

EXHIBIT "A"

MILLBROOK REALTY CAPITAL LLC
C/O YASSKY PROPERTIES
424 MADISON AVENUE, 16TH FLOOR
NEW YORK, NY 10017
(212) 223-1270, FAX (212) 826-6214

May 17, 2017

Haimil Realty Corp.
15 Avenue B
Unit 7
New York, NY 10009

THIS TERM SHEET SHALL REPLACE AND SUPERCEDE THE TERM SHEET
DATED MARCH 22, 2017 BETWEEN THE PARTIES COVERING THE PROPERTY.

RE: PROPOSED LOAN FOR 1,500,000.00
SECURED BY PROPERTY LOCATED AT: 15
Avenue B (a/k/a 209 East 2nd Street), Unit 7, New
York, New York (the "Property")

Gentlemen:

Based on our review of the information provided to date, upon and subject to the terms and conditions set forth in this letter, Millbrook Realty Capital LLC (by itself or through an affiliate controlled by it) proposes making a loan (the "Proposed Loan") to the borrower identified below, as follows:

Borrower: Haimil Realty Corp., a New York corporation having its principal place of business at the address set forth above.

Lender: Millbrook Realty Capital LLC. ("MRC") or an affiliate thereof.

Property: 15 Avenue B (a/k/a 209 East 2nd Street), Unit 7
New York, NY

Proposed Loan Amount: One million five hundred thousand (\$1,500,000.00) dollars.

Use of Proceeds of Loan: To repay existing current first mortgage, provide funds for Property improvements, payment of Lender's fee, brokerage fee and other closing costs, and the balance to be used by Borrower as it chooses.

Term: Twelve (12) Months from the date of closing (the "Closing"); provided however Borrower shall have the right to extend the initial term of the Loan for an extended term of an additional six (6) months upon the payment of an extension fee equal to one half of one (1/2%) percent of the Proposed Loan Amount.

Amortization: Interest Only

Interest Rate: Ten percent (10%) per annum (provided however should Borrower effectively exercise its right to extend the initial term of the Loan for an additional six months, the interest rate in such extended period shall be an amount equal to the greater of (a) 10% per annum, or (b) six (6) percentage points (that is, 600 basis points) above the Prime Rate as published by Citibank, N.A. effective on first day of such extended term.)

Interest Reserve: There shall be an interest reserve established in an amount equal to the amount of interest which shall be due and payable for the entire initial term of the Loan.

Prepayment: The Proposed Loan may be prepaid in full at any time provided that Lender earns the amount of interest that it would have earned had the Loan been outstanding for (a) nine (9) months after Closing (should same be prepaid in the initial term and (b) fifteen (15) months after Closing (should same shall be prepaid in the extended term).

Origination Fee: Three (3%) percent of the Proposed Loan Amount, payable by Borrower at the Closing.

Exit Fee: None, provided, however should the Loan be in default at the time in question, there shall be a one (1%) percent Exit Fee.

Broker: Borrower represents to Lender that it has not contracted with, nor does it know of, any broker who has participated in the transaction contemplated hereby other than RPR Ventures/ Ryan Perkowski (the "Broker"). Borrower agrees to pay, and to indemnify and hold Lender harmless from any and all loss, cost or expense arising from the claims of any brokers or anyone claiming a right to any fees in connection with the financing of the Properties excluding the Broker (which Broker fee shall be paid by Lender). The provisions of this paragraph shall survive the closing of the Loan and/or the termination of this Term Sheet.

Due on Sale: The Proposed Loan shall be due and payable in full upon any transfer or sale of: (i) the Property or (i) any direct or indirect ownership interest in Borrower.

Security: The Proposed Loan shall be secured by: (i) a first priority mortgage on the Property; (ii) a pledge of the outstanding interests in the Borrower, (iii), and such other security as is customary in loans of this nature.

Loan Fee: A certified check in the amount of Seven Thousand and Five Hundred Dollars (\$7,500.00) (the "Loan Fee") made payable to MRC (or at its option, MRC's counsel) shall be delivered simultaneously with the acceptance of this letter. Lender acknowledges receipt of such funds. The Loan Fee shall be nonrefundable, except as provided herein. If a closing occurs, Lender shall refund to Borrower (or apply toward closing costs) an amount equal to the Loan Fee less the sum of: (a) a processing fee in the amount of \$1,000 (the "Processing Fee") and (b) the out of pocket costs and expenses incurred by Lender in connection with the Proposed Loan including without limitation: (i) the costs of obtaining inspection, credit, background or title reports or surveys, and (ii) professional fees (including without limitation Lender's legal fee, collectively, all of the foregoing, "Out of Pocket Costs").

Legal Fees: The interests of the Borrower and Lender are or may be different and may conflict, and the Lender's attorney will solely represent the interests of the Lender. It is advised and requested that the Borrower employ an attorney of its own choice, to represent the interests of the Borrower. The Borrower shall be required to pay to Lender the legal fees and expenses of Lender's attorney for services provided to Lender in connection with this transaction. Borrower is also responsible for any legal fees of local counsel required by Lender.

Borrower's Counsel: Law office of Douglas J. Pick, Pick & Zabicki LLP, 369 Lexington Avenue, 12th Floor, New York, NY 10017. Tel: 212-695-6000 Ext: 223 E mail: dpick@picklaw.net.

Guaranty: Manny Haimovich shall unconditionally and irrevocably guaranty payment of all principal, interest and other amounts due with respect to the Proposed Loan,

as well as all of the other obligations of Borrower thereunder.

- Pledge:** All of the issued and outstanding ownership interests of Borrower shall be pledged to Lender pursuant to the terms of a Pledge and Security Agreement (the "Pledge").
- Environmental Report:** Intentionally omitted.
- Engineering Report:** Intentionally omitted.
- Appraisal:** Intentionally omitted.
- Insurance:** Borrower shall maintain at all times, at Borrower's sole cost and expense, paid-up policies of liability, property damage, casualty, rent loss insurance and all other insurance that may be required by Lender under the Loan Documents. All insurance shall be maintained with responsible and reputable insurance companies or associations satisfactory in all respects to Lender. Each policy of insurance shall name Lender (and its successors and assigns) as additional insured or loss payee and shall include mandatory 30-day written notice to Lender of any modification or cancellation of any such policies.
- Single Purpose Entity:** At all times during the term of the Proposed Loan, Borrower shall remain a "bankruptcy remote" "single purpose" entity, which requirement shall mean that Borrower: (i) shall not engage in any business other than to acquire, own, manage, lease, encumber, sell, dispose of or otherwise deal with the Property, (ii) not own or hold any assets other than the Property, (iii) not enter into or incur any secured or unsecured financing (except for the Proposed Loan), (iv) not guaranty or be liable for or in connection with any obligation of any other person or entity, (v) not pledge its assets for the benefit of any other person or entity, and (vi) comply with all other terms and conditions set forth in the Loan Documents.
- Additional Financing:** None Permitted.
- Issuance or Transfer of Equity Interests:** At all times during the term of the Proposed Loan: (i) Borrower shall not issue any new or additional equity interest in itself (nor permit any such interest to be issued in any entity of which it is a subsidiary) and (ii) no owner of an ownership interest in Borrower (or of the parent entity of Borrower, if any) shall pledge, assign or otherwise transfer its ownership interest in Borrower or such parent entity, as applicable.
- Loan Documents:** All agreements, certificates and documents executed in connection with the Proposed Loan (the "Loan Documents") shall be prepared by counsel designated by Lender and shall be on such forms and contain such terms and provisions as shall be required by Lender in its sole discretion. The Loan Documents may include, without limitation, the following: (i) a loan agreement; (ii) a promissory note; (iii) a mortgage and security agreement encumbering the Property; (iv) an assignment of leases and rents encumbering the Property; (v) Uniform Commercial Code financing statements; (vi) the Guaranty; (vii) environmental indemnity; (viii) the Pledge; (ix) if applicable, an estoppel certificate from each tenant of the Property in form and substance acceptable to Lender; (x) lockbox agreement relating to rental payments; (xi) opinions of counsel, in such form and content as Lender may require; (xii) such other affidavits, assignments, escrow agreements, certificates, and other documents as Lender may require in its sole discretion to evidence or secure the Proposed Loan.
- Organizational and Related Documents:** Borrower shall provide Lender all corporate, partnership or membership

resolutions, certificates of incumbency, certificates of good standing, owner consents, certified copies of partnership, operating or shareholder agreements, articles of incorporation, bylaws, and such other organizational documents and evidence of authority and consent as Lender may require, both with respect to Borrower and any parent thereof. All such documents and certificates shall be satisfactory to Lender in its sole discretion.

Title Insurance:

Lender shall order, at Borrower's sole cost and expense, one or more policies of mortgagee's title insurance, or "marked-up" binding commitments for mortgagee's title insurance, from a title insurance company, and on an ALTA form of title policy, acceptable to Lender in its sole discretion. Each such policy or commitment shall (a) name Lender and such other parties as may be designated by Lender as the insured parties; (b) be in the final amount of the Proposed Loan; (c) insure that the lien of each mortgage and security agreement is a first priority lien on the Property subject only to (i) real estate taxes not yet due and payable and (ii) covenants, conditions, restrictions, rights of way and easements acceptable to Lender; (c) insure that the Property has direct pedestrian and vehicular access to a publicly dedicated, constructed road; (d) contain such endorsements and affirmative coverage as may be required by Lender and (e) in any event be in all respects acceptable to Lender in its sole discretion.

Survey:

Intentionally omitted.

Property Status:

Borrower shall provide Lender at the times required under the Loan Documents, at Borrower's sole cost and expense: (a) permits, licenses or other evidence satisfactory to Lender demonstrating compliance with current zoning, building, health, environmental and other rules, regulations, ordinances and laws applicable to the Property and the use thereof and all covenants and restrictions applicable to the Property and (b) evidence satisfactory to Lender that (i) public utilities are available and serve the Property with sufficient capacity and (ii) the Property has direct pedestrian and vehicular access to a publicly dedicated, constructed road.

Anticipated Date of Closing:

On or before the date which is 120 days after the date hereof. The Proposed Loan is subject to the sale by Borrower of the ground floor retail unit owned by it such that Borrower's sole asset shall be the Property at the time the Proposed loan closes.

Additional Conditions:

This transaction is subject to the further condition that there is no adverse change in the financial condition of Borrower, any Guarantor or the Property from that presented to Lender. Lender will investigate and confirm the Property's physical condition, financial viability and value, inclusive of any existing tenants and tenants with respect to whom leases will be executed on or before Closing. Such condition, viability and value shall be satisfactory to Lender in its sole discretion. In connection with the foregoing, Borrower shall:

- (a) Provide access to the Property to Lender or its agents.
- (b) Provide Lender with such property, financial or other relevant information regarding the Property, Borrower or any Guarantor as Lender may require.

Expiration:

In the event the Borrower is unable to close the Proposed Loan on or before August 31, 2017, unless such date is extended in writing by Lender, in its

sole discretion, this letter shall expire and be of no further force or effect and Lender shall have no further liability hereunder.

**Warranties, Representations
and Covenants:**

The person executing this letter on behalf of Borrower: (a) warrants and represents to, and covenants with, Lender and its affiliates that: (i) he or she is duly authorized to execute this letter on behalf of Borrower and to bind Borrower to its terms; (ii) all financial and other information previously supplied by or on behalf of Borrower to Lender or its affiliates in connection with the Proposed Loan is true and correct in all material respects and (iii) Borrower has been represented by legal counsel of its choice in connection with this letter or, if Borrower has not been represented by counsel, that the decision not to be represented by counsel is a decision that Borrower freely made; (b) agrees that Borrower will use its good faith, diligent and prompt efforts to satisfy all closing conditions and generally move forward to close the Proposed Loan upon and subject to the terms and conditions set forth herein; (c) authorizes Lender to check and verify credit and employment history and to gather whatever financial information Lender considers necessary in connection with the Proposed Loan including, but not limited to contacting credit reporting agencies and verifying contracts with banks, suppliers, bonding companies, and other financial institutions; and (d) authorizes such institutions to communicate with Lender or any of its affiliates (i) regarding Borrower's (or any of its owners or managers) relationships with them and (ii) to verify balances in accounts held by Borrower (or any of its owners or managers). Borrower will hold Lender, its members, principals and employees harmless from and against any and all claims, liability, damages, costs or expenses as a result of any such communications.

Termination Default:

If Borrower satisfies all conditions precedent to the closing of the Proposed Loan during the term of this letter (the "Closing Conditions") but Lender determines not to provide the Proposed Loan to Borrower, Lender shall return the Loan Fee to Borrower less an amount equal to the Processing Fees and Costs. If Lender does not provide the Proposed Loan to Borrower, neither Lender nor any of its affiliates shall have any liability to Borrower or any of its affiliates of any kind whatsoever, including actual, compensatory or consequential damages, except such obligation to refund the Loan Fee less an amount equal to the Processing Fees and Costs. If the Proposed Loan does not close (a) as a result of a breach by Borrower of any of the warranties, representations, covenants or other terms set forth herein, or (b) if Lender is ready, willing and able to close the Proposed Loan but Borrower chooses not to enter into the Proposed Loan, Borrower recognizes and acknowledges that the damages to Lender caused thereby will be uncertain and difficult to ascertain. As such, Borrower agrees that, as and for reasonable and good faith compensation to Lender, in addition to Lender's right to retain the Loan Fee in full, Lender shall be entitled to a payment equal to the Origination Fee Lender would have earned had the Proposed Loan closed. The parties agree that the within stipulated and liquidated damages is not in the nature of a penalty and is reasonable compensation to Lender.

**Governing Laws, Juris-
Diction and Waiver of
Jury Trial:**

This letter, and all of the rights and obligations of the parties hereunder, shall be governed and construed in accordance with the laws of the State of New York, without regard to principles of conflicts or choice of law that would make the laws of any other state applicable hereto. Each party hereto hereby irrevocably submits to the exclusive jurisdiction of any court sitting in

New York County, New York in connection with any action or proceeding arising out of or relating to this letter and irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such court. Each party hereby irrevocably waives, to the fullest extent it may effectively do so, the defenses of an inconvenient forum to the maintenance of such action or proceeding, waives personal service of any summons, complaint or other process and agrees that the service thereof may be made by certified or registered mail directed to such party at its address set forth above. In connection with any action or proceeding, each party hereto, to the fullest extent it may effectively do so, waives a trial by jury. In any litigation between the parties relating to or arising out of this letter, the prevailing party shall be entitled to recover its reasonable legal fees from the non-prevailing party.

Miscellaneous:

This letter sets forth the entire agreement and understanding of the parties relating to the subject matter hereof, and supersedes all prior agreements, arrangements and understandings, written and oral, relating to the subject matter hereof. No representation, promise or inducement has been made by either party that has not been embodied in this letter, and neither party shall be bound by or liable for any alleged representation, promise or inducement not so set forth. No waiver, amendment, extension or cancellation of this letter shall be effective unless in writing and signed by each party to be bound thereby. This letter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. If any term, provision, covenant or restriction in this letter is held by a court of competent jurisdiction to be invalid, void or unenforceable or against public policy, the remainder of this letter shall remain in full force and effect and shall in no way be affected or impaired or invalidated.


The failure of a party at any time or times to require performance of any provision hereof in no manner shall affect the right of such party at a later time to enforce same. The headings contained in this letter have been inserted for convenience only and shall not be used in interpreting this letter. This letter shall be deemed to have been drafted by both parties. Any controversy over the construction of this letter shall be decided neutrally and without regard to events of authorship or negotiation. This letter may be executed in multiple counterparts, each of which will be deemed an original, but all of which taken together will constitute one and the same instrument. The transmission of a signed counterpart electronically or by facsimile shall be treated as the delivery of the original thereof.

**This letter shall not become effective unless, on or before May 25, 2017
Borrower shall accept the same by executing this letter, and returning it to Millbrook
Realty Capital LLC.**

[Signatures on next page]

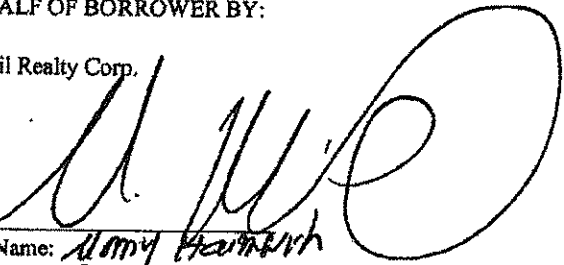
Sincerely,

Millbrook Realty Capital LLC.

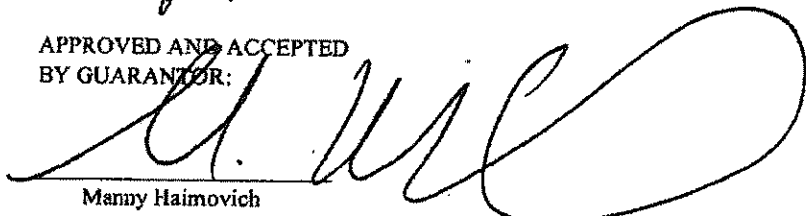
By: 
Marc Yassky, Managing Member

APPROVED AND ACCEPTED ON
BEHALF OF BORROWER BY:

Haimil Realty Corp.

By: 
Name: Amy Haimovitch
Title: Pres.

APPROVED AND ACCEPTED
BY GUARANTOR:


Manny Haimovich