134 Contract of sale (ac New York office, commercial and multi-family residential premises. 1-88.

Prepared by the Real Property Committee of the Association of the Bar of the City of New York

Offered by Joint Bankers, Inc. NYC 10013

Caution: This form is intended for use in simple transactions. Provisions should be added, altered or deleted to fit the circumstances of a particular transaction.

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

Table of Contents

CONTRACT dated August 17 2013 between

Regent Associates, a NY Limited Partnership having an address at 1509 79th Street, Brooklyn, NY

("Seller") and ~~Castellan Real Estate Partners LLC~~ BROOKYN PORTFOLIO LLC a NY Limited Liability Company having an address at c/o Castellan Real Estate Partners 1841 Broadway, Suite 400 New York, New York 10003

("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

See Schedule attached hereto

§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) title insurance 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 unreasonably withheld or delayed, such acceptance shall be deemed to have been given.

Section 2. Purchase 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 hereto is $ 6,800,000

§2.02. All monies payable under this contract, unless otherwise specified in this contract, shall be paid by (a) certified check 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 unrestricted 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 by

wire transfer

§2.02. (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 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 in connection with such request and shall otherwise cooperate with such Mortgagee(s) and with each other in an effort expeditiously to procure such consent, but neither shall be obligated to make any payments 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 fees therefor and the filing fees for 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 together to the Purchase Money Mortgage (immediately prior to the Refinancing), an 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 therefor, execute, acknowledge and deliver any agreement or agreements 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 mortgagor in which the Closing occurs) or, if a Prepayment Date is specified in Schedule D, the specified Prepayment Date(s), on not less than 15 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 covered by this mortgage, and in no event shall the mortgagor or any [illegible] 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 of reduction in recordable form (a) certifying as to (i) the then 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, "Downpayments") 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~~ shall 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 shall continue to hold such amount until otherwise directed by written instructions from the parties to this contract or a final judgment of 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 that 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(b), 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

* Interest on the Deposit shall be credited toward the Purchase Price at Closing.

amount with Forms 8288 and 8288A for any amounts withheld 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 Purchase Price, Purchaser shall have the right to terminate this contract, in which event Seller shall refund the Downpayment to Purchaser and shall reimburse Purchaser for title examination and survey costs as if this contract were terminated pursuant to §13.02. The rights of termination provided for in this §2.06 shall be in addition to and not in limitation of any other rights or remedies available to Purchaser under applicable law.

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 been exhibited to and initialed by Purchaser or its representative, such copies are true copies of the originals and 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 subtenancies. 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 except as provided in the Leases;

(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 rental concessions or abatements for any period subsequent to the scheduled 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 Lease.

§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 Conciliation and Appeals Board in which a tenant has alleged an overcharge of rents 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 salaries owed to any employees.

§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. Except as otherwise set forth in 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 therefor 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 §9.04, 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 the 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 statements, whether 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 copy of the proposed lease in substantially the form thereof in reasonable detail, and (b) a

and (c) a credit search and tenant application.

Provided the prepaid rent is reasonable

statement of the amount of the brokerage commission, if any, payable in connection therewith and 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 rider 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 ("Relatting 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 Relatting 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 payments shall be made by Purchaser to Seller at the Closing or in no event paid by Seller or 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 by 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 not impairing and causes rent to be unconscionable 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 0 (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 title 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 violation 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 promptly, as and when due and payable, all payments of 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 with 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 initialed 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 such 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 initialed by Purchaser and all others in Seller's possession which are in effect on the Closing Date and which are assignable by Seller.

At the last rent for such apartment

but in no event less than required under the leases for tenants

§10.06. Seller assigns to Purchaser, without recourse or warranty, all of 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 or 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 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 thereto 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 payroll 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 keys therefor.

§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 the 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 security deposits to the extent paid, credited or assigned to Purchaser under §10.01.

§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 §12.02);

~~(b) interest on the Existing Mortgage;~~

(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 may 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) Relocating Expenses under §6.02, if any; and

(k) any other items listed in Schedule 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 attorneys' 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 ("Additional 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 make a copy of the title report to be furnished 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 ground 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 reasonable cost to cure the same (up to the Maximum Expenditure set forth below), but without any other credit or liability on the part of Seller. If Purchaser shall not so elect, Pur-

chaser 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 therefor 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 16. 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, in the event of the monies payable at the Closing, mortgages on the Premises, other than Existing Mortgages, of which Seller has actual knowledge.

§13.02. 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 of title, together with the cost of recording or filing any instruments necessary to discharge such liens and encumbrances of record, may be paid out of the proceeds of the monies payable at the Closing if Seller delivers to Purchaser 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, or with respect to such 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 Premises, 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.

§13.05. 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 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, 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 the 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. Other 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 interest 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 [illegible] in form sufficient to comply with the requirements of the Gains Tax Law applicable to the assignment transaction and unless an assignor or assignee de-

Item to Seller at or before the Closing the applicable forms 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 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 requested in writing 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 §12.09 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: Regent Associates

Arthur Gallinaro, G.P.

Purchaser: BROOKLYN PORTFOLIO LLC

Paul Selub

Receipt by Escrowee

The undersigned Escrowee hereby acknowledges receipt of $ 890,000 by check subject to collection, to be held in escrow pursuant to §2.03.

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 unmarketable.

2. Contemplate the Seller or any fee 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, judgments of liens and other collateral agreements, if any, 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 the Closing Date.

6. ~~Financing statements, chattel mortgages and liens on personally filed more than 5 years prior to the Closing Date and not renewed, affecting 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, over and under the Premises, provided that such rights and obligations do not impose any obligation on the owner of the Premises.

(b) Encroachments of stoops, areas, cellar steps, iron cornices, bases, window sills, awnings, canopies, ledges, lintels, ledges, copings 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) Encumbrances or lack of right to maintain vaults, coal chutes, accessions 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 this contract unmarketable. For the purpose 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.

Money

of record

~~3. The Existing Mortgage(s) and Financing statements, judgments of liens and other collateral agreements, if any, thereto.~~

~~6. Financing statements, chattel mortgages and liens on personally filed more than 5 years prior to the Closing Date and not renewed, affecting property or equipment no longer located on the Premises or owned by Tenants.~~

[redacted]

[redacted]

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

Seller: [redacted]

[redacted]

[redacted]

Purchaser: [redacted]

Paul Sclib

[redacted]

[redacted]

Schedule A

DESCRIPTION OF PROPERTY

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

[redacted]

Schedule B

PERMITTED EXCEPTIONS

1. Zoning regulations and ordinances which are not violated by the existing improvement on premises hereunder and which do not violate title covenants.

2. Encroachments the Seller or any former owner of the premises has the location of any easements or appurtenances, which do affect any street or alleys on which the Premises may abut.

3. The Subject Premises [illegible] improvements, [illegible] and other conditions which would be disclosed by a survey.

4. Liens and Tenancies modified to the Real Estate and any new liens or encumbrances established by this agreement.

5. Unpaid installments of assessments not due and payable on or before the Closing Date.

6. Electric easements, [illegible] and not exceed [illegible] the Premises or any Mortgage.

[redacted]

of record

[redacted]

Schedule C

PURCHASE PRICE

The Purchase Price shall be paid as follows:

(a) By check subject to collection, the receipt of which is hereby acknowledged by Seller: $ 300,000

(b) By check or checks delivered to Seller at the Closing in accordance with the provisions of §2.02: 5,800,000

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

(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:

Purchase Price $ 6,000,000

Buyer acknowledges that it has been provided with copies of all leases. The information provided on the leases shall constitute the Sellers representations herein notwithstanding any inconsistencies which may exist on the attached schedule

Schedule D

MISCELLANEOUS

1. Title insurer designated by the parties (§1.02): Royal Abstract of NY LLC any reputable company
2. Last date for consent by Existing Mortgagee(s) (§2.03(b)): N/A
3. Maximum Interest Rate of any Refinanced Mortgage (§2.04(b)): N/A
4. Prepayment Date on or after which Purchase Money Mortgage may be prepaid (§2.04(d)): N/A
5. Seller's tax identification number (§2.05):
6. Purchaser's tax identification number (§2.05):
7. Scheduled time and date of Closing (§3.01): See rider
8. Place of Closing (§3.01): Morley F. Gilmore, Esq. 9228 3rd Avenue Brooklyn, NY 11209 or Purchaser's lender or such lender's attorneys
9. Assessed valuation of Premises (§4.10):
   Actual Assessment:
   Transition Assessment:
10. Fiscal year and annual real estate taxes on Premises (§4.10):
11. Tax abatements or exemptions affecting Premises (§4.10):
12. Assessments on Premises (§4.11):
13. Maximum Amount which Seller must spend to cure violations, etc. (§7.02): -0- See Rider
14. Maximum Expense of Seller to cure title defects, etc. (§13.02): See Rider
15. Broker, if any (§14.01):
    Highrap Group
16. Party to pay broker's commission (§14.02): Seller
17. Address for notices (§15.01):
    If to Seller:

    See Rider Attached

    with a copy to Seller's attorney:

    If to Purchaser:

    See Rider attached

    with a copy to Purchaser's attorney:

    See Rider attached
18. Limitation Date for actions based on Seller's surviving representations and other obligations (§16.01):
19. Additional Schedules or Riders (§17.09): See Rider

Schedule E

RENT SCHEDULE

(to be attached separately)

SCHEDULE OF PREMISES

90 East 18th Street, Brooklyn, NY- Block 5097 Lot 91
600 East 22nd Street, Brooklyn, NY- Block 5221 Lot 63
25 East 21st Street, Brooklyn, NY – Block 5063 Lot 21
369 East 21st Street, Brooklyn, NY- Block 5125 Lot 79
2322 Bedford Avenue, Brooklyn, NY- Block 5126 Lot 54
2102 Regent Place, Brooklyn, NY – Block 5125 Lot 45
2108 Regent Place, Brooklyn, NY – Block 5125 Lot 47
2112 Regent Place, Brooklyn, NY – Block 5125 Lot 48
2116 Regent Place, Brooklyn, NY – Block 5125 Lot 49

Stewart Title Insurance Company

Title No: 904056

SCHEDULE A
DESCRIPTION OF PREMISES PAGE 1 OF 6

As to Parcel 1 – Block 5063 Lot 21

ALL THAT CERTAIN plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Brooklyn,County of Kings, City and State of New York, bounded and described as follows:

BEGINNING at a point on the easterly side of Kenmore Place (East 21st Street), distant 178 feet 6 ½ inches southerly from the corner formed by the intersection of the easterly side of Kenmore Place with the southerly side of Woodruff Avenue (Clarkson Avenue);

RUNNING THENCE easterly at right angles to Kenmore Place, 110 feet;

THENCE southerly parallel with Kenmore Place, 45 feet;

THENCE westerly at right angles to Kenmore Place, 110 feet to the easterly side of Kenmore Place;

THENCE northerly along the easterly side of Kenmore Place, 45 feet to the point or place of BEGINNING.

For Information Only: Said premises are known as 25 East 21st Street, Brooklyn, NY and designated as Block 5063 Lot 21 as shown on the Tax Map of the City of New York, County of Kings.

For conveyancing only, if intended to be conveyed: Together with all rights, title and interest of, in and to any streets and roads abutting the above described premises, to the center line thereof.

SCHEDULE A
DESCRIPTION OF PREMISES PAGE 2 OF 6

As to Parcel 2 – Block 5097 Lot 91

ALL THAT CERTAIN plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Brooklyn,County of Kings, City and State of New York, bounded and described as follows:

BEGINNING at a point on the westerly side of East 18th Street, distant 78.38 feet southerly from the corner formed by the intersection of the westerly side of East 18th Street with the southerly side of Church Avenue;

RUNNING THENCE southerly along the westerly side of East 18th Street, 79.85 feet to a point, distant 650 feet northerly from the northerly side of Albemarle Road;

THENCE westerly at right angles to East 18th Street, 89.96 feet to the easterly side of land of Brooklyn, Flatbush and Coney Island Railroad Company;

THENCE northerly along the easterly side of said land of Brooklyn, Flatbush and Coney Island Railroad Company, 83.98 feet to a point where a line drawn at right angles with the westerly side of East 18th Street would intersect the point or place of beginning;

THENCE easterly at right angles to Eat 18th Street, 58.63 feet to the point or place of BEGINNING.

For Information Only: Said premises are known as 90 East 18th Street, Brooklyn, NY and designated as Block 5097 Lot 91 as shown on the Tax Map of the City of New York, County of Kings.

As to Parcel 3 – Block 5125 Lot 79

ALL THAT CERTAIN plot, place or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Brooklyn,County of Kings, City and State of New York, more particularly designated on the Tax Map of the City of New York for the Borough of Brooklyn, as Sections 5, 15, 16, 21 and 22, Block 5125 Lot 79 as said Tax Map was on the 27th day of May, 1991.

For Information Only: Said premises are known as 369 East 21st Street, Brooklyn, NY and designated as Block 5125 Lot 79 as shown on the Tax Map of the City of New York, County of Kings.

For conveyancing only, if intended to be conveyed: Together with all rights, title and interest of, in and to any streets and roads abutting the above described premises, to the center line thereof.

SCHEDULE A
DESCRIPTION OF PREMISES PAGE 3 OF 6

As to Parcel 4 – Block 5221 Lot 63

ALL THAT CERTAIN plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Brooklyn,County of Kings, City and State of New York, bounded and described as follows:

BEGINNING at a point on the westerly side of East 22nd Street, distant 94 feet 10 ¾ inches northerly from the corner formed by the intersection of the westerly side of East 22nd Street with the northerly side of Foster Avenue;

RUNNING THENCE westerly at right angles to East 22nd Street, 59 feet 8 ¾ inches;

THENCE southwesterly parallel with Foster Avenue, 44 feet 1 inch to a line drawn parallel with East 22nd Street and distant 100 feet westerly therefrom;

THENCE northerly parallel with East 22nd Street, 47 feet 11 ¼ inches;

THENCE easterly at right angles to East 22nd Street, 100 feet to the westerly side of East 22nd Street;

THENCE southerly along the westerly side of East 22nd Street, 30 feet to the point or place of BEGINNING.

For Information Only: Said premises are known as 600 East 22nd Street, Brooklyn, NY and designated as Block 5221 Lot 63 as shown on the Tax Map of the City of New York, County of Kings.

For conveyancing only, if intended to be conveyed: Together with all rights, title and interest of, in and to any streets and roads abutting the above described premises, to the center line thereof.

SCHEDULE A
DESCRIPTION OF PREMISES PAGE 4 OF 6

As to Parcel 5 – Block 5125 Lot 45

ALL THAT CERTAIN plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Brooklyn,C ounty of Kings, City and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the southerly side of Regent Place with the easterly side of East 21st Street;

RUNNING THENCE southerly along the easterly side of East 21st Street, 100 feet;

THENCE easterly parallel with Regent Place, 27 feet 5/8 of an inch;

THENCE northerly parallel with East 21st Street and part of the distance through a party wall, 100 feet to the southerly side of Regent Place;

THENCE westerly along the southerly side of Regent Place, 27 feet 5/8 of an inch to the point or place of BEGINNING.

For Information Only: Said premises are known as 2102 Regent Place, Brooklyn, NY and designated as Block 5125 Lot 45 as shown on the Tax Map of the City of New York, County of Kings.

For conveyancing only, if intended to be conveyed: Together with all rights, title and interest of, in and to any streets and roads abutting the above described premises, to the center line thereof.

SCHEDULE A
DESCRIPTION OF PREMISES PAGE 5 OF 6

As to Parcel 6 – Block 5125 Lot 47

ALL THAT CERTAIN plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Brooklyn,C ounty of Kings, City and State of New York, bounded and described as follows:

BEGINNING at a point on the southerly side of Regent Place, distant 54 feet 1 ¼ inches easterly from the southeasterly corner of Regent Place and East 21st Street;

RUNNING THENCE southerly parallel with East 21st Street and part of the distance through a party wall, 100 feet;

THENCE easterly parallel with Regent Place, 27 feet 5/8 of an inch;

THENCE northerly parallel with East 21st Street and part of the distance through a party wall, 100 feet to the southerly side of Regent Place;

THENCE westerly along the southerly side of Regent Place, 27 feet 5/8 of an inch to the point or place of BEGINNING.

For Information Only: Said premises are known as 2108 Regent Place, Brooklyn, NY and designated as Block 5125 Lot 47 as shown on the Tax Map of the City of New York, County of Kings.

As to Parcel 7 – Block 5125 Lot 48

ALL THAT CERTAIN plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Brooklyn,C ounty of Kings, City and State of New York, more particularly designated on the Tax Map of the City of New York for the Borough of Brooklyn as Sections 5, 15, 16, 21 and 22, Block 5125 Lot 48 as said Tax Map was on the 27th day of May, 1981.

For Information Only: Said premises are known as 2112 Regent Place, Brooklyn, NY and designated as Block 5125 Lot 48 as shown on the Tax Map of the City of New York, County of Kings.

For conveyancing only, if intended to be conveyed: Together with all rights, title and interest of, in and to any streets and roads abutting the above described premises, to the center line thereof.

SCHEDULE A
DESCRIPTION OF PREMISES PAGE 6 OF 6

As to Parcel 8 – Block 5124 Lot 49

ALL THAT CERTAIN plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Brooklyn,C ounty of Kings, City and State of New York, more particularly designated on the Tax Map of the City of New York for the Borough of Brooklyn as Sections 5, 15, 16, 21 and 22, Block 5125 Lot 49 as said Tax Map was on the 27th day of May, 1981.

For Information Only: Said premises are known as 2116 Regent Place, Brooklyn, NY and designated as Block 5125 Lot 49 as shown on the Tax Map of the City of New York, County of Kings.

As to Parcel 9 – Block 5126 Lot 54

ALL THAT CERTAIN plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Brooklyn,C ounty of Kings, City and State of New York, bounded and described as follows:

BEGINNING on the westerly side of Bedford Avenue, distant 129 feet northerly from the corner formed by the intersection of the westerly side of Bedford Avenue with the northerly side of Tilden Avenue;

RUNNING THENCE westerly parallel with Tilden Avenue,a nd part of the distance through a party wall, 101 feet;

THENCE northerly parallel with Bedford Avenue, 26 feet;

THENCE easterly parallel with Tilden Avenue and part of the distance through a party wall, 101 feet to the westerly side of Bedford Avenue;

THENCE southerly along the westerly side of Bedford Avenue, 26 feet to the point or place of BEGINNING.

For Information Only: Said premises are known as 2322 Bedford Avenue, Brooklyn, NY and designated as Block 5126 Lot 54 as shown on the Tax Map of the City of New York, County of Kings.

For conveyancing only, if intended to be conveyed: Together with all rights, title and interest of, in and to any streets and roads abutting the above described premises, to the center line thereof.

RIDER TO CONTRACT OF SALE

The provisions of this rider are hereby incorporated into and made a part of the contract of sale, made August 12, 2013, among Regent Associates, a NY Limited Partnership having and address at 1509 79th Street, Brooklyn, NY and Brooklyn Portfolio, LLC a New York Limited Liability Company, having an address c/o Castellan Real Estate Partners, 1841 Broadway, Suite 400, New York, New York 10023 ("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.

1. It is expressly understood and agreed that delivery of this agreement for inspection or otherwise by Seller to the Purchaser shall not constitute an off or create any rights in favor of the Purchaser or others and shall in no way obligate or be binding upon the Seller, and this agreement shall have no force and effect unless and until the same is fully executed and delivered by the Seller and the Purchaser, and fully executed copies of this agreement are exchanged by the parties hereto.

2. In addition to the items set forth on the printed form, the Premises are sold subject only to the following (collectively the "Permitted Exceptions"):

(a) All present and future building, zoning and other restrictions, regulations, requirements, laws, ordinances, resolutions and orders of any State, municipal, Federal or other governmental authority, including without limitation all boards, bureaus, commissions, departments and bodies thereof, now or hereafter having or acquiring jurisdiction over the Premises or the use or improvement thereof, provided same are not violated by the existing structures or present use thereof.

(b) Any covenants, restrictions, easements and agreements of record as of the date hereof, provided such other covenants, restrictions, easements and agreements do not prohibit and/or are violated by the maintenance of the structure or structures now on the Premises, and further provided that Purchaser's Title Company will insure, at no additional premium, that any future violation will not result in a reversion or forfeiture of title.

(c) The state of facts which would be shown by a current survey and inspection of the Premises, provided same does not render title unmarketable.

(d) The rights, if any, relating to construction, maintenance and operation of public utility lines, wires, poles, cables, pipes, distribution boxes and other equipment and installations on, over and under the Premises, provided that none of such rights imposes any monetary obligation on the owner of the Premises and are in common with rights granted to other properties in the vicinity of the Premises.

(e) Any corporate franchise, corporate income or other corporate taxes owed by any corporation in the chain of title, and any estate, inheritance and other taxes owed any party in the chain of title, provided the Title Company will omit same as an exception and provided Seller agrees to satisfy the same within ninety days after the closing and deposits with his attorney or

the Title Company a sum reasonably sufficient to pay such taxes or to release the Premises from the lien thereof.

(f) Minor encroachments and projections of walls, foundations, stoops, cellar steps, areas, cornices, trim or other improvements or installations onto the Premises or from the Premises onto adjoining property, provided that Purchaser's Title Company will insure that any such encroachments may remain so long as the building shall stand; party walls and party wall rights; beams and beam rights; the possible revocable nature of or lack of right to maintain vaults or other improvements or installations beyond building or property lines; variations between the record lot lines of the Premises and those shown on the tax map; and consents of record as of the date hereof for the erection and maintenance of any structures on, under or above any streets or roads in front of or adjoining the Premises.

(g) Real estate taxes, vault charges, water charges and sewer rents, if any, subject to adjustment as hereinafter provided.

3. Purchaser agrees promptly to apply for and procure a title insurance commitment from and to cause title to the Premises to be searched and examined by Royal Abstract of New York, LLC (the "Title Company"), and to deliver to Seller's attorney, Henry F. Camuso, Esq., 8225 3rd Avenue, Brooklyn, New York 11209, copies of the Title Company's title report or commitment and any tax search, departmental searches, survey and survey reading as soon as received but in any event not less than thirty days prior to the Closing Date, setting forth any and all objections to or defects in Seller's title. Delivery of the title report to Seller's attorney shall satisfy Purchaser's obligations under this provision. Purchaser shall accept such title as the Title Company will insure, subject only to the Permitted Exceptions and such other exceptions as the Title Company, without special premium to Purchaser, will omit as exceptions to coverage.

Seller shall have the right to attempt to remedy any objection to or defect in title, and for such purpose shall be entitled to one or more adjournments of the Closing Date, not to exceed ninety days. Notwithstanding any other provisions of this Agreement, Seller shall not be obligated to spend any money or bring any action or proceeding to remove any objection to or defect in title. If for any reason Seller is unable to remove any objection to or defect in title, or otherwise to comply with this Agreement, Purchaser may elect to accept such title as Seller may be able to convey subject to such objections and defects without any credit or liability on the part of Seller or reduction of the Purchase Price. If Purchaser shall not elect to accept title subject to such objections and defects, Seller's only obligation shall be to direct Escrow Agent to refund, without interest, any payments made by Purchaser on account of the Purchase Price and Purchaser's expenses for title examination, whereupon this Agreement and all rights of Purchaser hereunder shall terminate, and neither Seller nor Purchaser shall have any further claim against the other pertaining hereto.

As used herein, "Purchaser's expenses for title examination" shall mean the reasonable expenses actually incurred by Purchaser, other than attorneys' fees, for examination of title of the

Premises and for survey updating, not to exceed usual charges for similar services by the Title Company where no policy is issued.

4. Purchaser hereby acknowledges that Purchaser has inspected the Premises and all personal property included in this sale, and are fully familiar with their physical condition and state of repair as of the date hereof. Purchaser agrees to take the Premises and all such property "as is" and in their present condition, 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. Purchaser shall have the right to inspect the Premises prior to the closing upon reasonable prior notice.

Purchaser acknowledges that neither Seller nor any representative or agent of Seller has made any representation or warranty (expressed or implied) as to the physical condition, state of repair, income, expenses or operation of the Premises or any matter or thing affecting or relating to the Premises or this Agreement, except as specifically set forth herein. Purchaser has not been induced by or relied upon any statement, representation or agreement, whether express or implied, not specifically set forth in this Agreement. Seller shall not be liable or bound in any manner by any oral or written statement, broker's "set-up", representation, agreement or information pertaining to the Premises or this Agreement furnished by any broker, agent, employee or other person, unless specifically set forth herein.

5. Purchaser agrees to accept title subject to all note or notices of violations as of Closing without abatement in Purchase Price. Notwithstanding the foregoing, Seller shall pay, at Closing, all fines, penalties and interest associated with any notes or notices of violations but not to exceed $30,000.

6. The closing of title pursuant to this Agreement (the "closing") shall be held at the offices of Henry F. Camuso, Esq., 8225 3rd Avenue, Brooklyn, New York 11209, at 10 A.M. on or about sixty (60) days from Purchaser's receipt of a fully executed Contract of Sale (the "Closing Date"). Notwithstanding the foregoing, the closing, at Purchaser's request, shall occur at the offices of Purchaser's lender or such lender's attorneys, provided same are in the New York metropolitan area.

7. Seller shall deliver to Purchaser at the closing:

(a) A bargain and sale deed with covenant against grantor's acts, containing the covenant required by Section 13 of the Lien Law, executed in proper form for recording, and sufficient to convey title to the Premises in accordance with this Agreement.

(b) If the title examination discloses judgments, bankruptcies or other returns against other persons having names the same as or similar to Seller, Seller shall deliver an affidavit showing that such judgments, bankruptcies and other returns are not against Seller.

(c) A certificate evidencing that Seller is not a "foreign person" within the meaning of the Internal Revenue Code of 1986, as amended. Based thereon, no portion of the Purchase Price shall be withheld by Purchaser pursuant to the Code.

Purchaser shall deliver to Seller at the closing such documents as reasonably may be required to consummate the transactions contemplated herein, which are not inconsistent with this Agreement.

8. The following shall be apportioned as of midnight of the day preceding the Closing Date:

(a) Real estate taxes, vault charges, water charges and sewer rents, if any, on the basis of the lien period for which assessed. If on the Closing Date the tax rate shall not have been fixed, the apportionment shall be based upon the tax rate for the preceding year applied to the latest assessed valuation; however, adjustment will be made when the actual tax amount is determined. If there are water meters on the Premises, Seller shall endeavor to furnish readings thereof to a date not more than thirty days prior to the Closing Date. Meter charges shall be apportioned on the basis of the last reading. Upon the taking of a subsequent actual reading, such apportionment shall be readjusted. In the event Seller shall fail to obtain a final water meter reading not more than thirty (30) days prior to the Closing Date, Seller shall deposit in escrow with Purchaser's Title Company to omit such water charges as an exception through the date of closing. The provisions of this clause (a) shall survive the closing.

Purchaser shall reimburse Seller for the cost, including taxes, of all oil or other fuel at the Premises, if any, on the Closing Date, based upon a reading made by Seller's supplier of fuel within twenty-four hours of the Closing.

If the adjustments result in a payment due Seller, such payment shall be made at the closing by a certified check or wire transfer of Purchaser. If the adjustments result in a payment due Purchaser, such payment shall be credited against the cash portion of the Purchase Price due at the closing.

The amount of any unpaid real estate taxes, assessments, water charges and sewer rents which Seller is obligated hereunder to discharge or satisfy, with any interest or penalties thereon, at the option of Seller may be allowed as a credit to Purchaser at the closing, provided official bills therefor are furnished at the closing. If on the Closing Date there are any liens or encumbrances which Seller is obligated hereunder to discharge or satisfy, Seller may use any cash portion of the Purchase Price to discharge or satisfy the same, or may deposit with his attorney or the Title Company an amount sufficient to discharge or satisfy the same and for Purchaser's Title Company to omit such matters as exceptions to title. Purchaser agrees to provide at the closing upon request separate certified or bank checks to facilitate the discharge or satisfaction of items referred to in this paragraph upon not less than two (2) business days' notice.

If the real estate taxes affecting the Premises are reduced, because of a reduction of the assessed valuation or tax rate or for any other reason, Seller and Purchaser shall adjust the benefits of the tax savings as of the Closing Date. The provisions of this paragraph shall survive the closing.

Purchaser shall pay all expenses for examination of title, the premium for any title insurance policy issued to Purchaser, and all other title, survey or other expenses incurred by Purchaser in connection with this Agreement or the closing of title hereunder. Seller and Purchaser agree to execute, swear to, and cause to be filed any applicable transfer tax, gains tax or other returns required in connection with the closing. Purchaser shall pay the recording costs for the deed. Seller agrees to pay, at Closing, any and all New York City and New York State transfer taxes in connection with the transactions contemplated hereunder, as well as any title clearance matters required of Seller.

Seller and Purchaser acknowledge that no portion of the Purchase Price is allocable to personal property, if any, transferred hereunder.

9. Concurrently with the execution of this Agreement, Purchasers have delivered to Henry F. Camuso, Esq., having an address at 8225 3rd Avenue, Brooklyn, NY 11209 York 11201 ("Escrow Agent") Purchasers' check in the amount of $300,000.00, being the amount to be paid by Purchasers upon the execution of this Agreement subject to collection (the "Down Payment").

Escrow Agent, subject to collection of said check, shall hold the Down Payment in accordance with this Agreement, or a joint instruction signed by Seller and Purchasers, or separate instructions of like tenor signed by Seller and Purchasers, or a final judgment of a court of competent jurisdiction. Escrow Agent hereby is authorized and directed to deliver the Down Payment to Seller if, as and when title closes. Escrow Agent at any time may deposit the Down Payment with a court of competent jurisdiction, and upon notice to Seller and Purchasers of such deposit Escrow Agent shall have no further responsibility or liability hereunder. Escrow Agent may act upon any instruction or other writing believed by Escrow Agent in good faith to be genuine and to be signed or presented by the proper persons.

Seller and Purchasers acknowledge that Escrow Agent is merely a stakeholder, and that Escrow Agent shall not be liable for any act or omission unless taken or suffered in bad faith, in willful disregard of this Agreement or involving gross negligence. Seller and Purchasers shall indemnify and hold Escrow Agent harmless from and against any costs and expenses incurred in connection with the performance of the Escrow Agent's duties hereunder. Seller and Purchasers shall be jointly and severally liable for, and shall pay Escrow Agent, on demand, any costs and expenses of Escrow Agent incurred in connection with the performance of Escrow Agent's duties hereunder, including attorneys' and accountants' fees, if any, paid or payable in connection with the holding, investment or disposition of the Down Payment. If any such cost or expense is not promptly paid to Escrow Agent on demand, Escrow Agent may apply so much of the Down Payment as may be required to pay such costs and expenses. Notwithstanding that Escrow Agent is serving as the escrow agent pursuant to this Article 9, Escrow Agent as attorney may represent any party to this Agreement in the event of any dispute hereunder.

Escrow Agent shall not be bound by any agreement between Seller and Purchasers, whether or not Escrow Agent has knowledge thereof, and Escrow Agent's only duties and responsibilities shall be to hold, and to dispose of, the Down Payment in accordance with this Article 9.

Without limiting the generality of the foregoing, Escrow Agent shall have no responsibility to protect, demand payment of, collect, or enforce any obligation with respect to the Down Payment, or for any diminution of the value, or the failure to earn income, of the Down Payment for any cause. Escrow Agent may consult with counsel, and any opinion of counsel shall be full and complete authorization and protection in respect of any action taken or omitted by Escrow Agent hereunder in good faith and in reliance upon such opinion.

All instructions or notices given pursuant to this Article 9 shall be in writing and delivered in accordance with the requirements for notices pursuant to Article 11 of this Agreement. For purposes of this Article 10, such instructions and notices shall be deemed delivered on the date of delivery, if by hand, or on the date of mailing in accordance with Article 11, if mailed, except that no instruction or notice to Escrow Agent shall be deemed effectively delivered to Escrow Agent until actual receipt thereof by Escrow Agent.

10. Purchaser represents and warrants that Purchaser has not dealt with any broker in connection with this sale other than the Highcap Group, whose commission shall be paid by Seller, pursuant to separate agreement. Purchaser agrees to indemnify and hold Seller harmless from and against any and all liability, claim, loss, damage or expense, including reasonable attorneys' fees, with respect to any other broker with whom Purchaser has dealt. This Article 11 shall survive the closing.

Seller represents and warrants that Seller has not dealt with any other broker in other than Highcap Group. Seller agrees to indemnify and hold Purchaser harmless from and against any and all liability, claim, loss, damage or expense, including reasonable attorneys' fees, with respect to any other broker with whom Seller has dealt.

11. 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, overnight courier with signature required by the recipient, by United States certified mail, with postage prepaid, or by facsimile transmission to Henry F. Camuso, Esq., 8225 3rd Avenue, Brooklyn, New York 11209, (718) 759-9890, as attorney for Seller, and to Purchaser at the address set forth on the front page of the printed portion of this Agreement, with a copy to Goldberg Weprin Finkel Goldstein LLP, 1501 Broadway, 22nd Floor, New York, NY 10036, Attention Steven Uffner, Esq., (212) 730-4518, as attorney for Purchaser, in the aforesaid manner.

12. Miscellaneous. All payments of Purchaser on account of the Purchase Price, and Purchaser's expenses for title examination, are hereby made a lien against the Premises. Said lien shall not continue or exist after any default by Purchaser hereunder.

Purchaser shall not assign this Agreement without the prior written consent of Seller in each instance. Any attempted assignment without the prior written consent of Seller shall be null and void. Notwithstanding the foregoing, Purchaser, however, shall be entitled to assign its interest hereunder to a corporation or partnership or limited liability company controlled in part by Purchaser and/or a principal of Purchaser serving as a manager or otherwise. Further, Purchaser

shall be entitled to, at its election, to take title in separate deeds and to designate one or more entities to affect the foregoing.

All oral or written statements, representations, promises, and agreements of Seller and Purchaser are merged into and superseded by this Agreement, which alone fully and completely expresses their agreement.

None of the representations, warranties, covenants, indemnities or other obligations of Seller hereunder shall survive the closing, except as expressly provided herein and then only for a period of one year from the Closing Date. Acceptance of the deed by Purchaser shall be deemed full and complete performance and discharge of every agreement and obligation of Seller hereunder, except those, if any, which expressly are stated herein to survive the closing, and then such survival shall be only for a period of one year.

In the event of any action or counterclaim arising out of or due to this contract, the parties hereto agree to waive a trial by jury.

This Agreement may not be altered, amended, changed, waived, or modified in any respect or particular unless the same shall be in writing signed by Seller and Purchaser.

Neither this Agreement nor any memorandum thereof shall be recorded by Purchaser.

The captions hereof are for convenience only and are not to be considered in construing this Agreement. This Agreement shall not be considered an offer or an acceptance of an offer by Seller, and shall not be binding upon Seller until executed and delivered by Seller and Purchaser. The obligations of Purchaser hereunder and under any instruments delivered pursuant hereto shall be the joint and several obligations of the Purchaser.

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

SELLER:

REGENT ASSOCIATES Tax ID No. _____

By: _____
Arthur Gallinaro, G.P.

PURCHASER:

Brooklyn Portfolio, LLC Tax ID No. _____

By: _____
Paul Salib, Member

SECOND RIDER TO CONTRACT OF SALE

This Second Rider to Contract of Sale (this "Second Rider") is made and entered into as of this 12 day of August, 2013 by and between Regent Associates, a New York limited partnership having and address at 1509 79th Street, Brooklyn, New York ("Seller"), and Brooklyn Portfolio LLC, a New York limited liability company, having an address c/o Castellan Real Estate Partners, 1841 Broadway, Suite 400, New York, New York 10003 ("Purchaser"):

WHEREAS, Seller and Purchaser are concurrently entering into a Contract of Sale (the "Contract" or "Agreement") with respect to the sale of the Premises (as such term is defined in the Contract); and

WHEREAS, Seller and Purchaser desire to modify and amend the Contract, as previously amended by the Rider to Contract of Sale prepared by Seller (the "Seller's Rider"), the provisions of this Second Rider being paramount and the Contract and the Seller's Rider being construed accordingly.

NOW THEREFORE, the parties hereto do hereby agree that the Contract, as modified by the Seller's Rider, is modified and amended as hereinafter set forth:

1. Capitalized terms used herein shall have the meanings ascribed to them in the Contract referred to above.

2. Paragraph 1.01 of the Contract is modified by providing that, included within the definition of "Premises" are the following:

(f) All mechanical, electrical, heating, air conditioning and plumbing systems, fixtures and equipment; all furniture, carpets, drapes and other furnishings; and all other machinery, equipment, fixtures and personal Premises of every kind and character and all accessories and additions thereto owned by Seller and located in or on the Land or the Building; but specifically excluding any personal items at the Premises owned by Tenants.

(g) All easements, covenants and other rights, reversionary or otherwise, appurtenant to the Land.

(h) All intangible property now or hereafter owned by Seller and used in connection with the ownership or operation of the Land and the Building;

3. Paragraph 4 of the Contract is modified by adding the following additional Seller representations which shall be true and correct on the date hereof and on the date of Closing:

§4.14. Seller is a limited partnership validly existing in accordance with the laws of the State of New York. Seller has the necessary power and authority to consummate the transactions contemplated by this Contract and has, by proper resolutions, duly authorized the execution and delivery of this Contract and the completion of the transactions contemplated herein. Purchaser acknowledges that there is presently pending litigation between certain partners of the Seller. In the event such litigation results in an order of the court which prohibits Seller from conveying title to the premises or otherwise impedes Seller's ability to convey title to Purchaser, and such prohibition is not removed by Seller within sixty (60) days from the date of

said order, Purchaser shall have the right to cancel this agreement at ant time thereafter, at which time Seller shall promptly refund the down payment tendered hereunder which shall render this agreement canceled and of no further force and effect. Notwithstanding Purchaser's cancellation right as hereinabove set forth, Purchaser may, at its option, have the right to continue to proceed under the Agreement until such time as the litigation is resolved and Seller is able to convey title to Purchaser. Seller shall keep Purchaser apprised of the status of such litigation and utilize its best efforts to remove any judicial obstacle to convey title hereunder.

§4.15. Seller will cause all required Division of Housing and Community Renewal ("DHCR") registrations to be made between the date of this Contract and the date of closing of title, and shall pay all requisite fees in connection therewith. Seller will deliver at closing of title all registration forms, proof of mailing or delivery to each tenant and proof of payment of all requisite fees described above for each year that filing was required by law. Seller agrees to provide Purchaser or Purchaser's attorney with written authorization allowing the DHCR to release rent registration records to Purchaser or its attorneys for examination prior to closing of title. No tenant has been given any concession or consideration for the rental of any space; no utilities are included in any rent and that none of the apartments are rented furnished or for professional purposes except for the apartments located at 2102 Regent Place, Unit 2B and 2322 Bedford Avenue, Unit 3B. Each of these apartments are occupied by a Superintendant who receives a full rent concession. In addition, the gas bills for these apartments are paid for by the Seller. Seller represents that there are no written leases or occupancy agreements for these apartments.

§4.16. In all cases where rents have been increased by reason of additional services, equipment, or renovations, same have actually been furnished and installed and fully paid for and none of the rentals reflect or include a sum allowed for increased occupancy or subleasing.

§4.17. If there are any complaints, challenges or proceedings pending for the reduction of any of the rentals or if any are filed prior to the closing of title the Seller will comply with and discharge same prior to closing at the Seller's own cost and expense. Seller shall remain responsible for any rent rollbacks, overcharges or refunds for the period prior to the closing of title.

§4.18. There is no action, suit or proceeding pending or, to the knowledge of Seller, threatened against or affecting the Premises, the Leases or against Seller before any court or federal, state, county or municipal department, commission, board, bureau or administrative agency or other governmental instrumentality nor, to the knowledge of Seller, is there any basis for any such action or proceeding, except for the Tenant at 90 East 18th Street, Unit 1B who has an action against the Seller to complete repairs to the Unit. Seller has repeatedly appeared to defend its action in this proceeding, which has been adjourned on more than one occasion due to tenant's failure to appear. Tenant has denied Seller access to the apartment to make repairs in an effort to avoid paying his lawful rent.

§4.19. All permits, certificates, zoning, building, housing or safety, fire and health department approvals, and all other permits, approvals and licenses necessary to operate

the Premises and the equipment thereof will be assigned to Purchaser at the Closing, and to the extent Seller or its agents or employees has possession of such permits, approvals and licenses and they are not posted at the Premises, the same shall be delivered to Purchaser at Closing. All space as listed on the annexed rent roll is legally occupied and approved by the Department of Housing Preservation and Development and the Buildings Department and a permanent certificate of occupancy for the Building as presently constituted and used is in existence. There are no open alteration applications or permits pending with the Buildings Department.

§4.20. There has not been and there is no default by Seller or, under any of the Leases and, to Seller's knowledge, no event, act of omission exists which with notice, or the passage of time, or both, would constitute a default thereunder, except as set forth in the attached Rent Schedule. No tenant has prepaid rent more than thirty (30) days in advance.

§4.21. There are no union contracts affecting any employees or affecting the Premises and Seller has had no communications during its ownership from any labor unions, nor will it enter into any negotiations or execute any contract with a labor union. Seller will not enter into any labor union agreements between the date hereof and the Closing. There shall be no employees binding upon Purchaser at Closing.

§4.22. There shall be no service, maintenance, supply and management contracts binding upon Purchaser following the Closing.

§4.23. Seller has no knowledge that the air or development rights have been transferred with respect to the Premises.

§4.24. Seller shall be responsible for any Emergency Repair Liens, whether or not such liens were of record prior to Closing, if any such lien relates to emergency repair work performed on the Premises by City of New York prior to Closing.

§4.25. For the past twelve (12) months there has been no organized rent strike or joint action by tenants' groups to withhold rent from the Seller. It is a condition of this transaction that there will be no such rent strike or action by tenants' groups to withhold rent from the Seller at time of Closing of title.

§4.26. No brokerage or leasing commissions or other compensation are currently due and payable to any individual, firm or entity with respect to any Lease or any extension or renewal of any Lease, and Purchaser shall not be responsible after the Closing for any such brokerage or leasing commission.

§4.27. Pursuant to Local Law 1 of 2004, Seller, on or before January 16th of each year notified all occupants, inquiring if there are children under the age of seven residing in each unit and, where notice is given or where Seller has actual notice that a child of applicable age resides in the apartment, Seller has inspected such units to determine if there is peeling paint, chewable surfaces, deteriorated surfaces and friction and impact surfaces (at least annually) and Seller has remediated lead hazards using safe work practices. All vacant apartments have been and will be made lead safe, using safe work practices prior to re-renting.

§4.28. To Seller's knowledge, there are no hazardous substances or wastes in, on or under the Premises. To Seller's knowledge there are no underground fuel tanks at the Premises.

§4.29. No apartment has been deregulated during the pendency of J-51 tax abatement.

§4.30. If the Premises contains an elevator, Seller represents that it has fully performed all one-year, two-year and five-year tests and will produce at the Closing appropriate documentation to evidence compliance with all laws, rules and regulations of any governmental authority having jurisdiction thereof.

§4.31. Seller represents that it has not entered into as of the date hereof, and will not enter into as of the Closing, any Compliance Agreement with the City of New York concerning the correction of violations at the Premises and has not received any notification from the Department of Housing Preservation and Development requiring the Seller to enter into any such Compliance Agreement.

§4.31. There are no pending harassment proceedings before any administrative agency or any court of competent jurisdiction, and there have been no harassments filed against the Premises or Seller during the two (2) years prior to the date of this Agreement and Seller has not sent written notice to any tenant claiming that such tenant is in default, which default remains uncured.

§4.33. Seller has complied with Section 27-2018.1 of the Administrative Code of the City of New York by providing requisite notices, if applicable, of bed bug infestation with respect to the unit or space leased by the tenant and the building in which the Premises are located.

§4.34. Seller has complied with Local Law 16 certifying the installation of signs instructing the occupants of the building to use the stairs in case of fire and a diagram showing the location of the stairs. Seller has complied with all governmental regulations pertaining to the installation of smoke detectors, carbon monoxide detectors and window guards.

§4.35. All oil burners, incinerators and other fuel burning devices, fuel storage tanks and incinerator and refuse compactor comply with all applicable Federal, State and Municipal or other governmental or quasi-governmental bodies having jurisdiction, including without limitation, air pollution control laws, orders, rules and regulations, and have been properly upgraded.

§4.36. Any repairs or alterations or equipment to be furnished, pursuant to the terms of any Lease or mortgage agreement will be done or supplied by Seller at Seller's own cost before Closing. No demand has been made by any mortgagee or insurance company requiring any work to be done on the Premises or for additional fire insurance.

§4.37. Seller has not received any notice to repair sidewalks. If there are any sidewalk assessments discovered or levied prior to or subsequent to the date of delivery of the deed, by reason of the fact that such work has been done prior to the passing of title, or any notice or violation issued prior to the passing of title, Seller agrees to pay same on demand.

§4.38. If there are any complaints, challenges or proceedings pending for the reduction of any of the rentals or if any are filed prior to the closing of title the Seller will comply with and discharge same prior to Closing at the Seller's own cost and expense; and if said complaints, challenges or proceedings are not discharged by the Seller, the Seller shall give to the Purchaser a credit for the cost of such discharge of complaints or proceedings at the closing of title. Seller shall remain responsible for any rent rollbacks, overcharges or refunds for the period prior to the Closing.

§4.39. Intentionally omitted.

§4.40. Seller has no actual knowledge of any assessment payable in annual installments, or any part thereof, which has become a lien on the Premises.

§4.41. Neither Seller nor, to Seller's knowledge, any other person, has caused or permitted hazardous material to be maintained, disposed, stored, released or generated on, under or at the Premises or any part thereof, or any real Premises adjacent thereto, except for the storage and use of substances commonly present and reused in the operation and maintenance of mixed-use buildings in Manhattan in quantities commonly present at such building and in compliance with applicable laws, including without limitation, environmental laws. To Seller's knowledge, Seller is in compliance with and has heretofore complied with all environmental laws with respect to the Premises. Seller has not received any notice from any governmental unit that it or the Premises is not in compliance with any environmental law or that it has any liability with respect thereto, and there are no administrative, regulatory or judicial proceedings pending or, to the knowledge of Seller, threatened with respect to the Premises pursuant to or alleging any violations of or liability under any environmental law. There are no underground oil or fuel storage tanks at the Premises.

§4.42. Seller has not previously transferred or assigned the development rights or air rights, if any, of the Premises and Seller has no knowledge that any such rights have been transferred prior to its ownership.

The representations and warranties contained in this Contract shall survive Closing for a period of one (1) year.

4. Intentionally omitted.

5. Paragraph 10 of the Contract is modified by adding the following additional documents to be delivered by Seller at Closing:

§10.20. All rent records, registration forms and rent histories for all tenants.

§10.21. A schedule of security deposits paid by tenants and interest earned and paid thereon.

§10.22. An assignment of the rents due and to become due thereunder, together with a short form assignment of rent arrears and landlord/tenant causes of action.

§10.23. Original consents of Seller and its members/shareholders/partners evidencing the authority of the Seller to sell the Premises, to enter into this Contract, to execute and deliver the deed and to take all action deemed necessary or desirable to carry out the terms of this Contract.

§10.24. Keys to all tenant entrance doors and to equipment and utility rooms located at the Premises and to the entrance and exit doors of the Premises. All keys shall be properly tagged for identification.

§10.25. Copies of all contracts, paid bills and cancelled checks for any improvements made to the Premises for which rents have been increased.

§10.26. If the Premises is charged for water and sewer on a frontage basis, a Department of Environmental Protection frontage reconciliation. If there are water meters, final special water meter readings within thirty (30) days of Closing.

§10.27. Any additional documentation in the form required by the Purchaser's title insurance company.

§10.28. A "bringdown certificate" certifying that the representations and warranties set forth in this Contract are true and correct as of the Closing Date.

§10.29. Such other documentation as counsel for Purchaser may reasonably deem necessary in order to consummate the sale of the Premises by the Seller to the Purchaser as herein contemplated.

6. At Purchaser's option, the Closing of title may be had sooner upon two (2) week's notice to the Seller's attorney and all adjustments are to be made as of the actual date of Closing of title.

7. Seller shall allow Purchaser, Purchaser's representatives and Purchaser's designees access to the Premises, the Leases, the tenant files and all other documents with respect to the Premises upon reasonable prior notice and at reasonable times. Purchaser shall be permitted to conduct such inspections and investigations as Purchaser and its lender deem advisable.

8. Seller agrees that from the date of this Contract to the Closing Date, Seller will:

(i) manage and operate the Premises in the ordinary and usual manner without cost to Purchaser;

(ii) maintain the Premises substantially in its present order and condition and to make all necessary repairs and replacements;

(iii) not grant any liens or cause any instrument to be recorded which would further encumber the Premises in any manner;

(iv) maintain insurance policies currently in place; and

(v) timely file all necessary financial statements, including without limitation New York City Real Property Income and Expense Statement with the City of New York, and if Seller does not file by the Closing, it shall be responsible for any fines or penalties that are incurred as a result thereof.

9. Seller agrees at any time or from time to time prior to or after Closing to execute, acknowledge as appropriate and/or deliver such further instruments and other documents (and to bear its own costs and expenses incidental thereto) and to take such other actions as Purchaser may reasonably request in order to carry out the intent and purpose of this Contract; provided, however, that Seller shall not be obligated to incur any expense of a material nature and/or to incur any material obligations in addition to those set forth in this Contract and/or the respective closing documents.

10. The Contract is modified to the extent that Seller shall be obligated to satisfy all (i) mortgages, (subject to an assignment of any such mortgages as contemplated hereunder), (ii) liens of a liquidated amount, and (iii) consensual liens and encumbrances suffered and incurred by Seller.

11. If any tax protest certiorari proceedings are pending as of the closing, Purchaser's counsel shall be substituted in place of counsel and the amounts recovered as a result thereof with the net amount recovered, after attorney's fees and expenses of any recovery shall be apportioned between the Purchaser and Seller as of the Closing Date. The parties shall execute any papers and take any steps either before or after the Closing as is necessary to carry out the intention of this Paragraph. This Paragraph shall survive the Closing.

12. Seller represents that the consent of City of New York, Department of Housing Preservation and Development for the sale of the premises is not required hereunder.

13. Except as amended by this Second Rider, the Contract shall remain unmodified and in full force and effect, and is hereby ratified and confirmed in all respects.

[signature page to follow]

IN WITNESS WHEREOF, the parties hereto have caused this Second Rider to be duly executed and delivered as of the date first above written.

SELLER: REGENT ASSOCIATES

By: _____
Arthur Gallinaro, G.P.

PURCHASER: Brooklyn Portfolio LLC

By: _____
Paul Salib