

**TWENTY NINTH AMENDMENT TO THE OFFERING PLAN
A PLAN TO CONVERT TO COOPERATIVE OWNERSHIP
PREMISES AT
350 BLEECKER STREET, NEW YORK, NEW YORK**

The Offering Plan, dated December 31, 1984, as amended by the twenty eight prior amendments, is hereby further modified by this Twenty Ninth Amendment as follows:

1. Financial Information

The Sponsor owns 2,954 shares (the "Unsold Shares") of 350 Bleecker Street Apartment Corporation (the "Apartment Corporation"). Said shares are appurtenant to twenty two (22) apartments. The Unsold Shares represent 17% of the outstanding shares of the Apartment Corporation; said Shares are listed on Exhibit A attached hereto.

As of November 1, 2012, the monthly maintenance for the Unsold Shares is approximately \$23,291. The maintenance per share is \$7.88 per month which reflects an increase in monthly maintenance payable to the Apartment Corporation of approximately 12%, effective January 1, 2012. The monthly rents collected for the apartments owned by the Sponsor are approximately \$21,256, excluding the estimated rental income from two vacant units.

The Sponsor shall be able to meet its future obligations to the Apartment Corporation with respect to the Unsold Shares from rental income received from the Unsold Shares, funds derived from sales of the apartments and from advances from the principals of the Sponsor and related affiliates.

The Sponsor is current in its monthly maintenance payments and all other financial obligations to the Apartment Corporation.

There are no outstanding sponsor financial obligations to the Apartment Corporation due within (twelve) 12 months from the date hereof except for the payment of monthly maintenance as and when it becomes due.

The Unsold Shares are not pledged as collateral for any loans.

2. Certified Financial Statement

The 2011 Certified Financial Statement is attached hereto as Exhibit B.

3. 2012 Budget and 2013 Projected Budget

Attached hereto as Exhibit C is the Apartment Corporation's projected budget for the year January 1, 2012 to December 31, 2012 which reflects a 12% maintenance increase effective January 1, 2012. The increase was necessary due to increased operating

expenses, primarily real estate taxes, fuel costs and water and sewer charges. Attached hereto as Exhibit D is the projected budget for the year January 1, 2013 to December 31, 2013. The 2013 budget reflects a maintenance increase of 4.5% which was due to an increase in operating expenses.

4. Revised Escrow/Attorney Trust Account Regulations

The Department of Law has revised its regulations to eliminate the Attorney General's authority to adjudicate disputes regarding the disposition of deposits, down payments, or advances ("Deposits") received by Sponsor pursuant to New York General Business Law ("GBL") §§ 352-3(2-b) and 352-h. The changes only impact Purchasers who have not received a fully executed Contract of Sale (the form of which is attached hereto as Exhibit E) prior to the date of service of this Amendment. For all other Purchasers, the disclosures set forth in the Revised Escrow Rider are modified as set forth therein and attached hereto as Exhibit F.

The Procedure to Purchase Section of the Plan regarding escrow trust fund requirements is hereby replaced with the following disclosures set forth herein. Paragraph 2 in the Procedure to Purchase Section in Part I of the Plan is hereby deleted in its entirety and replaced with this Revised Escrow Trust Fund Agreement Rider (the "Revised Escrow Agreement") and will be made a part thereof. Paragraph 27 of the Contract of Sale (attached hereto as Exhibit E) entitled "Escrow Terms" is hereby deleted and will be replaced by the Revised Escrow Agreement Rider attached hereto as Exhibit F.

The Escrow Agent:

Alan Grossman, Esq., with an address at 9 Charles Street, Suite 9A, New York, NY 10014, telephone number (212) 691-8787, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Alan Grossman, the Escrow Agent is the designated signatory on the Escrow Account. The designated signatory is admitted to practice law in the State of New York. The Escrow Agent on the account is not the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

The Escrow Account:

The Escrow Agent has established the escrow account at JP MORGAN CHASE BANK located at 204 West 4th Street New York, New York, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled Alan Grossman Attorney At Law NY IOLA Escrow Account ("Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of [\$250,000] per deposit. Any deposit in excess of [\$250,000] will not be insured, [unless Escrow Agent has established multiple accounts on behalf of Purchaser at various institutions].

All Deposits received from Purchaser shall be in the form of checks, money orders, wire transfers, or other instruments, and shall be made payable to or endorsed by the Purchaser to the order of Alan Grossman, as Escrow Agent.

Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor.

The Deposits which go into an IOLA Escrow Account (NYS created) pay no interest. Any interest generated by the account goes into a NYS fund that is used to fund legal services in New York State.

Escrow Agreement:

The Escrow Agreement, as revised to reflect the foregoing, is attached hereto as Exhibit F. The Escrow Agreement must be executed by the Sponsor, Purchaser, and Escrow Agent.

Notification to Purchaser:

Within ten (10) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Escrow Account. Escrow Agent shall notify the Purchaser that such funds have been placed in the Bank by providing written notice to Purchaser and Sponsor, confirming the deposit. The notice shall provide the account number and the initial interest rate to be earned on the Deposit. Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor.

The Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Escrow Account. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Deposit, he or she may cancel the Purchase Agreement within ninety (90) days after tender of the Purchase Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, N.Y. 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

Release of Funds:

All Deposits, except for advances made for upgrades, extras, or custom work received in connection with the Purchase Agreement, are and shall continue to be the Purchaser's money, and may not be comingled with any other money or pledged or hypothecated by Sponsor, as per GBL § 352-h.

Under no circumstances shall Sponsor seek or accept release of the Deposit of a defaulting Purchaser until after consummation of the Plan, as evidenced by the acceptance of an effectiveness amendment by the New York State Department of Law. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-3(2-b) and 352-h.

The Escrow Agent shall release the Deposit if so directed:

- (a) pursuant to the terms and conditions set forth in the Escrow Agreement upon closing of title to the Shares; or
- (b) in a subsequent writing signed by both Sponsor and Purchaser; or
- (c) by a final, non-appealable order or judgment of a court.

If the Escrow Agent is not directed to release the Deposit pursuant to paragraphs (a) through (c) above, and the Escrow Agent receives a request by either party to release the Deposit, then the Escrow Agent must give both the Purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the Deposit. If the Escrow Agent has not received notice of objection to the release of the Deposit prior to the expiration of the thirty (30) day period, the Deposit shall be released and the Escrow Agent shall provide further written notice to both parties informing them of said release. If the Escrow Agent receives a written notice from either party objecting to the release of the Deposit within said thirty (30) day period, the Escrow Agent shall continue to hold the Deposit until otherwise directed pursuant to paragraphs (a) through (c) above. Notwithstanding the foregoing, the Escrow Agent shall have the right at any time to deposit the Deposit contained in the Escrow Account with the clerk of the county where the [unit/building] is located and shall give written notice to both parties of such deposit.

The Sponsor shall not object to the release of the Deposit to:

- (a) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan or an Amendment to the Plan; or
- (b) all Purchasers after an Amendment abandoning the Plan is accepted for filing by the Department of Law.

(c) The Department of Law may perform random reviews and audits of any records involving the Escrow Account to determine compliance with all applicable statutes and regulations.

4. Board of Directors

The Sponsor does not have any representatives on the Board of Directors of the Apartment Corporation. The Board Members are as follows:

| | |
|--------------------|----------------|
| Christine Bennett | President |
| Thomas Granite | Treasurer |
| Amanda Squadrilli | Secretary |
| Robert Schlesinger | Vice President |
| James Heidenry | Director |
| Jessica Lubarsky | Director |
| Stuart Schultz | Director |

6. Incorporation of the Plan

The Offering Plan as amended is incorporated herein by reference with the same effect as if set forth at length.

7. Definitions

All terms used in this amendment shall have the same meaning as set forth in the Plan.

8. No Material Changes

Except as set forth in this amendment, there have been no material changes in the Plan.

Dated: New York, New York
March 11, 2013

Bleecker Charles Company
Sponsor

EXHIBIT A

APARTMENTS/UNSOLD SHARES OWNED BY BLEECKER CHARLES COMPANY
AT
350 BLEECKER STREET, NEW YORK, NEW YORK

| <u>APARTMENT #</u> | <u>NUMBER OF SHARES</u> |
|--------------------|-------------------------|
| 1N | 126 |
| 1P | 185 |
| 1W | 82 |
| 2A | 104 |
| 2S | 187 |
| 2T | 84 |
| 2W | 84 |
| 3K | 130 |
| 3S | 191 |
| 3U | 108 |
| 4K | 132 |
| 4N | 132 |
| 4S | 194 |
| 4T | 88 |
| 6B | 140 |
| 6M | 140 |
| 6S | 219 |
| 6T | 92 |
| LB | 124 |
| <u>LM</u> | <u>124</u> |
| 20 apartments | 2,666 shares |

Exhibit B

350 Bleecker Street Apartment Corp.

Financial Statements

December 31, 2011

350 Bleecker Street Apartment Corp.
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December 31, 2011

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Independent Auditors' Report

To the Board of Directors and Shareholders of
350 Bleecker Street Apartment Corp.

We have audited the accompanying balance sheets of 350 Bleecker Street Apartment Corp. as of December 31, 2011 and 2010, and the related statements of operations, shareholders' equity, and cash flows for the years then ended. These financial statements are the responsibility of the corporation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of 350 Bleecker Street Apartment Corp. as of December 31, 2011 and 2010, and the results of its operations, changes in shareholders' equity, and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The corporation has not presented the information about the estimates of future costs of major repairs and replacements that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by the omission of this information.

Kleiman & Weinshank

New York, New York
April 12, 2012

350 Bleecker Street Apartment Corp.
Balance Sheets
December 31, 2011 and 2010

| | 2011 | 2010 |
|--|----------------------------|----------------------------|
| Assets | | |
| Cash | \$ 234,091 | \$ 245,967 |
| Investments | 83,886 | 83,949 |
| Due From Shareholders | 8,041 | 2,382 |
| Due From Commercial Tenant (Note 5) | 329,332 | 942,155 |
| Provision For Receivable in Dispute (Note 5) | 0 | (942,155) |
| Prepaid Expenses | 33,940 | 39,353 |
| Property and Equipment - Net | 4,233,267 | 4,317,895 |
| Mortgage Costs - Net | <u>11,255</u> | <u>22,512</u> |
| Total Assets | <u>\$ 4,933,812</u> | <u>\$ 4,712,058</u> |

Liabilities and Shareholders' Equity

Liabilities

| | | |
|---------------------------------------|-------------------------|-------------------------|
| Accounts Payable and Accrued Expenses | \$ 149,790 | \$ 84,995 |
| Abatements Due to Shareholders | 72,782 | 60,787 |
| Income Received in Advance | 1,168 | 2,596 |
| Mortgage Payable | 4,250,000 | 4,250,000 |
| Security Deposits Payable | <u>22,500</u> | <u>18,000</u> |
| Total Liabilities | <u>4,496,240</u> | <u>4,416,378</u> |

Shareholders' Equity

| | | |
|---|----------------------------|----------------------------|
| Capital Stock | 17,244 | 17,244 |
| Additional Paid in Capital | 10,660,735 | 10,660,735 |
| Retained Earnings (Deficit) | <u>(10,240,407)</u> | <u>(10,382,299)</u> |
| Total Shareholders' Equity | <u>437,572</u> | <u>295,680</u> |
| Total Liabilities and Shareholders' Equity | <u>\$ 4,933,812</u> | <u>\$ 4,712,058</u> |

See accompanying notes to financial statements.

350 Bleecker Street Apartment Corp.
Statements of Operations
For the Years Ended December 31, 2011 and 2010

| | 2011 | 2010 |
|---|-------------------|---------------------|
| Income | | |
| Maintenance Charges | \$ 1,456,773 | \$ 1,374,002 |
| Less: Abatements | (134,496) | (124,529) |
| Operating Assessments | 126,360 | 114,673 |
| Commercial Rent | 149,230 | 86,000 |
| Transfer Fees | 31,370 | 93,480 |
| Sublet Fees | 43,263 | 47,028 |
| Investment Income | 448 | 697 |
| Laundry Income | 26,690 | 24,715 |
| Other Income | <u>31,116</u> | <u>25,989</u> |
| Total Income | <u>1,730,754</u> | <u>1,642,055</u> |
| Expenses | | |
| Real Estate Taxes | 866,975 | 766,481 |
| Less: Abatements | (134,496) | (124,529) |
| Mortgage Interest | 250,325 | 250,325 |
| Payroll and Related Expenses | 337,076 | 331,329 |
| Electric and Gas | 24,888 | 28,203 |
| Heating | 48,159 | 54,524 |
| Water and Sewer | 29,602 | 28,726 |
| Repairs and Maintenance | 100,124 | 87,158 |
| Insurance | 51,900 | 51,646 |
| Management Fees | 51,765 | 51,000 |
| Professional Fees | 99,572 | 118,949 |
| Corporation Taxes | 15,549 | 10,945 |
| Office and Administration | <u>4,320</u> | <u>6,125</u> |
| Total Expenses | <u>1,745,759</u> | <u>1,660,882</u> |
| Income (Loss) From Operations | (15,005) | (18,827) |
| Other Items | | |
| Commercial Rent Settlement - Prior Years (Note 5) | 266,102 | 0 |
| Depreciation and Amortization | <u>(109,205)</u> | <u>(115,348)</u> |
| Net Income (Loss) | <u>\$ 141,892</u> | <u>\$ (134,175)</u> |

See accompanying notes to financial statements.

350 Bleecker Street Apartment Corp.
Statements of Shareholder's Equity
For the Years Ended December 31, 2011 and 2010

| | Capital Stock | Additional Paid In Capital | Retained Earnings (Deficit) |
|------------------------------------|------------------|----------------------------------|-----------------------------------|
| Balance - December 31, 2009 | \$ 17,244 | \$ 10,660,735 | \$ (10,248,124) |
| Net Income (Loss) | <u>0</u> | <u>0</u> | <u>(134,175)</u> |
| Balance - December 31, 2010 | 17,244 | 10,660,735 | (10,382,299) |
| Net Income | <u>0</u> | <u>0</u> | <u>141,892</u> |
| Balance - December 31, 2011 | <u>\$ 17,244</u> | <u>\$ 10,660,735</u> | <u>\$ (10,240,407)</u> |

See accompanying notes to financial statements

350 Bleecker Street Apartment Corp.
Statements of Cash Flows
For the Years Ended December 31, 2011 and 2010

| | 2011 | 2010 |
|---|-------------------|---------------------|
| Cash flows from operating activities: | | |
| Net income (loss) | \$ <u>141,892</u> | \$ <u>(134,175)</u> |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation and amortization | 109,205 | 115,348 |
| Provision for (recovery of) receivable in dispute | (942,155) | 103,019 |
| (Increase) decrease in due from shareholders | (5,659) | 4,474 |
| (Increase) decrease in due from commercial tenant | 612,823 | (103,019) |
| (Increase) decrease in real estate tax refunds receivable | 0 | 16,121 |
| (Increase) decrease in prepaid expenses | 5,413 | 5,880 |
| (Increase) decrease in escrow deposit | 0 | 10,000 |
| Increase.(decrease) in accounts payable | 64,795 | 5,353 |
| Increase (decrease) in due to shareholders | 11,995 | 3,722 |
| Increase (decrease) in charges received in advance | (1,428) | (940) |
| Increase (decrease) in security deposits payable | <u>4,500</u> | <u>9,500</u> |
| Total adjustments | <u>(140,511)</u> | <u>169,458</u> |
| Net cash provided (used) by operating activities | <u>1,381</u> | <u>35,283</u> |
| Cash flows from investing activities: | | |
| Additions to property and equipment | (13,320) | (8,344) |
| (Increase) decrease in investments | <u>63</u> | <u>(39,942)</u> |
| Net cash provided (used) by investing activities | <u>(13,257)</u> | <u>(48,286)</u> |
| Net increase (decrease) in cash and equivalents | (11,876) | (13,003) |
| Cash and equivalents, beginning of year | <u>245,967</u> | <u>258,970</u> |
| Cash and equivalents, end of year | <u>\$ 234,091</u> | <u>\$ 245,967</u> |
| Supplemental disclosures of cash flow information: | | |
| Cash paid during the year for: | | |
| Interest expense | \$ 250,325 | \$ 250,325 |

See accompanying notes to financial statements.

350 Bleecker Street Apartment Corp.
Notes to Financial Statements
December 31, 2011

Note 1 - Organization:

The corporation (a cooperative housing corporation) began operations in July 1985 under the laws of the State of New York to provide housing to shareholders on a cooperative basis. The corporation's property, which is located in the Borough of Manhattan, consists of 137 residential apartments (some of which have been subsequently combined), commercial space, and a parking garage. At December 31, 2011, the sponsor owned 22 apartments and was the tenant under the commercial lease (see Note 5). Maintenance charges, operating assessments and commercial rent applicable to the sponsor totaled approximately \$360,000 (23% of total maintenance charges, operating assessments, and commercial rent) for the year ended December 31, 2011.

The corporation is authorized to issue shares of \$1 par value capital stock, of which 17,244 are issued and outstanding at December 31, 2011 and 2010.

Note 2 - Summary of Significant Accounting Policies:

The accompanying financial statements were prepared using the accrual method of accounting. The corporation prepares its tax returns using the cash method of accounting.

Investments are stated at cost, which approximates fair value. At December 31, 2011, investments consisted of a Merrill Lynch Ready Asset Fund.

Property and equipment are stated at cost. Expenditures which represent improvements to property are capitalized, while repairs and maintenance are charged to operations. Depreciation is computed using rates adequate to depreciate the cost of applicable assets over their expected useful lives.

Mortgage and line of credit costs of approximately \$113,000 are amortized over the term of the loans.

Shareholders are subject to various charges and assessments to fund the corporation's operations. In addition, the corporation may periodically impose special assessments to provide funds for major repairs, replacements, and improvements. These charges and assessments are recognized as income by the corporation when billed.

It is the corporation's policy to charge a transfer fee to shareholders upon the sale of shares applicable to their apartments equal to 2% of the gross selling price.

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350 Bleecker Street Apartment Corp.
Notes to Financial Statements
December 31, 2011

Such transfer fees are recognized as income to the corporation at the time of transfer.

For purposes of the statements of cash flows, the corporation considers all highly liquid investments acquired with a maturity of three months or less to be cash equivalents.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the corporation to make certain estimates and assumptions that may affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The corporation has evaluated events and transactions that occurred through April 12, 2012, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

Note 3 - Property and Equipment:

Property and equipment consists of the following at December 31:

| | <u>2011</u> | <u>2010</u> |
|--|---------------------|---------------------|
| Land | \$ 2,779,843 | \$ 2,779,843 |
| Building | 10,542,862 | 10,542,862 |
| Improvements, Equipment, and Furniture and Fixtures | <u>2,725,825</u> | <u>2,712,505</u> |
| | 16,048,530 | 16,035,210 |
| Less: Accumulated Depreciation | <u>11,815,263</u> | <u>11,717,315</u> |
| | <u>\$ 4,233,267</u> | <u>\$ 4,317,895</u> |

Note 4 - Mortgage Indebtedness:

Indebtedness consists of a \$4,250,000 mortgage note payable to National Consumer Cooperative Bank ("NCB"). The mortgage is secured by the land and building, requires monthly payments of interest only at the rate of 5.89% per annum, and matures February 1, 2013. Prepayment is subject to penalties, as set forth in the agreement.

350 Bleecker Street Apartment Corp.
Notes to Financial Statements
December 31, 2011

In addition, the corporation has available a line of credit with NCB, secured by a second mortgage on the property. The line of credit, which also matures February 1, 2013, requires payments of interest only at NCB's Base Rate plus 1.35%. Under the terms of the agreement, \$2,000,000 of the line of credit is restricted and can only be used for any judgments levied in connection with specific legal actions, which were settled in July 2003. At December 31, 2011, the corporation had \$1,000,000 (the portion not restricted to the specific legal actions) available on this line of credit.

Note 5 - Commercial Rent:

The corporation is the landlord under a master lease agreement with the sponsor for its commercial space and parking garage. The lease, which expires July 31, 2060, requires minimum rent of \$86,000 per annum. In addition, the corporation is entitled to additional rents based on a percentage of the increase in real estate taxes and certain operating expenses in excess of base amounts.

The corporation had asserted a claim against the sponsor as tenant under the master lease agreement for more than \$900,000 in additional rents (see above) for the period from and after July 1, 2003, which was disputed by the sponsor. On January 31, 2012, the parties amended the lease and among other items, agreed to settle the disputed additional rents for \$329,332, of which \$63,230 represents additional rents for real estate taxes for the year ended December 31, 2011 (included in Commercial Rent on the accompanying Statements of Operations) and \$266,102 represents additional rents for real estate taxes and certain operating expenses through December 31, 2010.

Note 6 - Real Estate Taxes:

Pursuant to various real estate tax abatement programs, certain shareholders are entitled to real estate tax abatements. The abatements are credited against the real estate tax due on the property and the corporation is required to pass on the abatements to the eligible shareholders. For the years ended December 31, 2011 and 2010, abatements received by the corporation totaled \$134,496 and \$124,529, respectively.

Note 7 - Corporation Taxes:

The corporation is subject to taxation as a cooperative corporation for

350 Bleecker Street Apartment Corp.
Notes to Financial Statements
December 31, 2011

federal, state, and local purposes. A cooperative corporation is required to classify its income and expenses as patronage or nonpatronage. Expenses attributable to producing patronage income cannot be deducted from nonpatronage income. As a result, nonpatronage income in excess of allocable expenses is subject to income tax. Patronage income is defined as income derived from an activity that is so closely intertwined with the main cooperative effort that it may be characterized as directly related to, and inseparable from, the cooperative's principal business activity, and thus facilitates the accomplishment of the cooperative's business purpose. However, if the transaction or activity which produces the income merely enhances the overall profitability of the cooperative, then the income therefrom is nonpatronage income. The corporation believes there is substantial authority to classify all its activity as patronage, and for the years ended December 31, 2011 and 2010, no provision for income tax is required. The corporation also believes that if certain of its activities are determined to be nonpatronage, the expenses allocable to such activities would result in no taxable income.

At December 31, 2011, the corporation had a net operating loss carryover of approximately \$4,800,000 which may be used to offset future taxable income. The loss carryover expires at various dates through December 31, 2030. The corporation is unable to determine the future benefit, if any, of the loss carryover and accordingly, a valuation allowance has been provided to offset any potential future benefit.

In addition to income taxes, New York State ("NYS") and New York City ("NYC") have alternative tax bases. Corporation Taxes reflected in the Statements of Operations represent NYS and NYC tax on the capital of the corporation, adjusted to market value.

Note 8 - Future Major Repairs and Replacements:

The corporation has not presented a study of the remaining useful lives of the components of common property and current estimates of costs of major repairs and replacements that may be required in the future. The corporation's governing documents do not require the accumulation of funds to finance future major repairs and replacements. When replacement funds are needed to meet future needs for major repairs and replacements, the corporation has the right to utilize available cash, increase maintenance charges, impose special assessments, borrow, delay repairs and replacements until the funds are available or, any combination of the above. The effect on future maintenance charges to the shareholders has not been determined at this time.

350 Bleecker Street Apartment Corp.
Notes to Financial Statements
December 31, 2011

Note 9 - Concentration of Credit Risk:

The corporation maintains cash balances and investments at institutions insured by the Federal Deposit Insurance Corporation ("FDIC") and the Securities Investor Protection Corporation ("SIPC"). The insurance provided by SIPC is for losses caused by failure of the financial institution, not against losses caused by the changes in the market value of investments held by the financial institution. At times during the year, account balances may exceed insured levels.

Note 10 - Shareholder Information:

Special assessments designated for capital improvements and the portion of maintenance charges applicable to the payment of principal on the mortgage indebtedness, can increase a tenant-shareholders' cost basis in their stock of the corporation. These increases, on a per share basis, are as follows, for the years ended December 31:

| | |
|-------------|---------|
| 2003 - 2011 | \$ 0.00 |
| 2002 | 1.82 |
| 2001 | 1.55 |
| 2000 | 7.92 |

For the year ended December 31, 2011, the percentage of maintenance charges tax deductible to tenant-shareholders under Section 216 of the Internal Revenue Code was approximately 64%.

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**Independent Auditors' Report
on Supplementary Information**

To the Board of Directors and Shareholders of
350 Bleecker Street Apartment Corp.

Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The schedules of Actual vs. Budget and Expense Analysis by Percentage are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of the corporation's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Kleiman & Weinshank

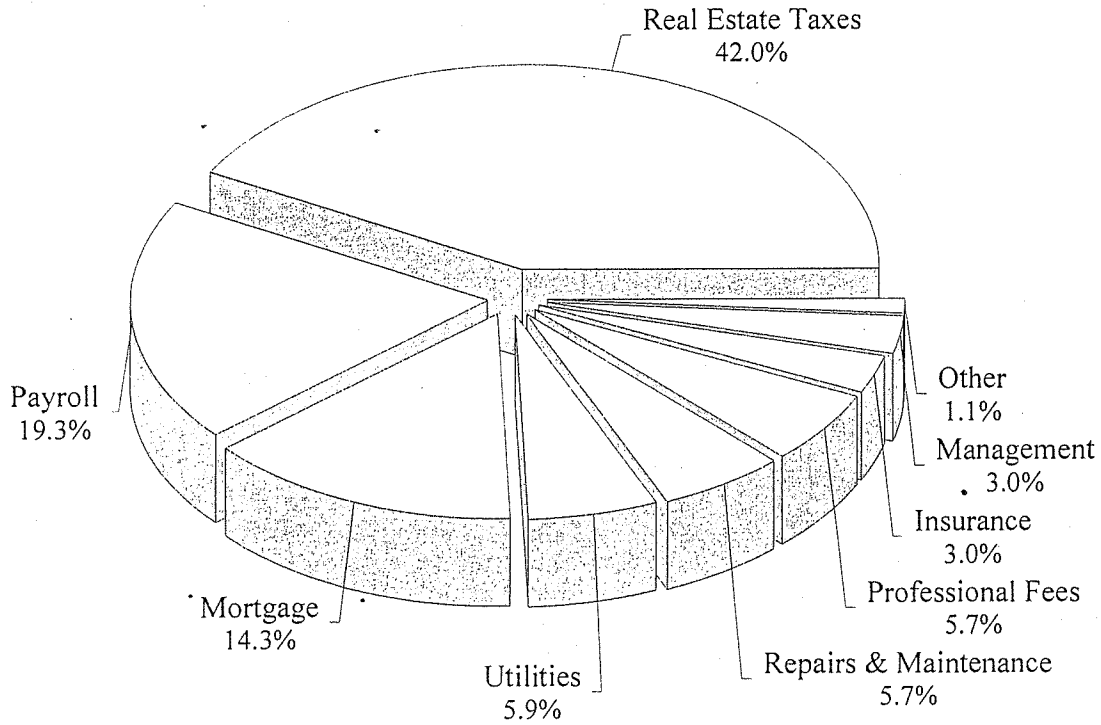
New York, New York
April 12, 2012

350 Bleecker Street Apartment Corp.
Actual vs. Budget
For the Year Ended December 31, 2011

| | Actual | Budget |
|--------------------------------------|--------------------|------------------|
| Income | | |
| Maintenance Charges | \$ 1,456,773 | \$ 1,456,490 |
| Less: Abatements | (134,496) | 0 |
| Operating Assessment | 126,360 | 120,000 |
| Commercial Rent | 149,230 | 86,000 |
| Transfer Fees | 31,370 | 0 |
| Sublet Fees | 43,263 | 49,932 |
| Investment Income | 448 | 500 |
| Laundry Income | 26,690 | 25,000 |
| Other Income | <u>31,116</u> | <u>29,800</u> |
| Total Income | <u>1,730,754</u> | <u>1,767,722</u> |
| Expenses | | |
| Real Estate Taxes | 866,975 | 815,079 |
| Less: Abatements | (134,496) | 0 |
| Mortgage Interest | 250,325 | 250,325 |
| Payroll and Related Expenses | 337,076 | 312,602 |
| Electric and Gas | 24,888 | 29,000 |
| Heating | 48,159 | 58,000 |
| Water and Sewer | 29,602 | 31,827 |
| Building Supplies | 27,368 | 30,000 |
| Elevator Maintenance | 11,842 | 11,309 |
| Other Repairs and Maintenance | 60,914 | 75,056 |
| Insurance | 51,900 | 55,509 |
| Management Fees | 51,765 | 51,765 |
| Professional Fees | 99,572 | 26,500 |
| Corporation Taxes | 15,549 | 15,000 |
| Office and Administration | <u>4,320</u> | <u>5,750</u> |
| Total Expenses | <u>1,745,759</u> | <u>1,767,722</u> |
| Income (Loss) From Operations | <u>\$ (15,005)</u> | <u>\$ 0</u> |

See independent auditors' report on supplementary information.

350 Bleecker Street Apartment Corp.
Expense Analysis by Percentage
For the Year Ended December 31, 2011



See independent auditors' report on supplementary information

Exhibit C

350 Bleecker Street Apartments Corp. 2012 Budget

2012bud350bleecker

Approved with 12% maintenance increase, effective 1/1/12

| | 2012 Budget |
|------------------------------|----------------|
| Income | |
| Maintenance | 1,631,649 |
| Abatement Assessment | 145,000 |
| Late Charges | 500 |
| Sublet Fees | 35,000 |
| Commercial Rent Income | 86,000 |
| Additional Commercial Rent | 0 |
| Laundry Income | 30,000 |
| Interest and Dividend Income | 200 |
| Bike Room | 3,600 |
| Storage | 17,500 |
| Repair Charges | 0 |
| Other Income | 10,000 |
| Total Income | 1,959,449 |
| Expenses | |
| Payroll | |
| Payroll Expenses | 269,353 |
| Workman's Comp | 10,956 |
| Health & Pension Benefits | 66,319 |
| Other Payroll | 2,500 |
| Payroll | 349,128 |
| Building Utilities | |
| Heating Fuel | 58,000 |
| Electricity | 25,000 |
| Gas | 6,000 |
| Water & Sewer | 32,034 |
| Building Utilities | 121,034 |
| Building Services | |
| Exterminating | 5,019 |
| Elevator Service | 9,809 |
| Cable TV | 2,000 |
| Fitness Center | 2,000 |
| Groundskeeping | 15,000 |
| Heating Service | 1,775 |
| Laundry Room Service | 5,624 |
| Water Treatment | 675 |
| Uniform Cleaning | 500 |
| Building Services | 42,402 |
| Repairs & Supplies | |
| Electrical Repairs | 500 |
| Elevator Repairs | 500 |
| Compactor Repairs | 500 |
| Heating Repairs | 5,000 |
| Intercom Repairs | 500 |
| Painting Repairs | 500 |
| Plumbing Repairs | 5,000 |
| Tenant Repairs | 3,500 |
| Other Repairs | 5,000 |
| Supplies | 27,500 |
| Repairs & Supplies | 48,500 |

2012
Budget

| | |
|---------------------------|-----------|
| Professional Services | |
| Management Fee | 52,541 |
| Accounting Fees | 11,500 |
| Legal Fees | 25,000 |
| Architects Fees | 2,500 |
| Engineering Fees | 2,500 |
| Inspection Fees | 2,500 |
| Other Consulting Services | 2,500 |
| Professional Services | 99,041 |
| Insurance | |
| Multi Peril Insurance | 54,656 |
| Other Insurance | 0 |
| Insurance | 54,656 |
| Other Expenses | |
| Mortgage Payment | 250,325 |
| Line of Credit | 7,500 |
| Licenses & Permits | 1,500 |
| Dues & Subscriptions | 1,500 |
| Other Expense | 1,000 |
| Meeting Expense | 1,100 |
| Other Expenses | 262,925 |
| Office Expense | |
| Telephone | 1,200 |
| Beepers/Radio | 0 |
| Delivery/Messenger | 750 |
| Postage | 50 |
| Duplicating Expense | 100 |
| Stationery/Supplies | 50 |
| Other Office Expense | 0 |
| Office Expense | 2,150 |
| Taxes | |
| Real Estate Taxes | 884,613 |
| Corporate Taxes | 15,000 |
| Taxes | 899,613 |
| Contingency | 0 |
| Reserve for Capital | 80,000 |
| Total Expenses | 1,959,449 |
| Surplus/(Deficit) | 0 |

| | |
|------------------------------|-----------|
| Required Maintenance | 1,651,649 |
| # Shares | 17,244 |
| Maintenance per Share - 2011 | 84.4800 |
| Maintenance per Share - 2012 | 94.6213 |
| Percent Increase | 12.00% |

Exhibit D

350 Bleecker Street Apartments Corp. 2013 Budget

2013bud350bleecker

Approved with 4.5% maintenance increase, effective 1/1/13

| | 2013 Budget |
|------------------------------|----------------|
| Income | |
| Maintenance | 1,704,057 |
| Abatement Assessment | 150,000 |
| Late Charges | 500 |
| Sublet Fees | 25,704 |
| Commercial Rent Income | 86,000 |
| Additional Commercial Rent | 45,000 |
| Laundry Income | 25,000 |
| Interest and Dividend Income | 200 |
| Bike Room | 3,750 |
| Storage | 12,120 |
| Repair Charges | 0 |
| Other Income | 10,000 |
| Total Income | 2,062,331 |
| Expenses | |
| Payroll | |
| Payroll Expenses | 276,211 |
| Workman's Comp | 11,207 |
| Health & Pension Benefits | 68,912 |
| Other Payroll | 3,000 |
| Payroll | 359,330 |
| Building Utilities | |
| Heating Fuel | 55,000 |
| Electricity | 24,000 |
| Gas | 3,000 |
| Water & Sewer | 42,447 |
| Building Utilities | 124,447 |
| Building Services | |
| Exterminating | 5,000 |
| Elevator Service | 10,000 |
| Cable TV | 2,000 |
| Fitness Center | 4,000 |
| Groundskeeping | 17,500 |
| Heating Service | 1,775 |
| Laundry Room Service | 6,200 |
| Water Treatment | 700 |
| Uniform Cleaning | 500 |
| Building Services | 47,675 |
| Repairs & Supplies | |
| Electrical Repairs | 500 |
| Elevator Repairs | 500 |
| Compactor Repairs | 500 |
| Heating Repairs | 5,000 |
| Intercom Repairs | 500 |
| Painting Repairs | 500 |
| Plumbing Repairs | 5,000 |
| Tenant Repairs | 5,000 |
| Other Repairs | 7,500 |
| Supplies | 25,000 |
| Repairs & Supplies | 50,000 |

| | 2013 Budget |
|---------------------------|----------------|
| Professional Services | |
| Management Fee | 53,855 |
| Accounting Fees | 11,500 |
| Legal Fees | 30,000 |
| Architects Fees | 3,000 |
| Engineering Fees | 2,500 |
| Inspection Fees | -3,000 |
| Other Consulting Services | 3,000 |
| Professional Services | 106,855 |
| Insurance | |
| Multi Peril Insurance | 55,132 |
| Other Insurance | 0 |
| Insurance | 55,132 |
| Other Expenses | |
| Mortgage Payment | 170,325 |
| Line of Credit | 1,250 |
| Licenses & Permits | 1,500 |
| Dues & Subscriptions | 1,500 |
| Other Expense | 1,000 |
| Meeting Expense | 3,500 |
| Other Expenses | 179,075 |
| Office Expense | |
| Telephone | 1,200 |
| Beepers/Radio | 0 |
| Delivery/Messenger | 750 |
| Postage | 50 |
| Duplicating Expense | 250 |
| Stationery/Supplies | 50 |
| Other Office Expense | 0 |
| Office Expense | 2,300 |
| Taxes | |
| Real Estate Taxes | 962,517 |
| Corporate Taxes | 15,000 |
| Taxes | 977,517 |
| Contingency | 0 |
| Reserve for Capital | 160,000 |
| Total Expenses | 2,062,331 |
| Surplus/(Deficit) | 0 |

| | |
|------------------------------|-----------|
| Required Maintenance | 1,704,057 |
| # Shares | 17,244 |
| Maintenance per Share - 2012 | 94,8176 |
| Maintenance per Share - 2013 | 98,8203 |
| Percent Increase | 4.44% |

Exhibit E

Prepared by the Committee on Condominiums and Cooperatives of the Real Property Section of the New York State Bar Association and approved by the Committee on Cooperatives and Condominiums of the Association of the Bar of the City of New York and the New York County Lawyers Association (4/01)

CONSULT YOUR LAWYER BEFORE SIGNING THIS AGREEMENT

Contract of Sale - Cooperative Apartment

This Contract is made as of between the "Seller" and the "Purchaser" identified below.

1 CERTAIN DEFINITIONS AND INFORMATION

1.1 The "Parties" are:

1.1.1 "Seller":

Prior names used by Seller:

Address:

S.S. No.:

1.1.2 "Purchaser":

Address:

S.S. No.:

1.2 The "Attorneys" are:

1.2.1 "Seller's Attorney"

Address:

Telephone:

Fax:

1.2.2 "Purchaser's Attorney"

Address:

Telephone:

Fax:

1.3 The "Escrowee" is the [Seller's] [Purchaser's] Attorney.

1.4 The Managing Agent is:

Address:

Telephone:

Fax:

1.5 The real estate "Broker(s)" (see ¶12) is/are:

Company Name:

1.6 The name of the cooperative housing corporation ("Corporation") is:

1.7 The "Unit" number is:

1.8 The Unit is located in "Premises" known as:

1.9 The "Shares" are the _____ shares of the Corporation allocated to the Unit.

1.10 The "Lease" is the Corporation's proprietary lease or occupancy agreement for the Unit, given by the Corporation which expires on _____

1.11 "Personalty" is the following personal property, to the extent existing in the Unit on the date hereof: the refrigerators, freezers, ranges, ovens, built-in microwave ovens, dishwashers, garbage disposal units, cabinets and counters, lighting fixtures, chandeliers, wall-to-wall carpeting, plumbing and heating fixtures, central air-conditioning and/or window or sleeve units, washing machines, dryers, screens and storm windows, window treatments, switch plates, door hardware, mirrors, built-ins not excluded in ¶1.12 and _____

1.12 Specifically excluded from this sale is all personal property not included in ¶1.11 and: _____

1.13 The sale [does] [does not] include Seller's interest in [Storage]/[Servant's Rm]/[Parking Space] ("Included Interests") _____

1.14 The "Closing" is the transfer of ownership of the Shares and Lease.

1.15 The date scheduled for Closing is ("Scheduled Closing Date") at _____

(See ¶¶ 9 and 10)

1.16 The "Purchase Price" is: \$ _____

1.16.1 The "Contract Deposit" is: \$ _____

1.16.2 The "Balance" of the Purchase Price due at Closing is: \$0.00 (See ¶2.2.2)

1.17 The monthly "Maintenance" charge is \$ _____

(See ¶4)

1.18 The "Assessment", if any, payable to the Corporation, at the date of this Contract is \$ _____, payable as follows: _____

1.19 [Seller] [Purchaser] shall pay the Corporation's flip tax, transfer fee (apart from the transfer agent fee) and/or waiver of option fee ("Flip Tax"), if any.

1.20 Financing Options (*Delete two of the following* ¶¶1.20.1, 1.20.2 or 1.20.3)

1.20.1 Purchaser may apply for financing in connection with this sale and Purchaser's obligation to purchase under this Contract is contingent upon issuance of a Loan Commitment Letter by the Loan Commitment Date (¶18.1.2).

1.20.2 Purchaser may apply for financing in connection with this sale but Purchaser's obligation to purchase under this Contract is not contingent upon issuance of a Loan Commitment Letter.

1.20.3 Purchaser shall not apply for financing in connection with this sale.

1.21 If ¶1.20.1 or 1.20.2 applies, the "Financing Terms" for ¶18 are: a loan of \$ _____ for a term of _____ years or such lesser amount or shorter term as applied for or acceptable to Purchaser; and the "Loan Commitment Date" for ¶18 is _____ calendar days after the Delivery Date.

1.22 The "Delivery Date" of this Contract is the date on which a fully executed counterpart of this Contract is deemed given to and received by Purchaser or Purchaser's Attorney as provided in ¶17.3.

1.23 All "Proposed Occupants" of the Unit are:

1.23.1 persons and relationship to Purchaser:

1.23.2 pets:

1.24 The Contract Deposit shall be held in [a non-] [an] IOLA escrow account. If the account is a non-IOLA account then interest shall be paid to the Party entitled to the Contract Deposit. The Party receiving the interest shall pay any income taxes thereon. The escrow account shall be a segregated bank account at Depository:
Address:

(See ¶27)

1.25 This Contract is [not] continued on attached rider(s).

2 AGREEMENT TO SELL AND PURCHASE; PURCHASE PRICE; ESCROW

2.1 Seller agrees to sell to Purchaser, and Purchaser agrees to purchase from Seller, the Seller's Shares, Lease, Personalty and any Included Interests and all other items included in this sale, for the Purchase Price and upon the terms and conditions set forth in this Contract.

2.2 The Purchase Price is payable to Seller by Purchaser as follows:

2.2.1 the Contract Deposit at the time of signing this Contract, by Purchaser's good check to the order of Escrowee; and

2.2.2 the Balance at Closing, only by cashier's or official bank check or certified check of Purchaser payable to the direct order of Seller. The check(s) shall be drawn on and payable by a branch of a commercial or savings bank, savings and loan association or trust company located in the same City or County as the Unit. Seller may direct, on reasonable Notice (defined in ¶17) prior to Closing, that all or a portion of the Balance shall be made payable to persons other than Seller (see ¶17.7).

3 PERSONALTY

3.1 Subject to any rights of the Corporation or any holder of a mortgage to which the Lease is subordinate, this sale includes all of the Seller's interest, if any, in the Personalty and the Included Interests.

3.2 No consideration is being paid for the Personalty or for the Included Interests; nothing shall be sold to Purchaser if the Closing does not occur.

3.3 Prior to Closing, Seller shall remove from the Unit all the furniture, furnishings and other property not included in this sale, and repair any damage caused by such removal.

4 REPRESENTATIONS AND COVENANTS

4.1 Subject to any matter affecting title to the Premises (as to which Seller makes no representations or

covenants), Seller represents and covenants that:

4.1.1 Seller is, and shall at Closing be, the sole owner of the Shares, Lease, Personalty and Included Interests, with the full right, power and authority to sell and assign them. Seller shall make timely provision to satisfy existing security interest(s) in the Shares and Lease and have the same delivered at Closing (See ¶10.1);

4.1.2 the Shares were duly issued, fully paid for and are non-assessable;

4.1.3 the Lease is, and will at Closing be, in full force and effect and no notice of default under the Lease is now or will at Closing be in effect;

4.1.4 the Maintenance and Assessments payable as of the date hereof are as specified in ¶1.17 and 1.18;

4.1.5 as of this date, Seller neither has actual knowledge nor has received any written notice of any increase in Maintenance or any Assessment which has been-adopted by the Board of Directors of the Corporation and is not reflected in the amounts set forth in ¶1.17 and 1.18;

4.1.6 Seller has not made any material alterations or additions to the Unit without any required consent of the Corporation or, to Seller's actual knowledge, without compliance with all applicable law. This provision shall not survive Closing.

4.1.7 Seller has not entered into, shall not enter into, and has no actual knowledge of any agreement (other than the Lease) affecting title to the Unit or its use and/or occupancy after Closing, or which would be binding on or adversely affect Purchaser after Closing (e.g. a sublease or alteration agreement);

4.1.8 Seller has been known by no other name for the past 10 years except as set forth in ¶1.1.1.

4.1.9 at Closing in accordance with ¶15.2:

4.1.9.1 there shall be no judgments outstanding against Seller which have not been bonded against collection out of the Unit ("Judgments");

4.1.9.2 the Shares, Lease, Personalty and any Included Interests shall be free and clear of liens (other than the Corporation's general lien on the Shares for which no monies shall be owed), encumbrances and adverse interests ("Liens");

4.1.9.3 all sums due to the Corporation shall be fully paid by Seller to the end of the payment period immediately preceding the date of Closing;

4.1.9.4 Seller shall not be indebted for labor or material which might give rise to the filing of a notice of mechanic's lien against the Unit or the Premises; and

4.1.9.5 no violations shall be of record which the owner of the Shares and Lease would be obligated to remedy under the Lease.

4.2 Purchaser represents and covenants that:

4.2.1 Purchaser is acquiring the Shares and Lease for residential occupancy of the Unit solely by the Proposed Occupants identified in ¶1.23

4.2.2 Purchaser is not, and within the past 7 years has not been, the subject of a bankruptcy proceeding;

4.2.3 if ¶1.20.3 applies, Purchaser shall not apply for financing in connection with this purchase.

4.2.4 Each individual comprising Purchaser is over the age of 18 and is purchasing for Purchaser's own account (beneficial and of record);

4.2.5 Purchaser shall not make any representations to the Corporation contrary to the foregoing and shall provide all documents in support thereof required by the Corporation

- in connection with Purchaser's application for approval of this transaction; and
- 4.2.6 there are not now and shall not be at Closing any unpaid tax liens or monetary judgments against Purchaser.
- 4.3 Each Party covenants that its representations and covenants contained in ¶4 shall be true and complete at Closing and, except for ¶4.1.6, shall survive Closing but any action based thereon must be instituted within one year after Closing.

5 CORPORATE DOCUMENTS

Purchaser has examined and is satisfied with, or (except as to any matter represented in this Contract by Seller) accepts and assumes the risk of not having examined, the Lease. The Corporation's Certificate of Incorporation, By-laws, House Rules, minutes of shareholders' and directors' meetings, most recent audited financial statement and most recent statement of tax deductions available to the Corporation's shareholders under Internal Revenue Code ("IRC") §216 (or any successor statute).

6 REQUIRED CONSENT AND REFERENCES

- 6.1 This sale is subject to the unconditional consent of the Corporation.
- 6.2 Purchaser shall in good faith:
- 6.2.1 submit to the Corporation or the Managing Agent an application with respect to this sale on the form required by the Corporation, containing such data and together with such documents as the Corporation requires, and pay the applicable fees and charges that the Corporation imposes upon Purchaser. All of the foregoing shall be submitted within 10 business days after the Delivery Date, or, if ¶¶ 1.20.1 or 1.20.2 applies and the Loan Commitment Letter is required by the Corporation, within 3 business days after the earlier of (i) the Loan Commitment Date (defined in ¶1.21) or (ii) the date of receipt of the Loan Commitment Letter (defined in ¶18.1.2);
- 6.2.2 attend (and cause any Proposed Occupant to attend) one or more personal interviews, as requested by the Corporation; and
- 6.2.3 promptly submit to the Corporation such further references, data and documents reasonably requested by the Corporation.
- 6.3 Either Party, after learning of the Corporation's decision, shall promptly advise the other Party thereof. If the Corporation has not made a decision on or before the Scheduled Closing Date, the Closing shall be adjourned for 30 business days for the purpose of obtaining such consent. If such consent is not given by such adjourned date, either Party may cancel this Contract by Notice, provided that the Corporation's consent is not issued before such Notice of cancellation is given. If such consent is refused at any time, either Party may cancel this Contract by Notice. In the event of cancellation pursuant to this ¶6.3, the Escrowee shall refund the Contract Deposit to Purchaser.
- 6.4 If such consent is refused, or not given, due to Purchaser's bad faith conduct, Purchaser shall be in default and ¶13.1 shall govern.

7 CONDITION OF UNIT AND PERSONALTY; POSSESSION

- 7.1 Seller makes no representation as to the physical

condition or state of repair of the Unit, the Personalty, the Included Interests or the Premises. Purchaser has inspected or waived inspection of the Unit, the Personalty and the Included Interests and shall take the same "as is", as of the date of this Contract, except for reasonable wear and tear. However, at the time of Closing, the appliances shall be in working order and required smoke detector(s) shall be installed and operable.

- 7.2 At Closing, Seller shall deliver possession of the Unit, Personalty and Included Interests in the condition required by ¶7.1, broom-clean, vacant and free of all occupants and rights of possession.

8 RISK OF LOSS

- 8.1 The provisions of General Obligations Law Section 5-1311, as modified herein, shall apply to this transaction as if it were a sale of realty. For purposes of this paragraph, the term "Unit" includes built-in Personalty.
- 8.2 Destruction shall be deemed "material" under GOL 5-1311, if the reasonably estimated cost to restore the Unit shall exceed 5% of the Purchase Price.
- 8.3 In the event of any destruction of the Unit or the Premises, when neither legal title nor the possession of the Unit has been transferred to Purchaser, Seller shall give Notice of the loss to Purchaser ("Loss Notice") by the earlier of the date of Closing or 7 business days after the date of the loss.
- 8.4 If there is material destruction of the Unit without fault of Purchaser, this Contract shall be deemed canceled in accordance with ¶16.3, unless Purchaser elects by Notice to Seller to complete the purchase with an abatement of the Purchase Price; or
- 8.5 Whether or not there is any destruction of the Unit, if, without fault of Purchaser, more than 10% of the units in the Premises are rendered uninhabitable, or reasonable access to the Unit is not available, then Purchaser shall have the right to cancel this Contract in accordance with ¶16.3 by Notice to Seller.
- 8.6 Purchaser's Notice pursuant to ¶8.4 or ¶8.5 shall be given within 7 business days following the giving of the Loss Notice except that if Seller does not give a Loss Notice, Purchaser's Notice may be given at any time at or prior to Closing
- 8.7 In the event of any destruction of the Unit, Purchaser shall not be entitled to an abatement of the Purchase Price (i) that exceeds the reasonably estimated cost of repair and restoration or (ii) for any loss that the Corporation is obliged to repair or restore; but Seller shall assign to Purchaser, without recourse, Seller's claim, if any, against the Corporation with respect to such loss.

9 CLOSING LOCATION

The Closing shall be held at the location designated by the Corporation or, if no such designation is made, at the office of Seller's Attorney.

10 CLOSING

- 10.1 At Closing, Seller shall deliver or cause to be delivered:
- 10.1.1 Seller's certificate for the Shares duly endorsed for transfer to Purchaser or accompanied by a separate duly executed stock power to Purchaser, and in either case, with any guarantee of Seller's signature required by the Corporation;
- 10.1.2 Seller's counterpart original of the Lease, all assignments and assumptions in the chain of title and a duly executed assignment thereof to Purchaser in the form required by the Corporation;

- 10.1.3 FIRPTA documents required by ¶25;
- 10.1.4 keys to the Unit, building entrance(s), and, if applicable, garage, mailbox, storage unit and any locks in the Unit;
- 10.1.5 if requested, an assignment to Purchaser of Seller's interest in the Personalty and Included Interests;
- 10.1.6 any documents and payments to comply with ¶15.2
- 10.1.7 If Seller is unable to deliver the documents required in ¶¶10.1.1 or 10.1.2 then Seller shall deliver or cause to be delivered all documents and payments required by the Corporation for the issuance of a new certificate for the Shares or a new Lease.
- 10.2 At Closing, Purchaser shall:
 - 10.2.1 pay the Balance in accordance with ¶2.2.2;
 - 10.2.2 execute and deliver to Seller and the Corporation an agreement assuming the Lease, in the form required by the Corporation; and
 - 10.2.3 if requested by the Corporation, execute and deliver counterparts of a new lease substantially the same as the Lease, for the balance of the Lease term, in which case the Lease shall be canceled and surrendered to the Corporation together with Seller's assignment thereof to Purchaser.
- 10.3 At Closing, the Parties shall complete and execute all documents necessary:
 - 10.3.1 for Internal Revenue Service ("IRS") form 1099-S or other similar requirements;
 - 10.3.2 to comply with smoke detector requirements and any applicable transfer tax filings; and
 - 10.3.3 to transfer Seller's interest, if any, in and to the Personalty and Included Interests.
- 10.4 Purchaser shall not be obligated to close unless, at Closing, the Corporation delivers:
 - 10.4.1 to Purchaser a new certificate for the Shares in the name of Purchaser; and
 - 10.4.2 a written statement by an officer or authorized agent of the Corporation consenting to the transfer of the Shares and Lease to Purchaser and setting forth the amounts of and payment status of all sums owed by Seller to the Corporation, including Maintenance and any Assessments, and the dates to which each has been paid.

11 CLOSING FEES, TAXES AND APPORTIONMENTS

- 11.1 At or prior to Closing,
 - 11.1.1 Seller shall pay, if applicable:
 - 11.1.1.1 the cost of stock transfer stamps; and
 - 11.1.1.2 transfer taxes, except as set forth in ¶11.1.2.2
 - 11.1.2 Purchaser shall pay, if applicable:
 - 11.1.2.1 any fee imposed by the Corporation relating to Purchaser's financing; and
 - 11.1.2.2 transfer taxes imposed by statute primarily on Purchaser (e.g., the "mansion tax").
- 11.2 The Flip Tax, if any, shall be paid by the Party specified in ¶ 1.19.
- 11.3 Any fee imposed by the Corporation and not specified in this Contract shall be paid by the Party upon whom such fee is expressly imposed by the Corporation, and if no Party is specified by the Corporation, then such fee shall be paid by Seller.
- 11.4 The Parties shall apportion as of 11:59 P.M. of the day preceding the Closing, the Maintenance, any other periodic charges due the Corporation (other than Assessments) and STAR Tax Exemption (if the

Unit is the beneficiary of same), based on the number of the days in the month of Closing.

- 11.5 Assessments, whether payable in a lump sum or installments, shall not be apportioned, but shall be paid by the Party who is the owner of the Shares on the date specified by the Corporation for payment. Purchaser shall pay any installments payable after Closing provided Seller had the right and elected to pay the Assessment in installments.
- 11.6 Each Party shall timely pay any transfer taxes for which it is primarily liable pursuant to law by cashier's, official bank, certified, or attorney's escrow check. This ¶11.6 shall survive Closing.
- 11.7 Any computational errors or omissions shall be corrected within 6 months after Closing. This ¶11.7 shall survive Closing.

12 BROKER

- 12.1 Each Party represents that such Party has not dealt with any person acting as a broker, whether licensed or unlicensed, in connection with this transaction other than the Broker(s) named in ¶1.5.
- 12.2 Seller shall pay the Broker's commission pursuant to a separate agreement. The Broker(s) shall not be deemed to be a third-party beneficiary of this Contract.
- 12.3 This ¶12 shall survive Closing, cancellation or termination of this Contract.

13 DEFAULTS, REMEDIES AND INDEMNITIES

- 13.1 In the event of a default or misrepresentation by Purchaser, Seller's sole and exclusive remedies shall be to cancel this Contract, retain the Contract Deposit as liquidated damages and, if applicable, Seller may enforce the indemnity in ¶13.3 as to brokerage commission or sue under ¶13.4. Purchaser prefers to limit Purchaser's exposure for actual damages to the amount of the Contract Deposit, which Purchaser agrees constitutes a fair and reasonable amount of compensation for Seller's damages under the circumstances and is not a penalty. The principles of real property law shall apply to this liquidated damages provision.
- 13.2 In the event of a default or misrepresentation by Seller, Purchaser shall have such remedies as Purchaser is entitled to at law or in equity, including specific performance, because the Unit and possession thereof cannot be duplicated.
- 13.3 Subject to the provisions of ¶4.3, each Party indemnifies and holds harmless the other against and from any claim, judgment, loss, liability, cost or expense resulting from the indemnitor's breach of any of its representations or covenants stated to survive Closing, cancellation or termination of this Contract. Purchaser indemnifies and holds harmless Seller against and from any claim, judgment, loss, liability, cost or expense resulting from the Lease obligations accruing from and after the Closing. Each indemnity includes, without limitation, reasonable attorneys' fees and disbursements, court costs and litigation expenses arising from the defense of any claim and enforcement or collection of a judgment under this indemnity, provided the indemnitee is given Notice and opportunity to defend the claim. This ¶13.3 shall survive Closing, cancellation or termination of this Contract.
- 13.4 In the event any instrument for the payment of the Contract Deposit fails of collection, Seller shall have the right to sue on the uncollected instrument. In addition, such failure of collection shall be a default under this

Contract, provided Seller gives Purchaser Notice of such failure of collection and, within 3 business days after Notice is given, Escrowee does not receive from Purchaser an unendorsed good certified check, bank check or immediately available funds in the amount of the uncollected funds. Failure to cure such default shall entitle Seller to the remedies set forth in ¶13.1 and to retain all sums as may be collected and/or recovered.

14 ENTIRE AGREEMENT; MODIFICATION

14.1 All prior oral or written representations, understandings and agreements had between the Parties with respect to the subject matter of this Contract, and with the Escrowee as to ¶27, are merged in this Contract, which alone fully and completely expresses the Parties' and Escrowee's agreement.

14.2 The Attorneys may extend in writing any of the time limitations stated in this Contract. Any other provision of this Contract may be changed or waived only in writing signed by the Party or Escrowee to be charged.

15 REMOVAL OF LIENS AND JUDGMENTS

15.1 Purchaser shall deliver or cause to be delivered to Seller or Seller's Attorney, not less than 10 calendar days prior to the Scheduled Closing Date a Lien and Judgment search, except that Liens or Judgments first disclosed in a continuation search shall be reported to Seller within 2 business days after receipt thereof, but not later than the Closing. Seller shall have the right to adjourn the Closing pursuant to ¶16 to remove any such Liens and Judgments. Failure by Purchaser to timely deliver such search or continuation search shall not constitute a waiver of Seller's covenants in ¶4 as to Liens and Judgments. However, if the Closing is adjourned solely by reason of untimely delivery of the Lien and Judgment search, the apportionments under ¶11.3 shall be made as of 11:59 P.M. of the day preceding the Scheduled Closing Date in ¶1.15

15.2 Seller, at Seller's expense, shall obtain and deliver to the Purchaser the documents and payments necessary to secure the release, satisfaction, termination and discharge or removal of record of any Liens and Judgments. Seller may use any portion of the Purchase Price for such purposes.

15.3 This ¶15 shall survive Closing.

16 SELLER'S INABILITY

16.1 If Seller shall be unable to transfer the items set forth in ¶2.1 in accordance with this Contract for any reason other than Seller's failure to make a required payment or other willful act or omission, then Seller shall have the right to adjourn the Closing for periods not exceeding 60 calendar days in the aggregate, but not extending beyond the expiration of Purchaser's Loan Commitment Letter, if ¶¶1.20.1 or 1.20.2 applies.

16.2 If Seller does not elect to adjourn the Closing or (if adjourned) on the adjourned date of Closing Seller is still unable to perform, then unless Purchaser elects to proceed with the Closing without abatement of the Purchase Price, either Party may cancel this Contract on Notice to the other Party given at any time thereafter.

16.3 In the event of such cancellation, the sole liability of

Seller shall be to cause the Contract Deposit to be refunded to Purchaser and to reimburse Purchaser for the actual costs incurred for Purchase's lien and title search, if any.

17 NOTICES AND CONTRACT DELIVERY

17.1 Any notice or demand ("Notice") shall be in writing and delivered either by hand, overnight delivery or certified or registered mail, return receipt requested, to the Party and simultaneously, in like manner, to such Party's Attorney, if any, and to Escrowee at their respective addresses or to such other address as shall hereafter be designated by Notice given pursuant to this ¶17.

17.2 The Contract may be delivered as provided in ¶17.1 or by ordinary mail.

17.3 The Contract or each Notice shall be deemed given and received:

17.3.1 on the day delivered by hand;

17.3.2 on the business day following the date sent by overnight delivery;

17.3.3 on the 5th business day following the date sent by certified or registered mail; or

17.3.4 as to the Contract only, 3 business days following the date of ordinary mailing.

17.4 A Notice to Escrowee shall be deemed given only upon actual receipt by Escrowee.

17.5 The Attorneys are authorized to give and receive any Notice on behalf of their respective clients.

17.6 Failure or refusal to accept a Notice shall not invalidate the Notice.

17.7 Notice pursuant to ¶¶2.2.2 and 13.4 may be delivered by confirmed facsimile to the Party's Attorney and shall be deemed given when transmission is confirmed by sender's facsimile machine.

18 FINANCING PROVISIONS

18.1 The provisions of ¶¶18.1 and 18.2 are applicable only if ¶¶1.20.1 or 1.20.2 applies.

18.1.1 An "Institutional Lender" is any of the following that is authorized under Federal or New York State law to issue a loan secured by the Shares and Lease and is currently extending similarly secured loan commitments in the county in which the Unit is located: a bank, savings bank, savings and loan association, trust company, credit union of which Purchaser is a member, mortgage banker, insurance company or governmental entity.

18.1.2 A "Loan Commitment Letter" is a written offer from an Institutional Lender to make a loan on the Financing Terms (see ¶1.21) at prevailing fixed or adjustable interest rates and on other customary terms generally being offered by Institutional Lenders making cooperative share loans. An offer to make a loan conditional upon obtaining an appraisal satisfactory to the Institutional Lender shall not become a Loan Commitment Letter unless and until such condition is met. An offer conditional upon any factor concerning Purchaser (e.g. sale of current home, payment of outstanding debt, no material adverse change in Purchaser's financial condition, etc.) is a Loan Commitment Letter whether or not such condition is met. Purchaser accepts the risk that, and cannot cancel this Contract if, any condition concerning Purchaser is not met.

18.2 Purchaser, directly or through a mortgage broker registered pursuant to Article 12-D of the Banking Law,

- shall diligently and in good faith:
- 18.2.1 apply only to an Institutional Lender for a loan on the Financing Terms (see ¶1.21) on the form required by the Institutional Lender containing truthful and complete information, and submit such application together with such documents as the Institutional Lender requires, and pay the applicable fees and charges of the Institutional Lender, all of which shall be performed within 5 business days after the Delivery Date;
 - 18.2.2 promptly submit to the Institutional Lender such further references, data and documents requested by the Institutional Lender; and
 - 18.2.3 accept a Loan Commitment Letter meeting the Financing Terms and comply with all requirements of such Loan Commitment Letter (or any other loan commitment letter accepted by Purchaser) and of the Institutional Lender in order to close the loan; and
 - 18.2.4 furnish Seller with a copy of the Loan Commitment Letter promptly after Purchaser's receipt thereof.
 - 18.2.5 Purchaser is not required to apply to more than one Institutional Lender.
 - 18.3 If ¶1.20.1 applies, then...
 - 18.3.1 provided Purchaser has complied with all applicable provisions of ¶18.2 and this ¶18.3, Purchaser may cancel this Contract as set forth below, if:
 - 18.3.1.1 any Institutional Lender denies Purchaser's application in writing prior to the Loan Commitment Date (see ¶1.21); or
 - 18.3.1.2 a Loan Commitment Letter is not issued by the Institutional Lender on or before the Loan Commitment Date; or
 - 18.3.1.3 any requirement of the Loan Commitment Letter other than one concerning Purchaser is not met (e.g. failure of the Corporation to execute and deliver the Institutional Lender's recognition agreement or other document, financial condition of the Corporation, owner occupancy quota, etc.); or
 - 18.3.1.4 (i) the Closing is adjourned by Seller or the Corporation for more than 30 business days from the Scheduled Closing Date and (ii) the Loan Commitment Letter expires on a date more than 30 business days after the Scheduled Closing Date and before the new date set for Closing pursuant to this paragraph and (iii) Purchaser is unable in good faith to obtain from the Institutional Lender an extension of the Loan Commitment Letter or a new Loan Commitment Letter on the Financing Terms without paying additional fees to the Institutional Lender, unless Seller agrees, by Notice to Purchaser within 5 business days after receipt of Purchaser's Notice of cancellation on such ground, that Seller will pay such additional fees and Seller pays such fees when due. Purchaser may not object to an adjournment by Seller for up to 30 business days solely because the Loan Commitment Letter would expire before such adjourned Closing date.
 - 18.3.2 Purchaser shall deliver Notice of cancellation to Seller within 5 business days after the Loan

- Commitment Date if cancellation is pursuant to ¶18.3.1.1 or 18.3.1.2 and on or prior to the Scheduled Closing Date if cancellation is pursuant to ¶18.3.1.3 or 18.3.1.4.
- 18.3.3 If cancellation is pursuant to ¶18.3.1.1; then Purchaser shall deliver to Seller, together with Purchaser's Notice, a copy of the Institutional Lender's written denial of Purchaser's loan application. If cancellation is pursuant to ¶18.3.1.3, then Purchaser shall deliver to Seller together with Purchaser's Notice evidence that a requirement of the Institutional Lender was not met.
- 18.3.4 Seller may cancel this Contract by Notice to Purchaser, sent within 5 days after the Loan Commitment Date, if Purchaser shall not have sent by then either (i) Purchaser's Notice of cancellation or (ii) a copy of the Loan Commitment Letter to Seller, which cancellation shall become effective if Purchaser does not deliver a copy of such Loan Commitment Letter to Seller within 10 business days after the Loan Commitment Date.
- 18.3.5 Failure by either Purchaser or Seller to deliver Notice of cancellation as required by this ¶18.3 shall constitute a waiver of the right to cancel under this ¶18.3.
- 18.3.6 If this Contract is canceled by Purchaser pursuant to this ¶18.3, then thereafter neither Party shall have any further rights against, or obligations or liabilities to, the other by reason of this Contract, except that the Contract Deposit shall be promptly refunded to Purchaser and except as set forth in ¶12. If this Contract is canceled by Purchaser pursuant to ¶18.3.1.4, then Seller shall reimburse Purchaser for any non-refundable financing and inspection expenses and other sums reimbursable pursuant to ¶16
- 18.3.7 Purchaser cannot cancel this Contract pursuant to ¶18.3.1.4 and cannot obtain a refund of the Contract Deposit if the Institutional Lender fails to fund the loan:
 - 18.3.7.1 because a requirement of the Loan Commitment Letter concerning Purchaser is not met (e.g., Purchaser's financial condition or employment status suffers an adverse change; Purchaser fails to satisfy a condition relating to the sale of an existing residence, etc.) or
 - 18.3.7.2 due to the expiration of a Loan Commitment Letter issued with an expiration date that is not more than 30 business days after the Scheduled Closing Date.

19 SINGULAR/PLURAL AND JOINT/SEVERAL
 The use of the singular shall be deemed to include the plural and vice versa, whenever the context so requires. If more than one person constitutes Seller or Purchaser, their obligations as such Party shall be joint and several.

20 NO SURVIVAL
 No representation and/or covenant contained herein shall survive Closing except as expressly provided. Payment of the Balance shall constitute a discharge and release by Purchaser of all of Seller's obligations hereunder except those expressly stated to survive Closing.

21 INSPECTIONS
 Purchaser and Purchaser's representatives shall have the right to inspect the Unit within 48 hours prior to Closing, and at other reasonable times upon reasonable request to Seller.

22 GOVERNING LAW AND VENUE
 This Contract shall be governed by the laws of the State of New York without regard to principles of conflict of laws. Any action or proceeding arising out of this Contract shall be brought in the county or Federal district where the Unit is

located and the Parties hereby consent to said venue.

23 NO ASSIGNMENT BY PURCHASER; DEATH OF PURCHASER

- 23.1 Purchaser may not assign this Contract or any of Purchaser's rights hereunder. Any such purported assignment shall be null and void.
- 23.2 This Contract shall terminate upon the death of all persons comprising Purchaser and the Contract Deposit shall be refunded to the Purchaser. Upon making such refund and reimbursement, neither Party shall have any further liability or claim against the other hereunder, except as set forth in Par. 12.

24 COOPERATION OF PARTIES

- 24.1 The Parties shall each cooperate with the other, the Corporation and Purchaser's Institutional Lender and title company, if any, and obtain, execute and deliver such documents as are reasonably necessary to consummate this sale.
- 24.2 The Parties shall timely file all required documents in connection with all governmental filings that are required by law. Each Party represents to the other that its statements in such filings shall be true and complete. This ¶24.2 shall survive Closing.

25 FIRPTA

The parties shall comply with IRC §§ 897, 1445 and the regulations thereunder as same may be amended ("FIRPTA"). If applicable, Seller shall execute and deliver to purchaser at Closing a Certification of Non-Foreign Status ("CNS") or deliver a Withholding Certificate from the IRS. If Seller fails to deliver a CNS or a Withholding Certificate, Purchaser shall withhold from the Balance, and remit to the IRS, such sum as may be required by law. Seller hereby waives any right of action against Purchaser on account of such withholding and remittance. This ¶25 shall survive Closing.

26 ADDITIONAL REQUIREMENTS

- 26.1 Purchaser shall not be obligated to close unless all of the following requirements are satisfied at the time of the Closing:
- 26.1.1 the Corporation is in good standing;
- 26.1.2 the Corporation has fee or leasehold title to the Premises, whether or not marketable or insurable; and
- 26.1.3 there is no pending *in rem* action, tax certificate/lien sale or foreclosure action of any underlying mortgage affecting the Premises.
- 26.2 If any requirement in ¶26.1 is not satisfied at the time of the Closing, Purchaser shall give Seller Notice and if the same is not satisfied within a reasonable period of time thereafter, then either Party may cancel this Contract (pursuant to ¶16.3) by Notice.

~~**27 ESCROW TERMS**~~

~~27.1 The Contract Deposit shall be deposited by Escrowee in an escrow account as set forth [in ¶] 1.24 and the proceeds held and disbursed in accordance with the terms of this Contract. At Closing, the Contract Deposit shall be paid by Escrowee to Seller. If the Closing does not occur and either Party gives Notice to Escrowee demanding payment of the Contract Deposit, Escrowee shall give prompt Notice to the other Party of such demand. If Escrowee does not receive a Notice of objection to the proposed payment from such other Party within 10 business days after the giving of Escrowee's Notice, Escrowee is hereby~~

~~authorized and directed to make such payment to the demanding party. If Escrowee does receive such a Notice of objection within said period, or if for any reason Escrowee in good faith elects not to make such payment, Escrowee may continue to hold the Contract Deposit until otherwise directed by a joint Notice by the Parties or a final, non-appealable judgment, order or decree of a court of competent jurisdiction. However, Escrowee shall have the right at any time to deposit the Contract Deposit and the interest thereon, if any, with the clerk of a court in the county as set forth in ¶22 and shall give Notice of such deposit to each Party. Upon disposition of the Contract Deposit and interest thereon, if any, in accordance with this ¶27, Escrowee shall be released and discharged of all escrow obligations and liabilities.~~

27.2 The Party whose Attorney is Escrowee shall be liable for loss of the Contract Deposit. If the Escrowee is Seller's attorney, then Purchaser shall be credited with the amount of the contract Deposit at Closing.

27.3 Escrowee will serve without compensation. Escrowee is acting solely as a stakeholder at the Parties' request and for their convenience. Escrowee shall not be liable to either Party for any act or omission unless it involves bad faith, willful disregard of this Contract or gross negligence. In the event of any dispute, Seller and Purchaser shall jointly and severally (with right of contribution) defend (by attorneys selected by Escrowee), indemnify and hold harmless Escrowee from and against any claim, judgment, loss, liability, cost and expenses incurred in connection with the performance of Escrowee's acts or omissions not involving bad faith, willful disregard of this Contract or gross negligence. This indemnity includes, without limitation, reasonable attorneys' fees either paid to retain attorneys or representing the fair value of legal services rendered by Escrowee to itself and disbursements, court costs and litigation expenses.

27.4 Escrowee acknowledges receipt of the Contract Deposit, by check subject to collection.

27.5 Escrowee agrees to the provisions of this ¶27.

27.6 If Escrowee is the Attorney for a Party, Escrowee shall be permitted to represent such Party in any dispute or lawsuit.

27.7 This ¶27 shall survive Closing, cancellation or termination of this Contract. *See Revised Escrow Rider attached*

28 MARGIN HEADINGS

The margin headings do not constitute part of the text of this Contract.

29 MISCELLANEOUS

This Contract shall not be binding unless and until Seller delivers a fully executed counterpart of this Contract to Purchaser (or Purchaser's Attorney) pursuant to ¶17.2 and 17.3. This Contract shall bind and inure to the benefit of the Parties hereto and their respective heirs, personal and legal representatives and successors in interest.

30 LEAD PAINT

If applicable, the complete and fully executed Disclosure of Information on Lead Based Paint and or Lead-Based Paint Hazards is attached hereto and made a part hereof.

IN WITNESS WHEREOF, the Parties hereto have
duly executed this Contract as of the date first above
written.

SELLER:

PURCHASER:

ESCROW TERMS AGREED TO:

By: _____

ESCROWEE

NEW YORK STATE DEPARTMENT OF LAW
ESCROW AGREEMENT

AGREEMENT made this ____ day of _____, 20 __, by and among _____ ("PURCHASER"), Bleecker Charles Company ("SPONSOR"), as sponsor of the 350 Bleecker Street Apartment Corp. offering plan ("Plan") and ALAN GROSSMAN ("ESCROW AGENT").

WHEREAS, SPONSOR has filed the Offering Plan with the Attorney General to offer for sale cooperative apartments at the premises located at 350 Bleecker Street, New York, New York, subject to the terms and conditions set forth in the Plan; and

WHEREAS, ESCROW AGENT is authorized to act as an escrow agent hereunder in accordance with New York General Business Law ("GBL") Sections 352-e(2-b), 352-(h) and the New York Department of Law's regulations promulgated thereunder; and

WHEREAS, SPONSOR and PURCHASER desire that ESCROW AGENT act as escrow agent for deposits, down payments, and advances (referred to herein as "Deposit") pursuant to the terms of this Agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1. ESCROW AGENT has established the escrow account at JP MORGAN CHASE BANK located at 204 West 4th Street, New York, NY in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is titled ALAN GROSSMAN ATTORNEY AT LAW NY IOLA ESCROW ACCOOUNT ("Escrow Account"). The account number is 231256503. The Escrow Account is federally insured by the FDIC at the maximum amount of \$250,000 per deposit. Any deposit in excess of \$250,000 will not be insured, unless Escrow Agent has established multiple accounts on behalf of Purchaser at various institutions.

1.2. ESCROW AGENT has designated the following attorneys to serve as signatories: Alan Grossman, Esq. The designated signatory is admitted to practice law in the State of New York.

The signatory on the Escrow Account has an address of 9 Charles Street, Suite 1A, New York, New York 10014, and a telephone number of (212) 691-8787.

1.3. ESCROW AGENT hereby submits to the jurisdiction of the State of New York and its Courts for any cause of action arising out of this Agreement or otherwise concerning the maintenance of or release of the Deposit from escrow.

1.4. The ESCROW AGENT on the Escrow Account is not the Sponsor, Selling Agent, Managing Agent (as those terms are defined in the Plan), or any principal thereof, or has any beneficial interest in any of the foregoing .

1.5. The Escrow Account is an IOLA account established pursuant to Judiciary Law Section 497.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1 All Deposits received from PURCHASER prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be placed into the Escrow Account. All instruments to be placed into the Escrow Account shall be made payable directly to the order of ALAN GROSSMAN ATTORNEY AT LAW, pursuant to the terms of this Escrow Agreement. Any instrument payable to, or endorsed other than as required hereby, and which cannot be deposited into such Escrow Account, shall be returned to PURCHASER promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of the Deposit, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2 ESCROW AGENT is hereby obligated to send a notice of all Deposits received by ESCROW AGENT to PURCHASER within ten (10) business days of receipt of same. Such notice shall set forth the Bank, the account number, and the initial interest rate earned thereon. If the PURCHASER does not receive notice within fifteen (15) business days after tender of the Deposit, the PURCHASER may cancel the Purchase Agreement within ninety (90) days after tender of the Deposit. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, N.Y. 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning the Deposit and requisite notice was timely mailed to the Purchaser.

3. RELEASE OF FUNDS

3.1 Under no circumstances shall SPONSOR seek or accept release of the Deposit of PURCHASER to SPONSOR until after consummation of the Plan, as evidenced by the acceptance of an effectiveness amendment by the New York State Department of Law. Consummation of the Plan shall not relieve SPONSOR or ESCROW AGENT of any obligation to PURCHASER as set forth in GBL §§ 352-3(2-b) and 352-h.

3.2 ESCROW AGENT shall release the Deposit to PURCHASER or SPONSOR as directed:

3.2.1 pursuant to terms and conditions set forth in the Purchase Agreement and this Agreement, upon closing of title to the [shares/unit/membership interest/fractional interest];

3.2.2 in a subsequent writing signed by both SPONSOR and PURCHASER; or

3.2.3 by a final, non-appealable order or judgment of a court.

3.3 If Escrow Agent is not directed to release the Deposit pursuant to paragraph 3.2 above, and Escrow Agent receives a request by either SPONSOR or PURCHASER to release the Deposit, then Escrow Agent must give both the Purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the Deposit. If Escrow Agent has not received notice of objection to the release of the Deposit prior to the expiration of the thirty (30) day period, the Deposit shall be released and Escrow Agent shall provide further written notice to both PURCHASER and SPONSOR informing them of said release. If Escrow Agent receives a written notice from either PURCHASER

or SPONSOR objecting to the release of the Deposit within said thirty (30) day period, Escrow Agent shall continue to hold the Deposit until otherwise directed pursuant to paragraph 3.2 above. Notwithstanding the foregoing, Escrow Agent shall have the right at any time to deposit the Deposit contained in the Escrow Account with the Clerk of the county where the unit is located and shall give written notice to both SPONSOR and PURCHASER of such deposit.

3.4 Sponsor shall not object to the release of the Deposit to:

3.4.1 Purchaser, if Purchaser timely rescinds in accordance with an offer of rescission contained in the Plan or an Amendment to the Plan; or

3.4.2 Purchaser after an Amendment abandoning the Plan is accepted for filing by the New York State Department of Law.

4. RECORDKEEPING.

4.1 ESCROW AGENT shall maintain all records concerning the Escrow Account for seven years after release of the Deposit.

4.2 Upon the dissolution of the law firm which was ESCROW AGENT, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the New York State Department of Law of such transfer.

4.3 ESCROW AGENT shall make available to the Attorney General, upon request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1 ESCROW AGENT shall maintain the Escrow Account under its direct supervision and control.

5.2 A fiduciary relationship shall exist between ESCROW AGENT, and PURCHASER, and ESCROW AGENT acknowledges its fiduciary and statutory obligations pursuant to GBL §§ 352(e)(2-b) and 352(h).

5.3 ESCROW AGENT may rely upon any paper or document which may be submitted to it in connection with its duties under this Agreement and which is believed by ESCROW AGENT to be genuine and to have been signed or presented by the proper party or parties and shall have no liability or responsibility with respect to the form, execution or validity thereof.

6. RESPONSIBILITIES OF SPONSOR.

6.1 SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall deliver the Deposit received by them prior to closing of the [unit/shares/membership interest/fractional interest] to a designated attorney who is a member of or employed by ESCROW AGENT, within two (2) business days of tender of the Deposit by PURCHASER, using such transmittal forms as required by ESCROW AGENT.

6.2 SPONSOR agrees that it shall not interfere with ESCROW AGENT'S performance of its fiduciary duties and statutory obligations as set forth in GBL §§ 352-(e)(2-b) and 352-(h) and the New York State Department of Law's regulations.

6.3 SPONSOR shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from PURCHASER and deliver such form to ESCROW AGENT together with the Deposit and Purchase Agreement.

7. TERMINATION OF AGREEMENT.

7.1 This Agreement shall remain in effect unless and until it is canceled by either:

7.1.1 Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment to the Plan with the Department of Law providing for a successor escrow agent that meets the requirements set forth in applicable regulations of the New York State Department of Law. PURCHASER shall be deemed to have consented to such cancellation;

7.1.2 The resignation of ESCROW AGENT, which shall not take effect until ESCROW AGENT is replaced by a successor escrow agent that meets the requirements set forth in applicable regulations of the New York State Department of Law, and notice is given to PURCHASER of the identity of the successor escrow agent, the Bank in the State of New York where the Deposit is being held, and the account number therefor.

7.2 Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1.1 or 7.1.2 above, ESCROW AGENT shall deliver the Deposit held by ESCROW AGENT and the Purchase Agreement and any other documents maintained by ESCROW AGENT relating to the Deposit to the successor escrow agent.

8. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon SPONSOR, PURCHASER, and ESCROW AGENT and their respective successors and assigns.

9. GOVERNING LAW.

This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. ESCROW AGENT'S COMPENSATION.

Prior to release of the Deposit, ESCROW AGENT'S fees and disbursements shall neither be paid by SPONSOR from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

11. SEVERABILITY.

If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. INDEMNIFICATION.

SPONSOR agrees to defend, indemnify and hold ESCROW AGENT harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of this Agreement or the performance or non-performance of ESCROW AGENT'S duties under this Agreement, except with respect to actions or omissions taken or suffered by ESCROW AGENT in bad faith or in willful disregard of this Agreement or involving gross negligence of ESCROW AGENT. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by ESCROW AGENT to itself.

13. ENTIRE AGREEMENT.

This Agreement, read together with GBL §§ 352-e(2-b) and 352-(h) and the New York State Department of Law's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT:

By: _____
Name: Alan Grossman

SPONSOR/SELLER:

BLEECKER CHARLES COMPANY

By: _____
(Signature)

Name: _____
(Print)

Title: _____

PURCHASER(S):

Name: _____
(Signature)

(Print)

Name: _____
(Signature)

(Print)