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ATTORNEYS AT LAW  
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NEW YORK, NEW YORK 10017

BRUCE M. COHEN  
ROBERT S. FRANKEL

June 17, 2014

VIA EMAIL

Barry Langman, Esq.  
Paul Weiss Rifkind Wharton & Garrison LLP

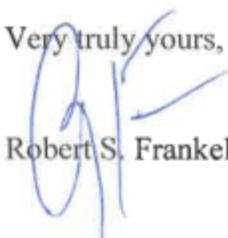
Re: CANDY to BLACK  
Premises: 19 East 70th Street Unit  
New York, NY

Enclosed please find a Contract of Sale executed by my client with reference to the above captioned transaction.

This letter shall also confirm that my firm has deposited the down payment wire in the amount of \$5,025,000.00 in our interest bearing attorney trust account at Signature Bank, [REDACTED]

If you have any questions, please feel free to contact me.

Very truly yours,

  
Robert S. Frankel

RSF/ml  
Enclosure

EFTA01078478

# RESIDENTIAL CONTRACT OF SALE

*Jointly Prepared by the Real Property Section of the New York State Bar Association, the New York State Land Title Association, the Committee on Real Property Law of the Association of the Bar of the City of New York and the Committee on Real Property Law of the New York County Lawyers' Association (11/00)*

## CONSULT YOUR LAWYER BEFORE SIGNING THIS CONTRACT.

**NOTE: FIRE AND CASUALTY LOSSES AND CONDEMNATION.** This contract form does not provide for what happens in the event of fire, or other casualty loss or condemnation before the title closing. Unless different provision is made in this contract, Section 5-1311 of the General Obligations Law will apply. One part of that law makes a Purchaser responsible for fire and casualty loss upon taking possession of the Premises before the title closing.

**WARNING: PLAIN LANGUAGE.** No representation is made that this form of contract for the sale and purchase of real estate complies with Section 5-702 of the General Obligations Law ("Plain Language").

CONTRACT OF SALE made as of

June 17, 2014

between

Address: [REDACTED]

Social Security Number/Fed. I. D. No(s):

hereinafter called "Seller" and

Address: [REDACTED]

Social Security Number/Fed. I. D. No(s):

hereinafter called "Purchaser."

The parties hereby agree as follows:

1. **Premises.** Seller shall sell and convey and Purchaser shall purchase the property, together with all buildings and improvements thereon (collectively the "Premises"), more fully described on a separate page marked "Schedule A," annexed hereto and made a part hereof and also known as:

Street Address: 19 East 70th Street, New York, New York 10021

Tax Map Designation: Block 1385, Lot(s) 15, City of New York, New York County

Together with Seller's ownership and rights, if any, to land lying in the bed of any street or highway, opened or proposed, adjoining the Premises to the center line thereof, including any right of Seller to any unpaid award by reason of any taking by condemnation and/or for any damage to the Premises by reason of change of grade of any street or highway. Seller shall deliver at no additional cost to Purchaser, at Closing (as hereinafter defined), or thereafter, on demand, any documents that Purchaser may reasonably require for the conveyance of such title and the assignment and collection of such award or damages.

2. **Personal Property.** This sale also includes all fixtures and articles of personal property now attached or appurtenant to the Premises, unless specifically excluded below. Seller represents and warrants that at Closing they will be paid for and owned by Seller, free and clear of all liens and encumbrances, except any existing mortgage to which this sale may be subject. They include, but are not limited to, plumbing, heating, lighting and cooking fixtures, chandeliers, bathroom and kitchen cabinets and counters, mantels, door mirrors, switch plates and door hardware, venetian blinds, window treatments, shades, screens, awnings, storm windows, storm doors, window boxes, mail box, TV aerials, weather vane, flagpole, pumps, shrubbery, fencing, outdoor statuary, tool shed, dishwasher, washing machine, clothes dryer, garbage disposal unit, range, oven, built-in microwave oven, refrigerator, freezer, air conditioning equipment and installations, wall to wall carpeting and built-ins not excluded below. (*strike out inapplicable items*).

**Sold As-Is.** Fireplace mantle in the rear parlor floor (currently in storage), and bronze gate on ground floor entry hall are included in the Sale.

Excluded from this sale are furniture and household furnishings except mantle and gate described above, which are included.

3. Purchase Price. The purchase price is \$ 50,250,000.00 payable as follows:

(a) on the signing of this contract, by Purchaser's good check payable to the Escrowee (as hereinafter defined), subject to collection, the receipt of which is hereby acknowledged, to be held in escrow pursuant to paragraph 6 of this contract (the "Downpayment"): \$ 5,025,000.00

~~(b) by allowance for the principal amount unpaid on the existing mortgage on the date hereof; payment of which Purchaser shall assume by joinder in the deed: \$~~

~~(c) by a purchase money note and mortgage from Purchaser to Seller: \$~~

(d) balance at Closing in accordance with paragraph 7: \$ 45,225,000.00

4. Existing Mortgage. ~~(Delete if inapplicable)~~ If this sale is subject to an existing mortgage as indicated in [redacted] 3(b) above:

~~(a) The Promises shall be conveyed subject to the continuing lien of the existing mortgage, which is presently payable, with interest at the rate of \_\_\_\_\_ percent per annum, in monthly installments of \$ \_\_\_\_\_ which include principal, interest and escrow amounts, if any, and with any balance of principal being due and payable on \_\_\_\_\_~~

~~(b) To the extent that any required payments are made on the existing mortgage between the date hereof and Closing which reduce the unpaid principal amount thereof below the amount shown in paragraph 3(b), then the balance of the [redacted] due payable at Closing under paragraph 3(d) shall be increased by the amount of the payments of principal. Seller represents and warrants that the amount shown in paragraph 3(b) is substantially correct and agrees that only payments required by the existing mortgage will be made between the date hereof and Closing.~~

~~(c) If there is a mortgagee escrow account, Seller shall assign it to Purchaser, if it can be assigned, [redacted] that case Purchaser shall pay the amount in the escrow account to Seller at Closing.~~

~~(d) Seller shall deliver to Purchaser at Closing a certificate dated not more than 30 days before Closing signed by the holder of the existing mortgage, in form for recording, certifying the amount of the unpaid principal, the date to which interest has been paid and the amounts, if any, claimed to be unpaid for principal and interest, itemizing the same. Seller shall pay the fees for recording such certificate. If the holder of the existing mortgage is a bank or other institution as defined in Section 274-a of the Real Property Law it may, instead of the certificate, furnish a letter signed by a duly authorized officer, employee or agent, dated not more than 30 days before Closing, containing the same information.~~

~~(e) Seller represents and warrants that (i) Seller has delivered to Purchaser true and complete copies of the existing mortgage, the note secured thereby and any extensions and modifications thereof, (ii) the existing mortgage is not now, and at the time of Closing will not be, in default, and (iii) the existing mortgage does not contain any provision that permits the holder of the mortgage to require its immediate payment in full or to change any other term thereof by reason of the sale or conveyance of the Premises.~~

5. Purchase Money Mortgage. ~~(Delete if inapplicable)~~ If there is to be a purchase money mortgage as indicated in paragraph 3(c) above:

~~(a) The purchase money note and mortgage shall be drawn by the attorney for Seller in the form attached or, if not, in the standard form adopted by the New York State Land Title Association. Purchaser shall pay at Closing the mortgage recording tax, recording fees and the attorney's fees in the amount of \$ \_\_\_\_\_ for its preparation.~~

~~(b) The purchase money note and mortgage shall also provide that it is subject and subordinate to the lien of the existing mortgage and any extensions, modifications, replacements or consolidations of the existing mortgage, provided that (i) the interest rate thereof shall not be greater than \_\_\_\_\_ percent per annum and the total debt service thereunder shall not be greater than \$ \_\_\_\_\_ per annum, and (ii) if the principal amount thereof shall exceed the amount of principal owing and unpaid on the existing mortgage at the time of placing such new mortgage or consolidated mortgage, the excess be paid to the holder of such purchase money mortgage in reduction of the principal thereof. The purchase money mortgage shall also provide that such payment to the holder thereof shall not alter or affect the regular installments, if any, of principal payable thereunder and that the holder thereof will, on demand and without charge therefor, execute, acknowledge and deliver any agreement or agreements further to effectuate such subordination.~~

6. Downpayment in Escrow. (a) Seller's attorney ("Escrowee") shall hold the Downpayment in escrow in a segregated bank account at [redacted] Address: [redacted] until Closing or sooner termination of this contract and shall pay over or apply the Downpayment in accordance with the terms of this paragraph. Escrowee shall hold the Downpayment in a(n) [redacted] interest-bearing account for the benefit of the parties. If interest is held for the benefit of the parties, it shall be paid to the party entitled to the Downpayment and the party receiving the interest shall pay any income taxes thereon. If interest is not held for the benefit of the parties, the Downpayment shall be placed in an IOLA account or as otherwise permitted or required by law. The Social Security or Federal Identification numbers of the parties shall be furnished to Escrowee upon request. At Closing, the Downpayment shall be paid by Escrowee to Seller. If for any reason Closing does not occur and either party gives Notice (as defined in paragraph 25) to Escrowee demanding payment of the Downpayment, Escrowee shall give prompt Notice to the other party of such demand. If Escrowee does not receive Notice of

objection from such other party to the proposed payment within 10 business days after the giving of such Notice, Escrowee is hereby authorized and directed to make such payment. If Escrowee does receive such Notice of objection within such 10 day period or if for any other reason Escrowee in good faith shall elect not to make such payment, Escrowee shall continue to hold such amount until otherwise directed by Notice from the parties to this contract or a final, nonappealable judgment, order or decree of a court. However, Escrowee shall have the right at any time to deposit the Downpayment and the interest thereon with the clerk of a court in the county in which the Premises are located and shall give Notice of such deposit to Seller and Purchaser. Upon such deposit or other disbursement in accordance with the terms of this paragraph, Escrowee shall be relieved and discharged of all further obligations and responsibilities hereunder.

(b) The parties acknowledge that, Escrowee is acting solely as a stakeholder at their request and for their convenience and that Escrowee shall not be liable to either party for any act or omission on its part unless taken or suffered in bad faith or in willful disregard of this contract or involving gross negligence on the part of Escrowee. Seller and Purchaser jointly and severally (with right of contribution) agree to defend (by attorneys selected by Escrowee), indemnify and hold Escrowee harmless from and against all costs, claims and expenses (including reasonable attorneys' fees) incurred in connection with the performance of Escrowee's duties hereunder, except with respect to actions or omissions taken or suffered by Escrowee in bad faith or in willful disregard of this contract or involving gross negligence on the part of Escrowee.

(c) Escrowee may act or refrain from acting in respect of any matter referred to herein in full reliance upon and with the advice of counsel which may be selected by it (including any member of its firm) and shall be fully protected in so acting or refraining from acting upon the advice of such counsel.

(d) Escrowee acknowledges receipt of the Downpayment by check subject to collection and Escrowee's agreement to the provisions of this paragraph by signing in the place indicated on the signature page of this contract.

(e) Escrowee or any member of its firm shall be permitted to act as counsel for Seller in any dispute as to the disbursement of the Downpayment or any other dispute between the parties whether or not Escrowee is in possession of the Downpayment and continues to act as Escrowee.

(f) The party whose attorney is Escrowee shall be liable for loss of the Downpayment.

7. **Acceptable Funds.** All money payable under this contract, unless otherwise specified, shall be paid by:

(a) Cash, but not over \$1,000.00;

(b) Good certified check of Purchaser drawn on or official check issued by any bank, savings bank, trust company or savings and loan association having a banking office in the State of New York, unendorsed and payable to the order of Seller, or as Seller may otherwise direct upon reasonable prior notice (by telephone or otherwise) to Purchaser;

(c) As to money other than the purchase price payable to Seller at Closing, uncertified check of Purchaser up to the amount of \$ \_\_\_\_\_; and

(d) As otherwise agreed to in writing by Seller or Seller's attorney.

~~8. Mortgage Commitment Contingency. (Delete paragraph if inapplicable. For explanation, see Notes on Mortgage Commitment Contingency Clause.)~~

~~(a) The obligation of Purchaser to purchase under this contract is conditioned upon issuance, on or before \_\_\_\_\_ days after a fully executed copy of this contract is given to Purchaser or Purchaser's attorney in the manner set forth in paragraph 25 or subparagraph 8(f) (the "Commitment Date"), of a written commitment from an Institutional Lender pursuant to which such Institutional Lender agrees to make a first mortgage loan, other than a VA, FHA or other governmentally insured loan, to Purchaser, at Purchaser's sole cost and expense, of \$ \_\_\_\_\_ for a term of at least \_\_\_\_\_ years (or such lesser term or shorter term as Purchaser shall be willing to accept) at the prevailing fixed or adjustable rate of interest and on other customary commitment terms (the "Commitment"). To the extent a Commitment is conditioned on the sale of Purchaser's current home, payment of any outstanding debt, no material adverse change in Purchaser's financial condition or any other customary conditions, Purchaser accepts the risk that such conditions may not be met; however, a commitment conditioned on the Institutional Lender's approval of an appraisal shall not be deemed a "Commitment" hereunder until an appraisal is approved (and if that does not occur before the Commitment Date, Purchaser may cancel under subparagraph 8(e) unless the Commitment Date is extended). Purchaser's obligations hereunder are conditioned only on issuance of a Commitment. Once a Commitment is issued, Purchaser is bound under this contract even if the lender fails or refuses to fund the loan for any reason.~~

~~(b) Purchaser shall (i) make prompt application to one or, at Purchaser's election, more than one Institutional Lender for such mortgage loan, (ii) furnish accurate and complete information regarding Purchaser and members of Purchaser's family, as required, (iii) pay all fees, points and charges required in connection with such application and loan, (iv) pursue such application with diligence, and (v) cooperate in good faith with such Institutional Lender(s) to obtain a Commitment. Purchaser shall accept a Commitment meeting the terms set forth in subparagraph 8(a) and shall comply with all requirements of such Commitment (or any other commitment accepted by Purchaser). Purchaser shall furnish Seller with a copy of the Commitment promptly after receipt thereof.~~

~~(c) (Delete this subparagraph if inapplicable.) Prompt submission by Purchaser of an application to a mortgage broker registered pursuant to Article 12-D of the New York Banking Law ("Mortgage Broker") shall constitute full compliance with the~~

terms and conditions set forth in subparagraph 8(b)(i), provided that such Mortgage Broker promptly submits such application to such Institutional Lender(s). Purchaser shall cooperate in good faith with such Mortgage Broker to obtain a Commitment from such Institutional Lender(s).

(d) If all Institutional Lenders to whom applications were made deny such applications in writing prior to the Commitment Date, Purchaser may cancel this contract by giving Notice thereof to Seller, with a copy of such denials, provided that Purchaser has complied with all its obligations under this paragraph 8.

(e) If no Commitment is issued by the Institutional Lender on or before the Commitment Date, then, unless Purchaser has accepted a written commitment from an Institutional Lender that does not conform to the terms set forth in subparagraph 8(a), Purchaser may cancel this contract by giving Notice to Seller within 5 business days after the Commitment Date, provided that such Notice includes the name and address of the Institutional Lender(s) to whom application was made and that Purchaser has complied with all its obligations under this paragraph 8.

(f) If this contract is canceled by Purchaser pursuant to subparagraphs 8(d) or (e), neither party shall thereafter have any further rights against, or obligations or liabilities to, the other by reason of this contract, except that the Downpayment shall be promptly refunded to Purchaser and except as set forth in paragraph 27.

(g) If Purchaser fails to give timely Notice of cancellation or if Purchaser accepts a written commitment from an Institutional Lender that does not conform to the terms set forth in subparagraph 8(a), then Purchaser shall be deemed to have waived Purchaser's right to cancel this contract and to receive a refund of the Downpayment by reason of the contingency contained in this paragraph 8.

(h) If Seller has not received a copy of a commitment from an Institutional Lender accepted by Purchaser by the Commitment Date, Seller may cancel this contract by giving Notice to Purchaser within 5 business days after the Commitment Date, which cancellation shall become effective unless Purchaser delivers a copy of such commitment to Seller within 10 business days after the Commitment Date. After such cancellation neither party shall have any further rights against, or obligations or liabilities to, the other by reason of this contract, except that the Downpayment shall be promptly refunded to Purchaser (provided Purchaser has complied with all its obligations under this paragraph 8) and except as set forth in paragraph 27.

(i) For purposes of this contract, the term "Institutional Lender" shall mean any bank, savings bank, private banker, trust company, savings and loan association, credit union or similar banking institution whether organized under the laws of this state, the United States or any other state; foreign banking corporation licensed by the Superintendent of Banks of New York or regulated by the Comptroller of the Currency to transact business in New York State; insurance company duly organized or licensed to do business in New York State; mortgage banker licensed pursuant to Article 12-D of the Banking Law; and any instrumentality created by the United States or any state with the power to make mortgage loans.

(j) For purposes of subparagraph 8(a), Purchaser shall be deemed to have been given a fully executed copy of this contract on the third business day following the date of ordinary or regular mailing, postage prepaid.

**9. Permitted Exceptions.** The Premises are sold and shall be conveyed subject to:

- (a) Zoning and subdivision laws and regulations, and landmark, historic or wetlands designation, provided that they are not violated by the existing buildings and improvements erected on the property or their use;
- (b) Consents for the erection of any structures on, under or above any streets on which the Premises abut;
- (c) Encroachments of stoops, areas, cellar steps, trim and cornices, if any, upon any street or highway;
- (d) Real estate taxes that are a lien, but are not yet due and payable; and
- (e) The other matters, if any, including a survey exception, set forth in a Rider attached.

~~**10. Governmental Violations and Orders.** (a) Seller shall comply with all notes or notices of violations of law or municipal ordinances, orders or requirements noted or issued as of the date hereof by any governmental department having authority as to lands, housing, buildings, fire, health, environmental and labor conditions affecting the Premises. The Premises shall be conveyed free of them at Closing. Seller shall furnish Purchaser with any authorizations necessary to make the searches that could disclose these matters.~~

~~(b) (Delete if inapplicable) All obligations affecting the Premises pursuant to the Administrative Code of the City of New York incurred prior to Closing and payable in money shall be discharged by Seller at or prior to Closing.~~

**11. Seller's Representations.** (a) Seller represents and warrants to Purchaser that:

- (i) The Premises abut or have a right of access to a public road;
- (ii) Seller is the sole owner of the Premises and has the full right, power and authority to sell, convey and transfer the same in accordance with the terms of this contract;
- (iii) Seller is ~~not~~ a "foreign person," as that term is defined for purposes of the Foreign Investment in Real Property Tax Act, Internal Revenue Code ("IRC") Section 1445, as amended, and the regulations promulgated thereunder (collectively "FIRPTA");
- (iv) The Premises are not affected by any exemptions or abatements of taxes; and
- (v) Seller has been known by no other name for the past ten years, except

(b) Seller covenants and warrants that all of the representations and warranties set forth in this contract shall be true and correct at Closing.

(c) Except as otherwise expressly set forth in this contract, none of Seller's covenants, representations, warranties or other obligations contained in this contract shall survive Closing.

**12. Condition of Property.** Purchaser acknowledges and represents that Purchaser is fully aware of the physical condition and state of repair of the Premises and of all other property included in this sale, based on Purchaser's own inspection and investigation thereof, and that Purchaser is entering into this contract based solely upon such inspection and investigation and not upon any information, data, statements or representations, written or oral, as to the physical condition, state of repair, use, cost of operation or any other matter related to the Premises or the other property included in the sale, given or made by Seller or its representatives, and shall accept the same "as is" in their present condition and state of repair, subject to reasonable use, wear, tear and natural deterioration between the date hereof and the date of closing (~~except as otherwise set forth in paragraph 16(c)~~), without any reduction in the purchase price or claim of any kind for any change in such condition by reason thereof subsequent to the date of this contract. Purchaser and its authorized representatives shall have the right, at reasonable times and upon reasonable notice (by telephone or otherwise) to Seller, to inspect the Premises before Closing.

**13. Insurable Title.** Seller shall give and Purchaser shall accept such title as **any reputable title insurance or abstract company licensed to do business in the state of New York** shall be willing to approve and insure in accordance with its standard form of title policy approved by the New York State Insurance Department, subject only to the matters provided for in this contract.

**14. Closing, Deed and Title.** (a) "Closing" means the settlement of the obligations of Seller and Purchaser to each other under this contract, including the payment of the purchase price to Seller, and the delivery to Purchaser of a **bargain and sale with covenant against grantor's acts** deed in proper statutory short form for record, duly executed and acknowledged, so as to convey to Purchaser fee simple title to the Premises, free of all encumbrances, except as otherwise herein stated. The deed shall contain a covenant by Seller as required by subd. 5 of Section 13 of the Lien Law.

(b) If Seller is a corporation, it shall deliver to Purchaser at the time of Closing (i) a resolution of its Board of Directors authorizing the sale and delivery of the deed, and (ii) a certificate by the Secretary or Assistant Secretary of the corporation certifying such resolution and setting forth facts showing that the transfer is in conformity with the requirements of Section 909 of the Business Corporation Law. The deed in such case shall contain a recital sufficient to establish compliance with that Section.

at **1PM** o'clock on or about **August 15, 2014** \*See Rider ~~or, upon reasonable notice (by telephone or otherwise) by Purchaser, at the office of~~

**16. Conditions to Closing.** This contract and Purchaser's obligation to purchase the Premises are also subject to and conditioned upon the fulfillment of the following conditions precedent:

(a) The accuracy, as of the date of Closing, of the representations and warranties of Seller made in this contract.

~~(b) The delivery by Seller to Purchaser of a valid and subsisting Certificate of Occupancy or other required certificates of compliance, or evidence that none was required, covering the building(s) and all of the other improvements located on the property authorizing their use as a **Single** family dwelling at the date of Closing.~~

(c) The delivery by Seller to Purchaser of a certificate stating that Seller is not a foreign person, which certificate shall be in the form then required by FIRPTA, or a withholding certificate from the I.R.S. If Seller fails to deliver the aforesaid certificate or if Purchaser is not entitled under FIRPTA to rely on such certificate, Purchaser shall deduct and withhold from the purchase price a sum equal to 10% thereof (or any lesser amount permitted by law) and shall at Closing remit the withheld amount with the required forms to the Internal Revenue Service.

(d) The delivery of the Premises and all buildings(s) and improvements comprising a part thereof in broom clean condition, vacant and free of leases or tenancies, together with keys to the Premises.

~~(e) All plumbing (including water supply and septic systems, if any), heating and air conditioning, if any, electrical and mechanical systems, equipment and machinery in the building(s) located on the property and all appliances which are included in this sale being in working order as of the date of Closing.~~

~~(f) If the Premises are a one or two family house, delivery by the parties at Closing of affidavits in compliance with state and local law requirements to the effect that there is installed in the Premises a smoke detecting alarm device or devices.~~

(g) The delivery by the parties of any other affidavits required as a condition of recording the deed.

**17. Deed Transfer and Recording Taxes.** At Closing, certified or official bank checks payable to the order of the appropriate

State, City or County officer in the amount of any applicable transfer and/or recording tax payable by reason of the delivery or recording of the deed or mortgage, if any, shall be delivered by the party required by law or by this contract to pay such transfer and/or recording tax, together with any required tax returns duly executed and sworn to, and such party shall cause any such checks and returns to be delivered to the appropriate officer promptly after Closing. The obligation to pay any additional tax or deficiency and any interest or penalties thereon shall survive Closing.

**18. Apportionments and Other Adjustments; Water Meter and Installment Assessments.** (a) To the extent applicable, the following shall be apportioned as of midnight of the day before the day of Closing:

(i) taxes, water charges and sewer rents, on the basis of the fiscal period for which assessed; (ii) fuel; (iii) interest on the existing mortgage; (iv) premiums on existing transferable insurance policies and renewals of those expiring prior to Closing; (v) vault charges; (vi) rents as and when collected.

(b) If Closing shall occur before a new tax rate is fixed, the apportionment of taxes shall be upon the basis of the tax rate for the immediately preceding fiscal period applied to the latest assessed valuation.

(c) If there is a water meter on the Premises, Seller shall furnish a reading to a date not more than 30 days before Closing and the unfixed meter charge and sewer rent, if any, shall be apportioned on the basis of such last reading.

(d) If at the date of Closing the premises are affected by an assessment which is or may become payable in annual installments, and the first installment is then a lien, or has been paid, then for the purposes of this contract all the unpaid installments shall be considered due and shall be paid by Seller at or prior to Closing.

(e) Any errors or omissions in computing apportionments or other adjustments at Closing shall be corrected within a reasonable time following Closing. This subparagraph shall survive Closing.

**19. Allowance for Unpaid Taxes, etc.** Seller has the option to credit Purchaser as an adjustment to the purchase price with the amount of any unpaid taxes, assessments, water charges and sewer rents, together with any interest and penalties thereon to a date not less than five business days after Closing, provided that official bills therefor computed to said date are produced at Closing.

**20. Use of Purchase Price to Remove Encumbrances.** If at Closing there are other liens or encumbrances that Seller is obligated to pay or discharge, Seller may use any portion of the cash balance of the purchase price to pay or discharge them, provided Seller shall simultaneously deliver to Purchaser at Closing instruments in recordable form and sufficient to satisfy such liens or encumbrances of record, together with the cost of recording or filing said instruments. As an alternative Seller may deposit sufficient moneys with the title insurance company employed by Purchaser acceptable to and required by it to assure their discharge, but only if the title insurance company will insure Purchaser's title clear of the matters or insure against their enforcement out of the Premises ~~and will insure Purchaser's Institutional Lender clear of such matters~~. Upon reasonable prior notice (by telephone or otherwise), Purchaser shall provide separate certified or official bank checks as requested to assist in clearing up these matters.

**21. Title Examination; Seller's Inability to Convey; Limitations of Liability.** (a) Purchaser shall order an examination of title in respect of the Premises from a title company licensed or authorized to issue title insurance by the New York State Insurance Department or any agent for such title company promptly after the execution of this contract ~~or, if this contract is subject to the mortgage contingency set forth in paragraph 8, after a mortgage commitment has been accepted by Purchaser~~. Purchaser shall cause a copy of the title report and of any additions thereto to be delivered to the attorney(s) for Seller promptly after receipt thereof.

(b)(i) If at the date of Closing Seller is unable to transfer title to Purchaser in accordance with this contract, or Purchaser has other valid grounds for refusing to close, whether by reason of liens, encumbrances or other objections to title or otherwise (herein collectively called "Defects"), other than those subject to which Purchaser is obligated to accept title hereunder or which Purchaser may have waived and other than those which Seller has herein expressly agreed to remove, remedy or discharge and if Purchaser shall be unwilling to waive the same and to close title without abatement of the purchase price, then, except as hereinafter set forth, Seller shall have the right, at Seller's sole election, either to take such action as Seller may deem advisable to remove, remedy, discharge or comply with such Defects or to cancel this contract; (ii) if Seller elects to take action to remove, remedy or comply with such Defects, Seller shall be entitled from time to time, upon Notice to Purchaser, to adjourn the date for Closing hereunder for a period or periods not exceeding 60 days in the aggregate ~~(but not extending beyond the date upon which Purchaser's mortgage commitment, if any, shall expire)~~, and the date for Closing shall be adjourned to a date specified by Seller not beyond such period. If for any reason whatsoever, Seller shall not have succeeded in removing, remedying or complying with such Defects at the expiration of such adjournment(s), and if Purchaser shall still be unwilling to waive the same and to close title without abatement of the purchase price, then either party may cancel this contract by Notice to the other given within 10 days after such adjourned date; (iii) notwithstanding the foregoing, the existing mortgage (unless this sale is subject to the same) and any matter created by Seller after the date hereof shall be released, discharged or otherwise cured by Seller at or prior to Closing.

(c) If this contract is cancelled pursuant to its terms, other than as a result of Purchaser's default, this contract shall terminate and come to an end, and neither party shall have any further rights, obligations or liabilities against or to the other hereunder or otherwise, except that: (i) Seller shall promptly refund or cause the Escrowee to refund the Downpayment to Purchaser and, unless

cancelled as a result of Purchaser's default or pursuant to paragraph 8, to reimburse Purchaser for the net cost of examination of title, including any appropriate additional charges related thereto, and the net cost, if actually paid or incurred by Purchaser, for updating the existing survey of the Premises or of a new survey, and (ii) the obligations under paragraph 27 shall survive the termination of this contract.

**22. Affidavit as to Judgments, Bankruptcies, etc.** If a title examination discloses judgments, bankruptcies or other returns against persons having names the same as or similar to that of Seller, Seller shall deliver an affidavit at Closing showing that they are not against Seller.

**23. Defaults and Remedies.** (a) If Purchaser defaults hereunder, Seller's sole remedy shall be to receive and retain the Downpayment as liquidated damages, it being agreed that Seller's damages in case of Purchaser's default might be impossible to ascertain and that the Downpayment constitutes a fair and reasonable amount of damages under the circumstances and is not a penalty.

(b) If Seller defaults hereunder, Purchaser shall have such remedies as Purchaser shall be entitled to at law or in equity, including, but not limited to, specific performance.

**24. Purchaser's Lien.** All money paid on account of this contract, and the reasonable expenses of examination of title to the Premises and of any survey and survey inspection charges, are hereby made liens on the Premises, but such liens shall not continue after default by Purchaser under this contract.

**25. Notices.** Any notice or other communication ("Notice") shall be in writing and either (a) sent by either of the parties hereto or by their respective attorneys who are hereby authorized to do so on their behalf or by the Escrowee, by registered or certified mail, postage prepaid, or

(b) delivered in person or by overnight courier, with receipt acknowledged, to the respective addresses given in this contract for the party and the Escrowee, to whom the Notice is to be given, or to such other address as such party or Escrowee shall hereafter designate by Notice given to the other party or parties and the Escrowee pursuant to this paragraph. Each Notice mailed shall be deemed given on the third business day following the date of mailing the same, except that any notice to Escrowee shall be deemed given only upon receipt by Escrowee and each Notice delivered in person or by overnight courier shall be deemed given when delivered, or

(c) with respect to ¶7(b) or ¶20, sent by fax to the party's attorney. Each Notice by fax shall be deemed given when transmission is confirmed by the sender's fax machine. A copy of each Notice sent to a party shall also be sent to the party's attorney. The attorneys for the parties are hereby authorized to give and receive on behalf of their clients all Notices and deliveries. This contract may be delivered as provided above or by ordinary mail.

**26. No Assignment.** This contract may not be assigned by Purchaser without the prior written consent of Seller in each instance and any purported assignment(s) made without such consent shall be void.

**27. Broker.** Seller and Purchaser each represents and warrants to the other that it has not dealt with any real estate broker in connection with this sale other than **The Corcoran Group, 660 Madison Avenue, New York, New York 10065**

("Broker") and Seller shall pay Broker any commission earned pursuant to a separate agreement between Seller and Broker. Seller and Purchaser shall indemnify and defend each other against any costs, claims and expenses, including reasonable attorneys' fees, arising out of the breach on their respective parts of any representation or agreement contained in this paragraph. The provisions of this paragraph shall survive Closing or, if Closing does not occur, the termination of this contract.

**28. Miscellaneous.** (a) All prior understandings, agreements, representations and warranties, oral or written, between Seller and Purchaser are merged in this contract; it completely expresses their full agreement and has been entered into after full investigation, neither party relying upon any statement made by anyone else that is not set forth in this contract.

(b) Neither this contract nor any provision thereof may be waived, changed or cancelled except in writing. This contract shall also apply to and bind the heirs, distributees, legal representatives, successors and permitted assigns of the respective parties. The parties hereby authorize their respective attorneys to agree in writing to any changes in dates and time periods provided for in this contract.

(c) Any singular word or term herein shall also be read as in the plural and the neuter shall include the masculine and feminine gender, whenever the sense of this contract may require it.

(d) The captions in this contract are for convenience of reference only and in no way define, limit or describe the scope of this contract and shall not be considered in the interpretation of this contract or any provision hereof.

(e) This contract shall not be binding or effective until duly executed and delivered by Seller and Purchaser.

- (f) Seller and Purchaser shall comply with IRC reporting requirements, if applicable. This subparagraph shall survive Closing.
- (g) Each party shall, at any time and from time to time, execute, acknowledge where appropriate and deliver such further instruments and documents and take such other action as may be reasonably requested by the other in order to carry out the intent and purpose of this contract. This subparagraph shall survive Closing.
- (h) This contract is intended for the exclusive benefit of the parties hereto and, except as otherwise expressly provided herein, shall not be for the benefit of, and shall not create any rights in, or be enforceable by, any other person or entity.
- (i) 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.

Continued on addendum or rider attached hereto.

IN WITNESS WHEREOF, this contract has been duly executed by the parties hereto.  
 19 E 70 ST LLC

NY 70<sup>th</sup> STREET LLC

By: \_\_\_\_\_

*Eileen Alexanderson*  
 By: Eileen Alexanderson, Vice President

Social Security No./Fed. No. \_\_\_\_\_

Social Security No./Fed. No. \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Social Security No./Fed. No. \_\_\_\_\_

Social Security No./Fed. No. \_\_\_\_\_

Attorney for Seller: Robert S. Frankel, Esq.

Attorney for Purchaser: Barry Langman, Esq.

Address: \_\_\_\_\_  
 Tel. \_\_\_\_\_  
 Email: \_\_\_\_\_

\_\_\_\_\_

Receipt of the Downpayment is acknowledged and the undersigned agrees to act in accordance with the provisions of paragraph 6.

Cohen & Frankel, LLP

*Robert S. Frankel*  
 \_\_\_\_\_  
 Robert S. Frankel, Esq.

- (f) Seller and Purchaser shall comply with IRC reporting requirements, if applicable. This subparagraph shall survive Closing.
- (g) Each party shall, at any time and from time to time, execute, acknowledge where appropriate and deliver such further instruments and documents and take such other action as may be reasonably requested by the other in order to carry out the intent and purpose of this contract. This subparagraph shall survive Closing.
- (h) This contract is intended for the exclusive benefit of the parties hereto and, except as otherwise expressly provided herein, shall not be for the benefit of, and shall not create any rights in, or be enforceable by, any other person or entity.
- (i) 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.

Continued on addendum or rider attached hereto.

IN WITNESS WHEREOF, this contract has been duly executed by the parties hereto.

19 E 70<sup>th</sup> LLC

NY 70<sup>th</sup> STREET LLC

By: 

By: *Gileen Alexanderson, Vice President*

Social Security No./Fed.  No.

Social Security No./Fed.  No.

By:

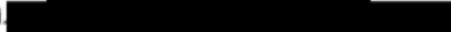
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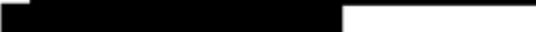
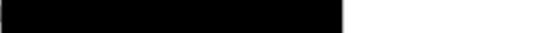
Social Security No./Fed. I.D. No.

Social Security No./Fed.  No.

Attorney for Seller: Robert S. Frankel, Esq.

Attorney for Purchaser: Barry Langman, Esq.

Address:   
 Tel:   
 Email: 

Address:   
 Tel.:   
 Email: 

Receipt of the Downpayment is acknowledged and the undersigned agrees to act in accordance with the provisions of paragraph 6.

Cohen & Frankel, LLP

  
 Robert S. Frankel, Esq.

RIDER TO CONTRACT OF SALE DATED JUNE 17, 2014

PREMISES: 

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1. This rider is in addition and supplemental to the printed Contract of Sale, but in the event of any inconsistency between the provisions of the Rider and of the printed portions of the contract, the provisions of this Rider shall prevail.

2. Supplementing paragraph 9 of the Printed Form, said premises are to be transferred subject to the following; (a) all existing covenants, consents, restrictions, reservations, agreements, consents for utilities, and public utility, driveway, railroad and other easements of record and City Zoning Plans, regulations and ordinances and amendments thereto including landmark, historic or wetlands designation including but not limited to the Restrictive Agreement made by and between The Frick Collection and M. Knoedler & Co., Inc in Reel 257 page 522; as referenced in Reel 257 pages 498, 501, 503, 505 and 507; and the premises described in schedule A, or a portion of the premises has been designated as Upper East Side Historic District in Reel 629 page 739 and as such is subject to New York City Charter and Administrative Code; and the premises described in schedule A, or a portion of the premises has been designated as a landmark site in Reel 321 page 985 and as such is subject to New York City Charter and Administrative Code; (b) possible lack of right to maintain and use vaults, vaulted areas and coal chutes underneath the adjoining sidewalk; (c) possible encroachments of retaining walls, cellar doors, fences, fire escapes and variations between record lines; (d) party walls and party wall agreements, if any; (e) survey dated May 6, 1948, as amended on April 12, 1961, April 25, 1967, September 6, 1977 and redated by visual examination made by Earl B. Lovell- Belcher, Inc. on June 1, 1981 and on May 1, 2013 as stated in Insignia National Title Agency, underwritten by First American Title Insurance Company in Title #ITA-3370-NY-13-F, and any state of facts an accurate survey may show; (f) violations of laws, regulations, ordinances, orders or requirements, if any, noted in or issued prior to, on or subsequent to the date hereof by any governmental or municipal department or authority having jurisdiction over the Premises and any conditions constituting such violations, although not so noted or issued; (g) open permits or filings with governmental departments and agencies.

3. The acceptance of a deed by the Purchasers shall be deemed to be a full performance and discharge of every agreement and obligation on the part of the Seller to be performed pursuant to the provisions of this Agreement except those, if any, which are herein specifically stated to survive the delivery of the deed.

4. If any representations made in this Contract, including but not limited to those representations concerning the legal occupancy of the premises, cannot be complied with or verified, the Sellers sole responsibility shall be the return of the Downpayment and any title or survey charges actually incurred by the Purchaser. Seller shall have no obligation to refund to Purchasers any charges or fees imposed by a lending institution in the event that Seller cannot deliver title or in the event that any representations contained in this Contract cannot be met.

5. This Contract shall not be recorded without the written consent of the Seller and Purchaser

and any recording shall be deemed a breach of this Contract.

6. Purchaser acknowledges that the Seller represents that it has filed permits with the City of New York and Landmarks to renovate the Premises and the Premises is currently under renovation (demolition). Seller makes no representation as to the state of permits filed in connection with the renovation. Purchaser agrees to both accept the Premises in its current state of renovation and (except as expressly set forth in this contract) shall also accept the Premises with all permits filed in their "as is" condition, (i.e.- whether open, closed or signed off). Seller shall not perform any further construction or demolition work at the Premises except for asbestos abatement and removal, after the date hereof unless required by Law or in the event of an emergency.

7. The Premises shall be delivered vacant of all leases, tenancies and occupants at closing.

8. Notwithstanding anything contained in this Contract to the contrary, it is expressly understood and made part of this Contract that if, due to the uninsurability of the title to said Premises or for any other reason except for the willful default of the Seller, the Seller shall be unable to perform this Contract without instituting any action or proceeding or incurring any expense (unless Purchaser shall elect to accept such performance as the Seller can give without any reduction of the purchase price), the sole liability of the Seller shall be to refund to the Purchaser the amount paid on the signing of this contract, and upon such refund and payment being made, this Contract shall be deemed canceled and of no further force and effect for all purposes, and thereafter, neither party shall have any claim against or liability to any other party hereto other than obligations that expressly survive termination of this Contract.

9. Purchaser represents that, it has examined and inspected the Premises, the buildings constituting part of the Premises, the uses thereof and the fixtures, equipment and personal property, if any, included in this sale to its satisfaction, that it has independently investigated, analyzed and appraised the value and profitability thereof, and all other documents which Purchaser deems relevant, including, without limitation, any documents referred to herein with respect to the Premises, and it is thoroughly acquainted with all of the foregoing and that it agrees to take the Premises in its "as is" condition on the date of Closing. Purchaser expressly acknowledges that, except as expressly provide herein, Seller nor any agent representative of Seller has not made any representations or warranties and has held out no inducements to Purchaser to execute this Agreement. Without limiting the generality of the foregoing, except as expressly provided herein, Purchaser has not relied on any representations or warranties, and Seller has not made any representations or warranties, in either case express or implied as to any thing or matter relating to the Premises or otherwise, including, without limitation, with respect to (a) the current or future real estate tax liability, assessment or valuation of the Premises; (b) the potential qualification of the Premises for any and all benefits conferred by federal, state or municipal laws, whether for subsidies, special real estate tax treatment, insurance, financing, or any benefits, whether similar or dissimilar to those enumerated; (c) the compliance of the Premises, in its current or any future state with applicable zoning ordinances and the ability to obtain a variance in respect to the Premises and possible non-compliance with said zoning ordinances; (d) the availability of any financing for the purchase, alteration, rehabilitation or operation of the Premises from any source, including

but not limited to state, city or federal governments or any institutional lenders; (e) the current or future use of the Premises; (f) the present and future condition and operating state of any and all machinery or equipment on the Premises and the present or future structural and physical condition of the building or their suitability for rehabilitation or renovation; (g) the presence or absence of any asbestos or any other substance deemed hazardous under any federal, state or municipal laws on, under or about the Premises. The Seller shall not be liable or bound in any way by any verbal or written information pertaining to the above mentioned premises furnished by a real estate broker, agent, employee, servant or other person unless the same is specifically set forth herein.

10. All prior discussions and negotiations between the Sellers and Purchasers/and or any of Seller's agents or representatives, are hereby merged into this Agreement and made a part hereof.

11. If Purchaser shall default in the performance of its obligation under this Contract to purchase the Premises beyond all notice, grace and cure periods, Sellers shall retain the down payment as liquidated damages as its sole and exclusive remedy for all loss, damage, and expense suffered by Sellers, including without limitation the loss of its bargain.

12. Title to any personal property included in this sale shall pass to Purchaser upon delivery of the deed. No part of the purchase price shall be deemed to have been paid for same and all such personal property is conveyed in its "as is" condition.

13. This Contract is not subject to a mortgage contingency.

14. The closing shall take place at the offices of Cohen & Frankel, LLP, located at 11 East 44<sup>th</sup> Street, Suite 1800, New York, New York or at such other location in Manhattan as Purchaser's Lender may require.

15. Seller has no knowledge of lead-based paint and/or lead-paint based hazards in the Premises which is the subject of this sale, and Seller has no reports and/or records pertaining to lead-based paint hazards therein. Purchaser acknowledges that Purchaser has received a pamphlet "Protect Your Family From Lead In Your Home", and waives the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based hazards. Seller shall have no obligations to test for lead-based paint or to correct any lead-based paint hazards.

16. In lieu of the execution and delivery of a Property Condition Disclosure Statement by Seller, Seller shall provide Purchaser with a \$500.00 credit at Closing. The Purchaser hereby waives the provisions of the Property Condition Disclosure Act and represents that Purchaser has obtained an engineering inspection and is satisfied with the results thereof or has had the opportunity to obtain such inspection and has elected not to do so. In the event this waiver shall be deemed void, unenforceable or against public policy, Seller's liability shall be limited to \$500.00 and Purchaser shall acknowledge receipt of said sum at the time of closing in the form of a credit taken by Purchaser against the purchase price. This provision shall survive closing of title and the delivery of the deed.

17. This Contract of Sale shall be construed without regard to any presumption or rule of law requiring construction or interpretation against the party causing this Contract of Sale to be drafted. This Contract of Sale shall be construed in accordance with and be governed by the laws of the State of New York.

18. This Contract may be executed in any number of counterparts, and each such counterpart shall for all purposes be deemed to be an original, and all such counterparts together shall constitute but one and the same agreement. Fax and/or pdf (electronic or email) signatures shall be deemed originals for purposes of the Contract.

19. Seller reserves the right to include this transaction as part of an IRC, Section 1031 tax deferred exchange for the benefit of Seller, at no cost, expense or liability to Purchaser. Purchaser further agrees to execute any and all documents as are reasonably necessary in connection therewith, provided that the close of this transaction for the conveyance of Sellers' property shall not be contingent upon or subject to the completion of such exchange. Sellers agree to indemnify and hold Purchaser free and harmless from any cost, expense or liability, including attorney's fees resulting from Purchaser's participation in such exchange.

Purchaser reserves the right to include this transaction as part of an IRC, Section 1031 tax deferred exchange for the benefit of Purchaser, at no cost, expense or liability to Seller. Seller further agrees to execute any and all documents as are reasonably necessary in connection therewith, provided that the close of this transaction for the conveyance of Purchasers' property shall not be contingent upon or subject to the completion of such exchange. Purchaser agrees to indemnify and hold Seller free and harmless from any cost, expense or liability, including attorney's fees resulting from Sellers participation in such exchange.

20. Seller represents that all contractors, architects, sub-contractors and suppliers that have rendered services or provided materials to the Premises at the direction of Sellers (the "Prior Work") have been fully paid or shall have been fully paid by Closing and all Contracts will have been terminated, and that notwithstanding anything contained in this Contract of Sale to the contrary, the Seller agrees to indemnify and hold harmless the Purchaser if any such liens arising out of the Prior Work should be filed against the premises and to promptly discharge any such liens (or bond them if disputed).. This provision shall survive the closing of title.

21. The Parties agree not to publicize this transaction (identities and purchase price) beyond what is recorded in the public records and/or required by law.

SELLERS:

[REDACTED]

By:  
Title:

PURCHASER:

NY 70th Street LLC



By: Eileen Alexander  
Title: vice president

17. This Contract of Sale shall be construed without regard to any presumption or rule of law requiring construction or interpretation against the party causing this Contract of Sale to be drafted. This Contract of Sale shall be construed in accordance with and be governed by the laws of the State of New York.

18. This Contract may be executed in any number of counterparts, and each such counterpart shall for all purposes be deemed to be an original, and all such counterparts together shall constitute but one and the same agreement. Fax and/or pdf (electronic or email) signatures shall be deemed originals for purposes of the Contract.

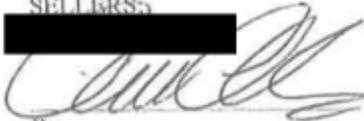
19. Seller reserves the right to include this transaction as part of an IRC, Section 1031 tax deferred exchange for the benefit of Seller, at no cost, expense or liability to Purchaser. Purchaser further agrees to execute any and all documents as are reasonably necessary in connection therewith, provided that the close of this transaction for the conveyance of Sellers' property shall not be contingent upon or subject to the completion of such exchange. Sellers agree to indemnify and hold Purchaser free and harmless from any cost, expense or liability, including attorney's fees resulting from Purchaser's participation in such exchange.

Purchaser reserves the right to include this transaction as part of an IRC, Section 1031 tax deferred exchange for the benefit of Purchaser, at no cost, expense or liability to Seller. Seller further agrees to execute any and all documents as are reasonably necessary in connection therewith, provided that the close of this transaction for the conveyance of Purchasers' property shall not be contingent upon or subject to the completion of such exchange. Purchaser agrees to indemnify and hold Seller free and harmless from any cost, expense or liability, including attorney's fees resulting from Sellers participation in such exchange.

20. Seller represents that all contractors, architects, sub-contractors and suppliers that have rendered services or provided materials to the Premises at the direction of Sellers (the "Prior Work") have been fully paid or shall have been fully paid by Closing and all Contracts will have been terminated, and that notwithstanding anything contained in this Contract of Sale to the contrary, the Seller agrees to indemnify and hold harmless the Purchaser if any such liens arising out of the Prior Work should be filed against the premises and to promptly discharge any such liens (or bond them if disputed). This provision shall survive the closing of title.

21. The Parties agree not to publicize this transaction (identities and purchase price) beyond what is recorded in the public records and/or required by law.

SELLERS:

By:  
Title:

PURCHASER:

NY 

By: *Eileen Alexander*  
Title: *vice President*

SECOND RIDER TO CONTRACT OF SALE DATED AS OF JUNE 17, 2014, BETWEEN [REDACTED]  
[REDACTED] AS SELLER, AND [REDACTED] PURCHASER, COVERING  
PREMISES LOCATED AT [REDACTED]

PR1. In case of any inconsistency or conflict between the printed portion of this Contract or the (First) Rider, and the provisions of this Second Rider, the provisions of this Second Rider shall control.

PR2. Paragraph 1 is modified by the insertion in the 2nd line thereof of the words "and all easements and appurtenances related thereto" after the word "thereon."

PR3. Paragraph 16(b) is hereby replaced in its entirety with the following:

(i) Seller will deliver to Purchaser, at or prior to Closing, a permit issued by the New York City Landmarks Preservation Commission (LPC) approving the work described in the Status Update Letter dated May 21, 2014 [REDACTED], reflecting the revisions required in such Status Update Letter; and

(ii) at Closing, Seller (A) shall evidence its entitlement and ownership of all architectural and engineering drawings and designs for the Property for the current project and transfer the same to the Purchaser subject to the rights of the architect/engineer (with right of Purchaser to use the same), (B) shall evidence that all architects and engineers and Karen Thomas Associates have been paid in full all amounts owing from Seller with respect to the Premises and (C) will cooperate and assist Purchaser in having Lee H. Skolnick Architecture + Design Partnership be employed by the Purchaser, at its standard rates for such services in a manner reasonably acceptable to it and Purchaser and provide copies of all CAD files, documents, submissions, approvals and permits upon request (subject only to payment, at standard rates, for such copies); and

(iii) between the date hereof and Closing, (A) Seller will not make any filings or submissions to DOB or LPC (other than Seller's filings with respect to asbestos abatement and the LPC permit, as provided in this contract) without Purchaser's consent (not to be unreasonably withheld) and (B) Purchaser shall be responsible to pay Lee H. Skolnick Architecture + Design Partnership for all work requested by Purchaser (not including with respect to asbestos abatement and the LPC permit, as described in this Contract).

PR4. In order to render title to the Premises in accordance with the terms and provisions of this Contract, Seller shall be required to pay any and all amounts to remove objection to title, if such objections can be cured by the payment of money, and if such objections cannot be cured by the payment of money, Seller shall be required to expend up to \$50,000 in taking action to remove such objections, violations and clear title (to the extent the same cannot be cured by the payment of money), satisfy conditions, perform obligations and/or maintain the truth and accuracy of Seller's representations hereunder; provided, however, that Seller shall not be required to bring any legal action or proceeding in order to clear title nor remove any violations (other than paying any fines, penalties and interest with respect to any

violations, it being understood and agreed that Seller will do so at or before closing). In the event that the foregoing expenditures shall not be sufficient to enable Seller to convey title and deliver the Premises in accordance with the terms and conditions of this contract, Purchaser shall have the option (i) to receive a credit against the balance of the purchase price due at Closing in the amount of \$50,000, or so much thereof as would bring to \$50,000 the aggregate amounts expended by Seller under this paragraph 34, and to accept such title as Seller may be able to convey and delivery of the Premises in such condition as may exist or (ii) to reject title and receive a refund of the Downpayment with any interest accrued thereon, together with a refund of expenses incurred by Purchaser in connection with examination of title to, and departmental violations searches in respect of, the Premises.

PR5. At Closing, Seller shall deliver to Purchaser an affidavit in form satisfactory to Purchaser's title insurance company sufficient to enable said title insurance company to insure title to Purchaser without exceptions (a) for rights of tenants, occupants or other parties in possession, and (b) for mechanic's lien rights of any contractor, supplier or materialman. It shall not be a condition to close that Purchaser's title company insure the above, nor would Seller be in default of this contract, provided that Seller provides a normal and customary affidavit of title.

PR6. Supplementing paragraph 11(a): "(vi) Seller has not installed and Seller has no knowledge of the installation of urea formaldehyde insulation in the Premises.

(viii) During Seller's ownership of the Premises, a building permit (if necessary) was obtained whenever required for work done to the Premises.

(ix) Seller is not aware of the presence of any underground storage and/or fuel/oil tanks in or about the Premises; neither Seller nor any prior owner (to Seller's knowledge without independent inquiry) has removed any such tanks from the Premises; and between the date hereof and the date of Closing, Seller will not generate, store or dispose of hazardous materials on or from the Premises other than materials used for normal household use.

(x) Seller has not received any notices of violation of law or municipal ordinances relating to the Premises (except a Local Law 11 violation and an elevator violation."

The representations set forth in this paragraph shall be true and correct and (except for the foregoing clause (x)) be deemed repeated at Closing.

PR7. Notwithstanding anything contained in Paragraph 13 to the contrary, Purchaser may use the title company of its choice (provided same is reputable and duly licensed in New York State) and shall not be required to accept title from another company in the event a title and/or violations related issue arises.

PR8. If Seller willfully defaults hereunder (beyond applicable notice, grace and cure periods), Purchaser shall be entitled to a return of the Downpayment with any interest accrued thereon, together with a refund of expenses incurred by Purchaser in connection with examination of title to, and departmental violations searches in respect of, the Premises, as well as such other remedies as Purchaser shall be entitled to at law or in equity, including, but not limited to, specific performance.

PR9. Seller and Purchaser hereby agree that Purchaser shall be entitled to receive any real estate tax abatement and/or refund relating to the period of time after the date of the Closing (the "Refund"). If such Refund is received by Seller prior to the Closing, either in the form of a check from the taxing authorities or as a credit against the real estate taxes payable for the Premises, at the Closing Purchaser shall receive a credit against the Purchase Price in the amount of the Refund. The provisions of this paragraph shall survive the Closing.

PR10. Supplementing Paragraph 21 of the (First) Rider: Each of the parties hereto desire that this Contract and the terms thereof (the "Confidential Aspects") be kept confidential to the greatest extent practicable. Accordingly, each of the parties hereto shall, and shall instruct his or her agents, representatives and contractors to, maintain the confidentiality of the Confidential Aspects. It is understood, however, that the Confidential Aspects may be disclosed: (a) to the professional advisors of each of the parties (for example, without limitation, their attorneys and accountants), and to various other third parties (such as, for example, title insurance companies) who may be involved in aspects of the transactions or are otherwise necessary in order to consummate the transactions contemplated hereby; (b) if required to be disclosed by court order, subpoena, or other government process, or if required by law; (c) with the consent of the parties; or (d) if already in the public domain.

PR11. At or prior to Closing, Seller shall deliver to Purchaser's title company copies of all pertinent documents (as set forth in Purchaser's title report or otherwise) showing the existence of the limited liability company known as 19 E 70 ST LLC, and its due authority to sell the Premises.

PR12. Seller shall, if requested by Purchaser, and at Purchaser's sole cost and expense, cooperate with Purchaser in attempting to have all mortgages encumbering the Premises assigned to any designee of Purchaser rather than having the same satisfied at Closing (it being understood and agreed that Seller does not represent or warrant that such attempt will be successful). In the event Seller's mortgage(s) covering the Premises is/are assigned to Purchaser's mortgage lender, Purchaser agrees to pay to Seller at Closing an amount equal to one half (1/2) of Purchaser's net savings on the mortgage recording tax as a result of the assignment, based upon a taxable rate of 2.3625% (which percentage is the average between the residential and commercial rates payable by borrowers of 1.925% and 2.8%, respectively).

PR13. Seller represents that no insurance claims have been made by Seller or to the best of Seller's knowledge by other parties, in connection with or relating to the Premises during the period of Seller's ownership thereof.

PR14. Seller represents and warrants to Purchaser that neither Seller nor, if Seller is an entity, any principal of Seller is listed on the Specially Designated Nationals and Blocked Persons list maintained by the Office of Foreign Assets Control, Department of the Treasury or is under investigation by any governmental authority for (or has been charged with or convicted of) money-laundering, or been notified that any of its or their assets have been "frozen" by any governmental authority. If the foregoing representation is inaccurate in any respect, Seller shall be in default under this Contract, and Purchaser shall be entitled to exercise the remedy set forth in Paragraph 23.

PR15. As a material inducement to Purchaser in agreeing to purchase the Premises (and as an express condition to Closing), Seller hereby covenants that it shall, at its sole cost and expense, cause to be removed from the Premises prior to the Closing the asbestos-containing materials (ACM) identified in the August 12, 2013 letter from H.A. Bader Consultants, Inc. (attached to this contract), which removal shall be done by a licensed asbestos contractor and in accordance with all applicable laws and regulations, and Seller shall (at or prior to Closing) provide and ACP-5 (or, as applicable ACP-7) certificate for the Premises and evidence of the completion of the removal described in this paragraph (in the form of a letter from H.A. Bader Consultants, Inc., based on a reinspection of the Premises).

PR16. Seller agrees to deliver to Purchaser, at or prior to Closing, to the extent within Seller's actual possession, all drawings and plans of the Premises, including the original floor

plans, and all renderings of any proposed or completed renovations therein. In the event this contract is terminated prior to Closing, Purchaser shall return all such materials to Seller.

PR17. Seller hereby represents that Seller has, prior to the execution and delivery of this Contract, delivered to Purchaser all open permits and all permit applications (and other applications and filings) to governmental agencies (including, without limitation, the Landmarks Preservation Commission and the New York City Department of Buildings), and all written responses to such applications, since Seller took title to the Premises.

PR18. Seller acknowledges and agrees that because Seller is a "foreign person" under IRC Section 1445, certain portions of the purchase price will be required to be withheld at Closing, and Seller and Purchaser will cooperate to ensure compliance with all applicable law in connection therewith. In accordance with the above, Seller's attorney shall either (a) apply for a reduced withholding certificate in advance of Closing and shall hold 10% of the sales price in escrow until the withholding certificate is received (and provide Purchaser's attorney with an escrow agreement, reasonably acceptable to both of them at Closing), and if the withholding certificate is received prior to Closing, then Seller shall pay to the IRS as per the certificate or (b) remit the 10% of the sale price to the IRA at Closing or (c) if the Seller effectuates a 1031 exchange, not be required to withhold or remit to the IRS the 10% of the sale price (provided the same is not required by law), and shall instead complete and deliver the necessary paperwork to Purchaser at Closing. Under all circumstances, Seller shall indemnify, defend and hold harmless Purchaser from and against any and all claims arising out of the failure of Seller to promptly and properly file and pay taxes.

[BALANCE OF PAGE INTENTIONALLY LEFT BLANK.]



By: \_\_\_\_\_  
Name:  
Title:

NY 70TH STREET LLC, Purchaser

By: *Eileen Alexander*  
Name: *Eileen Alexander*  
Title: *Vice President*

By:    
Name:  
Title:

NY 70TH STREET LLC, Purchaser

By: \_\_\_\_\_  
Name: *Eileen Alexanderson*  
Title: *Vice President*

**DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT  
AND LEAD-BASED PAINT HAZARDS**

**Lead Warning Statement**

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

**Seller's Disclosure (initial)**

- \_\_\_\_\_ (a) Presence of lead-based paint and/or lead-based paint hazards (check one below):  
[ ] Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).

\_\_\_\_\_ [x] Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

- \_\_\_\_\_ (b) Records and reports available to the seller (check one below):  
[ ] Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

\_\_\_\_\_ [x] Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

**Purchaser's Acknowledgment (initial)**

- \_\_\_\_\_ (c) Purchaser has received copies of all information listed above.  
\_\_\_\_\_ (d) Purchaser has received the pamphlet *Protect Your Family from Lead in Your Home*.  
\_\_\_\_\_ (e) Purchaser has (check one below):  
[ ] Received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or  
[x] Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

**Agent's Acknowledgment (initial)**

- \_\_\_\_\_ (f) Agent has informed the seller of the seller's obligations under 42 U.S.C. 4852(d) and is aware of his/her responsibility to ensure compliance.

**Certification of Accuracy**

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information provided by the signatory is true and accurate.

Seller By: \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_

Agent \_\_\_\_\_ Date \_\_\_\_\_ Agent \_\_\_\_\_ Date \_\_\_\_\_

Purchaser BY: *Eileen Alexanderson* Date \_\_\_\_\_ Purchaser BY: \_\_\_\_\_ Date \_\_\_\_\_  
*Vice President* *6/17/14*

**DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT  
AND LEAD-BASED PAINT HAZARDS**

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- \_\_\_\_\_ (a) Presence of lead-based paint and/or lead-based paint hazards (check one below):  
 [ ] Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).  
 \_\_\_\_\_  
 [x] Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.  
 \_\_\_\_\_ (b) Records and reports available to the seller (check one below):  
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**Purchaser's Acknowledgment (initial)**

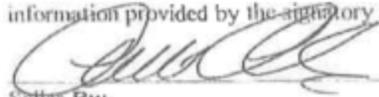
- \_\_\_\_\_ (c) Purchaser has received copies of all information listed above.  
 \_\_\_\_\_ (d) Purchaser has received the pamphlet *Protect Your Family from Lead in Your Home*.  
 \_\_\_\_\_ (e) Purchaser has (check one below):  
 [ ] Received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or  
 [x] Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

**Agent's Acknowledgment (initial)**

- \_\_\_\_\_ (f) Agent has informed the seller of the seller's obligations under 42 U.S.C. 4852(d) and is aware of his/her responsibility to ensure compliance.

**Certification of Accuracy**

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information provided by the signatory is true and accurate.

  
 Seller By: \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_

  
 \_\_\_\_\_ Date \_\_\_\_\_ Agent \_\_\_\_\_ Date \_\_\_\_\_

Purchaser BY: *Eileen Alexander* Date \_\_\_\_\_ Purchaser BY: \_\_\_\_\_ Date \_\_\_\_\_  
*Vice President*

*First American Title Insurance Company*

*by its Authorized Agent*



Title Number:



Page 1 of 1

**SCHEDULE A – DESCRIPTION**

ALL that certain plot piece or parcel of land, situate, lying and being in the Borough of Manhattan, County, City and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of 70th Street, distant 43 feet westerly from the northwesterly corner of 70th Street and Madison Avenue;

RUNNING THENCE northerly parallel with the westerly side of Madison Avenue, 100 feet 5 inches to the center line of the block;

THENCE westerly along said center line of the block and parallel with the northerly side of 70th Street, 30 feet;

THENCE southerly parallel with the westerly side of Madison Avenue, 100 feet 5 inches to the said northerly side of 70th Street;

THENCE easterly along the same, 30 feet to the point or place of BEGINNING.

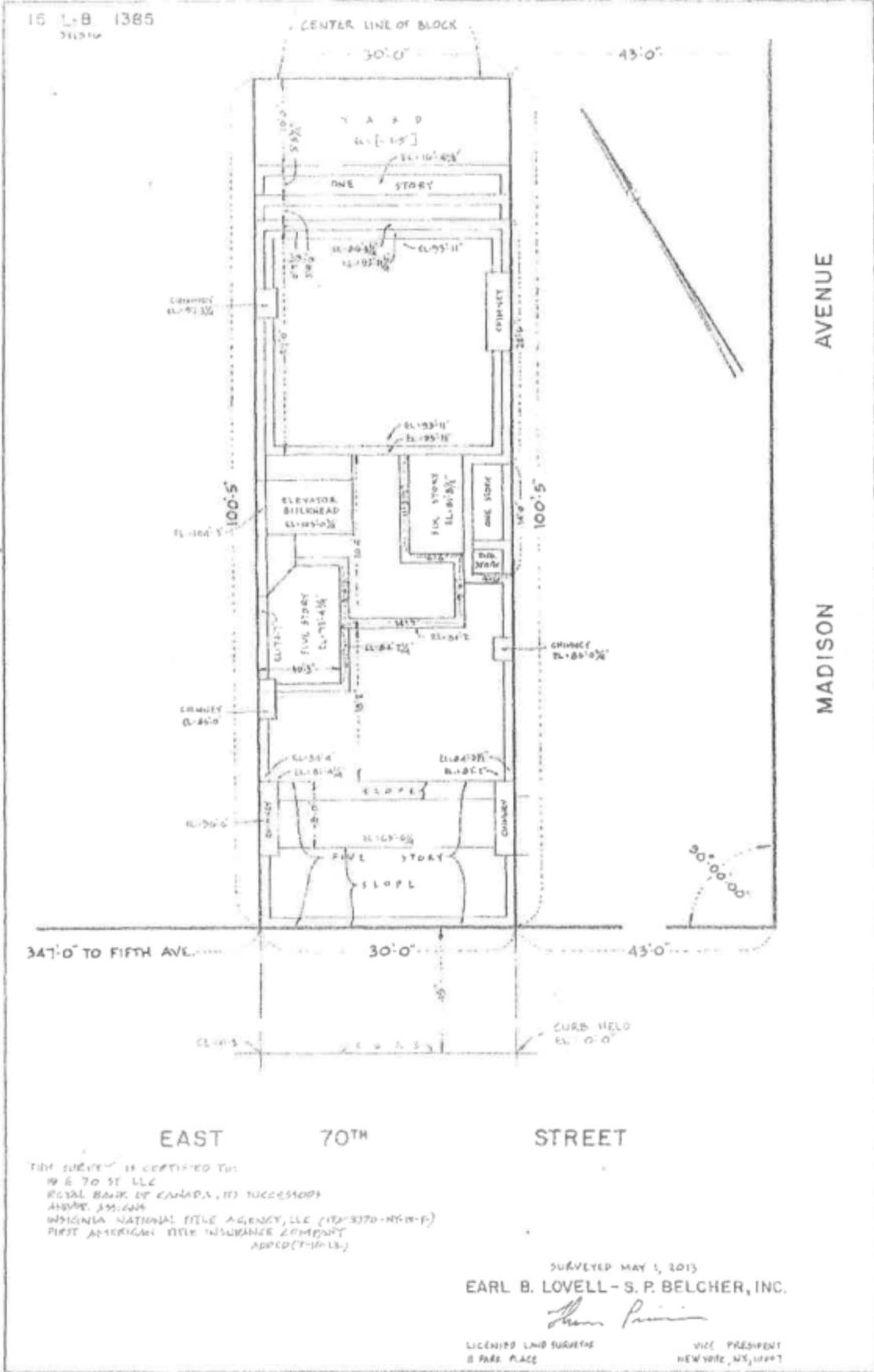
FOR INFORMATION ONLY:

PREMISES are known by the street address of 19 East 70th Street, New York, New York 10021-4982

PREMISES are designated as Section 5 Block 1385 Lot 15 on the tax map for the City of New York, Borough of Manhattan

BEING THE SAME PREMISES described in deed dated February 15, 2011 recorded February 25, 2011 in CRFN 2011000068093

15 L.B. 1385  
3/2/14



347'-0" TO FIFTH AVE.

EAST 70TH STREET

THE SURVEY IS CERTIFIED TO:  
19 E 70 ST LLC  
ROYAL BANK OF CANADA, ITS SUCCESSORS  
AND/OR SUCCESSORS  
INSURANCE NATIONAL TITLE AGENCY, LLC (ID# 3070-NY-11-F)  
FIRST AMERICAN TITLE INSURANCE COMPANY  
APPROX (7-10-13.)

SURVEYED MAY 1, 2013  
EARL B. LOVELL - S. P. BELCHER, INC.

*Earl Lovell*  
LICENSED LAND SURVEYOR      VICE PRESIDENT  
8 PARK PLACE                      NEWYORK, NY, 10007

MADISON AVENUE

**H.A. Bader Consultants, Inc.**

Environmental Consulting Engineers



Howard A. Bader, P.E.  
President

TEL: [REDACTED]  
FAX: [REDACTED]

August 12, 2013



RE: [REDACTED] - Asbestos Investigation

On August 1 and 6, 2013, H. A. Bader Consultants, Inc. (HABC) performed asbestos investigations at 19 East 70<sup>th</sup> Street, New York, NY. HABCs scope of work was to determine if upcoming renovation work at the property will disturb asbestos containing material (ACM). An ACM is defined as a material which contains greater than one percent asbestos.

H. A. Bader Consultants is licensed by the New York State Department of Labor (DOL) as an Asbestos Consultant. This investigation was performed by Michael Villacres, who is certified by the United States Environmental Protection Agency (EPA) Asbestos Hazard Emergency Response Act (AHERA) Program and the DOL as an Asbestos Inspector and Management Planner. He is also a New York City Department of Environmental Protection (DEP) Certified Asbestos Investigator.

The materials suspected of being ACM which could be disturbed by the current scope of work included, plaster, drywall, 2 types of joint compound associated with drywall, hardwood floor underlayment paper, spray-on fireproofing, window frame caulk, window glazing putty, carpet adhesive, ceramic tile grout, acoustic ceiling tiles, mirror mastic, pipe insulation, radiator cabinet insulation, boiler joint sealant, brick mortar, terrazzo flooring, 2 types of linoleum (red and green) and associated mastic, 12 x 12 tan floor tiles, 6 areas with built up roofs (membrane, flashing, and tar), and caulk at metal counter flashing on roof.

Bulk samples were removed from the suspect materials and were submitted to an accredited asbestos laboratory for analysis by polarized light microscopy (PLM). Some samples required further analysis using Transmission Electron Microscopy (TEM).

The materials that tested positive as ACM are one type of drywall joint compound, window frame caulking, window glazing putty, 12 x 12 tan floor tiles, mirror mastic, radiator cabinet insulation, corrugated pipe insulation, boiler joint sealant, south roof flashing, small bulkhead roof membrane, large bulkhead roof flashing, some tar on large bulkhead roof, and 6<sup>th</sup> floor roof (east and west) membrane. Reference the attached laboratory results from EMSL Analytical.

Following is the location and approximate quantities of ACM identified at the property:

Window caulk at exterior frames throughout the facade - 30 square feet (sf).

Window glazing putty throughout facade - 20 sf.

12 x 12 tan floor tiles in 6<sup>th</sup> floor northeast Archive Room - 40 sf.

Black mirror mastic in 2<sup>nd</sup> & 3<sup>rd</sup> floor bathrooms - 4 sf.

Radiator insulation in cabinet in 3rd floor northeast Gallery - 15 sf.

Pipe insulation was only seen in the 1<sup>st</sup> floor bathroom chase. Assumed present in chases throughout the property, estimated at 200 linear feet.

Boiler joint sealant in the interior of the iron boiler in the sub-cellar -40 sf.

Roof flashing at perimeter & penetrations of the south roof - 220 sf.

Roof membrane (shingles ?) at small bulkhead above elevator - 50 sf.

Roof flashing at perimeter & penetrations of large bulkhead (up the ladder on the south roof) - 130 sf.

Tar on the door & hatch of the large bulkhead roof - 16 sf.

Roof membrane at the 6<sup>th</sup> floor (east & west sides) - 300 sf.

Joint compound at corners & seams of drywall in the 7<sup>th</sup> floor south half only (Stair-Hall) - 300 sf.

The membranes below the 5<sup>th</sup> and 6<sup>th</sup> floor terrace quarry tiles could not be accessed at the time of the survey and are assumed ACM at this time.

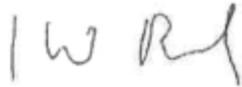
RE: [REDACTED] - Asbestos Investigation

Page 3 of 3

If greater than 25 linear or 10 square feet of ACM will be disturbed, an ACP-5 can not be generated. Instead, an ACP-7 form will have to be filed by an abatement contractor.

ACM that will be disturbed must be abated by a licensed asbestos abatement contractor and disposed of properly, in accordance with DEP rules and regulations. If you have any questions, please contact us.

Sincerely,

A handwritten signature in black ink, appearing to read "H A Bader".

Howard A. Bader, P.E.  
President



June 17, 2014



1285 Avenue of the Americas  
New York, NY 10019

Ladies and Gentlemen:

Reference is hereby made to that certain Residential Contract of Sale dated as of the date hereof between us (the "Contract"). Capitalized terms used herein without definition shall have the respective meanings assigned thereto in the Contract.

Purchaser is hereby granted the right to assign the Contract to one or more individuals (as a life estate or otherwise) and/or to a limited liability company, trust, corporation, or other entity (as a remainder interest or otherwise), provided that (a) such assignment is at no cost to Seller, (b) such assignment does not delay the Closing and (c) any assignee is (or is at least 50% owned and controlled by) Leon Black, Debra Black, their family members and/or trusts for the benefit of any of them.

In the event of any such assignment, Purchaser shall deliver copies of all pertinent documents (as required in Purchaser's title report or otherwise) showing the existence of the Purchaser's entity, and its due authority to purchase the Premises.

Please indicate your acceptance of and agreement with the foregoing by counter-signing this letter in the space provided below.

Sincerely,



By: \_\_\_\_\_  
Name:  
Title:

Accepted and agreed:

NY 70TH STREET LLC

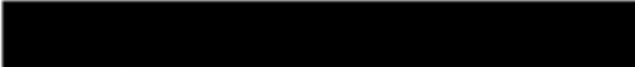
By:

Name: Eileen Alexanderson  
Title: Vice President

Doc#: US1-9463671v1



June \_\_, 2014



1285 Avenue of the Americas  
New York, NY 10019

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Sincerely,

19 E 70 ST LLC

By: \_\_\_\_\_

Name:

Title:

Accepted and agreed:



By: \_\_\_\_\_

Name: Eileen Alexanderson

Title: Vice President

Doc#: US1-9463671v1