

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF BRONX

-----X
CORNER FURNITURE DISCOUNT CENTER, INC.
And 2901 FURNITURE OUTLET, INC.,

Plaintiffs,

Index No. 30522/2018E

**DECLARATION OF GARY
SAPIRSTEIN IN SUPPORT OF
PETITION TO JUDICIALLY
DISSOLVE PLAINTIFF
CORPORATIONS AND
RELATED CORPORATION**

-against-

GARY SAPIRSTEIN,

Defendant.

-----X

GARY SAPIRSTEIN,

Defendant/Counterclaimant,

-against-

CORNER FURNITURE DISCOUNT CENTER, INC.,

Plaintiffs/Counterclaim
Defendant,

RONGAR REALTY OF N.Y., INC. and
2826 REALTY CORP.,

Additional Counterclaim
Defendants.

-----X

I, Gary Sapirstein, under penalty of perjury, declare:

1. I am the Defendant in the above litigation and have been a twenty five percent (25%) shareholder in the Plaintiff Corporations, Corner Furniture Discount Center, Inc., 2901 Furniture Outlet, Inc., their related and controlled companies, Rongar Realty of N.Y., Inc. (formerly known as G&R Realty Corp. of New York) and 2926 Realty Corp., Counterclaim Defendants in this litigation, all such corporations hereinafter referred to as the "PCC" companies. Attached hereto as Exhibit A collectively are the corporate charter documents for the PCC.
2. This declaration is in support of a necessary Petition for a Judicial Dissolution pursuant to NY Consolidated Laws BCL Section 1104-a. This Petition has been filed because the majority shareholders of these PCC's, namely Ronald Stechler and Eric Stechler, have a seventy five percent (75%) interest in the PCC and are guilty of oppressive actions against me as detailed herein.
3. These actions and behavior include the following:
 - a. Wasting assets of the PCC;
 - b. Purposely preventing the positive growth of the PPC;
 - c. Divided and mismanaged Directors which prevent proper Board actions;
 - d. Managing the PCC disadvantageously to me;
 - e. Intentionally creating losses by poor decision making;
 - f. Improperly excluding me from providing input regarding the management of the PCC;
 - g. Using Company assets and inventory for personal gain and benefit of the Stechlers;

- h. Diverting assets for non-corporate purposes;
- i. The Stechlers intentional and unlawful acts have grossly interfered with my reasonable expectations to invest and create the business of the PCC;
- j. Excluded me from participation in the corporate affairs and management for no legitimate business reason;
- k. Unlawfully discharging me as an executive/shareholder without cause with the intent to deprive me of my salary;
- l. Changing Corporate policies, without my knowledge, by the majority shareholders, to prevent me from receiving a reasonable return on my investment;
- m. Wrongfully discharged from a family run business as a non-family investor resulting from of a family dispute;
- n. A corporate policy change was intentionally and unlawfully implemented during and after my termination as COO and Director of the corporation to deny me distribution of corporate earnings;
- o. Unlawfully terminated me in my capacity as a long-term officer/executive of the company who ran PCC, which denied compensation payable to me;
- p. Unlawfully removed me as a co-signor of corporate bank accounts;
- q. Misallocation of PCC profits;
- r. Failure to account for income and profits;
- s. Refusal to divulge business affairs to me after devoting more than 30 years of my career building the PCC business;
- t. Unlawful and intentional destruction of the business my family heirs rightfully expected to look for current and future financial security; and
- u. A complete deterioration of the relationships among shareholders.

4. I am requesting that this Court dissolves the PCC and disperse as damages to me twenty five percent (25%) of the asset valuation of the PPC, which I believe my current interest to be two million five hundred thousand dollars(\$2,500,000).

INTRODUCTION

5. The PCC was founded in October 1984 as a business relationship between Ronald Stechler and me. Prior to that time, I had been an independent furniture manufacturers' representative for 4 years (1975 to 1979). Thereafter, I managed a furniture retail business for 5 years (1979-1984).
6. In October of 1984, the PCC divided the shares between the Stechlers', who received seventy five percent (75%) of the total shares issued and I received the remaining 25%. This division of shares was accomplished by an oral agreement.
7. Since October of 1984, no other shareholders have been permitted and the original oral agreement remains unchanged with the exception of the breaches by Ronald Stechler (RS") stated herein.
8. All agreements between RS an me have always been verbal and originated by RS. Specifically, RS prevented me from selling my shares. However, I had the right of first refusal as to any new shareholders and financial matters if they were to arise.

9. My position with PCC was a full time COO. I conducted every business matter going forward from 1984 to the present. Since the beginning of my employment, RS explained the manner of how he ran and expected to run the retail furniture business, which principles he continues to utilize today.
10. PCC maintained two sets of accounting books which included one set that was intended for internal purposes only, and one for external purposes which the accountant for PCC had access. The differences between the two primarily included cash disbursements that the internal books contained.
11. Corner Furniture Discount, Inc. ("Corner") paid numerous vendors in cash. Additionally, many employees were paid in cash, which saved Corner on payroll expenses that included withholdings such as social security, medical, unemployment and local merchants. RS would always know the actual numbers for the internal accounting books.
12. RS was the PCC President, but he never signed any tax forms and he made sure I was the only signatory. All PCC business credit cards were intentionally in my name only and I was solely responsible as guarantor.
13. Between 1983 and 1989, RS would rarely come to the business office, however, when he did, he would only inspect the business financials and the day to day ledger. During that time, RS had a greater involvement with another furniture retail establishment he solely owned.

14. If there were any new changes in any agreements he would make them alone and later tell me.
15. Corner flourished between 1984 and 1989, with its strongest and greatest growth continuing unabated. After 1989, RS showed a greater interest at Corner and he would constantly review sales data, checking bank accounts, review vendor invoices, and reviewed office performance. I continued to handle all administrative and other matters to successfully run PCC's business, including all purchasing, hiring, payroll, accounts payable, sales and legal compliance.
16. RS would instruct the accountant how to distribute money, e.g., as additional income from profits, bonuses and dividends to be made from the PCC. He had no formula in making these decisions.
17. If I was out of the office and checks for the business needed to be signed, RS would never sign them and left them on my desk for signature.
18. In 1990 PCC Rongar Realty was formed and RS determined that rent to Rongar from Corner would be \$25,000 per month. In 1990, PCC Corner acquired a new retail location, named Winks Furniture. My work at Winks fully mirrored by work at PCC Corner.
19. In 1995, PCC 2926 Realty was established. Corner began to pay that new entity an additional \$25,000 per month making PCC Corner payments, then \$50,000 per month in rents. After 1995, PCC 2926 Realty and PCC Rongar Realty were combined or tax purposes determined unilaterally by RS.

20. In 2000, Winks furniture closed, which cost me a cash loss greater than \$100,000.
21. In 2008, RS's son Eric Stechler ("ES"), joined PCC at his father's insistence with no input required by me and no formal Board approval. This was a major violation of our agreement from 1984. ES had no experience running any company at that time, right out of college and certainly no experience running a furniture business.
22. In 2008, ES was given full operation and control of PCC's furniture business, again with no input required by me and no formal Board approval that this was going to occur. This unilateral decision by RS caused severe detriment to all PCC entities and me, its minority shareholder
23. Since 1984, I was the responsible executive for creating and running this highly successful furniture retail business. All PCC entities have continued to decline financially since RS made the decision to allow ES to operate and control PCC. Additionally, RS never mentioned to me that he had given 24% of his 75% shareholder interest to ES, which was another violation of our 1984 agreement. RS also informed me at he wanted me to prepare and issue new PCC Corner stock certificates with these new percentages.
24. After ES took over control of PCC, RS began to publicly criticize me for even the smallest errors and began making condescending remarks about me to ES. ES would continuously watch me and report back to RS.
25. During the time ES controlled PCC Corner (2008-2011), PCC Corner's annual sales declined by 33%, which is equivalent to approximately \$3,000,000. I addressed my

concern to RS during a telephone conversation and RS told me the business of PCC belongs to him and ES, not me.

26. Since 2008, I have been purposely kept out of the loop and intentionally uninformed of most business matters of PCC, including the very expensive E-commerce origination, designed and executed by ES with the full approval of RS. This caused huge, non-recoverable losses and no chance of recuperating any potential income. It was a complete waste of PCC's assets. Additionally, RS would continue to criticize me about the losses incurred by ES stating that I was responsible for the business failures of ES because I did nothing to prevent the losses. RS further stated I let the losses continue for that 3 year period even though RS and ES removed my management ability to prevent *further losses*.
27. In 2012, RS suspended PCC Corner's rent payments to PCC Rongar. The only time rent would be paid was to cover real estate taxes. Currently, the semi-annual tax payments are \$120,000, far from the usual \$600,000 annual rent. When the business was running properly, RS indicated the stoppage of rent payments was due to the downward trend of revenue loss since 2008. If PCC Corner paid the rent it would be out of its business. The majority of PCC Corner's assets and money was the liability from customer's deposits and vendor accounts payable. The decision not to pay rent by RS is the only real asset I have left but for realty values in the property under my 25% interest.
28. The only reason for RS to support the PCC Corner losing entity is to maintain his incompetent son in the retail furniture industry and ES's retail adventures. These decisions prevent me from entering into significant real estate investments and building the business of PCC. There are multiple opportunities in the Bronx which have been

available for many months. RS is fully aware of these potential and solid investments but did not allow PCC or me to benefit. Because of the losses no payroll increases could be made.

29. During this period of decline RS only allow me to take any vacations at his discretion.

30. In 2013, RS opened 2901 Furniture Outlet retail entity directly across the street from PCC Corner against my strong objections, particularly on affordability. RS continues to protect the existence of PCC 2901 to the detriment of PCC Corner. PCC 2901 has no credit line. It is only an increasing burden, a parasite to PCC Corner paying all of its startup expenses and invoices. When all the accounts payable by PCC Corner started to occur, I requested a salary from PCC 2901. RS gave himself, ES and me a modest payroll increase. But after a few months, RS stopped payrolls saying there was no money to pay the three of us.

31. RS has a large personal income from other sources. With no income from PCC 2901 RS was still requiring my increased time and input. RS continued to support the new retail entity PCC 2901 while losing equity value from PCC. At this point RS insists we (he and I) personally contribute money to PCC Corner. I informed RS I cannot and would not contribute as I had no such funds.

32. RS told me to seek funding. After a great deal of time and effort I secured all the applications to get funding under a Small Business Administration Loan. After all the applications were completed and my discussions were moving forward RS told me to forget the process. This not only wasted significant efforts by me but tarnished my reputation if I ever need to seek funding for business or personal reasons.

33. In recent times RS continued his criticisms of me stating publicly, that he (untrue) was the strength of PCC Corner and if it weren't for him I would have nothing. PCC Corner's employees are managed through fear, inconsistent with any possible business success.
34. There have been opportunities to work with Affordable Housing sources in the Bronx to give PCC a fair market price for all properties and for 50% of the development of the properties but RS does nothing to create needed value for PCC. RS has never wanted to sell the property so ES could continue to have something to do.
35. In this regard RS has informed me if the property of PCC is sold then ES is to be given a commission amount and a percentage of the sales price – even though ES has nothing to do with the PCC realty business. RS has informed me that if I resigned from PCC my only payment would be my 25% of inventory, not the good will of the business.
36. As a result of all the disputes chronicled above, on August 9,2018 the shareholders RS and ES held a special meeting of the Board of Directors. I was a Director before that date. RS and ES removed me as a Director.
37. They also simultaneously terminated my employment as Chief Financial officer of PCC. As PCC does not pay any dividends the effect of my firing deprived me of my sole source of any economic benefit to me and my heirs-no salary-no bonus-no severance package.
38. .RS and PCC have claimed theft and fraud on my behalf for taking money from PCC as reasons for all the above oppressive actions, none of which has any basis in fact as substantial monies have been due to me for many years.

assets are distributed to the shareholders. PCC principal assets are obviously the real estate owned by PCC and its shareholders.

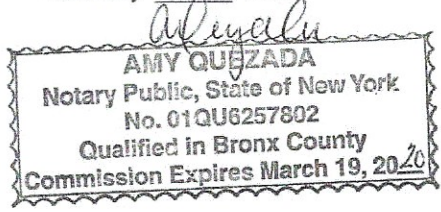
40. Those assets must be sold as the only chance of recovery as the business of PCC has completely locked me out. RS has prohibited me to be anywhere near any of the PCC businesses or properties

41. I have been prohibited from speaking with any of the employees of PCC. I have been threatened with sanctions by RS if I make any contacts as to the business of PCC. There is a complete lockout of me as to any and all of the books and records of PCC.

42. Further oppression has resulted in the scheduling of shareholder meetings to remove me. The value of PCC has been suppressed by reason of the actions of RS by not funding the realty companies of PCC, while simultaneously funding the losing retail furniture operations of PCC. This is all without any ability on the part of the minority shareholder (me) to have any input increasing or even maintaining the valuations of PCC.

Dated: New York, New York

January 20, 2019



[Handwritten Signature]
Gary Sapirstein

CERTIFICATE OF SERVICE

I hereby certify that on January 22, 2019, I authorized the electronic filing of the foregoing with the Clerk of the Court using the NYSCEF system which will send notification of such filing to the registered participants.

I certify under penalty of perjury under the laws of the State of New York that the foregoing is true and correct.

Dated: New York New York
January 22, 2019

RIMON, P.C.

By: /s/Maxim H. Waldbaum
Maxim H. Waldbaum
245 Park Avenue
New York, NY 10167
P: (917) 603-3905
F: (212) 363-0270
Email: maxim.waldbaum@rimonlaw.com

*Attorney for Defendant/Counterclaimant
Gary Sapirstein*

EXHIBIT A

STATE OF NEW YORK
DEPARTMENT OF STATE

I hereby certify that the annexed copy has been compared with the original document in the custody of the Secretary of State and that the same is a true copy of said original.



WITNESS my hand and official seal of the Department of State, at the City of Albany, on January 10, 2019.

A handwritten signature in black ink, appearing to read "Whitney Clark".

Whitney Clark
Deputy Secretary of State for Business and
Licensing Services

Rev. 11/18

CERTIFICATE OF INCORPORATION

OF

CORNER FURNITURE DISCOUNT CENTER, INC.

Under Section 402 of the Business Corporation Law

IT IS HEREBY CERTIFIED THAT:

- 1. The name of the corporation is:

CORNER FURNITURE DISCOUNT CENTER, INC.

- 2. The purpose or purposes for which the corporation is

formed as follows, to wit:

To carry on the business of manufacturing, producing, repairing, refinishing, buying, selling, and dealing in any and all kinds of furniture, home furnishings, fixtures, and supplies, and to manufacture, produce and deal in materials required.

To design, manufacture, repair, clean, purchase, import, sell and deal in, as principal or agent, carpets, carpet lining, rugs, matings, oilcloths, linoleums, and all kinds of floor coverings, wall hangings, draperies, tapestries, curtains, goods and materials for interior furnishings and decorations and all things incidental thereto.

To engage in any lawful act or activity for which corporations may be formed under the Business Corporation Law. The corporation is not formed to engage in any act or activity requiring the consent or approval of any state official, department, board, agency or other body without such consent or approval first being obtained.

To own, operate, manage, acquire and deal in property, real and personal, which may be necessary to the conduct of the business.

Without limiting any of the purposes or powers of the corporation it shall have the power to do any one or more or all of the things set forth, and all other things likely, directly or indirectly, to promote the interests of the corporation. In the carrying on of its business it shall have the power to do any and all things and powers which a co-partnership or natural person could do, either as a principal, agent, representative, lessor, lessee or otherwise, either alone or in conjunction with others, and in any part of the world. In addition, it shall have and exercise all rights, powers and privileges now belonging to or conferred upon corporations organized under the Business Corporation Law.

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CERTIFICATE OF INCORPORATION
 OF
 CORNER FURNITURE DISCOUNT CENTER, INC.

STATE OF NEW YORK
 DEPARTMENT OF STATE

FILED OCT 5 - 1984

AMT. OF CHECK \$ 120
 FILING FEE \$ 100
 TAX \$ 10
 COUNTY FEE \$ _____
 COPY \$ _____
 CERT \$ _____
 REFUND \$ _____
 SPEC HANDLE \$ 10
 BY: 2

P. Bronx

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FILED BY:

Edward Braverman, Esq.
 655 Madison Avenue
 New York, New York 10021

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Handwritten signature

OCT 4 11 AM '84

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New York State Department of State
Division of Corporations, State Records and Uniform Commercial Code
One Commerce Plaza, 99 Washington Avenue
Albany, NY 12231
www.dos.ny.gov

**CERTIFICATE OF INCORPORATION
OF**

2901 Furniture Outlet, Inc.

(Insert Corporate Name)

Under Section 402 of the Business Corporation Law

FIRST: The name of the corporation is:

2901 Furniture Outlet, Inc.

SECOND: This corporation is formed to engage in any lawful act or activity for which a corporation may be organized under the Business Corporation Law, provided that it is not formed to engage in any act or activity requiring the consent or approval of any state official, department, board, agency or other body without such consent or approval first being obtained.

THIRD: The county, within this state, in which the office of the corporation is to be located is: Bronx County

FOURTH: The total number of shares which the corporation shall have authority to issue and a statement of the par value of each share or a statement that the shares are without par value are: 200 No Par Value

FIFTH: The Secretary of State is designated as agent of the corporation upon whom process against the corporation may be served. The address to which the Secretary of State shall mail a copy of any process accepted on behalf of the corporation is:

c/o United Corporate Services, Inc., 10 Bank Street, Suite 560, White Plains, NY 10606.

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Incorporator Information Required

X

[Handwritten Signature]

(Signature)

Howard Stern, Esq.

(Type or Print Name)

3 Barker Avenue

(Address)

White Plains, New York 10601

(City, State, Zip Code)

RECEIVED
2012 JAN 21 PM 4:11

2012 JAN 21 AM 10:31

CERTIFICATE OF INCORPORATION
OF

2901 Furniture Outlet, Inc.

(Insert Corporate Name)

Under Section 402 of the Business Corporation Law

STATE OF NEW YORK
DEPARTMENT OF STATE

Filed by: Howard Stern, Esq.

(Name)

3 Barker Avenue

(Mailing Address)

White Plains, New York 10601

(City, State and Zip Code)

FILED MAY 21 2012

TAXES 10

BY: ES

BRONX

Note: This form was prepared by the New York State Department of State for filing a certificate of incorporation for a business corporation. It does not contain all optional provisions under the law. You are not required to use this form. You may draft your own form or use forms available at legal stationery stores. The Department of State recommends that legal documents be prepared under the guidance of an attorney. The fee for a certificate of incorporation is \$125 plus the applicable tax on shares required by Section 180 of the Tax Law. The minimum tax on shares is \$10. The tax on 200 no par value shares is \$10 (total \$135). Checks should be made payable to the Department of State for the total amount of the filing fee and tax.

For DOS use only

Customer Ref. # 2901F57559

DRAWDOWN

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Biennial Statement

NYS Department of State
 Division of Corporations, State Records &
 Uniform Commercial Code
www.dos.ny.gov

BUSINESS NAME: 2901 FURNITURE OUTLET, INC.**FILING PERIOD: 05/2014****Part 1 - Chief Executive Officer's Name and Business Address**

Name RONALD STECHLER		
Address Line 1 2901 WHITE PLAINS RD.		
Address Line 2		
City BRONX	State NY	Zip Code 10467

Part 2 - Street Address of Principal Executive Office (A Post Office Box cannot be used)

Corporation Name 2901 FURNITURE OUTLET, INC.		
Address Line 1 2901 WHITE PLAINS RD		
Address Line 2		
City BRONX	State NY	Zip Code 10467

Part 3 - Service of Process Address (Address must be within the United States or its territories)

Name GARY SAPIRSTEIN		
Address Line 1 2901 WHITE PLAINS RD		
Address Line 2		
City BRONX	State NY	Zip Code 10467

Signer Information

I affirm that the statements contained herein are true to the best of my knowledge, that I am authorized to sign this Biennial Statement and that my signature typed below constitutes my electronic signature.

Electronic Signature GARY SAPIRSTEIN
Capacity of Signer OFFICER

FILED WITH THE NYS DEPARTMENT OF STATE ON: 07/18/2014
FILING NUMBER: 140718006464 - 4247920

CERTIFICATE OF INCORPORATION
OF

G&R REALTY CORP. OF NEW YORK

Under Section 402 of the Business Corporation Law

IT IS HEREBY CERTIFIED THAT:

1. The name of the corporation is:

G&R REALTY CORP. OF NEW YORK

2. The purpose or purposes for which the corporation is formed are as follows; to wit:

To purchase, lease, exchange, hire or otherwise acquire lands with or without buildings thereon, or any interest therein, to erect, construct, alter, improve, manage, and operate houses, and buildings or other works owned by the corporation, or upon any other lands; to sell, lease, sublet, mortgage, exchange or otherwise dispose of any houses, buildings or other works owned by the corporation; to engage generally in the real estate business, as principal, agent, broker, or otherwise, and generally to buy, sell, lease, mortgage, exchange, manage, operate, and deal in lands or interests in lands, houses, buildings or other works.

To make, enter into, perform, and carry out contracts for constructing, building, altering, improving, repairing, decorating, maintaining, furnishing and fitting up buildings of every description, and to advance money to and enter into agreements of all kinds with builders, contractors, property owners, and others, for said purpose.

To engage in any lawful act or activity for which corporations may be formed under the Business Corporation Law. The corporation is not formed to engage in any act or activity requiring the consent or approval of any state official, department, board, agency or other body without such consent or approval first being obtained.

To own, operate, manage, acquire and deal in property, real and personal, which may be necessary to the conduct of the business.

The corporation shall have all of the powers enumerated in Section 202 of the Business Corporation Law, subject to any limitations provided in the Business Corporation Law or any other statute in the State of New York.

3. A director of the corporation shall not be liable to the corporation or its shareholders for damages for any breach of

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duty in such capacity except for

(i) liability if a judgment or other final adjudication adverse to a director establishes that his or her acts or omissions were in bad faith or involved intentional misconduct or a knowing violation of law or that the director personally gained in fact a financial profit or other advantage to which he or she was not legally entitled or that the director's acts violated BCL Section 719, or

(ii) liability for any act or omission prior to the adoption of this provision.

4. The county in which the office of the corporation is to be located in the State of New York is: Bronx

5. The aggregate number of shares which the corporation shall have authority to issue is: 200 shares, no par value.

6. The Secretary of State is designated as agent of the corporation upon whom process against it may be served. The post office address to which the Secretary of State shall mail a copy of any process against the corporation served upon him is:

Edward T. Braverman P.C.
655 Madison Avenue
New York, New York 10021

The undersigned incorporator is of the age of eighteen years or over.

IN WITNESS WHEREOF, this certificate has been subscribed this 14th day of February, 1990 by the undersigned who affirms that the statements made herein are true under the penalties of perjury.

Laura A. Faircloth
Laura A. Faircloth
33 Rensselaer Street
Albany, New York 12202

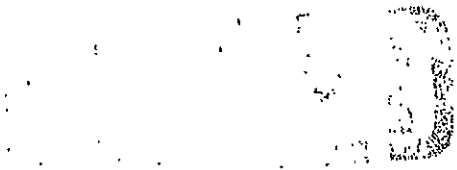
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CERTIFICATE OF INCORPORATION
OF

G&R REALTY CORP. OF NEW YORK.



FEB 16 3 09 PM '90

FILED BY: Edward T. Braverman P.C.
655 Madison Avenue
New York, New York 10021

FEB 14 11 07 AM '90

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STATE OF NEW YORK
DEPARTMENT OF STATE
FILED FEB 20 1990

AMT. OF CHECK	1.20
FILING FEE \$	1.00
TAX \$.10
COURT FEE \$	---
COPY \$	---
CERT \$	---
REFUND \$	---
SPEC HANDLING	10

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FEB 20 11 10 AM '90

BY: *PBrady*

CERTIFICATE OF AMENDMENT OF THE CERTIFICATE OF INCORPORATION
OF

G&R REALTY CORP. OF NEW YORK

Under Section 805 of the Business Corporation Law

IT IS HEREBY CERTIFIED THAT:

1. The name of the corporation is:

G&R REALTY CORP. OF NEW YORK

2. The certificate of incorporation was filed by the Department of State on the 20th day of February, 1990.

3. The certificate of incorporation is hereby amended to effect the following change:

To amend Paragraph (1) which sets forth the name of the corporation.

Paragraph (1) shall now read as follows:

(1) The name of the corporation is:

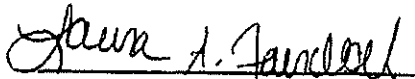
RONGAR REALTY OF N.Y. INC.

4. The amendment to the certificate of incorporation was authorized by the sole incorporator for the reason that no shares have been issued, no directors or officers have been elected, and there are no subscribers for shares whose subscriptions have been accepted.

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IN WITNESS WHEREOF, this certificate has been subscribed February 21, 1990 by the undersigned who affirms that the statements made herein are true under the penalties of perjury.


Laura A. Faircloth
Sole Incorporator

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CERTIFICATE OF AMENDMENT OF THE CERTIFICATE OF INCORPORATION
OF

G&R REALTY CORP. OF NEW YORK

STATE OF NEW YORK
DEPARTMENT OF STATE

FILED FEB 22 1990

AMT. OF CHECK \$ 78
FILING FEE \$ _____
TAXES _____
COUNTY FEE \$ _____
COPY \$ _____
CERT \$ _____
REFUND \$ _____
SPEC HANDLE \$ 10
BY: JH

BILL

FEB 21 3 20 PM '90

FILED BY: Edward T. Braverman, Esq.
655 Madison Avenue
New York, New York 10021

Brux

FEB 22 10 45 AM '90

2/20/90
Brux Co.
C109 561-3
NA
New York
2/1
2/21

WB

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CERTIFICATE OF INCORPORATION

OF

1950331000 *256*

2926 REALTY CORP.

Pursuant to Section 402 of the Business Corporation Law

I, the undersigned, a natural person of at least 18 years of age, for the purpose of forming a corporation under Section 402 of the Business Corporation Law of the State of New York hereby certify:

FIRST: The name of the corporation is:

2926 REALTY CORP.

SECOND: The purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized under Article IV of the Business Corporation Law, except that is not formed to engage in any act or activity requiring the consent or approval of any state official, department, board, agency or other body without such consent or approval first being obtained.

The purpose for which the corporation is formed is to purchase, lease, exchange, hire or otherwise acquire lands with or without buildings thereon, or any interest therein, to erect, construct, alter, improve, manage, and operate houses, and buildings or other works owned by the corporation, or upon any other lands; to sell, lease, sublet, mortgage, exchange or otherwise dispose of any of the lands or interest therein, or any houses, buildings or other works owned by the corporation; to engage generally in the real estate business, as principal, agent, broker or otherwise, and generally to buy, sell, lease, mortgage, exchange, manage, operate, and deal in lands, houses, buildings or other works.

To make, enter into, perform, and carry out contracts for constructing, building, altering, renovating, remodeling, improving, repairing, decorating, maintaining, furnishing and fitting up buildings of every description, and to advance money to and enter into agreements of all kinds with builders, contractors, property owners, and others, for said purposes.

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THIRD: The office of the corporation is to be located in the County of **BRONX** State of New York.

FOURTH: The aggregate number of shares which the corporation shall have the authority to issue is **TWO HUNDRED**, each of which shall be common stock with no par value.

FIFTH: The Secretary of State is designated as agent of the corporation upon whom process against it may be served. The post office address to which the Secretary of State shall mail a copy of any process against the corporation served upon him is:

**C/O EDWARD BRAVERMAN
331 MADISON AVE.
NEW YORK, NY 10017**

SIXTH: No director of the corporation shall have personal liability to the corporation or to its shareholders for damages for any breach of duty in such capacity, provided, however, that the provision shall not eliminate or limit:

(a) the liability of any director of the corporation if a judgment or other final adjudication adverse to him establishes that his acts or omissions were in bad faith or involved intentional misconduct or a knowing violation of law or that he personally gained in fact a financial profit or other advantage to which he was not legally entitled or, with respect to any director of the corporation, that his acts violated Section 719 of the Business Corporation Law of the State of New York, or

(b) the liability of a director for any act or omission prior to the final adoption of this article.

IN WITNESS WHEREOF, this certificate of incorporation has been subscribed by the undersigned this **03/30/95**, who affirms the statements made herein are true under the penalties of perjury.

s/ Sherri Cook
Sherri Cook, Incorporator

XL Corporate & Research
Services, Inc.
194 Washington Avenue
Albany, New York 12210

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950331000256

Certificate of Incorporation

of

2926 REALTY CORP.

Pursuant to Section 402 of the Business Corporation Law

XL-39
BILLED

FILED
MAR 31 11 12 AM '95

RECEIVED

MAR 31 10 12 AM '95

Filed By:
BRAVERMAN & ASSOC. PC
331 MADISON AVE
NEW YORK, NY 10017

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STATE OF NEW YORK
DEPARTMENT OF STATE
FILED MAR 31 1995
TAX \$ _____

Bronx
950331000281