From: Alan Guttenberg <aguttenberg@grclaw.com>
Sent: Monday, June 11, 2012 9:19 PM
To: Steven J. Shore
Cc: 'Shelley Pazer'; 'Dina Bassen'; 'Lpazer'; William D. McCracken
Subject: RE: Avenue K

The fear is palpable…and it should be. You/Pazer simply pushed too hard, with nothing in your hand(s)…now comes the inevitable. I/Mintz welcome it…do you?

Justice for all is coming, and soon….good job, Steve and Shelley. You deserve everything that is coming to you.

And unlike you, I do not bluff. Try your BS in front of a Judge, again…maybe it will work better next time, but it WON'T. Never has, never will.

And if it costs millions in legal fees, so be it. At least Shelley will be exposed for what she is, found liable for it, the Center sold out from under the Pazer family, and the Mintz family will be free of the Pazers forever. The garbage and nonsense will stop, one way or another.

Oh, and then there is all your fictional "dirt" on Howard…feel free to raise that…can't wait.

Alan B. Guttenberg, Esq.
Guttenberg, Rapson & Colvin LLP
101 Lucas Valley Road, Ste. 216
San Rafael, CA 94903
ph: (415) 507-4525
fax: (415) 507-4526
email: aguttenberg@grclaw.com

From: Steven J. Shore [mailto:sshore@ganfershore.com]
Sent: Monday, June 11, 2012 4:34 PM
To: Alan Guttenberg
Cc: 'Shelley Pazer'; 'Dina Bassen'; 'Lpazer'; William D. McCracken
Subject: RE: Avenue K

Alan:

Have a good evening. I'm sure we'll have more communications in the near future. It's been a pleasure.

Steve

Steven J. Shore
Ganfer & Shore, LLP
360 Lexington Avenue
New York, New York 10017
(212) 922-9250

From: Alan Guttenberg [mailto:aguttenberg@grclaw.com]
Sent: Monday, June 11, 2012 7:31 PM
To: Steven J. Shore
Cc: 'Shelley Pazer'; 'Dina Bassen'; 'Lpazer'; William D. McCracken
Subject: RE: Avenue K

At least I only bill my time…not TWO inept lawyers in everything you "do for the Pazers"…as you do.

LOL!

Alan B. Guttenberg, Esq.
Guttenberg, Rapson & Colvin LLP
101 Lucas Valley Road, Ste. 216
San Rafael, CA 94903
ph: (415) 507-4525
fax: (415) 507-4526
email: aguttenberg@grclaw.com

From: Steven J. Shore [mailto:sshore@ganfershore.com]
Sent: Monday, June 11, 2012 4:25 PM
To: Alan Guttenberg
Cc: 'Shelley Pazer'; 'Dina Bassen'; 'Lpazer'; William D. McCracken
Subject: RE: Avenue K

Keep churning. The unfortunate thing is that you will cause your clients and mine considerable legal fees. Again, if your clients want to meet and discuss revisions to the shareholders' agreement for Astoria our clients and I would be pleased to do so.

Steven J. Shore
Ganfer & Shore, LLP
360 Lexington Avenue
New York, New York 10017
(212) 922-9250

Any Federal tax advice contained herein is not intended or written to be used, and cannot be used by you or any other person, for the purpose of avoiding any penalties that may be imposed by the Internal Revenue Code. This disclosure is made in accordance with the rules of Treasury Department Circular 230 governing standards of practice before the Internal Revenue Service. Any written statement contained herein relating to any Federal tax transaction or matter may not be used by any person without the express prior written permission in each instance of a partner of this firm to support the promotion or marketing of or to recommend any Federal tax transaction(s) or matter(s) addressed herein.

From: Alan Guttenberg [mailto:aguttenberg@grclaw.com]
Sent: Monday, June 11, 2012 7:21 PM
To: Steven J. Shore

Cc: 'Shelley Pazer'; 'Dina Bassen'; 'Lpazer'; William D. McCracken
Subject: RE: Avenue K

I am one of a kind, as are you. Just VERY different kinds…

Too bad for your clients they have you…and will be on the losing side, AGAIN…

Alan B. Guttenberg, Esq.
Guttenberg, Rapson & Colvin LLP
101 Lucas Valley Road, Ste. 216
San Rafael, CA 94903
ph: (415) 507-4525
fax: (415) 507-4526
email: aguttenberg@grclaw.com

From: Steven J. Shore [mailto:sshore@ganfershore.com]
Sent: Monday, June 11, 2012 4:17 PM
To: Alan Guttenberg
Cc: 'Shelley Pazer'; 'Dina Bassen'; 'Lpazer'; William D. McCracken
Subject: RE: Avenue K

Thanks for your prompt response. Are all the lawyers in California as professional as you are? Hopefully you'll accept my suggestion of a settlement meeting and not continue to aggravate the situation. Your choice.

Steven J. Shore
Ganfer & Shore, LLP
360 Lexington Avenue
New York, New York 10017
(212) 922-9250

From: Alan Guttenberg [mailto:aguttenberg@grclaw.com]
Sent: Monday, June 11, 2012 7:12 PM
To: Steven J. Shore
Cc: 'Shelley Pazer'; 'Dina Bassen'; 'Lpazer'; William D. McCracken
Subject: RE: Avenue K

And always a pleasure to read your evasive, self-serving drivel.

On to the next battle(s)…

Alan B. Guttenberg, Esq.
Guttenberg, Rapson & Colvin LLP
101 Lucas Valley Road, Ste. 216

San Rafael, CA 94903
ph: (415) 507-4525
fax: (415) 507-4526
email: aguttenberg@grclaw.com

From: Steven J. Shore [mailto:sshore@ganfershore.com]
Sent: Monday, June 11, 2012 4:03 PM
To: Alan Guttenberg
Cc: 'Shelley Pazer'; 'Dina Bassen'; 'Lpazer'; William D. McCracken
Subject: RE: Avenue K

Dear Alan:

Thank you for your email of June 8th. It's always a pleasure to receive your warm and friendly notes.

Since your clients have elected not to seek to purchase Avenue K (an election that we dispute they could have made) the issues you raise on what the shareholders' agreement provides are moot at this time and no purpose will be served in responding to your arguments.

With respect to Astoria, fortunately the parties have not reached the impasse they reached in Avenue K and that entity is still functioning. Our clients hope that the current "cold peace" can continue. With respect to your request that our clients give up the management rights they bargained for and secured in the shareholders' agreement, please be advised that our clients are not prepared to relinquish the rights they secured without getting something significant in return. If you wish to discuss revising the shareholders' agreement our clients would be prepared to do so at a settlement meeting here in New York at a mutually convenient time and place.

Steve

Steven J. Shore
Ganfer & Shore, LLP
360 Lexington Avenue
New York, New York 10017
(212) 922-9250

From: Alan Guttenberg [mailto:aguttenberg@grclaw.com]
Sent: Friday, June 08, 2012 4:53 PM
To: Steven J. Shore
Cc: 'Shelley Pazer'; 'Dina Bassen'; 'Lpazer'; William D. McCracken
Subject: RE: Avenue K

Dear Steve –

As to the Avenue K funding and proceeding with needed work ASAP as you note below and as described in my prior email to you, we thank you and Ms. Pazer.

As to your "not reading the Shareholders Agreement to afford the Mintz Group a purchase right", that is the recurring problem, isn't it? You/Pazer do not read the Shareholders Agreement, and when you find something in it you don't like, you just ignore it or make stuff up to evade it.

Under the express language of section 8.2(a), EITHER one of the Mintz Group or the Pazer Group can elect to buy the other group's shares by giving a "Purchase Notice" within the stated 10 business days. Pazer has made her irrevocable election to buy the Mintz shares, *and Mintz still has the full 10 business days to make its irrevocable election to buy the Pazer shares.*

There is absolutely NO language to support an interpretation that the "first" group to give a Purchase Notice somehow deprives the other group of its valuable rights to buy the other group out, nor is any such interpretation reasonable or consistent with the intention of the parties under the Shareholders Agreement. The intention was obviously to give EACH group purchase rights, and to treat the parties equally as to purchase rights, and NOT favor one shareholder group over the other. An interpretation of the "first notice wins" would deprive the other group of its purchase right (without any such language in the agreement), would certainly not withstand judicial scrutiny, would reward the Pazer Group for its obvious "sabotage" of the Avenue K mediation process and preplanned delivery of a Purchase Notice based thereon, and would result in an unseemly and untoward race to kill the mediation and deliver the "first notice." As you know, the Judge found your/Pazer's mediation position neither reasonable nor understandable nor justifiable. It is now apparent why you/Pazer took your unreasonable mediation stance.

The clear language of the Shareholders Agreement and intention of the parties was to give EITHER group the right to buy the other one out, by giving a Purchase Notice within 10 business days, and NOT to favor either shareholder group over the other, regardless who acts first. *Thus the Mintz Group has until June 11 to deliver its irrevocable election to buy all the Pazer Group shares, whether or not the Pazer Group has also given a Purchase Notice.* While the Agreement is not exactly clear on what happens if both groups exercise their valuable purchase rights, we believe the fair result under the Shareholders Agreements in such event would be:

(1) the shareholder group offering the highest purchase price through its Qualified Appraiser "wins" and gets to buy the other group out (i.e., whoever values the asset more highly prevails, and from the numbers bandied about between Mintz and Pazer, its seems obvious who the high bidder would be; Pazer either values these assets much lower than Mintz, or at least she has pretended to); or

(2) If both shareholder groups elect to buy, neither shareholder group may exercise its purchase right (since the Agreement does not expressly address what happens when both sides elect to buy), and instead the Company must sell its assets on the open market and liquidate.

We have consulted with multiple NY attorneys regarding this contract interpretation issue, including Mintz NY litigation counsel, and they confirm the foregoing 2 results as the most likely results in Court under the applicable Shareholder Agreement "shareholder Purchase Notice" provisions, given the absence of any "first to act wins" language and other relevant factors. There is no reason a Court would interpret the agreement to "reward" the low bidder, just because it acted first. Doubtless, you have a contrary and erroneous legal view, that will fail in Court, as have and would your other inexplicable and unsupportable legal positions. Thankfully, you are not the Court, just the latest in a long stream of bad advisors to Pazer.

Mintz has the resources readily available to buy the Pazer Group out of Avenue K, Astoria, or both, we are evaluating our options, and we will vigorously enforce the Mintz Group's purchase rights, if, as and when Mintz elects to exercise them.

Obviously, the same *"shareholder Purchase Notice provisions" apply to both Avenue K and Astoria in the event of failed mediation after Deadlock, and the current Mintz intention is certainly to buy all the Pazer Group's shares in Astoria which is also in Deadlock (assuming the Deadlock is not resolved)*, and for which seemingly insurmountable "deal killer issues" (your words) exist as fabricated and perpetuated by Pazer (since Pazer simply breaches, ignores, or cries "mistake" as to various express Shareholder Agreements provisions to which she agreed less than a year ago). Pazer wants to "force" her daughters (wholly lacking in relevant and needed property management and construction experience, skills

and knowledge) into management of the companies over the justified objections of Mintz, yet it was Pazer who flatly refused to let Hilda Mintz' children (Howard and Susan) participate in the companies' management when the situations were reversed, just a few short years ago.

Especially now that Pazer has shown her "true colors" and intentions by sabotaging the Avenue K mediation and trying to deliver an obviously pre-planned "pre-emptive Purchase Notice" in what will be her failed attempt to "steal" the Mintz Group Avenue K shares at a bargain price, rest assured that the Mintz Group has made arrangements to ensure that it will be the successful buyer of the Pazer Group shares in Astoria (and Avenue K, if the Mintz Group elects to buy that too).

And of course, the Mintz Group will also be pursuing Pazer for millions of dollars of damages caused to the Mintz Group by her years of demonstrable mismanagement. Then you can produce your oft-claimed but non-existent "dirt" on Howard, and we will produce our undeniable evidence against Pazer for her multiple illegal and incompetent management actions and decisions. Again, the Court will decide. Not you or Pazer.

It is truly regrettable that Pazer will not simply honor the agreements she made, and manage and share power with the Mintz Group as she agreed to do in the Shareholder Agreements and not unilaterally insist that she can delegate/appoint her daughters to participate in management (among multiple other breaches thereunder). The end result will be enormous tax and financial losses for the Pazer Group, and loss of lifetime income to Pazer's children and grandchildren, when their Astoria stock is purchased, or the Center is sold (either such result is acceptable to Mintz, but not our preference). All totally avoidable, if only Pazer would share power and honor and perform her Shareholder Agreement obligations. But obviously Pazer's greed and unabated lust for power and control in a 50/50 co-ownership are driving this situation.

I wonder if Pazer/you have thought through/analyzed the results to her family of the Pazer Group stock being purchased (Astoria and/or Avenue K, depending on what Mintz elects), or the real estate assets sold? (income taxes, eventual estate taxes, closing costs incurred, lifetime rate of return and annual income on greatly diminished remaining wealth/equity?) *If they have not, they should, with someone knowledgeable and competent. We have analyzed it, and the economic results to the Pazer family will be catastrophic (a loss of wealth conservatively estimated in the range of $13 million to $17 million or more, depending on a variety of assumptions/projections), all because Pazer could not find a way to co-own and share power 50/50 for the shareholders' families' mutual benefit.* The economic results to the Mintz family are not nearly as dire.

It is not too late for the Mintz Group and the Pazer Group to share power and retain these 2 remaining assets for their mutual benefit and to respect and abide by their Shareholder Agreements, but it soon will be too late, if the parties proceed with the Avenue K buyout. The inevitable result will be that the Pazer Group will have to sell its shares in Astoria, or Astoria will be compelled to sell the shopping center (and same as to Avenue K property, if the Mintz Group elects to buy that also).

And there are no "mistakes" in the heavily negotiated Shareholders Agreements, including that (1) Shelley cannot delegate "Manager" authority (whether to Lisa, Dina, the Astoria office staffed to Shelley's unilateral liking, or otherwise) or fail to manage properly and competently subject to unanimous Mintz/Pazer Board directives, (2) Shelley, as President, has "no authority whatsoever" as president, whether to "preside at Directors meetings,", dictate how or where Directors meetings will be held, or any other matters), (3) the Directors (only) must meet upon the request of any 10% shareholder, (4) Shelley's daughters were given only limited initial terms as officers that ended at the first annual meeting(s), not appointed "for life" until Shelley votes them out of their officer positions, which she obviously will never do, (5) the capital reserve in Avenue K would not be funded by capital contributions, or (6) otherwise. I have retained all redlines of the many, many versions of the Shareholders Agreements exchanged among counsel, which clearly demonstrate the parties' negotiated agreement(s) and intentions.

As I have mentioned before, Lisa and Dina have no right to participate in management over Mintz objection, and Shelley has stated several times that she no longer wishes to manage the assets. While Mintz' strong preference is to engage a professional third party management company to run the companies' assets (other than construction/capital expenditure decisions, which should be reserved to the Board) which we feel would greatly benefit both shareholder groups, *Mintz is willing to allow Lisa and Dina to participate in management and learn the business and show what they can and will do, but only if Howard/Susan also actively participate in management, and the management fee is split 52% to Pazer, 48% to Howard/Susan.* The parties could then see if and how well that works out, and step back from the "brink" of their current

path of "mutually assured destruction". The dollars involved in such a split of management fee are dwarfed by the expenses, risks and adverse consequences and lifetimes of economic losses to Pazer of proceeding with the Deadlock buy-sell mechanism as to either or both companies. But Mintz will not allow Pazer mismanagement to continue, or Lisa/Dina to participate in management, without direct and equal Mintz management involvement going forward.

Incidentally, and as I told you I would advise you, the Mintz Group has selected the following to act as their Qualified Appraiser (with regard to the baseball arbitration(s) under the Shareholders Agreement(s)):

Integra Realty Resources
New York Office
1133 Avenue of the Americas, 27th Floor
New York, New York 10036

I provide this information to you as a courtesy, NOT because the Mintz Group or I are obligated to give it to you or because Mintz would otherwise be "in default" for failing to do so, as erroneously claimed by you. If you would or could read and understand the Shareholders Agreement, you would see that Section 8.2(c)(i) only requires the parties to *select* a Qualified Appraiser within 10 days; there is no obligation to notify the other party of the identification of the Qualified Appraiser. Again, you are simply wrong. Keep up the good work, as you inexorably "guide" your clients into disaster.

The Mintz Group will provide the Pazer Group with the Mintz Group's election to purchase the Pazer Group's shares in Avenue K, on or before June 11, 2012 (or not, in the Mintz Group's sole discretion).

Have a nice weekend.

Alan B. Guttenberg, Esq.
Guttenberg, Rapson & Colvin LLP
101 Lucas Valley Road, Ste. 216
San Rafael, CA 94903
ph: (415) 507-4525
fax: (415) 507-4526
email: aguttenberg@grclaw.com

From: Steven J. Shore [mailto:sshore@ganfershore.com]
Sent: Thursday, May 31, 2012 1:44 PM
To: Alan Guttenberg
Cc: Shelley Pazer; 'Dina Bassen'; Lpazer; William D. McCracken
Subject: Avenue K

Dear Alan:

Attached as per your request are copies of Shelley's check for $230,000, the deposit ticket for depositing the check to the Company's checking account, and signed promissory note to Shelley. Shelley is authorizing Vertex Construction to commence and complete the demolition work with the appropriate oversight. She will also proceed with the other items authorized in your email.

We do not read the Shareholders' Agreement to afford the Mintz Group an opportunity to purchase the Pazer's stock. As you know after the inability of the directors to resolve a "deadlock" under both paragraphs 4.8.1 and 4.8.2 of the Shareholders' Agreement, Shelley exercised her right to purchase the Mintz Group shares. Under paragraph 8.2.b that election became irrevocable and a process started to determine the price that would be paid. Please explain the basis for your contention that the Mintz Group has a right to purchase Shelley's stock and not sell its stock. Thanks.

Steve

Steven J. Shore
Ganfer & Shore, LLP
360 Lexington Avenue
New York, New York 10017
(212) 922-9250

From: Mylinh Gerena
Sent: Thursday, May 31, 2012 2:51 PM
To: Steven J. Shore
Subject: Avenue K check

William D. McCracken

From: Alan Guttenberg <aguttenberg@grclaw.com>
Sent: Monday, June 11, 2012 4:58 PM
To: Steven J. Shore
Cc: 'Shelley Pazer'; 'Dina Bassen'; 'Lpazer'; William D. McCracken
Subject: RE: Avenue K

Steve –

After due consideration, the Mintz Group has elected not to exercise its Purchase Option to buy all of the Pazer Group shares in Avenue K. Instead, the Mintz Group will allow the Pazer Group to purchase the Mintz Group's shares in Avenue K through the baseball arbitration process.

We welcome the baseball arbitration process on Avenue K, and the receipt of the sales proceeds therefrom.

Alan B. Guttenberg, Esq.
Guttenberg, Rapson & Colvin LLP
101 Lucas Valley Road, Ste. 216
San Rafael, CA 94903
ph: (415) 507-4525
fax: (415) 507-4526
email: aguttenberg@grclaw.com

From: Alan Guttenberg [mailto:aguttenberg@grclaw.com]
Sent: Friday, June 08, 2012 1:53 PM
To: 'Steven J. Shore'
Cc: 'Shelley Pazer'; 'Dina Bassen'; 'Lpazer'; 'William D. McCracken'
Subject: RE: Avenue K

Dear Steve –

As to the Avenue K funding and proceeding with needed work ASAP as you note below and as described in my prior email to you, we thank you and Ms. Pazer.

As to your "not reading the Shareholders Agreement to afford the Mintz Group a purchase right", that is the recurring problem, isn't it? You/Pazer do not read the Shareholders Agreement, and when you find something in it you don't like, you just ignore it or make stuff up to evade it.

Under the express language of section 8.2(a), EITHER one of the Mintz Group or the Pazer Group can elect to buy the other group's shares by giving a "Purchase Notice" within the stated 10 business days. Pazer has made her irrevocable election to buy the Mintz shares, *and Mintz still has the full 10 business days to make its irrevocable election to buy the Pazer shares.*

There is absolutely NO language to support an interpretation that the "first" group to give a Purchase Notice somehow deprives the other group of its valuable rights to buy the other group out, nor is any such interpretation reasonable or consistent with the intention of the parties under the Shareholders Agreement. The intention was obviously to give EACH group purchase rights, and to treat the parties equally as to purchase rights, and NOT favor one shareholder group over the other. An interpretation of the "first notice wins" would deprive the other group of its purchase right (without any such language in the agreement), would certainly not withstand judicial scrutiny, would reward the Pazer Group for its obvious "sabotage" of the Avenue K mediation process and preplanned delivery of a Purchase Notice based thereon, and would result in an unseemly and untoward race to kill the mediation and deliver the "first notice." As you know, the Judge

found your/Pazer's mediation position neither reasonable nor understandable nor justifiable. It is now apparent why you/Pazer took your unreasonable mediation stance.

The clear language of the Shareholders Agreement and intention of the parties was to give EITHER group the right to buy the other one out, by giving a Purchase Notice within 10 business days, and NOT to favor either shareholder group over the other, regardless who acts first. *Thus the Mintz Group has until June 11 to deliver its irrevocable election to buy all the Pazer Group shares, whether or not the Pazer Group has also given a Purchase Notice.* While the Agreement is not exactly clear on what happens if both groups exercise their valuable purchase rights, we believe the fair result under the Shareholders Agreements in such event would be:

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(2) If both shareholder groups elect to buy, neither shareholder group may exercise its purchase right (since the Agreement does not expressly address what happens when both sides elect to buy), and instead the Company must sell its assets on the open market and liquidate.

We have consulted with multiple NY attorneys regarding this contract interpretation issue, including Mintz NY litigation counsel, and they confirm the foregoing 2 results as the most likely results in Court under the applicable Shareholder Agreement "shareholder Purchase Notice" provisions, given the absence of any "first to act wins" language and other relevant factors. There is no reason a Court would interpret the agreement to "reward" the low bidder, just because it acted first. Doubtless, you have a contrary and erroneous legal view, that will fail in Court, as have and would your other inexplicable and unsupportable legal positions. Thankfully, you are not the Court, just the latest in a long stream of bad advisors to Pazer.

Mintz has the resources readily available to buy the Pazer Group out of Avenue K, Astoria, or both, we are evaluating our options, and we will vigorously enforce the Mintz Group's purchase rights, if, as and when Mintz elects to exercise them.

Obviously, the same *"shareholder Purchase Notice provisions" apply to both Avenue K and Astoria in the event of failed mediation after Deadlock, and the current Mintz intention is certainly to buy all the Pazer Group's shares in Astoria which is also in Deadlock (assuming the Deadlock is not resolved)*, and for which seemingly insurmountable "deal killer issues" (your words) exist as fabricated and perpetuated by Pazer (since Pazer simply breaches, ignores, or cries "mistake" as to various express Shareholder Agreements provisions to which she agreed less than a year ago). Pazer wants to "force" her daughters (wholly lacking in relevant and needed property management and construction experience, skills and knowledge) into management of the companies over the justified objections of Mintz, yet it was Pazer who flatly refused to let Hilda Mintz' children (Howard and Susan) participate in the companies' management when the situations were reversed, just a few short years ago.

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New York Office
1133 Avenue of the Americas, 27th Floor
New York, New York 10036

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The Mintz Group will provide the Pazer Group with the Mintz Group's election to purchase the Pazer Group's shares in Avenue K, on or before June 11, 2012 (or not, in the Mintz Group's sole discretion).

Have a nice weekend.

Alan B. Guttenberg, Esq.
Guttenberg, Rapson & Colvin LLP
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From: Steven J. Shore [mailto:sshore@ganfershore.com]
Sent: Thursday, May 31, 2012 1:44 PM
To: Alan Guttenberg
Cc: Shelley Pazer; 'Dina Bassen'; Lpazer; William D. McCracken
Subject: Avenue K

Dear Alan:

Attached as per your request are copies of Shelley's check for $230,000, the deposit ticket for depositing the check to the Company's checking account, and signed promissory note to Shelley. Shelley is authorizing Vertex Construction to commence and complete the demolition work with the appropriate oversight. She will also proceed with the other items authorized in your email.

We do not read the Shareholders' Agreement to afford the Mintz Group an opportunity to purchase the Pazer's stock. As you know after the inability of the directors to resolve a "deadlock" under both paragraphs 4.8.1 and 4.8.2 of the Shareholders' Agreement, Shelley exercised her right to purchase the Mintz Group shares. Under paragraph 8.2.b that election became irrevocable and a process started to determine the price that would be paid. Please explain the basis for your contention that the Mintz Group has a right to purchase Shelley's stock and not sell its stock. Thanks.

Steve

Steven J. Shore
Ganfer & Shore, LLP
360 Lexington Avenue
New York, New York 10017
(212) 922-9250

From: Mylinh Gerena
Sent: Thursday, May 31, 2012 2:51 PM
To: Steven J. Shore
Subject: Avenue K check

William D. McCracken

From: Alan Guttenberg <aguttenberg@grclaw.com>
Sent: Wednesday, May 30, 2012 9:58 AM
To: Steven J. Shore
Cc: 'Shelley Pazer'; 'Lisa Pazer'; 'Dina Bassen'; William D. McCracken; Mylinh Gerena
Subject: RE: On behalf of Steven J. Shore, Esq. - RE: Avenue K Corp.

The Mintz Group has until *June 11* (10 business days after the mediation failed) to decide whether to exercise its right to purchase all of the Pazer Group's Shares in Avenue K under Shareholders Agreement section 8.2(a), and we are actively evaluating that option. I will get back to you with the Mintz Group's decision before then.

Until either the Pazer Group or the Mintz Group's Avenue K Shares are actually purchased and paid for by the other shareholder group, each and all provisions of the Shareholders Agreement remain in full force and effect, including without limitation that unanimous Directors vote is and will remain required for all Major Decisions, and all expenditures and contracts over $500.

So your request that the Mintz Group agree not to participate in management of Avenue K is premature and declined.

As to Pazer's request to unilaterally lend money to Avenue K under the Note you enclosed with your letter attached to the email below, the Mintz Group answer is yes, approved, *provided that* Pazer fully funds that loan on or before June 4, 2012, and delivers to me on or before June 5, 2012 evidence of such full funding and a copy of the signed and delivered Note, and the demolition and compaction work is promptly commenced and completed, on the conditions described below.

As to Avenue K proceeding with the demolition work/compaction work, the Mintz Group consents to the Lease-required work proceeding on the following conditions:

1. Avenue K immediately authorizes Vertex Construction to commence and complete that demolition work under Vertex's existing contract and bid for same;
2. Avenue K causes that demolition work to be diligently pursued and completed at the earliest possible time, *with appropriate oversight by Impact Environmental to ensure that existing environmental wells and facilities are not improperly disturbed, and appropriate involvement/attendance by Cumberland Farms representatives*;
3. Avenue K contracts with Impact Environmental to have soil borings, soil sampling or other appropriate assessment done in the area beneath the hydraulic lifts as soon as practicable the presence or absence of possible contamination from those hydraulic lifts, and the results of that assessment work are delivered as soon as possible and simultaneously to the Mintz Group and Pazer;
4. Pazer will keep the Mintz Group fully and promptly informed as to the status of all TD Bank lease work, and Howard and/or Susan may obtain information regarding same directly from the respective contractors upon request or inquiry from time to time; and
5. The Mintz Group approves (again) of the Dynamic Earth contract and the compaction bid procedure described in your proffered Consent regarding selection of a compaction contractor (and the compaction being completed as soon as possible), provided that those bids are obtained as soon as possible and the specific compaction bids are delivered to Mintz for review and consideration.

I note that you have misrepresented to the Court and to the Mintz Group the "$160,000 penalty" you claim is payable under the TD Bank Lease on August 2. That is probably because you and Pazer did not read the Lease or do not understand it.

Regardless of what develops or who buys who out of Avenue K, the Mintz Group and I very much look forward to the appraisal process under the Shareholders Agreement as to Avenue K.

This email will confirm that the Mintz Group wants (and has wanted) Avenue K to fully and timely perform all of its TD Lease obligations as soon as possible, and to fully and timely pay for all authorized work and contractors in connection with same. Please confirm that Pazer will diligently do her job as "Manager," and see that all such TD Lease obligations are properly planned and performed by Avenue K at the earliest possible time.

Alan B. Guttenberg, Esq.
Guttenberg, Rapson & Colvin LLP
101 Lucas Valley Road, Ste. 216
San Rafael, CA 94903
ph: (415) 507-4525
fax: (415) 507-4526
email: aguttenberg@grclaw.com

From: Mylinh Gerena [mailto:mgerena@ganfershore.com]
Sent: Tuesday, May 29, 2012 2:50 PM
To: Alan Guttenberg Esq.
Cc: Steven J. Shore; Shelley Pazer (shelleypazer@yahoo.com); Lisa Pazer; Dina Bassen; William D. McCracken
Subject: On behalf of Steven J. Shore, Esq. - RE: Avenue K Corp.

On behalf of Steven J. Shore, Esq.

Please see the attached letter and documents from Steve Shore.

Mylinh C. Gerena
Assistant to Steven J. Shore, Esq.
Ganfer & Shore, LLP
360 Lexington Avenue
New York, New York 10017
(646) 878 2466

GANFER & SHORE, LLP
360 LEXINGTON AVENUE
NEW YORK, NEW YORK 10017

TELEPHONE (212) 922-9250
FACSIMILE (212) 922-9335

Steven J. Shore, Esq.
Ext. 243
sshore@ganfershore.com

May 29, 2012

BY E-MAIL AND REGULAR MAIL

Alan Guttenberg, Esq.
Guttenberg, Rapson & Colvin LLP
101 Lucas Valley Road, #216
San Rafael, California 94903

Re: Avenue K Corp. (the "Company")

Dear Alan:

I am writing to request your clients' consent to the Company issuing the enclosed promissory note (the "Note", annexed hereto as Exhibit "A") in favor of Rochelle Pazer, so that the Company can go forward with needed demolition and compaction work prior to the August 2, 2012 deadline under the Company's lease with TD Bank. These funds are also intended to be sufficient to address the Company's expenses until such time as the purchase of your clients' interests in the Company is finalized pursuant to the Purchase Notice (annexed hereto as Exhibit "B") that was sent by Ms. Pazer on Friday, May 25, 2012.

As you know, the parties agreed earlier this month that the Company was in Deadlock with respect to certain issues, including with respect to how to fund the Company's expenses under the TD Bank lease. Pursuant to the Company's Shareholders' Agreement, a mediation was then scheduled before the Hon. David I. Schmidt to attempt to resolve the parties' Deadlock. At the last mediation conference held on Friday, May 25, 2012, the parties agreed that the mediation conferences were unsuccessful and the Deadlock was not resolved. Accordingly, Ms. Pazer exercised her rights under the Shareholders' Agreement to purchase your clients' interests in the Company, which your clients are now irrevocably obligated to sell.

The Shareholders' Agreement contemplates that the purchase process should proceed expeditiously. As the Purchase Notice indicates, your clients have ten days from receipt of the Purchase Notice under the Shareholders' Agreement to select a Qualified Appraiser so that an appropriate Purchase Price can be determined.

It remains the case that the Company urgently needs funds, particularly in light of the August 2, 2012 deadline under the TD Bank lease. Because your clients' interests are being purchased, we do not believe it is necessary or appropriate for your clients to have to loan new money to the Company. Accordingly, Ms. Pazer is willing to fund the demolition and compaction work alone. Given that Ms. Pazer is now the purchaser of your clients' interests, and

your clients will soon be exiting the Company, we trust that your clients' consent to the loan will not be withheld. Please provide written confirmation that your clients consent to the Company issuing the Note.

On Friday's conference with Judge Schmidt, you conceded that the parties had previously agreed to the measures necessary for Ms. Pazer to carry out the demolition and compaction work on behalf of the Company, as memorialized in the Unanimous Consent previously sent to you and annexed hereto as Exhibit "C". Please provide a fully executed copy of the Unanimous Consent as soon as possible.

In the event that Ms. Pazer needs to take any further action on behalf of the Company during the short period your clients remain associated with the Company, we believe that it would be inappropriate for your clients to be involved in the management of the Company. Please confirm in writing that your clients will not interfere with the Company's performance of its obligations under the TD Bank lease.

I look forward to hearing from you at your earliest convenience.

Sincerely,

Steven J. Shore

cc: Ms. Rochelle Pazer (By e-mail)
Ms. Lisa Pazer (By e-mail)
Ms. Dina Bassen (By e-mail)