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By: Jeffrey A. Reich
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Hearing Date: July 18, 2017
Hearing Time: 10:00 am

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
In re:

L&N TWINS PLACE LLC,

Chapter 11

Debtor.

Case No.: 17-22758 (RDD)

-----X

**MOTION PURSUANT TO 11 U.S.C. §363(b), 11 U.S.C. §363(f)(2), (f)(3), (f)(5) TO SELL
REAL PROPERTY FREE AND CLEAR OF LIENS AND ALLEGED LIENS**

L&N Twins Place LLC (the “Debtor”), by its attorneys Reich Reich & Reich, P.C., as
and for its motion pursuant to 11 USC §363 to sell the real property located at 2-4 Virginia
Place, Pleasantville, New York (the “Property”) free and clear of all liens, respectfully represents
the following:

JURISDICTION & VENUE

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. § 157(b) and
1334. Venue is proper pursuant to 28 U.S.C. § 1408 and 1409. This matter is a “core” proceeding
pursuant to 28 U.S.C. § 157(b)

RELEVANT BACKGROUND

2. On or about May 23, 2017 the Debtor filed a petition for relief pursuant to
Chapter 11, Title 11 of the United States Code.

3. The Debtor continues in the operation and management of its property as debtor-
in-possession pursuant to Sections 1107 and 1108 of the Code.

4. In or about February of 2002 the Debtor was formed for the purpose of acquiring and managing the Property.

5. The Debtor has two members, David Balaj (“David”) and Maria Balaj (“Maria”), each of whom hold a fifty (50%) percent membership interest in the Debtor. At the time of the formation of the Debtor David and Maria were married.

6. David is the managing member of the Debtor.

7. The Property consists of six rental apartments and one duplex that David and Maria resided in with their children during the course of their marriage. Upon information and belief the duplex apartment is currently vacant. Upon further information and belief all six (6) of the rental apartments are currently occupied by tenants and generate annual rental income for the Debtor in the amount of approximately \$95,962.56. A copy of the rent roll for the Property is annexed hereto as Exhibit A.

8. In or about 2009 David commenced a divorce proceeding against Maria in the New York State Supreme Court, County of Westchester (the “Divorce Proceeding”). A Judgment of Divorce (the “JOD”) was entered in the Divorce Proceeding on January 23, 2014 directing, *inter alia*, that the Property was to be sold. The JOD provides, in relevant part, that “the entity, L&N Twins Place, LLC, owns the real property located at 2-4 Virginia Place, Pleasantville, New York. The property is directed to be sold forthwith...”. A copy of the JOD is annexed hereto as Exhibit B.

9. In or about June 2015 the Property was listed for sale by Loretta Chiavetta, a real estate broker at Coldwell Banker Residential Brokerage, for \$1,250,000.00 (the “Realtor”). The Realtor’s commission due under the brokerage agreement by and between the Debtor and the

Realtor is 4.25% (“Commission”) of the sale price (the “Brokerage Agreement”). A copy of the Brokerage Agreement is annexed hereto as Exhibit C.

10. On or about December 4, 2015 an undisclosed buyer represented by Ben Gecaj (“Gecaj”), of Metro Empire Realty, made an offer to purchase the Property for \$1,255,000.00. Shortly thereafter, on or about December 23, 2015 Agata Mishto (“Mishto” and/or the “Purchaser”) made an offer to purchase the Property for \$1,250,000.00 through the Realtor.

11. Mishto subsequently increased her offer on February 28, 2016 to \$1,260,000.00, all cash with no contingencies, on February 28, 2016. On March 2, 2016 Gecaj increased the undisclosed buyer’s offer to \$1,262,000.00.

12. Subsequently, David and a group of investors that he arranged made an offer to purchase the Property for \$1,265,000.00 (“David’s Offer”). Maria matched David’s Offer on the representation that she would obtain the necessary funds from her family to purchase the Property.

13. On or about April 8, 2016 Mishto again increased her offer to \$1,270,000.00, all cash (the “Mishto Offer”). David expressed his acceptance of the Mishto Offer but Maria rejected it. David then filed a motion in the State Court to compel Maria to accept the Mishto Offer pursuant to the directives of the JOD.

14. In or about October 2016 Judge Malone, a Justice of the New York Supreme Court, entered an order directing that the Property be sold to Mishto, assuming that the Mishto Offer had not been revoked (the “Malone Order”). A copy of the Malone Order is annexed hereto as Exhibit D.

15. After the entry of the Malone Order there were significant disagreements by and between Maria and David as to the consummation of the sale to Mishto. Notwithstanding the

Malone Order Maria requested a six (6) month post-closing occupancy agreement for her to live in the duplex apartment at the Property and demanded that Mishto provide “proof of funds” necessary to close the transaction, despite having already been provided with same.

16. On or about March 24, 2017, the Debtor, acting through David as the managing member, in full compliance with the JOD and the Malone Order entered into a contract of sale with Mishto for the Property for the sale price of \$1,270,000.00 (the “Mishto Contract”). The downpayment under the Mishto Contract was \$127,000.00 (“Downpayment”). The Down payment is being held in the escrow account of Lawrence A. Garvey, Esq., the attorney David hired to handle the sale for the Debtor. A copy of the Mishto Contract is annexed hereto as Exhibit E.

17. The Property is encumbered by the following liens:

- a. \$102,342.23 for outstanding property taxes and water charges due the Town of Mt Pleasant (“Mt. Pleasant Tax Lien”); and
- b. \$48,107.25 for outstanding village taxes due to the Village of Pleasantville (“Village Lien”).

18. From the proceeds of the sale of the Property the Debtor proposes to pay the brokerage commission¹.

19. The Debtor proposes to distribute the balance of the proceeds from the sale as follows: (a) the Mt. Pleasant Tax Lien in the amount of \$102,342.23, plus any accrued interest, shall be paid in full at closing; (b) the Village Lien in the amount of \$48,107.25, plus any accrued interest, shall be paid in full at closing; and (c) the balance of the sale proceeds shall be placed in escrow with the Debtor’s attorneys pending further order of this Court.

¹ The Debtor will be seeking the retention of the Realtor by separate motion that will be returnable on the same date as the instant motion.

AUTHORITY FOR REQUESTED RELIEF

There is Sound Business Justification for the Sale

20. Section 363(b)(1) of the Bankruptcy Code provides, in relevant part, that a debtor in possession “after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate.”

21. Controlling precedent in the Second Circuit provides that a debtor’s sale or use of property of the estate outside the ordinary course of business should be approved by the Court, provided that the debtor can demonstrate a sound business justification for the proposed transaction. See, *In re Chrysler LLC*, 576 F.3d 108, 117-18 (2d Cir. 2009); *Motorola, Inc. v. Official Comm. of Unsecured Creditors (In re Iridium Operating LLC)*, 478 F.3d 452, 466-467 (2d Cir. 2007) (“In this Circuit, the sale of an asset of the estate under § 363(b) is permissible if the ‘judge determining the § 363(b) application expressly finds from the evidence presented before him or her at the hearing that there is a good business reason to grant such an application’); citing *Committee of Equity Security Holders v. Lionel Corp. (In re Lionel Corp.)*, 722 F.2d 1063, 1071 (2d Cir. 1983); see also, *In re General Motors Corp.*, 407 B.R. 463, 494-5 (Bankr. S.D.N.Y. 2009) (noting that sales under §363(b) are “commonly” approved subject to the “business judgment rule”).

22. In *Lionel* the Court listed a number of factors that a judge might consider when determining whether there is a "business justification" for the asset sale, which include, but not limited to: (i) the value of the asset(s) in proportion to the estate as a whole; (ii) the amount of time since the filing; (iii) the likelihood of a proposed and confirmed plan of reorganization in the near future; (iv) the proposed sales effect on future plans of reorganization; and (v) whether the asset is increasing or decreasing in value. *Lionel*, 722 F.2d at 1071.

23. The Debtor submits that there is ample “business justification” for it to sell the Property expeditiously as further delay may cause Mishto to terminate the Mishto Contract. Additionally, the outstanding tax liabilities due the Village of Pleasantville and Town of Mt. Pleasant continue to accrue interest and an expeditious sale of the Property will maximize the value of the estate. *In re Lehman Brothers Holdings, Inc.*, 445 B.R. 143, 180 (Bankr. S.D.N.Y. 2011) (“[A] sale should be approved when the court is faced with the situation of a so-called ‘melting ice cube,’ a sale that would prevent further, unnecessary losses, the failure of other potential buyers to appear despite well-publicized efforts, and where the only alternative is an immediate liquidation that would yield far less for the estate and creditors.”); see also *In re Boston Generating, LLC*, 440 B.R. 302, 329 (Bankr. S.D.N.Y. 2010) (“[I]f the Debtors were to abandon the Sale Transaction...there is a material risk that, although the Debtors may not ‘die,’ their condition would significantly deteriorate”).

24. The Debtor believes that it has achieved the highest and best price for the Property. As detailed hereinabove, there were multiple bids for the Property which resulted in a substantial increase in the sale price. Once the Property is sold there will be sufficient assets in the estate to satisfy all non-insider claims. As such, a sound business justification exists to consummate the Mishto sale utilizing the expedited process of Section 363 rather than through a plan of reorganization.

The Proposed Sale Satisfies the Requirements of Section 363(f) of the Bankruptcy Code

25. Pursuant to Section 363(f) of the Bankruptcy Code, a debtor may sell property under Section 363(b) free and clear of liens, claims and encumbrances if one of the following conditions is satisfied: (i) applicable non-bankruptcy law permits sale of such 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 is 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 such interest. 11 U.S.C. § 363(f); see *Smart World Techs., LLC v. Juno Online Servs. (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 purchasers to acquire assets without any accompanying liabilities.”); *In re: Dundee Equity Corp.*, 1992 Bankr. LEXIS 436, at *12 (Bankr. S.D.N.Y.) (“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”).

26. The Debtor submits that the Court should authorize the consummation of the transaction as outlined in the Mishto Contract pursuant to 11 U.S.C. §363(f)(3) and §363 (b). The Debtor submits that the purchase price of \$1,270,000.00 is fair and reasonable and is the highest and best price procured by the Realtor for the Property. Further, all entities known or reasonably believed to have asserted any lien, claim, encumbrance, right of refusal, or other interest in or upon any portion of the Property will receive notice of the proposed Sale and have an opportunity to object. See, 11 U.S.C. § 363(f)(2). To the extent any party with a lien, claim, interest in or encumbrance on the Property does not consent to the Sale the Debtor submits that such party should be compelled, in a legal or equitable proceeding, to accept a money satisfaction of its interests, if any, in the relevant assets. See 11 U.S.C. § 363(f)(5).

27. Subject to the limitations described herein the Debtor seeks authority to sell the Property free and clear of all liens, claims, interests and encumbrances with such liens, claims, interests and encumbrances, if any, to attach to the net proceeds of sale subject to any rights and defenses that the Debtor may have with respect thereto.

Approval of Assumption/Assignment of Executory Contracts/Unexpired Leases

28. The Debtor seeks authority to assume, assign, and/or transfer the leasehold interests it has with respect to the rental apartments to the Purchaser. Section 365 of the Bankruptcy Code authorizes a debtor to assume, assign and/or transfer executory contracts and unexpired leases subject to the approval of the Court, if the debtor cures any defaults under such contracts and leases and provides adequate assurance of future performance.

29. A debtor's decision to assume or reject an executory contract or unexpired lease must only satisfy the "business judgment test and...the debtor's business judgment should not be interfered with, absent a showing of bad faith or abuse of business discretion. *In re Chipwich, Inc.*, 54 B.R. 427, 430-431 (Bankr. S.D.N.Y. 1985) (citing *Control Data Corp. v. Zelman (In re Minges)*, 602 F.2d 38, 43 (2d Cir. 1979) ("It is enough, if, as a matter of business judgment, rejection of the burdensome contract may benefit the estate."); see also *In re Penn Traffic Co.*, 524 F.3d 373, 378 (2d Cir. 2008).

30. The meaning of "adequate assurance of future performance" depends on the facts and circumstances of each case, but one option is a demonstration of the assignee's financial health and experience in managing the type of enterprise or property assigned. *In re Bygaph, Inc.*, 56 B.R. 596, 605-606 (Bankr. S.D.N.Y. 1986).

31. Under the Mishto Contract the Purchaser is taking an assignment of the tenant leases related to the Property. The Debtor submits that all requirements for the assumption and assignment of the tenant leases are satisfied.

CONCLUSION

WHEREFORE, the Debtor respectfully requests that the Court enter an Order approving the foregoing transaction pursuant to 11 U.S.C. §363(b), 11 U.S.C. §363(f)(2), (f)(3), (f)(5) and 11 U.S.C. § 365 and for such other relief as the Court deems just and proper.

Dated: White Plains, New York
June 2, 2017

REICH REICH & REICH, P.C.
Attorneys for the Debtor

By: /s/Jeffrey A. Reich
Jeffrey A. Reich
235 Main Street, Suite 450
White Plains, NY 10601
(914) 949-2126

Exhibit C

EXCLUSIVE RIGHT TO SELL AGREEMENT

MLS# _____

THIS AGREEMENT is effective 7/10/15 and confirms that L&N Tides Place LLC have appointed Louisa Chivastha a licensed real estate broker in the State of New York, to act as Agent for the sale of property known as 14 Virginia Place Pleasantville, New York 10570. Coldwell Banker Residential Brokerage is hired as Broker.

In return for the Agent's agreement to use Agent's best efforts to sell the above property, the Owner(s) agree(s) to grant the Agent the exclusive right to sell this property under the following terms and conditions:

PERIOD OF AGREEMENT

1. This agreement shall be effective from the above date and shall expire at midnight on December 31, 2015.

PRICE AT WHICH PROPERTY WILL BE OFFERED AND AUTHORITY: \$1,250,000.

2. The property will be offered for sale at a list price of \$1,250,000.00 and shall be sold, subject to negotiation, at such price and upon such terms to which Owner(s) may agree. The word Owner refers to each and ALL parties who have ownership interest in the property and the undersigned represent(s) they are the sole and exclusive owners and are fully authorized to enter into this agreement. Both owners, Maria Salaj and David Salaj, shall receive all offers through the listing agent, in writing, via email.

COMMISSION TO BE PAID TO AGENT

3. The Agent shall be entitled to and Owner shall pay to Agent one commission of Four and One Quarter (4.25%) percent of the selling price, IF AND WHEN IT CLOSSES. Both the Owner(s) and the Agent acknowledge that the above commission rate was not suggested nor influenced by anyone other than the parties to this Agreement. Owner hereby authorizes Agent to make an offer of cooperation to any other licensed real estate broker with whom Agent wishes to cooperate. Any commission due for a sale brought about by a Sub-Agent or Broker's Agent (see Real Property Law Section 443 Agency Relationship Disclosure Statement for explanation) (another broker who is authorized by Agent to assist in the sale of Owner(s) property) or to an authorized Buyer(s) Agent shall be paid by the Agent from the commission received by the Agent pursuant to this Paragraph.

Owner hereby directs: the commission offered by Agent to HGMLS Participant Sub-Agents shall be 0% of the gross selling price; the commission offered by Agent to HGMLS Participant Broker's Agents shall be 0% of the gross selling price; the commission offered by Agent to HGMLS Participant Buyer(s) Agents shall be 2% of the gross selling price. Agent may or may not offer compensation to non-HGMLS participant licensed real estate brokers on a case by case basis.

In the event that Owner(s) authorizes Agent to compensate a Buyer(s) Agent, Owner(s) acknowledges Owner(s)' understanding that such Buyer's Agent is not representing Owner(s) and that the Buyer's Agent will be representing only the interests of the prospective purchaser.

OWNER(S) OBLIGATIONS AFTER THE EXPIRATION OF THIS AGREEMENT

4. Owner(s) understands and agree to pay the commission referred to in paragraph 3, if (a) the property is sold or transferred, or (b) is the subject of a written contract of sale, or (c) if the Owner(s) reach a verbal agreement with a buyer regarding the material terms of the sale, either during the period of this Agreement, or within 3 months after the expiration date of this Agreement involving a person, directly or indirectly, with whom the Agent or a Cooperating Broker or the Owner(s) negotiated or to whom the property is offered, quoted or shown during the period of this listing Agreement. Owner(s) will not, however, be obligated to pay such commission if Owner(s) enters into a valid Exclusive Listing Agreement with another New York State licensed real estate broker after the expiration of this Agreement.

WHO MAY NEGOTIATE FOR OWNER(S)

5. Owner(s) agree(s) to direct all inquiries to the Agent. Owner(s) elect(s) to have all offers submitted through Agent or Cooperating Agent. Agent must have both Owners' written consent when negotiating offer and acceptance.

SUBMISSION OF LISTING TO MULTIPLE LISTING SERVICE

6. Both Owner(s) and Agent agree that the Agent immediately is to submit this listing agreement to the Hudson Gateway Multiple Listing Service, Inc. ("HGMLS"), for dissemination to its Participants. No provision of this Agreement is intended to nor shall be understood to establish or imply any contractual relationship between the Owner(s) and HGMLS nor has HGMLS in any way participated in any of the terms of this agreement, including the commission to be paid. Owner(s) acknowledge(s) that the Agent's ability to submit this listing to HGMLS or to maintain such listing amongst those included in any compilation of listing information made available by HGMLS, is subject to Agent's continued status as a Participant in good standing of HGMLS.

TERMINATION

13. Owner(s) understands that if Owner(s) terminates the Agent's authority prior to the expiration of its term, Agent shall retain its contract rights (including but not limited to recovery of its commission, advertising expenses and/or any other damages) incurred by reason of an early termination of this agreement.

ADDITIONAL POINTS

14. Additional Points of Agreement, if any: *pre-approval*
All offers must be submitted in writing along with bank approval or proof of funds. Full disclosure of all parties previewing property for Corporation needs to disclose names of Principals. Listing agent must advise both owners, David Balaj + Maria Balaj, of each showing/inspection prior to inspection.

IN-HOUSE SALES

15. If the Broker has an agency relationship with the buyer ("buyer's broker"), and that buyer expresses interest in property owned by a seller who also has an agency relationship with the Broker ("seller's broker"), a conflict has arisen.

The Broker shall immediately advise both the buyer client and the seller client of the pertinent facts including the fact that a dual agency situation has arisen, and that the following options are available:

[a] The Broker and buyer could dissolve their Agency relationship. The buyer may then seek to retain another broker, and/or an attorney, or may represent (her/himself). This would release the buyer from any Broker employment contract which was entered into with the Broker. Broker may continue to act as agent for the seller.

[b] The Broker and the seller could dissolve their Agency relationship. The seller may then seek to retain another broker, and/or an attorney, or may represent (her/himself). This would release the seller from any listing agreement which was entered into with Broker. The Broker may continue to act as Agent for the buyer.

[c] With fully informed consent, the buyer and seller may elect to continue with the brokerage firm serving as a consensual dual agent, which is the exception to the general rule that agents serve one principal. As a dual agent, the firm and its licensee agents have a duty of fairness to both principals. By mutual agreement the buyer and seller may identify who will negotiate for each principal. For example [a] the licensee who signed the buyer as a principal of the brokerage firm may negotiate on behalf of the buyer principal and [b] the licensee who signed the seller as a principal of the firm may negotiate on behalf of the seller principal. This is referred to in Real Property Law Section 443, Agency Relationship Disclosure Statement as "Designated Sales Associates".

In either case, the brokerage commission will be paid by the seller in accordance with the listing agreement with the seller, unless different arrangements have been negotiated.

As a dual agent, the firm and its agents cannot furnish undivided loyalty to either party.

As a dual agent, the firm and its licensee agents have a duty not to disclose confidential information given by one principal to the other principal, such as the price one is willing to pay or accept. Such information may already be known to the firm and its agents. If the information is of such a nature that the agent cannot fairly give advice without disclosing it, the agent cannot properly continue to act as an agent.

The buyer, seller and broker shall memorialize the option of their mutual choice by executing a statutory disclosure notice. If there is no mutual agreement, the proposed transaction between buyer and seller shall not be pursued.

ALL MODIFICATIONS TO BE MADE IN WRITING

16. Owner(s) and Agent agree that no change, amendment, modification or termination of this agreement shall be binding on any party unless the same shall be in writing and signed by the parties.

HOME EQUITY THEFT PREVENTION ACT

17. Owner acknowledges that Owner is aware of the Home Equity Theft Prevention Act and particularly the provisions of Section 265 of the Real Property Law of the State of New York. In order to ensure compliance with same, Owner warrants and represents to Agent that:

- (a) Owner is not in default of any mortgage affecting real property by reason of there being payments due and unpaid on any mortgage for two (2) months or more;
- (b) there are no notices pending against the real property to foreclose a mortgage; and
- (c) the property which is the subject of this listing is not shown as an active property on a tax lien sale list and all real estate taxes have been paid thru the next lien date.

In the event that the above circumstances change after the execution of this listing agreement, Owner hereby covenants and agrees that Owner will communicate with Agent regarding any of the matters referred to above in subparagraph (a), (b) or (c) and to keep Agent fully apprised of same.

David Balaj
(OWNER) David Balaj (Member)

6/4/15
(DATE)

(AGENT) Coldwell Banker

(DATE)

x Maria Balaj
(OWNER) Maria Balaj (Member)

6/10/15
(DATE)

By:

Martha Krakow
(Authorized Representative) Martha Krakow, Mgr
(DATE)

4 Virginia Place, Pleasantville, New York 10570
Owner's Mailing Address

One Washington Avenue, Pleasantville, New York 10570
Agent's Address

Owner's Telephone: (914) 984-1337

Agent's Telephone: (914) 769-2930

DEFINITIONS

In accordance with the requirements of the New York State Department of State the undersigned Owner(s) does (do) hereby acknowledge receipt of the following:

Explanation of "Exclusive Right to Sell" Listing;

2. Explanation of "Exclusive Agency" Listing;

EXPLANATION OF EXCLUSIVE RIGHT TO SELL: (As worded verbatim by the Department of State)

An "exclusive right to sell" listing means that if you, the owner of the property find a buyer for your house, or if another broker finds a buyer, you must pay the agreed commission to the present broker.

EXPLANATION OF EXCLUSIVE AGENCY: (As worded verbatim by the Department of State)

An "exclusive agency" listing means that if you, the owner of the property find a buyer, you will not have to pay a commission to the broker. However, if another broker finds a buyer, you will owe a commission to both the selling broker and your present broker.

"THE FAIR HOUSING ACT"

The Civil Rights Act of 1968 known as the Federal Fair Housing Law makes illegal any discrimination based on race, color, religion, sex or national origin in connection with the sale or rental of housing. The 1974 amendment to this Act (The Fair Housing Amendments Act of 1988) expands the coverage of this law to handicapped persons and families with children. Agent and Owner agree to comply fully with State and local statutes and Federal Fair Housing laws.

Article 19 of the REALTOR Code of Ethics states:

"REALTORS® shall not deny equal professional services to any person for reasons of race, color, religion, sex, handicap, familial status, national origin, or sexual orientation. REALTORS® shall not be parties to any plan or agreement to discriminate against a person or persons on the basis of race, color, religion, sex, handicap, familial status, national origin, or sexual orientation."

David Balaj 6/4/15
Owner

Maria Balaj 6/10/15
Owner

Rev. March 2014

Data including photographs and sketches relating to Owner's property will be aggregated with that of other properties listed by Participants of HGMLS, and will become the copyrighted data of HGMLS. Owner and Listing Agent hereby assign to HGMLS all rights of ownership and copyright to such data, for dissemination to its Participants and others as HGMLS may elect pursuant to its copyrights.

FAIR HOUSING

7. Agent and Owner agree to comply fully with local, state and federal fair housing laws against discrimination on the basis of race, color, religion, sex, national origin, handicap, age, marital status and/or familial status, children, sexual orientation or other prohibited factors.

AUTHORIZATION FOR "FOR SALE" SIGN AND OTHER SERVICES

8. Agent is not authorized to place a "For Sale" sign on the property. Owner acknowledges that Agent has fully explained to Owner(s) the services and marketing activities which Agent has agreed to provide.

REQUIREMENTS FOR PUBLICATION IN HGMLS COMPILATION

9. This listing agreement is not acceptable for publication by HGMLS unless and until the Owner(s) has duly signed this agreement and an acknowledgment reflecting receipt of the definitions of "Exclusive Right to Sell" and "Exclusive Agency" required by the New York State Department of State - Division of Licensing Services. The Authorization by Owner to publish this listing in the HGMLS compilation also includes the right of Agent to advertise the listing information, in any medium or media including electronic formats and including but not limited to, the Internet.

LOCKBOX AUTHORIZATION

10. Agent is hereby NOT authorized to use a lockbox. Owner understands that neither Agent, any cooperating agent, HGMLS or any Board of Realtors, shall be responsible for any theft, loss or damages attributed to the use of a lockbox. Owner must be present at showings.

RENTAL OF PROPERTY

11. Should the Owner(s) desire to rent the property during the period of this agreement, Agent is hereby granted the sole and exclusive right to rent the property, exclusive "FOR RENT" sign privileges and the Owner(s) agree to pay Agent a rental commission of _____. The applicable commission for the lease term to date and will be paid _____ upon the execution of the lease _____ upon the date of occupancy. The commission for each and any subsequent renewal thereof, is due and will be paid upon the completion of each renewal term.

COMMISSION PAYMENT

12. [a] **Escrow.** If, for any reason, Agent is not paid the compensation set forth herein on the due date, Owner shall establish an escrow account with a party mutually agreeable to Agent and Owner or a title insurance agent or company, and shall place into said escrow account an amount equal to the compensation set forth herein. The escrow monies shall be paid by Owner to said escrow agent and shall be held in escrow until the parties' rights to the escrow monies have been determined (i) by the written agreement of the parties; (ii) pursuant to an arbitration award; (iii) by order of a court of competent jurisdiction; or (iv) some other process to which the parties agree to in writing.

[b] **Attorney Fees.** In any action, proceeding or arbitration to enforce any provision of this Agreement, or for damages caused by default, the prevailing party shall be entitled to reasonable attorney's fees, costs and related expenses, such as expert witness fees and fees paid to investigators. In the event Agent hires an attorney to enforce the collection of any brokerage commission due hereunder and is successful in collecting all or any portion thereof with or without commencing a legal action or proceeding, Owner agrees to pay the reasonable attorney's fees, costs and related expenses incurred by Agent.

[c] **Commission Escrow Act.** Alternatively, Broker shall have the right to exercise Broker rights under the Commission Escrow Act and specifically, Real Property Law Section 294-b. The provisions of said Law may require the deposit of the commission claimed by Broker, with the County Clerk in the County in which the property is located. Notice is hereby given in accordance with Section 294-b(4)(k) as follows:

AT THE TIME OF CLOSING, YOU MAY BE REQUIRED TO DEPOSIT THE BROKER'S COMMISSION WITH THE COUNTY CLERK IN THE EVENT THAT YOU DO NOT PAY THE BROKER HIS OR HER COMMISSION AS SET FORTH HEREIN. YOUR OBLIGATION TO DEPOSIT THE BROKER'S COMMISSION WITH THE COUNTY CLERK MAY BE WAIVED BY THE BROKER.

Exhibit E

NOTE: This form is intended to cover matters common to most transactions. Provisions should be added, altered or deleted to suit the circumstances of a particular transaction.

Contract of Sale – Office, Commercial and Multi-Family Residential Premises

Table of Contents

Section 1.	Sale of premises and acceptable title	Section 13.	Objections to title, failure of seller or purchaser to perform and vendee's lien
Section 2.	Purchase price, acceptable funds, existing mortgages, purchase money mortgage, escrow of downpayment and foreign persons	Section 14.	Broker
Section 3.	The closing.	Section 15.	Notices
Section 4.	Representations and warranties of seller	Section 16.	Limitations on survival of representations, warranties, covenants and other obligations
Section 5.	Acknowledgements of purchaser	Section 17.	Gains tax and miscellaneous provisions
Section 6.	Seller's obligations as to leases		Signatures and receipt by Escrowee
Section 7.	Responsibilities for violations	Schedule A.	Description of premises (to be attached)
Section 8.	Destruction, damage or condemnation	Schedule B.	Permitted exceptions
Section 9.	Covenants of seller	Schedule C.	Purchase price
Section 10.	Seller's closing obligations	Schedule D.	Miscellaneous
Section 12.	Apportionments	Schedule E.	Rent Schedule (to be attached)

CONTRACT dated March 24 2017 between

L & N Twins Place, LLC
4 Virginia Place, Pleasantville, New York 10570

("Seller") and

Agata Mishto or any entity formed by Agata Mishto
319 Avenue C, apt MH, New York, New York 10009

("Purchaser").

Seller and Purchaser hereby covenant and agree as follows:

Section 1. Sale of Premises and Acceptable Title

§ 1.01. Seller shall sell to Purchaser, and Purchaser shall purchase from Seller, at the price and upon the terms and conditions set forth in this contract: (a) the parcel of land more particularly described in Schedule A attached hereto ("Land"); (b) all buildings and improvements situated on the Land (collectively, "Building"); (c) all right, title and interest of Seller, if any, in and to the land lying in the bed of any street or highway in front of or adjoining the Land to the center line thereof and to any unpaid award for any taking by condemnation or any damage to the Land by reason of a change of grade of any street or highway; (d) the appurtenances and all the estate and rights of Seller in and to the Land and Building; and (e) all right, title and interest of Seller, if any, in and to the fixtures, equipment and other personal property attached or appurtenant to the Building (collectively, "Premises"). The Premises are located at or known as

2-4 Virginia Place, Pleasantville, New York 10570
Sec 99.18 Block 2 Lot 50

§ 1.02. Seller shall convey and Purchaser shall accept fee simple title to the Premises in accordance with the terms of this contract, subject only to: (a) the matters set forth in Schedule B attached hereto (collectively, "Permitted Exceptions"); and (b) such other matters as (i) the title insurer specified in Schedule D attached hereto (or if none is so specified, then any title insurer licensed to do business by the State of New York) shall be willing, without special premium, to omit as exceptions to coverage or to except with insurance against collection out of or enforcement against the Premises and (ii) shall be accepted by any lender described in Section 274-a of the Real Property Law ("Institutional Lender") which has committed in writing to provide mortgage financing to Purchaser for the purchase of the Premises ("Purchaser's Institutional Lender"), except that if such acceptance by Purchaser's Institutional Lender is unreasonable withheld or delayed, such acceptance shall be deemed to have been given.

Section 2. Purchaser Price, Acceptable Funds, Existing Mortgages, Purchase Money Mortgage, Escrow of Downpayment and Foreign Persons

§2.01. The purchase price ("Purchase Price") to be paid by Purchaser to Seller for the Premises as provided in Schedule C attached here to is \$1,270,000.00

§2.02. All monies payable under this contract, unless otherwise specified in this contract, shall be paid by (a) certified checks of Purchaser or any person making a purchase money loan to Purchaser drawn on any bank, savings bank, trust company or savings and loan association having a banking office in the State of New York or (b) official bank checks drawn by any such banking institution, payable to the order of Seller, except that uncertified checks of Purchaser payable to the order of Seller up to the amount of one-half of one percent of the Purchase Price shall be acceptable for sums payable to Seller at the Closing.

§2.03. (a) If Schedule C provides for the acceptance of title by Purchaser subject to one or more existing mortgages (collectively, "Existing Mortgage(s)"), the amounts specified in Schedule C with reference thereto may be approximate. If at the Closing the aggregate principal amount of the Existing Mortgage(s), as reduced by payments required thereunder prior to the Closing, is less than the aggregate amount of the Existing Mortgage(s) as specified in Schedule C, the difference shall be added to the monies payable at the Closing, unless otherwise expressly provided herein.

(b) If any of the documents constituting the Existing Mortgage(s) or the note(s) secured thereby prohibits or restricts the conveyance of the Premises or any part thereof without the prior consent of the holder or holders thereof ("Mortgagee(s)") or confers upon the Mortgagee(s) the right to accelerate payment of the indebtedness or to change the terms of the Existing Mortgage(s) in the event that a conveyance is made without consent of the Mortgagee(s), Seller shall notify such Mortgagee(s) of the proposed conveyance to Purchaser within 10 days after the execution and delivery of this contract, requesting the consent of such Mortgagee(s) thereto. Seller and Purchaser shall furnish the

Mortgagee(s) with such information as may reasonably be required to be furnished with such Mortgagee(s) and shall not interfere with such Mortgagee(s) and with each other in an effort to expedite to procure such consent, but neither shall be obligated to make any payment to obtain such consent. If such Mortgagee(s) shall fail or refuse to grant such consent in writing on or before the date set forth in Schedule D or shall require as a condition of the granting of such consent (i) that additional consideration be paid to the Mortgagee(s) and neither Seller nor Purchaser is willing to pay such additional consideration or (ii) that the terms of the Existing Mortgage(s) be changed and Purchaser is unwilling to accept such change, then unless Seller and Purchaser mutually agree to extend such date or otherwise modify the terms of this contract, Purchaser may terminate this contract in the manner provided in §13.02. If Schedule C provides for a Purchase Money Mortgage (as defined in §2.04), Seller may also terminate this contract in the manner provided in §13.02 if any of the foregoing circumstances occur or if Seller is unwilling to accept any such change in the terms of the Existing Mortgage(s).

§2.04. (a) If Schedule C provides for payment of a portion of the Purchase Price by execution and delivery to Seller of a note secured by a purchase money mortgage ("Purchase Money Mortgage"), such note and Purchase Money Mortgage shall be drawn by the attorney for the Seller on the most recent forms of the New York Board of Title Underwriters for notes and for mortgages of like lien, as modified by this contract. At the Closing, Purchaser shall pay the mortgage recording tax and recording fee therefor and the filing fees of any financing statements delivered in connection therewith.

(b) If Schedule C provides for the acceptance of title by Purchaser subject to Existing Mortgage(s) prior in lien to the Purchase Money Mortgage, the Purchase Money Mortgage shall provide that it is subject and subordinate to the lien(s) of the Existing Mortgage(s) and shall be subject and subordinate to any extensions, modifications, renewals, consolidations, substitutions or replacements thereof (collectively, "Refinancing" or "refinanced Mortgage"), provided that (i) the rate of interest payable under a Refinanced Mortgage shall not be greater than that specified in Schedule D as the Maximum Interest Rate or, if no Maximum Interest Rate is specified in Schedule D, shall not be greater than the rate of interest that was payable on the refinanced indebtedness immediately prior to such Refinancing, and (ii) if the principal amount of the Refinanced Mortgage plus the principal amount of other Existing Mortgage(s), if any, remaining after placement of a Refinanced Mortgage exceeds the amount of principal owing and unpaid on all mortgages on the Premises superior to the Purchase Money Mortgage immediately prior to the Refinancing, and amount equal to the excess shall be paid at the closing of the Refinancing to the holder of the Purchase Money Mortgage in reduction of principal payments due thereunder in inverse order of maturity. The Purchase Money Mortgage shall further provide that the holder thereof shall, on demand and without charge therefore, execute, acknowledge and deliver any agreement or agreement reasonably required by the mortgagor to confirm such subordination.

(c) The Purchase Money Mortgage shall contain the following additional provisions:

(i) "The mortgagor or any owner of the mortgaged premises shall have the right to prepay the entire unpaid indebtedness together with accrued interest, but without penalty, at any time on or after (insert the day following the last day of the fiscal year of the mortgagee in which the Closing occurs or, if a Prepayment Date is specified in Schedule D, the specified Prepayment Date), on not less than 10 days' written notice to the holder hereof."

(ii) "Notwithstanding anything to the contrary contained herein, the obligation of the mortgagor for the payment of the indebtedness and for the performance of the terms, covenants and conditions contained herein and in the note secured hereby is limited solely to recourse against the property secured by this mortgage, and in no event shall the mortgagor or any principal of the mortgagor, disclosed on undisclosed, be personally liable for any breach of or default under the note or this mortgage or for any deficiency resulting from or through any proceedings to foreclose this mortgage, nor shall any deficiency judgment, money judgment or other personal judgment be sought or entered against the mortgagor or any principal of the mortgagor, disclosed or undisclosed, but the foregoing shall not adversely affect the lien of this mortgage or the mortgagee's right of foreclosure."

(iii) "In addition to performing its obligations under Section 274-a of the Real Property Law, the mortgagee, if other than one of the institutions listed in Section 274-a, agrees that, within 10 days after written request by the mortgagor, but not more than twice during any period of 12 consecutive months, it

will execute, acknowledge and deliver without charge a certificate as to the status of the mortgage as to (1) the unpaid principal balance of the indebtedness secured hereby; (2) the maturity date thereof; (3) the rate of interest; (4) the last date to which interest has been paid and (5) the amount of any escrow deposits then held by the mortgagee; and (b) stating to the knowledge of the mortgagee, whether there are any alleged defaults hereunder and, if so, specifying the nature thereof."

(iv) "All notices required or desired to be given under this mortgage shall be in writing and shall be delivered personally or shall be sent by prepaid registered or certified mail, addressed to the mortgagor and mortgagee at the addresses specified in this mortgage or to such other parties or at such other addresses, not exceeding two, as may be designated in a notice given to the other party or parties in accordance with the provisions hereof."

(v) The additional provisions, if any, specified in a rider hereto.

§2.05. (a) If the sum paid under paragraph (a) of Schedule C or any other sums paid on account of the Purchase Price prior to the Closing (collectively, "Downpayment") are paid by check or checks drawn to the order of and delivered to Seller's attorney or another escrow agent ("Escrowee"), the Escrowee shall hold the proceeds thereof in escrow in a special bank account (or as otherwise agreed in writing by Seller, Purchaser and Escrowee) until the Closing or sooner termination of this contract and shall pay over or apply such proceeds in accordance with the terms of this section. Escrowee need not hold such proceeds in an interest-bearing account, but if any interest is earned thereon, such interest shall be paid to the same party entitled to the escrowed proceeds, and the party receiving such interest shall pay any income taxes thereon. The tax identification numbers of the parties are either set forth in Schedule D or shall be furnished to Escrowee upon request. At the Closing, such proceeds and the interest thereon, if any, shall be paid by Escrowee to Seller. If for any reason the closing does not occur and either party makes a written demand upon Escrowee for payment of such amount, Escrowee shall give written notice to the other party of such demand. If Escrowee does not receive a written objection from the other party to the proposed payment within 10 business days after the giving of such notice, Escrowee is hereby authorized to make such payment. If Escrowee does receive such written objection within such 10 day period or if for any other reason Escrowee in good faith shall elect not to make such payment, Escrowee in good faith shall elect not to make such payment, Escrowee shall continue to hold such amount until otherwise directed by written instructions from the parties to this contract or a final judgment or a court. However, Escrowee shall have the right at any time to deposit the escrowed proceeds and interest thereon, if any, with the clerk of the Supreme Court of the county in which the Land is located. Escrowee shall give written notice of such deposit to Seller and Purchaser. Upon such deposit Escrowee shall be relieved and discharged of all further obligations and responsibilities hereunder.

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

(c) Escrowee has acknowledged agreement to these provisions by signing in the place indicated on the signature page of this contract.

§2.06. In the event Seller is a "foreign person", as defined in Internal Revenue Code Section 1445 and regulations issued thereunder (collectively, the "Code Withholding Section"), or in the event that Seller fails to deliver the certification of non-foreign status required under §10.12(c), or in the event that Purchaser is not entitled under the Code Withholding Section to rely on such certification, Purchaser shall deduct and withhold from the Purchase Price a sum equal to ten percent (10%) thereof and shall at Closing remit the withheld amount with Forms 8288 and 8288A (or any successors thereto) to the Internal Revenue Service; and if the cash balance of the Purchase Price payable to Seller at the Closing after deduction of net adjustments, apportionments and credits (if any) to be made or allowed in favor of Seller at the Closing as herein provided is less than ten percent (10%) of the

Section 3. The Closing

§3.01. Except as otherwise provided in this contract, the closing of title pursuant to this contract ("Closing") shall take place on the scheduled date and time of closing specified in Schedule D (the actual date of the Closing being herein referred to as "Closing Date") at the place specified in Schedule D.

Section 4. Representations and Warranties of Seller

Seller represents and warrants to Purchaser as follows:

§4.01. Unless otherwise provided in this contract, Seller is the sole owner of the Premises.

§4.02. If the Premises are encumbered by an Existing Mortgage(s), no written notice has been received from the Mortgagee(s) asserting that a default or breach exists thereunder which remains uncured and no such notice shall have been received and remain uncured on the Closing Date. If copies of documents constituting the Existing Mortgage(s) and note(s) secured thereby have not been modified or amended except as shown in such documents.

§4.03. The information concerning written leases (which together with all amendments and modifications thereof are collectively referred to as "Leases") and any tenancies in the Premises not arising out of the Leases (collectively, "Tenancies") set forth in Schedule E attached hereto ("Rent Schedule") is accurate as of the date set forth therein or, if no date is set forth therein, as of the date hereof, and there are no Leases or Tenancies of any space in the Premises other than those set forth therein and any subleases or sub-tenancies. Except as otherwise set forth in the Rent Schedule or elsewhere in this contract:

(a) all of the Leases are in full force and effect and none of them has been modified, amended or extended;

(b) no renewal or extension options have been granted to tenants;

(c) no tenant has an option to purchase the Premises;

(d) the rents set forth are being collected on a current basis and there are no arrearages in excess of one month;

(e) no tenant is entitled to rent concessions or abatements for any period subsequent to the schedule date of closing;

(f) Seller has not sent written notice to any tenant claiming that such tenant is in default, which default remains uncured;

(g) no action or proceeding instituted against Seller by any tenant of the Premises is presently pending in any court, except with respect to claims involving personal injury or property damage which are covered by insurance; and

(h) there are no security deposits other than those set forth in the Rent Schedule.

If any Leases which have been exhibited to and initialed by Purchaser or its representative contain provisions that are inconsistent with the foregoing representations and warranties, such representations and warranties shall be deemed modified to the extent necessary to eliminate such inconsistency and to conform such representations and warranties to the provisions of the Leases.

§4.04. If the Premises or any part thereof are subject to the New York City Rent Stabilization Law, Seller is and on the Closing Date will be a member in good standing of the Real Estate Industry Stabilization Association, and, except as otherwise set forth in the Rent Schedule, there are no proceedings with any tenant presently pending before the Conciliation and Appeals Board in which a tenant has alleged an overcharge of rent or diminution of services or similar grievance, and there are no outstanding orders of the Conciliation and Appeals Board that have not been complied with by Seller.

§4.05. If the Premises or any part thereof are subject to the New York City Emergency Rent and Rehabilitation Law, the rents shown are not in excess of the maximum collectible rents, and, except as otherwise set forth in the Rent Schedule, no tenants are entitled to abatements as senior citizens, there are no proceedings presently pending before the rent commission in which a tenant has alleged an overcharge of rent or diminution of services or similar grievance, and there are no outstanding orders of the rent commission that have not been complied with by Seller.

§4.06. If an insurance schedule is attached hereto, such schedule lists all insurance policies presently affording coverage

with respect to the Premises, and the information contained therein is accurate as of the date set forth therein or, if no date is set forth therein, as of the date hereof.

§4.07. If a payroll schedule is attached hereto, such schedule lists all employees presently employed at the Premises, and the information contained therein is accurate as of the date set forth therein or, if no date is set forth therein, as of the date hereof, and, except as otherwise set forth in such schedule, none of such employees is covered by a union contract and there are no retroactive increases or other accrued and unpaid sums owed to any employee.

§4.08. If a schedule of service, maintenance, supply and management contracts ("Service Contracts") is attached hereto, such schedule lists all such contracts affecting the Premises, and the information set forth therein is accurate as of the date set forth therein or, if no date is set forth therein, as of the date hereof.

§4.09. If a copy of a certificate of occupancy for the Premises has been exhibited to and initialed by Purchaser or its representative, such copy is a true copy of the original and such certificate has not been amended, but Seller makes no representation as to compliance with any such certificate.

§4.10. The assessed valuation and real estate taxes set forth in Schedule D, if any, are the assessed valuation of the Premises and the taxes paid or payable with respect thereto for the fiscal year indicated in such Schedule D, there are no tax abatements or exemptions affecting the Premises.

§4.11. Except as otherwise set forth in a schedule attached hereto, if any, if the Premises are used for residential purposes, each apartment contains a range and a refrigerator, and all of the ranges and refrigerators and all of the items of personal property (or replacements thereof) listed in such schedule, if any, are and on the Closing Date will be owned by Seller free of liens and encumbrances other than the lien(s) of the Existing Mortgage(s), if any.

§4.12. Seller has no actual knowledge that any incinerator, boiler or other burning equipment on the Premises is being operated in violation of applicable law. If copies of a certificate or certificates of operation therefore have been exhibited to and initialed by Purchaser or its representative, such copies are true copies of the originals.

§4.13. Except as otherwise set forth in Schedule D, Seller has no actual knowledge of any assessment payable in annual installments, or any part thereof, which has become a lien on the Premises.

§4.14. Seller is not a "foreign person" as defined in the Code Withholding Section.

Section 5. Acknowledgments of Purchaser

Purchaser acknowledges that:

§5.01. Purchaser has inspected the Premises, is fully familiar with the physical condition and state of repair thereof, and, subject to the provisions of §7.01, §8.01, and §9.01, shall accept the Premises "as is" and in their present condition, subject to reasonable use, wear, tear and natural deterioration between now and the Closing Date, without any reduction in the Purchase Price for any change in such condition by reason thereof subsequent to the date of this contract.

§5.02. Before entering into this contract, Purchaser has made such examination of the Premises, the operation, income and expenses thereof and all other matters affecting or relating to this transaction as Purchaser deemed necessary. In entering into this contract, Purchaser has not been induced by and has not relied upon any representations, warranties or statement, whether express or implied, made by Seller or any agent, employee or other representative of Seller or by any broker or any other person representing or purporting to represent Seller, which are not expressly set forth in this contract, whether or not any such representations, warranties or statements were made in writing or orally.

Section 6. Seller's Obligations as to Leases

§6.01. Unless otherwise provided in a schedule attached to this contract, between the date of this contract and the Closing, Seller shall not, without Purchaser's prior written consent, which consent shall not be unreasonably withheld: (a) amend, renew or extend any Lease in any respect, unless required by law; (b) grant a written lease to any tenant occupying space pursuant to a Tenancy; or (c) terminate any Lease or Tenancy except by reason of a default by the tenant thereunder.

§6.02. Unless otherwise provided in a schedule attached to this contract, between the date of this contract and the Closing, Seller shall not permit occupancy of, or enter into any new lease for, space in the Building which is presently vacant or which may hereafter become vacant without first giving Purchaser written

notice of the identity of the proposed tenant, together with (a) a summary of the proposed lease or tenancy and the terms thereof in reasonable detail and (b) a statement of the amount of the brokerage commission, if any, payable in connection therewith with the terms of payment thereof. If Purchaser objects to such proposed lease, Purchaser shall so notify Seller within 4 business days after receipt of Seller's notice if such notice was personally delivered to Purchaser, or within 7 business days after the mailing of such notice by Seller to Purchaser, in which case Seller shall not enter into the proposed lease. Unless otherwise provided in a schedule attached to this contract, Purchaser shall pay to Seller at the Closing, in the manner specified in §2.02, the rent and additional rent that would have been payable under the proposed lease from the date on which the tenant's obligation to pay rent would have commenced if Purchaser had not so objected until the Closing Date, less the amount of the brokerage commission specified in Seller's notice and the reasonable cost of decoration or other work required to be performed by the landlord under the terms of the proposed lease to suit the premises to the tenant's occupancy ("Reletting Expenses"), prorated in each case over the term of the proposed lease and apportioned as of the Closing Date. If Purchaser does not so notify Seller of its objection, Seller shall have the right to enter into the proposed lease with the tenant identified in Seller's notice and Purchaser shall pay to Seller, in the manner specified in §2.02, the Reletting Expenses, prorated in each case over the term of the lease and apportioned as of the later of the Closing Date or the rent commencement date. Such payment shall be made by Purchaser to Seller at the Closing. In no event shall the amount so payable to Seller exceed the sums actually paid by Seller on account thereof.

§6.03. If any space is vacant on the Closing Date, Purchaser shall accept the Premises subject to such vacancy, provided that the vacancy was not permitted or created by Seller in violation of any restrictions contained in this contract. Seller shall not grant any concessions or rent abatements for any period following the Closing without Purchaser's prior written consent. Seller shall not apply all or any part of the security deposit of any tenant unless such tenant has vacated the Premises.

§6.04. Seller does not warrant that any particular Lease or Tenancy will be in force or effect at the Closing or that the tenants will have performed their obligations thereunder. The termination of any Lease or Tenancy prior to the Closing by reason of the tenant's default shall not affect the obligations of Purchaser under this contract in any manner or entitle Purchaser to an abatement of or credit against the Purchase Price or give rise to any other claim on the part of Purchaser.

§6.05. Seller hereby indemnifies and agrees to defend Purchaser against any claims made pursuant to §7-107 or §7-108 of the General Obligations Law (the "GOL") by tenants who resided in the Premises on or prior to the Closing Date other than (a) claims with respect to tenants' security deposits paid, credited or assigned to Purchaser pursuant to §10.03, (b) claims made pursuant to §7-107 of the GOL with respect to funds for which Seller was not liable, and (c) claims made pursuant to §7-108 of the GOL by tenants to whom Purchaser failed to give the written notice specified in §7-108(c) of the GOL within thirty days after the closing Date. The foregoing indemnity and agreement shall survive the Closing and shall be in lieu of any escrow permitted by §7-108(d) of the GOL, and Purchaser hereby waives any right it may have to require any such escrow.

Section 7. Responsibility for Violations

§7.01. Except as provided in §7.02 and §7.03, all notes or notices of violations of law or governmental ordinances, orders or requirements which were noted or issued prior to the date of this contract by any governmental department, agency or bureau having jurisdiction as to conditions affecting the Premises and all liens which have attached to the Premises prior to the Closing pursuant to the Administrative Code of the City of New York, if applicable, shall be removed or complied with the Seller. If such removal or compliance has not been completed prior to the Closing, Seller shall pay to Purchaser at the Closing the reasonably estimated unpaid cost to effect or complete such removal or compliance, and Purchaser shall be required to accept title to the Premises subject thereto, except that Purchaser shall not be required to accept such title and may terminate this contract as provided in §13.02 if (a) Purchaser's Institutional Lender reasonably refuses to provide financing by reason thereof or (b) the Building is a multiple dwelling and either (i) such violation is rent impairing and causes rent to be unrecoverable under Section 302-a of the Multiple Dwelling Law or (ii) a proceeding has been validly commenced by tenants and is pending with respect to such violation for a judgment directing deposit and use of rents under Article 7-A of the Real Property Actions and Proceedings Law. All such notes or notices of violations noted or issued on or after the date of this contract shall be the sole responsibility of Purchaser.

§7.02. If the reasonably estimated aggregate cost to remove or comply with any violations or liens which Seller is required to remove or comply with pursuant to the provisions of §7.01 shall exceed the maximum Amount specified in Schedule D (or if none is so specified, the maximum Amount shall be one-half of one percent of the Purchase Price), Seller shall have the right to cancel this contract, in which event the sole liability of Seller shall be as set forth in §13.02, unless Purchaser elects to accept title to the Premises subject to all such violations or liens, in which event Purchaser shall be entitled to a credit of an amount equal to the Maximum Amount against the monies payable at the Closing.

§7.03. Regardless of whether a violation has been noted or issued prior to the date of this contract, Seller's failure to remove or fully comply with any violations which a tenant is required to remove or comply with pursuant to the terms of its lease by reason of such tenant's use or occupancy shall not be an objection to title. Purchaser shall accept the Premises subject to all such violations without any liability of Seller with respect thereto or any abatement of or credit against the Purchase Price, except that if Purchaser's Institutional Lender reasonably refuses to provide financing by reason of a violation described above, Purchaser shall not be required to accept the Premises subject thereto and Purchaser shall have the right to terminate this contract in the manner provided in §13.02.

§7.04. If required, Seller, upon written request by Purchaser, shall promptly furnish to Purchaser written authorizations to make any necessary searches for the purposes of determining whether notes or notices of violations have been noted or issued with respect to the Premises or liens have attached thereto.

Section 8. Destruction, Damage or Condemnation

§8.01. The provisions of Section 5-1311 of the General Obligations Law shall apply to the sale and purchase provided for in this contract.

Section 9. Covenants of Seller

Seller covenants that between the date of this contract and the Closing:

§9.01. The Existing Mortgage(s) shall not be amended or supplemented or prepaid in whole or in part. Seller shall pay or make, as and when due and payable, all payments or principal and interest and all deposits required to be paid or made under the Existing Mortgage(s).

§9.02. Seller shall not modify or amend any Service Contract or enter into any new service contract unless the same is terminable without penalty by the then owner of the Premises upon not more than 30 days' notice.

§9.03. If an insurance schedule is attached hereto, Seller shall maintain in full force and effect until the Closing the insurance policies described in such schedule or renewals thereof for no more than one year of those expiring before the Closing.

§9.04. No fixtures, equipment or personal property included in this sale shall be removed from the Premises unless the same are replaced with similar items of at least equal quality prior to the Closing.

§9.05. Seller shall not withdraw, settle or otherwise compromise any protest or reduction proceeding affecting real estate taxes assessed against the Premises for any fiscal period in which the Closing is to occur or any subsequent fiscal period without the prior written consent of Purchaser, which consent shall not be unreasonably withheld. Real estate tax refunds and credits received after the Closing Date which are attributable to the fiscal tax year during which the Closing Date occurs shall be apportioned between Seller and Purchaser, after deducting the expenses of collection thereof, which obligation shall survive the Closing.

§9.06. Seller shall allow Purchaser or Purchaser's representatives access to the Premises, the Leases and other documents required to be delivered under this contract upon reasonable prior notice at reasonable times.

Section 10. Seller's Closing Obligations

At the Closing, Seller shall deliver the following to Purchaser:

§10.01. A statutory form of bargain and sale deed without covenant against grantor's acts, containing the covenant required by Section 13 of the Lien law, and properly executed in proper form for recording so as to convey the title required by this contract.

§10.02. All Leases initiated by Purchaser and all others in Seller's possession.
 §10.03. A schedule of all security deposits (and, if the Premises contains six or more family dwelling units, the most recent reports with respect thereto issued by each banking organization in which they are deposited pursuant to GOL §7-103) and a check or credit to Purchaser in the amount of any cash security deposits, including any interest thereon, held by Seller on the Closing Date or, if held by an Institutional Lender, an assignment to Purchaser and written instructions to the holder of such deposits to transfer the same to Purchaser, and appropriate instruments of transfer or assignment with respect to any security deposits which are other than cash.

§10.04. A schedule updating the Rent Schedule and setting forth all arrears in rents and all prepayments of rents.

§10.05. All Service Contracts initiated by Purchaser and all others in Seller's possession which are in effect on the Closing Date and which are assignable by Seller.

§10.06. An assignment to Purchaser, without recourse or warranty, of all the interest of Seller in those Service Contracts, insurance policies, certificates, permits and other documents to be delivered to Purchaser at the closing which are then in effect and are assignable by Seller.

§10.07. (a) Written consent(s) of the Mortgagee(s), if required under §2.03(b), and (b) certificate(s) executed by the Mortgagee(s) in proper form for recording and certifying (i) the amount of the unpaid principal balance thereof, (ii) the maturity date thereof, (iii) the interest rate, (iv) the last date to which interest has been paid thereon and (v) the amount of any escrow deposits held by the Mortgagee(s). Seller shall pay the fees for recording such certificate(s). Any Mortgagee which is an Institutional Lender may furnish a letter complying with Section 274-a of the Real Property Law in lieu of such certificate.

§10.08. An assignment of all Seller's right, title and interest in escrow deposits for real estate taxes, insurance premiums and other amounts, if any, then held by the Mortgagee(s).

§10.09. All original insurance policies with respect to which premiums are to be apportioned or, if unobtainable, true copies of certificates thereof.

§10.10. To the extent they are then in Seller's possession and not posted at the Premises, certificates, licenses, permits, authorizations and approvals issued for or with respect to the Premises by governmental and quasi-governmental authorities having jurisdiction.

§10.11. Such affidavits as Purchaser's title company shall reasonably require in order to omit from its title insurance policy all exceptions for judgments, bankruptcies or other returns against persons or entities whose names are the same as or similar to Seller's name.

§10.12(a). Checks to the order of the appropriate officers in payment of all applicable real property transfer taxes and copies of any required tax returns therefore executed by Seller, which checks shall be certified or official bank checks if required by the taxing authority, unless Seller elects to have Purchaser pay any of such taxes and credit Purchaser with the amount thereof, (b) the Tentative Assessment and Return or Statement of No Tax Due or affidavit (whichever is applicable) and the checks and other items (if any) required under §17.09(a), and (c) a certification of non-foreign status, in form required by the Code Withholding Section, signed under penalty of perjury. Seller understands that such certification will be retained by Purchaser and will be made available to the Internal Revenue Service on request.

§10.13. To the extent they are then in Seller's possession, copies of current painting and payroll records. Seller shall make all other Building and tenant files and records available to Purchaser for copying, which obligation shall survive the Closing.

§10.14. An original letter, executed by Seller or by its agent, advising the tenants of the sale of the Premises to Purchaser and directing that rents and other payments thereafter be sent to Purchaser or as Purchaser may direct.

§10.15. Notice(s) to the Mortgagee(s), executed by Seller or by its agent, advising of the sale of the Premises to Purchaser and directing that future bills and other correspondence should thereafter be sent to Purchaser or as Purchaser may direct.

§10.16. If Seller is a corporation and if required by Section 909 of the Business Corporation Law, a resolution of Seller's board of Directors authorizing the sale and delivery of the deed and a certificate executed by the secretary or assistant secretary of Seller certifying as to the adoption of such resolution and setting forth facts showing that the transfer complies with the requirements of such law. The deed referred to in §10.01 shall also contain a recital sufficient to establish compliance with such law.

§10.17. Possession of the Premises in the condition required by this contract, subject to the Leases and Tenancies, and any other documents required by this contract to be delivered by Seller.

§10.18. Any other documents required by this contract to be delivered by Seller.

Section 11. Purchaser's Closing Obligations

At the Closing, Purchaser shall:

§11.01. Deliver to Seller checks in payment of the portion of the Purchase Price payable at the closing, as adjusted for apportionments under Section 12, plus the amount of escrow deposits, if any, assigned pursuant to §10.08.

§11.02. Deliver to Seller the Purchase Money Mortgage, if any, in proper form for recording, the note secured thereby, financing statements covering personal property, fixtures and equipment included in this sale and replacements thereof, all properly executed, and Purchaser shall pay the mortgage recording tax and recording fees for any Purchase Money Mortgage.

§11.03. Deliver to Seller an agreement indemnifying and agreeing to defend Seller against any claims made by tenants with respect to tenants' security deposits to the extent paid, credited or assigned to Purchaser under §10.03.

§11.04. Cause the deed to be recorded, duly complete all required real property transfer tax returns and cause all such returns and checks in payment of such taxes to be delivered to the appropriate officers promptly after the Closing.

§11.05. Deliver any other documents required by this contract to be delivered by Purchaser.

Section 12. Apportionments

§12.01. The following apportionments shall be made between the parties at the Closing as of the close of business on the day prior to the Closing Date:

- (a) prepaid rents and Additional Rents (as defined in §12.03);
- ~~(b) interest on the Existing Mortgage(s);~~
- (c) real estate taxes, water charges, sewer rents and vault charges, if any, on the basis of the fiscal period for which assessed, except that if there is a water meter on the Premises, apportionment at the Closing shall be based on the last available reading, subject to adjustment after the Closing when the next reading is available;
- ~~(d) wages, vacation pay, pension and welfare benefits and other fringe benefits of all persons employed at the Premises whose employment was not terminated at or prior to the Closing;~~
- (e) value of fuel stored on the Premises, at the price then charged by Seller's supplier, including any taxes;
- (f) charges under transferable Service Contracts or permitted renewals or replacements thereof;
- (g) permitted administrative charges, if any, on tenants' security deposits;
- (h) dues to rent stabilization associations, if any;
- ~~(i) insurance premiums on transferable insurance policies listed on a schedule hereto or permitted renewals thereof;~~
- (j) Relisting Expenses under §6.02, if any; and
- (k) Any other items listed in Scheduled D.

If the Closing shall occur before a new tax rate is fixed, the apportionment of taxes at the Closing shall be upon the basis of the old tax rate for the preceding period applied to latest assessed valuation. Promptly after the new tax rate is fixed, the apportionment of taxes shall be recomputed. Any discrepancy resulting from such recomputation and any errors or omissions in computing apportionments at Closing shall be promptly corrected, which obligations shall survive the Closing.

§12.02. If any tenant is in arrears in the payment of rent on the Closing Date, rents received from such tenant after the Closing shall be applied in the following order of priority: (a) first to the month preceding the month in which the Closing occurred; (b) then to the month in which the closing occurred; (c) then to any month or months following the month in which the Closing occurred; and (d) then to the period prior to the month preceding the month in which the Closing occurred. If rents or any portion thereof received by Seller or Purchaser after the Closing are payable to the other party by reason of this allocation, the appropriate sum, less a proportionate share of any reasonable attorney's fees, costs and expenses of collection thereof, shall be promptly paid to the other party, which obligation shall survive the Closing.

§12.03. If any tenants are required to pay percentage rent, escalation charges for real estate taxes, operating expenses, cost-of-living adjustments or other charges of a similar nature ("Addi-

tional Rents" and any Additional Rents are collected by Purchaser after the Closing which are attributable in whole or in part to any period prior to the closing, then Purchaser shall promptly pay to Seller Seller's proportionate share thereof, less a proportionate share of any reasonable attorneys' fees, costs and expenses of collection thereof, if and when the tenant paying the same has made all payments of rent and Additional Rent then due to Purchaser pursuant to the tenant's Lease, which obligation shall survive the Closing.

Section 13. Objections to title, Failure of Seller or Purchaser to Perform and Vendee's Lien

§13.01. Purchaser shall promptly order an examination of title and shall cause a copy of the title report to be forwarded to Seller's attorney upon receipt. Seller shall be entitled to a reasonable adjournment or adjournments of the Closing for up to 60 days or until the expiration date of any written commitment of Purchaser's Institutional Lender delivered to Purchaser prior to the scheduled date of Closing, whichever occurs first, to remove any defects in or objections to title noted in such title report and any other defects or objections which may be disclosed on or prior to the Closing Date.

§13.02. If Seller shall be unable to convey title to the Premises at the Closing in accordance with the provisions of this contract or if Purchaser shall have any other grounds under this contract for refusing to consummate the purchase provided for herein, Purchaser, nevertheless, may elect to accept such title as Seller may be able to convey with a credit against the monies payable at the Closing equal to the reasonably estimated cost to cure the same (up to the Maximum Expense described below), but without any other credit or liability on the part of Seller. If Purchaser shall not so elect, Purchaser may terminate this contract and the sole liability of Seller shall be to refund the Downpayment to Purchaser and to reimburse Purchaser for the net cost of title examination, but not to exceed the net amount charged by Purchaser's title company therefore without issuance of a policy, and the net cost of updating the existing survey of the Premises or the net cost of a new survey of the Premises if there was no existing survey or the existing survey was not capable of being updated and a new survey was required by Purchaser's Institutional Lender. Upon such refund and reimbursement, this contract shall be null and void and the parties hereto shall be relieved of all further obligations and liability other than any arising under Section 14. Seller shall not be required to bring any action or proceeding or to incur any expense in excess of the Maximum Expense specified in Schedule D (or if none is so specified, the Maximum Expense shall be one-half of one percent of the Purchase Price to cure any title defect or to enable Seller otherwise to comply with the provisions of this contract, but the foregoing shall not permit Seller to refuse to pay off at the Closing, to the extent of the monies payable at the closing, mortgages on the Premises, other than Existing Mortgages, of which Seller has actual knowledge.

§13.03. Any unpaid taxes, assessments, water charges and sewer rents, together with the interest and penalties thereon to a date not less than two days following the Closing Date, and any other liens and encumbrances which Seller is obligated to pay and discharge or which are against corporations, estates or other persons in the chain or title, together with the cost of recording or filing any instruments necessary to discharge such liens and encumbrances of record, may be paid out of the proceeds of the monies payable at the Closing if Seller delivers to Purchaser on the Closing Date official bills for such taxes, assessments, water charges, sewer rents, interest and penalties and instruments in recordable form sufficient to discharge any other liens and encumbrances of record. Upon request made a reasonable time before the closing, Purchaser shall provide at the Closing separate checks for the foregoing payable to the order of the holder of any such lien, charge or encumbrance and otherwise complying with §2.02. If Purchaser's title insurance company is willing to insure both Purchaser and Purchaser's Institutional Lender, if any, that such charges, liens and encumbrances will not be collected out of or enforced against the Premises, then, unless Purchaser's Institutional Lender reasonably refuses to accept such insurance in lieu of actual payment and discharge, Seller shall have the right in lieu of payment and discharge to deposit with the title insurance company such funds or assurances or to pay such special or additional premiums as the title insurance company may require in order to so insure. In such case the charges, liens and encumbrances with respect to which the title insurance company has agreed so to insure shall not be considered objections to title.

§13.04. If Purchaser shall default in the performance of its obligation under this contract to purchase the Premise, the sole remedy of Seller shall be to retain the Downpayment as liquidated

damages for all loss, damage and expense suffered by Seller, including without limitation the loss of its bargain.

§12.05. Purchaser shall have a vendee's lien against the Premises for the amount of the Downpayment, but such lien shall not continue after default by Purchaser under this contract.

Section 14. Broker

§14.01. If a broker is specified in Schedule D, Seller and Purchaser mutually represent and warrant that such broker is the only broker with whom they have dealt in connection with this contract and that neither Seller nor Purchaser knows of any other broker who has claimed or may have the right to claim a commission in connection with this transaction, unless otherwise indicated in Schedule D. The commission in connection with this transaction, unless otherwise indicated in Schedule D. The commission of such broker shall be paid pursuant to separate agreement by the party specified in Schedule D. If no broker is specified in Schedule D, the parties acknowledge that this contract was brought about by direct negotiation between Seller and Purchaser and that neither Seller nor Purchaser knows of any broker entitled to a commission in connection with this transaction. Unless otherwise provided in Schedule D, Seller and Purchaser shall indemnify and defend each other against any costs, claims or expenses, including attorneys' fees, arising out of the breach on their respective parts of any representations, warranties or agreements contained in this paragraph. The representations and obligations under this paragraph shall survive the Closing or, if the Closing does not occur, the termination of this contract.

Section 15. Notices

§15.01. All notices under this contract shall be in writing and shall be delivered personally or shall be sent by prepaid registered or certified mail, or by email to the respective attorney AND regular mail, addressed as set forth in Schedule D, or as Seller or Purchaser shall otherwise have given notice as herein provided.

Section 16. Limitations on Survival of Representations, Warranties, Covenants and other Obligations

§16.01. Except as otherwise provided in this contract, no representations, warranties, covenants or other obligations of Seller set forth in this contract shall survive Closing, and no action based thereon shall be commenced after the Closing. The representations, warranties, covenants and other obligations of Seller set forth in §4.03, §6.01 and §6.02 shall survive until the Limitation Date specified in Schedule D (or if none is so specified, the limitation Date shall be the date which is six months after the Closing Date), and no action based thereon shall be commenced after the Limitation Date.

§16.02. The delivery of the deed by Seller, and the acceptance thereof by Purchaser, shall be deemed the full performance and discharge of every obligation on the part of Seller to be performed hereunder, except those obligations of Seller which are expressly stated in this contract to survive the Closing.

Section 17. Gains Tax and Miscellaneous Provisions

§17.01. If consent of the Existing Mortgagee(s) is required under §2.03(b), Purchaser shall not assign this contract or its rights hereunder without the prior written consent of Seller. No permitted assignment of Purchaser's rights under this contract shall be effective against Seller unless and until an executed counterpart of the instrument of assignment shall have been delivered to Seller and Seller shall have been furnished with the name and address of the assignee. The term "Purchaser" shall be deemed to include the assignee under any such effective assignment.

§17.02. This contract embodies and constitutes the entire understanding between the parties with respect to the transaction contemplated herein, and all prior agreements, understandings, representations and statements, oral or written, are merged into this contract. Neither this contract nor any provision hereof may be waived, modified, amended, discharged or terminated except by an instrument signed by the party against whom the enforcement of such waiver, modification, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument.

§17.03. This contract shall be governed by, and construed in accordance with, the law of the State of New York.

§17.04. The captions in this contract are inserted for convenience of reference only and in no way define, describe or limit the scope or intent of this contract or any of the provisions hereof.

§17.05. This contract shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs or successors and permitted assigns.

§17.06. This contract shall not be binding or effective until properly executed and delivered by Seller and Purchaser.

§17.07. As used in this contract, the masculine shall include the feminine and neuter, the singular shall include the plural and the plural shall include the singular, as the context may require.

§17.08. If the provisions of any schedule or rider to this contract are inconsistent with the provisions of this contract, the provisions of such schedule or rider shall prevail. Set forth in Schedule D is a list of any and all schedules and riders which are attached hereto but which are not listed in the Table of Contents.

§17.09. (a) Seller and Purchaser agree to comply in a timely manner with the requirements of Article 31-B of the Tax Law of the State of New York and the regulations applicable thereto, as the same from time to time may be amended (collectively, the "Gains Tax Law"). Purchaser agrees to deliver to Seller a duly executed and acknowledged Transferee Questionnaire simultaneously with the execution of this contract or within five (5) business days after subsequent written request from Seller or Seller's attorney. At the Closing, Seller shall deliver (i) an official Statement of No Tax Due or (ii) an official Tentative Assessment and Return accompanied by a certified check or official bank check drawn on any banking institution described in §2.02(a), payable to the order of the State Tax Commission in the amount of the tax shown to be due thereon (it being understood, however, that if Seller has duly elected to pay such tax in installments, the amount so required to be paid shall be the minimum installment of such tax then permitted to be paid), or (iii) if applicable, a duly executed and acknowledged affidavit in form permitted under the Gains Tax Law claiming exemption therefrom.

(b) Seller agrees (i) to pay promptly any installment(s) or additional tax due under the Gains Tax Law, and inter-

est and penalties thereon, if any, which may be assessed or due after the Closing; (ii) to indemnify and save the Purchaser harmless from and against any of the foregoing and any damage, liability, cost or expense (including reasonable attorneys' fees) which may be suffered or incurred by Purchaser by reason of the non-payment thereof; and (iii) to make any other payments and execute, acknowledge and deliver such further documents as may be necessary to comply with the Gains Tax Law.

(c) If this contract is assignable by Purchaser, no assignment of any rights hereunder shall be effective unless every assignor and assignee complies in a timely manner with the requirements of the Gains Tax law applicable to the assignment transaction and unless assignor or assignee delivers to Seller at or before the Closing the applicable items referred to in subparagraph (a) of this Section, all as may be required as a prerequisite to the recording of the deed. In addition to making the payments and delivering the instruments and documents referred to above, Purchaser and any assignor or assignee of this contract shall promptly (i) make any other payments and (ii) execute, acknowledge and deliver such further documents and instruments as may be necessary to comply with the Gains Tax law.

(d) Purchaser, if request is made within a reasonable time prior to the Closing Date, shall provide at the Closing a separate certified or official bank check drawn on any banking institution described in §2.02(a) in the amount of the tax shown to be due on the official Tentative Assessment and Return, which amount shall be credited against the balance of the Purchase Price payable at the closing.

(e) The provisions of this §17.09 shall survive the delivery of the deed.

IN WITNESS WHEREOF, the parties hereto have executed this contract as of the date first above written.

Seller: David Belaf
member

Purchaser: Agata Kishta
Agata Kishta

Receipt by Escrowee

The undersigned Escrowee hereby acknowledges receipt of \$127,000.00, by check subject to collection, to be held in escrow pursuant to §2.05.

Schedule A

DESCRIPTION OF PREMISES

(to be attached separately and to include tax map designation)

Schedule B

PERMITTED EXCEPTIONS

1. Zoning regulations and ordinances which are not violated by the existing structures or present use thereof and which do not render title uninsurable.
2. Consents by the Seller or any former owner of the Premises for the erection of any structure or structures on, under or above any street or streets on which the Premises may abut.
3. The Existing Mortgage(s) and financing statements, assignments of leases and other collateral assignments ancillary thereto.
4. Leases and Tenancies specified in the Rent Schedule and any new leases or tenancies not prohibited by this contract.
5. Unpaid installments of assessments not due and payable on or before closing Date.
6. Financing statements, chattel mortgages and liens on personalty filed more than 5 years prior to the Closing Date and not renewed, or filed against property or equipment no longer located on the Premises or owned by Tenants.
7. (a) Rights of utility companies to lay, maintain, install and repair pipes, lines, poles, conduits, cable boxes and related equipment on, over and under the premises, provided that

none of such rights imposes any monetary obligation on the owner of the Premises.

(b) Encroachments of stoops, areas, cellar steps, trim cornices, lintels, window sills, awnings, canopies, ledges, hedges, coping and retaining walls projecting from the Premises over any street or highway or over any adjoining property and encroachments of similar elements projecting from adjoining property over the Premises.

(c) Revocability or lack of right to maintain vaults, coal chutes, excavations or sub-surface equipment beyond the line of the Premises.

(d) Any state of facts that an accurate survey would disclose, provided that such facts do not render title unmarketable. For the purposes of this contract, none of the facts shown on the survey, if any, identified below shall be deemed to render title unmarketable, and Purchaser shall accept title subject thereto:

The Purchase Price shall be paid as follows:

(a) By check subject to collection, the receipt of which is hereby acknowledged by Seller: **\$127,000.00**

(b) By check or checks delivered to Seller at the Closing in accordance with the provisions of §2.02:

Payable to: L & N Twins Place, LLC

Payable to: Amount: \$ 1,143,000.00

Payable to: Amount: \$0.00

Payable to: Amount: \$0.00

(c) By acceptance of title subject to the following Existing Mortgage(s):

Holder: Amount: \$0.00

Holder: Amount: \$0.00

Holder: Amount: \$0.00

Holder: Amount: \$0.00

(d) By execution and delivery to Seller by Purchaser or its assignee of a note secured by a Purchase Money Mortgage on the Premises, payable as follows:

Amount:

Purchase Price **\$1,270,000.00**

Schedule D

MISCELLANEOUS

- Title insurer designated by the parties (§1.02):
Any Licensed New York State Title Co.
- Last date for consent by Existing Mortgagee(s) (§2.03(b)):
- Maximum Interest Rate of any Refinanced Mortgage (§2.04(b)):
- Prepayment Date on or after which Purchase Money Mortgage may be prepaid (§2.04(c)):
- Seller's tax identification number (§2.05):
- Purchaser's tax identification number (§2.05):
- Scheduled time and date of Closing (§3.01):
February 15, 2017
- Place of Closing (§3.01):
Seller's Attorney's Office
- Assessed valuation of Premises (§4.10):
Actual Assessment: \$
Transition Assessment:
- Fiscal year and annual real estate taxes on Premises (§4.10):

12. Assessments on Premises (§4.13):

- Maximum Amount which Seller must spend to cure violations, etc. (§7.02): \$3,000.00
- Maximum Expense of Seller to cure title defects, etc. (§13.02): \$3,000.00
- Broker, if any (§14.01): Coldwell Banker Residential Brokerage and Exit Realty Private Client
- Party to pay brokers commission (§14.01): Seller
- Address for notices (§15.01):
If to Seller:

C/O Zadrina & Associates
Alexander J. Zadrina, Esq.
1841 Williamsbridge Road, Suite 1H
Bronx, New York 10461

C/O David Balaj,
180 Brook Street
Scarsdale, New York 10583

With a copy to Seller's attorney:
Zadrina & Associates
Alexander J. Zadrina, Esq.
1841 Williamsbridge Road, Suite 1H
Bronx, New York 10461
(For Maria Balaj)

David Balaj
180 Brook Street
Scarsdale, New York 10583
(Pro Se)

If to Purchaser:
Agata Mishto
C/O/ Isidoros I. Tsamblakos, Esq.
Marku, Beno & Tsamblakos, PLLC
299 Broadway, Suite 910
New York, NY 10007

With a copy to Purchaser's attorney:
Isidoros I. Tsamblakos, Esq.
Marku, Beno & Tsamblakos, PLLC
299 Broadway, suite 910
New York, NY 10007

18. Limitation Date for actions based on Seller's surviving representations and other obligations (§16.01): 6 months

19. Additional Schedules or Riders (§17.08):
Seller's Rider

Schedule E

RENT SCHEDULE

SEE ATTACHED SCHEDULE "E"

SELLER'S RIDER TO CONTRACT OF SALE

between

L & N Twins Place, LLC

And

Agata Mishto

SELLER'S RIDER TO CONTRACT OF SALE

The provisions of this Rider are hereby incorporated into and made a part of the contract of sale for the property located at **2-4 Virginia Place Pleasantville, New York 10570** (the "Premises"), made March 24, 2017, 2017, between **L & N Twins Place, LLC**, maintaining an address at **4 Virginia Place, Pleasantville, New York 10570** ("**Seller**"), and **Agata Mishto** having an address at **319 Avenue C, Apt. MH, New York, New** ("**Purchaser**"). If there is any conflict between the provisions of this Rider and the remainder of this Agreement, the provisions of this Rider shall govern.

Section 18. Purchase Price. The Purchase Price for the Premises is \$ **1,270,000.00**, payable as follows:

- (a) **Ten percent (10%)** down payment of \$ **127,000.00** upon signing of contract by a cashier's or certified check drawn to the order of Seller on a bank which is a member of the New York Clearing House Association to be held in escrow; and
- (b) Balance of \$ **1,143,000.00** at closing by a cashier's or certified check drawn to the order of Seller on a bank which is a member of the New York Clearing House Association.

Section 19. Condition of Premises. As material condition to this contract, the premises shall be delivered vacant and in broom clean condition at closing. But for vacant and broom clean, the Premises are being delivered AS IS, subject to reasonable use, wear, tear and deterioration between now and the Closing Date. Seller shall not be liable for any latent or patent defects in the Premises.

30. Representations and Warranties. Sellers represent and warrant to Purchaser that:

- (a) Sellers are the sole owners of the Premises and have full power, authority and right to execute, deliver and perform this Agreement. The parcels and plots which comprise the Premises are all contiguous.
- (a) The Premises is zoned as a Multi-family dwelling, which is the current use of the premises.

31. Covenants. Sellers covenant and agree that:

- (a) Sellers shall continue to operate and maintain the Premises in the same manner as the Premises has been operated and maintained in the preceding year.

Section 24. Closing Date. The closing of title pursuant to this Agreement (the "Closing") shall be held at the Law Offices of Garvey Cushner & Associates, PLLC 50 Main Street, Suite 390, White Plains, New York 10606 at 2 P.M. on or about ~~March 7, 2017~~ (the "Closing Date").

*30 days from fully executed
Contract of Sale*


34. Conditions of Closing. It shall be a condition to Purchaser's obligation to close title that:

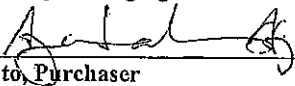
- (a) The representations and warranties of Sellers set forth herein shall be true as of the Closing Date.
- (b) The covenants of Sellers set forth herein shall be true as of the Closing Date.
- (c) Sellers shall deliver possession of the Premises to Purchaser on the Closing Date in the condition required by this Agreement and in accordance with the terms, covenants and conditions of this Agreement.

Without limiting the other rights of Purchaser, Sellers shall permit Purchaser, and such agents and experts of Purchaser as Purchaser shall designate, full access to the Premises and all records concerning the Premises during reasonable business hours, for purposes of such independent investigation or inspection as Purchaser shall desire to conduct.

36. Notices. All notices, demands and other communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been properly given if delivered by hand or sent by United States registered or certified mail, return receipt requested, to Sellers or Purchaser, as the case may be, at their addresses first above written, or at such other addresses as they may designate by notice given hereunder. Copies of any such communication shall be delivered to Lawrence A. Garvey, Esq., 50 Main Street, Suite 390, White Plains, New York 10606 and Isadoros I. Tsamblakos, Esq. 299 Broadway, Suite 910 New York 10007 the aforesaid manner. Attorneys may send and receive notices on behalf of contract parties including notices via email.

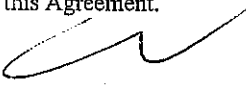
IN WITNESS WHEREOF Seller and Purchaser have duly executed this Agreement on the date first above written.



L&N Twins Place, LLC., Seller
By: David Balaj, Managing Member


Agata Mishto, Purchaser

I hereby execute this Agreement for the sole purpose of agreeing to serve as Escrow Agent in accordance with the provisions of Article 29 of this Agreement.



Lawrence A. Garvey, Escrow Agent