delivered as instructed by the Bankruptcy Court. It is understood and agreed that Purchaser's obligation to close hereunder shall be contingent upon the issuance of an order executed by the Bankruptcy Court approving the sale contemplated hereunder. If said order is not executed and delivered to Purchaser within 990 days of the date hereof Purchaser shall have the option to terminate this contract and receive a full refund of the contract deposit.

R3. Intentionally deleted.

R4. Supplementing Paragraph 6.2, Purchaser agrees to comply promptly with reasonable requests made by the Board. Purchaser represents that Purchaser (i) has not filed a bankruptcy or insolvency proceeding, (ii) has no actual knowledge of outstanding judgments or tax liens against Purchaser, (iii) has not been rejected in any application for Board Approval for purchaser of a cooperative or condominium unit' within the past five years.

R5. A ¶ 11.1.1.3 shall be added to the Sale Contract as follows: "To the extent the aforementioned fees, taxes or charges, as applicable, may be exempted or waived under the Bankruptcy Code or applicable law, Seller agrees to file any motion, pleading or document in the Bankruptcy Court on in any state or local court or venue, as applicable and appropriate, that is required to give effect to such exemption or waiver. The provisions of this paragraph shall survive the Closing."

R6. Supplementing and modifying ¶ 11.4, a letter from the Corporation or its managing agent as to the status of the maintenance, utility charges and assessments shall be sufficient for determining the apportionments. Purchaser represents that they have inquired as to the maintenance amount and assessments and any inaccuracies with respect to Seller's representations regarding same shall not give rise to Purchaser being able to terminate the contract.

R7. Supplementing and modifying ¶ 17, Notices sent certified or registered mail shall be sent return receipt requested or by recognized overnight courier. Any Notice to any persons named as Purchaser or Seller shall be sufficient and shall have the same force and effect as though given to all persons named as Purchaser or Seller. Supplementing Paragraph 17.3, the Attorneys are also authorized to accept and send any Notice on behalf of their respective clients.

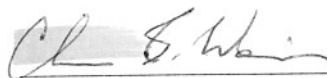
R8. Paragraph 15.1 of the Sale Contract shall be supplement and modified as follows: "Seller shall deliver or cause to be delivered to Purchaser or Purchaser's Attorney, not less than 3 calendar days prior to the Scheduled Closing Date, an order of the Bankruptcy Court providing for, *inter alia*, the sale of the Premises to the Purchaser free and clear of any and all liens, claim or encumbrances (the "Sale Order"). In the event the Sale Order is not provided to the Purchaser prior to the Scheduled Closing Date, the Seller shall have the right to adjourn the Closing pursuant to ¶ 16 as necessary to provide sufficient time to obtain the Sale Order from the Bankruptcy Court.

R9. Paragraph 26.1.3 is modified to added the language "other than the Bankruptcy Case" at the end of the sentence.

R10. The second sentence of ¶ 22 is modified as follows: "Any action, proceeding, or controversy arising out of this Contract shall be brought and adjudicated in the Bankruptcy Court and the Parties hereby consent to the jurisdiction and venue of the Bankruptcy Court."

R11. Each party being represented by counsel, no inference shall be drawn to the fact that all or part of this contract has been drawn by an attorney for a respective party.

R12. The Contract when signed by a party and delivered to the other party by fax or other electronic means shall be deemed a document containing the original signature of the transmitting party and shall be fully enforceable against the transmitting party. If requested, each party shall provide the other with a copy of this Contract bearing the original signature of the party whom such request has been made.



CHARLES WEISS, SELLER



HARRIET MOUCHLY-WEISS, SELLER

LEONARD MONTELEONE, PURCHASER

ANNA MONTELEONE, PURCHASER

**EXHIBIT B – PROPOSED SALE ORDER**

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

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In re:	)	
	)	Chapter 11
	)	
HARRIET MOUCHLY WEISS	)	Case No: 17-10562-MG
AND CHARLES WEISS,	)	
	)	
Debtors.	)	

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**ORDER APPROVING DEBTORS' MOTION FOR  
ENTRY OF AN ORDER APPROVING THE SALE  
OF APARTMENT 9HJC FREE AND CLEAR OF  
LIENS, CLAIMS, ENCUMBRANCES AND OTHER INTERESTS**

Upon the motion (the "Sale Motion") of Harriet Mouchly Weiss and Charles Weiss (together, the "Debtors"), by and through their attorneys, the Law Offices of Gabriel Del Virginia, for entry of an order pursuant to sections 363 and 365 of title 11 of the United States Code (the "Bankruptcy Code") and Rules 2002(a)(2), 6004, 6006 and 9006 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") approving their sale (the "Sale") of Shares in and the Lease<sup>3</sup> of cooperative apartment located at 415 East 52<sup>nd</sup> Street, Apartment 9HJC, New York, New York ("Apartment 9HJC") to Anna Monteleone, a/k/a Anna Liapakis Monteleone, and Leonard Monteleone (the "Purchasers"), as defined and described in the Sale Motion and the exhibits thereto; and this Court having reviewed the Sale Motion and the Contract of Sale attached thereto as **Exhibit A** (the "Purchase

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<sup>3</sup> Unless otherwise defined in this Order, capitalized terms used herein shall have the meanings ascribed to such terms in the Sale Motion or the Purchase Agreement, as applicable.



Agreement”); and a hearing having been held to consider the relief requested in the Sale Motion (the “Sale Hearing”); and good and sufficient notice of the Sale Motion having been given to all parties entitled thereto;

**NOW, THEREFORE**, upon the record of the Sale Hearing and upon all prior pleadings and proceedings in this case, and after due deliberation thereon and good cause appearing therefor;

**IT IS HEREBY FOUND AND DETERMINED THAT:**

A. This Court has jurisdiction over the Sale Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334 and the Amended Standing Order of Reference M-431, dated January 31, 2012 (Preska, C.J.) and this matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (N) and (O). Venue of these cases and the Sale Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

B. The statutory predicates for the relief sought in the Sale Motion are sections 105(a), 363 and, to the extent applicable, 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004 and 6006.

C. Proper, timely, adequate and sufficient notice of the Sale Motion and the relief requested therein, the Sale Hearing, the Sale, and the transactions described in the Purchase Agreement has been provided by the Debtors in accordance with sections 102(1), 363 and 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 6006 and 9006.

D. As demonstrated by (i) testimony and/or other evidence proffered at the Sale Hearing and (ii) the representations of counsel made on the record at the Sale Hearing, the Debtors actively marketed Apartment 9HJC and the Purchase Price appears to be the highest and best offer likely to be received for Apartment 9HJC.

E. Creditors, parties-in-interest and other entities have been afforded a reasonable opportunity to object or be heard regarding the Sale Motion and the relief requested therein has been afforded to all interested persons and entities.

F. The Debtors have authority to consummate the Sale pursuant to the Purchase Agreement and all other documents contemplated thereby, and no consents or approvals, other than those expressly provided for in the Purchase Agreement, are required for the Debtors to consummate the Sale.

G. Approval of the Purchase Agreement and consummation of the Sale are in the best interests of the Debtors' estate, their creditors, and other parties-in-interest.

H. The Debtors have demonstrated (i) a good, sufficient, and sound business purpose and justification and (ii) compelling circumstances for the Sale pursuant to sections 363(b) and (f) and (l) of the Bankruptcy Code.

I. The Purchase Agreement was negotiated, proposed and entered into by and between the Debtors and the Purchasers without collusion, in good faith,

and from arm's-length bargaining positions. Neither the Debtors nor the Purchasers engaged in any conduct that would cause or permit the avoidance of the Purchase Agreement or the Sale, or the imposition of costs or damages under section 363(n) of the Bankruptcy Code.

J. The Purchasers are good faith purchasers under section 363(m) of the Bankruptcy Code and, as such, are entitled to all of the protections afforded thereby in that: (a) the Purchasers recognized that the Debtors free to deal with any other party interested in a transaction regarding the Sale; (b) the Purchasers made the highest or best offer in respect of the Sale; (c) all payments to be made by or to the Purchasers and other agreements or arrangements entered into by the Purchasers in connection with the transactions have been disclosed; and (d) the negotiation and execution of the Purchase Agreement and any other agreements or instruments related thereto were in good faith and an arm's-length transaction between the Purchasers and the Debtors. The Purchasers acted in good faith and will continue to act in good faith within the meaning of section 363(m) of the Bankruptcy Code in closing the transactions contemplated by the Purchase Agreement.

K. The terms and conditions of the Purchase Agreement are fair and reasonable. The consideration provided by the Purchasers for Apartment 9HJC pursuant to the Purchase Agreement (i) is fair and reasonable, (ii) is the highest or best offer for Apartment 9HJC, (iii) will provide a greater recovery for the Debtors'

creditors than would be provided by any other practical available alternative, and (iv) constitutes reasonably equivalent value and fair consideration under the Bankruptcy Code and applicable non-bankruptcy law.

L. The Purchasers are not and will not be liable to any agent, broker, person or firm acting or purporting to act on behalf of them or the Purchasers for any commission, broker's fee or finder's fee respecting the Sale.

M. Apartment 9HJC constitutes property of the Debtors' estate and the Debtors are the sole and lawful owners of Apartment 9HJC, and hold good title thereto. The transfer of Apartment 9HJC by the Debtors to the Purchasers will be a legal, valid, and effective transfer, and will vest the Purchasers with all right, title, and interest of the Debtors in and to Apartment 9HJC and the Shares and the Lease therefor, free and clear of all liens, claims, interests, obligations, rights, charges and encumbrances, except as specifically provided in the Purchase Agreement. After the Closing of the Sale under the Purchase Agreement, the Purchasers shall have no liability for any claims asserted against or liabilities of the Debtors or their estates.

N. The Debtors may sell their interests in the Shares and the Lease for Apartment 9HJC free and clear of all, liens, interests, obligations, rights, encumbrances, pledges, mortgages, deeds of trust, security interests, claims (including, any "claim" as defined in Section 101(5) of the Bankruptcy Code), leases (other than the Lease), possessory leasehold interests, charges, options, rights of

first refusal, easements, servitudes, transfer restrictions under any agreement, judgments, hypothecations, demands, licenses, sublicenses, assignments, debts, obligations, guaranties, options, contractual commitments, restrictions, environmental liabilities, options to purchase, and options, in each case of whatever kind, nature, or description in, against or with respect to any of Apartment 9HJC, having arisen, existed or accrued prior to and through the Closing, whether direct or indirect, absolute or contingent, choate or inchoate, fixed or contingent, matured or unmatured, liquidated or unliquidated, arising or imposed by agreement, understanding, law, equity, statute or otherwise and whether arising prior to, on or after the Petition Date (collectively, "Liens"), except as expressly provided in the Purchase Agreement, because one or more of the standards set forth in section 363(f)(1)–(5) have been satisfied with regard to each such Lien, Claim and/or Interest. Those non-debtor parties with Liens in or with respect to Apartment 9HJC who did not object, or who withdrew their objections to the Sale or the Sale Motion, are deemed to have consented to the sale of Apartment 9HJC free and clear of those non-debtor parties' Liens in Apartment 9GC pursuant to section 363(f)(2) of the Bankruptcy Code.

O. To the extent that the Debtors' sale of the estate's interest in the Lease constitutes an assumption and assignment of the Lease, the Debtors have satisfied the requirements contained in Bankruptcy Code sections 365(b) and (f) and Bankruptcy Rule 6006.

**NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED,  
AND DECREED THAT:**

**General Provisions**

1. The Sale Motion is granted to the extent set forth herein.
2. The findings of fact set forth above and conclusions of law set forth herein constitute this Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this case pursuant to Bankruptcy Rule 9014. To the extent any finding of fact later shall be determined to be a conclusion of law, it shall be so deemed, and to the extent any conclusion of law later shall be determined to be a finding of fact, it shall be so deemed.
3. All objections, if any, to the Sale Motion or the relief requested therein that have not been withdrawn, waived, or settled, and all reservations of rights included in such objections, are hereby overruled on the merits with prejudice, and in each case, all parties which asserted such objections and reservations of rights are enjoined from taking any action against the Purchasers, her affiliates or any agent to recover any claim which such person or entity has solely against the Debtors or their estate.

**Approval of the Purchase Agreement**

4. The Sale, and all of the terms and conditions and transactions contemplated by the Purchase Agreement, are hereby authorized and approved pursuant to sections 105(a), 363 and 365 of the Bankruptcy Code.

5. Pursuant to sections 363 and 365 of the Bankruptcy Code, the Debtors are authorized to consummate the Sale pursuant to and in accordance with the terms and conditions of the Purchase Agreement and shall at all times act in accordance with the terms thereof and this Order.

6. The Debtors are authorized to expend such funds and to execute and deliver, and empowered to perform under, consummate, and implement the Purchase Agreement, together with all additional instruments and documents that may be reasonably necessary, convenient or desirable to implement the Purchase Agreement and consummate the Sale pursuant thereto and effectuate the provisions of this Order and the transactions approved hereby, and to take all other actions as may be necessary for the purpose of assigning, transferring, granting, conveying and conferring to the Purchasers or reducing to possession, Apartment 9HJC, or as may be necessary or appropriate to the performance of the obligations as contemplated by the Purchase Agreement and this Order.

**Transfer of Apartment 9HJC**

7. Except as expressly provided in the Purchase Agreement, pursuant to sections 105(a) and 363(f) of the Bankruptcy Code, upon the closing of the Sale (the "Closing"), Apartment 9HJC (and good and marketable title to such) with all of the Debtors' rights, title and interest therein shall be transferred to the Purchasers free and clear of all Liens, with all such Liens to attach to the net cash proceeds of the Sale in the order of their priority, with the same validity, force and

effect which they now have as against Apartment 9HJC, subject to any claims and defenses, setoffs or rights of recoupment that the Debtors or their Chapter 11 estate may possess with respect thereto.

8. Except as expressly provided in the Purchase Agreement, all persons and entities (and their respective successors and assigns) including, but not limited to, all governmental, tax, and regulatory authorities, lenders, trade and other creditors, holding Liens (whether legal or equitable, secured or unsecured, matured or unmatured, contingent or non-contingent, senior or subordinated) against, in or with respect to the Debtors and/or Apartment 9HJC arising or accruing under or out of, in connection with, or in any way relating to, the Debtors, Apartment 9HJC, or the transfer of Apartment 9HJC to the Purchasers, hereby are forever barred, estopped, and permanently enjoined from asserting such persons' or entities' Liens against Apartment 9HJC or the Purchasers or any of the Purchasers' successors or assigns. Following the Closing of the Sale under the Purchase Agreement, no holder of a Lien shall interfere with the Purchasers' title to or use and enjoyment of Apartment 9HJC based on or related to such Lien or any actions that the Debtors have taken or may take in this Chapter 11 case. Effective upon the Closing, the Purchasers shall have no liability for any Claims (as defined in section 101(5) of the Bankruptcy Code) against the Debtors or their estate concerning Apartment 9HJC.



9. The transfer of Apartment 9HJC to the Purchasers pursuant to the Purchase Agreement constitutes a legal, valid, and effective transfer of Apartment 9HJC, and shall vest the Purchasers with all right, title, and interest of the Debtors in and to Apartment 9HJC.

10. To the extent that the Debtors' sale of the estate's interest in the Lease constitutes an assumption and assignment of the Lease, the Debtors are authorized to assume and assign the Lease to the Purchasers.

11. Upon approval by the Corporation of the Purchasers as an assignee of the Debtors' interests in the Lease, the Corporation is deemed to have been provided with adequate assurance of future performance under Bankruptcy Code §§ 365(b)(1)(C) and (f)(2), and the assumption of the Lease is approved in accordance with Bankruptcy Code § 365(a).

**Additional Provisions**

12. The Debtors are authorized to use the proceeds of the Sale to satisfy Liens on Apartment 9HJC in the order of their priority.

13. Without limiting the other terms of this Order, prior to or upon the Closing, each of the Debtors' creditors are authorized and directed to execute such documents and take all other actions as may be necessary to release their interests, if any, in Apartment 9HJC as such Liens may have been recorded or may otherwise exist.

14. Except as expressly provided in the Purchase Agreement, this Order (a) shall be effective as a determination that, upon the Closing, all Liens existing with respect to Apartment 9HJC prior to the Closing have been unconditionally released, discharged and terminated as to the Purchasers and Apartment 9HJC, and that the conveyances described herein have been effected, and (b) shall be binding upon all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state, and local officials, and all other persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to Apartment 9HJC.

15. Each and every federal, state, and local governmental agency or department or office is hereby directed to accept this Order and any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the Purchase Agreement.

16. Without limiting the other provisions of this Order, if any person or entity that has filed financing statements, mortgages, mechanic's liens, *lis pendens* or other documents or agreements evidencing interests with respect to the Debtors and/or Apartment 9HJC shall not have delivered to the Debtors or their designee prior to the Closing, in proper form for filing and executed by the

appropriate parties, termination statements, instruments of satisfaction, releases of all interests which the person or entity has with respect to the Debtors, Apartment 9HJC or otherwise, then (a) the Debtors are hereby authorized and directed to execute and file such statements, instruments, releases and other documents on behalf of the person or entity with respect to Apartment 9HJC and (b) the Purchasers are hereby authorized to file, register, or otherwise record a certified copy of this Order, which, once filed, registered, or otherwise recorded, shall constitute conclusive evidence of the release of all Liens against or with respect to Apartment 9HJC. This Order is deemed to be in recordable form sufficient to be placed in the filing or recording system of each and every federal, state, and local governmental agency, department, or office.

17. Apartment 9HJC shall be conveyed by the Debtors as Chapter 11 debtors in possession to, and accepted by the Purchasers "AS IS", "WHERE IS", "WITHOUT FAULTS", "WITHOUT ANY EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION OF ANY KIND", except as expressly provided in the Purchase Agreement and this Order. Without limiting the generality of the foregoing, neither the Debtors nor any other person or entity makes any warranty or representation regarding the condition, working order, existence, quantity or location of such assets, and the Purchasers shall have no recourse and may not assert any claim against the Debtors, their estate, or their representatives based on any such warranty or representation.

18. This Court hereby retains exclusive jurisdiction, regardless of whether a Chapter 11 plan has been proposed, confirmed and consummated and irrespective of the provisions of any such plan or order confirming such plan, to enforce and implement this Order, the terms and provisions of the Purchase Agreement, all amendments thereto, any waivers and consents thereunder, and of each of the agreements executed in connection therewith in all respects including, but not limited to, retaining jurisdiction to (a) compel compliance with this Order and the Purchase Agreement, (b) resolve any dispute, controversy or claim arising under or related to the Purchase Agreement, or the breach thereof and (c) interpret, implement, and enforce the provisions of this Order and resolve any disputes related thereto.

19. Nothing contained in any plan confirmed in this Chapter 11 case or any order of this Court confirming such plan shall conflict with or derogate from the provisions of the Purchase Agreement or the terms of this Order.

20. The transactions contemplated by the Purchase Agreement are undertaken by the Purchasers in good faith, as that term is used in section 363(m) of the Bankruptcy Code. The Purchasers are good faith purchasers of Apartment 9HJC and are entitled to all of the protections afforded by section 363(m) of the Bankruptcy Code. Accordingly, any reversal or modification on appeal of the authorization provided herein to consummate the Sale shall not affect the validity of the Sale to the Purchasers.

21. The terms and provisions of the Purchase Agreement and this Order shall be binding in all respects upon, and shall inure to the benefit of, the Debtors, their estates and their creditors, the Purchasers, and any of such parties' respective affiliates, designees, successors, and assigns, and shall be binding in all respects upon all of the Debtors' creditors, all prospective and actual bidders for Apartment 9HJC, and all persons and entities receiving notice of the Sale Motion, and/or the Sale Hearing notwithstanding any subsequent appointment of any examiner(s) or receiver(s) under any Chapter of the Bankruptcy Code or any other law, and all such provisions and terms shall likewise be binding on such trustee(s), examiner(s), or receiver(s) and shall not be subject to rejection or avoidance by the Debtors, their estates, their creditors, or any examiner(s) or receiver(s).

22. The failure specifically to include any particular provision of the Purchase Agreement in this Order shall not diminish or impair the effectiveness of such provision, it being the intent of this Court that the Purchase Agreement be authorized and approved in its entirety.

23. The Purchase Agreement and any related agreements, documents, or other instruments may be modified, amended, or supplemented by the parties thereto, in a writing signed by both parties, and in accordance with the terms thereof, without further order of this Court, provided that any such modification, amendment or supplement does not have a material adverse effect on the Debtors' estate.

DATED: New York, New York  
January \_\_, 2018

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UNITED STATES BANKRUPTCY JUDGE

**EXHIBIT C –DECLARATION IN SUPPORT OF SALE MOTION**

**LAW OFFICES OF GABRIEL DEL VIRGINIA**

30 Wall Street, 12th Floor  
New York, New York 10005  
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Facsimile: 212-371-0460  
*gabriel.delvirginia@verizon.net*

*Attorneys for the Debtors*

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

	)	
In re:	)	Chapter 11
	)	
HARRIET MOUCHLY WEISS	)	Case No: 17-10562-MG
AND CHARLES WEISS,	)	
	)	
Debtors.	)	
	)	

**DECLARATION OF BRYAN L. ROZENCWAIG IN SUPPORT OF DEBTORS’  
MOTION FOR AN ORDER AUTHORIZING SALE OF APARTMENT 9HJC**

Pursuant to 28 U.S.C. § 1746, I, Bryan L. Rozenywaig, Esq., declare as follows  
under penalty of perjury:

1. I am the real estate broker retained by Harriet Mouchly Weiss and Charles Weiss (together, the “Debtors”) in this bankruptcy case.
2. I submit this Declaration (the “Declaration”) in support of the Debtors’ Motion (the “Sale Motion”) for entry of an order authorizing the sale of Apartment 9HJC.
3. Except as otherwise indicated, I have personal knowledge of the



matters set forth herein and, if called as a witness, would testify competently thereto.

**THE OFFERS RECEIVED ON APARTMENT 9HJC**

4. On August 25, 2017, the Court entered an Order authorizing the Debtors to retain me as real estate broker to market and sell Apartment 9HJC.

5. I marketed the apartment both pre- and post-petition, for eleven weeks stretching from the end of July to the beginning of October 2017, during which I advertised the Property, conducted open houses as well as showed the Property to individuals interested in purchasing it. In terms of marketing, I conducted a mailing campaign, an email blast to other brokerage firms, and internet marketing to scores of real estate websites. I also performed extensive research into the market for the Property and the neighborhood in which it is located, and cross-referenced comparable, large combined units as well as the market for the three units individually. I fielded calls and emails from brokers and unrepresented buyers, advertised and conducted open house events and private showings to potential buyers several times per week during the eleven-week span.

6. I received the following offers on Apartment 9HJC:

- \$1,855,000 – 75% Financing/25% Cash;
- \$1,700,000 – 100% Cash;
- \$1,925,000 – 75% Financing/25% Cash

7. The highest and best offer received for Apartment 9HJC in the sum of \$1,925,000.00, with 25% to be paid in cash and the remainder to be financed (the “Purchase Price”) was received from Anna Monteleone, a/k/a Anna Liapakis Monteleone, and Leonard Monteleone (the “Purchasers”). Pursuant to the Purchase Agreement, which remains subject to Bankruptcy Court approval, Purchasers will pay a ten percent (10%) down-payment or \$192,500.00 (the “Contract Deposit”) upon execution of the Purchase Agreement and will close within thirty (30) days of the sale of the Purchasers’ current apartment. The Purchasers’ purchase of the Property will be 25% cash and the remainder will be financed, and the purchase agreement contains a financing contingency.

8. Based upon the offers I received, I believe that the offer from the Purchasers is fair and reasonable and that a higher or better offer is unlikely to be obtained.

Executed on December 5, 2017 in New York, New York

/s/ Bryan L. Rozencwaig  
BRYAN L. ROZENCWAIG