

THIS IS A "NON-EVICTION" PLAN.
SEE SECTION "RIGHTS OF EXISTING TENANTS."

NO NON-PURCHASING TENANT WILL BE EVICTED BY REASON
OF CONVERSION TO COOPERATIVE OWNERSHIP.

COOPERATIVE OFFERING PLAN

for
premises at

**76-12 35TH AVENUE
JACKSON HEIGHTS, NEW YORK 11372**

Total cash amount of offering (72,841 Shares, 81 Apartments).....	\$7,204,100
Mortgage Indebtedness.....	\$1,500,000
Total Purchase Price.....	\$8,704,100
Less Working Capital to be retained by Apartment Corporation*.....	\$ 10,000
Less Reserve Fund to be retained by Apartment Corporation†.....	\$ 163,893
Net Purchase Price of Property to Sponsor.....	\$8,530,207

*This fund will be increased or reduced to the extent of the net closing adjustments. Such fund, however, will not be reduced to less than \$1,000.

†See section "Reserve Fund and Working Capital Fund."

NAME AND ADDRESS OF SPONSOR:

WARWICK REALTY CO.

26 Court Street

Brooklyn, New York 11201

NAME AND ADDRESS OF SELLING AGENT:

NU PLACE REALTY

120-10 Queens Blvd.

Kew Gardens, New York 11415

NAME AND ADDRESS OF APARTMENT CORPORATION
WHOSE SHARES ARE OFFERED:

WARWICK OWNERS CORP.

c/o Schiff, Turek & Kakoyiannis

136 East 57th Street

New York, New York 10022

The approximate date of the first offering of this Plan is February 3, 1986. This Plan may not be used after 12 months from such date unless extended or amended.

SEE PAGE 1 FOR SPECIAL RISKS TO PURCHASERS.

THIS OFFERING PLAN IS THE ENTIRE OFFER TO SELL THESE COOPERATIVE UNITS. NEW YORK LAW REQUIRES THE SPONSOR TO DISCLOSE ALL MATERIAL INFORMATION IN THIS PLAN AND TO FILE THIS PLAN WITH THE NEW YORK STATE DEPARTMENT OF LAW PRIOR TO SELLING OR OFFERING TO SELL THE UNITS. FILING WITH THE DEPARTMENT OF LAW DOES NOT MEAN THAT THE DEPARTMENT OR ANY OTHER GOVERNMENT AGENCY HAS APPROVED THIS OFFERING.

TABLE OF CONTENTS

<u>Caption</u>	<u>Page</u>
Special Risks	1
Introduction	3
Purchase Prices and Share Allocation, Schedule A	5
Budget for First Year of Cooperative Operation, Schedule B...	10
Changes in Prices and Units	16
Opinion of Reasonable Relationship	17
Accountant's Certified Statements of Operation	19
Attorney's Income Tax Opinion	27
Rights of Existing Tenants	30
Obligations of Holders of Shares Allocated to Dwelling Units Occupied by Non-Purchasing Tenants	33
Interim Leases	34
Procedure to Purchase	35
Assignment of Subscription Agreement	37
Effective Date	38
Terms of Mortgage	40
Summary of Proprietary Lease	43
Apartment Corporation	44
Unsold Shares	45
Purchasers for Investment or Resale	47
Reserve Fund and Working Capital Fund	48
Contract of Sale	49
Management Agreement, Contracts and Leases	53
Identity of Parties	55
Sponsor's Profit	56
Reports to Shareholders	56
Documents on File	56
General	56
Sponsor's Statement of Building Condition	57

PART II

Subscription Agreement	58
Assignment Form	62
Gains Tax Affidavit.....	63
Subscriber Affidavit.....	64
Description of Property and Building Condition	65
Tenants' Engineer's Report	94
Proprietary Lease (and House Rules)	141
By-Laws of the Apartment Corporation	158
General Business Law §352-eeee	166
Title YYYY of the Administrative Code	173
Part 18, Title 13, NYCRR 18.1P	179
Condominium & Cooperative Abuse Relief Act of 1980.....	181
Certifications:	
Sponsor and Principals	186
Sponsor's Architect	188
Sponsor's Expert Concerning Adequacy of Budget	190

SPECIAL RISK FACTORS

PHYSICAL CONDITION OF BUILDING

REFERENCE SHOULD BE MADE TO PART II OF THIS PLAN, SPECIFICALLY SECTIONS ENTITLED "SPONSOR'S STATEMENT OF BUILDING CONDITION" AND "DESCRIPTION OF PROPERTY AND BUILDING CONDITION", AS WELL AS THE REPORT OF GLEN GORDON, ARCHITECT. THE APARTMENTS AND THE PROPERTY ARE BEING OFFERED IN THEIR CURRENT CONDITION "AS IS" WITH NO REPRESENTATIONS OR UNDERSTANDINGS EXCEPT AS EXPRESSLY SET FORTH HEREIN. THE SPONSOR WILL HAVE NO OBLIGATION TO MAKE REPAIRS OR IMPROVEMENTS. SPONSOR MAKES NO REPRESENTATION OR WARRANTY AS TO THE ADEQUACY OF THE WORKING CAPITAL FUND OR THE RESERVE FUND PROVIDED FOR IN THE PLAN TO COVER FUTURE EXPENSES OF THE APARTMENT CORPORATION WHICH MAY ARISE IN CONNECTION WITH THE REPAIR OR IMPROVEMENT OF THE BUILDING.

SHARES OF STOCK

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS OFFERING PLAN OR DOCUMENTS FILED THEREWITH, THE SHARES OF STOCK BEING OFFERED ARE NOT BEING OFFERED FOR INVESTMENT. THE PURPOSE OF THIS OFFERING IS THE SALE OF APARTMENTS FOR USE AS RESIDENCES BY PURCHASERS ON A COOPERATIVE BASIS.

THESE SHARES ARE NOT OFFERED WITH AN EMPHASIS ON THE ECONOMIC BENEFITS TO THE PURCHASER FROM APPRECIATION OF VALUE OR EXPECTATION OF PROFIT RESULTING FROM THE RESALE OF THESE SHARES OF STOCK, NOR IS IT INTENDED THAT THE OFFERING PLAN LEAD A PURCHASER TO EXPECT PROFITS OF ANY SORT FROM THE EFFORTS OF THE SPONSOR, APARTMENT CORPORATION OR A THIRD PARTY.

SUBSCRIPTION AGREEMENT

REFERENCE IS MADE TO PARAGRAPH 14 OF THE SUBSCRIPTION AGREEMENT. TIME SHALL BE OF THE ESSENCE WITH RESPECT TO ALL PAYMENTS REQUIRED TO BE MADE BY A PURCHASER PURSUANT TO THE SUBSCRIPTION AGREEMENT AND THE PLAN. IF SUCH PAYMENTS ARE NOT MADE ON TIME, THE PURCHASER WILL BE IN DEFAULT OF HIS SUBSCRIPTION AGREEMENT.

IF PURCHASERS' OBLIGATIONS ARE CONTINGENT UPON OBTAINING A COMMITMENT FOR FINANCING, THE PURCHASER MUST NOTIFY THE SPONSOR OF HIS INABILITY TO SECURE SUCH FINANCING WITHIN 30 DAYS FROM THE DATE OF THE EXECUTION OF THE SUBSCRIPTION AGREEMENT. IN THE EVENT PURCHASER FAILS TO NOTIFY THE SPONSOR IN SUCH PERIOD OF TIME, IT SHALL BE DEEMED THAT THE PURCHASER'S OBLIGATION TO SECURE FINANCING HAS BEEN FULFILLED. IN THE EVENT PURCHASER SECURES FINANCING OR A COMMITMENT FOR SUCH FINANCING, THE COMMITMENT MAY EXPIRE OR THE TERMS OF THE COMMITMENT MAY CHANGE PRIOR TO THE ACTUAL CLOSING. IF PURCHASER'S OBLIGATIONS ARE CONTINGENT UPON SECURING A FINANCING COMMITMENT AND THE FINANCING COMMITMENT LAPSES OR EXPIRES PRIOR TO CLOSING AND THE PURCHASER HAS MADE A GOOD EFFORT TO EXTEND THE COMMITMENT, THE SPONSOR WILL GRANT PURCHASER A RIGHT OF RESCISSION TO BE EXERCISED WITHIN 15 DAYS AFTER THE COMMITMENT HAS LAPSED OR HAS BEEN SUBSTANTIALLY CHANGED.

WRAP-AROUND MORTGAGE

AT CLOSING, THE APARTMENT CORPORATION WILL ENTER INTO A WRAP-AROUND BALLOON MORTGAGE FOR \$1,500,000. THE WRAP-AROUND MORTGAGE WILL REQUIRE THE PAYMENT OF INTEREST ONLY AT THE RATE OF 9% PER ANNUM FOR THE FIRST TWO YEARS, OR \$11,250 PER MONTH, 10% INTEREST FOR THE THIRD AND FOURTH YEARS, 11% INTEREST FOR

SPECIAL RISK FACTORS (CONTINUED).

THE FIFTH AND SIXTH YEARS, and 12.5% INTEREST FROM THE SEVENTH THROUGH TENTH YEARS, AND BECOMES DUE, AT WHICH TIME THE UNPAID BALANCE (\$1,500,000) SHALL BE DUE AND PAYABLE. DURING EACH RESPECTIVE CHANGE IN THE INTEREST RATE, IF THERE ARE NO OFFSETS IN REDUCTIONS IN THE EXPENSES, THE BUDGET MAY BE INCREASED BY \$2.06, \$2.27, AND \$2.57 PER SHARE ANNUALLY AT EACH INTEREST CHANGE. ASSUMING ALL PAYMENTS OF INTEREST ARE MADE, THE UNPAID BALANCE OF THE MORTGAGE WILL BE \$1,500,00 OR \$20.59 PER SHARE AT THE MATURITY OF THE MORTGAGE 10 YEARS FROM THE DATE OF CLOSING. IF THE APARTMENT CORPORATION DOES NOT MAKE OTHER ARRANGEMENTS WITH RESPECT TO SUCH MORTGAGE, OR IF THE APARTMENT CORPORATION IS UNABLE TO REFINANCE OR EXTEND SUCH MORTGAGE WHEN IT BECOMES DUE, IT MAY BE NECESSARY TO MAKE A SPECIAL ASSESSMENT FOR THE PURPOSE OF PAYING THE OUTSTANDING PRINCIPAL MORTGAGE.

INTRODUCTION

The purpose of this Offering Plan is to set forth all the material terms of this offer. This Plan may be amended from time to time, by filing an amendment with the New York State Department of Law. All amendments will be served on all "offerees" defined as: Residential tenants; subscribers who have executed and delivered subscription agreements to the Sponsor, Apartment Corporation or selling agent, and are not in default; shareholders of the Apartment Corporation; and any other person entitled to service pursuant to law or regulation.

The building at 76-12 35th Avenue, Jackson Heights, Queens, New York and the land on which they are erected ("Property") are owned by Warwick Realty Co. ("Sponsor") a general partnership which acquired the property on June 30, 1983. Warwick Realty Co., the Sponsor has entered into an agreement to sell the Property to Warwick Owners Corp. (the "Apartment Corporation"), and in the event this Plan is declared effective and is thereafter consummated, the Sponsor will convey title to the Property to the Apartment Corporation.

Under this Plan, a total of 38,858 shares of capital stock of the Apartment Corporation have been allocated in blocks to residential apartments and are initially being offered for sale for a period of 120 days from the date this Plan is presented, and only to the existing residential tenants in occupancy for \$100 per share. These blocks of stock will be offered to non-tenants and after the expiration of the aforesaid 120 day period, to residential tenants in occupancy as well, \$156.25 per share. Sponsor will not accept subscription agreements for occupied apartments from non-tenant purchasers during the 120 Day Exclusive Period. There will be no increase in prices during the 120 Day Exclusive Period to tenants in occupancy. The blocks of stock are sold to raise funds to enable the Apartment Corporation to purchase the Property at closing.

The building contains 82 apartments. Rent stabilized rents are collected on 81 apartments now offered for sale; the superintendent's apartment is not offered for sale.

The prices for the blocks of shares allocated to the various apartments in the building are found in Schedule A. THESE PRICES HAVE BEEN SET BY THE SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENT AGENCY. See Schedule A for price information. The estimated annual maintenance charges for each apartment for the first year of cooperative operation are also set forth in Schedule A.

The purchaser of a cooperative apartment buys shares of the Apartment Corporation which owns the property in which his apartment is located. Ownership of the shares entitles the purchaser to a special lease to his apartment commonly known as a proprietary lease. As a shareholder, he will have the right to vote annually for members of the Board of Directors who will conduct the affairs of the Apartment Corporation and supervise the operation of the building. As a lessee, he will pay as rent (customarily called "maintenance charges") a proportionate share of the Apartment

Corporation's cash requirements for the operation and maintenance of the property and creation of such a reserve for contingencies as the Board of Directors may deem proper, as well as any assessments which may be levied by the Board of Directors.

This Plan is being presented as a "Non-Eviction Plan" in compliance with the procedures contained in General Business Law §352-eeee. As a result, non-purchasing tenants may not be evicted as a result of the conversion to cooperative ownership. However, such non-purchasing tenants may be evicted for reason of non-payment of rent, or a breach of his obligation to the owner of his apartment. See section "Rights of Existing Tenants."

This Plan contains all of the detailed terms of this offering. Copies of the Plan and all documents referred to in this Plan, including all exhibits submitted to the Department of Law in connection with the filing of the Plan, will be available for inspection without charge and for copying at a reasonable charge to prospective purchasers and their attorneys at the office of the selling agent.

This offering is being made to residents of the State of New York, 18 years or older. This offer to sell is contingent upon the Plan being declared effective and upon compliance with the relevant conditions and time periods described in the Offering Plan.

THE PURCHASE OF A COOPERATIVE APARTMENT HAS MANY SIGNIFICANT LEGAL AND FINANCIAL CONSEQUENCES AND MAY BE ONE OF THE MOST IMPORTANT FINANCIAL TRANSACTIONS OF YOUR LIFE. THE ATTORNEY GENERAL STRONGLY URGES YOU TO READ THIS OFFERING PLAN CAREFULLY AND TO CONSULT WITH AN ATTORNEY BEFORE SIGNING A SUBSCRIPTION AGREEMENT.

SCHEDULE A

**SCHEDULE OF PURCHASE PRICES OF SHARES
ALLOCATED TO APARTMENTS
(and related information at the date of presentation of the Plan)**

**PURCHASE PRICES, SHARE ALLOCATIONS, MORTGAGE ALLOCATIONS,
ESTIMATED MAINTENANCE CHARGES AND ESTIMATED INCOME TAX
DEDUCTIONS FOR THE FIRST YEAR OF COOPERATIVE OPERATION
(SEPT. 1, 1986 - AUGUST 31, 1987)**

	(2)	(3)	(4)	(5)	(6)	(7)		
	No. of Rooms & Apt. Baths	Shares	Cash Purchase Price @ \$75 Per Share for Tenants in Occupancy (during '90 Day Exclusive Period")	Cash Purchase Price @ \$100 Per Share For Non- Tenants	Portion of Mortgage Allocated to Shares @ \$20.593 Per Share	Estimated Monthly Main- tenance Charges @ \$0.41 Per Share	Estimated Annual Main- tenance Charges @ \$4.89 Per Share	Estimated Annual Tax Deduction @ \$2.68 Per Share
1ARS	3.5+1	820	61,500.00	82,000.00	16,886.26	336.20	4,009.80	2,197.60
1BRS	3.5+1	835	62,625.00	83,500.00	17,195.16	342.35	4,083.15	2,237.80
1CRS	3 +1	700	52,500.00	70,000.00	14,415.10	287.00	3,423.00	1,876.00
1DRS	4.5+2	1320	99,000.00	132,000.00	27,182.76	541.20	6,454.80	3,537.60
1ERS	4.5+1	1005	75,375.00	100,500.00	20,695.97	412.05	4,914.45	2,693.40
1GRS	3.5+1	800	60,000.00	80,000.00	16,474.40	328.00	3,912.00	2,144.00
1HRS	3.5+1	820	61,500.00	82,000.00	16,886.26	336.20	4,009.80	2,197.60
1JRS	3.5+1	835	62,625.00	83,500.00	17,195.16	342.35	4,083.15	2,237.80
1KRS	3 +1	700	52,500.00	70,000.00	14,415.10	287.00	3,423.00	1,876.00
1LRS	4.5+2	1320	99,000.00	132,000.00	27,182.76	541.20	6,454.80	3,537.60
1MRS	4.5+1	1005	75,375.00	100,500.00	20,695.97	412.05	4,914.45	2,693.40
1ORS	3.5+1	800	60,000.00	80,000.00	16,474.40	328.00	3,912.00	2,144.00
2ARS	3.5+1	852	63,900.00	85,200.00	17,545.24	349.32	4,166.28	2,283.36
2BRS	3.5+1	868	65,100.00	86,800.00	17,874.72	355.88	4,244.52	2,326.24
2CRS	3 +1	728	54,600.00	72,800.00	14,991.70	298.48	3,559.92	1,951.04
2DRS	4.5+2	1372	102,900.00	137,200.00	28,253.60	562.52	6,709.08	3,676.96
2ERS	3.5+1	968	72,600.00	96,800.00	19,934.02	396.88	4,733.52	2,594.24
2FRS	2.5+1	562	42,150.00	56,200.00	11,573.27	230.42	2,748.18	1,506.16
2GRS	2.5+1	562	42,150.00	56,200.00	11,573.27	230.42	2,748.18	1,506.16
2HRS	3.5+1	852	63,900.00	85,200.00	17,545.24	349.32	4,166.28	2,283.36
2JRS	3.5+1	868	65,100.00	86,800.00	17,874.72	355.88	4,244.52	2,326.24
2KRS	3 +1	728	54,600.00	72,800.00	14,991.70	298.48	3,559.92	1,951.04
2LRS	4.5+2	1372	102,900.00	137,200.00	28,253.60	562.52	6,709.08	3,676.96
2MRS	3.5+1	968	72,600.00	96,800.00	19,934.02	396.88	4,733.52	2,594.24
2NRS	2.5+1	562	42,150.00	56,200.00	11,573.27	230.42	2,748.18	1,506.16
2ORS	3.5+1	874	65,550.00	87,400.00	17,998.28	358.34	4,273.86	2,342.32

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(and related information at the date of presentation of the Plan)**

**PURCHASE PRICES, SHARE ALLOCATIONS, MORTGAGE ALLOCATIONS,
ESTIMATED MAINTENANCE CHARGES AND ESTIMATED INCOME TAX
DEDUCTIONS FOR THE FIRST YEAR OF COOPERATIVE OPERATION
(SEPT. 1, 1986 - AUGUST 31, 1987)**

(2)		(3)	(4)		(5)	(6)		(7)
No. of Rooms & Apt. Baths		Shares	Cash Purchase Price @ \$75 Per Share for Tenants in Occupancy (during "90 Day Exclusive Period")	Cash Purchase Price @ \$100 Per Share For Non- Tenants	Portion of Mortgage Allocated to Shares @ \$20.593 Per Share	Estimated Monthly Main- tenance Charges @ \$.41 Per Share	Estimated Annual Main- tenance Charges @ \$4.89 Per Share	Estimated Annual Tax Deduction @ \$2.68 Per Share
3ARS	3.5+1	868	65,100.00	86,800.00	17,874.72	355.88	4,244.52	2,326.24
3BRS	3.5+1	885	66,375.00	88,500.00	18,224.81	362.85	4,327.65	2,371.80
3CRS	3 +1	742	55,650.00	74,200.00	15,280.01	304.22	3,628.38	1,988.56
3DRS	4.5+2	1398	104,850.00	139,800.00	28,789.01	573.18	6,836.22	3,746.64
3ERS	3.5+1	987	74,025.00	98,700.00	20,325.29	404.67	4,826.43	2,645.16
3FRS	2.5+1	573	42,975.00	57,300.00	11,799.79	234.93	2,801.97	1,535.64
3GRS	2.5+1	573	42,975.00	57,300.00	11,799.79	234.93	2,801.97	1,535.64
3HRS	3.5+1	868	65,100.00	86,800.00	17,874.72	355.88	4,244.52	2,326.24
3JRS	3.5+1	885	66,375.00	88,500.00	18,224.81	362.85	4,327.65	2,371.80
3KRS	3 +1	742	55,650.00	74,200.00	15,280.01	304.22	3,628.38	1,988.56
3LRS	4.5+2	1398	104,850.00	139,800.00	28,789.01	573.18	6,836.22	3,746.64
3MRS	3.5+1	987	74,025.00	98,700.00	20,325.29	404.67	4,826.43	2,645.16
3NRS	2.5+1	573	42,975.00	57,300.00	11,799.79	234.93	2,801.97	1,535.64
3ORS	3.5+1	891	66,825.00	89,100.00	18,348.36	365.31	4,356.99	2,387.88
4ARS	3.5+1	884	66,300.00	88,400.00	18,204.21	362.44	4,322.76	2,369.12
4BRS	3.5+1	902	67,650.00	90,200.00	18,574.89	369.82	4,410.78	2,417.36
4CRS	3 +1	756	56,700.00	75,600.00	15,568.31	309.96	3,696.84	2,026.08
4DRS	4.5+2	1424	106,800.00	142,400.00	29,324.43	583.84	6,963.36	3,816.32
4ERS	3.5+1	1006	75,450.00	100,600.00	20,716.56	412.46	4,919.34	2,696.08
4FRS	2.5+1	584	43,800.00	58,400.00	12,026.31	239.44	2,855.76	1,565.12
4GRS	2.5+1	584	43,800.00	58,400.00	12,026.31	239.44	2,855.76	1,565.12
4HRS	3.5+1	884	66,300.00	88,400.00	18,204.21	362.44	4,322.76	2,369.12
4JRS	3.5+1	902	67,650.00	90,200.00	18,574.89	369.82	4,410.78	2,417.36
4KRS	3 +1	756	56,700.00	75,600.00	15,568.31	309.96	3,696.84	2,026.08
4LRS	4.5+2	1424	106,800.00	142,400.00	29,324.43	583.84	6,963.36	3,816.32
4MRS	3.5+1	1006	75,450.00	100,600.00	20,716.56	412.46	4,919.34	2,696.08
4NRS	2.5+1	584	43,800.00	58,400.00	12,026.31	239.44	2,855.76	1,565.12
4ORS	3.5+1	908	68,100.00	90,800.00	18,698.44	372.28	4,440.12	2,433.44

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(SEPT. 1, 1986 - AUGUST 31, 1987)

	(2)	(3)	(4)	(5)	(6)	(7)		
	No. of Rooms & Apts.	Baths Shares	Cash Purchase Price @ \$75 Per Share for Tenants in Occupancy (during "90 Day Exclusive Period")	Cash Purchase Price @ \$100 Per Share For Non- Tenants	Portion of Mortgage Allocated to Shares @ \$20.593 Per Share	Estimated Monthly Main- tenance Charges @ \$4.41 Per Share	Estimated Annual Main- tenance Charges @ \$4.89 Per Share	Estimated Annual Tax Deduction @ \$2.68 Per Share
Y 5ARS	3.5+1	900	67,500.00	90,000.00	18,533.70	369.00	4,401.00	2,412.00
5BRS	3 +1		SUPERINTENDENT'S APARTMENT - NOT OFFERED FOR SALE					
✓5CRS	2 +1	✓ 550	41,250.00	55,000.00	11,326.15	225.50	2,689.50	1,474.00
5DRS	4.5+2	1450	108,750.00	145,000.00	29,859.85	594.50	7,090.50	3,886.00
5ERS	3.5+1	1025	76,875.00	102,500.00	21,107.83	420.25	5,012.25	2,747.00
5FRS	2.5+1	595	44,625.00	59,500.00	12,252.84	243.95	2,909.55	1,594.60
5GRS	2.5+1	595	44,625.00	59,500.00	12,252.84	243.95	2,909.55	1,594.60
5HRS	3.5+1	900	67,500.00	90,000.00	18,533.70	369.00	4,401.00	2,412.00
~5JRS	3.5+1	919	68,925.00	91,900.00	18,924.97	-376.79	4,493.91	2,462.92
~5KRS	3. +1	✓ 770	57,750.00	77,000.00	15,856.61	315.70	3,765.30	2,063.60
5LRS	4.5+2	1450	108,750.00	145,000.00	29,859.85	594.50	7,090.50	3,886.00
5MRS	3.5+1	1025	76,875.00	102,500.00	21,107.83	420.25	5,012.25	2,747.00
5NRS	2.5+1	595	44,625.00	59,500.00	12,252.84	243.95	2,909.55	1,594.60
5ORS	3.5+1	925	69,375.00	92,500.00	19,048.53	379.25	4,523.25	2,479.00
6ARS	3.5+1	916	68,700.00	91,600.00	18,863.19	375.56	4,479.24	2,454.88
6BRS	3.5+1	936	70,200.00	93,600.00	19,275.05	383.76	4,577.04	2,508.48
6CRS	3 +1	784	58,800.00	78,400.00	16,144.91	321.44	3,833.76	2,101.12
6DRS	4.5+2	1476	110,700.00	147,600.00	30,395.27	605.16	7,217.64	3,955.68
6ERS	3.5+1	1044	78,300.00	104,400.00	21,499.09	428.04	5,105.16	2,797.92
6FRS	2.5+1	~ 606	45,450.00	60,600.00	12,479.36	248.46	2,963.34	1,624.08
6GRS	2.5+1	606	45,450.00	60,600.00	12,479.36	248.46	2,963.34	1,624.08
6HRS	3.5+1	916	68,700.00	91,600.00	18,863.19	375.56	4,479.24	2,454.88
6JRS	3.5+1	936	70,200.00	93,600.00	19,275.05	383.76	4,577.04	2,508.48
6KRS	3 +1	784	58,800.00	78,400.00	16,144.91	321.44	3,833.76	2,101.12
6LRS	5.5+2	1854	139,050.00	185,400.00	38,179.42	760.14	9,066.06	4,968.72
6MRS	2.5+1	666	49,950.00	66,600.00	13,714.94	273.06	3,256.74	1,784.88
6NRS	2.5+1	606	45,450.00	60,600.00	12,479.36	248.46	2,963.34	1,624.08
6ORS	3.5+1	942	70,650.00	94,200.00	19,398.61	386.22	4,606.38	2,524.56
TOTALS:	72,841		5,463,075.00	7,284,100.00	1,500,014.78	29,864.81	356,192.49	195,213.88

FOOTNOTES TO SCHEDULE "A"

ALL APARTMENTS OFFERED ARE RENT STABILIZED

- (1) Any floor plan or sketch shown to a prospective purchaser is only an approximation of the dimensions and layout of the apartment. The actual layout of the apartment may have been altered. Accordingly, each apartment should be inspected prior to purchase to determine its actual dimensions, layout and the physical condition. The number of rooms was calculated using the "Recommended Method of Residential Room Count" of the Real Estate Board of New York, Inc. Each bedroom, living room and kitchen is considered one room. Larger foyers or dinette area are counted as half rooms. Bathrooms and corridors are not counted as rooms.

- (2) Shares were allocated by considering the number of rooms within a given apartment and its proportionate fair market value.

These prices have been set by the Sponsor and are not subject to approval by any Government agency.

- (3) All apartments are offered to residential and non-residents. All such tenants in occupancy on the date this Plan is presented are offered the shares for their respective apartments at \$75 per share, only if such tenants enter into purchase agreements for their respective apartments within 120 days from the presentation of the Plan.

Thereafter, apartments will be offered to tenants in occupancy as well as non-tenants at \$100 per share. The prices for apartments are negotiable.

During the 120 Day Exclusive Period, vacant apartments may be sold at individually negotiated prices.

The prices for the shares allocated to these apartments may be changed from time to time during this offering so that prior or subsequent purchasers may pay or may have paid less or more than the subscribers for shares allocated to similar apartments. See section "Changes in Prices and Units."

There will be a fee of \$250 to the firm of Schiff, Turek & Kakoyiannis to be paid by the purchaser in connection with the closing of his transaction (other than the purchase price of his shares) except that if he secures financing he will be required to pay the costs assessed by the lending institution as well as fees of \$350 to the firm of Schiff, Turek & Kakoyiannis (see section entitled "Procedure to Purchase"); and if he secures leasehold insurance, the title company fees and charges.

- (4) Although shareholders will not be personally liable to pay the mortgage, the Apartment Corporation will be responsible for these payments and the shareholders' maintenance charges include the amounts to pay the debt service on the mortgage. A failure on the part of a certain number of shareholders to make maintenance payments may result in a foreclosure and a loss of each individual shareholder's equity in his apartment.

- (5) Estimated maintenance charges do not include the cost of gas and/or electricity furnished to the apartments. Each tenant shareholder will be responsible for the cost of utilities for their respective apartments as well as interior repairs, maintenance, cable television service (if available), painting and decorating of his apartment and the equipment and appliances contained therein; as well as the cost of insurance he may desire to secure covering his personal property as well as liability to others for personal injury or property damage. Projected maintenance charges do not include any amount for financing by a purchaser, which will be an additional expense.
- (6) The estimated tax deduction is based upon a full twelve months of operation as a cooperative and is predicated on the estimated real estate taxes and mortgage interest shown in Schedule "B". The amount of tax deductions will vary in later years because of changes in the amount of real estate taxes due to changes in assessed value of the property or the tax rate or the method of assessing real property; as well as interest on the mortgage indebtedness of the Apartment Corporation due to any prepayment of principal. (See "Attorney's Income Tax Opinion"). Projected tax deductions do not include interest paid by purchasers for financing the purchase of their units, which in the opinion of the Apartment Corporation's counsel, may also be deductible.

The interest rate on the mortgage after closing will be at 9% per annum. The projected maintenance charges and projected income tax deductions are based upon a 9% per annum interest rate.

SCHEDULE B

BUDGET FOR FIRST YEAR OF COOPERATIVE OPERATION SEPTEMBER 1, 1986 - AUGUST 31, 1987

Projected Income:

Maintenance Charges (72,841 shares at \$4.89 per share)	\$355,962
Laundry (A).....	\$ 1,800
TOTAL.....	\$357,762

Projected Expenses

Labor (1).....	\$ 35,000
Heating (2).....	\$ 43,500
Utilities (Electricity and Gas) (3).....	\$ 15,500
Water Charges and Sewer Rents (4).....	\$ 7,700
Repairs, Maintenance (5).....	\$ 22,000
Service Contracts (6).....	\$ 5,400
Insurance (7).....	\$ 9,762
Management Fees (8).....	\$ 15,000
Legal Fees and Audit Fees (9).....	\$ 3,000
License Fees, Registration & Permits	\$ 1,000
Franchise and Corporate Taxes (10).....	\$ 3,000
Real Estate Taxes (11).....	\$ 60,000
Mortgage Payments (12).....	\$135,000
Interest on Note.....	\$ 1,200
Contingency Fund.....	\$ 700
TOTAL.....	\$357,762

FOOTNOTES TO SCHEDULE "B"

A. Laundry equipment consisting of three (3) washers and two (2) dryers, is owned and maintained in the building's laundry room by Laundry Service, Inc., 26 Court Street, Brooklyn, New York, (lessee) pursuant to a contract to be entered into at the time of closing with the Apartment Corporation and expiring five years from that date, whereby the lessee pays a monthly rent of \$150. The principals of Laundry Services, Inc. are related to the principals of the Sponsor. The owner supplies electricity and gas at its own cost. (See Section "Management Agreement, Contracts and Leases", below).

(1) The existing staff servicing the building consists of one resident superintendent (full-time) and one porter (part-time), non-union. The staff projected for the cooperative is the same. The current labor cost for the building as of December 1, 1985, is \$33,749.

The budget includes the following costs in addition to a 5% increase:

Wages	- \$27,820
Workers' Compensation Insurance	- \$ 739
Disability Insurance	- \$ 64
Unemployment Insurance	- \$ 565
New York State	\$459
Federal	\$106
Payroll Taxes (FICA) @.0705%	- \$ 1,961
Hospitalization	- \$ 2,000

The wages are in excess of the State Minimum Wage Laws. In addition to his wages, the superintendent occupies Apartment 5B free of charge. The superintendent also is provided with free gas and electric and a \$35.00 credit towards his monthly telephone bill.

(2) Heating of the building is by means of water heated by an oil/gas fired burner. The fuels used are #6 oil and natural gas. During the summer months, hot water is exclusively provided through gas. Fuel oil is used during other months in conjunction with gas. This new efficient heating system was installed by the Sponsor in 1984. It is projected based on the opinion of Better Energy Group that 42,000 gallons of oil and 4,400 CCF of natural gas will be used for the first year of operation. The cost of #6 oil is budgeted at \$.95 per gallon, including sales taxes, the cost of natural gas per CCF will be \$.70 including taxes. The basis for this projection is the prior history of the building for the past three years as follows; however, hot water has only been supplied by a gas fired burner since June of 1984 and therefore the projection is based on a six-month history:

			Average Cost
1984 -	42,042	- Total Cost \$34,990	.83
1983 -	57,224	- Total Cost \$39,837	.70
1982 -	55,384	- Total Cost \$48,624	.88

In view of the current energy situation, it is not possible to predict with certainty whether the budgeted figure will accurately reflect the cost of fuel oil during the first year of cooperative operation.

(3) Includes gas and electricity for the public areas and superintendent's apartment. Tenant/shareholders will be responsible for the costs of electricity and gas for their individual apartments. The estimate for utility consumption is based on the average consumption of electricity (75,000 kilowatt/hours) and gas (1,007 CCF) for the past three years. The historical figures are inconsistent with budgeted amount since the additional increase in 1984 of kilowatt hours is a result of mercury lighting that was installed by the Sponsor around the perimeter of the building which resulted in additional electrical consumption. The costs of gas and electricity for the past three years and the consumption of utilities were as follows:

<u>Year</u>	<u>Gas</u>	<u>Cost</u>	<u>Electricity</u>	<u>Cost</u>
	<u>CCF</u>		<u>Kwhrs</u>	
1984	1,251	\$1,430	91,832	\$12,886
1983	918	\$ 967	67,048	\$ 9,321
1982	852	\$ 791	63,478	\$ 7,456

The estimate of the cost for electricity and gas is based on the current cost of \$.13876 per kwhr, including tax, and \$1.14 per CCF, including tax, respectively, plus a projected increase of more than 10% above these unit costs. In view of the current energy situation, it is not possible to predict with certainty whether the budgeted figure will be in accord with actual costs to be incurred during the first year of cooperative operation.

(4) Water charges and sewer rents are projected on the basis of prior experience. The present water charges and sewer rents for 1985 are \$5,135 and \$2,529, respectively. For the past two years they were:

<u>Year</u>	<u>Water Charges</u>	<u>Sewer Rents</u>
1984/85	\$4,500	\$2,250
1983/84	\$4,500	\$2,250
1982/83	\$4,195	\$2,097

(5) Repairs and maintenance include repairs to plumbing, general repairs to roof, hallways and public areas, windows and doors as well as supplies (such as cleaning supplies, general or hardware supplies, lubricants, bulbs) as well as the painting and maintenance of the public halls and common areas, as well as licenses and permits. Tenant/shareholders will be responsible for the cost of interior maintenance and repairs to their respective apartments, including appliances.

(6) The budget reflects the following service contracts in effect and includes an increase of 10%:

<u>Service</u>	<u>Contractor</u>	<u>Cost Per Year</u>	<u>Expiration</u>
Exterminating	Best Way Exterminating Co.	\$ 576	July 86
Elevator	Republic Elevator Co. Inc.	\$3,669	10/20/86
Water Treatment	Consolidated Water Conditioning Corp.	\$ 145	10/2/86
Boiler Maintenance	Better Burner	\$ 541	10/20/86

(7) The Apartment Corporation will have in place at closing, fire and casualty insurance. The insurance contemplated in the budget will be adequate to replace the building in the event of total loss and to avoid being a co-insurer in the event of a partial loss, in accordance with the written opinion of Liberty Mutual Insurance Co., independent insurance company. The insurance items covered are as follows:

<u>Items Covered</u>	<u>Coverage Amount</u>	<u>Premiums</u>
Fire - All Risk		
80% replacement cost	\$2,100,000	\$2,500
Liability	\$1,000,000	558
Officers & Directors		
Liability	\$1,000,000	350
Loss of Rents	\$ 325,000	287
Boiler and Machinery	\$ 100,000	350
Elevator Collision	\$ 25,000	25
Water Damage Legal		
Liability	\$ 25,000	65
Fidelity Bond	\$ 50,000	246
TOTAL:		\$9,762

Shareholders may desire to secure additional insurance at their own cost to cover such risks as fire and casualty losses to unit contents, replacement, additions, upgraded fixtures and improvements, as well as liability coverage for occurrences within the unit.

Insurance proceeds from fire or other casualty may be applied by the mortgagee to reduce the outstanding mortgage indebtedness instead of restoring the property.

(8) A Management Contract will be entered into with LSK Management Corp. (the "Sponsor"), at an annual fee of \$15,000. This represents almost 4% of the total budget. The usual and customary charge is 4-6% per annum. The contract will be for an initial term of three years to be renewed automatically from year to year thereafter. However, either party will have the right to cancel the agreement any time after the second year on not less than 30 days written notice. (See "Management Agreement, Contracts and Leases", below.)

(9) Legal fees and audit fees are for limited legal services and for the services of an accountant to render an annual certified report to shareholders and to render a report necessary for individual tax deductions.

(10) Franchise and Corporate Taxes are based on New York State taxes at a rate of .0004 mil for each such tax, of the business capital of the Apartment Corporation.

(11) The 1984/85 Transitional Assessed Valuation for the Property is \$609,000. As the Apartment Corporation's first year of operation is projected to commence on May 1, 1985, the real estate taxes for such first year of operation would be based on the 1986/87 fiscal year. The Property's 1985/86 Actual Assessed Valuation is fixed at \$665,000, the Property's 1985/86 Transitional Assessed Valuation is \$624,000, arrived at by taking its 1984/85 Transitional Assessed Valuation of \$609,000 and adding to it \$15,000, representing the estimated annual installment to be phased in based upon the 1984/85 \$650,000 Actual Assessed Valuation. The Property's Transitional Assessed Valuation should further increase over a five year period commencing in 1986/87 until the Actual Assessed Valuation is reached and real estate taxes should increase accordingly. The tax rate for the 1985/86 is \$9.150; the tax rate for 1986/87 has not yet been set. The tax rate for 1983/84 is \$9.057 per \$100.00 of Assessed Valuation. In projecting the real estate taxes for the first year of operation, Sponsor estimates (but does not guarantee) that the tax rate for 1986/87 will be \$9.21 per \$100.00 of Assessed Valuation and that the tax rate used in the budget for 1986/87 is \$9.21 per \$100.000 of Assessed Valuation.

Assuming that Sponsor's estimate of the tax rate for the 1986/87 tax year is correct, the real estate tax for the Property for the 1986/87 tax year would be \$58,000 based on a Transitional Assessed Valuation of \$639,000. Therefore, the projected real estate taxes for the Apartment Corporation's first year of operation are expected to be \$60,000.

NO WARRANTY OR REPRESENTATION IS OR CAN BE MADE BY THE SPONSOR OR ANY OTHER PERSON THAT THE NEW YORK CITY REAL PROPERTY ASSESSMENT DEPARTMENT OR ANY OTHER AGENCY WITH JURISDICTION WILL ACTUALLY FIX THE ASSESSED VALUATION OR THE TAX RATE AS ESTIMATED ABOVE. NEITHER THE SPONSOR NOR ITS COUNSEL SHALL BE LIABLE, IF FOR ANY REASON, THE TAXES PAYABLE, THE ASSESSED VALUATION OR TAX RATE SHALL BE DIFFERENT THAN AS ESTIMATED ABOVE. SHOULD THE ASSESSED VALUATION OR TAX RATE BE DIFFERENT THAN AS ESTIMATED, THEN THE APARTMENT CORPORATION WILL PAY MORE OR LESS REAL ESTATE TAXES THAN ESTIMATED ABOVE.

Prior tax years resulted in the following:

<u>Year</u>	<u>Assessed Valuation</u>	<u>Tax Rate</u>	<u>Taxes Paid</u>
1985/86	\$624,000	9.150	\$57,096
1984/85	\$609,000	9.150	\$55,723
1983/84	\$597,000	9.057	\$54,070
1982/83	\$590,000	8.95	\$52,805

A portion of the Real Estate taxes may be subject to abatement by virtue of eligible senior citizens who reside in the building as non-purchasing tenants. Any such abatements shall be credited toward the owner of the shares of stock allocated to the apartment occupied by the non-purchasing eligible senior citizen. Such abatement shall be so credited as to reduce the maintenance charges (rent) paid by the owner of the shares of stock allocated to such apartment. There are no J-51 Benefits or tax certiorari proceedings in effect.

The New York State Legislature enacted an amendment to the Real Property Tax Law (Section 581) to provide that the real property owned by a cooperative apartment corporation shall be assessed for real estate tax purposes at a sum not exceeding the assessment which would be placed thereon if the Property were not owned by a cooperative apartment corporation. This law supersedes a decision by the Supreme Court in Westchester County which had sustained a real estate tax assessment of a cooperative building in Bronxville, New York, based on 80% of the aggregate market value of the apartments.

(12) The mortgage on the property on the Closing Date will be \$1,500,000 in the form of a "wrap-around" mortgage. The mortgage requires payment of interest only at 9% per annum (a total payment of \$135,000 per year) of \$11,250 on a monthly basis for first two years, 10% interest during the third and fourth years, 11% interest for the fifth and sixth years and 12-1/2% interest until maturity, 10 years from the date of closing. At maturity, the entire amount of the mortgage will then become due and payable. It will be the Apartment Corporation's obligation to either refinance the loan when it becomes due or to repay the indebtedness at an approximate cost of \$38.60 per share. No representations are made as to the Apartment Corporation's ability to refinance the loan, or to the availability of such funds or the interest rate at the time the "wrap-around" mortgage becomes due. For further explanation of all mortgage terms see section entitled "Terms of Mortgage."

IN THE OPINION OF THE SPONSOR, THE PROJECTED RECEIPTS ARE ADEQUATE TO MEET THE ESTIMATED EXPENSES AS SET FORTH IN SCHEDULE B FOR THE FIRST YEAR OF OPERATION OF THE PROPERTY AS A COOPERATIVE. SCHEDULE B HOWEVER IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE OR WARRANTY THAT THE PROJECTED MAINTENANCE CHARGES OR OTHER PROJECTED RECEIPTS OR THE ESTIMATED EXPENSES WILL BE AS SET FORTH IN SCHEDULE B FOR THE FIRST YEAR OF OPERATION AS A COOPERATIVE OR FOR ANY SUBSEQUENT PERIOD. IT IS LIKELY THAT THE ACTUAL MAINTENANCE CHARGES AND OTHER INCOME AS WELL AS EXPENSES WILL VARY FROM THE AMOUNTS SHOWN IN SCHEDULE B. IN THE EVENT THAT THE PROJECTED COMMENCEMENT DATE OF OPERATION OF THE APARTMENT CORPORATION IS DELAYED AND THE ACTUAL EXPENSES OF OPERATION INCREASE BY 25% OR MORE ABOVE THE PROJECTED EXPENSES. THE PLAN WILL BE AMENDED TO INDICATE SAME AND ALL PERSONS WHO HAVE EXECUTED SUBSCRIPTION AGREEMENTS WILL BE OFFERED THE RIGHT TO RESCIND THEM AND OBTAIN A RETURN OF ALL MONIES PAID ON ACCOUNT OF THE PURCHASE PRICE.

CHANGES IN PRICES AND UNITS

The cash purchase prices for the apartments, as set forth in Schedule A may be changed from time to time during this offering so that prior or subsequent purchasers may pay less or more than the subscribers for similar apartments. The cash purchase price for tenants in occupancy will not be increased during the 120 Day Exclusive Period. No across-the-board price increases or decreases affecting one or more lines of units or unit models, advertised price changes or price increase for an individual purchaser may be effective except by filed amendment. Prices are negotiable. The Sponsor or Apartment Corporation may enter into an agreement with an individual non-tenant purchaser to sell one or more units at prices lower than those set forth in the Plan, without the need to file an amendment.

Any change in the cash purchase price will not affect the maintenance charges or the share allocation of any apartment (including apartments whose cash purchase prices have not changed), or vary the total number of shares to be issued under this Plan or affect the cash payment requirement stated in any Subscription Agreement then in effect. Unless an affected purchaser consents, no material change will be made in his unit's size, layout or share allocation if a subscription agreement has been executed and delivered to the Apartment Corporation or Sponsor for that unit and the purchaser is not in default. Further, no material change will be made in the total number of shares or in the size or quality of public areas unless purchasers who executed and delivered subscription agreements to the Apartment Corporation or Sponsor and are not in default, receive a right to rescind within 15 days after the presentation of the amendment reflecting such changes. Sponsor will return any down-payment promptly to to any subscriber who rescinds.

In the event of a change in price, share allocation or the total number of shares prior to closing, the Sponsor will obtain a further opinion that a reasonable relationship will exist between the purchase prices of each block of shares and that portion of the equity of the Apartment Corporation in the land and building attributable to the apartment to which such shares are allocated.

In order to meet possible varying demands for the number and type of apartments, or to meet particular requirements of a prospective purchaser or for any other reason, the Sponsor reserves the right to change the layout of apartments; and to change the number of apartments by subdividing one or more apartments or combining separate apartments into one or more apartments, provided that the approval of all government authorities having jurisdiction is first obtained, if such approval is required by law. Any change in the size of an apartment, or in the number of apartments, the number of shares, or the size or quality of public areas will be reflected in a filed amendment to this Plan.

NU-PLACE REALTY

INVESTMENTS FOR LIVING

January 28, 1986

OPINION OF REASONABLE RELATIONSHIP

Warwick Owners Corp.
c/o Schiff, Turek & Kakoyiannis
136 East 57th Street
New York, New York 10022

Gentlemen:

We have reviewed the allocation of shares, the cash purchase price of each apartment, and other estimates contained in the schedule entitled "Schedule of Purchase Prices of Shares Allocated to Apartments" ("Schedule A") for inclusion in the Plan of Cooperative Organization of 76-12 35th Avenue, Jackson Heights, New York.

In our opinion, at the date of this letter, the Total Cash Payment to be paid for each and every apartment is not less than an amount which bears a reasonable relationship to the portion of the fair market value of the equity in the premises which is attributable to such apartment. We are also of the opinion that such reasonable relationship will continue until the Plan is consummated, at which time, if such be the case, we will give a further written opinion that the actual Total Cash Payment paid for each block of shares meets such reasonable relationship standard.

We are aware that under the Plan you will have the right to change the Cash Purchase price of apartments from time to time. As a result of such changes, the purchaser of an apartment may pay more or less than the purchaser of a comparable apartment having the same number of shares. It is our opinion that such reasonable relationship will be maintained notwithstanding that comparable apartments with the same number of shares allocated to each are sold for a different cash purchase price in accordance with the foregoing. It is our opinion that such reasonable relationship exists even though blocks of shares may be sold to tenants in the building for a cash purchase price per share lower than that paid by non-tenants, as provided in the aforesaid schedule.

The basis for the allocation of shares is the size of the apartments, the respective location within the building, their different exposures, layout and the proportionate fair market value to the other apartments in the building.

NU-PLACE REALTY

INVESTMENTS FOR LIVING

I have been a licensed real estate broker for more than twelve (12) years and have been active in the sale of cooperative apartments in the greater New York area for more than five (5) years.

The undersigned nor its principals have any affiliation, relationship or participation in the offering or with the Sponsor, except for such commissions as I may receive as Selling Agent, which are contingent upon the Plan being consummated.

You have advised the undersigned of your intention to reproduce this letter in the Plan and we hereby consent to such use.

Very truly yours,

NU-PLACE REALTY

By: Nathan Fridman
Nathan Fridman

WARWICK REALTY COMPANY

STATEMENT OF INCOME AND EXPENSE

JUNE 30, 1985

STAFFORD AND MLOTOK
Certified Public Accountants

STAFFORD AND MLOTOK
Certified Public Accountants
300 GARDEN CITY PLAZA
SUITE 144
GARDEN CITY, NEW YORK 11530
TELEPHONE (516) 741-5775

HARRY STAFFORD, CPA
HARVEY MLOTOK, CPA

Warwick Realty Company
26 Court Street
Brooklyn, New York 11242

Gentlemen:

We have examined the statement of income and expense of Warwick Realty Company pertaining to the property located at 76-12 35th Avenue, Jackson Heights, New York for the year ended June 30, 1985. Our examination was made in accordance with generally accepted auditing standards, and accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

This statement is intended solely for filing in a plan for conversion to cooperative ownership with a regulatory agency and excludes certain expenses described in note 1, which exclusion does not comply with generally accepted accounting principles.

In our opinion the accompanying statement of income and expense, except for the comments in note 1, presents fairly the operations of Warwick Realty Company for the year ended June 30, 1985 in conformity with generally accepted accounting principles consistently applied.

Stafford & Mlotok

STAFFORD & MLOTOK

October 29, 1985

WARWICK REALTY COMPANY

STATEMENT OF INCOME AND EXPENSE

FOR THE YEAR ENDED JUNE 30, 1985

INCOME

Rent Income	\$303,399	
Laundry Machine Income	<u>815</u>	
TOTAL INCOME		\$304,214

EXPENSES

Wages	\$ 25,693	
Payroll Taxes	2,341	
Heating Expense	37,529	
Gas and Electric	13,444	
Real Estate Taxes	60,919	
Water and Sewer	7,664	
Building Supplies	8,240	
Repairs and Maintenance	4,455	
Elevator Maintenance	4,102	
Cleaning and Exterminating	1,958	
Painting and Decorating	3,580	
Gardening	2,298	
Insurance	6,260	
Telephone	955	
Professional Fees	2,070	
Fees and Permits	787	
Miscellaneous	<u>142</u>	
TOTAL EXPENSES		<u>182,437</u>

NET INCOME

\$121,777

See accompanying notes to statement of income and expense.

STAFFORD AND MLOTOK
Certified Public Accountants

WARWICK REALTY COMPANY

NOTES TO STATEMENT OF INCOME AND EXPENSE

JUNE 30, 1985

NOTE 1 ACCOUNTING POLICIES

The partnership uses the accrual method of accounting for reporting and income tax purposes.

Depreciation and interest expense are not included in the accompanying financial statement due to the special use of this statement.

This property was managed together with other commonly owned properties. Management fees and administrative expenses paid to a related company have been excluded for the purpose of this statement.

STAFFORD AND MLOTOK
Certified Public Accountants

WARWICK REALTY COMPANY

STATEMENT OF INCOME AND EXPENSE

JUNE 30, 1984

STAFFORD AND MLOTOK
Certified Public Accountants

STAFFORD AND MLOTOK
Certified Public Accountants
300 GARDEN CITY PLAZA
SUITE 144
GARDEN CITY, NEW YORK 11530
TELEPHONE (516) 741-5775

HARRY STAFFORD, CPA
HARVEY MLOTOK, CPA

Warwick Realty Company
26 Court Street
Brooklyn, New York 11242

Gentlemen:

We have examined the statement of income and expense of Warwick Realty Company pertaining to the property located at 76-12 35th Avenue, Jackson Heights, New York for the year ended June 30, 1984. Our examination was made in accordance with generally accepted auditing standards, and accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

This statement is intended solely for filing in a plan for conversion to cooperative ownership with a regulatory agency and excludes certain expenses described in note 1, which exclusion does not comply with generally accepted accounting principles.

In our opinion the accompanying statement of income and expense, except for the comments in note 1, presents fairly the operations of Warwick Realty Company for the year ended June 30, 1984 in conformity with generally accepted accounting principles consistently applied.

Stafford & Mlotok

STAFFORD & MLOTOK

October 29, 1985

WARWICK REALTY COMPANY
STATEMENT OF INCOME AND EXPENSE
FOR THE YEAR ENDED JUNE 30, 1984

INCOME

Rent Income	\$312,134	
Laundry Machine Income	<u>857</u>	
TOTAL INCOME		\$312,991

EXPENSES

Wages	\$ 18,645	
Payroll Taxes	1,903	
Heating Expense	43,219	
Gas and Electric	12,999	
Real Estate Taxes	53,344	
Water and Sewer	6,767	
Building Supplies	15,626	
Repairs and Maintenance (Note 2)	29,569	
Elevator Maintenance	3,260	
Cleaning and Extenuating	2,100	
Painting and Decorating (Note 3)	21,347	
Gardening	375	
Insurance	3,567	
Telephone	1,114	
Professional Fees	1,549	
Fees and Permits	950	
Association Dues	542	
Miscellaneous Expenses	<u>252</u>	
TOTAL EXPENSES		<u>217,128</u>

NET INCOME

\$ 95,863

See accompanying notes to statement of income and expense.

STAFFORD AND MLOTOK
Certified Public Accountants

WARWICK REALTY COMPANY

NOTES TO STATEMENT OF INCOME AND EXPENSE

JUNE 30, 1984

NOTE 1 ACCOUNTING POLICIES

The partnership uses the accrual method of accounting for reporting and income tax purposes.

Depreciation and interest expense are not included in the accompanying financial statement due to the special use of this statement.

This property was managed together with other commonly owned properties. Management fees and administrative expenses paid to a related company have been excluded for the purpose of this statement.

NOTE 2 REPAIRS AND MAINTENANCE

An expenditure for kitchen cabinets and countertops in the amount of \$9,319 and for cement work in the amount of \$11,330 is included in repairs and maintenance.

NOTE 3 PAINTING AND DECORATING

The total expense of \$21,347 includes an expenditure of \$13,928 for painting the lobby, hallways and fire escapes.

STAFFORD AND MLOTOK
Certified Public Accountants

ATTORNEY'S INCOME TAX OPINION

January 27, 1986

Warwick Owners Corp.
76-12 35th Avenue
Jackson Heights, Queens, New York

Gentlemen:

Under the provisions of Section 216 of The United States Internal Revenue Code, Section 615 of the New York State Law and Section T.46.15.0 of the Administrative Code of the City of New York, tenant/shareholder of a cooperative housing corporation are entitled to deduct from their gross income for Federal, New York State and New York City income tax purposes, their proportionate shares of the real estate taxes and interest on the mortgage paid by the cooperative housing corporation, provided that the requirements of those statutes are satisfied. For purposes of these provisions, a cooperative housing corporation is a corporation where outstanding stock meets the statutory requirements, whose stockholders are entitled to occupy their apartments for dwelling purposes by reason of their stock ownership, and 80% of whose gross income is derived from tenant/stockholders.

Nu-Place Realty has advised the Sponsor that in its opinion, on the original issue date, a reasonable relationship will exist between the purchase price of each block of shares and that portion of the equity of the apartment corporation in the land and building attributable to the apartment to which such shares are allocated.

In our opinion, you, the Apartment Corporation will be a cooperative housing corporation if this Cooperative Plan is consummated as herein set forth and provided further that the following conditions are fulfilled:

(1) The Apartment Corporation may have only one class of stock outstanding;

(2) Each stockholder must be entitled, solely by reason of his ownership of the corporation's shares, to occupy for dwelling purposes an apartment in the building owned or leased by the corporation. In this regard the regulations of the Internal Revenue Service provide that the stockholder is not required to occupy the premises. The right as against the corporation to occupy the premises is sufficient. This right must be conferred on each stockholder solely by reason of his ownership of stock in the corporation, that is, stock ownership must entitle the owner thereof either to occupy the premises or to a lease of the premises. [Treasury Regulation §1.216-1(d)(2)];

(3) No stockholder is entitled, either conditionally or unconditionally, to receive any distribution not out of earnings and profits of the corporation except upon a complete or partial liquidation of the corporation; and

(4) 80% or more of the corporation's gross income for the taxable year in which real estate taxes and mortgage interest are paid or incurred by the corporation must be derived from qualified tenants/stockholders.

Provision (4) contains three distinct, but related tests that must be met.

The first of these, is that qualified tenant/stockholders must be individuals. Provisions of §531 of the Revenue Act of 1978 provide that for three years following closing of title, income received from the Sponsor of a Cooperative Plan of Organization qualifies as income received from qualified tenant/stockholders. Thereafter, Sponsor will provide individual person or persons, acting upon their own account, who will purchase any shares unsold at the time of closing which are still unsold three years thereafter, and execute proprietary leases for those apartments. Further, these individuals will not be acting as nominees. Accordingly, we are of the opinion that the case of Eckstein v. United States, 452 F. 2d 1036 (Ct. Cl., 1971), does not apply.

The second criterion that the shares of the cooperative housing corporation must be fully paid for and the amount paid for each block allocated to an apartment bear a reasonable relationship to the fair market value of that apartment as a portion of the fair market value of the entire property. Assuming the correctness of the opinion of the Sponsor and Nu-Place Realty, but without passing upon the accuracy of such opinion, having regard to that portion of the Plan which provides that no change in such stock allocation may be made without a further opinion which will state that the aforesaid "reasonable relationship" has been maintained, we believe that this test has been met.

Finally, 80% of the gross income of the corporation must be derived from payments of maintenance charges by qualified tenant/stockholders under their respective proprietary leases. Based upon the estimate of income and expenses set forth in the Plan for the first year of operation as a cooperative housing corporation, but without making any guarantee or warranty in that regard, we believe, that this test has been met.

The actual amount of any income tax deduction may increase or decrease as the amount of real estate taxes or mortgage interest paid by the Apartment Corporation changes. The exact amount of any tax savings to any individual will depend upon his individual tax bracket, the manner in which he reports his income, and his individual tax situation.

In our opinion, the Apartment Corporation will qualify as a cooperative housing corporation and tenant-stockholders will be entitled to income tax deductions. However, this opinion is not a guarantee; it is based upon existing rules of law applied to the facts and documents referred to above. No assurances can be given that the tax laws upon which counsel based this opinion will not change. In no event will the Sponsor, Sponsor's counsel, the Apartment Corporation, counsel to the Apartment Corporation, the selling agent or any other person be liable if the Apartment Corporation ceases to meet the requirements of the Internal Revenue Code of 1954, as amended, or the New York State tax law, as amended, if there are changes in the facts on which counsel relied in issuing this opinion, or if there are changes in the applicable statutes, regulations, decisional law or Internal Revenue Service rulings on which counsel relied.

Very truly yours,

SCHIFF, THREX & KAROYIANNIS

By: 

RIGHTS OF EXISTING TENANTS

This offering plan is being presented as a "Non-Eviction Plan". Therefore a non-purchasing tenant will not be subject to eviction by the Sponsor or by purchasers of the shares allocated to his apartment. Non-purchasing tenants are subject to eviction however, for failure to pay rent or as a result of any other default in their obligations as tenants which would permit a termination of their tenancy and eviction in accordance with applicable law.

All bona fide tenants in occupancy on the date the Plan is accepted for filing will have the exclusive right to subscribe to purchase the shares allocated to their dwelling units for 120 days after the Plan is presented. Any bona fide tenant with the right to renew his lease on the date the Plan is accepted for filing has the right to subscribe at the cash purchase price for tenants in occupancy during the exclusive period. Any bona fide tenant who has the right to continued occupancy on the date the Plan is accepted for filing has the right to subscribe at the cash purchase price for tenants in occupancy during the exclusive period. For the purpose of determining who has the right to subscribe during the exclusive period, a bona fide tenant of record with an unexpired lease on the date the Plan is accepted for filing shall be presumed to be a "tenant in occupancy" even though the tenant has sublet his or her dwelling unit or the dwelling unit is not the tenant's primary residence. A bona fide sublessee in occupancy on the date the Plan is accepted for filing has the right to subscribe during the exclusive period if he or she: (i) sublets from a non-bona fide tenant; and (ii) has obtained written permission to purchase the shares allocated to his or her dwelling unit from a bona fide tenant of record. Nothing herein shall be construed to deprive an owner of any legal remedy for illegal occupancy. Any tenant in occupancy which is a corporation, partnership, trust, estate or other non-individual entity will be permitted to purchase the shares allocated to its apartment provided that it designates an individual person to purchase the shares and that person executes the subscription agreement and takes title to the shares and enters into the proprietary lease for the apartment in his or her individual name.

Pursuant to Section 352-eeee of the General Business Law, the Sponsor guarantees that all dwelling units occupied by non-purchasing tenants will be managed by the same managing agent who manages the other units in the building, and that such managing agent will provide to non-purchasing tenants all of the services and facilities required by law on a non-discriminatory basis. (See section "Obligations of Holders of Shares of Dwelling Units Occupied by Non-Purchasing Tenants".) This guaranty shall remain in effect until such time as the Sponsor relinquishes control of the Board of Directors of the Apartment Corporation to residents of the building.

The Sponsor shall, on the 30th, 60th, 90th, 118th and 120th day after the Plan has been presented, and at least once every 30 days thereafter until the Plan is declared effective or is abandoned, as the case may be, and on the 10th and the 2nd day before the expiration of any exclusive period provided in a substantial amendment to the Plan, (1) file with the Attorney General a written statement, under oath setting forth the percentage of the dwelling units in the building subscribed for by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family will occupy the dwelling unit when it becomes vacant as of the date of such statement and (2) before noon on the date such statement is filed, post a copy of such statement in a prominent place accessible to all tenants in the building, said statement shall be as provided in Part 18, Title 13 NYCRR 18.1P, a copy of which is included in Part II of this Plan.

As of the date of presentation of this Plan, all 81 apartments being offered are paying Rent Stabilized rents. Non-purchasing tenants shall continue to remain subject to the same Government regulations for so long as they remain in possession. So long as a non-purchasing tenant has the right to remain in possession of his apartment, his rent and other conditions of his tenancy shall continue to be subject to the New York City Rent Stabilization Law and Code, the New York State Emergency Tenant Protection Act and the Omnibus Housing Act of 1983, whichever is applicable; if there is no law that governs his particular apartment, no unconscionable increases in rent may be made nor shall such rent be in excess of the rent charged for comparable apartments. Complaints of unconscionable rent increases may be referred to the New York State Department of Law, Real Estate Financing Bureau, 2 World Trade Center, New York, New York 10047.

In accordance with General Business Law §352-eeee, tenants or their representatives may physically inspect the premises at any time, during normal business hours, upon written request made by them to the Sponsor, provided that the representatives are registered architects or professional engineers licensed to practice in New York State.

The By-Laws of the Apartment Corporation (Article V, Section 2) provides that simultaneous with the assignment of any lease and the transfer of the shares of the corporation allocated to an apartment occupied by a non-purchasing tenant the Secretary of the Apartment Corporation will be required to serve notice upon the non-purchasing tenant occupants of the apartment advising them of the assignment and the identity of the purchaser of the shares, within a reasonable time thereafter.

Tenants in occupancy who subscribe to purchase the shares allocated to their apartments will be permitted to assign or transfer their subscription agreements in accordance with the terms of this Plan as they are enumerated in the section "Assignment of Subscription Agreement".

The rights of purchasing and non-purchasing tenants under the Plan may not be abrogated or reduced notwithstanding any expiration or amendment to General Business Law §352-eeee.

It shall be unlawful for any person to engage in any course of conduct (including but not limited to, interruption or discontinuance of essential services) which substantially interferes with or disturbs the comfort, repose, peace or quiet of any tenant in his use or occupancy of the dwelling unit or facilities related thereto.

The right of a tenant to assign his lease has been eliminated as a result of the law, however, the tenant may sublet his apartment unless the landlord withholds its consent unreasonably or a tenant overcharges the subtenant, the tenant may be liable for treble damages. Notwithstanding the provisions in the lease, the law allows for the sharing of apartments by co-tenants, however, the additional occupant does not have the right to remain after the original tenant vacates.

Complaints of rent overcharges or unconscionable rent increases may be referred to the Department of Law, Bureau of Real Estate Financing, Two World Trade Center, 48th Floor, New York, New York 10047.

In order for a tenant to be evicted because he is not using the apartment as a primary residence, the owner must go to court to prove same and obtain a final order of eviction before the Plan is accepted for filing. In any event, said tenant has an exclusive right to purchase his apartment. Further, as provided in the law, a rent stabilized prime tenant has a right to renew the lease and a right to purchase the apartment.

The rights of all rent stabilized tenants in New York City have been altered substantially by the Omnibus Housing Act of 1983 (Chapter 403 of the Laws of 1983) which took effect as of April 1, 1984. Among the more substantial changes are the following:

- A tenant no longer has the right to assign their lease without the landlord's consent (unless otherwise stated in their lease);
- A tenant has the right to sublet their apartment, subject to the landlord's consent, which may not be unreasonably withheld, for two years during any continuous four-year period;
- Tenants may have roommates who are not listed on the lease (who do not have the right to remain in occupancy if the tenant vacates);
- In order for a landlord to evict a tenant on the grounds that the apartment is not the tenant's primary residence, the owner must first institute legal proceedings in Housing Court;
- A tenant has the right to renew his/her lease at their option for one or two years subject to rent guideline increases; and
- Each owner must register all rent stabilized apartments with a state agency annually and therein indicate the initial regulated rent. The tenant, who must receive a copy of the registration statement for his/her apartment, will then have 90 days to challenge the rent.

Tenants are urged to contact their own legal representative for further information regarding their rights and obligations in general under the Omnibus Housing Act of 1983.

Tenants are not offered vacant apartments for purchase at this time.

If prior to the expiration of any exclusive period, which begins prior to closing, the Sponsor amends the Plan to provide more favorable terms or conditions to tenant/purchasers, a tenant in occupancy on the presentation date of the plan, who executed and delivered a subscription agreement before the Plan was amended, shall automatically benefit from the more favorable terms and conditions.

**OBLIGATIONS OF HOLDERS OF SHARES ALLOCATED TO
DWELLING UNITS OCCUPIED BY NON-PURCHASING TENANTS**

Since this is a "Non-Eviction" plan, a purchaser of shares allocated to an apartment occupied by a non-purchasing tenant will not be able to obtain possession of such apartment by eviction except if the tenant fails to pay rent, or defaults in his obligations as a tenant which would permit a termination of his tenancy in accordance with his lease agreement or applicable law.

Consequently, a purchaser of the shares allocated to such an apartment will enter into the proprietary lease (as tenant) with the Apartment Corporation (as landlord) for the apartment, subject: (a) to the terms of the lease for the apartment then in effect (and any renewal thereof after the Date of Presentation of this Plan); (b) to any existing occupancy of the apartment; and (c) to the right of any existing non-purchasing tenant to remain in possession of the apartment in accordance with the terms of his lease.

No representation or warranty is made as to the length of time which may elapse before actual possession of any apartment may be obtained.

IT IS RECOMMENDED THAT ANY PERSON WHO DESIRES TO PURCHASE AN OCCUPIED APARTMENT, CONSULT WITH AN ATTORNEY IN ORDER TO BECOME FULLY APPRISED OF HIS OBLIGATIONS TO ANY EXISTING TENANT OR OCCUPANT.

If the shares allocated to an apartment are purchased by someone other than the tenant, the non-purchasing tenant will become the purchaser's tenant on the Closing Date and the purchaser will become his landlord. As the "landlord" of the non-purchasing tenant, the purchaser will be obligated to comply with the applicable rent regulations and laws such as the New York City Rent Stabilization Law and Code, the Emergency Tenant Protection Act, the Multiple Dwelling Law, the Real Property Law and the Omnibus Housing Act of 1983. If the apartment is rent stabilized, the purchaser will be obligated to join the Rent Stabilization Association and the purchaser's failure to do so may result in the apartment becoming subject to rent control.

A purchaser who acquires the shares allocated to an occupied apartment will be required to pay to the Apartment Corporation the maintenance charges for such apartment, whether the same are greater or less than the rent received from the tenant in occupancy. By reason of the terms of the purchaser's proprietary lease and any applicable laws, regulations, and rules, the purchaser will also be responsible for the due performance of all the obligations of the landlord under the lease with the tenant, including, without limitation, obligations to maintain, repair and replace plumbing fixtures, refrigerator, range, lighting fixtures and other equipment in the apartment, and to paint the apartment. Such purchasers will also be primarily liable to the Apartment Corporation for the performance of all lessee's obligations under the proprietary lease for the apartment. New York General Obligations Law §7-103 requires that the tenant's security deposit be kept in trust by the purchaser of such occupied apartment, in a separate bank account.

Any person interested in purchasing shares of the Apartment Corporation allocated to an apartment in which he does not reside is urged to examine the present lease pertaining to the apartment to which such shares are allocated, verifying not only the expiration date of the lease, and any renewal thereof, but also the rent currently payable for the apartment (which may be more or less than the maintenance charges that will be payable to the Apartment Corporation after the closing) and the obligations of the landlord thereunder, as well as the obligation of the landlord under the applicable provisions of the Rent Stabilization Law and Code.

If any apartment occupied by a non-purchasing tenant shall be the subject of a rent exemption order under Section Y51-5.0(n) of the New York City Administrative Code or any similar provision of law, and the shares allocated to such apartment are either held by a non-tenant shareholder or a Holder of Unsold Shares, the Apartment Corporation shall apply for the abatement pursuant to that Section Y51-5.1(c) of the New York City Administrative Code or any similar provision of law, and the amount of the maintenance charges payable by such non-tenant shareholder or Holder of Unsold Shares in respect to such apartment shall be reduced to the extent of any tax abatement received as a result of such application. The Apartment Corporation shall not be obligated to engage in litigation to secure such tax abatement and rent exemption. The maintenance charges payable by any such non-tenant shareholder or Holder of Unsold Shares shall continue to be reduced by the amount of such tax abatement for so long as such tax abatement shall continue.

A subscriber for the purchase of an occupied apartment will be required to irrevocably appoint the Building's managing agent as his or her agent to perform all services required to be furnished or performed by the landlord under the non-purchasing tenants' lease and applicable law, at the purchaser's expense. Such purchaser of an occupied apartment will also be required to deposit with the managing agent at the closing, the equivalent of two months maintenance to be used as working capital to furnish services as required under the non-purchasing tenant's lease and under the applicable laws and regulations. Within 30 days from receipt of notice from the managing agent that the deposit has been diminished, the fund shall be replenished by the shareholder. The failure of the purchasing shareholder to replenish the fund in a timely fashion shall result in the Apartment Corporation having a lien against the shares allocated to the dwelling unit. Interest if any, earned on the fund shall be the property of the shareholder.

ALL COSTS AND EXPENSES INCURRED IN CONNECTION WITH THE OWNERSHIP OF AN APARTMENT OCCUPIED BY ANOTHER (INCLUDING WITHOUT LIMITATION, LEGAL FEES AND LITIGATION EXPENSES FOR ENFORCING THE LEASE AND/OR OBTAINING POSSESSION OF THE APARTMENT) WILL BE BORNE ENTIRELY BY THE PURCHASER.

INTERIM LEASES

The Sponsor shall have the right to lease a vacant apartment to purchasers or non-purchasers. The lease will be for such rent (not exceeding the maximum rent legally collectible in accordance with the rent stabilization guidelines) and upon such other terms as may be mutually agreed upon. Such lease will also provide that any uncured default by the purchaser under his subscription agreement will constitute a default under the lease entitling the landlord, at its option to immediately terminate such lease. An uncured default under the lease shall be a default under the subscription agreement with the Sponsor's similar right to cancel the Subscription Agreement, but only after the Sponsor

either obtains a court order of eviction or the lessee vacates the apartment. Following the default, or rescission of the subscription agreement by the subscriber, the occupants of the apartment shall have 30 days following notice by the Sponsor to vacate said apartment. If the Plan is abandoned the tenant will be able to continue his or her residence subject to the Rent Stabilization Law and Code.

No portion of the rental paid under such interim lease will be credited toward the apartment cash purchase price.

PROCEDURE TO PURCHASE

A person desiring to purchase shares of the Apartment Corporation will be required to execute a subscription agreement in the form contained in this Plan, together with his executed and notarized Gains Tax Affidavit and Subscriber's Affidavit (annexed to subscription agreement as Exhibits B and C) and return it to the selling agent at 120-10 Queens Boulevard, Kew Gardens, New York 11415, together with his or her downpayment, check in the amount of \$1,000 for existing tenant/subscribers, and 10% of the total purchase price for non-tenant/subscribers. All checks are to be drawn to the order of "STK - Warwick Special."

The Sponsor will promptly deposit all monies received by it directly or through its agents, employees or escrow agent, in a special non-interest bearing trust account at Citibank N.A., 32nd Street and 2nd Avenue, New York, New York, entitled "STK - Warwick Special" until closing as herein described. Funds may be released only on the signature of an attorney in the firm of Schiff, Turek & Kakoyiannis, and only under the following conditions: (a) at the closing; or (b) in the event the purchaser rescinds or defaults; or (c) if the Plan is abandoned. In the event that insufficient funds are raised through the offering to effectuate the transfer of title to the Property and the consummation of the Plan, or if the Plan is abandoned or withdrawn for any reason, whatsoever, then such monies shall be fully returned to the purchasers without interest. The amounts paid by the purchasers will be held in accordance with the provisions of Section 352-e(2)(b) and Section 352-e(h) of the New York General Business Law.

After the Plan is declared effective, each purchaser will be given at least 15 days written notice, within which time he must deliver to the selling agent his certified check or official bank cashiers check in the amount of the balance of the cash purchase price together with 2 copies of the proprietary lease, signed by him and acknowledged by a notary public. Purchaser's failure to sign the proprietary leases as required may result in his being declared in default of his subscription agreement and thereby forfeiting his right to purchase with the loss of the amount previously paid the Sponsor, not exceeding 10%. Inasmuch as the closing date shall not be less than 30 or more than 120 days from when the Plan is declared effective, the maximum number of days that the purchase funds may be held in escrow before closing is 105 days, providing the closing is not adjourned.

In the event a purchaser is obtaining financing from a lending institution, only that portion of the balance of the cash purchase price which is not being financed need be paid within the 15 day period. However, in such case, the purchaser shall furnish, together with payment of the nonfinanced balance of the purchase price, a copy of the written commitment from the lending institution

(in form satisfactory to counsel for the Sponsor) for that portion of the cash purchase price to be financed, together with all documents required by the lending institution to be executed. If the purchaser complies with the foregoing, the financed portion of the cash purchase price, made payable to "Schiff, Turek & Kakoyiannis, as attorneys", will be payable on the closing date by certified check or official bank check and the purchaser may apply the proceeds of the financing to make such payment.

Time is "of the essence" as to all payments to be made for the purchase of apartments. This means that if a purchaser fails to make a payment on the date he is required to do so or fails to perform under the terms of the subscription agreement or this Plan, after notice having been given to him, then he may lose the down payment made by him, in addition to any actual costs for special work ordered by the subscriber and forfeit his right to purchase the apartment.

Purchasers will be given at least 30 days written notice of the closing date with the Apartment Corporation.

Sponsor or the Apartment Corporation will give a subscriber in default an additional 30-day written demand for overdue payments or for performance under the terms of the subscription agreement before a forfeiture of the subscription agreement and all rights to purchase will be declared against him.

Tenant/purchasers shall be afforded 3 business days to review the Offering Plan and all amendments filed to date prior to executing a subscription agreement.

Non-tenant purchasers will have 7 days (following delivery of an executed subscription agreement together with the required 10% deposit to the selling agent) to rescind their subscription agreements and thereupon receive the return of their full deposit promptly. Such purchaser may rescind his subscription agreement by personally delivering a written notice of rescission to the selling agent within the 7 day period or by mailing a rescission postmarked within the 7 day period.

If a purchaser's obligations are contingent upon obtaining a commitment for financing, the purchaser must notify the Sponsor of his inability to secure such financing within 30 days from the date of the execution of the subscription agreement. In the event purchaser fails to notify the Sponsor within such period of time, it shall be deemed that the purchaser's obligation to secure financing has been fulfilled. In the event purchaser secures a commitment for financing, the commitment may expire or the terms of the commitment may change prior to the actual closing. If purchaser's obligations are contingent upon securing a financing commitment and the financing commitment lapses or expires prior to closing and the purchaser has made a good faith effort to extend the commitment, purchaser will have a right of rescission to be exercised within 15 days after the commitment has lapsed or has been substantially changed.

Any conflict between the Plan and the subscription agreement will be resolved in favor of the Plan.

The subscription agreement shall not be binding until it is accepted by the Sponsor and the Apartment Corporation and a fully executed counterpart of the subscription agreement is returned to the purchaser. If the subscription agreement is not accepted within 30 days, it shall be deemed rejected and cancelled, and the down payment shall be returned at that time, without interest.

The following schedule of closing costs shall be applicable to the subscriber/purchaser:

- A. If a subscriber/purchaser is not able to close on or before the day that the Apartment Corporation takes title to the building for any reason not directly attributable to the Sponsor, which necessitates a separate closing after the Apartment Corporation takes title to the building, there will be a fee for such late closing in the amount of \$350.00 payable to Schiff, Turek & Kakoyiannis;
- B. In the event of an assignment of the subscription agreement there will be a processing fee of \$350.00 payable to Schiff, Turek & Kakoyiannis;
- C. In the event the subscriber/purchaser is obtaining financing from a lending institution there will be an additional fee of \$350.00 payable to Schiff, Turek & Kakoyiannis, for review of the documents affecting the Apartment Corporation; and
- D. In the event the subscriber/purchaser elects Sponsor financing there will be an additional fee of \$350.00 payable to Schiff, Turek & Kakoyiannis, for the preparation and processing of the loan documents and \$20.00 for filing fees.
- E. Subscribers will pay \$250 to Schiff, Turek & Kakoyiannis for preparation of closing documents, in addition to any of the above fees.

ASSIGNMENT OF SUBSCRIPTION AGREEMENT

Tenants in occupancy on the date of presentation of the Plan who subscribe to purchase the shares allocated to their respective apartments prior to the declaration of effectiveness will be permitted to assign or transfer their subscription agreement upon the prior written consent of the Sponsor. The Sponsor will determine whether or not to grant its permission to a tenant desiring to assign or transfer his or her subscription agreement prior to the declaration of effectiveness on an objective and non-discriminatory basis, taking into account among other things, the proposed assignee's financial ability to meet the obligations of the purchaser/subscriber. In order to obtain Sponsor's permission to assign and transfer the subscription agreement prior to closing, the tenant must: (a) sign the subscription agreement and tender the downpayment; and (b) provide to the Sponsor the assignee's (that

is the person to whom the tenant wishes to assign his or her subscription agreement). notarized affidavit stating that the assignee was not procured by the Sponsor or Selling Agent and that he or she or a member of their immediate family intends to personally occupy the dwelling unit. The form of assignment affidavit is annexed to the subscription agreement as Exhibit A. There will be a \$350.00 fee for the processing of such assignment or transfer payable to "Schiff, Turek & Kakoyiannis".

EFFECTIVE DATE

The offer to sell embodied by this Plan is contingent upon the Sponsor declaring the Plan effective and compliance with the relevant conditions and time periods described in this Plan.

1. The Sponsor may declare the Plan effective, if within fifteen (15) months from the date of acceptance of the Plan for filing by the Attorney General's Office, subscription agreements have been entered into for at least 15% of the apartments in the building by (a) bona fide tenants who were in occupancy on the date the Plan was filed with the Attorney General and entered into their subscription agreements without any discriminatory repurchase agreements or other discriminatory inducements or (b) bona fide purchasers who represent that they, or one or more members of their immediate family intend to occupy the dwelling unit when it becomes vacant.

2. When subscription agreements have been executed and accepted for 80% of the units offered hereby, the Plan must be declared effective.

No more than one subscription agreement from the tenant(s) of a particular apartment shall be counted and only one subscription agreement from any tenant who leases or occupies more than one dwelling unit shall be counted towards effectiveness. The Plan will not be declared effective based upon subscription agreements: (a) Signed by subscribers who have been granted a right of rescission that has not yet expired or been waived; (b) That have been assigned or transferred without compliance with the terms of this Plan (see section "Assignment of Subscription Agreement" above); (c) Are conditioned upon an amendment to the Plan that has not been served in compliance with this Plan and applicable law; or (d) From any subscriber who is the Sponsor or the Selling Agent or is a principal of the Sponsor or the Selling Agent or is related to the Sponsor or the Selling Agent or to any principal of the Sponsor or the Selling Agent by blood, marriage or adoption or is a business associate, employee or shareholder or limited partner of the Sponsor. Such a subscriber other than the Sponsor or a principal of the Sponsor may be excepted from the foregoing requirement and included in the effectiveness count only if the Sponsor has submitted proof satisfactory to the Department of Law establishing that the subscriber is either a bona fide tenant or a bona fide purchaser who represents that he or she or one or members of their immediate family intends to occupy the dwelling unit when it becomes vacant.

The Sponsor will notify all purchasers and tenants when subscription agreements for 15% of the dwelling units have been executed and accepted by the Sponsor.

The Sponsor may at its option declare the Plan abandoned for any reason whatsoever before the quota referred to in the foregoing paragraph 2 has been reached and all monies received by the Sponsor will be returned to the subscriber without interest. In such event no new plan for the conversion of the building may be submitted to the Department of Law for at least 12 months thereafter.

If the Plan has been declared effective, the date of the closing of title (herein sometimes called "the Closing Date") will be fixed by the Sponsor, which shall be not less than 30 days nor more than 120 days thereafter, unless the closing is adjourned.

The Plan will be declared effective by written notice personally delivered or sent by regular mail to all tenants and purchasers. The Sponsor will submit an amendment to the Plan to the Department of Law within 5 days thereafter stating that the Plan was declared effective by notice and incorporating a copy of the notice therein. The closing transaction shall not be held until the amendment disclosing the declaration of effectiveness is accepted for filing by the Department of Law.

Once the Plan has been declared effective, it may not be abandoned except for (1) a defect in title which cannot be cured without litigation or cannot be cured for less than \$38,000, or (2) work orders of a mortgagee or violations after the date of presentation of the Plan, which cannot be cured for less than \$38,000 or (3) substantial damage to the building by fire or other casualty which cannot be cured for less than \$38,000 or (4) a taking of any portion of the Property by condemnation or eminent domain, excluding any title defects, violations, work orders, or administrative determinations which existed on the date of presentation of the Plan and are either known to the Sponsor or are a matter of public record.

On the Closing Date, title to the Property will be delivered to the Apartment Corporation, and each purchaser/subscriber will thereupon become obligated for the payment of maintenance charges under his proprietary lease, whether or not he has taken possession of the apartment and whether or not the tenant in possession of the apartment, if there be one, pays the rent required to be paid by him. Certificates for the shares of the Apartment Corporation and the accompanying proprietary leases will be issued to the respective purchasers as of the Closing Date and will be delivered promptly thereafter.

If the Plan is not declared effective within fifteen (15) months from the date the Attorney General accepts this Plan for filing, the Plan will be deemed abandoned, void and of no effect, and all monies received from subscribers will be returned without interest within 15 business days; furthermore, no new plan for the conversion of the building shall be submitted to the Attorney General for at least 12 months after such abandonment.

The Plan may not be amended at any time to provide that it shall be an eviction plan.

For the purpose of determining who has the right to subscribe during the exclusive period, a bona fide tenant of record with an unexpired lease on the date the Plan is accepted for filing shall be presumed to be a "tenant in occupancy" even though the tenant has sublet his or her dwelling unit or the dwelling unit is not the tenant's primary residence. A bona fide sublessee in occupancy on the date the Plan is accepted for filing has the right to subscribe during the exclusive period if he or she: (i) sublets from a non-bona fide tenant; or (ii) has obtained written permission to purchase the shares allocated to his or her dwelling unit from a bona fide tenant of record.

Nothing herein shall be construed to deprive an owner of any legal remedy for illegal occupancy. Any tenant in occupancy which is a corporation, partnership, trust, estate or other non-individual entity will be permitted to purchase the shares allocated to its apartment provided that it designates an individual person to purchase the shares and that person executes the subscription agreement and takes title to the shares and enters into the proprietary lease for the apartment in his or her individual name.

TERMS OF MORTGAGE

At the time of closing, the Apartment Corporation will give the Sponsor a purchase money wrap-around mortgage in the principal amount of \$1,500,000. This wrap-around mortgage encompasses and is subject and subordinate to a consolidated first mortgage held by the Bayside Federal Savings & Loan Association 214-01 Northern Boulevard, Bayside, New York 11361 (see below). As a wrap-around mortgage, the holder thereof is obligated to make all payments required by the first mortgage. The wrap-around mortgage will require the payment of interest only at the rate of 9% per annum for the first two years, or \$11,250 per month (\$135,000 per year), 10% interest for the third and fourth years, 11% interest for the fifth and sixth years, and 12-1/2% interest from the seventh through tenth years, and becomes due at the end of said time, at which time the unpaid balance (\$1,500,000) shall be due and payable. Assuming all payments of interest are made, the unpaid balance of this mortgage will be \$1,500,000 or \$20.59 per share at the maturity of the mortgage 10 years from the date of closing. If the Apartment Corporation does not make other arrangements with respect to such mortgage, or if the Apartment Corporation is unable to refinance or extend such mortgage when it becomes due, it may be necessary to make a special assessment for the purpose of paying the outstanding principal balance of such mortgage. The Sponsor makes no representation as to the cost, terms or availability of refinancing such mortgage indebtedness. The wrap-around mortgage will permit prepayment at any time on any interest day after August 1, 1986, provided at least thirty (30) days prior written notice thereof is given to the holder of such mortgage.

The wrap-around mortgage provides for monthly escrow deposits to be made for the purpose of paying real estate taxes, water charges, sewer rents and insurance premiums. The existing escrow funds required by the existing first mortgage will be assigned to the Apartment Corporation at closing and an adjustment in favor of the Sponsor will be made accordingly. See "Reserve Fund and Working Capital Fund," below.

It is a so-called "wrap-around mortgage" because the holder thereof has the burden of paying the monthly installments due under the first mortgage as long as the Apartment Corporation faithfully pays and performs its obligations under the wrap-around mortgage.

In the event the holder of the wrap-around mortgage defaults in the payment due on the first mortgage, and the applicable grace period has expired, the wrap-around mortgage will be deemed satisfied unless the holder cures such default and causes the foreclosure proceedings (if any) to be discontinued. The expense of curing the default and causing foreclosure proceedings to be discontinued shall be borne by the holder of the wrap-around mortgage, including legal fees and fees paid to arrange for refinancing the underlying mortgage in order to reinstate the wrap-around mortgage.

The wrap-around mortgage requires that the Apartment Corporation maintain fire insurance and extended coverage in such amounts as the holder of said mortgage shall reasonably require Sponsor representing that the proposed insurance coverage is adequate for the mortgage. In the event of a casualty, unless the proceeds are required to be paid to the holder of the first mortgage, they shall be paid to the Apartment Corporation for the purpose of rebuilding or restoring the property or applied toward reducing the first mortgage or the wrap-around mortgage indebtedness or otherwise paid to the Apartment Corporation.

The wrap-around mortgage obligates the Apartment Corporation to comply with all of the provisions of the first mortgage (other than making payments of debt service thereunder), and in the event the holder of the wrap-around mortgage makes any payment or incurs any expense (such as, but not limited to expenses for collection of any obligation due under the note and not paid by the Apartment Corporation, for the payment of insurance premiums, attorneys' fees in connection with any legal proceedings as a result of default under the mortgage and any other expenses that are obligations of the Apartment Corporation, for which it refuses to pay in accordance with the terms of the mortgage) on behalf of the Apartment Corporation, the amount of such payment or expense shall be a demand obligation on which interest at the rate of 18% per annum shall be payable.

In the event of condemnation, the Apartment Corporation will be obligated to continue to pay interest until the award is received by the holder of the wrap-around mortgage who may elect to apply such award to the reduction of the wrap-around mortgage or apply such award for the purpose of restoring the property or for any other purpose satisfactory to the holder of the wrap-around mortgage, including legal fees and fees paid to arrange for refinancing the underlying mortgage in order to reinstate the wrap-around mortgage.

The Apartment Corporation may not permit or create any additional lien or security interest in the mortgaged property except upon the prior written consent of the holder of the wrap-around mortgage.

Under the terms of the wrap-around mortgage, the Sponsor may refinance the mortgage; however, any refinancing of the mortgage will not exceed the underlying principal amount then due.

If any payment of interest, principal or other sum is not made within five (5) days after notice, the Apartment Corporation will be required to pay a "Late Charge" in an amount equal to five (5%) percent of the overdue payment, for each month or part thereof during which such payment is not made.

The holder of the wrap-around mortgage shall pay the interest and amortization required to be paid under the first mortgage and shall be obligated to satisfy the first mortgage when it becomes due. The holder of the wrap-around mortgage shall have the right at any time to refinance the first mortgage and/or the wrap-around mortgage provided, however, the total annual (and monthly) debt service payments required subsequent to the refinancing shall not exceed the total annual (and monthly) debt service required under the wrap-around mortgage and that the maturity date of the new mortgages shall be no more than ten (10) years from the Closing Date and that the total amount of the unpaid indebtedness after the refinancing shall not exceed the unpaid principal amount (together with interest or charges due) of the wrap-around mortgage prior to refinancing. However the holder of the wrap-around mortgage may not refinance the wrap-around mortgage unless it occurs during a time when the Apartment Corporation is not controlled by the Sponsor and the Apartment Corporation consents to such refinancing.

Tenant shareholders will not be personally liable to the holder of the wrap-around mortgage to pay the installments of interest or of principal. TO PRESERVE ITS EQUITY IN THE PROPERTY, HOWEVER, THE APARTMENT CORPORATION MUST REFINANCE OR EXTEND THE WRAP-AROUND MORTGAGE AT ITS MATURITY. The availability, terms and cost of such refinancing or extension will vary from time to time depending upon the then existing market conditions, the credit worthiness of the borrower, the financial and physical condition of the property and other factors. The principal balance due at the end of the term of the wrap-around mortgage will be \$1,500,000. If the Apartment Corporation is unable to secure such extension or refinancing, it will be required to assess its shareholders (\$20.59 per share) to enable it to pay such mortgage balance. No representation is made as to the availability of funds to refinance the mortgage, the interest rates which will be required at the time of refinancing or the cost thereof.

Upon a default by the Apartment Corporation (and upon the expiration of the applicable grace period), all or any part of the wrap-around mortgage indebtedness shall be due and payable, and the holder thereof may have a receiver appointed to take possession of the property and collect the rents.

The wrap-around mortgage will be in default in the event that any payment due thereunder are not made within 10 days of their due date; in the event real estate taxes, water charges and sewer rents are not paid within 10 days after notice and demand is made; in the event of the failure on the part of the mortgagor to deliver a fire insurance policy (naming the mortgagee as insured and its interest may appear); on the failure on the part of the mortgagor to furnish an "estoppel certificate" to the mortgagee upon request.

The mortgage is a wrap-around mortgage which will provide: (i) that the holder's interest in the mortgage shall stand as security for fulfillment of the described periodic payments and final payments on the senior mortgage; and (ii) that it will be executed and acknowledged by both the mortgagee and the mortgagor; (iii) that any assignee and any successor by operation of law will be bound by the wrap-around mortgagee's described obligation to make such payment on the senior mortgage; and (iv) will contain an undertaking that any assignee, as well as the assignor will execute and acknowledge the assignment instrument.

Both the Sponsor and the Apartment Corporation will execute the wrap-around mortgage. Sponsor shall have the right to assign its interest in the wrap-around mortgage without the consent of the Apartment Corporation. In the event the Sponsor does assign its interest in the wrap-around mortgage, the assignee shall acknowledge the assignment in writing and will become responsible for all the obligations and undertakings required of the holder under the terms of the wrap-around mortgage, including the requirement to make the payments due on the underlying mortgage.

Sponsor will make all payments on the existing first mortgage due prior to or at closing and represents that there will be no default of the mortgage at the time of closing with the Apartment Corporation.

Existing Consolidated First Mortgage: Sponsor has entered into a new consolidated first mortgage with Bayside Federal Savings and Loan Association, 214-01 Northern Blvd., Bayside, New York 11361. The consolidated mortgage was made on November 7, 1985 and is in the principal amount of \$900,000.00, and comes due December 1, 2000. Under the terms of the mortgage the monthly payments are \$9,909.78 first applied to interest at 12% per annum with the balance of principal. The interest rate shall be adjusted annually up or down but not more than 2% but in no event shall the interest rate be less than 9% and no more than 15%. The mortgage provides for negative amortization of the if the interest rate exceeds the monthly payments of \$9,909.78. Each payment is due within 10 days of its due date and incurs 5% late charge for each dollar of principal payment of each dollar overdue. The mortgage may be prepaid upon thirty (30) days prior written notice without penalty. The mortgage becomes due December 1, 2000, at which time the unpaid principal balance is due and payable. Under the terms of the mortgage, each mortgage payment shall include a payment for 1/12th of the annual real estate taxes, water and sewer charges and fire insurance at the option of the mortgagee. The mortgagee consents to a subordinate mortgage on the subject premises provided that the subordinate mortgage acknowledges that it is subordinate to the first mortgage.

The mortgage may also be prepaid in full at any time upon 30 days prior written notice. The subject premises may be transferred subject to this mortgage, upon written notice and the mortgagee's right to review prospective purchasers for credit worthiness and financial responsibility. The approval shall not be unreasonably withheld and is without any fee to be charged by the first mortgagee. A default in the first mortgage consists of but is not limited to the failure of any monthly installment of principal and interest beyond 10 days which incurs a late charge of 5% of each installment. In addition, other events of default but not limited to the following are breach by the mortgagor of any of the covenants or terms of the mortgage, which do not require any further notice or sums due and payable; failure to pay any monthly installment within 10 days, failure to pay water and sewer or insurance payments when due and required, any waste or abandonment of the property; failure to properly maintain insurance for the subject premises; failure to maintain and operate the building in compliance with all statutory regulations; failure to perform all covenants under the mortgage and failure to keep all books and records for the subject premises available for inspection by the mortgagee.

SUMMARY OF PROPRIETARY LEASE

The proprietary lease will be for a term ending on December 31, 2080 but may be extended by vote of the shareholders. As a lessee, every shareholder of the Apartment Corporation will be obligated to pay the maintenance charges for his apartment as fixed by the Board of Directors based on the number of shares he owns. He will also have the following rights and obligations:

(a) He may cancel his lease and surrender his shares to the Apartment Corporation (without receiving any compensation) effective as of September 30, 1987, or as of any September 30, thereafter, on at least six months prior notice to the Apartment Corporation, and if he elects to cancel, he will have no liability for payment of maintenance charges after the effective date of the cancellation, provided he is not in default on the obligations to be performed by him under the lease.

(b) He will have the right to sell his shares and assign his proprietary lease, and sublet his apartment in compliance with the provisions of the proprietary lease and the Apartment Corporation By-Laws which require that consent thereto be authorized by resolution of the Board of Directors or given in writing by a majority of the directors or by written consent or vote of two-thirds of the shareholders, which consents may not be unreasonably withheld.

(c) He will be responsible for the cost of interior repairs and decorations in his apartment, plus such alterations or additions which may be made with the consent of the Board of Directors.

If an apartment purchased by a non-occupant purchaser is occupied by an existing tenant the proprietary lessee shall have no right to terminate the existing tenancy of the non-purchasing tenant, except for non-payment of rent, or other breach under his lease obligations, even if the proprietary lessee seeks to occupy the apartment for his own use or for the use of a member of his family. In such cases non-purchasing tenants who reside in dwelling units subject to government regulation as to rentals and continued occupancy shall continue to be subject thereto; and that the rentals of any such non-purchasing tenants who reside in dwelling units not subject to government regulations as to rentals and continued occupancy and any non-purchasing tenant who resides in dwelling units

with respect to which such government regulations are eliminated or become inapplicable after the Plan has become effective, shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments during the period of their occupancy. The obligations of holder of shares allocated to apartments occupied by non-purchasing tenants are included in the proprietary lease (paragraph 14). The provisions of the proprietary lease concerning non-purchasing tenants may not be subsequently amended or deleted.

The Apartment Corporation will notify a lender with which it has signed a recognition agreement as to any shareholder's default under the proprietary lease.

Defaults under the proprietary lease include, but are not limited to: Failure to pay the monthly maintenance; assignment, subletting or transfer of the apartment or shares of stock without the consent of the Apartment Corporation; alterations made in the apartment without the consent of the Apartment Corporation; and interfering with the peaceful enjoyment of any other lessee's use of his apartment.

The proprietary lease (with the exception of those provisions concerning the rights of non-purchasing tenants and the rights of Holders of Unsold Shares) may be modified by the approval of at least 66-2/3% of the lessees consenting to such change.

APARTMENT CORPORATION

The Apartment Corporation was formed in 1985, under the Business Corporation Law of the State of New York. It has an authorized capital of 25,000 shares of par value of \$1.00 each.

The By-Laws adopted by the Apartment Corporation are set forth in Part II of the Plan. They require not less than three nor more than nine directors who will serve without compensation. The present officers and directors have been designated by Sponsor's attorney and will resign in favor of directors to be elected by the shareholders at a meeting to be held within 30 days after the Closing Date. The Officers and Directors are all members or employees of Schiff, Turek & Kakoyiannis, who serve without compensation as follows: Edward L. Schiff, President, Allen M. Turek, Secretary and Kathleen A. Chafetz, Vice-President, Treasurer. Each share of stock will entitle the shareholder one vote regardless of the number of shareholders who appear on any stock certificate.

A member of the Board of Directors of the corporation need not be a shareholder.

The by-laws may be amended by a vote of two-thirds of the shareholders outstanding except that as long as any shares of the corporation are held by Holders of Unsold Shares these by-laws may not be amended without the consent of all Holders of Unsold Shares.

The Sponsor and other Holders of Unsold Shares may not exercise veto power over expenses described in Schedule B, or over expenses required: (a) to comply with applicable laws and regulations; or (b) to remedy any notice of violation; or (c) to remedy any work order by a mortgagee or insurer; or (d) to remedy a notice of default from a mortgagee.

At such time as the Sponsor holds unsold shares constituting less than 50% of the outstanding shares, but in no event later than the fifth anniversary after the closing date, not less than a majority of the Board of Directors to be elected at all subsequent annual meetings of shareholders will be resident tenant/shareholders of the building.

The Apartment Corporation will have a lien on each shareholder's shares to secure payment of maintenance charges attributable to such shares. The obligation of holders of shares of dwelling units occupied by non-purchasing tenants to deposit and maintain the equivalent of two month's maintenance charges with the managing agent of the Apartment Corporation will also be secured by the Apartment Corporation having a lien on the shares allocated to such apartment. These liens, if exercised, will prevent the shareholder from transferring his shares of stock and may cause a default under a financing agreement if any, with the shareholder's bank.

All expenses of the Apartment Corporation accruing up to and including the Closing Date, will be paid from the proceeds of the sale of shares.

The Apartment Corporation may not discriminate against any person for a reason prescribed by applicable Civil Rights Laws.

The Sponsor or Holder of Unsold Shares may exercise veto power over expenses for not more than 5 years after closing or whenever unsold shares constitute less than 25% of shares, whichever is sooner.

UNSOLD SHARES

If by the Closing Date all of the shares allocated to apartments have not been sold and fully paid for, the Sponsor will produce on or before the Closing Date itself or a financially responsible person or persons, resident of the State of New York (hereinafter referred to as "Holder of Unsold Shares") to whom all of the unsold shares will be issued and who will enter into proprietary leases for the apartments to which such shares are allocated.

In any event, the Sponsor has agreed that no later than three years after the closing, it will have assigned all remaining unsold shares to individual persons who will be financially responsible and residents of the State of New York, and who will enter into proprietary leases for the apartments to which such shares have been allocated for their own accounts. The Sponsor has been advised by counsel that in the event it shall continue to hold unsold shares for

a period exceeding three years after the closing, the maintenance charges received by the Apartment Corporation from the Sponsor on account of such unsold shares will not be treated as income received from qualified shareholders within the meaning of Section 216 of the Internal Revenue Code.

The Sponsor guarantees that if a Holder of Unsold Shares fails to fulfill his obligations under his proprietary lease, including the payment of all maintenance charges and assessments thereunder, then in that event, the Sponsor will become liable for such obligations and the Apartment Corporation will have a lien upon the shares to secure the payment of all obligations of the Holder of Unsold Shares. Sponsor represents that it has the financial resources to enable it to meet its obligations with respect to unsold shares. No bond or other security has been furnished by the Sponsor, and the Sponsor's ability to meet this obligation will depend solely upon its financial condition if and when called upon to perform.

Any unsold shares and leases acquired by a Holder of Unsold Shares or his assignees may be sold or assigned by him, or his apartment may be sublet by him without the consent of the Apartment Corporation or any other person. The Apartment Corporation shall execute a "Recognition Agreement" and such other documents as are reasonably required in the event Sponsor or its successors or assigns seek to obtain financing from a lending institution based upon such unsold shares. A Holder of Unsold Shares or a person related by blood or marriage to a Holder of Unsold Shares may elect to become the occupant of the apartment covered by his proprietary lease, and from the time that he becomes the occupant thereof, the shares will no longer be "Unsold" and the Sponsor shall no longer be responsible for that apartment.

Unsold shares may be sold or transferred to persons who purchase them for their own account. A Holder of Unsold Shares will not pool profits or losses with other Holders of Unsold Shares.

The Holder of Unsold Shares must be registered as a broker-dealer pursuant to General Business Law Section 359-e, and furnish to the Department of Law all information required from a principal of the Sponsor. The Holder of Unsold Shares or his assignees will not be required to obtain the consent of the Board of Directors or managing agent prior to making any alterations or additions to the apartment or change in the layout of the apartment, except that he will be required to comply with all municipal laws and building codes.

Any subscription or deposit funds being held by the Holder of Unsold Shares will be held in accordance with the trust fund provisions contained in General Business Law §352-e(h) and 352-e(2)(b).

The Holder of Unsold Shares will also be required from time to time to amend the Plan to provide current and accurate information until he has sold all his shares to bona fide purchasers. The Holder of Unsold Shares will also be responsible for providing to prospective purchasers a copy of the current and updated Offering Plan, including all filed amendments.

Holders of Unsold Shares may not cancel their proprietary leases unless (i) shareholders owning a majority of the Apartment Corporation's outstanding shares (other than unsold shares) shall have given notice of intent to cancel or (ii) all unsold shares constitute 15% or less of the Apartment Corporation's outstanding shares, at least 5 years have elapsed since the Apartment Corporation acquired title to the building and on the effective date of cancellation, holders of unsold shares shall pay to the Apartment Corporation a sum equal to the product of the then current monthly rent, payable under the proprietary lease, multiplied by twenty-four (24).

PURCHASERS FOR INVESTMENT OR RESALE

A purchaser for investment or resale is a purchaser who purchases shares allocated to three or more units, which are not for occupancy by such purchaser or persons related by blood, marriage or adoption to such purchaser. In connection with the sale of such units:

1. A purchaser for investment or resale must register as a broker-dealer pursuant to GBL §359-e (if not already registered);

2. A purchaser for investment or resale shall comply with the trust fund provisions of GBL §352-e(h) and 352-e(2)(b); and

3. A purchaser for investment or resale shall provide the following documents to a prospective purchaser at no cost to the purchaser, three business days before entering a purchase agreement:

- (i) Copy of the most recent financial statement of the Apartment Corporation, if any and a copy of the most recent budget of projected expenses, if any;
- (ii) Copy of the most recent notice from the Apartment Corporation of the interest and taxes deductible for income tax purposes, if any;
- (iii) Copies of notices from the Apartment Corporation concerning changes in maintenance charges, potential assessments, planned major capital improvements and proposed refinancing of the building's mortgage(s), if any;
- (iv) Copies of pleadings in pending lawsuits or proceedings the outcome of which may affect the offering of the unit, the seller's capacity to perform all of its obligations under the purchase agreement or the rights of an existing tenant of the unit, if any;
- (v) If the unit is occupied, copy of the tenant's lease and representation of the tenant's status under any applicable rent law;
- (vi) Copies of the by-laws and form proprietary lease of the Apartment Corporation as amended; and
- (vii) Copy of notice of uncured violations of record in the unit that are the responsibility of the proprietary lessee to cure, if any.

4. A purchaser for investment or resale shall have the same rights and obligations as a Holder of Unsold Shares.

NOTWITHSTANDING ANYTHING CONTAINED HEREIN TO THE CONTRARY THE SHARES OF STOCK BEING OFFERED BY THE SPONSOR ARE NOT BEING OFFERED FOR INVESTMENT. THE PURPOSE OF THIS OFFERING IS THE SALE OF APARTMENTS FOR USE AS DWELLING UNITS BY PURCHASERS ON A COOPERATIVE BASIS.

THESE SHARES ARE NOT OFFERED AND SOLD WITH EMPHASIS ON THE ECONOMIC BENEFITS TO THE PURCHASER FROM APPRECIATION OF VALUE OR EXPECTATION OF PROFIT RESULTING FROM THE RESALE OF THESE SHARES OF STOCK OR AS A RESULT OF MANAGERIAL EFFORTS OF OTHERS, NOR IS IT INTENDED THAT THE OFFERING PLAN LEAD A PURCHASER TO EXPECT PROFITS OF ANY SORT FROM THE EFFORTS OF THE SPONSOR, THE APARTMENT CORPORATION OR ANY THIRD PARTY.

RESERVE FUND AND WORKING CAPITAL FUND

On the Closing Date, from the amount of cash raised by this Offering Plan, the Apartment Corporation will retain the sum of \$10,000, for working capital (plus or minus closing adjustments but not less than \$1,000) and for repairs and other appropriate corporate purposes as determined by the Board of Directors.

In accordance with recent legislation amending Chapter 51 of the Administrative Code of the City of New York, within thirty (30) days of the Closing Date, the Sponsor must establish and transfer to the Apartment Corporation a reserve fund to be used exclusively for making capital repairs, replacements and improvements "necessary for the health and safety of the residents of such buildings." This reserve fund is exclusive of any working capital fund and may not be reduced by closing adjustments. This new law requires that the fund be set up in an amount equal to either:

- (a) 3% of the "Total Price" of this offering (that is, the total number of shares offered multiplied by the price last offered to tenants in occupancy prior to the effective date, regardless of the number of sales), or
- (b) 3% of the actual sales price at the time the Plan is declared effective (but not less than 1% of the "Total Price" plus 3% of each subsequent apartment sale during the five-year period following the declaration of effectiveness, even if the ultimate total exceeds 3% of the "Total Price").

However, if the reserve fund is less than 3% of the "Total Price," the Sponsor must make up the difference within thirty (30) days.

The Sponsor will claim a credit against its initial contribution to the reserve fund to the extent of not more than 1% for the actual cost of capital replacements which are started after the Plan is submitted but before the Plan becomes effective. The claim will be for the following work: Elevator controls and repair of the roof.

The Sponsor will establish a reserve fund at the time of the closing in a sum equal to either 3% of the total price of the offering based upon the price offered to tenants in occupancy (presently contemplated at \$5,463,075) or 3% of the actual sales at the time the Plan is declared effective.

If the net closing adjustments called for in the contract of sale are in favor of the Apartment Corporation, the amount thereof will be paid or credited to the Apartment Corporation. If the net closing adjustments are in favor of the Sponsor, they will be paid to the Sponsor out of the working capital fund to the extent of not more than \$9,000, and the payment of any balance shall be deferred and paid to the Sponsor in 12 equal consecutive monthly installments commencing one month after the closing date, with 12% interest, pursuant to negotiable serial promissory notes to be executed by the Apartment Corporation and delivered to the Sponsor at closing. Each such note will contain a provision permitting acceleration of the maturity date in the event of a default under any other note. The Apartment Corporation may prepay each note (in full only) at any time, without penalty but with interest accrued to the date of prepayment.

While the Sponsor is in control of the Board of Directors the working capital or reserve fund will not be used to reduce projected maintenance charges.

Neither the Department of Law nor any other government agency has passed upon the adequacy of the working capital fund or reserve fund.

No representation is made that the working capital fund will be adequate to cover current or future expenses, including repairs or replacements; and if additional funds are required over and above the reserve fund, it may be necessary to increase maintenance charges.

No representation is made that the reserve fund will be sufficient to meet capital expenditures. Accordingly, any sums necessary for major repairs or capital improvements (including those which may be disclosed in the section entitled "Description of Property and Building Condition") must be secured in the form of an increase in maintenance charges or an assessment levied against all shareholders, or both.

CONTRACT OF SALE

By agreement dated December 1, 1984, the Sponsor has contracted to sell the building and land to the Apartment Corporation subject to the standard printed exceptions contained in the title policy and subject only to the following exceptions:

- (a) Current leases in force and rights of all tenants in possession, other than leases and tenancies of tenants purchasing apartments occupied by them, which shall be terminated upon execution of the proprietary leases;
- (b) Zoning regulations and ordinances which are not violated by existing structures;
- (c) Any rights of gas, electric, steam, telephone and other utility companies to maintain, repair and replace any wires, conduits, pipes, valves, chutes, poles, boxes and vaults on, over, under or adjacent to the property;
- (d) Covenants, consents, party wall agreements and restrictions of record, providing they do not prevent the present use of the property and/or party wall;

- (e) Union, service, supply and maintenance contracts;
- (f) Any facts which an accurate survey may show, provided such facts do not render title unmarketable;
- (g) Encroachments, if any, of stoops, areas, cellar steps, trim, cornices, sills, retaining walls, windows, copings, cellar doors, sidewalk elevators, fences, firescapes, standpipes, ventilators, electric light signs, canopies, window gardens and projections, if any, or any street or highway; and any variations between record lines and fences and retaining walls and consents prior to the date of the closing of title by any owner of the property for the erection of any structure or structures on, under or above any streets on which the property abuts;
- (h) Liens for unpaid New York State Franchise taxes or New York City General Corporation taxes of any corporation in the chain of title provided that a sufficient deposit therefore is made with the title company insuring the Apartment Corporation's title to the property, so that it will insure against collection of such taxes from the property; and
- (i) Existing mortgage by Bayside Federal Savings & Loan Association of \$900,000 and wrap-around mortgage.

The Apartment Corporation's title will be insured by a licensed title company of the State of New York and the Sponsor will pay all expenses in connection therewith from the proceeds of this offering. Title insurance coverage may not be in an amount that is less than the aggregate of (a) the total cash payments received under all subscription agreements less the reserve and/or working capital fund, (b) the product of the number of unsold shares multiplied by the lowest cash payment per share offered to tenants in occupancy, and (c) the amount of the Apartment Corporation's mortgage indebtedness.

In the event there exists any lien or encumbrance other than those set forth above, the sole remedy of the Apartment Corporation will be either to accept such title as Sponsor is able to convey (without any credit or abatement in the purchase price or any claim or right of action against the Sponsor) or to rescind the contract of sale. Sponsor will be under no obligation to institute any action or proceeding or to expend any sum of money to make title marketable or to eliminate any encumbrance.

The sale of the Building includes all fixtures and articles of personal property attached to or used in connection with the operation of the Property on the premises at the time of sale. All kitchen appliances owned by the Sponsor will become the property of the Apartment Corporation on the closing date and may be used by tenant/shareholders without charge. If a non-purchasing tenant vacates his apartment and removes a kitchen appliance belonging to him at the time he moves, the Sponsor, at its own expense, will supply a replacement which may not be new but will be in good working order and will be similar in size and quality to the appliances contained in the building on the presentation date of this Plan.

At the time of closing, all fixtures and articles of personal property attached to or used in connection with the operation of the Property, which are on the premises, and the building and land will be delivered by the seller and accepted by the purchaser in "as is" condition.

The security deposit, if any, of a tenant who purchases will be re-funded to him after the closing of title, provided he is not in default under his lease or tenancy. The security deposit of a non-purchasing tenant, who is not in default under his lease or tenancy, will be transferred after the closing of title to the purchaser of the shares allocated to the apartment, or to the shareholder produced by the seller as the case may be, who will hold them in accordance with G.O.L. Section 7-103.

Conflicts between this agreement and the Offering Plan shall be resolved in favor of the Plan.

The obligations under this Offering Plan and General Business Law to be performed subsequent to closing will survive delivery of the deed.

The Sponsor will maintain the Property until the closing in substantially the same condition and manner as on the date of presentation of the Plan. Sponsor will convey the Property to the Apartment Corporation by Bargain and Sale Deed with Covenants Against Grantor's Acts.

The following are to be apportioned:

1. Rents as and when collected;
2. Premiums on existing transferable insurance policies or renewals of those expiring prior to closing, provided that the coverage, amounts and terms conform to those set forth in this Plan (Footnote #7 of Projected Schedule of Income and Expenses);
3. Taxes and sewer rents;
4. Water charges;
5. Fuel;
6. Utility charges and deposits;
7. Vault taxes, if any;
8. Payments under service and concession contracts;
9. Fees for assignable permits and licenses;
10. Mortgage interest;
11. Wages, vacation pay and any other monies and fringe benefits, paid to the employees of the seller;
12. Escrow held by mortgagee; and
13. Accrued senior citizens exemptions.

The purchaser has no personal liability for any of the costs or expenses for the promulgation and consumation of the Plan, the sale of the building and the execution and delivery of the deed. All costs and expenses of the above, including but not limited to, selling expenses, commissions, and filing fees under Section 352-e of the General Business Law, printing, organization of the Apartment Corporation, title insurance, recording charges and legal fees of counsel for the Apartment Corporation will be paid by the Sponsor.

The Sponsor shall deliver to the Apartment Corporation a Bargain and Sale Deed with Covenants against Grantor's Acts.

The Sponsor reserves the right to renew or modify any existing lease or to enter into any new lease prior to the Closing Date, under such terms, conditions and rentals as Sponsor deems desirable, for any residential or non-residential space. Sponsor will not be obligated to rent any apartment which is vacant and Sponsor reserves the right to evict any tenant who defaults under his lease or tenancy. Sponsor reserves the right to renew, extend or modify any existing service, maintenance or concession contract and to enter into new contracts under such terms and conditions as it deems desirable. In the event the terms and conditions of contracts to be assumed by the Apartment Corporation are materially changed, the Plan will be amended to reflect such changes.

In the event there are pending proceedings for the reduction of real estate taxes on the Property for the tax year in which the closing occurs, the Apartment Corporation will continue such proceedings with the attorney previously employed by the Sponsor who shall have the sole right to negotiate and settle all claims in connection with said proceedings. Cost of such proceedings and any refund shall be apportioned between the Sponsor and the Apartment Corporation according to the respective portions of the tax year that each holds title to the Property. Any refund covering a period prior to the closing of title and all expenses incurred in connection with securing such refund shall belong to and be incurred by the Sponsor.

In the event the Property is damaged by fire or other casualty prior to closing, Sponsor will repair such damage if the cost of repairs is fully covered by insurance proceeds collected by Sponsor. In the event the collected insurance proceeds will be insufficient to pay for the cost of repairs, the Sponsor shall have the right but not the obligation to repair such damage. If Sponsor elects not to repair the damage, the Plan will be abandoned, provided the cost of same exceeds \$38,000 and all subscription agreements will be deemed cancelled and all purchaser's not in default will be refunded their deposits without interest. Upon such refund being made the Apartment Corporation and the Sponsor will be relieved and discharged of any liability under the Plan or under the subscription agreement.

The price for the Property shall be payable as follows:

- A. By payment of the amount of the entire cash proceeds received from the sale of shares pursuant to this plan up to the closing date (less the working capital and reserve funds);
- B. By the issuance to Sponsor of all unsold shares; and
- C. By acceptance of title subject to the mortgages described in this Plan.

The aforesaid price may be regarded by Sponsor as being reduced by expenses incurred by it for all closing expenses, in connection with preparation and presentation of this Plan and sales expenses.

The Property is being sold "AS IS" on the date of the presentation of the Plan subject to reasonable use, wear, tear and natural deterioration between such date and the closing date.

The Apartment Corporation will indemnify and hold harmless the Holders of Unsold Shares against any and all claims, actions, liabilities (including reasonable attorneys fees and litigation expenses) incurred as a result of the failure on the part of the Apartment Corporation to operate the Building pursuant to the requirements of applicable rent regulations and laws or to perform any obligation to be performed by it as lessor under the proprietary lease; however, such indemnity shall not be applicable during any period that a majority of the Board of Directors consists of non-resident members elected by the Holders of Unsold Shares.

Sponsor reserves the right on the Closing Date or prior thereto, to assign this contract to a third party who shall then be obligated to transfer the Property to the Apartment Corporation according to all of the terms and conditions of this contract and Plan.

MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

On the Closing Date, the Apartment Corporation will enter into a management agreement with LSK Management Corp., 26 Court Street, Brooklyn, New York, to serve as managing agent for the Building. The principals of LSK Management Corp., are Leon A. Katz and Sheldon L. Katz. The management agreement will be for a term of three years. The managing agent will receive an annual fee of \$15,000 and will perform the following duties and services, among others: Bill and collect maintenance charges; cause the building to be maintained and repaired pursuant to direction of the Apartment Corporation, except that expenditures of \$500.00 or more for any one item of ordinary repair (other than emergency repairs) shall require the approval of the Apartment Corporation; contract for necessary services for the building; purchase all supplies necessary to properly maintain the building; check all bills received in connection with the operation of the building and cause them to be paid; supervise, hire and discharge employees; render monthly statements, as well as receipts and disbursements; prepare payroll records; prepare and submit annually to the Board of Directors of the Apartment Corporation an operating budget for the next year; and attend the meetings of the Board of Directors and shareholders. In addition, management shall be entitled to receive fees for diverse broker services outside the scope of his duties as managing agent.

All expenses incurred by the managing agent in the performance of its duties shall be paid by the Apartment Corporation which shall also indemnify the managing agent against any liability for acts properly performed by its pursuant to the agreement or pursuant to the Apartment Corporation's instructions.

Pursuant to Section 352-eeee of the General Business Law, sponsor guarantees that all dwelling units occupied by non-purchasing tenants will be managed by the same managing agent who manages all the other units in the building and that such managing agent will provide to non-purchasing tenants all services and facilities required by law on a non-discriminatory basis. That guaranty shall remain until such time as the Sponsor relinquishes control to the Board of Directors of the Apartment Corporation to residents of the building.

At present the following companies perform the specified services:

Income Contracts:

<u>Name of Contract</u>	<u>Services</u>	<u>Payment</u>	<u>Expiration Date</u>
Laundry Service, Inc.	Laundry	\$150.00 Per Month	month-to-month

Expense Contracts:

<u>Name of Contract</u>	<u>Services</u>	<u>Annual Payment</u>	<u>Expiration Date</u>
Republic Elevator Co.	Elevator	\$3,312	12/31/85
Consolidated Water Conditioning Corp.	Water Treatment	\$ 132	12/31/85
Best Way Exterminator	Exterminator	\$ 576	12/31/85
Better Burner	Boiler Service	\$ 428	10/20/85

Laundry equipment consisting of 3 washers and two dryers are owned and maintained in the building's laundry room by Laundry Service, Inc., pursuant to a contract to be entered into at the time of closing with the Apartment Corporation and expiring five years from that date, whereby the lessee pays a monthly rent of \$150.00. The owner supplies electricity and gas at its own cost.

Section 608 of the Federal Condominium and Cooperative Abuse Relief Act of 1980 (15 U.S.C. §3607) provides that certain contracts between a cooperative and a Sponsor or an affiliate of a Sponsor may be terminated without penalty by the cooperative other than units owned by the Sponsor or by an affiliate of the date on which (i) the Sponsor (or its successor) ceases to be in "special developer [sponsor] control" of the cooperative or (ii) the Sponsor (or its successor) owns 25 percent or less of the units in the project, whichever occurs first. The provisions of the Condominium and Cooperative Abuse Relief Act of 1980 are reproduced in Part II of the Plan. The Department of Law has advised the Sponsor that these provisions, particularly Section 608 (15 U.S.C. §3607), may possibly apply to the commercial lease. Sponsor disagrees strongly with this position, and in no way concedes the applicability of Section 608 to these leases by providing this disclosure. Sponsor further points out that the prices for shares offered to initial tenant/purchasers and other offerees are premised on the continuing existence of the commercial lease contemplated between the Apartment Corporation and the Sponsor. Without such lease, the prices for shares would be significantly higher.

IDENTITY OF PARTIES

Sponsor

The Sponsor, Warwick Realty Co., is a general partnership duly organized under the Laws of the State of New York with an office located at 26 Court Street, Brooklyn, New York. This is the only cooperative or condominium project they have been involved in to date except for a "Red Herring" filed July, 1985 as to 77-11 35th Avenue, Queens, New York. The General Partners of the Sponsor, Warwick Realty Co. are Leon A. Katz and Sheldon L. Katz, whose business address is 26 Court Street, Brooklyn, New York. Mr. Leon Katz is a licensed attorney and has been involved in owning other real estate throughout the City of New York. Mr. Sheldon Katz is a licensed real estate broker and is primarily involved in the day-to-day management of all Warwick Realty Co. He too, is experienced in the ownership and management of real estate throughout the City of New York.

Selling Agent

The Selling Agent, Nu Place Realty, 120-10 Queens Boulevard, Kew Gardens, New York, has been the selling agent of numerous buildings which have been converted to cooperative ownership in New York City. Nathan Friedman is a licensed real estate broker and is licensed as a broker with the Real Estate Financing Bureau of the Department of Law.

Managing Agent

LSK Management Corp., 26 Court Street, Brooklyn, New York, will serve as the managing agent for the property. Leon A. Katz and Sheldon L. Katz are principals of the managing agent and have had extensive experience managing real estate property; however, this is their first cooperative venture.

Architect

Glen Gordon, 25 West 84th Street, New York, New York, architect, licensed since 1974 has had experience with cooperative and condominium conversions for the last 5 years. He was employed by the Sponsor to examine the physical condition of the Property and has rendered his report as set forth in this Plan. The architect has no financial interest in the Property, the Sponsor or the Apartment Corporation, except for his fee for services rendered in connection with such report.

Attorney

The law firm of Schiff, Turek & Kakoyiannis, 136 East 57th Street, New York, New York has been retained by the Sponsor to prepare the Plan and related documents. The legal fee for its services in that connection will be paid entirely by the Sponsor.

Prior to the closing and until the first meeting of the Board of Directors, members of that firm will be the Board members and officers of the Apartment Corporation and therefore will act on its behalf at the closing. The interests of the Sponsor and the Apartment Corporation are not identical and they may, at times, conflict. In view of the foregoing, and because of the conflicting and diverse interests of the Apartment Corporation and the Sponsor, it is recommended that each purchaser consult with his own attorney prior to executing a Purchase Agreement.

SPONSOR'S PROFIT

The Sponsor acquired the Property for a purchase price of \$1,375,000. The aggregate mortgage indebtedness will be \$1,500,000. The approximate cost of capital expenditures to be made by the Sponsor is \$250,000. The costs associated with the acquisition, ownership of the Property, including financing costs is \$50,000, and the aggregate amount for costs incurred in connection with the conversion, including sales commissions, attorneys' and engineering fees, printing, advertising, title insurance for the Apartment Corporation, filing fees and transfer taxes are approximately \$200,000. It is estimated that the Sponsor's profit will be approximately \$2,625,000, assuming that the Sponsor will become the Holder of all Unsold Shares and that all shares of the Apartment Corporation will be sold at prices set forth in Schedule A of this Plan.

REPORTS TO SHAREHOLDERS

It is the obligation of the Apartment Corporation to give all shareholders annually, at the expense of the Corporation, copies of the following:

- A. A statement of the amount deductible for Income tax purposes by February 15th;
- B. An annual audited financial statement prepared by an independent certified public accountant to be received within two months after the end of the fiscal year; and
- C. Notice of the holding of any annual shareholders' meeting for the purpose of electing a Board of Directors will be sent in accordance with the By-Laws.

These dates however, may be changed later in accordance with the By-Laws.

DOCUMENTS ON FILE

Sponsor shall keep copies of the Plan, all documents referred to in the Plan and all exhibits submitted to the Department of Law in connection with the filing of the Plan, on file and available for inspection without charge and copying at a reasonable charge at 26 Court Street, Brooklyn, New York 11201 and 120-10 Queens Boulevard, Kew Gardens, New York 11415 for 6 years from the date of closing.

GENERAL

There are no law suits, administrative proceedings or any other proceedings the outcome of which may materially affect the offering, the Property, the rights of existing tenants, Sponsor's capacity to perform all of its obligations under the Plan, the Apartment Corporation or the operation of the cooperative.

The Property was not the subject of any prior cooperative or condominium offerings. No preliminary binding agreements have been entered with, and no money has been collected from prospective purchasers.

If there is a substantial amendment to the Offering Plan that adversely affects purchasers, the amendment will provide that persons who have already subscribed shall have the right to rescind their subscription agreement within 15 days from the date of presentation of the amendment. If a subscriber wishes to rescind his subscription agreement, the Sponsor or its agents will return any deposit or downpayment promptly but in no event later than 15 days from Sponsor's receipt of the notice of rescission.

The Sponsor, its agents and Sponsor as Holder of Unsold Shares will not discriminate against any person on any basis prohibited by civil rights laws.

No person has been authorized to make a representation which is not expressly contained herein.

The use of the premises is in conformity with the Certificate of Occupancy.

This Plan may not be changed or modified orally.

Brooklyn, New York

WARWICK REALTY CO., Sponsor

SPONSOR'S STATEMENT OF BUILDING CONDITION

The Sponsor adopts the Description of Property and Building Condition as set forth in Part II of the Plan prepared by Glenn Gordon, licensed architect and represents that Sponsor has no knowledge of any material defects or need for major repairs to the Property except as set forth in the Description of Property and Building Condition. However, the Sponsor does not adopt nor should the inclusion of the tenants' engineer's report be considered as acknowledgment of the conditions contained in that report.

The Property is offered in its "AS IS" condition on the date of the presentation of the Plan, subject to (a) Sponsor's obligation to maintain the Property until closing in substantially the same condition and manner as on the date of presentation, (b) reasonable wear and tear, and (c) Sponsor's obligations described below to cause violations of record to be cured.

Prior to closing or within a reasonable period of time thereafter, Sponsor will cause to be cured all violations of record as of the closing date (except violations caused by acts or omissions of tenants in the building in their own units) and will eliminate all dangerous or hazardous conditions that the Sponsor has notice of. If all violations are not cured at closing, the Sponsor will place in escrow at closing, a sum determined to be sufficient to cure all violations as determined by a licensed engineer or architect to secure the performance of such work.

SUBSCRIPTION AGREEMENT

APARTMENT _____

To: WARWICK OWNERS CORP.

1. I acknowledge the receipt of the Offering Plan to convert premises 76-12 35th Avenue, Jackson Heights, Queens, New York, ("Property") to cooperative ownership at least three (3) full business days prior to my execution of this Subscription Agreement.

2. I agree to purchase _____ shares of capital stock of WARWICK OWNERS CORP., ("Corporation") and proprietary lease allocated to Unit _____ for the total price of \$ _____ and make a down payment of \$1,000 (or 10% of the purchase price, if I am not the tenant occupying the apartment). My check made to the order of "STK - Warwick Special" and my Gains Tax Affidavit and Subscriber's Affidavit (Exhibits B and C) are attached. I will pay the balance (\$ _____) upon 15 days' written notice by you or the Corporation that the date for the closing transaction (the date when the Corporation acquires title to the property) has been fixed. Said payment shall be made by certified or official bank check to the order of Schiff, Turek & Rakoyiannis, as attorneys. If financing is being provided by a lending institution pursuant to paragraph 10 of this agreement then that portion of the balance of the purchase price which is equal to the amount being financed may be paid from the proceeds of such loan at closing, provided I deliver to you within the said 15 day period: (a) a copy of the written commitment from the lending institution; (b) all executed documents (including the "Recognition Agreement") which the lending institution will require the Apartment Corporation to execute; and (c) the balance of the unfinanced portion of the purchase price in cash, certified or official bank check as aforesaid.

3. I agree to execute the proprietary lease for the Unit (in the form contained in the Plan) promptly upon its presentation to me for signature. The date of the commencement of the term may be inserted by you or the Corporation. The proprietary lease and the stock certificate attributable to the Unit will be delivered to me upon the completion of the closing transaction.

4. All monies received by you as Sponsor, or by your agents or employees, by virtue of this Agreement, will be held in escrow pursuant to Sections 352-e(2)(b) and 352-e(h) of the General Business Law by Schiff, Turek & Rakoyiannis, until actually employed in connection with the consumation of the Plan, pursuant to its terms. All such monies will be deposited in Citibank, N.A., 32nd Street and 2nd Avenue, New York, New York, in a special account entitled "STK - Warwick Special." These funds may be released only over the signature of an attorney in the firm.

5. I agree to accept the Unit "as is".

6. I understand that if the Plan is not declared effective, or is abandoned, then this Subscription Agreement shall be deemed to be cancelled and you shall cause the refund of all payments made by me hereunder, without interest, and neither party to this Subscription Agreement, nor the Selling Agent, shall have any further rights or obligations hereunder.

7. I understand and agree that if I fail to make payment of the balance of the purchase price when due, as herein provided, (subject to the provisions of paragraph 9, if applicable), and in the event I fail to make payment within 30 days after written demand is made by you or the Corporation, this Subscription Agreement shall be deemed cancelled and all rights of the parties hereunder shall terminate, except that the down payment shall be retained by the Apartment Corporation as liquidated damages.

8. This Subscription Agreement shall not be binding until it is accepted by the Apartment Corporation in the space provided below, and a fully executed counterpart of this Subscription Agreement is delivered to me. If this Subscription Agreement is not accepted as aforesaid within 30 days, it shall be deemed rejected and cancelled, and the down payment shall be returned to me, without interest, within 10 days.

9. (* Delete if inapplicable) This Subscription Agreement is submitted on the condition that within 30 days of the date that I receive a fully executed copy of this agreement, a bank or other lending institution shall issue a commitment to me for a loan not less than \$_____, at the maximum legal interest rate in effect on the closing date, in connection with the subscription for shares made herein. I agree to make truthful application for such loan within five (5) days from the date I receive the fully executed copy of this agreement and promptly notify you: (a) when and to whom the application for commitment is made; and (b) when my application for commitment is either accepted or rejected. If within the said 30 days, I do not notify you that the commitment has not been issued, I hereby waive the conditions set forth in this paragraph, and this Subscription Agreement shall be deemed to be firm and binding whether or not the loan commitment is issued. In the event I fail to secure such commitment within the aforesaid period, or in the event I do secure said commitment and it expires by its terms, prior to the closing date and despite my good faith efforts I am unable to get it extended (not as a result of my default), I shall have the right to rescind this agreement by written notice, within 2 days thereafter, and you agree to return my down payment deposit without interest, within 5 business days thereafter.

10. (* Delete if inapplicable) I acknowledge that I am not the occupant of the apartment unit designated in this Subscription Agreement and I agree to accept said apartment unit subject to the existing occupant's lease and/or other right of occupancy of those who occupy the apartment unit, and subject to the provisions of Section 352-eeee of the General Business Law of the State of New York. I further understand that I shall have no right to obtain possession of the apartment except by reasons of the failure of the occupant to pay rent or by other default of his lease or right of occupancy.

I further understand that after the closing date, I will be responsible for the landlord's obligation under the existing lease (which includes the obligations to repair and maintain the apartment) and the payment of all maintenance charges and other services payable under the proprietary lease.

Further, if this Subscription Agreement is submitted during the period that the existing tenant or occupant has the exclusive right to purchase the apartment unit pursuant to the plan or any amendment thereof, then the acceptance of this subscription agreement by you is expressly made subject to such right of purchase by the present tenant/occupant. In the event said tenant/occupant exercises his exclusive right to purchase, then this agreement shall be deemed cancelled and within thirty (30) days thereafter, all money deposited hereunder shall be returned to me, without interest, at which time this agreement shall be deemed at an end and all obligations and liability hereunder shall cease.

I understand that as a non-tenant purchaser, I may rescind this Subscription Agreement within 7 days after I deliver the executed Agreement together with the down payment to the Sponsor/Selling Agent, and in such event receive a prompt refund of all deposit monies, without interest.

I hereby designate the management agent of the property as my agent to provide to the non-purchasing tenant now in occupancy of the apartment unit, all services and facilities required by law on a non-discriminatory basis. I further agree to reimburse the managing agent for all reasonable costs incurred in providing such services within thirty (30) days of my receipt of a written statement of such services and facilities rendered and of their costs. Any such reimbursement which is not made by me within said thirty (30) day period may be paid by the Apartment Corporation and assessed to me as additional maintenance charges.

I further agree to deposit with the managing agent at closing a sum equal to at least two (2) months maintenance charges to be used as working capital to furnish services required under the non-purchasing tenant's lease and applicable laws; and that upon notice by the managing agent that the deposit has been diminished, I shall replenish the fund within two (2) weeks from the date of such notice.

11. I represent that I have not negotiated or had any dealings with any broker other than the Selling Agent in connection with my purchase of the shares.

12. The entire agreement between the parties hereto is set forth herein and in the Plan. The only representations made to me are those contained herein and in the Plan. I have not relied upon any representation, statement or warranty, as to any matter or estimate, written or oral, that is not set forth herein and in the Plan; and I further acknowledge that I have had full opportunity to examine all documents and investigate all facts referred to herein or in the Plan.

13. This Subscription Agreement is not assignable by me without the prior written consent of the Corporation. I understand that there will be a \$350.00 fee for the processing of such assignment, payable to Schiff, Turek & Kakoyiannis.

(*Delete if Inapplicable) I am a tenant in occupancy. I understand that permission to assign prior to closing will be either granted or denied by the Sponsor, on a non-discriminatory basis. I also understand that I may assign this agreement only after it has been fully executed by me and delivered to the Sponsor/Selling Agent together with the correct down-payment. I further understand that the proposed assignee must submit a notarized affidavit (in the form annexed to this agreement as Exhibit A) whereby the assignee states that he/she was not procured by the Sponsor and that he/she intends that they or a member of their immediate family will personally occupy the apartment.

14. Time shall be of the essence with respect to all payments required of me pursuant to this Subscription Agreement and Offering Plan; so that if such payments are not timely made, I will be in default of this Subscription Agreement.

15. Conflicts between this Subscription Agreement and the Plan shall be resolved in favor of the Plan.

16. This Subscription Agreement may not be changed orally.

17. (*Delete Either A or B)

A. I represent that I am the bona fide resident in occupancy of the above-described apartment.

B. I represent that I have the bona fide intention of moving into the above-described apartment.

Dated:

Purchaser

Address of Purchaser

WARWICK OWNERS CORP.

By: _____

ACCEPTED AND APPROVED:
WARWICK REALTY CO., Sponsor

By: _____

Exhibit A

ASSIGNMENT AFFIDAVIT

STATE OF NEW YORK)
) SS.:
COUNTY OF _____)

_____, being duly sworn, deposes and says:

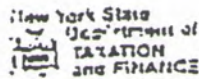
1. That I reside at _____

2. That I wish to have the subscription agreement regarding Apartment ____ at 76-12 35th Avenue, Jackson Heights, Queens, New York, entered into between the Apartment Corporation, the Sponsor and _____, assigned to me. That I hereby state that I was not procured by the Sponsor or the Selling Agent and that I or a member of my immediate family intends to personally occupy the dwelling unit.

3. That I am making this affidavit in order to induce the Sponsor to grant its consent to the proposed assignment.

Sworn to before me this
day of _____, 1985.

Notary Public



New York State
REAL PROPERTY TRANSFER GAINS TAX

Questionnaire
TRANSFeree

NOTE: See Instructions (TP-581-D, Section B) before completing this form.

Placed Here	Name	Social Security Number
(Transferee)	Address	ZIP Code
	Name	Social Security Number
(Transferor)	Address	ZIP Code
	Name	Social Security Number
	Address	ZIP Code

• Type of Interest to be Acquired
(Check Applicable Box)

- ☐ Fee
 ☐ Leasehold Grant
 ☐ Leasehold Assignment or Surrender
 ☐ Stock in Co-op
☐ Option Grant
 ☐ Option Assignment or Surrender
 ☐ Development Right
☐ Controlling Interest
 ☐ Contract Assignment
 ☐ Other (attach explanation)

• Date of Anticipated Transfer _____
Day Month Year

• Percentage of Interest to be Acquired _____%

LOCATION OF PROPERTY TO BE TRANSFERRED (List each lot separately)

Address	County

COMPLETE LINES 1, 2 AND 3

1 Consideration to be Paid to Transferor By Transferee	1
2 Brokerage Fees to be Paid by Transferee to Transferor	2
3 Brokerage Fees to be Paid by Transferee to Broker	3

AFFIDAVIT OF TRANSFeree

I swear (or affirm) under penalty of perjury that this questionnaire including the accompanying schedules or statements has been completed by me or to the best of my knowledge and belief, a true and complete return, made in good faith, pursuant to Article 31-B of the New York State Tax Law.

Sworn to and subscribed to before me this _____ day of _____

Name(s) of Transferee(s)

Signature(s) of owner(s), partner, officer or corporation, etc.

Signature of officer administering oath

Title

SUBSCRIBER AFFIDAVIT

STATE OF NEW YORK)
) SS.:
COUNTY OF _____)

_____, being duly sworn, deposes and says:

a. That your deponent is the subscriber of the shares allocated to apartment _____ at premises 76-12 35th Avenue, Jackson Heights, New York.

b. (delete either I or II).

I. I represent that I am the bona fide resident in occupancy of of the above-described apartment.

II. I represent that I have the bona fide intention of moving into the above-described apartment or that _____ (a member of my immediate family) will move into the above-described apartment.

c. The following is a list of all other subscription agreements in which I made similar representations of intent to occupy (if none, state "none"):

	<u>Apartment</u>	<u>Building Address</u>	<u>Date of Subscription Agreement</u>
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____

SUBSCRIBER

Sworn to before me this
day of _____, 198 .

Notary Public

GLENN GORDON • ARCHITECT

25 WEST 34TH STREET
NEW YORK, N.Y. 10024
PHONE (212) 595-4329

December 14, 1984

The building at 76-12 35th Avenue, Jackson Heights, Queens, was inspected on Friday, November 23, 1984. Additional information was obtained from the files and records at the Building Department of the City of New York, Borough of Queens, on Tuesday, November 27, 1984.

Basically, the structure appears sound with good foundations, exterior and interior walls, floors, and roof. The findings and opinions detailed in this report are the result of visual examinations of some but not all portions of the building, as observed on the above inspection date of key and vital elements. The areas inspected were noted from the ground, from representative segments of the interior, and from the roof. In addition, information on building components not visible were obtained, when available, from various documents of the Building Department, all in order to serve as an aid in determining and evaluating the physical condition of the subject building. Conclusions drawn from this report by the reader must take the above into account.

No warranties, guarantees, or representations are made by the undersigned, the sponsor, or anyone on their behalf that all deficiencies in building construction or its equipment were noted.

This inspection was conducted on various types of apartments having different layouts, all service, roof, basement, and yard areas.

A. The Property is located at 76-12 35th Avenue, at the Southeast corner of 76th Street, Jackson Heights, New York 11372.
Block: 1276 Lot: 1 Zoning: R 7-1 (Map 9d)
Permissible Use: Residential Apartment Dwelling

B. Date Completed: October 3, 1940

Construction Classification: Non-Fireproof

Certificate of Occupancy: #14693 dated November 8, 1940

Alterations: N.B. 2564/40 - original building application

Elev. 4074/40 - " elevator "

Misc. 3668/40 - " boiler "

B.N. 566/70 - compactor installation

Elev. 2/77 - replace worm and gear, load test west elev. (#1402)

P.R. 2877/80 - replace pneumatic water system with booster pump

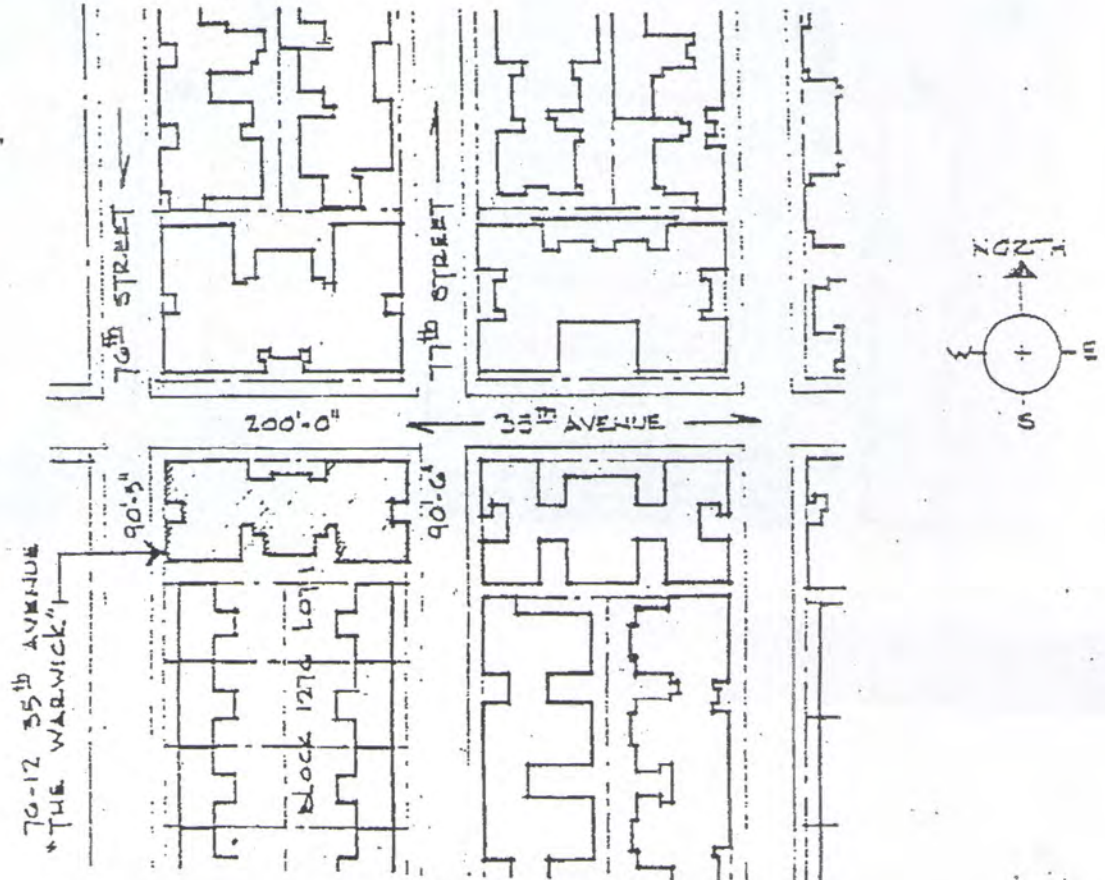
Elev. 32/84 - new cab interior installation

Elev. 91/84 - replace both controllers; new door operator - east elev. (#1401)

Misc. 111/84 - new boiler and burner installation
P.R. 686/84 - new meter and gas line to boiler
dual burner

C. The Site is rectangular, beginning at the Southeast corner of 76th Street and 35th Avenue, running East 200'-0" along 35th Avenue, then South 90'-6" along 77th Street, then West 140'-0", then North 0'-1", then West 60'-0", then North 90'-5" along 76th Street, for a total of 18,095 square feet for the site. There is one six-story building on the site used as an apartment dwelling. There are no parking facilities within the property.

35th Avenue, 76th and 77th Streets are publicly owned and paved with asphaltic concrete in good condition. The 10'-wide sidewalks adjacent to the building are concrete in good to excellent condition, recently replaced, completely on the 35th Avenue and the 77th Street sides and partially on the 76th Street side. The remainder of the sidewalk exhibits several hairline cracks of a minor nature. The street curb is mostly concrete and some blue stone in good condition, with portions recently replaced and small sections with missing or broken pieces. There are no drop curbs on the property.



The sidewalks slope gently to each street providing positive drainage to a street sewer catch basin on 35th Avenue near the corner of 76th Street. Adjacent to the catch basin on 35th Avenue on the sidewalk are a mercury vapor street light with integrally hung traffic signal; free standing phone booth; "Bus Stop" sign; and a 6"-diameter oil tank intake casting. Four mature red maple (deciduous) trees, each in a 5' square pit cut in the sidewalk are placed at regular intervals along the Avenue. Three of the four tree pits contain granite paving stones with sand joints. The fourth tree pit, closest to the main entrance, is devoid of stone and creates a minor tripping hazard since the topsoil is an inch or so below the sidewalk surface.

A Fire Department call box, "No Parking" sign, and mature maple tree in 5' square pit are situated along 76th Street. Two additional maple trees, one mature and one young, each in a 5' square pit, and a "No Parking" sign between them are located on 77th Street.

D. Utilities: Public water supply, unmetered, combined sanitary and storm sewer drainage is provided by the City of New York. Natural gas for cooking is separately metered to each apartment and paid for by the tenant. Gas to the laundry and the boiler is singularly metered and paid for by the building owner. Supplier is the Brooklyn Gas Company. Electricity is provided by Con Edison, separately metered to each apartment, is paid for by the tenant. Telephone service provided by the New York Telephone Company is individually paid for by the tenant.

E. Sub-soil Conditions: According to Building Department records, the earth supporting the structure has a bearing capacity of 3 tons/s. No uneven foundation movement or settling was observed, nor was there any evidence of moisture, seepage, or ground water infiltration. There is no danger of flooding due to the existing water table or the proximity of nearby bodies of water.

F. Landscaping: The main entrance at the center of the building on 35th Avenue is approached by a wide walkway in good condition which runs from the sidewalk to the entrance portico. It is constructed of red paving brick laid in a diagonal pattern, slightly settled in one area, containing a clogged floor drain at its center. Defining the walkway and outlining two small garden areas on either side of the entrance is a decorative red brick curb connecting the portico steps to a quarter round concrete curb adjacent to the sidewalk. The brick curb is in good to fair condition with small sections slightly raised or settled, with broken mortar joints all caused by weathering. The garden areas are attractively planted with small shrubs (deciduous-Japanese maple, broad leaf evergreens-Cedar, Spruce, Juniper, Pyrocantia, Pieris, Rhododendron, Azalea, Mugo pine), rocks and newly placed sod.

Two 5' wide lawn areas emerge from the garden areas and run symmetrically

cally on either side of the entrance area adjacent to the building continuing along 35th Avenue and 76th and 77th Streets respectively until ending at the rear yard entrances. The lawn areas containing newly placed sod are separated from the sidewalk by a 6" high quarter round concrete curb in good condition. Minor hairline cracks and repaired areas were evident along its length. A continuous 2' high steel post and chain fence protects the lawn area for its entire length. A large shrub (evergreen-Yew) is situated in the 76th Street exterior court. Four carriage type lights atop 5' high posts set in the lawn are located at regular intervals along 35th Avenue. The street trees have been previously describe

The rear yard defined by the building's rear wall, side and rear lot lines, is accessible from either 76th or 77th Streets through double unlocked single swing 6' high decorative wrought iron gates. The gates are hung from and supported by two 16" square red brick pillars with white capstones on the side lot lines. The North pillars on both streets lean slightly away from the building wall, requiring repair work. Along the rear lot line are two 6' high wrought iron picket fences on concrete curbs, approximately 75' long, beginning at each street and meeting a 12' high steel fence on high concrete curb at the center of the site. A narrow area planted with grass parallels the rear lot line curb. Similarly planted areas adjacent to the rear building walls continue from each street approximately 60'. A narrow concrete sidewalk in good condition between the grass areas connects each street, both service entrance ramps and the rear court garden.

Concrete ramps in good condition run from street level to both of the cellar service entrance doors. Each concrete platform at cellar level contains a functioning floor drain. Steel pipe hand rails are located on either side of the ramps. A concrete retaining wall surmounted by a steel pipe rail fence separates the two ramps from the rear court garden between them at the center of the site. A 4' high chain link fence and gate in good condition links the ramp pipe rail fence with the lot line steel fence. The fence should be scraped and repainted. The East ramp, East and West sidewalk portions of the rear yard concrete have recently been replaced. The rear court garden is attractively planted with shr (deciduous-Hawthorne, Glossy Privet, Viburnum), small trees (deciduous-Weeping Fig, Mulberry) and Ivy (evergreen.)

All landscaping on the site is in excellent condition and very well maintained as is most of the decorative ironwork at street level.

G. Building Size: The Certificate of Occupancy lists a cellar and six stories above grade for a height of 62'-6 7/8" to the roof beam. Each typical floor, except the cellar and first, is 9'-7 1/2" high floor to floor. The cellar height varies from 9'-10" to 13'-8" floor to floor according to space, while the first floor is 9'-8" floor to floor, for a total building height including bulkheads and chimneys of 69'-0". The parapet wall is generally 3'-6" high above

the roof. There are no crawl or attic spaces in the building.

Equipment spaces include the boiler and oil tank room, two compact rooms, laundry rooms, three meter rooms, pump room, two shop rooms, six storage rooms in the cellar, and two elevator machine rooms on the roof.

The building layout is designed according to an "H" plan, with small side courtyards cut in to the East and West wings, and a central projection into the rear yard. The nominal dimensions for all floors is approximately 200'-0" front and 80'-0" deep. Taking into account the entrance and side courts, the enclosed area is 12,951 square feet on each of the six floors, for a total of 77,706 square feet for the building.

H. Structural System: The building is classified as non-fireproof and consists of steel, brick, concrete, and wood. Reinforced concrete foundation walls encircle the building's perimeter and extend to an indeterminable depth below the surface. Individual concrete footings at a lower depth are found at several locations, e.g., the elevator pit, the boiler room, and at the columns.

Exterior walls are of 12" masonry consisting of 4" face brick, air space, and 8" cinder concrete block backup. Interior walls for public hallway are 8" thick fireproof concrete block. In addition, the elevator and incinerator shafts are enclosed with fireproof concrete block. Apartment partitions are 2"x4" wood studs 16" o.c. with plaster finish on wood or metal lath, while some are 8" (12" on first floor) thick concrete block bearing walls, especially at fire separations. The spaces above partitions between the wood beams resting on these partitions separating apartments are fire-stopped with bricks.

The entire basement ceiling, public hall floors, and stair landing consist of reinforced concrete slabs supported on bearing walls, steel columns, and steel beams. Upper floors (second and above) consist of 3"x10" douglas fir #1 common beams at 12" or 16" on center, depending on beam span. Typical floor construction consists of wood rafters with wood sub-floor and finish floor above, lath and plaster ceiling below, for a total thickness of 12". Spacing of beams for roof varies from 12" to 16" on center. Wooden beams are supported on masonry bearing walls or on steel girders and columns. Typically steel girders bear on masonry bearing walls or on steel columns. All steel carrying masonry walls are encased in 2" concrete fireproofing material. All lintels are structural steel.

Since this building is listed as a six-story structure on the Certificate of Occupancy, a Local Law 10/80 inspection is inapplicable.

Building Exterior: The 35th Avenue (North) facade is basically flat.

constructed of redface brick laid in running bond (except as described below) and rises six-and-a-half stories from cellar window to roof parapet wall without projections or setbacks. The central third of the elevation is recessed to form an entrance court, while the East and West wings conform to the street line. A classically inspired covered portico protects the entrance. The projecting canopy at the second floor is supported on each corner by a 16" square red brick pillar, and on each side of the center front by two white painted metal, classical motif fluted columns (which enclose an iron pipe support.) Above the column capitals is a band of white stone and concrete, a simplified version of the original cornice frieze, and six 2'-6" high stone pillars and pyramidal caps with decorative wrought ironwork between, conforming in position to the columns and pillars below.

The building's brickwork echoes the classical design motif with raised simulated quoins, band courses, and flat pseudo window keystone arches. The facade is accented with white stone: continuous band courses at the second floor sill level and at the roofline; the roof parapet coping; the window sills and imitation keystones above the sixth floor; the relief imitation balustrades along the parapet wall; and for the pseudo classical triangular pediment (enclosing a semi-circular tympanum relief sculpture), cornice and frieze composition at roof level above the entrance and on each wing. Decorative openwork wrought iron window boxes, painted red, are located on the elevation at the third floor level. Wood windows, painted white, placed in a well-balanced pattern, singularly or in groups of threes; the white stone accents; the red painted ironwork; and the red brick form an attractive facade design.

The 76th (West) and 77th (East) Street elevations are mirror image of each other and similar in design and construction to the North elevation. Each facade has a central portion recessed to form an arrangement of centralized exterior court and North and South wing conforming to the street line. Both elevations contain the aforementioned pseudo classical features (stone pediments, friezes, cornices, balustrades, band courses, and brick relief design.)

The rear (South) elevation is flat, constructed of redface brick (yellow face brick is used for the central portion, chimney, elevator and stair hall walls) and rise six-and-a-half stories from cellar window to roof parapet wall without projections or setbacks. Except for the white stone window sills, the facade is devoid of accent decoration. Rectangular roof vents are placed at regular intervals above the top floor. Minor hairline cracks were observed in a few areas of the brickwork (i.e., chimney.)

In general, the exterior of the building appears well maintained with evidence of past brick repointing work in several locations along the parapet wall, recently repainted iron and steelwork, and recently recaulked and repainted windows. There are, however, a few places on the parapet wall where efflorescence (white lime

salts from mortar chemicals staining the red brick) has occurred. These can easily be eliminated with a special acid wash.

Windows: The majority of windows are the original wood double hung, six-pane sash, single glazed, many with insect screens, painted white, placed either singularly or in groups of three. The windows operate indifferently; many with loose bottom sashes and top sashes painted shut, and some badly weathered especially at the bottom. Trim is comprised of wood or steel (interior sill) painted white.

Cellar windows are generally wood single swing, six-pane sash, single glazed, some with insect screens, painted red and placed singularly along the facade.

Stair hall windows are steel frame, center double swing, twenty-four pane (fixed side and bottom, center eight pane operational), wire glass type with steel trim and black marble interior sill.

Lobby windows are steel frame, double swing, six-pane, with decorative mullions, wire glass and semi-circular transom above. Trim is steel with black marble interior sill.

Exterior Entrance: The main entrance is located on 35th Avenue at the center of the building; the approach is laid with brick pavers (previously described) from the sidewalk to a covered two-step brick portico of brick pavers laid in herringbone pattern. The canopy and supports are as described in "H" Building Exterior. A 4'-0" high decorative openwork wrought iron fence, painted red, encloses each side of the portico perpendicular to the building. A single hanging carriage type incandescent fixture and two carriage type fluorescent fixtures mounted on each corner pillar illuminate the entrance area. The entrance door and windows on either side are each framed within a white stone moulding forming an arch. The entrance door itself is heavy wood double swing (one leaf fixed) framed and recessed panel type, with twelve panes of bevel glass with wood trim, brass hardware and saddle. A semi-circular wood frame transom with leaded glass and address number decal is situated over the doors.

The vestibule, finished with recently installed 6"x6" wall tiles, marble base moulding, white plaster ceiling, and a terrazzo floor covered by a recessed rubber mat and throw rug, contains an apartment directory and intercom panel. The vestibule is illuminated by a colonial type, five incandescent fixture hanging chandelier. The main lobby is entered through a second set of heavy wood, double swing (one leaf fixed) framed and recessed panel type door similar to those described above (except with rectangular transom controlled by electrical door locks activated by the tenant responding to a call from the intercom.

The main lobby is elaborately finished in Colonial style. Opposi

the entrance doors is a mock fireplace mantle, flanked on either side by a mirror wall, double fluted pilasters, and recently installed 6"x6" wall tiles. To the left and right are portals to the first floor public hall beyond, and apartments "H" to "Q" (East) and "A" to "G" (West) respectively. The side walls are mural wallpaper over plaster above a 2'-6" high Colonial style panel and moulding design, with a continuous decorated plaster moulding just below the ceiling. The entrance wall is painted plaster with mouldings to match the side walls. Symmetrically on the wall about the vestibule are portals to small alcoves, and close to the adjacent side walls, window openings over a black marble sill and metal covered recessed radiator. The ceiling of the main lobby is plaster painted white, flat, except for a central circular cutout portion containing a stylized blue and white daisy motif in plaster relief and surrounded by a white flower pattern in plaster relief at the edge of the cutout. A continuous black marble base moulding and terrazzo floor in a pattern of tan-black/rust squares with a central stylized daisy medallion completes the lobby design. Eight incandescent downlights mounted in the ceiling illuminate the area.

The lobby alcoves each contain a small closet with wood single swing panel and moulding door in serviceable condition, basically similar wall, ceiling, and floor treatments, and a single incandescent fixture for illumination.

The matching First floor public halls are each accessed by a five step marble tread, steel pan, stair with wall mounted bronze handrails, from the entrance lobby. The upper portion contains the tenant mailboxes manufactured by Auth, illuminated by a wall mounted, three-bulb incandescent fixture, an HPD Inspection Chart (Building No. 406746, last inspected 10/17/84), the interior stair tenant apartment entrances, and is finished with painted plaster walls (recently installed 6"x6" tiles adjacent to the mailboxes), white plaster ceiling and a new 1"x1" ceramic tile floor. The lower portion contains the elevator and a tenant apartment entrance. Finishes include a continuation of the new mailbox wall, painted plaster walls and ceiling, black base moulding, and a floor treatment similar to the entrance lobby. Public hallway lighting on this floor, as on all other floors, is by 24" long fluorescent ceiling hung fixtures providing adequate illumination.

The typical public hall is finished with painted plaster walls (tan/template wheat pattern), white painted plaster ceiling, new light color vinyl tile floor, dark brown base moulding and similar colored doors and frames.

Service Entrances: There are two service doors, one each from the East and West portions of the rear court to the cellar, reached by a previously described ramp (see "F" Landscaping.) All doors and frames are hollow metal with steel saddles and locking devices.

A wall mounted incandescent light fixture is located on the exterior over each service door.

Main Roof and Roof Structures: The main roof is of built-up multiply construction of unknown age and in fair to poor condition. Due to the blistered, dry, and brittle condition of the roofing materials, the roof is judged to be near the end of its useful life. However, no current leaks were observed. The cap and base flashing is copper covered with tar in good condition. The insulating value of the roof material is unknown. There is presently no bond or warranty on the roof. Five cast iron roof drains with square strainers are located at the low points of the roof. They are connected to internal leader pipes that are in turn connected to the building's plumbing system.

The front and side parapet walls are constructed of brick faced with bitumin and covered by a stone coping. The higher walls which back the decorative pseudo classical triangular pediments are braced by 2"x2" angles, in good condition, connected to the roof structure. The rear parapet is constructed of brick faced with bitumin, covered by a ceramic tile coping, with openings and stone sills for access onto the three fire escapes.

There are three chimneys of brick, stone coping, and cement wash finish construction in generally good condition. Numerous hair-line cracks on the cement wash and a slight deterioration of stone copings indicate the necessity of minor repairs. The boiler and one disused incinerator chimney are constructed integrally with the East elevator-stair bulkhead and the other disused incinerator chimney is constructed integrally with the West elevator-stair bulkhead. Steel rungs are set into each chimney to provide access to the coping and ash screen.

There are no skylights on the main roof.

The two duplicate stair bulkheads are of masonry construction, brick bitumin coated exterior, painted plaster covered interior. A 3'-0"x6'-0" steel framed pyramidal skylight, with 10 panes of wire glass, provides illumination, and a fire rated hollow metal door and frame with self-closing hardware and stone sill provides access. The roof with ceramic tile coping is similar in construction and condition to the main roof and drained by gutters and leaders. The two duplicate elevator bulkheads are constructed as an extension of the stair bulkheads, of masonry, brick throughout with unfinished exposed concrete ceiling and painted concrete floor. Two steel frame casement windows with nine wire glass lights (top six are operable) and fire rated hollow metal door and frame matching the above punctuate the wall surface. The windows and door have white stone sills. The roof is constructed and drained as indicated above. A five-step openwork steel stair and platform in good condition leads to each elevator machine room from the

main roof. Two former incinerator ash rooms, each with a steel access door and frame, welded shut, share the above-mentioned elevator-stair bulkheads. Although in good condition, the bulkhead masonry exhibits areas of open or cracked mortar joints (especially at the elevator bulkheads) requiring brick repairs and/or repointing.

Four non-electric turbine exhausters, on concrete roof curbs, all in good condition, ventilate the roof.

Several cast iron vent pipes in good condition projecting above the roof and a few open steel angle structures (for clothesline or canvas canopy?) in fair condition comprise the remaining miscellaneous metal work on the roof.

There are no tenant rooftop facilities.

Fire Escapes: Steel fire escapes are located on all of the four facades. Two runs service the 35th Avenue facade, adjacent to the main entrance, with steel platforms and interconnecting stairs from the second through sixth floors and steel drop ladders to the street. One run each serves the 76th and 77th Street facades, at the exterior court, with platforms and stairs from the second through sixth floors and a drop ladder to the street, while three runs service the rear facade with platforms and stairs from the second floor to the roof level and a drop ladder to the rear yard. All steel work is painted red and well maintained.

Entrance Portico Roof: The roof is of built-up multi-ply construction of unknown age and in fair condition. Due to the dry, brittle condition of the roofing materials, it is anticipated that future replacement would be necessary. The cap and base flashing is copper covered with tar in good condition. The insulating value of the roofing material is unknown and not salient since the under side is exposed. There is presently no bond or warranty on the roof. A cast iron roof drain with square strainer is located at the low point of the roof and connected to the building's plumbing system.

Yards and Courts: The two exterior courts (76th and 77th Street elevations) are formed by the recessed portion of the side building walls, landscaped with sod and protected by a post and chain fence. They are not intended for the use of the public. The rear exterior courtyard (see "F" Landscaping) is located adjacent to the South lot line and defined by the rear walls of the building, side lot lines and the adjacent property.

Interior Stair: The two wings of the building are each serviced by

an unenclosed "U" shaped open well type stair approximately at the center of each hall, which runs from the first floor to the roof. The interior finishes match those of the adjacent public hall. The entire stair frame, stringers, tread supports, risers, newel posts, and balustrades are exposed tan painted steel with marble treads and wood on steel handrails on either side of the stair and in the hall. Typically the stair width is 3'-6", the treads 10 3/8" wide, and the risers 7 5/8" high.

Interior Doors and Frames: All apartment corridor doors and frames are steel 1 1/2 hr. fire rated self-closing, single swing type with a marble saddle. Interior doors within the apartment are heavy wood, single swing, framed and recessed panel type, hung in steel frames with wood saddles. Stair doors and frames at the roof are steel 1 1/2 hr. fire rated self-closing, single swing type with a raised stone sill. The hallway refuse closet doors as well as those for the boiler, oil tank, compactor, and laundry rooms in the cellar are steel single swing FPSC type in steel frames. The remainder of the cellar doors are wood, single swing, framed and recessed panel type hung in steel frames with steel saddles.

Elevators: There are two passenger elevators #1401 (East) and #1402 (West), of specifications, one in each building wing. Manufactured by Otis and installed in 1940, they are overhead machine, direct connection, electric worm and gear "V" traction type with electric brake. Supported by four 1/2" diameter steel cables running through the roof bulkhead sleeve and counter balanced, they are rated for 12 passengers or 1,800 pounds. The elevators travel 60'-4 1/4" in seven stops from the cellar to the sixth floor at 125 feet per minute, with a safety tripping speed of 175 feet per minute determined by a centrifugal governor. Both the elevators and counterweights have safety buffer springs in the cellar pit.

The elevator cabs were also originally manufactured by Otis, type 6098E. The interior, modernized by Republic Elevator, under Elev. 32/84, is finished with wood grain formica coated steel walls and stainless steel detailing, translucent drop-in panel hung ceiling, and a vinyl tile covered wood floor. A steel chair rail is mounted on the walls. They are 6'-0" wide by 3'-11" deep and illuminated by two indirect fluorescent bulbs in the cove moulding and four other fluorescent bulbs in the hung ceiling. Each cab contains a triangular safety mirror in one corner, a 12" diameter circular louver vent, and an 18"x24" emergency escape hatch in the ceiling. Adjacent to the door on the wall is a steel control panel featuring steel pushbuttons for each floor (B,1,2,3,4,5,6) as well as alarm and stop functions, with a keyed "base-ment" shutout switch. A steel framed, glass covered, New York City Inspection Certificate and "No Smoking" sign are situated

above the panel. The last inspections were held on 6/23/84 for both elevators. The automatic, motor driven, stainless steel 1 1/2 hr. fire rated sliding car door is manufactured by Republic Elevator. The steel 3/4 hr. fire rated, manual single swing hoistway corridor doors and frames are by Otis, type L, with a diamond shaped view panel containing wire glass. The corridor door frame panel contains up and down pushbuttons and a disc type glass covered position indicator.

The elevator machine rooms are located in roof bulkheads directly over the respective elevator shafts. The equipment duplicated in each is as follows: Otis drive motor #60ES, 7 1/2 HP, 208 volt 3 phase, 30 amp., alternating current, directly connected to a 24" driver sheave traction machine with a direct current electric brake, a centrifugal governor, and a panel containing new automatic resistance type controllers and switches by Public Elevator C.&L. Elevator Controls, Inc. installed on 5/31/84 (#1401) and 5/10/84 (#1402.) Power is controlled by three 60 amp. fuses and a safety switch near the entry door.

The elevators and machinery maintained by Republic Elevator is judged to be in good condition, except for a leveling problem in both elevators and excessive side play in elevator #1402 - part of a current violation, requiring minor adjustments for compliance. The Five-year Test inspection was performed on 4/20/84 for both elevators.

I. Auxiliary Facilities: The Laundry Room is located in the cellar. The coin-operated equipment supplied by the owner consists of four coin-operated Speed Queen Commercial Washers, #WA4960H, 120 volt, 9.8 amp., on a concrete pad and two coin-operated gas-fired dryer of unknown specification. There is also a plastic slop sink, with two faucet valves and combined outlet tap, supplying hot and cold water. The gas dryers are vented to the outside by a 6" diameter circular galvanized duct through the exterior wall. The room ventilation is provided by a 12" fan by Nutone set in an adjacent exterior wall. Finishes include painted masonry walls, an incomplete hung ceiling with 2'x4' drop-in panels, and painted concrete floor. Illumination is provided by a ceiling mounted fluorescent fixture. A circuit breaker box containing 6-20 amp. cutoffs is located above the light switch near the steel fire rated door and frame, which can be locked.

Refuse Disposal: There are two garbage compactor rooms in the cellar, one for each building wing. The identical compactors manufactured by Environmental Equipment, model #MD100, with a Racine motor are placed in the former incinerator shafts under B.N. 566/70. A sprinkler system connected to the domestic water supply with two heat activated heads in each room affords fire protection. (See "J" Fire Protection for more details.) The rooms are finished with painted masonry (3 hr. fire rated) walls, concrete ceiling and

floor, plugged floor drain, 1 1/2 hr. fire rated steel door and frame, and a hose bib with a vacuum breaker. The rooms are illuminated by incandescent fixtures and ventilated by a duct through the cellar corridor to outside air. Fuses, safety, and main disconnect switches by ATC and Cutter-Hammer are located adjacent to the entry door. The compacted garbage is placed into heavy duty plastic bags for curbside pick-up by the New York City Department of Sanitation. The typical refuse closet on each floor (one per wing) contains the 1 hr. fire rated steel hopper door by Kern Incinerator Co. and a ceramic finish iron slop sink with separate hot and cold water faucets. It is finished with 4"x4" glazed tile/painted plaster masonry walls, painted plaster ceiling, 1"x1" ceramic tile floor, 1 1/2 hr. fire rated steel door and frame, and marble saddle. An exposed ceiling mounted incandescent fixture provides illumination.

J. Plumbing and Drainage: Unmetered cold water of nominal curb pressure enters the building at 77th Street through a cellar storage room adjacent to the electric meter room. Water is normally delivered to each apartment by street pressure. A motorized booster pump with defective seals, specifications unknown, installed under P.R. 2877/80 to replace the original pneumatic water system, assist the water pressure when it drops below a predetermined level. The booster pump, a disused steel water holding tank, automatic motor and pressure controls by Mercoid and Cutter-Hammer with manual override, fuses and Tork Timer controls are located in the aforementioned storage room. At the time of inspection, satisfactory water pressure was noted in the operation of taps and flushometers on the sixth floor. In addition, a large quantity of standing water was created in the room caused by the faulty pump seals.

We are unable to determine the quantity, material, or condition of the water piping in this building. When it was built, galvanized iron pipe was normally used for domestic water distribution. Whatever the material, we must assume that the piping is as originally installed, with possibly minor replacements.

Fire Protection System: An automatic wet sprinkler system installed under B.N. 566/70 protects each compactor. Connected to the domestic water supply through brass fittings, it is set to activate at 140°F. The sprinkler system is comprised of an O.S. & Y. valve, a check valve, solenoid, and two heat-sensitive sprinkler heads in the room. Investigation at the Building Department and at the site failed to disclose any sprinkler heads installed within the compactor.

There is no water storage tank.

The sanitary sewage system consists of 4" diameter cast iron drainage pipe for the soil risers and feeders in the cellar.

3" diameter cast iron vent pipes were exposed at the roof. Individual fixture connections were not exposed and their fitness could not be ascertained. The sewage system operates by gravity, emptying into a house trap, then into the combined sewers of the City of New York. The drains on the main roof, entrance portico roof, main entrance, and cellar service entrances which provide storm drainage are also connected to the sanitary system.

K. Heating and Hot Water System: Heating to all floors is accomplished by a single boiler in the cellar to recessed steel encased cast iron radiators. All bathrooms have vertical cast iron steam pipes. The steam is generated in a new iron Rockmill multi-pass, Scotch Marine type dual fired (oil or gas) boiler, model MP-150, with a working steam press of 15 psi and was installed in 1984 under Misc. 111/84 to replace the original. It is rated at 6,300,000 BTU/hr. input, 5,021,000 BTU/hr. output (79.7% efficiency,) which is an adequate heating capacity for normal use.

The combination oil and gas burner installed in 1984 with the boiler is by Industrial Combustion, Inc., model DEG 63p, motor by Marathon Electric, 3450 rpm, SHP, 208-230/460 volt, 3 phase, 14-14/7 amps. The oil pump is by Industrial Combustion, model DED 63p, 3450 rpm, 3 HP motor, 208 volt, 3 phase, 8.8-8.2/4.1 amps and burns 42.5 gallons/hr. of #6 oil which is electrically pre-heated prior to combustion, with controls by Honeywell. Fuel oil is stored in a 5,000 gallon steel tank located in a separate, fire rated room near the boiler room, 12" below the cellar floor, accessed by means of a fire rated access door. The oil tank room also contains a disused oil pump and motor. The tank is filled via intake located on 35th Avenue.

The gas supply portion of the burner with controls by ITT consists of a firing valve, electrically controlled gas valve, check gauge and vent, electrical safety valve, pressure regulator and vent, and a shut off valve. This in turn is connected by 4" diameter pipe to a new gas meter in the 77th Street (East) meter room, two shut off valves, pressure regulator valve, entry shut off valve, and curb valve box on 35th Avenue; all installed in 1984 under P.R. 686/84. The boiler firing rate for gas is 6276 cu.ft./hr. at 1/2 psi.

Hot water is supplied on demand from submerged coils within the boiler and temperature controlled by an aquastat. Its capacity was unavailable, but adequate hot water is quickly available to all fixtures.

The dual burner controls, located at the boiler, are by Industrial Combustion with automatic switches (and manual override) for gas or oil operation and emergency indicating lights for failed flame, open valves, etc. Situated on an adjacent wall is a panel containing an automatic heat-timer control, with manual override, which activates the boiler at a preset daily schedule; circuit breakers

and safety switches for the heat-timer, heater and controls, fan and electrical outlets, blower, compressor, and oil pump; smoke alarm and indicator box with test switches; and automatic burner shutdown and reset switch, model MLSA. All boiler controls are new and by Heat Timer Corporation. A temperature sensor is located outdoors. A photoelectric eye by Heat Timer with Type M and MGC draft control in the flue, automatically shuts off the boiler and activates the smoke alarm in the event of excessive soot in the stack.

The New York City Department of Air Resources issued Certificate of Operation #CA829/80 on 4/26/84, scheduled to expire on 4/26/87; Certificate of Approval #M11184 for oil burner installation #7576 was issued by the New York City Department of Housing Preservation and Development Agency; while New York City Fire Department permit #721182, expiring 10/84, applies the storage of #6 fuel oil. The gas system was last inspected 8/22/84 by the Brooklyn Union Gas Company. The boiler and burner is inspected and insured by the Hartford Steam Boiler Inspection and Insurance Company. It was last inspected on 2/15/84.

The above described heating system is in excellent condition, installed in 1984 under Misc. 111/84, and should give at least thirty years of service if prudently maintained.

The remainder of the boiler room is comprised of two sump pumps (one in front by General Electric and in back by Emerson of the boiler), each similar in manufacture, 115 volts single phase, 5.9 amps; a 24" diameter, 2,000 CFM fan by Acorn, model #451, in the outside wall to provide ventilation; two openwork steel stairs from pit level (one 9-step to an upper level of the room and one 6-step to the cellar corridor); and a steel flue connecting the boiler to the chimney. The room is currently being restored following the boiler installation, and is finished with fire rated masonry walls, concrete ceiling and floor, a 1 1/2 hr. fire rated steel door and frame. It is illuminated by ceiling hung fluorescent fixtures. A remote control oil burner shutoff switch and alarm by Heat Timer is located adjacent to the boiler room door in the cellar corridor.

L. Gas Supply: Natural gas is provided by the Brooklyn Union Gas Company for cooking, laundry dryer, and boiler operations. Individual gas meters, one per apartment and one for the gas dryer, typically by Lambert Meter Company, model unknown, 5-150 cu.ft./hr capacity and main service shut off valves, are located in two cellar meter rooms, corresponding to each half of the building. The new boiler gas meter is located in the 77th Street meter room. The combination gas and electric meter room on 76th Street and gas only meter room on 77th Street are similarly finished with masonry walls, concrete ceiling and floor, and wood doors hung in a steel frame.

M. Air Conditioning: None. Many tenant owned, operated and installed window air conditioners project beyond the building line on each facade.

N. Ventilation: Kitchens, bathrooms, and public hallways are all naturally ventilated to outside air by operable windows. The roof is ventilated by non-electric "turbine" type exhausters on the roof.

O. Electrical System: Service enters the building from 35th Avenue through an underground duct to the 76th Street (West) combined electrical and gas cellar meter room. The main service disconnect switch and cartridge breaker panel rated at 4 phase, 240 volts AC, 600 amps., feeds the safety switches and cartridge breaker panels for: building service (apartments) rated at 4 phase, 230 volts AC, 400 amps.; building lights rated at 4 phase, 240 volts AC, 200 amps.; elevator, hall, oil and gas burner pump rated at 3 phase, 208 volts AC, 100 amps.; and lobby and high hat lights and hall outlets rated at 3 phase, 208 volts AC, 30 amps. Service switches feed two banks of typically General Electric Type I-62S 208 volts AC, 3 phase, 60 cycle kilowatt/hour electric meters, one for each apartment and one for building services. The apartment electric meters are divided evenly between the 76th and 77th Street meter rooms.

The apartment feeders terminate typically in a six circuit (4-15 amp., 1-20 amp., 1-spares) fuse box located in the apartment foyer. Non-apartment spaces are protected by the appropriate breaker panels located in the cellar meter room. Outdoor lighting is controlled by a timer clock. Apartment electrical service is paid for by the tenant, while the owner assumes all other electrical service costs.

The electrical service is judged to be adequate for current requirements, with an ample number of 110 volt wall mounted outlets, varying with room size and function. The inclusion of heavy duty electrical outlets near some apartment windows indicates a service upgrading, date unknown, to accommodate increased air conditioning loads.

Entrance lighting consists of Colonial style carriage type fixture one hanging incandescent centered over the entrance, two fluorescents mounted on the portico's corner pillars, and four other incandescents mounted on posts set into the front lawn -- all time controlled; a Colonial style chandelier hung in the vestibule; and eight ceiling mounted incandescent down lights ("high hats") in the lobby. Public hallways are illuminated typically with ceiling mounted 24" long fluorescent fixtures. Lighting in refuse closet, elevator cab, boiler, compactor and other cellar rooms are noted elsewhere.

Exterior lighting includes wall mounted incandescent fixtures over the two cellar service doors as well as several wall mounted incandescent security fixtures on the side and rear facades. all time controlled.

The building has an apartment intercom panel in the vestibule, coupled with an electrical door release on the inner entrance doors. The system is in good working order with functioning apartment intercom speakers, talk and door release buttons.

P. Television Reception Facilities: None. Many tenant owned and maintained television antennas are situated on the roof.

Q. Public Area Lighting: (see "O" Electrical System.)

R. Garages and Parking Areas: None within the property. Alternate side parking on the neighborhood streets is available.

S. Swimming Pool: None.

T. Tennis Courts, Playgrounds, and Recreation Facilities: None.

U. Permits and Certifications: Refer to applicable information in sections: "H" Elevators; "I" Refuse Disposal; "J" Fire Protection; "K" Heating and Hot Water; and "L" Gas Supply. The posted HPD multiple dwelling certificate in the first floor public hall registers 10/17/84 as the last date of inspection for this building #406746.

V. Violations: Air Resources - Search information pending.
Building Department - None.
Elevator - See attached copy of current violations.
Fire Department - None.
Multiple Dwelling - See attached copy of current violations.

W. Unit Information: There are 82 apartments of varying layouts contained within the building; twelve are located on the first floor and fourteen on each of the second through sixth floors. Their total of 244 habitable rooms are distributed as follows:

Room Count / Floor / Apartment

Apartment	First	Second	Third	Fourth	Fifth	Sixth	Total
1. "A"	3	3	3	3	3*	3	18
2. "B"	3	3	3	3*	3*	3	18
3. "C"(Jr.)	3	3	3	3*	3	3	18
4. "D"	4	4	4	4	4	4	24
5. "E"	4	3	3	3	3	3	19
6. "F"	-	2*	2	2	2	2	10
7. "G"	2	2*	2	2	2	2	12
8. "H"	3	3	3	3	3	3	18
9. "J"	3	3	3	3	3	3	18
10. "K"(Jr.)	3	3	3*	3	3*	3	18
11. "L"	4	4	4	4	4	4	24
12. "M"	4	3	3	3	3	3	19
13. "N"	-	2*	2	2	2	2	10
14. "O"	3	3	3	3*	3	3	18
Totals	37	41	41	41	41	41	244

* Apartments Inspected (10)

Typical Layouts: The 2-room apartment ("F", "G", "N" lines) contains a living room, foyer, kitchen/dining alcove (or kitchen alone) and bathroom. The Jr. 3-room apartment ("C", "K" lines) contains a living room, bedroom, foyer, kitchen, and bathroom. The 3-room apartment ("A", "B", "C", "E"-except first fl., "H", "J", "M"-except first fl., "O" lines) contains a living room, bedroom, foyer, kitchen/dining alcove and bathroom. The 4-room apartment ("D", "E"-first fl. only, "L", "M"-first fl. only lines) contains a living room, two bedrooms, foyer, kitchen/dining alcove and bathroom.

General Materials typically include polished oak floor, painted wood base and wall moulding, wood door saddles, plaster wall and ceiling finish in living room, bedroom, foyer, kitchen/dining alcove; vinyl floor tile in kitchen/dining alcove, ceramic tile floor, walls, and marble saddle in bathroom. Doors for rooms, closets, and bathrooms are generally heavy wood framed and recessed panel type, single swing, hung in steel frames. Windows are wood sash, double hung, single glazed, and are weather-stripped.

Living Room materials are as previously noted. Arched opening; radiators are recessed steel encased, one per window; no built-in closets or ceiling lights; wall mounted electric outlets.

Bedroom materials similar to above; built-in swinging door closet with shelf, one or two per room; ceiling mounted incandescent light.

Foyer materials similar to above; built-in swinging door closet

with shelf, one or two per room; built-in bookcase; ceiling mounted incandescent light; wall mounted smoke detector, circuit fuse box, and intercom panel.

Kitchen/Dining Alcove floors are vinyl tile, cabinets are typically wood, white enamel painted, both floor and wall mounted. The number and extent of cabinets vary according to layout. The original equipment generally consists of a floor model, white enamel four burner countertop gas range with integral oven below, similar to Magic Chef, specifications unknown; white enamel finish iron dual compartment sink with separate faucets for hot and cold water with combined swivel tap and metal cabinet below; and a white enamel 10 cu.ft. single door refrigerator-freezer by Frigidaire, model D10.

The dining alcove is separated from the kitchen area by an arched partial wall and is finished with similar materials, except for the addition of wood wall moulding and "chair rails." Illumination for both spaces is provided by windows and/or individual ceiling mounted incandescent fixtures. Ventilation is supplied naturally by window.

A number of the existing kitchens have been modernized with new formica-covered wood countertops and cabinets, both floor and wall mounted; white enamel four burner, pilotless gas range with integral oven below, similar to Imperial; white enamel finish iron or stainless steel single compartment sink, mounted in the countertop with separate faucets and combined swivel tap; a white enamel 12.3 cu.ft. double door frost-free refrigerator-freezer by Frigidaire, model FCD123TS; and vinyl floors.

Bathroom floor tiles are small, square and regular ceramic, black and white check design. Tile wainscoting is approximately 4'-0" high except at shower over tub, where tiles extend to shower. Color is usually white with black accents. The original fixtures generally include a white enamel finish iron tub with integral bath and shower heads; hot and cold water faucets for both; shower curtain rod over tub; floor mounted standpipe waste control; white enamel finish iron wall-mounted pedestal sink with two faucet valves and combined outlet tap; ceramic wall mounted soap, water glass, and toothbrush holders; recessed medicine cabinet with hinged mirrored door; built-in steel hamper and steel enclosed wood clothes dryer rack; and a vitreous china water closet by Trent with flushometer. Lighting is provided by a wall mounted incandescent fixture over the medicine cabinet. Ventilation is supplied naturally by window.

A number of existing bathrooms have been modernized with a new enamel finish iron sink with separate faucets and combined tap, in a floor mounted vanity.

Notes: Although the apartments are in very good condition, especially after more than forty years of indifferent maintenance, and the present owners have a current program of rehabilitation, at the time of inspection a few specific details remain to be addressed within the apartments examined.

1. 4B - removed kitchen equipment and piping behind sink to repair plumbing leak; finish work remains. Small hairline crack in party wall with 4C (see below), solid otherwise.
2. 4C - major vertical and connecting horizontal crack on living room wall, substantial movement and falling plaster; must be repaired. Possible cause - heavy object hit wall, damaging wood furring strips between studs and cracking plaster. Metal lath and plaster now moves freely as a unit without support.
3. 40 - large unfinished hole in bathroom plaster ceiling, due to upstairs bathroom leak, now repaired.
4. Apartment corridor doors in those inspected were not self-closing as designed and must be adjusted to operate properly (legally.)

X. Finish Schedule: Non-Residential Spaces.

<u>Space</u>	<u>Floor</u>	<u>Walls</u>	<u>Ceiling</u>	<u>Remarks</u>
<u>Cellar Floor</u>				
Boiler Room	Concrete	Conc. Blk.	Concrete	
Compactor Rooms (2)	"	"	"	
Corridor	"	"	"	
Laundry Room	"	"	"	
Meter Rooms (3)	"	"	"	
Shop Rooms (2)	"	"	"	
Storage Rooms (6)	"	"	"	
<u>First Floor</u>				
Lobby	Marble	Combo.	Plaster	
Public Hall	Vinyl	T/P	"	
Refuse Closet	Tile	T/P	"	
Vestibule	Marble	Plaster	"	
<u>Second thru Sixth Floors</u>				
Public Hall	Vinyl	Plaster	Plaster	
Refuse Closet	Tile	T/P	"	
<u>Roof</u>				
Elevator Bulkhead	Concrete	Brick	Concrete	
Stair Bulkhead	"	Plaster	Plaster	

Legend: Brick = exposed brick wall
 Combo = mirror wall, plaster, wallpaper, wood moulding
 Con. Blk. = concrete block masonry
 Concrete = exposed concrete and painted

Marble = terrazzo floor
Plaster = lath and plaster over concrete or masonry,
painted
T/P = combination tile and plaster
Vinyl = 12" square vinyl tile over concrete floor

Y. Safety and Warning Devices: A New York City Code approved, battery powered Smoke Detector is provided in each apartment. A previously described chimney flue Smoke Detector is located in the boiler room. (See "K" Heating and Hot Water System.)

Z. Additional Information: (See "C" Site, for Plot Plan.)



Glenn Gordon
Glenn Gordon, R.A.



THE CITY OF NEW YORK
DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT
OFFICE OF RENT AND HOUSING MAINTENANCE

The Bronx
1912 ARTHUR AVENUE
BRONX, N.Y. 10457

Brooklyn
MUNICIPAL BUILDING
BROOKLYN, N.Y. 11201

Manhattan
39 BROADWAY
NEW YORK, N.Y. 10006

Queens
126-06 QUEENS BLVD.
KEW GARDENS, N.Y. 11415

Staten Island
BOROUGH HALL
ST. GEORGE, N.Y. 10301

Therese Gordon R.A.
275 Sixth Avenue
Brooklyn, NY 11215

Date: NOV 26 1984

Date Requested: 11/20/84

Your Reference: Title No. _____

Our Reference: Search Clerk _____

REPORT OF SEARCH

Premises 76-12 35th Avenue Search No. 611470

A search of the records of this department reveals that the following violations are pending. Copies of the violations, if any, are enclosed. (DATE OF SEARCH INDICATES LAST DATE OF POSTING.)

Building Department Violation Numbers:

Date of Search NOV 26 1984

See Attached

Office of Rent and Housing Maintenance Violation Item Numbers:

Date of Search NOV 26 1984

See Attached

EMERGENCY REPAIR MONEY
DUE ON THIS BUILDING

DATE AMT.

7/27/84 NONE

☐ CLASSIFICATION (if requested) _____

☐ OCCUPANCY _____

☐ NO VIOLATIONS PENDING - MULTIPLE DWELLING SECTION - (as of date of search)

☐ NO VIOLATIONS PENDING - PRIVATE DWELLING SECTION - (as of date of search)

☐ BUILDING "OBSERVED VACANT" (see reverse side of form for important notice)

☐ BUILDING HAS "VACATE" STATUS (see reverse side of form for important notice)

☐ OTHER: _____

Other City Agencies (on Multiple Dwellings only):

Date of Search NOV 26 1984

None

Edward Offey

CHIEF INSPECTOR, DIVISION OF CODE ENFORCEMENT

By: mc

EIT # 401297

SECTIONS C-70-1002.2 AND C-70-1002.4 OF THE NYC ADMINISTRATIVE CODE HAVE BEEN VIOLATED.

CERTIFICATION REQUIRED: A REVIEW OF THE RECORDS OF THE DEPARTMENT OF BUILDINGS INDICATES THAT THE BUILDING HAS NOT BEEN REPAIRED FOR THE VIOLATIONS AT 7612 35th Avenue.

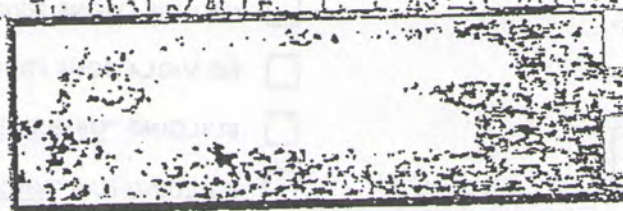
THE LAW (1) REQUIRES REPAIRS INSPECTION FOR ELEVATOR BY THE DEPT. TO BE COMPLETED BETWEEN JAN 1 AND SEP 1 1982.

REMARKS: THE WORKMAN HAS REQUESTED INSPECTIONS/TESTS WARE BY AN INSPECTOR/AGENCY QUALIFIED BY THIS DEPT. AN INSPECTION/TEST REPORT MUST BE FILED WITH THIS DEPT. IN CONFORMANCE WITH ALL REQUIREMENTS OF BUILDING DEPARTMENT.

10/01/82

ISSUED TO: [REDACTED]

PHILLIP L. [REDACTED]
SIGNED: [REDACTED]
TITLE: [REDACTED]
NO. [REDACTED]



pending for 1981+1982



THE CITY OF NEW YORK

DEPARTMENT OF BUILDINGS

1001074
MANHATTAN
Municipal Building
New York, N.Y. 10007
564-7380

BROOKLYN
1932 Arthur Avenue
Brooklyn, N.Y. 11247
583-5320 Ext. 23

BROOKLYN
Municipal Building
Brooklyn, N.Y. 11201
643-7715

QUEENS
124-06 Queens Blvd.
Queens, N.Y. 11111
570-3417

RIICHMOND
Borough Hall
St. George, N.Y. 11401
790-5204

Handwritten: 16-12 33-0000
Handwritten: Jackson Heights, N.Y.

be hereby notified that there exists a violation in the subject premises as described below.
You are hereby directed to remove this violation, pursuant to Section C26-86.5, subd. d and/or Section 643a-3.0 of Chapter 26 of the Administrative Code. In addition to the items checked below, repair or replace all worn, defective, missing and improperly maintained elements which contribute to the malfunction of the elevator.
All inquiries and reference to this violation should be directed to the Violation Section in the respective borough.
If this violation is not corrected within ten days, you may be summoned to appear in the Criminal Court.

Handwritten signature: John J. Smith
COMMISSIONER

BOROUGH SUPERINTENDENT

Location: <i>16-12 Ave.</i>		Boro: <i>4</i>	Date: <i>12/09/82</i>	Type: <i>E</i>	Time: <i>13/12</i>						
Construction: <i>1276</i>		Lot: <i>1</i>	Complaint No.:		Docket No.:						
Occupied at time of inspection:		Elevator No. <i>401/1402</i>									
Section: <i>105.1 & 105.2 of the Adm. Code & 25 12-1</i>											
ITEMS	REPAIR	RENEW	SHORTEN	ITEMS	REPAIR	RENEW	ADJUST.	ITEMS	REPAIR	RENEW	ADJUST.
1 CONTROLLER				21 HOIST CABLES				31 FLOOR STOPS			
2 PHASE RELAY				22 GOVERNOR CABLE				32 BRAKE			
3 VISION PANEL				23 CAR SWITCH CABLE				33 HOISTWAY DOORS			
4 INDICATORS				24 DRUM CWT. CABLE				34 CAR DOORS			
5 TRACTION SHEAVE				25 COMP CABLES				35 INTERLOCKS			
6 DEFLECTOR SHEAVE				26 TAIL ROPE				36 DOOR CHECK			
7 GOVERNOR SHEAVE				27 BUFFER				37 SELECTOR			
8 DRUM				28 OIL LEAK				38 DOOR OPERATOR			
9 CAR SWITCH				29 MAIN MACHINE				39 FINAL LIMIT			
10 EMERGENCY EXIT				30 LOST MOTION				40 TERMINAL LIMIT			
11 ALARM SYSTEM								41 THRUST BEARING			
12 STOP SWITCH								42 COMP SWITCH			
13 SERVICE KEY								43 GUIDE SHOES			
14 CAR GATE								44 HALL BUTTONS			
15 TOP EXIT COVER								45 PIT			
16 CERTIFICATE FRAME								46 SHAFT			
17 CAR MIRROR								47 MOTOR ROOM			
18 CAR BUTTON PANEL								48 CAR GUIDE RAILS			
19 SLACK CABLE SWITCH								49 CWT. GUIDE RAILS			
20 CAR GATE SWITCH								50 ACCESS			

OTHER ITEMS: *Pass inspection # 1402 eliminate excessive ride*
21 Provide proper leveling of both elevators when one is in the up direction not both landings

IS A CRIME. A PERSON WHO GIVES OR OFFERS A BRIBE TO ANY EMPLOYEE OF THE CITY OF NEW YORK WHO TAKES OR SOLICITS A BRIBE IS GUILTY OF A FELONY PUNISHABLE BY LAW WITH 1 TO 7 YEARS OR A FINE OR BOTH. PENAL LAW, SECTION 200.00 AND 200.10

DATE	INITIALS	BADGE NO
12/20/83	B.K.	5502
2/9/84	WC	5526

LIST OF PENDING VIOLATIONS
THE CITY OF NEW YORK
Department of Housing Preservation and Development
Office of Rent and Housing Maintenance

OF 3-79 A
L. A. R. T. 102

PAGE

PREMISES	BORO	AREA	BLOCK	LOT	CLASS	REG. NO.	DATE ISSUED
76-12 35 AVENUE	QNS	106	01276	0001	HAEA	406746	OCT 31, 1983
PRESENT STATUS OF PREMISES	LAST INSPECTED	STYS	APTS.	B ROOMS	OTHER	CHE	NAME AND ADDRESS OF OWNER
PENDING DISMISSAL REQUEST	9-01-83	006	0082	0000	00	7	KATZ RONALD 26 COURT STREET BRUCKLYN, N.Y.
TYPE OF INSPECTION	REASON						
Inspection Re K	Emergency 27-33 CIVIL						

DATE REPORTED	STY	INSP RPT 1ST 2ND	ITEM	ORDER	SECTION OR COMPLAINT NO.	VIOLATION DESCRIPTION
*** PUBLIC PARTS INSPECTION DIRECTED ***						
2-25-83	01		78	071	026-17.10	ADM CODE POST NOTICE, IN FORM APPROVED BY THE DEPARTMENT, STATING THE NAME AND LOCATION OF THE PERSON DESIGNATED BY THE OWNER TO HAVE KEY TO BUILDING'S HEATING SYSTEM 1 STY PUB HALL. ISSUED 03/21/83 PRV RPT 08/25/83
LATE CERTIFIED						
8-25-83	RR		79	501	026-10.01	ADM CODE PROPERLY REPAIR THE BROKEN OR DEFECTIVE METAL COVERING BULKHEAD DOOR TO ROOF PUB HALL WEST WING. ISSUED 09/26/83 PRV RPT 08/25/83
DATE TO CERT 11/20/83						
8-25-83	RR		80	501	026-10.01	ADM CODE PROPERLY REPAIR THE BROKEN OR DEFECTIVE WOOD CAT WALKS ROOF. ISSUED 09/26/83 PRV RPT 08/25/83
DATE TO CERT 11/20/83						
8-25-83	RR		81	453	02 M/D LAW	REARRANGE TELEVISION AND/OR RADIO ANTENNA TO BE AT LEAST 10 FEET FROM ANY FIRE ESCAPE OR SOIL. ISSUED 09/26/83 PRV RPT 08/25/83
DATE TO CERT 01/19/84						

6076-12	08590	0406	N 47	CD 03	1 PAGE
PRINC HOUSE NO	STREET CODE	SC-B-DIST			

AN ASTERISK (*) FOLLOWING AN ORDER NUMBER DENOTES A RENT IMPAIRING VIOLATION.
(ABSTRACT OF SECTION 302A, MULTIPLE DWELLING LAW. "A FIRE HAZARD OR A SERIOUS THREAT TO LIFE, HEALTH AND SAFETY OF OCCUPANTS IF UNCORRECTED SIX (6) MONTHS AFTER THE ISSUANCE OF VIOLATION NOTICE, THE OWNER MAY NOT RECOVER RENT").

PRV. RPT. (PREVIOUS REPORT): EXPLANATION OF PREVIOUS REPORT SYMBOLS

1-9 NO ACCESS
D DEFECT LETTER ISSUED
E PREVIOUSLY RECOMMENDED TO COURT
N NOT COMPLIED WITH
P VIOLATION PREVIOUSLY REPORTED
V VIOLATION REPORTED
W WAIVED TO SUPERVISOR

OWNERSHIP

THE OWNER OF EVERY MULTIPLE DWELLING WHETHER INDIVIDUAL OR CORPORATION MUST FILE A REGISTRATION STATEMENT WITH THIS DEPARTMENT (Sec. 026-41.03, Admin. Code).

WHENEVER OWNERSHIP OF A MULTIPLE DWELLING IS TRANSFERRED OR SOLD, THE FORMER OWNER SHALL FILE WITH THIS DEPARTMENT WITHIN FIVE (5) DAYS A WRITTEN STATEMENT CONTAINING THE NAME AND RESIDENCE AND BUSINESS ADDRESS OF THE NEW OWNER (Sec. 026-41.05).

DATE	INITIALS	SACD NO

LIST OF PENDING VIOLATIONS
THE CITY OF NEW YORK
 Department of Housing Preservation and Development
 Office of Rent and Housing Maintenance

O. 13-79 A
 LIST OF PENDING VIOLATIONS

PAGE

PREMISES	BORO	AREA	BLOCK	LOT	CLASS	REG. NO.	DATE ISSUED
76-12 35 AVENUE	QNS	106	01276	0001	HAEA	406746	OCT. 31, 19
PRESENT STATUS OF PREMISES	LAST INSPECTED	STYS	APTS.	B ROOMS	OTHER	CMS	NAME AND ADDRESS OF OWNER
PENDING DISMISSAL REQUEST	4-01-83	006	0082	0000	00	7	KATZ RONALD 20 COURT STREET BRCKLYN, N.Y.
TYPE OF INSPECTION	REASON						
	CYC 27-33						

DATE REPORTED	STY	INSP REPT		ITEM	ORDER	SECTION OR COMPLAINT NO.	VIOLATION DESCRIPTION
		1ST	2ND				
8-25-83	Q5			82	530 B	026-10.01, 10.05 ADM CODE	ARRANGE AND MAKE SELF-CLOSING THE DOORS HOPPER INCINERATOR CLOSET 3 STY P HALL EAST WING.
DATE TO CERT		11/20/83				ISSUED 09/26/83	PRV RPT 08/25/83
8-25-83	Q5			83	530 B	026-10.01, 10.05 ADM CODE	ARRANGE AND MAKE SELF-CLOSING THE DOORS HOPPER INCINERATOR CLOSET 3 STY P HALL WEST WING.
DATE TO CERT		11/20/83				ISSUED 09/26/83	PRV RPT 08/25/83
8-25-83	Q5			84	529 A	026-10.01 ADM CODE REF	REFUSE TO OPEN INCINERATOR CLOSET 3 STY P HALL EAST WING.
DATE TO CERT		01/19/84				ISSUED 09/26/83	PRV RPT 08/25/83
8-25-83	F4			85	539 B	026-10.01, 10.05 ADM CODE AND DEPT. RULES AND REGULATIONS.	REMOVE THE ENCUMBRANCE OBSTRUCTING EGRESS FROM FIRE ESCAPES EAST 4 STY.
DATE TO CERT		11/20/83				ISSUED 09/26/83	PRV RPT 08/25/83
9-01-83	Q5			86	501 B	026-10.01 ADM CODE	PROPERLY REPAIR THE BROKEN OR DEFECTIVE APT ENTRANCE DOOR 5TH STY APT 5F WEST WING
DATE TO CERT		11/20/83				ISSUED 09/26/83	PRV RPT 09/01/83

0076-12	08590	0406	N	00 03	1	PAGE
PRINC HOUSE NO	STREET CODE	SC-B-DIST				CONTINUED

AN ASTERISK (*) FOLLOWING AN ORDER NUMBER DENOTES A RENT IMPAIRING VIOLATION.
 (ABSTRACT OF SECTION 202A) MULTIPLE DWELLING LAW. "A FIRE HAZARD OR A SERIOUS THREAT TO LIFE, HEALTH AND SAFETY OF OCCUPANTS IF UNCORRECTED SIX (6) MONTHS AFTER THE ISSUANCE OF VIOLATION NOTICE, THE OWNER MAY NOT RECOVER RENT."

◇ PRV. RPT. (PREVIOUS REPORT): EXPLANATION OF PREVIOUS REPORT SYMBOLS

1- NO ACCESS	N NOT COMPLIED WITH	W WAIVED TO SUPERVISOR
O DEFECT LETTER ISSUED	P VIOLATION PREVIOUSLY REPORTED	
E PREVIOUSLY RECOMMENDED TO COURT	V VIOLATION REPORTED	

OWNERSHIP

THE OWNER OF EVERY MULTIPLE DWELLING WHETHER INDIVIDUAL OR CORPORATION MUST FILE A REGISTRATION STATEMENT WITH THIS DEPARTMENT (Sec D26-41.03, Admin. Code)

WHENEVER OWNERSHIP OF A MULTIPLE DWELLING IS TRANSFERRED OR SOLD, THE FORMER OWNER SHALL FILE WITH THIS DEPARTMENT WITHIN FIVE (5) DAYS A WRITTEN STATEMENT CONTAINING THE NAME AND RESIDENCE AND BUSINESS ADDRESS OF THE NEW OWNER (Sec. D26-41.05).

DATE	INITIALS	SALES NO

LIST OF PENDING VIOLATIONS
THE CITY OF NEW YORK
 Department of Housing Preservation and Development
 Office of Rent and Housing Maintenance

0. 3-79 A
 LIST FOR PT WSP

PREMISES	BORO	AREA	BLOCK	LOT	CLASS	REG. NO.	DATE ISS
76-12 35 AVENUE	QNS	106	01276	0001	HAEA	406746	OCT 31
PRESENT STATUS OF PREMISES	LAST INSPECTED	STYS	APTS	B ROOMS	OTHER	CMS	NAME AND ADDRESS OF OWNER
WAITING DISMISSAL REQUEST	9-31-83	006	0-382	0000	00	7	KATZ RGNALD 26 COURT STREET BRUCKLYN, N.Y.
TYPE OF INSPECTION	REASON						
	CYC 27-33						

DATE REPORTED	STY	INSP REPT		ITEM	ORDER	SECTION OR COMPLAINT NO.	VIOLATION DESCRIPTION
		1ST	2ND				
9-01-83	05			87	530	026-10.01, 10.05	ADM CODE ARRANGE AND MAKE SELF-CLOSING THE DOORS APT ENTRANCE 5TH STY APT SF WEST WING.
DATE TO CERT		11/20/83					ISSUED 09/26/83 PRV RPT 09/01/83
9-01-83	05			88	501	026-10.01	ADM CODE PROPERLY REPAIR THE BROKEN DEFECTIVE INOPERABLE WINDOWS ALL ROOMS 5TH STY WEST WING.
DATE TO CERT		11/20/83					ISSUED 09/26/83 PRV RPT 09/01/83
							LAST ITEM NUMBER 88
0076-12	08590	0406					N 22 CU 03 1
PRINC HOUSE NO	STREET CODE	SC-B-DIST					

AN ASTERISK (*) FOLLOWING AN ORDER NUMBER DENOTES A RENT IMPAIRING VIOLATION, (ABSTRACT OF SECTION 302A, MULTIPLE DWELLING LAW, "A FIRE HAZARD OR A SERIOUS THREAT TO LIFE, HEALTH AND SAFETY OF OCCUPANTS IF UNCORRECTED SIX (6) MONTHS AFTER THE ISSUANCE OF VIOLATION NOTICE, THE OWNER MAY NOT RECOVER RENT").

PRV. RPT. (PREVIOUS REPORT): EXPLANATION OF PREVIOUS REPORT SYMBOLS

1-8 NO ACCESS	N NOT COMPLIED WITH	W WAIVED TO SUPERVISOR
O DEFECT LETTER ISSUED	P VIOLATION PREVIOUSLY REPORTED	
E PREVIOUSLY RECOMMENDED TO COURT	V VIOLATION REPORTED	

OWNERSHIP:

THE OWNER OF EVERY MULTIPLE DWELLING WHETHER INDIVIDUAL OR CORPORATION MUST FILE A REGISTRATION STATEMENT WITH THIS DEPARTMENT (Sec. D26-41.03, Admin. Code).

WHENEVER OWNERSHIP OF A MULTIPLE DWELLING IS TRANSFERRED OR SOLD, THE FORMER OWNER SHALL FILE WITH THIS DEPARTMENT WITHIN FIVE (5) DAYS A WRITTEN STATEMENT CONTAINING THE NAME AND RESIDENCE AND BUSINESS ADDRESS OF THE NEW OWNER (Sec. D26-41.05).

RECORD SEARCH REQUEST (1)

MAIL TO:

Glenn Gordon
275 6th Avenue
Brooklyn, N.Y. 11215

Checked by:

Search
No. 28128

The undersigned requests the following information re: Premises

76-12 35th Avenue, Jackson Heights, N.Y. 11372
ADDRESS BOROUGH

- ☒ 1. Record of existing Fire Department Violations FEE: \$10.00
☐ 2. Record of Permit for FEE: \$10.00
☐ 3. Other FEE: \$10.00

TOTAL FEE: \$ 10⁰⁰

State applicants interest in or relation to premises:

Architect preparing Coop. report

(THE CITY OF NEW YORK IS NOT BEING SUED, NOR IS THERE ANY INTENTION TO SUE THE CITY OF NEW YORK)

Signed

Date

Glenn Gordon

12/13/84

DO NOT WRITE BELOW THIS LINE

Gentlemen:

In reply to your request concerning the premises mentioned above, please be advised that as of 9 A.M.,

DEC 13 1984

our records show the following:

NO VIOLATIONS
Bureau of Fire Prevention
Fire Dept. City of N.Y.

SEARCHED BY:

L. Bradley

Chief of Fire Prevention

VIOLATIONS RECORDED ABOVE ARE ONLY THOSE WHICH ARE A MATTER OF RECORD IN HEADQUARTERS OF THE BUREAU OF FIRE PREVENTION, AND MAY NOT INCLUDE VIOLATIONS ISSUED BY LOCAL UNITS.

GLENN GORDON • ARCHITECT

38 Sans Souci Drive
Pawling, NY 12564

November 20, 1985

Schiff, Turek & Kakoyiannis
136 East 57th Street
New York, N.Y. 10022

Att: Peter Kakoyiannis, Esq.

Re: 76-12 35th Avenue
Jackson Heights, N.Y. 11372

Dear Mr. Kakoyiannis:

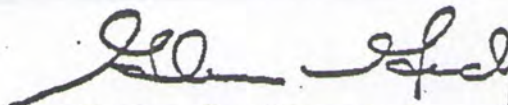
Pursuant to a review by the New York State Attorney General's Office, I wish to amend the Architect's Inspection Report for the subject building dated December 14, 1984, with the following addendum:

- I. Plumbing and Drainage: (page 13 of Report) The domestic water distribution system piping was observed at randomly selected individual fixture connections and accessible cellar service areas. Considering the age of the system, it is in generally serviceable condition, with no leaks (other than those mentioned elsewhere in the Report) in evidence at the time of inspection, November 23, 1984. No repair records were available to verify system replacements normally expected with piping installed coincident with the building's construction.

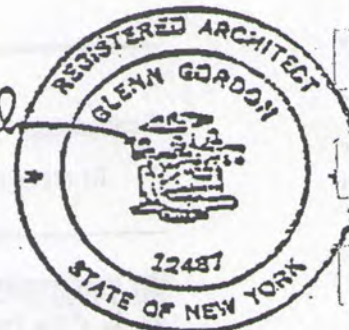
At the time of inspection satisfactory water pressure was noted in the operation of taps (sixth floor refuse closet) and flushometers (fifth floor bathrooms).

The above information is based on a review of the original Report and Inspection notes. Should you require any further clarification, please call me at (212) 960-8226.

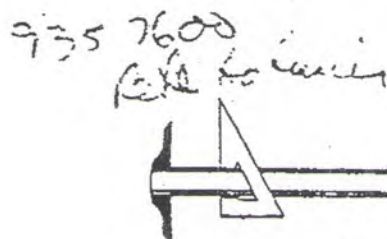
Very truly yours,



Glenn Gordon, R.A.



Donald J. Brandinelli, P.E.
Consulting Engineer



171 JEFFERSON BOULEVARD
STATEN ISLAND, NEW YORK 103
(212) 984-2449

ENGINEERING REPORT
SUBMITTED TO THE
WARWICK TENANTS ASSN.

BUILDING LOCATION : 76-12 / 35TH AVENUE
JACKSON HEIGHTS, N. Y.
11372

PURPOSE OF REPORT : TO INSPECT THE BUILDING AND MAJOR
SYSTEMS THEREIN, COMMENT UPON AND
EVALUATE OPERATING CONDITION OF SAME.
MAKE RECOMMENDATIONS AND FURNISH ES-
TIMATED BUDGETS TO AFFECT UPGRADING
OF THE STRUCTURE AND SYSTEMS TO SOUND
CONDITION AND OPERATIONAL STANDARDS
AND IN GENERAL CONFORMANCE WITH CODE
REQUIREMENTS.

DATES OF BUILDING INSPECTION

SYSTEM INSPECTED

DATE

ELEVATORS 28 AUGUST 1985

POWER SERVICE, MAIN SWITCHGEAR
AND DISTRIBUTION SYSTEM 3 SEPT. 1985

EXTERIOR FACADE, ROOF AREAS
AND STRUCTURAL SYSTEM 14, 26 SEPT 1985

BOILER INSPECTION
& COMMON AREAS 3, 26 SEPT 1985

SUBMITTED BY:

SUMMARY PAGE OF COST

ESTIMATES TO UPGRADE BUILDINGS

A. STRUCTURAL	\$ 371,000
B. WINDOWS	\$ 229,600
C. ROOFING	\$ 195,000
D. PUBLIC & COMMON AREAS	11,700 \$ 11,700
E. PLUMBING & PIPING SYSTEMS	\$ 177,200
F. HEATING SYSTEM	\$ 164,530
G. ELECTRICAL SYSTEM	\$ 206,400
H. COMMON APARTMENT DEFICIENCIES	\$ 237,832
I. MISCELLANEOUS :	
FIRE PROTECTION	\$ 3,450
ELEVATORS	\$ 4,250
INTERCOM SYSTEM	\$ 2,500
COMPACTOR/INCINERATOR	\$

TOTAL. \$ 1,603,462

$\$ 1,603,462$
82 Units = \$ 19,554 Rehab cost
per
Apt. unit

Donald J. Brandinelli, PE
Consulting Engineer

2. Definition of Building Areas and Operating Systems covered in this report

- A. Structural System - Building Frame
Exterior walls, Masonry and Foundation.
- B. Windows - Double Hung and Casement
including Main Entry.
- C. Roofing - Evaluation and Recommendations
to Provide Effective Waterproofing, Thermal
and Accoustic Insulation and Storm Drainage.
- D. Public & Common Areas - (Interior & Exterior)
Stair Towers, Corridors, Lobby.
- E. Plumbing & Piping Systems - Waste Line Re-
habilitation, Hot & Cold Water Supply Piping.
Main Building and Riser shut-off Valves.
- F. Heating System - Fuel Oil Storage Tank,
Boiler and Individual Apartment Heat Control.
- G. Electrical System - Service Evaluation and
Performance.
- H. Common Apartment Deficiencies - General Con-
dition of Individual Apartments re: Painting,
Doors, Floor & Wall Tile, Cabinets, Extermin-
ating etc.
- I. Miscellaneous Svstems
 - Elevators
 - Intercom System
 - Compactors

Donald J. Brandinelli, P.

Consulting Engineer

A. STRUCTURAL SYSTEM

No excessive levels of settlement exist that would be considered unusual for a structure of this age and type of construction. The foundation walls are secure and lower level framing and support members appear sound.

The major problems, readily apparent in observing the exterior facade of the structure concerns the severe masonry deterioration at and about the upper level walls about the structure. Water intrusion from porous masonry at and about the parapet wall surfaces from both interior and exterior sides has resulted in severe corrosion of structural steel lintel support angles, that have in turn expanded, fracturing, spalling and cracking masonry units at and adjacent to the lintel support locations.

Evidence of this damage may be noted in the photographs appearing in Section 6 of this report.

RECOMMENDATIONS

All of the damaged, warped and heavily corrosion damaged steel lintel section require removal and replacement with new sections. It is recommended

Donald J. Brandinelli, P.E.
Consulting Engineer

A. STRUCTURAL SYSTEM (Cont'd.)

that the replacement angle sections be prefabricated and hot dip galvanized prior to installation in order to supply, near life of the structure protection in all of the present areas requiring replacement.

In order to affect this work, large portions of the surrounding masonry will require removal from exterior walls above lintel locations and parapet wall bases. Additional difficulties stem from the inability of the present mortar joints to adequately seal the existing walls from weather driven moisture.

RECOMMENDATIONS

Remove and replace all warped, heavily corroded or otherwise structurally ineffective lintel support angles about the perimeter of the structure. Related to this, all sections in secure enough condition to remain, shall have all caulking and sealing installed at the exterior edge of the lintel removed and drain holes installed from the exterior into the interior wall cavity in order to allow for drainage of absorbed moisture penetrating the wall from other locations.

Photos indicating these conditions may be noted on

Donald J. Brandinelli, F
Consulting Engineer

A - STRUCTURAL SYSTEM (Cont'd.)

RECOMMENDATIONS

pages 6-2 thru 6-5 in the following Section 6 of this report.

RECOMMENDED ALLOWANCE

ESTIMATED

BUDGET \$ 371,000

- * Includes reconstruction of portions of parapet wall, removal and replacement of lintel sections and long range funding for water/proofing of exterior walls.

Donald J. Brandinelli, P
Consulting Engineer

B. WINDOWS

Condition of the present units are poor and are unable to provide a weathertight seal at building openings. Tenants expressed a dissatisfaction rate of 88 percent with the present units. Photographs in Section 6 of this report indicate the overall poor condition of the sash and adjacent trim.

These conditions are best typified by observation of photo # N-10 on page 6-5. Dry rot in particular, may be noted at and adjacent to the sill and lower side jamb trim. Inspection of apartment spaces also indicated that many of the adjacent plaster and painted wood trim surfaces have similarly been damaged due to intrusion of moisture at these window openings.

RECOMMENDATION

Install new aluminum, double glazed replacement windows, The units shall be installed in a tight weatherproof manner with sufficient flashed joint area to secure the required sealing about the opening perimeter.

RECOMMENDED ALLOWANCE

ESTIMATED

BUDGET \$ 229,600

Donald J. Brandinelli, Jr.
Consulting Engineer

C. ROOFING

The present roofing system is in poor condition. For the most part large portions of the installation are dry, weathered and show numerous signs of imminent failure and cracking. Other locations that have been patched are as large in size as some of the apt. floor areas located below. Tenants at some of the 6th floor apartments cited water seepage from the present roof installation.

Other problems with the present roofing include failure of the perimeter flashing now sealing the roof surface/parapet wall joint about the perimeter of the structure. Failure of the present installation is allowing the intrusion of water into exterior masonry about the upper floors of the building.

RECOMMENDATION

In view of the poor condition of the present installation, the present system should be stripped to the original roof decking, damaged or rotted decking replaced and an approved high density expanded urethane foam installed to provide an upgraded level of noise and thermal insulation to

Donald J. Brandinelli, Jr.
Consulting Engineer

C. ROOFING (Cont'd.)

RECOMMENDATION

the apartment spaces below.

Affecting this work would allow the greatest economy as it would stop the present deterioration of upper portions of the walls and parapets due to the intrusion of moisture from the existing sub/standard installation now in place over the structure.

RECOMMENDED ALLOWANCE

ESTIMATED

BUDGET.....\$195,000

D. COMMON AREAS

Questionnaire comments from tenants established a 27 percent dissatisfaction with condition of public or common areas about the building and site.

Noted by a small portion of replies were lifting of tiles in an area of the public hall. In the basement area, the greatest number of complaints addressed the frequent flooding of these spaces during periods of rain. Other sources of leaks cited included leaking piping, that will be addressed in the following section, E. PLUMBING & PIPING SYSTEMS.

Additional comments from tenants included poor exterior maintenance about the building site. Comments included the poor condition of planted areas, particularly at the rear of the building.

RECOMMENDATIONS

Repair damaged or deficient floor tile areas in hall spaces.

Seal interior areas of foundation walls where cold joints may be allowing intrusion of water under ground water pressure head during periods of rain.

Donald J. Brandinelli, P
Consulting Engineer

D. COMMON AREAS (Cont'd.)

Seal interior of foundation walls and finish with an approved cement or epoxy based sealer to secure the basement level from further intrusion of water.

Install at locations about the basement level sump pumps in order to lower ground water in the area and help to eliminate the developing of hydrostatic head about the foundation walls and to collect any localized flooding.

Upgrade landscaping about the building site, particularly within the rear yard area of the property.

RECOMMENDED ALLOWANCE

ESTIMATED

BUDGET.....\$ 11,700

E. PLUMBING AND PIPING SYSTEMS

Large portions of the building appear to be piped with the original galvanized iron material used during the time of construction. Performance of the supply and waste drainage systems however, indicate that 27 percent cited deficiencies with performance of the waste drains, while 10 percent noted deficient operation of the supply piping.

RECOMMENDATIONS

Remove all galvanized risers and apartment distribution piping, replacing same with approved, as per New York City Code, rigid copper tubing.

Affect connection of all existing apartment plumbing fixtures with new copper tubing, valves and related fittings. Remove all abandoned galvanized iron piping from the riser spaces, and readily accessible from within apartments.

Initiate program to power clean and replace as required waste drains within the structure in order to eliminate the frequent stoppages and back/ups that markedly slow drainage in waste lines. (Cont'd.)

Donald J. Brandinelli, P.

Consulting Engineer

E. PLUMBING AND
PIPING SYSTEMS (Cont'd.)

Frequent back/ups of sink water into bathtubs installed at lower levels within individual apartments have been cited by tenants as being of generally common occurrence in addition to ever/present slow drainage of plumbing fixtures.

RECOMMENDED ALLOWANCE

ESTIMATED

BUDGET.....\$ 177,200

F. HEATING SYSTEM

An inspection of the heating system was conducted on Thursday September 26, 1985 by Peter R. Quanci of Peter S. Quanci Associates.

A report noting comments, observations and recommendations regarding the present system, follows in Section 4 on pages 4-2 through 4-10.

Returned questionnaires cited the following problems with operation of the system:

- * 23 percent of tenants stated that insufficient levels of heat were available to heat apartments.
- * 15 percent stated performance of the system was too erratic with heat levels varying from too much to too little.
- * 4 percent stated that excessive quantities of heat were delivered to their apartments.

Similar proportions of tenants also cited the fact that delivery of domestic hot water ranged from too little to scalding water temperatures.

RECOMMENDATIONS .(Cont'd.)

Donald J. Brandinelli, P.E.
Consulting Engineer.

F. HEATING SYSTEM (Cont'd.)

RECOMMENDATIONS

To improve delivery of heat to more uniform levels throughout the building it is recommended that the controls and exterior sensing equipment be upgraded and modified to more accurately gauge the temperature differential between the exterior and interior living spaces. To improve delivery of heat, it may be advisable to relocate the exterior temperature sensing element in order to obtain a more balanced performance by the system.

Additional modification includes installation of non/electric thermostatically controlled valves that would allow those tenants currently receiving erratic and/or excessive levels of heat to regulate the supply of same to their apartments. Considering that this represents 20 percent of the apartments, the shutting off of this excessive output to portions of the building not requiring heat will definately improve delivery of heat to those apartments not receiving sufficient levels.

Affecting these recommendations will increase significant-

(Cont'd.)

Donald J. Brandinelli, Jr.
Consulting Engineer

F. HEATING SYSTEM (Cont'd.)

tly the amount of domestic hot water available by maintaining the heating plant at a more even level throughout the 24 hour daily heating cycle.

RECOMMENDED ALLOWANCE

ESTIMATED

BUDGET.....\$ 164,530

Donald J. Brandinelli, P.
Consulting Engineer

G. ELECTRICAL SYSTEM

An inspection of the building power service and distribution system was conducted by Charles Duran on Tuesday, September 3, 1985. A detailed report giving his observations, comments and recommendations is included in the following SECTION 4 of this report.

For the most part, services to the apartments are moderately sized and should be adequate to cover average residential demands. Problems develop however, when portions of the power distribution system within the apartment are unable to supply or divert sufficient power to run large demand appliances such as air conditioners, broilers, cleaning appliances etc.

RECOMMENDATIONS

Clean corrosion from and secure cover on distribution panel in East Meter Room.

Remove stored items in East Meter Room.

Upgrade power services and distribution systems within apartment spaces.

Secure open power control in Elevator Control Room.

Upgrade lighting in Elevator Control Room

G. ELECTRICAL SYSTEM (Cont'd.)

Provide directory for laundry room power distribution panel. Secure open junction ceiling box in same area.

RECOMMENDED ALLOWANCE

ESTIMATED

BUDGET \$ 206,400

H. COMMON APT. DEFICIENCIES

A review and compilation of data obtained from tenant questionnaires, supplemented by inspection of approximately 16 percent of the apartments has confirmed the following apartment deficiencies.

Plumbing Fixtures.....	46%
Waste Piping.....	27%
Supply Piping.....	10%
Vermin & Insect Infestation.....	56%
Apt Entry & Interior Doors.....	38%
Water Damage/Walls.....	48%
Tile.....	38%
Floors.....	10%
Closets.....	19%
Cabinets.....	38%
Med Chests & Hampers.....	21%
Paint.....	33%
Tile.....	38%
Appliances.....	19%

Plumbing fixtures are for the most part, original and in many cases in poor or obsolete condition. Faucet and valve hardware are no longer readily available. Waste piping requires a major building wide power cleaning and/or selective replacement program in order to improve the present slow performance at this time.

H. COMMON APT. DEFICIENCIES (Cont'd.)

Deficient supply piping resulted in poor water pressure and erratic delivery of hot and cold water to a portion of the apartment units.

Of responding tenants, 87% noted the current infestation conditions within the apartment and common areas. The level cited, mandates that all of the building areas be treated in order to ensure that limited exterminating does not simply drive insect and vermin activity to untreated spaces of the building.

Apartment entry doors require replacement and refitting of hardware to allow proper operation and trimming of some of the interior apartment units in order to align door and jamb surfaces, a condition for the most part attributable to excessive build/up of paint at these and related trim surfaces.

Water damage requiring repair, has occurred due to leaks from apartments above and adjacent to the damaged units. Deterioration of ceiling plaster, wall surfaces, tile and floors has been sustained due to these conditions.

Closet areas and cabinets have similarly sustained damage due to water seepage. Inoperative, damaged and/or rusted/out medicine cabinets and wall hampers were also included in the 78 percent citing problems with these aspects of the apartments.

Defective appliances accounted for a 19% complaint rate. Units noted, included poorly functioning refrigerators and stoves.

Donald J. Brandinelli, P.E.
Consulting Engineer

H. COMMON APT.

DEFICIENCIES (Cont'd.)

RECOMMENDED ALLOWANCE

ESTIMATED

BUDGET.....\$ 237,832

Donald J. Brandinelli, S
Consulting Engineer

I. MISCELLANEOUS

ELEVATORS

An inspection of the elevator installations in each of the two building wings was conducted by WALSH ASSOCIATES on 28 August 1985.

Comments and recommendations regarding the present installations may be found in the supplementary elevator inspection report appearing on pages 4-21 through 4-23 in the Supplementary Report section of this report.

RECOMMENDATIONS

As noted in WALSH ASSOCIATES report.

RECOMMENDED ALLOWANCE

ESTIMATED

BUDGET \$3,450

NOTE : Deficient operation of this system was cited by 38% of those tenants returning questionnaires.

Donald J. Brandinelli,
Consulting Engineer

I - MISCELLANEOUS (Cont'd.)

INTERCOM SYSTEM

Of those tenants citing deficiencies with operation of building systems, the present intercom drew complaints at a 42 % rate. Noted by the tenants for the most part, was poor voice transmission resulting in the inability to satisfactorily monitor building security.

RECOMMENDATION

Check circuits on a building/wide basis for proper grounding of voice transmission wiring and presence of insulation to avoid interference with voice signal. Both main vestibule panel and individual apartment service sets should be checked.

RECOMMENDED ALLOWANCE

ESTIMATED

BUDGET \$ 4,250

Donald J. Brandinelli, J
Consulting Engineer

I - MISCELLANEOUS (Cont'd.)

COMPACTOR SYSTEM

The present compactor system has been cited by 17% of tenants returning questionnaires as a contributory factor in the problem of insect infestation in the building.

RECOMMENDATIONS

Establish a regular cleaning and exterminating schedule for each of the compactor locations. Check and overhaul compactor machinery and pressure fittings. In addition, install deodorizing devices at compactor drop chutes activated by door opening.

RECOMMENDED ALLOWANCE

ESTIMATED

BUDGET \$ 2,500

SUPPLEMENTARY
REPORTS

MAJOR
SYSTEMS

SECTION 4

Donald J. Brandinelli, F
Consulting Engineer

Peter Steven Quanci & Assoc., Inc.

MECHANICAL ENGINEERS & CONTRACTORS
100 EDGEWATER STREET, STATEN ISLAND, NEW YORK 10305

BOILER INSPECTION

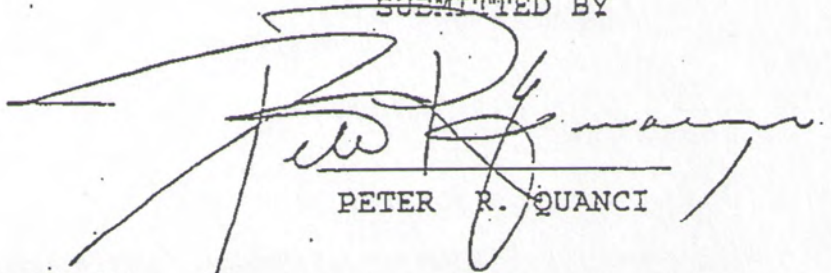
76-12

35th

AVENUE

THE WARWICK

SUBMITTED BY

A large, stylized handwritten signature in black ink, appearing to read 'Peter R. Quanci', is written over a horizontal line.

PETER R. QUANCI

BOILER INSPECTION

An inspection of the boiler installation located at 76-12 / 35th Avenue, was conducted on Thurs. September 26, 1985. Its purpose was to observe the installation, comment upon same and evaluate the condition of the present boiler, related piping, operating trim systems, burner and firing controls. Subsequent comments will be directed as applicable to improve both performance and firing efficiency of the system.

Present during the inspection were the building superintendant, Ali Yesiltepe, Donald J. Brandinelli, P.E. Consulting Engineer for the Tenants Association and the writer.

Weather during the inspection was mild with intermittent periods of heavy rain. Due to the season, the boiler was not operating in a full heating mode, the unit at this time serving to provide domestic hot water to apartments within the building. The boiler, located within a separate operating area is accessed off the main area of the basement level via a steel tread stair.

BOILER

The present unit is Rockmills/MP Series, manufactured by

Steel Products Corp. Model No. of the unit is 150 and data on identification plates and permits indicate the date of manufacture and installation to be in 1983/84 under New York City boiler registration/installation number MEA 98-71-E

OIL BURNER

Firing equipment consists of a Hev-E-Duty Gas/Oil Burner. Model No. DEG-63P, regulated with controls by Industrial Combustion Corp. Control cycling follows standard operating procedures consisting of the following phases within the operational cycling of the unit. The phases, listed below will be explained in a supplement at the end of this report.

PRE/PURGE

PILOT/TRIAL (With oil or gas)

PILOT/IGNITION (With oil or gas)

FULL IGNITION

SHUT DOWN

POST FIRING PURGE

OPERATING CONTROLS

Three pressure regulating controls are in place to ensure operation of the system within prescribed operating ranges.
(cont'd.)

PRESSURE CONTROLS IN PLACE

- #1 HIGH PRESSURE MANUAL RESET
- #2 HIGH PRESSURE CONTROL
- #3 OPERATING PRESSURE CONTROL

All of the controls in place are in satisfactory condition and in conformance with New York City / BOILER OPERATING CODE requirements. All controls are by Honeywell Corp.

HEATING & CYCLING CONTROLS

Heat cycling is regulated by controls manufactured by The HEAT TIMER Corp. Model no. of the control panel is EPU-CH. The system is equipped with a fully integrated automatic cycling capability with an integral programmable clock timer. At the present time, the system is operating in the summer mode with cycling of the boiler for the purpose of maintaining domestic hot water to the apartments.

TRIM CONTROLS, WATER FEED ETC.

The boiler is equipped with a manual water feed. Boiler shut/down safety controls are by MacDonald Miller. In place is a MacDonald Miller Model #67, Boiler Low Water C/O Control. The unit is installed as per N. Y. City Code requirements. A tankless heater installed below the boiler water level is controlled by a Honeywell heater immersion/stat.

Additional controls in place include a Code required Anti-Siphon valve by the HERSEY Corp., Model #112357

FUEL, WATER & STEAM PIPING

The system is capable of operating on both Gas and Oil. The primary fuel, however is No. 6 Fuel Oil. The oil is heated, prior to combustion in a side arm heater installed at the exterior side of the boiler and fed by hot water from the boiler.

Condition of fuel oil piping for supply and recirculation is satisfactory. No defects or leaks were present. Operation of the fuel oil circulating pump was likewise secure. Boiler water is treated under a water treatment program by the Consolidated Water Conditioning Corp.

Boiler trim piping systems were also in secure condition. The manual feed piping for boiler make/up water is in sound condition. Steam distribution piping consists of a one pipe system, using the same line for both steam to the apartments and return of condensate to the boiler. Inspection of accessible lines in the boiler room indicated that distribution lines to the riser piping are pitched to the boiler to facilitate the return of steam condensate. Gas supply piping was in good condition and installed in accordance with Code requirements.

OIL FIRING EQUIPMENT AND SUPPORT SYSTEMS

The Hev-E-Duty dual fuel Gas/Oil burner is in satisfactory condition. The unit, designated as Model No. DEG-63P is currently operating on #6 grade of residual fuel oil. Trim controls to regulate proper firing of fuel oil and gas are regulated by a Honeywell Automatic Draft Control. Proper dispersion of fuel oil to increase combustion efficiency is affected by a compressor unit located adjacent to the front burner breeching. The unit and connecting compressed air piping were in sound condition and properly installed.

Gas fuel supply lines are regulated by two series or in/line configured valves manufactured by ITT. The first valve is actuated by a solenoid and allows for the opening and closing of the gas supply to the burner. The second valve in the series installation regulates the flow of gas according to heating demand and draft conditions. Combustion air is provided via an air vane actuated switch that controls an intake fan into the boiler/operating room spaces. The fan is also interlocked with the ON/OFF burner controls.

Control of operating draft to allow for proper combustion is via a barometric damper that maintains a balanced draft through the flue passages of the boiler. A new exhaust breeching is also in place, having been installed during

the 1984 boiler upgrading program and is in sound condition.

The breeching is equipped with an electric eye type smoke detection system, manufactured by the Heat Timer Corp.

FUEL OIL STORAGE

Condition of the fuel oil storage tank is secure. No evidence of leaks or damage to the unit was noted. The storage tank enclosure was secure, dry and acceptably clean. Capacity of fuel oil storage is 5000 gallons. Related fuel oil fill and discharge piping was also in secure condition.

DRAINAGE & INSULATION

Operation of the area drainage sump pump installation was satisfactory with the float valve switch tripping on the sump pump motor at the high float level and affecting proper shut/off at the lower position. Another sump pump installation located at the rear of the boiler room requires replacement and/or overhaul of the pump/motor unit.

Insulation of the piping and breeching areas about the boiler and related piping is in sound condition. Operating spaces were clean and generally well maintained. Levels of illumination were on an overall basis rated as good, however it is recommended that additional fluorescent light-

ing be installed at the boiler room entry area, adjacent to the air intake fan, access stair and rear boiler breeching.

BURNER CYCLE

PRE/PURGE

Calling for heat, the heating controls energize the burner. Switching on the blower/fan initiates the cycle by purging the firebox with cold, fresh air to remove stagnant air and any possible smoke residue from the firebox.

PILOT/TRIAL

Pilot igniter switches on. A cadmium cell sensing device confirms that the unit is ready to ignite pilot fuel.

PILOT/IGNITION

Affecting a full ignition, the valve for pilot fuel is opened and full pilot ignition is initiated.

FUEL IGNITION

Upon full pilot ignition, the main fuel valve is opened and full ignition of the primary oil or gas fuel is affected.

SHUT DOWN

Upon providing the proper quantity of steam or domestic hot water, the flow of fuel to the burner is shut down.

POST FIRINGPURGE

After shut/off of fuel to the burner, the blower/fan continues to run for a predetermined period in order to purge all residual fuel oil fumes, combustion byproducts and smoke from the firebox.

REPORT AND EVALUATION
OF
ELECTRICAL SYSTEM LOCATED AT
THE WARWICK
76-12 35th Avenue
Jackson Heights, NY

SUBMITTED BY:

Charles Duran

CHARLES DURAN
ELECTRICAL ENGINEER

Re: The Warwick
76-12 35th Avenue
Jackson Heights, NY

An inspection of the electrical system for the above referenced structure was conducted on September 3, 1985. The following is a report and evaluation of that system.

General

This apartment building has two wings, east and west, each of which has a separate meter room, passenger elevator and compactor room.

Service

The electrical service is provided by the Consolidated Edison Company at 120/208 volts, three phase, four wire, 60 Hertz. It enters the building from 35th Avenue into an end of line box in the west meter room in the basement. It then connects to three main service switches. Two of them are used to provide power for the apartments with the third used for house services. One of the apartment service switches is rated 600-amperes, is fused at 600-amperes and feeds the meter bank in the west meter room. The other switch is rated 400-amperes, is fused at 325-amperes and feeds the meter bank in the east meter room. The third switch is rated 200-amperes, is fused at 150-amperes and feeds the house distribution panel through a three phase meter used to monitor the house power. The cables which connect these switches are color coded for phase identification as is required by the New York City Electrical Code, and are properly sized for their current power loading.

The apartment meter bank in the west meter room contains 47

apartment meters and, in the distribution section above the meters there are 47 sets of main circuit breakers for the apartments. Each apartment is fed by a set of two, 40-ampere, single pole circuit breakers that provide power at both 110 and 220 volt potential level via a 3 wire feed. The services appear adequate to provide power commensurate with present service standards.

The meter bank in the east meter room contains 35 apartment meters and 35 sets of main circuit breakers for the apartments. There is also a separate meter and a box which contains two, single pole, 40-ampere circuit breakers mounted next to the meter bank and tapped from it. This is the service for apartment 1J.

The house distribution panel located in the west meter room, contains the main fuses for the elevators and the public lighting. The power for the boilers is tapped from the panel to a three pole 30-ampere fused switch, separately mounted next to the house panel. In addition, there is a separately mounted 20-ampere fuse for the recessed lobby high hat lighting and 30amp 3 pole fused switch for the lobby lighting panel. These are also tapped from the house panel. In addition, there is a time switch for the rear yard and outside lighting located in the west meter room.

All of the equipment appears to be in good condition except for some corrosion on the cover of the distribution section in the east meter room.

There are some items of storage in the east meter room. These items, at the time of viewing, were away from the service and distribution equipment, so they did not obstruct access to the equipment. However, under Bulletins 105.1 par. (a) and 119.3c of the

New York City Electrical Code, there is to be no storage of any kind in the room. These items should be removed immediately.

The electrical equipment in the west meter room shares the room with some gas meters. There is more than the required five feet of distance between the two types of service equipment.

Distribution

The power to each individual apartment is transmitted by means of three, #8 AWG wires run in conduit along the basement ceiling from the distribution section of the meter bank to a junction box in the corridor where the wires are then spliced onto armored cables which are then run up through the walls of the building to the individual apartment panels. For efficiency, some apartment feeders are grouped together as they leave the meter bank, but are then subsequently divided at the junction box. The feeder wires are color coded for phase identification with the conductors properly sized for their present power loading.

The feeders for the "H" through "O" lines of apartments are located in the east wing of the building, while the "A" through "G" feeders are in the west wing.

The cables which connect the 400-ampere service switch to the east meter bank are run in a large metal wiring trough from the west service room to the east gas meter room. From there, the cables are run in two, three-and-a-half inch conduits to the east meter bank. These cables are also color coded for phase identification.

The typical apartment panel is a six circuit type with 15-ampere and 20-ampere circuit breakers for the branch circuits in the apartment. In the apartments viewed, there are no directories

on the panels, so it could not be determined what each breaker feeds. This is in violation of Section B30-117.0j of the New York City Electrical Code.

In one of the apartments viewed, there are four 15-ampere circuit breakers and one 20-ampere circuit breaker, with one spare space for an additional breaker. It can be surmised that two of the 15-ampere breakers are for the lighting and general purpose receptacles and that the single 20-ampere circuit breaker may feed the one air conditioner receptacle in the living room. This receptacle is the only three prong grounding type in the apartment. All others are the two prong type. Under Section B30-152.0 par. 3 of the Code, receptacle outlets are to be the three prong grounding type.

In this same apartment, there is also a separate circuit appliance receptacle in the dining alcove. This is in accordance with Section B30-156.1b of the Code. In addition, there are two receptacles in the bedroom. One is used to supply power to the telephone. There does not appear to be an adequate number of receptacles in this room, while in the bath there is only a single receptacle that is incorporated into the lighting fixture. There is no ground fault interrupter receptacle as is required under Bulletin 133.3a2 of the New York City Electrical Code.

In another apartment viewed, the general conditions were found to be about the same as those mentioned above. However, the air conditioner outlet was a two prong type and not the required three prong grounding type. This is in violation of Section B30-156.1c of the Code.

Boiler Room Power

There is one boiler room in this building. Its controls con-

sist of a circuit breaker panel, a heat timer cabinet, a smoke alarm control cabinet, two, three pole, 30-ampere fused switches, a two pole 30-ampere fused switch and a control relay for the oil pump. The circuit breaker panel contains several 15-ampere and 20-ampere circuit breakers which are used to supply power to the boiler controls and ancillary equipment. The two, three pole fused switches supply power to the boiler's blower and compressor, while the two pole fused switch feeds the oil pump. All of the control equipment is interconnected by means of a metal wiring trough which is located below the panels.

The wiring to the devices on the boiler is run in electrical metallic tubing which is an acceptable wiring method. Some runs to devices are made in flexible conduit.

There is a burner control panel on the boiler which is supplied by a separate line from the meter room.

There is adequate lighting in the room which is supplied by two fluorescent fixtures. One of them, a four tube, four foot long fixture, provides the lighting to the front of the boiler. The other, a two tube, eight foot long fixture, lights the boiler controls.

There is a 60-ampere unfused cut-off switch outside the room as is required by the Code. The connecting wires to this switch are partially color coded for phase identification. Above the switch is a red indicating light for the smoke alarm.

The electrical equipment for the boiler room power appears to have been upgraded recently and is in good condition. The installation is in sound condition, with no exposed wiring or panel components noted.

Elevator Machinery Room Power

There are two passenger elevators in this building; one serving the east wing and one serving the west wing. The drive machinery and controls for each elevator is located in its own machinery room on the roof of the building. The power for both elevators comes into a fuse panel in the west machinery room from a set of three, 100-ampere fuses located in the house distribution panel in the basement.

The panel contains two sets of three, 60-ampere fuses, one set for each elevator. The set for the west elevator feeds a 60-ampere fused switch in the same room which then feeds the elevator controls and drive machinery. The second set of fuses connects to a 60-ampere fused switch in the east elevator machinery room by means of three #6 AWG wires run in a one-and-a-quarter inch conduit embedded in the roof. The east machinery room contains a similar set of controls and drive machinery as that in the west machinery room.

The controls consist of an open panel with plug-in type control relays and open type contactors. There is a terminal block at the bottom of the panel for all outside connections. Due to the absence of a cover for this panel there are exposed wires and interior panel components.

The main drive for each of the elevators is powered by a 7½ Horsepower, AC induction motor which draws 27-amperes at 208 volts, three phase. The electrical equipment appears to be in good condition. There is no lighting in either of the two machinery rooms. It was found that the bulbs were missing from the one porcelain fixture on the ceiling in each room.

Compactor Room Power

There are two compactor rooms, one in each wing of the building. Each one has an enclosed control panel which contains one contactor and two timers. The cabinet in the west compactor room is a general purpose enclosure, while the one in the east compactor room is a water tight enclosure. There is a 30-ampere unfused cut-off switch in each of the rooms through which the power is fed. There is a separate 15-ampere circuit breaker which provides power to a water solenoid valve which is controlled by a thermostat. This system is used to spray water into the compactor should the temperature rise above a pre-determined level. There are controls on the door of each cabinet, which consist of an indicating light, an on/off key switch, a reset button and a reject pushbutton.

A porcelain fixture in the ceiling of each compactor room provides lighting for that room.

Laundry Room Power

There are four clothes washers and two gas dryers in the laundry room in this building. The washers are plugged into two duplex receptacles which are surface mounted behind them. The dryers are also plugged into one surface mounted duplex receptacle behind the units. All 3 receptacles are fed from a circuit breaker panel, also surface mounted, near the door to the room. They are connected by means of wire run in a one-half inch diameter steel conduit.

The circuit breaker panel has a capacity for sixteen, single pole circuit breakers but contains only six, single pole, 20-ampere breakers. There is no directory for this panel, so it cannot be

determined what circuits are fed. It appears that there is a separate circuit breaker for each of the receptacles. The lighting and window mounted exhaust fan also appear to be on individual circuits. The circuits should be designated within the feeder panels as the condition is in violation of Section B30-117.0j of the New York City Electrical Code. The electrical lines are all run in surface mounted conduits on the walls or in the hung ceiling. The installation is in good condition except for an uncovered junction box which can be seen through an opening in the ceiling. It should be covered.

The illumination in the room is provided by an eight foot long, two tube, fluorescent fixture surface mounted on the ceiling. It provides good lighting to the room.

Miscellaneous

The lighting panel for the public areas is located in the main lobby refuse room. It is a fuse panel which contains sixteen, 30-ampere plug fuses and toggle switches. Each fuse and switch combination is marked for an area branch circuit. The markings are next to each switch as opposed to being on a directory. The panel is fed from one of the sets of fuses in the house distribution panel in the basement.

In addition to the panel, there are two, twenty-four hour time clocks mounted on the wall of this room. One is for a light in the front window of the lobby which goes on automatically at night and the other is for a large circular cove light in the middle of the lobby.

Lighting in most of the public areas and in part of the lobby is provided by two foot long fluorescent fixtures. In another part

of the lobby there are 6 high/hat fixtures and two wall-washer fixtures both of which are incandescent. This lighting arrangement does provide adequate illumination.

The outside lights consist of three "U" tube fluorescent fixtures on the portico, one on each side of the entrance and the third hanging from the ceiling of the portico. There are also four incandescent pole lights across the front of the building.

Conclusion

... The electrical power service to this building is in sound condition. There exists adequate capacity to provide for all house service functions and tenant apartment service requirements. Generally the present system is in conformance with New York City Electrical Code requirements.

On the basis of tenant comments, one third of the apartments cited inadequacy of the present services within the apartments to adequately supply the levels of power required for air conditioner operation and power outlets. Many of these tenants also cited convenience outlets that were in poor condition and/or otherwise inoperative. Additional outlets should also be placed within apartments in order to provide better distribution of power and outlets upgraded to three prong grounding type.

In addition all other minor violations and deficiencies noted within this report should be corrected or secured as required. Finally, all open panels and wiring should be secured and all panels shall have circuits identified as per Code requirements.

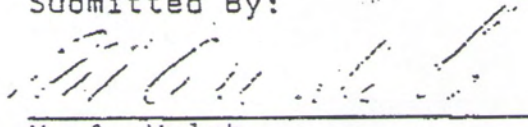
August 28, 1985

REPORT ON CONDITION
OF ELEVATORS
LOCATED AT
76-12 35th Avenue
Jackson heights, N. Y.

PREPARED BY:

WALSH ASSOCIATES, LTD.
15 Dock lane
Port Washington, N.Y. 11050

Submitted By:


M. A. Walsh
WALSH ASSOCIATES, LTD.

WALSH ASSOCIATES, LTD.
August 28, 1985
76-12 35th Avenue
Jackson Heights, N.Y.

Two Otis Overhead Geared Machines
Seven Stops Seven Openings
Capacity 2000 lbs. @ 100 F.P.M.

NOTE: Unless otherwise indicated each item applies to all units.

MOTOR ROOM

Main Machine

1. Fill the machine gear case to the proper oil level.
2. Seal the machine gear case.
3. Repack the machine shaft gland.
4. Empty the drip pans.
5. Clean down the machines.
6. Dismantle, clean, lubricate and readjust the brake.

Governor

1. Governor tags indicate a two year safety test conducted by The Republic Elevator Corp. 4/84.

HOISTWAY

Hoist and Governor Cables

1. The hoist and governor cables are in good condition.

Guide Rails

1. Fill the guide rail lubricators. (#1 Car)

Hall Fixtures

1. Correct the inoperative basement alarm bells.

Pit

1. Clean the pit.
2. Replace the missing junction box cover under the car.

WALSH ASSOCIATES. LTD.
 August 28. 1985
 76-12 35th Avenue
 Jackson Heights. N.Y.

General Comment

The following items have been recently replaced and are in good condition:

1. Car Stations
2. Controllers
3. Car Door Operators

In addition each cab has been refurbished.

COST ESTIMATES MAJOR ITEMS

1.	Main Machine	items 1 thru 6	\$ 2500
2.	Guide Rails	item 1	100
3.	Hall Fixtures	item 1	600
4.	Pit	items 1 & 2	250
			<hr/>
			TOTAL \$ 3450
