



Human Resources
Administration
Department of
Homeless Services

**Testimony of Jill Berry, First Deputy Commissioner
New York City Department of Social Services**

**Before the New York City Council,
Committee on Oversight and Investigations**

**Mayor's Management Report: Agency Performance in Delivering Housing & Services.
November 1, 2023**

Good afternoon. My name is Jill Berry and I serve as the First Deputy Commissioner at the Department of Social Services (DSS). With me today is Karl Snyder, Deputy Commissioner of the Office of Performance Management and Data Analytics. I would like to thank Chair Brewer and the members of the Committee on Oversight and Investigations for holding today's hearing on the Mayor's Management Report.

The Mayor's Management Report (MMR) serves a critical function as our agency's report card. It measures our performance and service delivery to New Yorkers. As a report card it can serve as a snapshot in time. It highlights what we are doing well and, perhaps most importantly, where we need to improve. The Department of Social Services /Human Resources Administration (DSS/HRA) recognizes the challenges the MMR highlights, but we would also like to discuss the context behind the numbers.

As we have discussed in previous hearings before this Council, the long shadow of the COVID-19 pandemic has produced unprecedentedly high numbers of applications for Cash Assistance (CA) from New York's most vulnerable residents. The high volume of applications is the result of a variety of factors including:

- The winding down of the New York State Emergency Rental Assistance Program (ERAP), along with the end of the eviction moratorium and pandemic-related income supports;
- Increased applications for utility arrears;
- the end of certain New York State pandemic related waivers; and
- Increased access to the CA application process, through improved technology and use of the AccessHRA online and app platforms, allowing clients to apply for services remotely in addition to in person;

These factors are an inescapable part of the context for the MMR figures we review today. As we exited the pandemic, we prepared for pre-pandemic application levels to return. But we could not fully predict the increased needs reflected in the levels of applications submitted and ultimately this has led to processing delays. Indeed, high application numbers continue; applications for Cash Assistance (CA) increased by 30.7 percent in FY23 compared to FY22.

Having discussed some of the context behind the MMR numbers, we would like to highlight how we believe these challenges can be overcome.

The Great Resignation impacted the City of New York as an employer like it did employers across the country. There too, the pandemic cast a long shadow. However, through rigorous recruitment we have been able to onboard over 700 employees since December of 2022, filling critical vacancies. The work these individuals have been hired to do takes training. As we see more and more of those employees finish their training and hit the ground running, we are seeing improvement in our ability to process existing and new applications.

In addition to hiring new processing staff, we have engaged our State partners to press for additional waivers; and we have met some success in obtaining them. Waiving steps in the application and recertification processes makes DSS more efficient and improves the client experience. We have also aggressively mobilized our existing DSS staff with redeployments and overtime to assist in processing applications. And we are investing in technology to streamline processing and make it easier for both clients and staff to complete application review.

Although we acknowledge that challenges remain in addressing our backlog, we remain optimistic because we believe that our mitigation efforts are producing results. We are already seeing declines in our backlog numbers, which peaked at almost 39,000 Cash Assistance overdue applications and have declined by 31 percent as of the end of September, and we are eager to continue our work to reduce the backlog.

While the MMR helps us identify outstanding challenges, it is important that we applaud the work of the public servants in DSS who continue to tirelessly work to overcome these challenges.

Our front-line DSS/HRA staff and partners:

- Served an average of 3,200 adults and children per day in emergency and family transitional DV shelters in FY23;
- Connected 34,218 households facing eviction with legal assistance;
- Issued more than 175,000 IDNYC cards in FY23;
- Continued a trend of connecting eligible New Yorkers with Fair Fares, with an 8.3 percent increase in enrollment since FY22 – meaning as of June 2023, a total of 294,505 people were enrolled in Fair Fares;
- And we serve over 3 million New Yorkers each year.

These numbers are an indication that our fellow New Yorkers, some facing the most traumatic circumstances of their lives, are receiving the assistance they need. At DSS/HRA, we endeavor to work with each client, treat them with the dignity and compassion they deserve, and advance our ongoing mission of providing New Yorkers in need with essential benefits. We fully appreciate we have further work to do in order assist even more New Yorkers.

Thank you for your attention, I am happy to take your questions.

**Testimony for MMR Hearing
Fiscal Year 2023 DOF Mayor's Management Report:
Agency Performance in Delivering Services
November 1, 2023**

Good afternoon, Chair Brewer and members of the Committee on Investigations and Oversight.

My name is Jeffrey Shear, and I am the First Deputy Commissioner of the Department of Finance (DOF). Joining me today are Robin Lee, DOF's Taxpayer Advocate, and Timothy Sheares, Deputy Commissioner for Property.

There are four services and goals in DOF's chapter in the fiscal year 2023 Mayor's Management Report (MMR) that relate to this hearing's focus on the delivery of services. They are: bill and collect property and other taxes, administer rent and property owner exemptions, help NYC taxpayers resolve tax issues, and record property-related documents.

Overall, fiscal year 2023 was a successful year for DOF, as reflected in our collection of over \$45 billion in revenue that is critical for City programs and initiatives that are agreed upon and funded in partnership with the Council.

This revenue does not come into the City's coffers automatically. DOF must explain to New Yorkers how it determines liabilities, provides due process, issues bills, facilitates payments, and offer assistance when customers need further guidance. Here are two fiscal year 2023 highlights from the MMR that underscore DOF's performance.

- The Office of the Taxpayer Advocate (OTA) continues to provide timely assistance, addressing complex inquiries and challenging cases from New Yorkers seeking help with tax issues, including tax exemption applications. In fiscal year 2023, OTA met its under-10-day resolution target even as cases and inquiries increased by 19% from fiscal year 2022.**
- The Land Records Division improved the average time to record property documents from 4.5 days in fiscal year 2022 to 1.3 days in fiscal year 2023,**

a 71% improvement. The recording of such documents is a necessary step in the process of transferring property.

We also want to take this opportunity to address MMR indicators that moved in the wrong direction in fiscal year 2023, chiefly because of lingering impacts from the COVID-19 pandemic.

One example is a sharp increase in the days required to process Rent Freeze Program renewal applications from the date an application is received until the time that the DOF approves, denies, or requests that an applicant submit more information. DOF administered its usual renewal process during the pandemic, but we suspended the final step of ending benefits for participants who failed to submit a renewal. This was a policy decision made to protect vulnerable New Yorkers from losing benefits during a difficult period in which they may have been ill, caring for stricken family members, or economically impacted by COVID. This suspension of benefit revocations lasted for two years and created a backlog of over 7,000 pending renewal cases.

We began a second renewal process last year that includes robust noticing and outreach before we resume revoking benefits for households that failed to renew. To track our progress for purposes of the MMR, we used the date of our initial renewal outreach letter in February 2022 to mark the start of the processing cycle. As a result, the processing time that we have reported includes not only the time required by DOF to review applications, but also the time it takes participants to respond to our mailings.

For example, in fiscal year 2023, DOF processing time for renewals unaffected by COVID averaged 10.3 days, comparable to 10.1 days in fiscal year 2022. However, once the processing and mail response time for COVID-impacted renewals was included, the overall average increased to 24.1 days. While we are concerned with the impression given by the increase in our processing time indicators, we stand by the underlying decision to refrain from revoking benefits for non-responders during the pandemic. I also want to take this opportunity to thank the Council for working with us to increase responses to our mailings.

In closing, I want to thank the 1,650 dedicated DOF staff members who are making every effort to provide exemplary service to our customers. We

acknowledge that we must continue to track and improve upon our performance in all areas, and we are grateful for the opportunity to discuss the many ways in which our team is working to serve New Yorkers.

Thank you for your time, and I look forward to answering any questions.

New York City Council Committee on Oversight and Investigations - 11/1/2023

Department of Design and Construction MMR Testimony

Good morning. I am Eric Macfarlane, First Deputy Commissioner for the NYC Department of Design and Construction (DDC). I am happy to appear before the committee today.

DDC is the City's construction management agency, meeting the everyday construction needs for more than 25 different agencies and also stepping up in times of crisis. During normal times we build firehouses and clinics, public plazas and libraries, and water mains and sewers. But during the pandemic we also built testing and vaccination centers and most recently the agency has been vetting potential sites for asylum centers (46) and managing the construction of those centers at City-owned sites (10).

DDC has seen a large expansion of its responsibilities in the last several years and we are working to ensure that our MMR data reflect that. Specifically, the agency has recently been called upon to build the new jails system that will allow for the closure of Rikers Island. We are building the City's new coastal resiliency defenses such as East Side Coastal Resiliency. We are part of the City's new cloudburst management effort and along with DEP are building thousands of pieces of green infrastructure. We are with DOT reconstructing thousands of pedestrian ramps to comply with a court order. And we are also implementing a new alternate delivery program so we can bring the benefits of contracting methods such as design-build to more City projects. Mayor Adams recently announced that the \$141 million Shirley Chisholm Recreation Center will be built by DDC two years faster using design-build than we could with the old system of lowest bidder contracting.

In the most recent FY23 MMR we reported a total portfolio size of \$17.06 billion for 596 active projects. That is in addition to \$9 billion for ten Borough-Based Jails contracts, bringing the agency's total active portfolio value to \$26 billion. For reference, five years ago in FY18 the portfolio size was \$14 billion.

These new requirements affect the agency's MMR data. The responsibility for Borough-Based Jails, for alternate delivery and for emergency COVID and asylum center work largely falls on our Public Buildings Division. Public Buildings also completed this year more than \$200 million in emergency work on Rikers Island and at Hart Island. For the year, the Division has seen a reduction in its projects completed early or on time even as it successfully tackled these other new challenges. The Division is also still feeling the effects of the COVID pause that halted consultant design work during the pandemic.

In our Infrastructure Division, the MMR data reflect the changing needs of the agencies that fund our projects. Over the last five years there has been a decrease in the miles of water mains, sewers and roadway constructed even as the Division has successfully taken on coastal resiliency programs, pedestrian ramps and green infrastructure. The decrease in those indicators does not represent a decrease in productivity, it simply means that the agencies that sponsor our infrastructure projects are funding other needs. If green infrastructure or pedestrian ramps are prioritized then that is what we build.

DDC also reported good news in the most recent MMR. Our M/WBE program continues to thrive, and in the first three quarters of the fiscal year DDC had 30.5 percent M/WBE participation with more than \$261 million in contract awards. Design projects completed was increased by 25 percent, thanks largely to the end of the pandemic. In our Infrastructure Division, where designs are completely mostly in-house, 91 percent of designs were completed early or on time. Also in Infrastructure, 87 percent of construction projects were completed early or on time. And our Front-End Planning Unit continues to

weed out problematic projects before they start with 106 reviews completed last year versus just 49 two years ago.

DDC's MMR data reflect the changing needs and priorities of our City, as well as factors outside of the City's control such as climate change and court orders. The growth in the agency's portfolio also represents the necessity of an agency like DDC and the faith City government has in DDC to carry out important life-saving initiatives such as East Side Coastal Resiliency.

These new initiatives have been a challenge for our data team to represent accurately in the PMMR, the MMR and now the *DMMR*, and we plan to rectify that before the next full MMR is published. And while new responsibilities do not relieve the agency of its traditional duties, we encourage the committee to consider the agency's new burdens, what they mean to the City and how effectively they are being managed by DDC.

Thank you and I would be pleased to answer any questions.

Testimony from NYCHA's Chief Operating Officer Eva Trimble
Mayor's Management Report: Agency Performance in Delivering Housing & Services
Committee on Oversight and Investigations
Wednesday, November 1, 2023 – 1 p.m.
New York City Hall Council Chambers

Chair Gale Brewer, members of the Committee on Oversight and Investigations, other distinguished members of the City Council, NYCHA residents, community advocates, and members of the public: good afternoon. I am Eva Trimble, NYCHA's Chief Operating Officer.

Thank you for this opportunity to discuss our efforts to become the landlord that residents deserve. We are making progress in addressing issues that are critical to residents' quality of life, and we are intensely committed to the areas that need improvement. The information outlined in the annual Mayor's Management Report (MMR) is an expression of our values as an agency, guiding our focus and investment of resources. Together with our stakeholders, including residents and members of the Council, we will continue to transform our organization using the data we're collecting.

In line with the mandates of the HUD Agreement, NYCHA made progress in the past year in areas such as mold, elevators, and heat service. For example, in Fiscal Year (FY) 2023, NYCHA met our goal to prevent the return of mold following remediation and repairs: 87 percent of mold cases were not recurrences, exceeding the HUD Agreement target of 85 percent. We abated mold in nearly 3,300 apartments in FY 2023, a 426 percent increase over the prior year. The average time to resolve elevator outages dropped by 23 percent: from 11.8 hours in FY 2022 to 9.1 hours in FY 2023, below the HUD Agreement target of 10 hours. The average outage per elevator per month also decreased from 1.07 to 0.93. We reduced the average time to resolve heat outages by 10 percent: from 8.3 hours to 7.5 hours, well below the HUD Agreement target of 12 hours.

In addition to demonstrating where we are making progress, the MMR highlights areas we need to improve. For instance, rent collection is well under our target of 97.5 percent, standing at 62.2 percent in FY 2023. To help address this, we will apply ERAP funding we are receiving from the State to residents' arrears, and will work with our residents to connect them to support services. Additionally, the average time to resolve emergency repair requests did not meet our 24-hour target in FY 2023, and the time to resolve non-emergency and skilled trades repairs

also increased – as we’ve discussed, it’s a struggle to keep up with the needs of our aging buildings; due to decades of insufficient federal funding, there are more than \$78 billion in capital needs across the portfolio. However, the average time to complete maintenance work orders, which are typically minor repairs, decreased from 8 days in FY 2022 to 6.2 days in FY 2023. Our Work Order Reform and Neighborhood Model initiatives are helping to improve service to residents through increased staffing, better work order planning and scheduling, enhanced communication with residents, and increased staff accountability and productivity through continuous monitoring. Another area that requires improvement is the time it takes to prepare vacant apartments for new occupants; as we discussed with the Council earlier this year, NYCHA apartments require extensive health and safety work once vacated due to their age and often deteriorated condition. Thanks to City funding, we are prioritizing the turnover of vacant apartments and are closely monitoring these efforts.

We are happy to discuss more details with you and answer any questions you may have. As always, we look forward to continuing our partnership with the Council in service to residents. Thank you.



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**Testimony of Louisa Chafee, IBO Director
To The New York City Council
Committee on Oversight & Investigations
Wednesday, November 1, 2023**

Good afternoon, Chair Brewer and members of the New York City Council Committees on Oversight & Investigations, I am Louisa Chafee, Director of the New York City Independent Budget Office. Thank you for the opportunity to testify on agency performance, vis-à-vis the 2023 Mayor's Management Report (MMR), in delivering housing and services. IBO identified many indicators across various city agencies that demonstrate the City's struggles to adequately maintain its buildings and infrastructure, and deliver services to New York City residents. In this testimony, I will focus on a few key areas within the New York City Housing Authority, Department of Social Services, and Department of Education where we are also able to use data on staffing levels through the City's Payroll Management System to analyze the level of staff turnover over the last year.

Delays in Timeliness of Repairs and Turn Over of Vacant Apartments at New York City Housing Authority. The New York City Housing Authority (NYCHA) reported substantial timing increases in several of its critical indicators, attributing the delays to an increase in demand with no comparable increase in staffing to address specialized areas. Most notably, the average times to prepare vacant apartments and to turn them around more than doubled from 2022, with both metrics reaching over 365 days. (All years refer to fiscal years, unless otherwise noted.) In 2019, the average times were both less than 90 days, marking a significant upward trend over the past five years. The MMR attributes this to aging conditions in NYCHA buildings, which require time-consuming repairs and remodeling.

The other metrics of note relate to service requests in NYCHA's capacity as landlord. The average time to resolve emergency requests exceeded the 24-hour target, increasing by 26 percent since 2022, and more than doubling since 2019. The MMR states that most emergency requests relate to heat and hot water, which took longer to resolve in 2023 due to a lack of adequate specialized staff. The average time to resolve non-emergency service requests has increased by a larger percentage than for emergency requests—reaching 65 hours in 2023, a 33 percent increase from 2022, and more than tripling since 2019. The MMR attributes this to a backlog of work orders from the pandemic, during which non-emergency work was put on hold.

IBO found that although headcount at NYCHA has increased compared with June 2022, the average experience level of staff has declined due to high turnover rates, with more experienced staff leaving at relatively higher rates than in past years. This leaves less-experienced staff to prepare vacant units and respond to service requests. According to the City's Payroll Management System, headcount has increased by 1.5 percent since June 30, 2022. However, NYCHA's staff turnover rate was nearly 20 percent in that time.

Timeliness of Cash and Food Assistance Declines Despite Increased Hiring of Eligibility Specialists. For the Department of Social Services' Human Resources Administration (HRA), IBO continues to focus on the timeliness of benefit processing indicators. IBO observed the starkest declines in timeliness for processing cash assistance applications within 30 days—down to 29 percent of all applications from 82 percent one year ago (though the definition of timeliness was 45 days at that time). Regardless, the decline has real-world impacts on how quickly applicants receive cash assistance and is also the subject of a Legal Aid and New York Legal Assistance Group lawsuit in progress against the City. There were also sizable changes in processing supplemental food assistance (SNAP) benefits within 30 days: the metric has declined to just under 40 percent of all applications from 60 percent one year ago and 92 percent two years ago. The delays in cash assistance and SNAP processing stand in contrast to Medicaid application processing, which remained at 94 percent in 2023, below the target rate of 99 percent, but an improvement in timeliness over the 81 percent rate in 2020.

In 2023, the MMR reported that the timeliness rate for cash assistance applications was 29 percent, more than a 67-percentage point decrease from the fiscal 2019 level and target 2023 level. This means that 81 percent of all applications for cash assistance take longer than 30 days to process. The timeliness rate had historically been above 90 percent until fiscal year 2022, when it dropped to 82 percent, before declining much further this past year. The definition of 'timeliness' did change in October 2022 from 45 days to 30 days, which partially accounts for this decrease, but DSS's stated goal for timely processing is still 95 percent in both 2023 and 2024.

The MMR also reports a similar, though less severe, decline in the SNAP application timeliness rate: the timeliness rate for 2023 is just under 40 percent, more than a 50-percentage point decrease from the target rate of 91 percent, and from the 2019 rate of about 93 percent. Though this increase in delays is relatively smaller than the increase for cash assistance processing, it is concerning that 6 out of 10 SNAP applications take longer than 30 days to process, when the individuals and families that are applying for SNAP need food immediately.

At HRA, total headcount has increased by about 1.5 percent since the end of 2022, but turnover in that same period was approximately 16 percent, signaling retention issues and a less experienced workforce on average. The number of Eligibility Specialists, one of the critical positions that work to approve benefit applications declined 11 percent (about 225 employees) between June 30, 2020 and 2023. While there has been a recent rebound in the first few months of 2024—an increase of four percentage points (70 employees)—it may not be sufficient to meet the increase in caseloads given that timeliness indicators continue to lag. The number of cash assistance recipients has grown almost 13 percent over the last year, increasing from more than 585,000 recipients to more than 660,000. The number of SNAP recipients has held relatively steady at around 1.7 million.

Fewer Families Exiting the City's Shelter System and Fewer Entering Subsidized Permanent Housing. In Department of Social Services' Department of Homeless Services, IBO is tracking exits from the shelter system, paying particular attention to exits to stable, permanent housing, especially in light of the recent influx of families and individuals seeking asylum in the City. The MMR reports that the number of families with children exiting the shelter system has declined from over 9,000 in 2019 to 6,175 in 2023—though that is a small increase over the 5,207 families that existed shelter in 2022. Furthermore, the number of subsidized exits—either to a program like supportive housing or NYCHA/Section 8, or with a CityFHEPS voucher that can be used to pay for permanent housing—has declined from over 6,800 in 2019 to just over 5,000 in 2023. IBO has obtained placement data for the CityFHEPS program and has a more in-depth study of the program underway.

Student and Teacher Absence Rates at Department of Education Remain Higher than Pre-Pandemic Levels. In 2023, the MMR reported that about 64 percent of students had attendance rates of 90 percent or higher. In other words, roughly 36 percent of students were absent at least 10 percent of the

school year, a threshold that the Department of Education (DOE) and state education department use as a measure of chronic absenteeism. While 2023 marks a decrease in chronic absenteeism from the previous year—during which nearly 40 percent of students were chronically absent—the indicator is still 10 percentage points higher than the pre-pandemic rate of 26 percent in 2019.

IBO's recently updated [Education Indicators](#) for school year 2021-2022 provided some warning signs for higher levels of chronic absentee rates, particularly for some student subgroups. For traditional public school students in School Districts 1 through 32, we found chronic absenteeism rates highest for students with disabilities, students from low-income neighborhoods, and students in temporary housing. Chronic absentee rates were largest for students in high school. Among high school students, while 40 percent of general education students were chronically absent that year, the rate for students with disabilities was 57 percent. There were similar 17 percentage point differences by neighborhood income and housing status.

The MMR also reported an increase in teacher absences: in 2023, nearly 19 percent of teachers were absent 11 days or more. Before the pandemic, in 2019, only 13 percent of teachers were absent that many days. These absences, coupled with new hiring needs following the State class size reduction law, represent an area of concern. IBO has [estimated](#) the city will need to hire more than 17,000 additional teachers to meet the fully phased in requirements of the new class size law. And in a [recent report](#), IBO found that while teacher hiring has returned to pre-Covid levels, the 2022-2023 school year saw a decrease in teacher retention. As the rate of returning teachers has declined, the overall number of teachers also decreased by 2,500 teachers compared with the workforce in 2018-2019. IBO will be monitoring further changes in teacher headcount especially after the recent announcement by the Adams administration to reduce school budgets this year due to lower-than-expected enrollment.

Finally, the MMR identified several underperforming critical indicators related to the DOE's EarlyLearn programs in 2023—including lower contract enrollment, lower center-based utilization rates, and lower average family childcare enrollment. This is an active area of interest for IBO, and IBO's education team is working with the DOE to gain additional data on enrollment and capacity at center-based programs.

Thank you again, and I am happy to answer your questions.



**Testimony of Juan Diaz
Policy and Advocacy Associates
Citizens' Committee for Children of New York**

**Submitted to the New York City Council Oversight Hearing on The Mayor's Management Report:
Agency Performance in Delivering Housing & Services. New York City November 1st, 2023**

Since 1944, Citizens' Committee for Children of New York has served as an independent, multi-issue child advocacy organization. CCC does not accept or receive public resources, provide direct services, or represent a sector or workforce; our priority is improving outcomes for children and families through civic engagement, research, and advocacy. We document the facts, engage, and mobilize New Yorkers, and advocate for solutions to ensure that every New York child is healthy, housed, educated, and safe.

We would like to thank Chair Brewer and all the members of the City Council Committee on Oversight and Investigations, for holding today's important hearing on the response to the Mayor's Management Report and concerns over housing agencies' performance in delivering services to New Yorkers.

CCC is a steering committee member of the Family Homeless Coalition. The Family Homelessness Coalition (FHC) is comprised of formerly homeless mothers and 20 organizations representing service and housing providers and children's advocacy organizations united to end family homelessness.

As the city experiences unprecedented housing, shelter and economic crises that disproportionately impact families with children of color, the recent Mayor Management Report (MMR) unveiled the City Administration's failure to adequately address the needs of New York City's most vulnerable population.

The MMR revealed serious delays in public benefits applications approvals, NYCHA vacant apartment repairs, and fewer families exiting shelters and entering affordable housing.¹ Most importantly, the MMR serves as an indicator of the need to fully staff HPD, DHS and HRA and to streamline housing applications and reduce paperwork so that families with children can remain housed and economically secure.

CCC is concerned over several MMR findings that severely impact low-income families with children housing and economic well-being:

- The number of subsidized exits (supportive housing or NYCHA/Section 8, CityFHEPS) has declined from over 6,800 in 2019 to just over 5,000 in 2023.
- The number of families with children exiting the shelter system has declined from over 9,000 in 2019 to 6,175 in 2023.
- The percentage of lottery projects that completed applicant approvals within six months decreased from 42% in FY22 to 32% in FY23.
- The median time to finalize a lease for homeless placements in set-aside units in new construction increased from 203 days in FY22 to 243 days in FY23.

- The average time to prepare a NYCHA vacant apartment for occupancy doubled from 2022, and the number of units preserved (for RAD/PACT Portfolio) went from 5,909 in 2022 to 2,597 in 2023.
- A decline in timely SNAP approvals: Only 39.7% of applications were approved within 30 days in FY23 compared to 60.1% in FY22.
- Cash assistance application timeliness rate (30 days) decreased 53.5 % in FY23 compared to FY22.
- HRA staffing is still well-below pre-pandemic levels, with 10,853 full-time employees in July, compared to 12,528 in December 2019.

The New York City Independent Budget Office noted in their testimony that HRA personnel increased by close to 1.5 percent since the end of 2022, but turnover in that same period was around 16 percent.ⁱⁱ With an increase in cash assistance recipients from more than 585,000 in 2022 to 660,000 in 2023, tens of thousands of pending rental arrears applications pending, and a shelter system at full capacity, the City Administration should prioritize staff retention strategies like competitive salaries and hybrid work opportunities.

Furthermore, CCC and FHC partners call on the City Administration to exempt DSS/HRA/DHS/HPD from the Mayor’s 15% PEG and hiring freeze. The City Administration has the opportunity to improve housing and public benefits services delivery by implementing the following cost-saving alternatives:

- **Prevent homelessness and expedite stable housing relocation.**
 - Support the effective implementation of legislation that would expand CityFHEPS eligibility that open shelter space and save the City millions of dollars in administrative and funding costs.
 - Improve Public Benefit access and retention by addressing HRA staffing shortage, remove red tape, and implement technology solutions to ensure CityFHEPS payments and renewals, cash aid, and SNAP are not disrupted in transition to permanent housing.
 - Work along with NYCHA to expedite vacant units' repairs and preserve apartments for families with children in need of stable and affordable housing.
- **Reject cuts to non-profit homelessness prevention and shelter services providers.**
 - Prioritize Access to Homebase Services by refraining from budget cuts and advocating for additional funding to expand capacity within existing programs and open new sites, and by ensuring that families in the community have access to supportive services such emergency rental assistance, housing subsidies renewals, and legal assistance to avoid shelter entrance and continue their path to housing and economic mobility.
 - Implement a meaningful COLA for homeless services staff, as programs have average vacancy rates of 20% and high turnover for their lowest paying positions like housing specialists.
- **Improve Timely Access to Affordable Housing**
 - Allow ALL families access to HPD set asides, regardless of which shelter system they are in, as promised by the Adams administration on page 51 of the Housing our Neighbors Blueprint.
 - Reduce steps and streamline the process to fill vacant affordable housing units made available through Housing Connect to meaningfully reduce lease up timetables.
 - Open up city-funded supportive housing to domestic violence survivors and their children.

- **Maintain the right to shelter and oppose the proposed alternatives to house migrant families with children.**
 - The City Administration should reverse course on efforts to overturn the right to shelter and instead prioritize cost-saving solutions such as filling vacant positions to help expedite housing and public benefit applications; expediting move outs to set-aside affordable housing units; and streamlining applications for housing and public benefits.
 - Reject the 60-day limit for immigrant families with children, which is a deeply concerning measure that would have wide-ranging, harmful impacts on migrant children's education and overall well-being.
 - Reverse course on the Floyd Bennett Field emergency tents for families with children. Any facility housing families with children must provide sufficient bathroom access, privacy, safety, and protection from the elements.

- **Increase and Expedite Benefit Access**
 - Immediately ensure that The City complies with federal law by processing all SNAP applications within 30 days.
 - Improve technology to public benefits (cash aid, food stamps, Medicaid, housing subsidies, childcare) applications and Access HRA by removing repetitive documentation, to expedite access and reduce red tape across benefits.
 - Improve benefit access and retention policies (Prevention/Aftercare) by addressing administrative barriers ensuring adequate staffing.

Thank you for your time and consideration on this critical issue for children's housing and economic well-being. We look forward to continuing to work with the City Council and Administration to make sure that all New York City families and children have access to the support they need on their path to socio-economic mobility.

ⁱ Mayor's Management Report 2023. Retrieved from: https://www.nyc.gov/assets/operations/downloads/pdf/mmr2023/2023_mmr.pdf

ⁱⁱ Testimony of Louisa Chafee, IBO Director To The New York City Council Committee on Oversight & Investigations Wednesday, November 1, 2023.



Testimony of FPWA

**Presented to:
Oversight Committee
Hearing on Mayor's Management Report:
Agency Performance in the Delivering Housing & Services
Chair Gale A. Brewer
November 1, 2023**

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Good morning, Chair Brewer and Oversight Committee members. Thank you for scheduling this hearing concerning the Mayor's Management Report and putting a spotlight on the delivery of housing and services.

FPWA is an anti-poverty policy and advocacy organization committed to advancing economic opportunity, justice, and upward mobility for New Yorkers with low incomes. Since 1922, FPWA has driven groundbreaking policy reforms to better serve those in need. We work to dismantle the systemic barriers that impede economic security and well-being and strengthen the capacity of human services agencies and faith organizations so New Yorkers with lower incomes can thrive and live with dignity.

Advocating for access to quality, affordable housing is essential to anti-poverty and racial justice work, and to the assurance of dignity for all New Yorkers. The absence of quality, affordable housing in the marketplace impacts the health, educational opportunities, and economic outcomes of individuals and families. ¹ At FPWA we are committed to advocacy and research that allows New Yorkers to thrive by ensuring that policy at every level of government is cognizant of the true cost of living.

The nonprofit and community-based organizations (CBOs), that comprise our human services sector, have been critical to our city historically, and now. They often step in to provide housing, services, critical income supports, and programs designed to offset the negative impacts of housing insecurity, frequently at the expense of the direct service providers, when the city falls short of its obligations. In recognition of the findings in the Mayor's Management Report, we urge the city to improve its existing essential housing programs, while also protecting funding for programs and services that provide income supports. The city should look to the human services sector as both thought partners and direct service providers to be funded and engaged in addressing these issues.

The Adams Administration is poised to enter a period of austerity that will be detrimental both to the human services sector, which is overwhelmed and under-resourced, and to the constituencies across the city that they serve. The mayor's proposed 15% budget cuts for the next fiscal year will remove \$16.5 billion from the city budget, undermining the health of many programs. This comes at a time when administrative agencies have vacancies in critical positions. The city was only able to process just under 40% of cash assistance applications and just under 30% of SNAP applications during the last fiscal year, leaving many applicants, seeking vital income supports, to languish without proper consideration. ²

These budget cuts and vacancies are particularly untimely because New York City residents are currently suffering through a series of intersecting housing crises, including housing affordability, disinvestment and habitability issues in public housing, the undermining of the right to shelter, and the lack of sufficient funding for housing legal representation in eviction proceedings. Housing instability has a cascading effect on food security, health, education, and other outcomes. Consequently, the city must act with urgency to resolve these issues.

New York City must address housing affordability by not only investing in NYCHA, but also maintaining funding for essential programs and services. Approximately 50% of working-age New York City households cannot cover their basic needs including housing. This forces individuals and families to

¹ <https://www.urban.org/sites/default/files/publication/103472/why-housing-matters-for-upward-mobility-evidence-and-indicators-for-practitioners-and-policymakers.pdf>

² <https://citylimits.org/2023/09/18/nyc-failing-to-process-most-food-stamp-cash-benefit-applications-on-time/>

make tough decisions related to their food, access to healthcare, and transportation, to keep a roof over their heads.³

The New York City Housing Authority (NYCHA) is the largest public housing system in North America, and houses about 6% of the city's population. We commend the Adams administration for engaging in new projects to address housing affordability, serving seniors, formerly unhoused New Yorkers, and low-income families.⁴ Unfortunately, these measures, while both vital and a step towards addressing housing affordability, are insufficient due to the breadth of the problem. We recognize that New York City will need the support of the state and federal governments to address these issues holistically, and time to implement additional planned housing projects.⁵ We urge the city to recognize the vitality of the administrative programs and services that support the needs of low income and middle-income New Yorkers, because budget cuts and administrative vacancies impact those already struggling with housing unaffordability.

New York City must address the habitability of NYCHA housing and the long processing times associated with tenant requests. NYCHA housing has fallen into disrepair, leaving some residents in dangerous living conditions. The Mayor's Management Report noted the need for an investment of \$78.3 billion to repair NYCHA housing. There are also well-documented implementation problems concerning tenant requests. We support the recently passed New York City Council Resolution seeking the New York State Legislature and the U.S. Department of Housing and Urban Development to audit the responsiveness of NYCHA managers to tenant requests,⁶ and are disturbed by the reports that as of September of this year, the average response time for completing repairs was approximately one year.⁷

We are thankful to see the city acknowledge the need for investment and reforms to NYCHA in the Mayor's Management Report but want to emphasize that this recognition is in tension with the mayor's proposed 15% budget cuts from every city agency. While budget cuts can allow the city to invest the savings in other projects, this seems inappropriate when the administration is struggling to provide adequate services within existing programs.

The Adams Administration should cease its efforts to undermine the right to shelter in New York City. We are dismayed by the Adams administrations challenges to the right to shelter including issuing 30-day and 60-day eviction notices for adult migrants and migrant families respectively, as well as requesting that the right to shelter be suspended if either the mayor or governor declares a state of emergency.⁸

³ <https://www.nytimes.com/2023/04/25/nyregion/affordable-housing-nyc.html>

⁴ https://donbuqm3ub5fw.cloudfront.net/files/2023_mmr_ce1a8eaa8b.pdf

⁵ https://www.fpwa.org/wp-content/uploads/2023/06/Human-Services-Funding-Tracker-Annual-Update-FY22_5.24.23-3.pdf

⁶ <https://legistar.council.nyc.gov/LegislationDetail.aspx?ID=5521095&GUID=9A0EFE8A-EF8B-4858-8C20-EE8B3634E193&Options=&Search=#:~:text=The%20New%20York%20City%20Council%20%2D%20File%20%23%3A%20Res%200068%2D2022&text=Name%3A,of%20NYCHA%20managers%20to%20tenants>

⁷ <https://citylimits.org/2023/10/24/city-lawmakers-call-for-probe-of-how-nycha-handles-tenant-complaints/>

⁸ <https://www.nytimes.com/2023/10/04/nyregion/eric-adams-right-to-shelter-migrant-crisis.html>;
<https://www.thecity.nyc/2023/10/23/migrants-families-row-shelters-eviction-schools-eric-adams/#:~:text=The%20city's%20announcement%20that%20some,the%20mayor%20said%20last%20Tuesday>.

The Mayor's Management Report asserts that the "Housing Our Neighbors [blueprint] strives to break the cycle of housing instability and homelessness through strategies to prevent homelessness, increased support for New Yorkers in shelter, by accelerating the return to permanent housing, and ensuring that formerly homeless households remain stably housed."⁹ This assertion is hollow if the right to shelter can be suspended or curtailed during a state of emergency.

Since the end of the pandemic, the number of migrants entering the United States and thus migrating to New York City, both through typical means and the bussing of migrants by out-of-state government officials, has led to an increased number of people requesting space in New York City's shelter system. While we understand that accommodating asylum-seekers has been a challenge for city government, we implore the Adams administration to focus on advocacy and programs that will help migrants to gain work authorization and be able to leave the shelter system, instead of challenging the right to shelter and evicting migrants, especially as we approach the winter season.

Challenging the right to Shelter is a racial justice issue. While the shelter system has received migrants from all over the world, they are largely coming from the global south, particularly Venezuela, and large numbers of recent arrivals coming from African countries.¹⁰ Right now migrants are being targeted for exclusion from the right to shelter, but if this right can be suspended during any state of emergency declared by the City or State of New York, it can be denied to anyone.

We applaud efforts by the Adams administration, along with advocacy groups and other government officials, to push the federal government to redesignate Temporary Protected Status to Venezuela, Honduras, El Salvador, Nicaragua, Cameroon, and Nepal, and initially designate Guatemala, Mali, Democratic Republic of the Congo, Mauritania, and Nigeria. The redesignations were successful, the initial designations were not. We are heartened by the positive impact of TPS eligibility for thousands of migrants currently in New York City shelters who are now eligible for work authorization.¹¹ We urge continued advocacy for countries who were not granted initial designations, which are mostly African nations, and note that African migrants are often left out of this conversation despite representing a large share of migrants coming into the city.¹²

A report by the New York Immigration Coalition and Win argues that expanding housing subsidy programs, particularly housing vouchers, to immigrants could save the city almost \$3 billion by cycling folks out of shelters and into permanent housing.¹³ This is a long-term solution that the city should explore. It is important to note that Robert Callaghan, the plaintiff at the center of the court case establishing the right to shelter, died on the streets of New York while the case was being decided. Rolling back the right to shelter will lead to more deaths, worse health, education, and other issues associated with housing insecurity. We also wish to emphasize that the human services sector and faith groups have been stepping in to address the needs of migrants, including shelter, alongside the city. We

⁹ https://donbuqm3ub5fw.cloudfront.net/files/2023_mmr_ce1a8eaa8b.pdf

¹⁰ <https://www.nytimes.com/article/nyc-migrant-crisis-explained.html>

¹¹ <https://apnews.com/article/biden-tps-border-asylum-venezuela-temporary-status-2fa052ceacb020b861bb82332912bc92>

¹² <https://www.nytimes.com/2023/01/13/nyregion/west-african-immigrants-nyc.html>;
<https://www.nytimes.com/article/nyc-migrant-crisis-explained.html>

¹³ <https://winnyc.org/wp-content/uploads/2023/08/Housing-Instead-of-Emergency-Shelter-for-Asylum-Seekersbriefv4.pdf>

urge you to support these organizations and partner with them to address both short-term and long-term housing issues.

New York City needs to fully fund its universal representation program in eviction proceedings to protect renters. Eviction is also a racial justice issue. Black households in New York City are three times more likely to face eviction than white households.¹⁴ In 2017 New York City became the first in the nation to create a Right to Counsel in eviction proceedings. Today, that right to counsel is undermined by a lack of funding to support existing cases. Since the end of the eviction moratorium in January 2022, there have been over 65,000 eviction proceedings in New York City, and the tenants have been unrepresented in more than half of them.¹⁵ Over 90% of landlords have legal representation in eviction proceedings, creating a dangerous power imbalance that the city's universal representation law was meant to solve.¹⁶ We urge the city to work with housing legal service providers to fully fund this program and to ensure that there are enough providers to guarantee representation to all eligible New Yorkers. In the coming year, FPWA aims to organize faith leaders, who have a long history of housing advocacy and direct services, in support of this issue.

Thank you for the opportunity to testify. New Yorkers are struggling to find and maintain affordable housing. We at FPWA look forward to working closely with you to ensure that the city can implement equitable reforms that will meaningfully improve the lives of New Yorkers and will support the efforts of the faith groups and human services organizations that we represent.

¹⁴ https://prattcenter.net/uploads/0222/1645804924258026/Racial_Justice_the_Right_to_Remain_Final.pdf

¹⁵ <https://www.righttocounselnyc.org/nyccrisismonitor>

¹⁶ <https://citylimits.org/2023/01/03/nycs-floundering-right-to-counsel-fails-to-keep-pace-with-eviction-cases/>

Harlem Housing Advocacy Group, Inc. P.O. Box 2741, NY, NY 10027
hello@hhaginc.org ###.###.#### www.hhaginc.org

1st November 2023

To: The Committee on Oversight and Investigations:

**RE: Affordable Housing Predatory Lending Schemes
in the City and State of New York**

When systems fail, people hurt and suffer and sometimes die.

We write to ask that you take direct action to help end the rampant abuse of the American legal system and the unjust application of the law, whether de jure or de facto in the City and State of New York. People are evicted, harassed and abused by those who use resources to manipulate the Courts. The Courts have failed in supervising themselves and the attorneys who capitalize on these unfortunate circumstances. Whether it is the lawyer that uses the legal system to throw families out of their homes or the judge that endorses them, things cannot continue like this.

We ask that you Request the New York State Attorney General to Investigate the Participation Loan Programs administered by the City of New York Department of Housing, Preservation and Development (HPD) and the New York State Department of Homes and Community Renewal (DHCR)

Please Investigate Affordable Housing Predatory Lending Schemes in the City of New York that sponsor financial loss of equity, Eviction, Death and Destruction.

The affordable housing programs in the City of New York are corrupted by the fraudulent use of federal HOME funds and other public monies in “economically targeted investments.”

Particularly egregious in facilitating the fraudulent use of public monies is the Tenant Interim Lease Program (TIL), the Third Party Transfer (TPT) Program and the Affordable Neighborhood Cooperative Program (ANCP) created and administered by the Department of Housing Preservation and Development (HPD) and its Participation Loan Program, under the auspices of Article 11 and Article 15 of the New York State Private Housing Finance Law. These programs are actually predatory lending schemes masquerading as affordable housing programs.

HPD arranges sponsor/developer [Neighborhood Restore, Settlement Housing Fund, SHUHAB, UHAB (Urban Homesteading Assistance Board), Finger Management, Wavecrest Management] access to public monies ostensibly to provide affordable housing to residents. In fact, sponsors and developers are enriched and residents are left with damaged property and unmanageable debt. The predatory lending scheme threatens the retirements of workers vested in City of New York pension funds that are guaranteeing these programs i.e. “economically targeted investments”.

Furthermore, residents are subjected to “breaches of law” **that include deprivation of rights under the 5th Amendment to the U.S. Constitution**, mortgage fraud, inverse condemnation, regulatory taking (ultra vires, unjust enrichment) and violations of Truth in Lending Laws.

For example, in the City of New York, 644 Riverside Drive is saddled with a \$46 million dollar mortgage, 540-550 West 144th Street saddled with a \$14 million mortgage, 50 West 112th Street, 86 West 119th Street, 477 West 142nd Street, 544 East 13th Street and other buildings are at risk.

Since Fall of 2004, The Residents of 936-938 St, Nicholas Avenue have suffered the perpetuation of a fraudulent refurbishing/renovation that has resulted in a “sick” building that needs to be made whole. Renovation was not performed per the Scope of Work. Inferior [poisonous] building material was used. The shoddy work has resulted in creating environmental and structural conditions that effect residents’ health, morbidity and mortality. The building is mold infested, seen and unseen. Respiratory, cardiovascular, pulmonary illness and broken hearts abound.

For example, in this fifty-one (51) unit building, eighteen (18) residents have died from initial symptoms that include respiratory distresses and memory loss. The contractor was given a deposit of \$3,912,000.00 without scope of work compliance.

Residents have recently learned that the building’s lack of a Certificate for Occupancy is a violation of the City of New York Multiple Dwellings Law §301. How/Why was a mortgage granted without a Certificate of Occupancy?

Things cannot continue this way.

The **Job No. 103324653** which was/is the permit for the 2002-2004 construction work in 938 St. Nicholas Avenue, Block 2107, Lot 20 is still **Open** at the City of New York Department of Buildings (DOB). The Work remains Incomplete. The Contractor willfully misfiled the Job so that it did not reflect the true cost of the Scope of Work and

compliance with the Multiple Dwellings Law. There was No Certificate of Occupancy in 2006. There is NO Certificate of Occupancy NOW. How/Why was a mortgage granted without a Certificate of Occupancy? How can the Warranty of Habitability that ensures a healthy, and safe environment after significant renovation be maintained without a Certificate of Occupancy?

Please note the document file for the foreclosure action that commenced in 2013 under the auspices of the Hon. Joan Madden and dismissed dated July 31, 2018: "Ordered that plaintiff's foreclosure action is dismissed in its entirety without prejudice; and it is further Ordered that the temporary receivership of Daniel R. Milstein is terminated and Mr. Milstein shall be fully discharged as Receiver upon court approval of his final accounting":

850011 – 2013--

<https://iapps.courts.state.ny.us/nyscef/DocumentList?docketId=P7AHkVkJAJoalJnTcmWwrEA==&display=all&courtType=New%20York%20County%20Supreme%20Court&resultsPageNum=1>

Unfortunately, the mortgage note was transferred to a new lender for the third time during the dismissed foreclosure action. The new lender served the building and shareholders with a new foreclosure action on Wednesday, 5th September 2018. It is assigned **Index No. 850233-2018--** New York County Supreme Court

Short Caption: 938 ST. NICHOLAS AVENUE LENDER LLC, - v. - 936-938 CLIFFCREST HOUSING DEVELOPMENT FUND CORPORATION et al

Case Type: Real Property - Mortgage Foreclosure - Commercial

Case Status: Pre-RJI;

<https://iapps.courts.state.ny.us/nyscef/DocumentList?docketId=YjmbXxmT0PYGZOFID8uTig==&display=all&courtType=New%20York%20County%20Supreme%20Court&resultsPageNum=1>

The Managing Member of 938 ST. NICHOLAS AVENUE LENDER LLC, Mr. David Aviram, is also the Principal and Director of Acquisitions for Maverick Real Estate Partners (www.maverickrep.com), "a private equity fund manager that acquires loans, mechanic's liens and judgments secured by real estate"

We ask that the HPD Corruption Investigation begin with 1) 938 St. Nicholas Avenue, NY, NY 10032 (now in foreclosure; tenants face eviction); 2) 640 and 644 Riverside Drive, NY, NY 10031; 3) 20 and 22 Mount Morris Park West, NY, NY 10027; 4) 544 East

13th Street. NY, NY 10009. A thorough investigation of each of these buildings will most likely expose the criminality of fraud and fraudulent inducement.

Thank you for accepting this Testimony. You must employ every resource you can muster to assist our efforts to end HPD corruption, judicial malfeasance and malpractice.

We look forward to hearing from you very soon.

Sincerely,

M.E. Greene-Cohen, Founding Executive Director

Harlem Housing Advocacy Group, Inc. P.O. Box 2741, New York, NY 10027, Cell: ###.###.#### Email: hello@hhaginc.org www.hhaginc.org

Submitted Testimony of
The New York Foundling, Good Shepherd Services and the Citizens' Committee for Children
Before the New York City Council Committee on Oversight and Investigations

November 6, 2023

This testimony is submitted on behalf of The New York Foundling, Good Shepherd Services, and the Citizens' Committee for Children.

Thank you Chair Brewer and the Council Members of the Committee on Oversight and Investigations for the opportunity to submit testimony on the Mayor's Management Report (MMR).

Staffing Crisis and the need to Fully Fund Livable Wages for the Human Services

Child Welfare nonprofit agencies are experiencing a staffing crisis and reporting a turnover rate of 49% for frontline staff and 24% for caseworkers across the state. For Good Shepherd Services, the overall turnover rate for Fiscal Year 2021 was 27.09% and in Fiscal Year 2022 it increased to 49%. It takes time to fill these vacancies. In one survey, 82% of New York nonprofits reported hiring challenges, while 69% experienced vacancies in program and service delivery.

While social services are delivered by nonprofits, they are primarily funded by government contracts. The poverty-level funding in many nonprofit government contracts makes it challenging for nonprofits to recruit and retain staff. This compounded by high turnover rates and vacancies negatively impacts levels of service and ultimately outcomes for families, children and youth and especially, for youth in care.

During the 2023 General Welfare Preliminary Budget Hearing, the ACS Commissioner mentioned that they were hiring additional staff. Their [latest](#) Youth Development Specialist job posting has a starting salary of \$47,393 and after 5 years that increases up to \$60,031 along with a \$2,500 sign on bonus. DOE's [latest](#) School Psychologist and Social Worker Salary pay schedule states that the starting salary is \$65,822 and after 5 years that increases up to \$99,176 along with annual increases. Nonprofits cannot compete with these offers because our government-funded contracts are neither baselined at the same level, nor do they allow annual increases or bonuses.

All of New York's workforce deserve a livable wage. The nonprofit human services workforce is doing the work of the City, but not receiving the support of the City. Cost of Living Adjustments or workforce enhancements are insufficient, when applied to poverty-level wages. To provide the necessary levels of service for communities across the City and to support the human services workforce, the City must fund a livable wage.

Supplement to my November 1, 2023, Comments to New York City Council Committee on Oversight and Investigations Meeting regarding the “Oversight - Mayor’s Management Report: Agency Performance in Delivering Housing and Services - HPD”.

Below is a transcript of my spoken Comments with detailed footnotes for attached documents.

“Hello. Thank you for this opportunity to speak. I am Annie Wilson, and I am here to report that I have also been in a HDFC scenario, as cofounder in 1984, and eventually forced out by the developers. This building was a building transferred to the non-profit in 2002¹, to be completed in 2004, and I have to say that there had been a fire, they kept the fire insurance money. They forced us out by claiming a foreclosure² need of \$179,000, and an agreement that they had made with a for-profit developer³, and they had not disclosed to us or revealed that they had taken a mortgage⁴ out on us a couple years prior for \$850,000. So based on this scheme, we were forced out of our apartments and given relocation apartment contracts. I was not allowed to return to my apt 5C and went in negotiation for alternatives. They took me to court, I believe, as reprisal for speaking out in this body in 2018⁵ and 2019⁶, detailing the issues that we had, and particularly financial issues, and if you look up the record I testified on July 22, 2019, if you go to pages 261 to 268, and I had testified April 26, 2018, pages 174 to 177. I know I have to wrap up now but I would like to add that I’m still in the relocation apartment, overstayed five years, facing eviction from there, and I would like to work and meet with you and help with any kind of investigation needed because the situation is dire right now for me and others.”

HPD refused their responsibility to administer oversight and compliance. Sincerely Annie Wilson

¹ See **Attachment A** - Land Disposition Agreement (LDA) between City of New York, Housing Preservation and Development (HPD), Urban Homesteading Assistance Board (UHAB), August 19, 2002

² See **Attachment B** - Supreme Court of New York, County of New York, Index No. 650336/2014, SUMMONS in TAX LIEN FORECLOSURE and COMPLAINT, NYCTL 2013-A TRUST, and THE BANK OF NEW YORK MELLON as Collateral Agent and Custodian for the NYCTL 2013-A Trust against UHAB HOUSING DEVELOPMENT FUND CORPORATION et alia, January 27, 2014

³ BFC Partners / B&N Housing Inc.

⁴ See **Attachment C** - Department of Finance, City of New York, MORTGAGE, ID: 2009020400607001, January 30, 2009

⁵ See **Attachment D** - City Council, City of New York, Transcript of the Minutes of the Committee on Housing and Buildings, April 26, 2018, pages 1, 174 to 177

⁶ See **Attachment E** - City Council, City of New York, Transcript of the Minutes of the Committee on Housing and Buildings jointly with Committee on Oversight and Investigations, July 22, 2019, pages 1, 261 to 268

CITY REGISTER RECORDING AND ENDORSEMENT PAGE

TOTAL NUMBER OF PAGES IN DOCUMENT INCLUDING THIS PAGE ► **64**

COUNTY OF ► New York
THIS PAGE FORMS PART OF THE INSTRUMENT

Block <u>SEE 372</u>	LOTS - ONLY IF ENTIRE LOT ▼ <u>Attached</u>	Partial Lots ▼ <u>SEE ATTACHED</u>
Premises ▼ <u>292 East 3rd Street</u> <u>See ATTACHED</u>		NAME ▼ <u>NYC Dept H.P.D</u>
The Agent Company Name ▼ <u>Home Abstract Corp.</u>		ADDRESS ▼ <u>John Fields #58</u>
The Company Number ▼ <u>326 NY 11600</u>		<u>100 Gold Street</u> <u>502</u> CITY ▼ STATE ▼ ZIP ▼ <u>N.Y. NY. 10039</u>

PARTY 1 ▼ ADDITIONAL PARTY 1 ▼	<u>The City of New York H.P.D.</u> <u>100 Gold Street</u>
PARTY 2 ▼ ADDITIONAL PARTY 2 ▼	<u>U.H.A.B. Housing Development Fund Corporation</u> <u>120 Wall Street</u>

CHECK THE BOX IF THERE ARE MORE THAN 2 OF EITHER PARTY

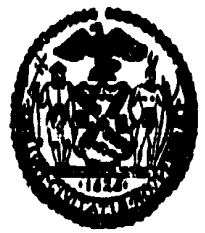
Examined by (s) [Signature]

Mtge Tax Serial No.	
Mtge Amount	\$
Taxable Amount	\$
Exemption (✓) YES <input type="checkbox"/> NO <input type="checkbox"/>	
Type: (3000) (300) (OTHER)	
Dwelling Type: (1 u 2) (2) (4 u 6) (over 6)	
TAX RECEIVED ON ABOVE MORTGAGE ▼	
County (basic)	\$
City (Addtl)	\$
Spec Addtl	\$
TASF	\$
MTA	\$
NYCTA	\$
TOTAL TAX	\$
Apartment Mortgage (✓) YES <input type="checkbox"/> NO <input type="checkbox"/>	

City Register Serial Number ►	<u>059-11</u>
Indexed By (s) <u>U</u>	Verified By (s) <u>[Signature]</u>
Block(s) and Lot(s) verified by (✓):	
Address <input type="checkbox"/>	Tax Map <input type="checkbox"/>
Extra Block(s) <u>28</u>	Lot(s) <u>2</u>
Recording Fee	\$ <u>374</u>
Advalt Fee (C)	\$
RPTT Fee (R)	\$
HPO-A <input type="checkbox"/>	HPO-C <input type="checkbox"/>
New York State Real Estate Transfer Tax ▼	
Serial Number ►	
New York City Real Property Transfer Tax	
Serial Number ►	

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John J. [Signature]

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R:3657.01413

<u>BLOCKS</u>	<u>LOTS</u>	<u>ADDRESSES</u>
372	19	292 East 3 rd Street
376	54	719 East 6 th Street
390	50	209 East 7 th Street
376	30	274 East 7 th Street
376	31	278 East 7 th Street
379	48	733 East 9 th Street
393	47	377 East 10 th Street
406	27	544 East 13 th Street
385	38	21 Avenue C
392	33	155 Avenue C
456	(part of lot 1)	7 1/2 Second Avenue
	AKIA TENTH 11 P TAX LOT 28	a/k/a 9 Second Avenue

R.3657 : 1414

THIS LAND DISPOSITION AGREEMENT ("LDA"), entered into as of the 19 day of August, 2002, by and between **THE CITY OF NEW YORK**, a municipal corporation formed pursuant to the laws of the State of New York, having its principal office at City Hall, New York, New York, 10007 ("City"), acting by and through its **DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT**, having its principal office at 100 Gold Street, New York, New York 10038 ("HPD"), and **UHAB HOUSING DEVELOPMENT FUND CORPORATION**, a not-for-profit corporation formed pursuant to the laws of the State of New York, having its principal office at 120 Wall Street, New York, New York 10005 ("Sponsor").

WHEREAS, the City is the owner of certain real property, consisting of all those plots, pieces, or parcels of real property situated, lying, and being in the City and State of New York, as more particularly described in Exhibit A annexed hereto and made a part hereof ("Land"), and all buildings and improvements situated on the Land ("Improvements"); and

WHEREAS, the present condition of the Land and improvements (collectively, "Disposition Area") tends to impair or arrest the sound growth and development of the municipality; and

WHEREAS, the City desires to encourage the redevelopment of deteriorated City-owned properties and to promote the development of affordable housing; and

WHEREAS, the Disposition Area is eligible as a municipally-owned area to be conveyed pursuant to Article 16 of the General Municipal Law ("GML"); and

WHEREAS, in furtherance of the objectives of Article 16 of the GML, the City has undertaken a program for the clearance, replanning, reconstruction, and neighborhood rehabilitation of slum and blighted areas in the City, and

WHEREAS, in furtherance of such program, the City is undertaking an Urban Development Action Area Project for the development of the Disposition Area ("Project"), as such Project is more fully described in this LDA; and

WHEREAS, HPD has recommended that the designation of the Disposition Area as an Urban Development Action Area be waived pursuant to Section 693 of the GML and, in conjunction with such waiver, has prepared the Project Summary ("Project Summary") annexed hereto as Exhibit B and made a part hereof for the redevelopment of the Disposition Area as an Urban Development Action Area Project pursuant to Section 694 of the GML; and

WHEREAS, HPD has designated Sponsor as a qualified and eligible sponsor of the Project pursuant to Section 695 of the GML; and

WHEREAS, the Project consists solely of the rehabilitation or conservation of existing private or multiple dwellings or the construction of one to four unit dwellings without any change in land use permitted by existing zoning; and

WHEREAS, on June 26, 2002, by Resolution No. 374, a copy of which is annexed hereto as Exhibit C and made a part hereof, the Council, having held a public hearing following notice of the date, time, place, and purpose of such hearing, (i) found that the present status of the Disposition Area tends to impair or arrest the sound growth and development of the municipality and that the proposed Urban Development Action Area Project is consistent with the policy and purposes of Section 691 of the GML, (ii) waived the area designation requirement of Section

R. 3657 1415

693 of the GML pursuant to Section 693 of the GML, (iii) waived the requirements of Section 197-c of the Charter pursuant to Section 694 of the GML, and (iv) approved the project as an Urban Development Action Area Project pursuant to Section 694 of the GML, and

WHEREAS, on July 18, 2002, by the document annexed hereto as Exhibit D and made a part hereof, the Mayor, having held a public hearing following notice of the date, time, place, and purpose of such hearing, (i) approved the designation of Sponsor as a qualified and eligible sponsor pursuant to Section 695 of the GML, (ii) approved the sale of the Disposition Area by the City to Sponsor pursuant to Section 695 of the GML, and (iii) approved this LDA, and

WHEREAS, Sponsor proposes to purchase the Disposition Area from the City upon the terms and conditions set forth in this LDA and to undertake the redevelopment of the Disposition Area in accordance with the Project Summary, which redevelopment shall accomplish the construction and development of the Project.

NOW THEREFORE, the parties hereto, in consideration of the mutual promises and agreements contained herein, covenant and agree as follows:

ARTICLE I

CONVEYANCE

101. Purchase and Sale. The City shall sell and convey the Disposition Area to Sponsor. Sponsor shall purchase and receive conveyance of the Disposition Area from the City.
102. Purchase Price. The price for the sale of the Disposition Area from the City to the Sponsor is One Dollar per building ("Disposition Price"). Sponsor shall pay the Disposition Price to the City upon delivery of the deed for the Disposition Area ("Deed").
103. Deed. The Deed shall include the covenants provided for in Section 13 of the Lien Law and shall be executed by Sponsor (which execution shall be acknowledged).
104. Certain Conditions of Conveyance.
 - A. "As Is" Condition. Sponsor accepts the Disposition Area in its "as is" condition on the date ("Closing Date") of delivery of the Deed to Sponsor ("Closing"). The City has not made any representations regarding the condition of the Disposition Area and neither has nor had any obligation to undertake demolition, site clearance, or site preparation. The City neither warrants nor represents that the surface and subsurface conditions of the Disposition Area will be suitable for the Project. Sponsor represents and warrants that it has inspected the Disposition Area and is fully familiar with its condition.
 - B. Title. The Deed shall provide that the City conveys to Sponsor, and Sponsor accepts from the City, all right, title, and interest of the City in and to the Disposition Area, subject to, without limitation, the trust fund provisions of Section 13 of the Lien Law and all terms, covenants, and conditions of the Deed and this LDA.
 - C. Additional Conditions. The Disposition Area shall also be sold and conveyed in accordance with the following:

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1. **Municipal Charges.** The City shall be responsible for all taxes, assessments, and water and sewer rents accrued against the Disposition Area as of the day preceding the Closing Date ("Accrued Municipal Charges"). On or after the Closing Date, HPD shall (i) advise the City's Department of Finance that such Accrued Municipal Charges are not to be collected or enforced against the Disposition Area and should be cleared from its records, and (ii) provide Sponsor with a copy of such instructions. Sponsor shall be responsible for all taxes, assessments, and water and sewer rents accruing against the Disposition Area on or after the Closing Date.
2. **Municipal Liens.** The City shall endeavor to remove any municipal liens or encumbrances of record existing on the Closing Date. In the event that the City fails to remove any such municipal liens or encumbrances, the City shall not enforce such municipal liens or encumbrances against the real property and improvements comprising the Disposition Area, any authorized purchaser, or any authorized mortgagee financing the construction of the improvements upon the Disposition Area.
3. **Unsafe Buildings.** Notwithstanding any provision of Section 104.C.2 to the contrary, the City shall not remove any unsafe building liens recorded against the Disposition Area listed on the Closing Date; provided, however, that the City shall not enforce such liens against Sponsor or the Disposition Area so long as Sponsor is in compliance with its construction obligations pursuant to this LDA.
4. **Transfer Taxes.** Sponsor shall pay (i) the Real Property Transfer Tax imposed on the Deed pursuant to Sections 2101-2118 of Title 11 of the Administrative Code, and (ii) the Real Estate Transfer Tax imposed on the Deed pursuant to Sections 1400-1410 of the Tax Law. Sponsor shall not be entitled to any exemptions or deductions which might otherwise be available solely because the City is the grantor, unless such an exemption is specifically granted by the City in writing.
5. **Recording.** Sponsor shall cause all recordable documents between Sponsor and the City or any participating lender (including, without limitation, the Deed, this LDA, the assignment of surplus money delivered pursuant to Section 402, any mortgage securing construction financing for the Project, and any modification, extension, consolidation, or other amendment of such mortgage) to be recorded against the Disposition Area in the Office of the City Register for the county in which the Disposition Area is located immediately following the Closing. Sponsor shall cause any building loan contract relating to the construction of the Project to be filed in the Office of the County Clerk for the county in which the Disposition Area is located immediately following the Closing. Sponsor shall pay all required fees and taxes in connection with such recording or filing, without any exemption or deduction which might otherwise be available solely because the City is the grantor.
6. **Condemnation.** In the event of acquisition by the City, by condemnation or otherwise, of any part or portion of the Disposition Area (except for the portion

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of the Disposition Area containing a building as of the date of title closing) lying within the bed of any street, avenue, parkway, expressway, park, public way, or catchbasin, as said street, avenue, parkway, expressway, park, public way, or catchbasin is shown on the present City Map. Sponsor shall only be entitled to the amount of One Dollar (\$1.00) and shall not be entitled to compensation for any buildings or structures erected thereon after the date of sale, within the lines of the street, avenue, parkway, expressway, park, public way, or catchbasin so laid and acquired. This covenant shall be binding upon and run with the land and shall endure until the owner of the Disposition Area obtains a written release of this covenant executed by a Deputy Commissioner or a person designated by the Mayor who may in his/her sole discretion execute such release if the City Map has already been changed so as to eliminate the lines of said street, avenue, parkway, expressway, park, public way, or catchbasin from any part or portion of the Disposition Area. If the City Map has not been changed, the said officer may execute such a release after authorization by the Mayor. The owner shall pay such consideration for the release as said officer may deem appropriate.

105. Holder. As used in this LDA, "Holder" shall mean an entity which holds a recorded mortgage on the Disposition Area to secure partial construction or permanent financing of the Construction (as defined in Section 201) and which either has been approved in writing by HPD or is (i) the Community Preservation Corporation, (ii) a local, state, or federal agency, or (iii) a financial institution (including, but not limited to, a savings bank, commercial bank, life insurance company, public real estate investment company, or pension fund) with assets in excess of Five Hundred Million Dollars (\$500,000,000) whose loans are subject to regulation by a federal or state agency.

106. Indemnification - Mannonite Claims

1. Indemnification. The City shall indemnify, if necessary, Sponsor, Sponsor's successors and assigns, any Holders, subsequent mortgagees of the Disposition Area, and title insurance companies providing mortgagee or fee insurance against any claims of interest in the Disposition Area, or any portion thereof, by the holders of any mortgage as of record against the Disposition Area, or any portion thereof, at the time the City acquired title.
2. Defense. If any actions or proceedings are commenced to foreclose, enforce or compel payment of any claims of interest in the Disposition Area, or any portion thereof, by any former mortgagees of the Disposition Area, or any portion thereof, the City shall defend such actions or proceedings. Sponsor shall cooperate fully in the defense of any such actions or proceedings at no cost to the City for such cooperation. If Sponsor is ordered by a court of competent jurisdiction, after the exhaustion of all appeals, to satisfy said claims, then the City shall pay the amounts which such court has so ordered to be paid to satisfy said claims in accordance with said Court's order.
3. Limitation. Except as set forth herein, the indemnified parties shall have no further right, recourse, or remedy against the City or HPD with respect to any action or proceeding brought to foreclose, enforce, or compel payment of said claims.

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ARTICLE II

SPONSOR'S OBLIGATIONS

201. Construction.

- A. **Construction.** Within one year (twelve months) of the date hereof, Sponsor shall perform such work, or cause the performance by occupants of the Improvements of such work, which shall result in the removal of any and all B and C violations of the New York City Housing Maintenance Code and, and any and all violations of the New York City Building Code which exist as of record against the Improvements as of the date of this Agreement ("Construction").
- B. **Completion.** If requested by Sponsor in writing, HPD or its designee shall promptly issue a certificate or certificates (each a "Certificate of Completion") in recordable form after (i) removal of any and all B and C violations of the New York City Housing Maintenance Code which exist as of record against the Improvements on the Premises as of the date of this Agreement, and (ii) certification to HPD by Sponsor's licensed architect of removal of any and all conditions causing violations of the New York City Building Code which exist as of record against the Improvements on the Premises as of the date of this Agreement. If HPD refuses or fails to issue a Certificate of Completion in accordance with the provisions of this Section 201.B, HPD shall provide Sponsor with a written statement indicating how Sponsor failed to complete construction. When HPD has issued a Certificate of Completion a building on the Disposition Area, Construction of that building shall be deemed to be completed ("Completion of Construction").
- C. **Force Majeure.** Notwithstanding any provision of this LDA to the contrary, in the event of any delay or delays in the performance of Sponsor's Construction obligations, if such delay or delays are beyond the control and without the fault or negligence of the Sponsor, and are caused by reason of (i) any acts, laws, rules, regulations, or orders of any governmental authority, (ii) acts of God or of the public enemy, or (iii) fires, floods, epidemics, quarantine restrictions, strikes or other labor disputes, freight embargoes, material shortage, or weather of unusual severity, then the Completion Deadline shall be extended for such period as HPD shall find in writing to be the period of such delay or delays, but in no event more than one (1) year without the prior written consent of HPD (collectively, "Force Majeure Delays"). Such extension or extensions shall not be unreasonably withheld or delayed, provided that, promptly after the beginning of such Force Majeure Delay(s), Sponsor notifies HPD in writing of the Force Majeure Delay(s) and the cause or causes thereof. Sponsor shall proceed in accordance with this LDA with those obligations the performance of which is not prevented by such Force Majeure Delay(s) unless HPD, in writing, shall excuse Sponsor from proceeding with all or part of such obligations.
- D. **Reports.** Sponsor shall, if requested by HPD, submit a written narrative report on the progress of Construction to HPD within six (6) months after the Closing Date and every six (6) months thereafter until the Completion of Construction.

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202. **Non-Discrimination**. Sponsor covenants and agrees, for and on behalf of itself, its successors and assigns, and every successor in interest to the Disposition Area, or any part thereof, to be bound by the following covenants, which shall be binding for the benefit of the City and enforceable by the City against Sponsor and its successors and assigns to the fullest extent permitted by law and equity:
- a. Sponsor, its successors and assigns, and any lessees of the Disposition Area or any improvements erected or to be erected thereon, or any part thereof, shall comply with all applicable federal, state, and local laws in effect from time to time prohibiting discrimination or segregation by reason of age, race, creed, religion, sex, color, national origin, ancestry, sexual orientation, disability, or marital status (collectively, "Prohibited Distinctions") in the sale, lease, or occupancy of the Disposition Area or any improvements erected or to be erected thereon, or any part thereof.
 - b. Sponsor, its successors and assigns, and any lessees of the Disposition Area or any improvements erected or to be erected thereon, or any part thereof, shall not effect or execute any agreement, lease, conveyance, or other instrument whereby the sale, lease, or occupancy of the Disposition Area or any improvements erected or to be erected thereon, or any part thereof, is restricted upon the basis of any Prohibited Distinction.
 - c. Sponsor, its successors and assigns, and any lessees of the Disposition Area or any improvements erected or to be erected thereon, or any part thereof, shall include the covenants of Section 202.a and Section 202.b in any agreement, lease, conveyance, or other instrument with respect to the sale, lease, or occupancy of the Disposition Area or any improvements erected or to be erected thereon, or any part thereof.
203. **Executive Orders**. Sponsor shall comply with the provisions of Executive Order No. 50 and Executive Order No. 108, as amended, copies of which are set forth in Exhibit E annexed hereto and made a part hereof, and shall incorporate the language required thereby in any construction contract related to the Construction.
204. **Project Signs**. Sponsor shall, at its own cost and expense, erect and maintain a sign on the Disposition Area identifying HPD and the Project in lettering of such size and form as shall be approved by HPD. At HPD's option, HPD may provide a sign for Sponsor's use.
205. **Limitation on Use of Disposition Area**. Prior to Completion of Construction, Sponsor shall not rent, license, or permit temporary use of the Disposition Area for purposes unrelated to the Construction or the Project without the prior written consent of HPD.
206. **Intentionally deleted.**
207. **Tax Lot Subdivision**. If any portion of the Disposition Area consists of a partial or tentative tax lot ("New Lot"), Sponsor shall promptly after Closing (i) cause the Tax Map of the City to be amended by subdividing the entire existing tax lot encompassing any such New Lot ("Prior Lot"), and (ii) cause a permanent tax lot number to be issued for any New Lot and every other portion of any Prior Lot. Sponsor shall promptly take all actions necessary to cause such tax lot subdivision and issuance of permanent tax lot numbers to be completed, including, but not limited to, (i) clearing accrued taxes, (ii) delivering copies of the recorded Deed and a survey of the Disposition Area showing the dimensions of any

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New Lot and any other tax lots to be formed from any portion of any Prior Lot to the City's Real Property Assessment Bureau, and (iii) amending any Certificate of Occupancy for the improvements on any New Lot or Prior Lot. Sponsor will forever indemnify and hold the City, its agents, representatives, and employees harmless from any and all liabilities and claims for damages resulting from Sponsor's failure to complete the actions required by this Section 207.

ARTICLE III

OWNERSHIP OF DISPOSITION AREA

301. Development By Sponsor. The development of the Disposition Area in accordance with this LDA is important to the City and to the general welfare of the community. Assistance has been made available by and through the City and by law for the purpose of making such development possible. The City is conveying the Disposition Area to Sponsor and is executing and delivering this LDA and the Deed because of, and in reliance upon, the identity and qualifications of Sponsor and the principals of Sponsor. The City is relying on Sponsor for the faithful performance of all obligations of Sponsor pursuant to this LDA. Sponsor shall redevelop the Disposition Area in accordance with this LDA and shall not hold the Disposition Area for speculation.
302. Certain Definitions. As used in this Article III, the terms "person" and "entity" include any individual, partnership, shareholder, joint venture, limited liability company or corporation. Any reference in this Article III to Sponsor shall apply with equal force and effect to each and every entity comprising Sponsor, whether that entity is an individual, corporation, partnership, joint venture, or limited liability company, as though that entity were Sponsor, and each such person or entity must comply with the provisions herein concerning partnership, shareholder, and limited liability or operating agreements.
303. Sponsor's Certification Pursuant to Section 695 of the GML. Sponsor hereby represents, warrants, and certifies, pursuant to Section 695 of the GML, that Sponsor is neither a former owner in fee nor the spouse of a former owner in fee of all or any part of the Disposition Area, or of any property acquired by the City through real property tax or other lien enforcement proceedings, nor is Sponsor a business entity substantially controlled by such a former owner, nor is Sponsor a successor in interest to any such former owner. If such representation, warranty, and certification by Sponsor is false in whole or in part, or if Sponsor otherwise violates or has violated Section 695 of the GML, this LDA and the Deed shall be voidable by the City in accordance with Section 695 of the GML.
304. No Prior Change in Composition of Sponsor. Sponsor previously submitted disclosure statements to HPD with respect to, inter alia, the ownership and operation of Sponsor ("Disclosure Statements"). Sponsor covenants and represents that (i) all of the information set forth in Sponsor's Disclosure Statements (including, but not limited to, the identity and role of any officers, the identity and percentage of ownership interest of any shareholders, and the identity, and percentage of ownership interest, and role of any general partners) was accurate on the date of submission of the Disclosure Statements, and (ii) except as Sponsor has disclosed to HPD in writing, all of the information set forth in Sponsor's Disclosure Statements remains accurate as of the date of this LDA.

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305. Sponsor's Partnership Agreement, Shareholders' Agreement and Limited Liability Agreement.

- A. If Sponsor is a partnership, Sponsor's partnership agreement or limited partnership agreement ("Partnership Agreement") shall provide, and Sponsor represents and warrants that such Partnership Agreement does provide, inter alia, that, prior to Completion of Construction:
1. There shall not be any voluntary dissolution of Sponsor without the prior written consent of HPD;
 2. There shall not be any voluntary merger or consolidation of Sponsor with any other entity without the prior written consent of HPD;
 3. The present general partners of Sponsor shall not have any authority or right to withdraw from Sponsor, and neither Sponsor nor any of its general partners shall have any authority or right to cause or permit the withdrawal of any of the present general partners of Sponsor, without the prior written consent of HPD;
 4. Neither Sponsor nor any of its general partners shall have any authority or right to cause or permit the substitution of a new person or entity for the any of the present general partners of Sponsor, or to cause any other person or entity to become a general partner of Sponsor, without the prior written consent of HPD;
 5. No distribution of the capital of Sponsor shall be made to any general or limited partner of Sponsor and, upon dissolution of Sponsor, no distribution shall be made to any person or entity which is not bound by this LDA; provided, however, that nothing contained in this Section 305.A.5 shall preclude Sponsor from paying any debts or fees owed by it to any general partner;
 6. No assignment, mortgage, or transfer of any interest in the Disposition Area or in this LDA shall take place without the prior written consent of HPD;
 7. Sponsor is subject to the terms, covenants, conditions, and provisions of this LDA; and
 8. The provisions of the Partnership Agreement required by this Section 305.A shall not be amended without the prior written consent of HPD.

At the Closing, Sponsor shall furnish HPD with an attorney's opinion in form and substance acceptable to HPD stating that the Partnership Agreement complies with this Section 305. At the Closing and at such other time or times as HPD may request prior to Completion of Construction, Sponsor shall furnish HPD with a sworn statement setting forth all of the general partners of Sponsor and the extent of their respective holdings pursuant to the Partnership Agreement.

- B. If Sponsor is a corporation, Sponsor shall produce a shareholders' agreement ("Shareholders' Agreement") listing the names and home addresses of all of Sponsor's officers, principals, and shareholders and the number and percentage of shares owned by each shareholder. The Shareholders' Agreement shall provide,

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and Sponsor represents and warrants that such Shareholders' Agreement does provide, inter alia, that, prior to Completion of Construction:

1. There shall not be any voluntary dissolution of Sponsor without the prior written consent of HPD;
2. There shall not be any voluntary merger or consolidation of Sponsor with any other entity without the prior written consent of HPD;
3. No more than ten percent (10%) of the currently issued and outstanding shares of Sponsor shall be further issued;
4. No more than ten percent (10%) of the issued and outstanding shares of Sponsor shall be assigned, transferred, pledged, conveyed, or sold without the prior written consent of HPD;
5. No assignment, mortgage, or transfer of any interest in the Disposition Area or in this LDA shall take place without the prior written consent of HPD;
6. The individuals comprising more than one third (1/3) of Sponsor's Board of Directors and Sponsor's officers may not be changed or removed without the prior written consent of HPD;
7. Sponsor is subject to the terms, covenants, conditions, and provisions of this LDA; and
8. The provisions of the Shareholders' Agreement required by this Section 305.B shall not be amended without the prior written consent of HPD.

At the Closing, Sponsor shall furnish HPD with an attorney's opinion in form and substance acceptable to HPD stating that the Shareholders' Agreement complies with this Section 305. At the Closing, and at such other time or times as HPD may request prior to the Completion of Construction, Sponsor shall furnish HPD with a sworn statement identifying all of Sponsor's shareholders, members of its Board of Directors, and officers and the extent of their respective stock holdings.

- C. If Sponsor is a limited liability company ("LLC"), Sponsor's limited liability agreement or operating agreement ("LLC Agreement") shall provide, and Sponsor represents and warrants that such LLC Agreement does provide, inter alia, that, prior to the Completion of Construction:
1. There shall not be any voluntary dissolution of Sponsor without the prior written consent of HPD;
 2. There shall not be any voluntary merger or consolidation of Sponsor with any other entity without the prior written consent of HPD;
 3. The present managing member(s) of Sponsor shall not have any authority or right to withdraw from Sponsor, and neither Sponsor nor any of its managing member(s) shall have any authority or right to cause or permit the withdrawal of

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any of the present managing member(s) of Sponsor without the prior written consent of HPD;

4. Neither Sponsor nor any of its managing member(s) shall have any authority or right to cause or permit the substitution of a new person or entity for any of the present managing member(s) of Sponsor, or to cause any other person or entity to become a managing member of Sponsor, without the prior written consent of HPD;
5. No distribution of the capital of Sponsor shall be made to any managing member(s) or investor member(s) of Sponsor and, upon dissolution of Sponsor, no distribution shall be made to any person entity which is not bound by this LDA; provided, however, that nothing contained in this Section 305.C.5 shall preclude Sponsor from paying any debts or fees owed by it to any managing member;
6. No assignment, mortgage or transfer of any interest in the Disposition Area or in this LDA shall take place without the prior written consent of HPD;
7. Sponsor is subject to the terms, covenants, conditions, and provisions of this LDA; and
8. The provisions of the LLC Agreement required by this Section 305.C shall not be amended without the prior written consent of HPD.

At the Closing, Sponsor shall furnish HPD with an attorney's opinion in form and substance acceptable to HPD stating that the LLC has the authority to enter into this LDA. At the Closing, and at such other time or times as HPD may request prior to Completion of Construction, Sponsor shall furnish HPD with a sworn statement setting forth all of the managing members of Sponsor and the extent of their respective holdings pursuant to the LLC Agreement.

306 Prohibition Against Transfers

- A. Prior to Completion of Construction, Sponsor shall not cause or permit, or suffer to be caused or permitted, any of the following ("collectively, "Prohibited Transfers") without the prior written consent of HPD:
 1. Any total or partial sale, disposition, transfer, assignment, conveyance, mortgage, lease, trust, power, or transfer in any other mode or form of or with respect to this LDA or the Disposition Area (or any part of or interest in the real property therein);
 2. Any contract or agreement which would result in any total or partial sale, disposition, transfer, assignment, conveyance, mortgage, lease, trust, power, or transfer in any other mode or form of or with respect to this LDA or the Disposition Area (or any part of or interest in the real property therein);

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3. Where Section 305 requires the inclusion of a provision in a partnership, corporate or limited liability company document, any failure to include such provision in such document.
 4. Any act in violation any provision required by Section 305; or
 5. Any act or transaction involving or resulting in a material change in the management of Sponsor which is prohibited by the provisions of Sponsor's Partnership Agreement or Shareholders' Agreement described in Section 305;
 6. Any act or transaction involving or resulting in a material change in the identity of the parties in control of Sponsor, or their respective degrees of control of Sponsor, which is prohibited by the provisions of Sponsor's Partnership Agreement or Shareholders' Agreement described in Section 305;
- B. Notwithstanding anything to the contrary in this Section 306, Sponsor may execute loan documents required by a Holder, or a collateral assignment of this LDA to a Holder without the assignment of Sponsor's obligations hereunder, and the execution of such documents shall not constitute a Prohibited Transfer.

ARTICLE IV

REVESTING

401. Revesting.

- A. Default. Until the issuance of a Certificate of Completion pursuant to Section 201.B, the occurrence of any of the following shall constitute an event of default ("Default"):
1. Failure to complete Construction in accordance with Section 201 hereof; or
 2. Any Prohibited Transfer without the prior written consent of HPD.
- B. Cure.
1. Upon the occurrence of any Default, HPD shall give written notice of such Default ("Default Notice") to Sponsor and to any Holder which has previously requested such Default Notice in writing.
 2. Sponsor and any Holder shall be permitted thirty (30) days from the date of any Default Notice ("Cure Period") to cure such Default to the satisfaction of HPD ("Cure").
 3. If HPD, in its sole discretion, determines in writing that the nature of the Default makes it impossible to complete a Cure within the Cure Period, Sponsor or any Holder shall be permitted to commence the Cure of such Default during the Cure Period and to thereafter diligently and continuously pursue the Cure of such Default until such Default shall be completely Cured; provided, however, that such Default shall be completely Cured not later than ninety (90) days after the Completion Date ("Extended Cure Period").

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4. Any Default which is Cured within the Cure Period or, if applicable, any Extended Cure Period, shall be deemed to be a Cured Default ("Cured Default"). Any Default which is not Cured within the Cure Period or, if applicable, any Extended Cure Period, shall be deemed to be an uncured Default ("Uncured Default").
 5. If, after the issuance of a Default Notice, such Default is Cured within the Cure Period or, if applicable, any Extended Cure Period, HPD shall issue, within thirty (30) days after receipt of a written request therefor by Sponsor or any Holder, a written notice ("Cure Notice") (i) certifying that such Default is a Cured Default, (ii) certifying that such Cured Default will not result in an exercise of the City's rights pursuant to this Section 401, and (iii) reserving the right of the City to exercise its rights pursuant to this Section 401 for any other or future Default; provided, however, that the failure to explicitly reserve any right in the Cure Notice shall not result in the waiver of any such right.
 6. In the event of any Uncured Default, the City may, at its sole option, exercise the City's rights pursuant to Section 401.C.
- C. Revesting. If any Uncured Default shall occur prior to the issuance of a Certificate of Completion for the entire Project pursuant to Section 201.B, the City may, subject to the laws of the State of New York, re-enter and take possession of the Disposition Area and terminate and re-vest in the City the estate conveyed to Sponsor, in which event all right, title, and interest of Sponsor in and to the Disposition Area shall revert to the City. Upon issuance of a Certificate of Completion for the entire Project pursuant to Section 201.B, the City's rights pursuant to this Section 401 shall terminate. Upon the issuance of a Certificate of Completion for a portion of the Project pursuant to Section 201.B, the City's right to re-vest that portion of the Project pursuant to this Section 401 shall terminate.
- D. Subordination.
1. Notwithstanding the provisions of this Section 401, any re-vesting of title in the City pursuant to the terms of this LDA or the Deed shall be subject to and limited by, and shall not defeat, render invalid, or limit in any way (i) the lien of any mortgage ("Mortgage") held by a Holder which is authorized by this LDA, or (ii) any rights or interests provided in this LDA for the protection of the Holder of such Mortgage.
 2. Upon the request of Sponsor, the City shall deliver to the Holder at the Closing an instrument in recordable form, whereby the City's rights and interests and Sponsor's covenants under this LDA and the Deed (except for the provisions of Section 202 and any provisions which would control by operation of law even in the absence of this LDA and the Deed) are subordinated to the lien of the Mortgage in the event that Sponsor ceases to hold title to the Disposition Area as a result of the Holder's exercise of a remedy for the Sponsor's default under the such Holder's loan documents.

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3. If, after the issuance of any Default Notice, any Holder shall Cure the Default before the expiration of the Cure Period (or, if applicable, any Extended Cure Period), such Holder may add the cost of Curing such Default to the Mortgage debt and to the lien of its Mortgage.
402. Assignment of Surplus Money. If title to the Disposition Area is reverted in the City pursuant to this Article IV, and HPD thereafter determines to sell all or any portion of the Disposition Area, the proceeds thereof, if any, shall be retained by HPD. Sponsor hereby assigns to HPD any surplus money paid into a court as the result of any foreclosure of any lien on any portion of the Disposition Area prior to Completion of Construction for that portion. Sponsor shall execute an assignment of surplus money in recordable form if the City, in its sole discretion, determines that such a document is necessary in order to effectuate such assignment.
403. Other Remedies. As provided in Section 607.D, and notwithstanding any provisions of this Article IV to the contrary, the remedies of the City pursuant to this Article IV shall not be exclusive. With respect to any Default, the remedies of the City pursuant to this Article IV shall be in addition to and concurrent with all other defenses, rights, and remedies which the City has, will have, or may have pursuant to this LDA, the Deed, or any other agreement between the City and Sponsor or under law, equity, or otherwise. With respect to any violation of this LDA which is not a Default, the City shall retain each and every defense, right, and remedy which the City has, will have, or may have pursuant to this LDA, the Deed, or any other agreement between the City and Sponsor or under law, equity, or otherwise.

ARTICLE V

INVESTIGATIONS

501 Definitions

- A. The terms "license" and "permit," as used in this Article V, shall be defined as a license, permit, franchise, or concession not granted as a matter of right.
- B. The term "person," as used in this Article V, shall be defined as any natural person doing business alone or associated with another person or entity as a partner, director, officer, principal, or employee.
- C. The term "entity," as used in this Article V, shall be defined as any firm, partnership, corporation, association, limited liability company or person that receives money, benefits, licenses, leases, or permits from or through the City or otherwise transacts business with the City.
- D. The term "member," as used in this Article V, shall be defined as any person associated with another person or entity as a partner, director, officer, principal, or employee.
- 502 Cooperation. The parties to this LDA shall cooperate fully and faithfully with any investigation, audit, or inquiry conducted by a State of New York ("State") or City governmental agency or authority that is empowered directly or by designation to compel

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the attendance of witnesses and to examine witnesses under oath, or conducted by the Inspector General of a governmental agency that is a party interest to the transaction, submitted bid, submitted proposal, contract, lease, permit, or license that is the subject of the investigation, audit, or inquiry.

503. Refusal to Testify.

If (i) any person who has been advised that his or her statement, and any information from such statement, will not be used against him or her in any subsequent criminal proceeding refuses to testify before a grand jury or other governmental agency or authority empowered directly or by designation to compel the attendance of witnesses and to examine witnesses under oath concerning the award of or performance under any transaction, agreement, lease, permit, contract, or license entered into with the City, the State, or any political subdivision or public authority thereof, or the Port Authority of New York and New Jersey, or any local development corporation within the City, or any public benefit corporation organized under the laws of the State of New York, or; (ii) any person refuses to testify for a reason other than the assertion of his or her privilege against self-incrimination in an investigation, audit or inquiry conducted by a City or State governmental agency or authority empowered directly or by designation to compel the attendance of witnesses and to take testimony under oath, or by the Inspector General of the governmental agency that is a party in interest in, and is seeking testimony concerning the award of, or performance under, any transaction, agreement, lease, permit, contract, or license entered into with the City, the State, or any political subdivision thereof or any local development corporation within the City, then, the commissioner or agency head whose agency is a party in interest to the transaction, submitted bid, submitted proposal, contract, lease, permit, or license shall convene a hearing, upon not less than five (5) days written notice, to the parties involved to determine if any penalties should attach for the failure of a person to testify.

504. Adjournments. If any non-governmental party to the hearing requests an adjournment, the Commissioner or agency head who convened the hearing may, upon granting the adjournment, suspend any contract, lease, permit, or license pending the final determination pursuant to Section 505, without the City incurring any penalty or damages for delay or otherwise.

505. Penalties. The penalties which may attach after a final determination by the Commissioner or agency head may include, but shall not exceed:

- A. The disqualification for a period not to exceed five (5) years from the date of an adverse determination for any person, or any entity of which such person was a member at the time the testimony was sought, from submitting bids for, or transacting business with, or entering into or obtaining any contract, lease, permit, or license with or from the City; and/or
- B. The cancellation or termination of any and all such existing City contracts, leases, permits, or licenses that the refusal to testify concerns and that have not been assigned as permitted under this LDA, nor the proceeds of which pledged, to an unaffiliated and unrelated institutional lender for fair value prior to the issuance of the notice scheduling the hearing, without the City incurring any penalty or damages on account of such cancellation or termination; money lawfully due for goods delivered,

R 3657-1428

work done, rentals, or fees accrued prior to the cancellation or termination shall be paid by the City

- 506 Factors. The Commissioner or agency head shall consider and address in reaching his or her determination and in assessing an appropriate penalty the factors in Sections 506.A and 506.B. The Commissioner or agency head may also consider, if relevant and appropriate, the criteria established in Sections 506.C and 506.D in addition to any other information which may be relevant and appropriate.
- A. Good Faith Efforts. The party's good faith endeavors or lack thereof to cooperate fully and faithfully with any governmental investigation or audit, including, but not limited to, the discipline, discharge, or disassociation of any person failing to testify, the production of accurate and complete books and records, and the forthcoming testimony of all other members, agents, assignees, or fiduciaries whose testimony is sought.
 - B. Relationship to the Entity. The relationship of the person who refused to testify to any entity that is a party to the hearing, including, but not limited to, whether the person whose testimony is sought has an ownership interest in the entity and/or the degree of authority and responsibility the person has within the entity.
 - C. Nexus. The nexus of the testimony sought to the subject and its contracts, leases, permits, or licenses with the City.
 - D. Effect of a Penalty. The effect a penalty may have on an unaffiliated and unrelated party or entity that has a significant interest in an entity subject to penalties under Section 505, provided that the party or entity has given actual notice to the Commissioner or agency head upon the acquisition of the interest, or at the hearing called for in Section 503 gives notice and proves that such interest was previously acquired. Under either circumstance, the party or entity must present evidence at the hearing demonstrating the potential adverse impact a penalty will have on such person or entity.
507. Warranties and Enforcement.
- A. The parties to this LDA warrant and represent that to the best of their knowledge, (1) that no officer, agent, employee, or representative of the City has received any payment or other consideration for the making of this LDA or in connection with the performance thereof, and (2) that no officer, agent, employee, or representative of the City has any interest, directly or indirectly, in this LDA or the proceeds thereof. The parties to this LDA agree that they shall not hereafter make or pay any consideration as aforesaid and that they will cooperate fully with the Commissioner of Investigation of the City and will promptly report in writing any solicitation of money, goods, requests for future employment, or other benefit or thing of value, by or on behalf of any employee of the City or other person, firm, corporation, or entity for any purpose which may be related to the procurement or obtaining of this LDA by the parties or affecting the performance of this LDA
 - B. In the event of a violation of Section 507.A, the Commissioner of HPD may convene a hearing pursuant to Section 503 and, upon such hearing, make a determination, in

R:3657-1429

accordance with the considerations set forth in Section 506, as to whether or not a violation has occurred. The penalties imposed may include but shall not exceed the penalties set forth in Section 505.A.

ARTICLE VI

MISCELLANEOUS PROVISIONS

601. Covenants Running With Land. The agreements and covenants set forth in this LDA shall run with the land and shall be binding to the fullest extent permitted by law and equity. Such covenants shall inure to the benefit of the City and shall bind and be enforceable against Sponsor and its successors and assigns.
602. Binding Effect. This LDA shall inure to the benefit of and be binding upon any successor of any party hereto, but this provision shall not operate to permit any assignment or other voluntary transfer of any rights created hereunder except in such manner as may be expressly permitted by this LDA.
603. Conflicts of Interest. No person, firm, corporation, partner, associate, member, official, or employee thereof (hereinafter in this Section 603 collectively called "person") presently or formerly employed by the City has or will have any interest in or activity with Sponsor which constitutes a conflict of interest pursuant to the provisions of Chapter 68 of the New York City Charter. Any person employed by Sponsor on any planning and/or execution activities or services pertaining to such locale or the Disposition Area shall not be employed by the City in connection with any matter pertaining to this LDA.
604. City Employees.
- A. No Personal Interest. No official or employee of the City shall have any personal interest, direct or indirect, in this LDA, nor shall any such member, official, or employee participate in any decision relating to this LDA or any agreement arising out of or through this LDA which affects his or her personal interest or the interest of any corporation, partnership, or association in which he or she is directly or indirectly interested.
 - B. No Payment or Consideration. Sponsor warrants and represents that no officer, agent, employee, or representative of the City has received any payment or other consideration for the making of this LDA and that no officer, agent, employee, or representative of the City has any interest, directly or indirectly, in the Disposition Area or the proceeds thereof.
605. Procurement. Sponsor represents and warrants that no person or selling agency has been employed or retained to solicit or secure this LDA, upon an agreement or understanding for a commission, percentage, brokerage fee, contingent fee, or any other compensation. Sponsor further represents and warrants that no payment, gift, or thing of value has been made, given, or promised to obtain this or any other agreement between the parties. Sponsor makes such representations and warranties to induce the City to enter into this LDA and the City relies upon such representations and warranties in the execution of this LDA.

R: 3657-1430

606. No Commission. No brokerage or any other fee or compensation shall be due or payable by the City for this transaction.

607. Claims and Actions.

A. No Claims Against Officers, Agents, or Employees. No claim whatsoever shall be made by Sponsor, its successors or assigns against any officer, agent, or employee of the City for, or on account of, any thing done or omitted to be done in connection with this LDA.

B. Cooperation. If any action is brought against the City, and the action relates in any way to this LDA or the Disposition Area and the City and the Sponsor are not adverse parties in such action, then the Sponsor shall diligently render to the City, without additional compensation, any and all assistance which the City may require.

C. Reports of Actions. If, prior to Completion of Construction, any legal action or proceeding shall be initiated by or against Sponsor in connection with or relating to this LDA or the Disposition Area, Sponsor shall report the initiation of such legal action or proceeding to the City in writing within ten (10) days after such initiation.

D. All Rights Reserved. Each and every defense, right, and remedy which the City has pursuant to this LDA is not exclusive and is in addition to and concurrent with all other defenses, rights, and remedies which the City has pursuant to this LDA and which the City otherwise has, will have, or may have under law, equity, or otherwise.

E. Choice of Law and Consent to Jurisdiction and Venue.

1. This LDA shall be deemed to be executed in the City and State of New York, regardless of the domicile of Sponsor, and shall be governed by and construed in accordance with the laws of the State of New York.

2. Any and all claims asserted by or against the City arising under this LDA or related thereto shall be heard and determined either in the courts of the United States located in New York City ("Federal Courts") or in the courts of the State of New York ("New York State Courts") located in the City and County of New York. To effect this agreement and intent, the Sponsor agrees:

a. If the City initiates any action against the Sponsor in Federal Court or in New York State Court, service of process may be made on the Sponsor either in person, wherever Sponsor may be found, or by registered mail addressed to the Sponsor at its address as set forth in this LDA, or to such other address as the Sponsor may provide to the City in writing; and

b. With respect to any action between the City and Sponsor in New York State Court, Sponsor expressly waives and relinquishes any rights it might otherwise have (i) to move to dismiss on grounds of forum non conveniens, (ii) to remove to Federal Court; and (iii) to move for a change of venue to a New York State Court outside New York County.

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- c. With respect to any action between the City and the Sponsor in Federal Court located in New York City, Sponsor expressly waives and relinquishes any right it might otherwise have to move to transfer the action to a United States Court outside the City of New York.
- d. If Sponsor commences any action against the City in a court located other than in the City and State of New York, upon request of the City, Sponsor shall either consent to a transfer of the action to a court of competent jurisdiction located in the City and State of New York or, if the court where the action is initially brought will not or cannot transfer the action, Sponsor shall consent to dismiss such action without prejudice and may thereafter reinstitute the action in a court of competent jurisdiction in New York City.

608. Notices.

- A. All notices, approvals, requests, waivers, consents, or communications given or required to be sent under this LDA shall be in writing and sent by certified mail, return receipt requested, addressed as follows:
 - 1. When sent by the City to Sponsor, at the address first set forth above.
 - 2. When sent by Sponsor to the City, to:

Department of Housing Preservation and Development
100 Gold Street, Room 9W-5
New York, New York 10038
Attention: Deputy Commissioner for Development
- B. Each party shall notify the other in the case of a change in address, which changed address shall thereafter be the address to which notices are sent.
- C. Notwithstanding any provision of this Section 608.C to the contrary, the construction progress reports required pursuant to Section 201.E may be sent by regular mail or personal delivery.
- D. Any notice given hereunder shall be deemed to have been given upon personal delivery or upon the third (3rd) day after such notice has been deposited in the United States mail, postage prepaid. Any notice of a change in address shall only be deemed to have been given when received by the other party.

609. No Waiver. Waiver by either party of any breach of any provision of this LDA shall not be deemed to be a waiver of any other subsequent breach and shall not be construed to be a modification of the terms of this LDA unless and until the same be agreed to in a writing executed and acknowledged by the parties hereto.

610. Provisions Required by Law Deemed Inserted. Each and every provision of law and governmental regulation required by law to be inserted in this LDA shall be deemed to be inserted herein and this LDA shall read and shall be enforced as though so included herein. If, through mistake or otherwise, any such provision is not inserted, or is not correctly inserted, then, upon the application of either party, this LDA shall be deemed to

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be amended to make such insertion or correction so as to comply strictly with the law and without prejudice to the rights of either party hereunder.

- 611. **Duplicate Originals.** This LDA may be executed in any number of counterparts, each of which shall be an original, and all collectively shall constitute but one instrument.
- 612. **Titles.** Any titles of the several parts, Articles, Sections, and Subsections of this LDA are for convenience only and shall be disregarded in construing or interpreting any of its provisions.
- 613. **Survival.** None of the provisions of this LDA are intended to or shall be merged in the Deed conveying title to the Disposition Area and the Deed shall not be deemed to affect or impair the provisions and covenants of this LDA, all of which shall survive the delivery of the Deed.
- 614. **No Merger.** Notwithstanding the specific recital in this LDA of certain of the covenants and agreements which are provided for in the Deed, each and every covenant, term, provision, and condition contained in the Deed shall survive this LDA and shall remain in full force and effect, and no covenant, term, provision, or condition contained in the Deed shall in any event or in any respect be merged with this LDA.
- 615. **Compliance With Laws.** Sponsor shall comply with all applicable laws, ordinances, orders, rules, and regulations promulgated by any local, state, or federal authority having jurisdiction over the subject matter thereof, as the same may be amended from time to time.
- 616. **Severability.** If any term or provision of this LDA shall be found to be void, voidable, or otherwise unenforceable, such term or provision shall be deemed severed from this LDA and shall have no further force or effect, and the remaining terms and provisions shall thereafter continue in full force and effect to accomplish the intent and purpose of this LDA to the fullest extent possible.
- 617. **Waiver.** To the extent permitted by law, Sponsor hereby waives any and all rights it may have, at law or equity, to challenge, modify, set aside, extinguish, enjoin enforcement of, or seek relief from any of the terms, conditions, covenants, restrictions, or agreements in this LDA.
- 618. **Cross-Default.** A default pursuant to the Deed or any other document between Sponsor and the City related to the Disposition Area shall constitute a default pursuant to this LDA.
- 619. **Lead-Based Paint Disclosure Statement.** Pursuant to Federal Law, purchasers of "target housing" that is offered for sale (generally, any residential real property built before 1978, except for housing for the elderly or persons with disabilities, unless children live there) must receive a disclosure of any known lead-based paint or any known lead-based paint hazards in such housing. The required attachment, titled "Disclosure of Lead-Based Paint and Lead-Based Paint Hazards," is attached hereto as **Exhibit F**. It documents the disclosure and acknowledgment process and confirms compliance with the regulatory requirements. The attachment must be initialed and signed by the seller and the purchaser.

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IN WITNESS WHEREOF, THE CITY OF NEW YORK, acting by its Mayor, has caused its corporate seal to be affixed hereto and duly attested and this LDA to be signed by its Commissioner of Housing Preservation and Development and Sponsor has caused this LDA to be signed as of the day and year first above written.

ATTEST:

THE CITY OF NEW YORK

By: *Victor L. Robles*
Victor L. Robles

BY: DEPARTMENT OF HOUSING
PRESERVATION AND DEVELOPMENT

City Clerk

John Warren
John Warren, Acting Commissioner

-Seal-

UHAB HOUSING DEVELOPMENT FUND
CORPORATION

By: *Joseph Nelson Center*
Joseph Nelson Center, Vice President

APPROVED AS TO FORM
BY STANDARD TYPE OF CLASS
FOR USE UNTIL: 6/30/03

By: */s/ Daniel Muller*
Acting Corporation Counsel

1113657061434

COMMISSIONER ACKNOWLEDGEMENT

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

On the ^{14th} day of August, in the year 2002, before me, the undersigned, personally appeared ~~JEREMY PERONE~~ ^{JOHN WARRG} personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

ELAINE ELISSEOU SERRA
Notary Public, State of New York
No. 02EL4941964
Qualified in Richmond County
Commission Expires 09/09/07

Elaine E. Serra
NOTARY PUBLIC

CITY CLERK ACKNOWLEDGEMENT

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

On the ^{15th} day of August, in the year 2002, before me, the undersigned, personally appeared VICTOR L. ROBLES, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Wendy Lizarray-Lopez
NOTARY PUBLIC

WENDY LIZARRAY-LOPEZ
Commissioner of Deeds
City of New York No. 6-12331
Certificate Filed in New York County
Commission Expires Jan 26, 2007

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EXHIBIT A

Property Description

All those certain plots, pieces and parcels of land, with the buildings and improvements thereon erected, situate, lying and being in the City and State of New York, designated on the Tax Map of the City of New York as of July 16, 2002:

<u>Blocks</u>	<u>Lots</u>
372	19
376	30
376	31
376	54
379	48
385	38
390	50
392	33
393	47
408	27
456	p.o. lot 1 *

County: New York

* which p.o. lot 1 is also known as tentative tax lot number 28, and is described by the following metes and bounds:

All that certain piece or parcel of land together with improvements thereon, situate, lying and being in the Borough of Manhattan, County, City and State of New York, more particularly bounded and described as follows:

Beginning at a point on the westerly line of Second Avenue distant 76 feet 2 5/8 inches northwardly, as measured along the westerly line of Second Avenue, from the corner formed by the intersection of the northerly line of East Houston Street with the westerly line of Second Avenue;

Running thence westwardly, along a line which, on its southerly side, forms an angle of 82 degrees 40 minutes 33 seconds with the westerly side of the westerly line of Second Avenue for 99 feet 8 3/8 inches to an angle point;

Thence southwardly, at a right angle to the last mentioned line for 25 feet 2 3/8;

Thence eastwardly, at a right angle to the last mentioned line and part of the distance through a party wall for 96 feet 5 5/8 inches to the westerly line of Second Avenue;

Thence northwardly, along the westerly line of Second Avenue for 25 feet 5 inches to the point or place of beginning, the aforesaid distances being more or less.

REC 3657061437

EXHIBIT B

Project Summary

(next page)

3657161438

PROJECT SUMMARY

- 1. **PROJECT:** UHAB Housing Development Fund Corporation
- 2. **LOCATION:**
 - a. **BOROUGH:** Manhattan
 - b. **COMMUNITY DISTRICT:** 3
 - c. **COUNCIL DISTRICT:** 1 & 2
 - d. **DISPOSITION AREA:**

BLOCKS	LOTS	ADDRESSES
372	19	292 East 3 rd Street
376	54	719 East 6 th Street
380	80	209 East 7 th Street
376	30	274 East 7 th Street
376	31	278 East 7 th Street
379	48	733 East 9 th Street
393	47	377 East 10 th Street
406	27	544 East 13 th Street
385	38	21 Avenue C
392	33	18R Avenue C
456	(part of lot 1)	7 1/2 Second Avenue a/k/a 9 Second Avenue
- 3. **BASIS OF DISPOSITION PRICE:** Nominal (\$1 per building)
- 4. **TYPE OF PROJECT:** Rehabilitation
- 5. **APPROXIMATE NUMBER OF BUILDINGS:** 11 Multiple Dwellings
- 6. **APPROXIMATE NUMBER OF UNITS:** 154
- 7. **HOUSING TYPE:** Rental or Cooperative
- 8. **ESTIMATE OF INCOME TARGETS:** Families and individuals with annual household incomes up to 80% of the area median.
- 9. **ESTIMATE OF INITIAL RENTS OR CARRYING CHARGES:** No restriction.
- 10. **PROPOSED FACILITIES:** None
- 11. **PROPOSED CODES/ORDINANCES:** None
- 12. **ENVIRONMENTAL STATUS:** Type II
- 13. **PROPOSED TIME SCHEDULE:** Approximately 24 months from closing to completion of construction

CITY ENGINEER
LAND USE DIVISION
DEC 31 1981

FILE 3657061439

EXHIBIT C

City Council Resolution

(next page)

365761440

THE COUNCIL OF THE CITY OF NEW YORK
RESOLUTION NO. 374

Resolution approving an Urban Development Action Area Project located at 292 East 3rd Street (Block 372/Lot 19), 719 East 6th Street (Block 376/Lot 54), 209 East 7th Street (Block 390/Lot 50), 274 East 7th Street (Block 376/Lot 30), 278 East 7th Street (Block 376/Lot 31), 733 East 9th Street (Block 379/Lot 48), 377 East 10th Street (Block 393/Lot 47), 544 East 13th Street (Block 406/Lot 27), 21 Avenue C (Block 385/Lot 38), 155 Avenue C (Block 392/Lot 33), 7 1/2 Second Avenue, a/k/a 9 Second Avenue (Block 456/part of Lot 1), Manhattan, and waiving the urban development action area designation requirement and the Uniform Land Use Review Procedure, pursuant to Sections 693 and 694 of the General Municipal Law (L.U. No. 195; 20025434 HAM).

By Council Members Katz and Martinez

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council on May 31, 2002 its request dated May 28, 2002 that the Council take the following actions regarding the following Urban Development Action Area Project (the "Project") located at 292 East 3rd Street (Block 372/Lot 19), 719 East 6th Street (Block 376/Lot 54), 209 East 7th Street (Block 390/Lot 50), 274 East 7th Street (Block 376/Lot 30), 278 East 7th Street (Block 376/Lot 31), 733 East 9th Street (Block 379/Lot 48), 377 East 10th Street (Block 393/Lot 47), 544 East 13th Street (Block 406/Lot 27), 21 Avenue C (Block 385/Lot 38), 155 Avenue C (Block 392/Lot 33), 7 1/2 Second Avenue, a/k/a 9 Second Avenue (Block 456/part of Lot 1), Borough of Manhattan (the "Disposition Area"):

1. Find that the present status of the Disposition Area tends to impair or arrest the sound growth and development of the municipality and that the proposed Urban Development Action Area Project is consistent with the policy and purposes stated in Section 691 of the General Municipal Law;
2. Waive the area designation requirement of Section 693 of the General Municipal Law pursuant to said Section;
3. Waive the requirements of Sections 197-c and 197-d of the New York City Charter pursuant to Section 694 of the General Municipal Law;

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20025434 HAM
Res. No. 374 (L.U. No. 195)

4. Approve the Project as an Urban Development Action Area Project pursuant to Section 694 of the General Municipal Law; and
5. Approve a partial exemption of the Project from real property taxes pursuant to Section 577 of Article XI of the Private Housing Finance Law (the "Tax Exemption");

WHEREAS, the Project is to be developed on land that is now a municipally-owned area as defined in Section 692 of the General Municipal Law, consists solely of the rehabilitation or conservation of existing private or multiple dwellings or the construction of one- to four-unit dwellings, and does not require any change in land use permitted under the New York City Zoning Resolution;

WHEREAS, the project description that HPD provided to the Council states that the purchaser in connection with the Sale (the "Sponsor") is a duly organized housing development fund company under Article XI of the Private Housing Finance Law;

WHEREAS, upon due notice, the Council held a public hearing on the Project on June 11, 2002;

WHEREAS, the Council has considered the land use and financial implications and other policy issues relating to the Project;

RESOLVED:

The Council finds that the present status of the Disposition Area tends to impair or arrest the sound growth and development of the City of New York and that a designation of the Project as an urban development action area project is consistent with the policy and purposes stated in Section 691 of the General Municipal Law.

The Council waives the area designation requirement of the Disposition Area as an urban development action area under Section 693 of the General Municipal Law pursuant to said Section.

The Council waives the requirements of Sections 197-c and 197-d of the New York City Charter pursuant to Section 694 of the General Municipal Law.

Page 3 of 4
 20025434 HAM
 Res. No. 374 (L.U. No. 195)

The Council approves the Project as an Urban Development Action Area Project pursuant to Section 694 of the General Municipal Law.

The Project shall be disposed of and developed upon the terms and conditions set forth in the Project Summary that HPD has submitted to the Council, a copy of which is attached hereto.

The Council approves the partial Tax Exemption as follows:

The partial tax exemption provided hereunder shall commence upon the date of conveyance of the housing project to Sponsor ("Effective Date") and shall terminate upon July 1, 2029 ("Expiration Date"); provided, however, that such partial tax exemption shall terminate if the Department of Housing Preservation and Development determines that (i) Sponsor is not organized as a housing development fund corporation, (ii) Sponsor is not operating the housing project in accordance with the requirements of Article XI of the Private Housing Finance Law, or (iii) such real property has not been, or is not being, developed, used, and/or operated in compliance with the requirements of all applicable agreements made by Sponsor with, or for the benefit of, the City of New York.

Those portions of the property included in the housing project which are devoted to business or commercial use (collectively, "Commercial Property"), if any, shall not be eligible for real property tax exemption hereunder. The Commercial Property shall be subject to full real property taxation; provided, however, that nothing herein shall prohibit Sponsor from utilizing any abatement, exemption, or other tax benefit for which the Commercial Property would otherwise be eligible.

All of the value of the property, other than the Commercial Property, included in the housing project (collectively, "Residential Property") shall be exempt from real property taxes, other than assessments for local improvements; provided, however, that Sponsor shall make a partial annual real estate tax payment on the Residential Property. Sponsor shall make such partial annual real estate tax payment on an assessed valuation equal to the lesser of (i) an amount equal to the full assessed valuation of the Residential Property, or (ii) an amount calculated by multiplying \$3500 times the number of residential units included in the housing project and increasing such product by six percent (6%) on July 1, 1990 and on July 1 of each successive year, but not by more than twenty percent (20%) in any five-year period.

REEL 3657061443

Page 4 of 4
20025434 HAM
Res. No. 374 (L.U. No. 195)

Adopted.

Office of the City Clerk,)
The City of New York,) ss.:

I hereby certify that the foregoing is a true copy of a Resolution passed by The Council of The City of New York on June 26, 2002, on file in this office.


.....
City Clerk, Clerk of the Council

REC 3657061444

EXHIBIT D

Mayoral Approval Document

(next page)

NY 3657061445

THE MAYOR
CITY OF NEW YORK

July 10, 2002

Cal. No. 18

WHEREAS, The Department of Housing Preservation and Development ("HPD") of the City of New York ("City") has proposed to the Council the sale of certain City-owned real property located in the Borough of Manhattan, City and State of New York, known as:

Block	Lot
372	19
376	64
390	50
376	30
376	31
379	48
393	47
406	27
385	38
392	33
456	Part of lot 1

On the Tax Map of the City, and as 292 East 3rd Street, 719 East 6th Street, 209 East 7th Street, 274 East 7th Street, 278 East 7th Street, 733 East 9th Street, 377 East 10th Street, 544 East 13th Street, 21 Avenue C, and 158 Avenue C, Manhattan; 7 1/2 Second Avenue, a/k/a 9 Second Avenue ("Disposition Area") in HPD's Negotiated Sale Program; and

WHEREAS, the Council, pursuant to Article 16 of the General Municipal Law, has held a public hearing upon due notice and (i) waived the designation of an Urban Development Action Area, (ii) waived the requirements of Sections 197-c and 197-d of the Charter, and (iii) approved the proposed project ("Project") as an Urban Development Action Area Project; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Part 617 of Volume 6 of the Codes, Rules and Regulations of the State of New York, Chapter 5 of Title 62 of the Rules of the City of New York, and Mayoral Executive Order No. 91 of August 24, 1977, as amended, HPD has determined that the Project does not require environmental review; and

WHEREAS, HPD has designated UHAB Housing Development Fund Corporation ("Sponsor") as a qualified and eligible sponsor; and

WHEREAS, it is anticipated that the Project to be developed by Sponsor will contain approximately 154 dwelling units of rental or cooperative housing for low income occupants; and

WHEREAS, a proposed agreement ("Land Disposition Agreement") between the City and Sponsor providing for the sale of the Disposition Area to Sponsor at the nominal price of One Dollar (\$1.00) per building ("Disposition Price") and setting forth the terms and conditions for the development of the Disposition Area has been submitted to the Mayor; and

WHEREAS, the Mayor has held a public hearing upon due notice published in The City Record, as required by Section 1802(6)(j) of the Charter, and in a newspaper of general circulation in New York City, as required by Section 695(2)(b) of the General Municipal Law.

FILE 365700144b

WHEREAS, as certified below, a duly noticed public hearing in the matter of the disposition, pursuant to Section 1802(B)(1) of the Charter, was held and closed by the Mayor on July 10, 2002 (Cal. No. 18). At such public hearing, no amendments were made and no testimony was offered. The relevant portion of the calendar is annexed hereto.

CERTIFICATION by the Mayor's Office of Contracts/Public Hearings Unit of the actions at and final disposition of the Real Property Public Hearing held on July 10, 2002 (Cal. No. 18).

Jacqueline Farney Hearing Secretary July 15, 2002
NAME TITLE DATE

NOW THEREFORE:

1. The Mayor hereby approves the designation of Sponsor by a qualified and eligible sponsor.
2. The Mayor hereby authorizes and approves the sale of the Disposition Area at the Disposition Price by negotiated sale, without public auction or sealed bids.
3. The Mayor hereby approves the Land Disposition Agreement in substantially the form submitted and authorizes the subordination of the Land Disposition Agreement and the Regulatory Agreement described therein to the lien(s) of mortgage(s) securing a loan or loans financing the Project.
4. The Mayor hereby authorizes any Deputy Mayor or the Commissioner of HPD to execute a Land Disposition Agreement in substantially the form submitted, when approved as to form by the Corporation Counsel, and directs the City Clerk or acting City Clerk to attest the same and to affix the seal of the City thereto.
5. The Mayor hereby authorizes the City, as more particularly described in the Land Disposition Agreement, to indemnify Sponsor and its successors or assigns, holders of mortgages securing loans financing the Project and their successors or assigns, and title companies against any claims of interest in the Disposition Area, or any portion thereof, by the holders of any mortgages of record against the Disposition Area, or any portion thereof, at the time the City acquired title.
6. The Mayor hereby authorizes any Deputy Mayor or the Commissioner of HPD to execute and deliver to Sponsor, or to an affiliate or successor of Sponsor controlled by the same principal(s) that controlled Sponsor, a deed of conveyance of title to the Disposition Area, when approved as to form by the Corporation Counsel, at the Disposition Price, without public auction or sealed bids, and upon the terms and conditions contained in the Land Disposition Agreement, and directs the City Clerk or acting City Clerk to attest said deed and to affix the seal of the City thereto.

Date: 7/16, 2002

By: [Signature]
Jeffrey Weinstein, Acting Director
Mayor's Office of Contracts

REF 365761447

EXHIBIT E

Executive Orders

(next page)

NYL 3657-61448

EXHIBIT E



THE CITY OF NEW YORK
OFFICE OF THE MAYOR
NEW YORK, N.Y. 10007

50 IN
ORIGINAL

EXECUTIVE ORDER NO. 50

APRIL 25, 1980

BUREAU OF LABOR SERVICES

By the power vested in me as Mayor of the City of New York,
it is hereby ordered:

Section 1. Purpose. It is the purpose of this Order to ensure compliance with the equal employment opportunity requirements of City, State and Federal law in City contracting.

§ 2. Bureau Continued. The Bureau of Labor Services shall continue to serve such purposes and to have such responsibilities as restated by this Order.

§ 3. Definitions. Whenever used in this Executive Order, the following terms shall have the following meanings:

(a) Bureau means the Bureau of Labor Services;

(b) construction project means any construction, reconstruction, rehabilitation, alteration, conversion, extension, improvement, repair or demolition of real property contracted by the City;

(c) contract means any written agreement, purchase order or instrument whereby the City is committed to expend or does expend funds in return for work, labor, services, supplies, equipment, materials, or any combination of the foregoing;

(1) Unless otherwise required by law, the term "contract" shall include any City grant, loan, guarantee or other City assistance for a construction project.

(ii) The term "contract" shall not include:

(A) contracts for financial or other assistance between the City and a government or government agency;

(B) contracts, resolutions, indentures, declarations of trust, or other instruments authorizing or relating to the authorization, issuance, award, and sale of bonds, certificates of indebtedness, notes or other fiscal obligations of the City, or consisting thereof; or

(C) employment by the City of its officers and employees which is subject to the equal employment opportunity requirements of applicable law.

(d) contracting agency means any administration, board, bureau, commission, department or other governmental agency of the City of New York, or any official thereof, authorized on behalf of the City to provide for, enter into, award or administer contracts;

(e) contractor means a person, including a vendor, who is a party or a proposed party to a contract with a contracting agency, first-level subcontractors of supply or service contractors, and all levels of subcontractors of construction contractors;

(f) Director means the Director of the Bureau of Labor Services;

(g) economically disadvantaged person means a person who, or a member of a family which, is considered economically disadvantaged under applicable law.

(h) employment report means a report filed by a contractor containing information as to the employment practices, policies and programs, employment statistics and collective bargaining agreements, if any, of the contractor in such form as the Bureau may direct by regulation;

(i) equal employment opportunity means the treatment of all employees and applicants for employment without unlawful discrimination as to race, creed, color, national origin, sex, age, handicap, marital status, sexual orientation or affectional preference in all employment decisions, including but not limited to recruitment, hiring, compensation, training and apprenticeship, promotion, upgrading, demotion, downgrading, transfer, lay-off and termination, and all other terms and conditions of employment except as provided by law.

(j) trainee means an economically disadvantaged person who qualifies for and receives training in one of the construction trades pursuant to a program other than apprenticeship programs, approved by the Bureau and, where required by law, the State Department of Labor or the United States Department of Labor, Bureau of Apprenticeship and Training.

§ 4. Responsibilities of Bureau. The responsibilities of the Bureau shall be as follows:

(a) To implement, monitor compliance with, and enforce this Order and programs established pursuant to City, State and Federal law requiring contractors to provide equal employment opportunity;

(b) To implement, monitor compliance with, and enforce on-the-job training requirements on construction projects;

(c) To monitor compliance by contractors with State and Federal prevailing wage requirements where required;

(d) To advise and assist contractors and labor unions with respect to their obligations to provide equal employment opportunity;

(e) To advise and assist persons in the private sector with respect to employment problems;

(f) To establish advisory committees, including representatives of employers, labor unions, community organizations and others concerned with the enforcement of this Order; and

(g) To serve as the City's principal liaison to Federal, State and local contract compliance

§ 5. Contract Provisions.

(a) Equal Employment Opportunity. A contracting agency shall include in every contract to which it becomes a party such provisions requiring the contractor to ensure equal employment opportunity as the Bureau may direct by regulation.

(b) On-the-Job Training. A contracting agency shall include in every contract concerning a construction project to which it becomes a party such provisions requiring the contractor to provide on-the-job training for economically disadvantaged persons as the Bureau may direct by regulation.

(c) Subcontractors. A contracting agency shall include in every contract to which it becomes a party such provisions requiring the contractor not to discriminate unlawfully in the selection of subcontractors as the Bureau may direct by regulation.

§ 6. Employment Reports.

(a) Submission Requirements. No contracting agency shall enter into a contract with any contractor unless such contractor's employment report is first submitted to the Bureau for its review. Unless otherwise required by law, an employment report shall not be required for the following:

(i) a contract in the amount of \$50,000 or less;

(ii) an emergency contract or other exempt contract except as the Bureau may direct by regulation; and

(iii) a contract with a contractor who has received a certificate of compliance with the equal employment opportunity requirements of applicable law from the Bureau, or an appropriate agency of the State of New York or the United States within the preceding twelve months, except as the Bureau may direct by regulation.

(b) Bureau Review. The Bureau shall review all employment reports to determine whether contractors are in compliance with the equal employment opportunity requirements of City, State and Federal law and the provisions of this Order. The contracting agency shall transmit the employment report to the Bureau within ten business days after the selection of a proposed contractor. A contracting agency may thereafter award a contract unless the Bureau gives prior written notice to the contracting agency and the contractor as follows:

(i) If the Bureau notifies the contracting agency and the contractor within five business days after the receipt by the Bureau of the employment report that the contractor has failed to submit a complete employment report, the Director may require the contracting agency to disapprove the contractor unless such deficiency is corrected in a timely manner;

(ii) If the Bureau notifies the contracting agency and the contractor within fifteen business days of the receipt by the Bureau of the completed employment report that the Bureau has found reason to believe that the contractor is not in substantial compliance with applicable legal requirements and the provisions of this Order, the Bureau shall promptly take such action as may be necessary to remedy the contractor's noncompliance as provided by this Order.

Provided that a contracting agency may award a requirements contract or an open market purchase agreement prior to review by the Bureau of the contractor's employment report, but may not make a purchase order against such contract or agreement until it has first transmitted such contractor's employment report to the Bureau and the Bureau has completed its review in the manner provided by this section.

(c) Employment Program. The Bureau may require a contractor to adopt and adhere to a program designed to ensure equal employment opportunity.

(d) Periodic Reports. Contractors shall file periodic employment reports after the award of a contract in such form and frequency as the Bureau may direct by regulation to determine whether such contractors are in compliance with applicable legal requirements and the provisions of this Order.

§ 7. Training Programs. The Bureau shall monitor the recruitment, training and placement of economically disadvantaged persons in on-the-job training programs on construction projects. Contracting agencies shall require contractors to make a good faith effort to achieve the ratio of one trainee to four journey-level employees of each craft on each construction project.

(a) The Bureau shall determine the number of trainees and hours of training required by each contractor or subcontractor for each construction project.

(b) In the event that a contractor fails to make a good faith effort to train the required number of individuals for the required amount of hours, the Bureau, after consultation with the contracting agency, shall direct such agency to reduce the contractor's compensation by an amount equal to the amount of wages and fringe benefits which the contractor failed to pay to trainees.

(c) On-the-job training of economically disadvantaged persons shall not be required on construction contracts in the amount of \$125,000 or less.

§ 8. Compliance Investigations and Hearings. The Bureau shall conduct such investigations and hold such hearings as may be necessary to determine whether contractors are in compliance with the equal employment opportunity requirements of City, State and Federal law and the provisions of this Order.

(a) Voluntary Compliance. The Bureau shall seek to obtain the voluntary compliance of contractors and labor unions with applicable legal requirements and the provisions of this Order.

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-7-

(b) Noncompliance. Upon receiving a complaint or at its own instance, the Bureau shall determine whether there is reason to believe a contractor is not in compliance with applicable legal requirements and the provisions of this Order.

(c) Hearings. The Bureau shall hold a hearing on prior written notice to a contractor and the contracting agency before any adverse determination is made with respect to such contractor's employment practices or imposing any sanction or remedy for non-compliance with applicable legal requirements and the provisions of this Order. The hearing shall be held before a City hearing officer, or such other person designated by the Director, who shall submit a report containing findings of fact and recommendations to the Director. Based on the record as a whole, the Director shall determine whether a contractor has failed to comply with applicable legal requirements or the provisions of this Order and the appropriate sanctions for noncompliance.

(d) Notices. The Bureau shall give prior notice of any hearing and shall provide a copy of any hearing report and determination of the Director under paragraph (c) of this Section to the contracting agency, the Corporation Counsel and the Comptroller. The Bureau shall notify appropriate City, State and Federal agencies of violations of law and may, with the approval of the Corporation Counsel, initiate proceedings in such agencies.

§ 9. Sanctions and Remedies. After making a determination that a contractor is not complying with applicable legal requirements and the provisions of this Order, the Director may direct that such sanctions as may be permitted by law or contractual provisions be imposed, including the disapproval of a proposed contractor, the suspension or termination of a contract and the reduction of a contractor's compensation, except as follows:

(a) Within five business days of the issuance of a determination by the Director under Section 8(c), a contracting agency head may file with the Director written objections to the sanctions to be imposed. Where such objections have been filed, the Director and the contracting agency head shall jointly determine the appropriate sanctions to be imposed.

(b) In lieu of any of the foregoing sanctions, the Director may require a contractor to adopt and adhere to a program to ensure equal employment opportunity.

§ 10. Public Agencies. Any administration, board, bureau, commission, department or other public agency, not subject to this Order, which imposes by rule, regulation or order equal employment opportunity requirements, may, with the consent of the Mayor, delegate such responsibilities to the Bureau as may be consistent with this Order.

§ 11. Confidentiality. To the extent permitted by law and consistent with the proper discharge of the Bureau's responsibilities under this Order, all information provided by a contractor to the Bureau shall be confidential.

§ 12. Regulations. The Bureau shall promulgate such regulations, subject to the approval of the Mayor, as may be necessary to discharge its responsibilities under this Order, including regulations increasing the dollar amounts referred to in this Order. Any regulations of the Bureau establishing terms, and conditions for contractors shall be approved as to form by the Corporation Counsel.

§ 13. Annual Report. The Bureau shall submit an annual report to the Mayor concerning its responsibilities under this Order

§ 14. Separability. If any provision of this Order or the application thereof is held invalid, the remainder of this Order and the application thereof to other persons or circumstances shall not be affected by such holding and shall remain in full force and effect.

§ 15. Revocation of Prior Orders. Executive Orders No. 71 (1968), No. 20 (1970), No. 23 (1970), No. 27 (1970), No. 31 (1971), No. 74 (1973), No. 7 (1974), and No. 80 (1977) are hereby revoked and the first paragraph of Section 2 of Executive Order No. 4 (1978) is hereby deleted. Nothing in this Order shall be deemed to relieve any person of any obligation not inconsistent with this Order assumed or imposed pursuant to an Order superseded by this Order.

§ 16. Effective Date. This Order shall take effect immediately.


EDWARD I. KOCH
MAYOR

NYL 3657861457



THE CITY OF NEW YORK
OFFICE OF THE MAYOR
NEW YORK, N.Y. 10007

Executive Order No. 108
December 29, 1986

Amendment of Executive Order No. 50
(April 25, 1980)

BUREAU OF LABOR SERVICES

By the power vested in me as Mayor of the City of New York,
it is hereby ordered:

Section 1. Prior Order Amended.

a. Section 6(a) of Executive Order No. 50, dated
April 25, 1980, is amended to read as follows:

Submission Requirements. No contracting
agency shall enter into a contract with any
contractor unless such contractor's
employment report is first submitted to the
Bureau for its review. Unless otherwise
required by law, an employment report shall
not be required for the following:

(i) a construction contract in the
amount of less than \$1 million; a
construction subcontract in the amount of
less than \$750,000; or a supply and service
contract in the amount of \$50,000 or less
or of more than \$50,000 in which the
contractor employs fewer than 50 employees
at the facility or facilities involved in
the contract;

(ii) an emergency contract or other
exempt contract except as the Bureau may
direct by regulation; and

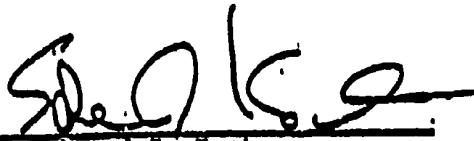
NYL 3657161458

(iii) a contract with a contractor who has received a certificate of compliance with the equal employment opportunity requirements of applicable law, from the Bureau within the preceding twenty-four months, or an appropriate agency of the State of New York or of the United States within the preceding twelve months, except as the Bureau may direct by regulation."

b. Section 7(c) of such Order is amended to read as follows:

"On-the-job training of economically disadvantaged persons shall be required on all construction contracts covered by the submission requirements of this Order."

Section 2. Effective Date. This Order shall take effect immediately, but shall have no retrospective effect with respect to the two (2) year approval period provided for in Section 1(a) of this Order, amending Section 6(a) (iii) of Executive Order No. 50, dated April 25, 1980.



Edward I. Koch
MAYOR

WEL 3657 61459

EQUAL EMPLOYMENT OPPORTUNITY

This contract is subject to the requirements of Executive Order No. 90 (1980) as revised ("E.O. 90") and the Rules and Regulations promulgated thereunder. No contract will be awarded unless and until these requirements have been complied with in their entirety. By signing this contract, the contractor agrees that it:

- (1) will not engage in any unlawful discrimination against any employee or applicant for employment because of race, creed, color, national origin, sex, age, disability, marital status or sexual orientation with respect to all employment decisions including, but not limited to, recruitment, hiring, upgrading, demotion, downgrading, transfer, training, rates of pay or other forms of compensation, layoff, termination, and all other terms and conditions of employment;
- (2) the contractor agrees that when it subcontracts it will not engage in any unlawful discrimination in the selection of subcontractors on the basis of the owner's race, color, creed, national origin, sex, age, disability, marital status or sexual orientation;
- (3) will state in all solicitations or advertisements for employees placed by or on behalf of the contractor that all qualified applicants will receive consideration for employment without unlawful discrimination based on race, creed, color, national origin, sex, age, disability, marital status or sexual orientation, or that it is an equal employment opportunity employer;
- (4) will send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or memorandum of understanding, written notification of its equal employment opportunity commitments under E. O. 90 and the rules and regulations promulgated thereunder; and
- (5) will furnish all information and reports including an Employment Report before the award of the contract which are required by E. O. 90, the rules and regulations promulgated thereunder, and orders of the Director of the Bureau of Labor Services ("Bureau"), and will permit access to its books, records and accounts by the Bureau for the purposes of investigation to ascertain compliance with such rules, regulations, and orders.

The contractor understands that in the event of its noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, such noncompliance shall constitute a material breach of the contract and noncompliance with the E.O. 50 and the rules and regulations promulgated thereunder. After a hearing held pursuant to the rules of the Bureau, the Director may direct the imposition by the contracting agency held of any or all of the following sanctions:

- (i) disapproval of the contractor;
- (ii) suspension or termination of the contract;
- (iii) declaring the contractor in default; or
- (iv) in lieu of any of the foregoing sanctions, the Director may impose an employment program.

The Director of the Bureau may recommend to the contracting agency head that a Board of Responsibility be convened for purposes of declaring a contractor who has repeatedly failed to comply with E.O. 50 and the rules and regulations promulgated thereunder to be nonresponsible.

The contractor agrees to include the provisions of the foregoing paragraphs in every subcontract or purchase order in excess of \$50,000 to which it becomes a party unless exempted by E.O. 50 and the rules and regulations promulgated thereunder, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as may be directed by the Director of the Bureau of Labor Services as a means of enforcing such provisions including sanctions for noncompliance.

The contractor further agrees that it will refrain from entering into any contract or contract modification subject to E.O. 50 and the rules and regulations promulgated thereunder with a subcontractor who is not in compliance with the requirements of E.O. 50 and the rules and regulations promulgated thereunder.

REC-3657101461

JUN 25 1986



THE CITY OF NEW YORK
OFFICE OF THE MAYOR
NEW YORK, N.Y. 10007

Executive Order No. 94
June 20, 1986

Amendment of Executive Order No. 80
(April 28, 1980)

BUREAU OF LABOR SERVICES

By the power vested in me as Mayor of the City of New York, it is hereby ordered:

Section 1. Prior Order Amended.

a. Section 1 of Executive Order No. 80, dated April 28, 1980, is amended to read as follows:

"Purpose. It is the purpose of this Order to ensure equal employment opportunity in City contracting."

b. Section 3(l) of such Order is amended to read as follows:

"Equal employment opportunity means the treatment of all employees and applicants for employment without unlawful discrimination as to race, creed, color, national origin, sex, age, disability, marital status or sexual orientation in all employment decisions, including but not limited to recruitment, hiring, compensation, training and apprenticeship, promotion, upgrading, demotion, downgrading, transfer, lay-off and termination, and all other terms and conditions of employment."

c. Section 5(a) of such Order is amended to read as follows:

"Equal Employment Opportunity. A contracting agency shall include in every

REL 3657 1462

contract to which it becomes a party such provisions requiring the contractor to ensure equal employment opportunity as the Bureau may direct, consistent with this Order."

d. Section 12 of such Order is amended to read as follows:

"Regulations. The Bureau shall promulgate such regulations, subject to the approval of the Mayor, as may be necessary to discharge its responsibilities under this Order, including regulations increasing the dollar amounts and number of employees referred to in this Order. Any regulations of the Bureau establishing terms and conditions for contractors shall be approved as to form by the Corporation Counsel.

Nothing contained herein shall be construed to bar any religious or denominational institution or organization, or any organization operated for charitable or educational purposes, which is operated, supervised or controlled by or in connection with a religious organization, from limiting employment or giving preference to persons of the same religion or denomination or from making such selection as is calculated by such organization to promote the religious principles for which it is established or maintained. The regulations shall set forth this exemption for religiously-sponsored organizations and provide for the discharge of the Bureau's responsibilities in a manner consistent with such exemption."

Section 2. Effective Date. This Order shall take effect immediately.


Edward L. Koch
MAYOR

REEL 3657 PG 1463

EXHIBIT F

Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards

(next page)

EXHIBIT D

REF 365701464

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

LEAD WARNING STATEMENT (FOR SALES) Address(es)

292 East 3rd Street, NY, NY 10009

Block(s)

372

Lot(s)

19

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

SELLER'S DISCLOSURE (Initial):

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

Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

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

Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

PURCHASER'S ACKNOWLEDGMENT (Initial):

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

CERTIFICATION OF ACCURACY

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

Seller:
THE CITY OF NEW YORK ACTING BY AND THROUGH ITS DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT

Purchaser:
UHAB HOUSING DEVELOPMENT FUND CORPORATION

By: [Signature]
Assistant Commissioner

By: [Signature]
Print Name and Title: Joseph Mikulakovic, Vice-President

Date: 8/2/02

Date: August 19, 2002

leadcon. form 9/25/98

REF 365781465

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

LEAD WARNING STATEMENT (FOR SALES) Address(es): 719 East 6th Street, NY, NY 10009
Block(s): 376 Lot(s): 54

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

SELLER'S DISCLOSURE (Initial):

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

 - Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.
- (b) Records and reports available to the seller (please check one box below):
- Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

 - Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

PURCHASER'S ACKNOWLEDGMENT (Initial):

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

CERTIFICATION OF ACCURACY

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

Seller:
THE CITY OF NEW YORK ACTING BY AND THROUGH ITS DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT

Purchaser:
UHAB HOUSING DEVELOPMENT FUND CORPORATION

By: [Signature]
Assistant Commissioner
Date: 9/1/06

By: [Signature]
Print Name and Title: _____
Date: _____

leadcon tem 9/25/06

EXHIBIT D

REEL 3657061466

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

LEAD WARNING STATEMENT (FOR SALES) Address(es): 209 East 7th Street, NY, NY 10009
Block(s): 390 Lot(s): 50

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

SELLER'S DISCLOSURE (Initial):

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

 - Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.
- (b) Records and reports available to the seller (please check one box below):
 - Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

 - Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

PURCHASER'S ACKNOWLEDGMENT (Initial):

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

CERTIFICATION OF ACCURACY

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

Seller:
THE CITY OF NEW YORK ACTING BY AND THROUGH ITS DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT

Purchaser:
UHAB HOUSING DEVELOPMENT FUND CORPORATIONS

By: [Signature]
Assistant Commissioner
Date: 3/2/01

By: [Signature]
Print Name and Title: _____
Date: _____

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

LEAD WARNING STATEMENT (FOR SALES) Address(es):

274 East 7th Street, NY, NY 10009

Block(s):

376

Lot(s): 30

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

SELLER'S DISCLOSURE (Initial):

W

(a) Presence of lead-based paint and/or lead based paint hazards (please check one box below):

Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).

Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

W

(b) Records and reports available to the seller (please check one box below):

Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

PURCHASER'S ACKNOWLEDGMENT (Initial):

(c) Purchaser has received copies of all information listed above, if any.

(d) Purchaser has received the pamphlet titled *Protect Your Family from Lead in Your Home*.

(e) Purchaser has (please check one box below):

Received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or

Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

CERTIFICATION OF ACCURACY

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

Seller:
THE CITY OF NEW YORK ACTING BY AND THROUGH ITS DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT

Purchaser:
UHAB HOUSING DEVELOPMENT FUND CORPORATION

By: *De*
Assistant Commissioner

By: *Joseph Nelson Carter*
Print Name and Title:

Date: *8/1/98*

Date:

EXHIBIT D

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

LEAD WARNING STATEMENT (FOR SALES) Address(es):

278 East 7th Street, NY, NY 10009

Block(s):

376

Lot(s): 31

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

SELLER'S DISCLOSURE (Initial):

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

X Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to the seller (please check one box below):

Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

X Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

PURCHASER'S ACKNOWLEDGMENT (Initial):

(c) Purchaser has received copies of all information listed above, if any.

(d) Purchaser has received the pamphlet titled Protect Your Family from Lead in Your Home.

(e) Purchaser has (please check one box below):

Received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or

Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

CERTIFICATION OF ACCURACY

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

Seller: THE CITY OF NEW YORK ACTING BY AND THROUGH ITS DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT

Purchaser: UHAB HOUSING DEVELOPMENT FUND CORPORATION

By: Assistant Commissioner

By: Print Name and Title:

Date:

Date:

36571468

EXHIBIT D

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

LEAD WARNING STATEMENT (FOR SALES) Address(es):

733 East 9th Street, NY, NY 10009

Block(s):

379

Lot(s): 48

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

SELLER'S DISCLOSURE (Initial):

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

Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing

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

Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

PURCHASER'S ACKNOWLEDGMENT (Initial):

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

CERTIFICATION OF ACCURACY

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

Seller:
THE CITY OF NEW YORK ACTING BY AND THROUGH ITS DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT

Purchaser:
UHAS HOUSING DEVELOPMENT FUND CORPORATION

By: [Signature]
Assistant Commissioner

By: [Signature]
Print Name and Title:

Date: 9/2/02

Date: _____

lead: on form 9/25/06

69210199

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

LEAD WARNING STATEMENT (FOR SALES) Address(es): 377 East 10th Street, NY, NY 10009
Block(s): 393 Lot(s): 47

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

SELLER'S DISCLOSURE (Initial):

JK (a) Presence of lead-based paint and/or lead based paint hazards (please check one box below):
 Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).

Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

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

Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

PURCHASER'S ACKNOWLEDGMENT (Initial):

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

CERTIFICATION OF ACCURACY

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

Seller:
THE CITY OF NEW YORK ACTING BY AND THROUGH ITS DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT

Purchaser:
UHAB HOUSING DEVELOPMENT FUND CORPORATION

By: [Signature]
Assistant Commissioner

By: [Signature]
Print Name and Title:

Date: 8/2/02

Date: _____

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

LEAD WARNING STATEMENT (FOR SALES) Address(es): 544 East 13th Street, NY, NY 10009
Block(s): 406 Lot(s): 27

Every purchaser of any interest in commercial real property built prior to 1978 which may be converted for residential use is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning.

SELLER'S DISCLOSURE (Initial):

- (a) Presence of lead-based paint and/or lead based paint hazards (please check one box below):
Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).
Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.
(b) Records and reports available to the seller (please check one box below):
Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).
Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

PURCHASER'S ACKNOWLEDGMENT (Initial):

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

CERTIFICATION OF ACCURACY

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

Seller: THE CITY OF NEW YORK ACTING BY AND THROUGH ITS DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT

Purchaser: UHAB HOUSING DEVELOPMENT FUND CORPORATION

By: [Signature], Assistant Commissioner
Date: 8/2/00

By: [Signature]
Print Name and Title:
Date:

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

LEAD WARNING STATEMENT (FOR SALES) Address(es): 21 Avenue C, NY, NY 10009
Block(s): 385 Lot(s): 38

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

SELLER'S DISCLOSURE (Initial):

DL (a) Presence of lead-based paint and/or lead based paint hazards (please check one box below):
 Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).

Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

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

Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

PURCHASER'S ACKNOWLEDGMENT (Initial):

 (c) Purchaser has received copies of all information listed above, if any.
 (d) Purchaser has received the pamphlet titled *Protect Your Family from Lead in Your Home*.

✓ (e) Purchaser has (please check one box below):
 Received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or
 Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

CERTIFICATION OF ACCURACY

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

Seller:
THE CITY OF NEW YORK ACTING BY AND THROUGH ITS DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT

Purchaser:
UHAB HOUSING DEVELOPMENT FUND CORPORATION

By: B/2/02 DL
Assistant Commissioner

By: [Signature]
Print Name and Title: _____
Date: _____

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

LEAD WARNING STATEMENT (FOR SALES) Address(es): 155 Avenue C, NY, NY 10009
Block(s): 392 Lot(s): 33

Every purchaser of any interest in commercial real property built prior to 1978 which may be converted for residential use is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning.

SELLER'S DISCLOSURE (Initial):

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

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

(b) Records and reports available to the seller (please check one box below):

[] Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

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

PURCHASER'S ACKNOWLEDGMENT (Initial):

(c) Purchaser has received copies of all information listed above, if any.

(d) Purchaser has received the pamphlet titled Protect Your Family from Lead in Your Home.

(e) Purchaser has (please check one box below):

[] Received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or

[] Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

CERTIFICATION OF ACCURACY

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

Seller: THE CITY OF NEW YORK ACTING BY AND THROUGH ITS DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT

Purchaser: UHAB HOUSING DEVELOPMENT FUND CORPORATION

By: [Signature] Assistant Commissioner

By: [Signature] Print Name and Title: Date:

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

LEAD WARNING STATEMENT (FOR SALES) Address(es): 7 1/2 Second Avenue, a.k.a. 9th Second Avenue, NY, NY, 10009
Block(s): 456 Lot(s): Part of Lot 1

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

REC 365761474

SELLER'S DISCLOSURE (Initial):

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

Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

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

Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

PURCHASER'S ACKNOWLEDGMENT (Initial):

(c) Purchaser has received copies of all information listed above, if any.
 (d) Purchaser has received the pamphlet titled *Protect Your Family from Lead in Your Home*.

(e) Purchaser has (please check one box below):
 Received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or
 Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

CERTIFICATION OF ACCURACY

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

Seller:
THE CITY OF NEW YORK ACTING BY AND THROUGH ITS DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT

Purchaser:
UHAB HOUSING DEVELOPMENT FUND CORPORATION

By: [Signature]
Assistant Commissioner

By: [Signature]
Print Name and Title:
Date:

LAND DISPOSITION AGREEMENT

BETWEEN

THE CITY OF NEW YORK

AND

UHAB HOUSING DEVELOPMENT FUND CORPORATION

<u>Blocks</u>	<u>Lots</u>
372	19
376	30
376	31
376	54
379	48
385	38
390	50
392	33
393	47
408	27
456	p.o. lot 1 *

* which p.o. lot 1 is also known as tentative tax lot number 28

County: New York

RECORD AND RETURN TO:

John C. Fields, Esq.
Department of Housing Preservation
and Development
Office of Legal Affairs
100 Gold Street, Room 5-Q-1
New York, New York 10038

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

NYCTL 2013-A TRUST, and THE BANK OF NEW
YORK MELLON as Collateral Agent and Custodian for
the NYCTL 2013-A Trust,

Plaintiffs,

- against -

UHAB HOUSING DEVELOPMENT FUND
CORPORATION, NEW YORK CITY DEPARTMENT
OF FINANCE, NEW YORK STATE DEPARTMENT OF
TAXATION AND FINANCE, NEW YORK CITY
ENVIRONMENTAL CONTROL BOARD, NCB
CAPITAL IMPACT and "JOHN DOE No. 1" through
"JOHN DOE No. 100" inclusive, the names of the last 100
defendants being fictitious, the true names of said
defendants being unknown to plaintiff, it being intended to
designate fee owners, tenants or occupants of the liened
premises and/or persons or parties having or claiming an
interest in or a lien upon the liened premises, if the
aforesaid individual defendants are living, and if any or all
of said individual defendants be dead, their heirs at law,
next of kin, distributees, executors, administrators, trustees,
committees, devisees, legatees, and the assignees, lienors,
creditors and successors in interest of them, and generally
all persons having or claiming under, by, through, or
against the said defendants named as a class, of any right,
title, or interest in or lien upon the premises described in
the complaint herein,

Defendants.

Index No.:

SUMMONS IN
TAX LIEN
FORECLOSURE

Plaintiffs designate NEW
YORK COUNTY as the
place of trial based on the
location of the premises
herein.

Borough:
MANHATTAN
Block: 406
Lot: 27

TO THE ABOVE-NAMED DEFENDANTS:

YOU ARE HEREBY SUMMONED to answer the complaint in this action within
twenty days after the service of this summons, exclusive of the day of service or within thirty days
after service is completed if the summons is not personally delivered to you within the State of
New York. In case of your failure to appear or answer, judgment will be taken against you by
default for the relief demanded in the complaint.

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

NYCTL 2013-A TRUST, and THE BANK OF NEW YORK MELLON as Collateral Agent and Custodian for the NYCTL 2013-A Trust,

Plaintiff/Petitioner,

- against -

Index No. 650336/2014

UHAB HOUSING DEVELOPMENT FUND CORPORATION, NEW YORK CITY DEPARTMENT OF FINANCE, NEW YORK STATE DEPARTMENT OF TAXATION AND FINANCE, NEW YORK CITY ENVIRONMENTAL CONTROL BOARD, NCB CAPITAL IMPACT and "JOHN DOE No. 1" through "JOHN DOE No. 100"

Defendant/Respondent.

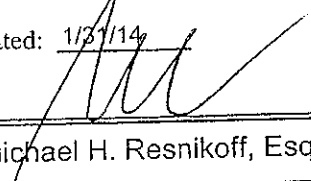
**NOTICE OF COMMENCEMENT OF ACTION
SUBJECT TO MANDATORY ELECTRONIC FILING**

PLEASE TAKE NOTICE that the matter captioned above, which has been commenced by filing of the accompanying documents with the County Clerk, is subject to mandatory electronic filing pursuant to Section 202.5-bb of the Uniform Rules for the Trial Courts. This notice is being served as required by Subdivision (b) (3) of that Section.

The New York State Courts Electronic Filing System ("NYSCEF") is designed for the electronic filing of documents with the County Clerk and the court and for the electronic service of those documents, court documents, and court notices upon counsel and self-represented parties. Counsel and/or parties who do not notify the court of a claimed exemption (see below) as required by Section 202.5-bb(e) must immediately record their representation within the e-filed matter on the Consent page in NYSCEF. Failure to do so may result in an inability to receive electronic notice of document filings.

Exemptions from mandatory e-filing are limited to: 1) attorneys who certify in good faith that they lack the computer equipment and (along with all employees) the requisite knowledge to comply; and 2) self-represented parties who choose not to participate in e-filing. For additional information about electronic filing, including access to Section 202.5-bb, consult the NYSCEF website at www.nycourts.gov/efile or contact the NYSCEF Resource Center at 646-386-3033 or efile@courts.state.ny.us.

Dated: 1/31/14



(Signature)

Michael H. Resnikoff, Esq.

(Name)

Windels Marx Lane & Mittendorf, LLP

(Firm Name)

156 West 56 Street (Address)

New York, New York 10019

212-237-1102 (Phone)

mresnikoff@windelsmarx.com (E-Mail)

To: _____

Plaintiffs designate NEW YORK County as the place of trial. Venue is based upon the county in which the property a lien upon which is being foreclosed is situated.

Dated: New York, New York
January 27, 2014

WINDELS MARX LANE & MITTENDORF LLP
Attorneys for Plaintiffs
NYCTL 2013-A Trust, and The Bank of New York
Mellon as Collateral Agent and Custodian for the
NYCTL 2013-A Trust

By: 

Michael H. Resnikoff, Esq.
156 West 56th Street
New York, New York 10019
(212) 237-1102

To:

UHAB HOUSING DEVELOPMENT FUND CORPORATION
120 Wall Street
New York, NY 10005

NEW YORK CITY DEPARTMENT OF FINANCE
25 Elm Place, Room 400
Brooklyn, NY 11201

NEW YORK STATE DEPARTMENT OF TAXATION AND FINANCE
PO Box 5149
Albany, NY 12205

NEW YORK CITY ENVIRONMENTAL CONTROL BOARD
100 Church Street
New York, NY 10007

NCB CAPITAL IMPACT
2011 Crystal Drive, Suite 800
Arlington, VA 22202

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

NYCTL 2013-A TRUST, and THE BANK OF NEW
YORK MELLON as Collateral Agent and Custodian for
the NYCTL 2013-A Trust,

Plaintiffs,

Index No.:

- against -

COMPLAINT

UHAB HOUSING DEVELOPMENT FUND
CORPORATION, NEW YORK CITY DEPARTMENT
OF FINANCE, NEW YORK STATE DEPARTMENT OF
TAXATION AND FINANCE, NEW YORK CITY
ENVIRONMENTAL CONTROL BOARD, NCB
CAPITAL IMPACT and "JOHN DOE No. 1" through
"JOHN DOE No. 100" inclusive, the names of the last 100
defendants being fictitious, the true names of said
defendants being unknown to plaintiff, it being intended to
designate fee owners, tenants or occupants of the liened
premises and/or persons or parties having or claiming an
interest in or a lien upon the liened premises, if the
aforesaid individual defendants are living, and if any or all
of said individual defendants be dead, their heirs at law,
next of kin, distributees, executors, administrators, trustees,
committees, devisees, legatees, and the assignees, lienors,
creditors and successors in interest of them, and generally
all persons having or claiming under, by, through, or
against the said defendants named as a class, of any right,
title, or interest in or lien upon the premises described in
the complaint herein,

Borough: MANHATTAN
Block: 406
Lot: 27

Defendants.

Plaintiffs, by their attorneys, WINDELS MARX LANE & MITTENDORF LLP,
allege on information and belief as follows:

The Parties

1. Plaintiff, NYCTL 2013-A Trust ("NYCTL"), is a Delaware business
trust which was created pursuant to the Second Amended and Restated Declaration and

Agreement of Trust, dated June 1, 2013 between The City of New York and the Wilmington Trust Company, as Issuer Trustee. NYCTL is authorized to purchase, own and manage the collateral of the trust.

2. Plaintiff, The Bank of New York Mellon (“BNY”), as Collateral Agent and Custodian, is a New York Banking Corporation. BNY is the Collateral Agent and Custodian for NYCTL, pursuant to an Indenture dated as of June 1, 2013 between NYCTL 2013-A Trust, Issuer, MTAG Services, LLC, Servicer, Tower Capital Management, LLC, Servicer, and the Bank of New York Mellon, Trustee.

3. Plaintiff is the holder of certain tax and other City of New York liens (the “Tax Lien”) as evidenced by a certain Tax Lien Certificate 1A, dated August 8, 2013, recorded August 13, 2013, CRFN (the “Certificate”) as specifically described and set forth in Exhibit “A”, annexed hereto and incorporated herein by reference.

4. The Tax Lien covers certain premises (the “Property”), as fully described and set forth in Exhibit “B”, annexed hereto and incorporated herein by reference and known as BLOCK 406 LOT 27. The Property also includes all the appurtenances, easements, improvements, structures, fixtures and other personal property located thereon.

5. Defendant UHAB HOUSING DEVELOPMENT FUND CORPORATION is a corporation doing business within the State of New York and is the fee owner of the Property.

6. Defendant NEW YORK CITY ENVIRONMENTAL CONTROL BOARD is named because they have or may claim to have a mortgage lien, judgment lien, or possible interest against the property which is subordinate to the Plaintiffs’ lien, a copy of which is annexed as Exhibit “C.”

7. Defendant NCB CAPITAL IMPACT is named because they have or may claim to have a mortgage lien, judgment lien, or possible interest against the property which is subordinate to the Plaintiffs' lien.

8. Defendant NEW YORK STATE DEPARTMENT OF TAXATION AND FINANCE is named because they are a possible lienor for unpaid franchise taxes, if any, by UHAB HOUSING DEVELOPMENT FUND CORPORATION.

9. Defendant NEW YORK CITY DEPARTMENT OF FINANCE is named because they are a possible lienor for unpaid business taxes, if any, by UHAB HOUSING DEVELOPMENT FUND CORPORATION.

10. Defendants John Doe No. 1 through John Doe No. 100 inclusive are or may be (a) other persons or entities, unknown to the Plaintiff, who have filed or recorded a notice of lien, lien, mortgage, judgment or warrant against the Property, or against the owners thereof, prior to Plaintiff's filing of a notice of pendency in this action, or (b) persons or entities having or claiming any interest in the Property, which interest accrued subsequent to NYCTL's Tax Lien and is subordinate thereto, or (c) may be persons in possession of the Property.

11. Any defendant captioned as a corporation is a New York corporation.

AS AND FOR A CAUSE OF ACTION

12. The Certificate provides, among other things, that the Plaintiff receives from the City of New York:

[A]ll of the City's right, title and interest in and to all real property taxes, assessments, sewer rents, sewer surcharges, water rents and any other City charges that, (A) prior to May 24, 2013, in the case of sewer rents, sewer surcharges and water rents listed under the heading "CIS" on Schedule A hereto, and (B) prior to May 17, 2013, in the case of all real property taxes, assessments and all other City

charges, including sewer rents, sewer surcharges and water rents listed under the heading "Environ" on Schedule A hereto (each such date, a "Sale Date"), have become a lien against those certain parcels of real property (each, a "Property") located in the Borough of MANHATTAN, County of NEW YORK and listed on either Schedule A hereto by block and lot number, plus all interest and penalties accrued thereon to the applicable Sale Date, plus (except in the case of Properties as to which the owners thereof were subject to bankruptcy proceedings on the applicable Sale Date ("Bankruptcy Tax Liens")) costs of advertisements and notices of sale and a surcharge equal to five percent (5%) of the sum of all such amounts (all such amounts with respect to a Property, including costs of advertisements and notices of sale and the surcharge if any, collectively, a "Tax Lien"), in the total amount (the "Tax Lien Principal Balance") set forth with respect to each Property on either Schedule A hereto, plus interest accruing thereon from the applicable Sale Date at the rate of nine percent (9%) per annum, compounded daily, for Properties with an actual assessed value of \$250,000 or less and (b) eighteen per cent (18%) per annum, compounded daily for Properties with an actual assessed value greater than \$250,000....

13. Plaintiff is entitled to foreclosure on the Tax Lien, pursuant to the Certificate and Sections 11-332 and 11-335 of the Administrative Code of the City of New York (the "Administrative Code") because Defendant UHAB HOUSING DEVELOPMENT FUND CORPORATION has failed to pay the semi-annual interest which has accrued on the tax lien balance on or before December 31, 2013, more than seven months after the sale of the tax lien.

14. By reason of these defaults, the Plaintiff elects that the Tax Lien is now due and payable and that there is justly due and owing to the Plaintiff under the aforesaid Certificate: (a) the tax lien balance of \$188,326.71 with interest thereon at the rate of 18% per annum compounded daily from May 24, 2013, in the case of sewer rents, sewer surcharges and water rents listed under the heading "CIS" on Schedule A hereto, and from May 17, 2013, in the case of all real property taxes, assessments and all other City charges, including sewer rents, sewer surcharges and water rents listed under the heading "Environ" on Schedule A (each such date, a "Sale Date"), and all real property taxes, assessments and any other City charges, as well

as its attorneys fees for maintaining this action, pursuant to Section 11-335 of the Administrative Code.

15. The property should be sold subject to: (a) such state of facts as an accurate survey might show; (b) covenants, easements, rights of way and restrictions of record as the same may affect the Property; (c) any building and zoning ordinances of the municipality in which the liened premises is located and possible violations of same; and (d) liens relating to the Property arising from the operation of any applicable Federal Law or from certain New York State environmental laws which have statutory priority and may have attached and been perfected prior to the date of the Certificate.

16. City liens for taxes and assessments subsequent to the date of the Certificate shall be paid out of the proceeds of the foreclosure sale pursuant to New York's Real Property Actions and Proceedings Law § 1354. Municipal liens and/or violations without monetary value will not be extinguished by the foreclosure.

17. No other action or proceeding has been commenced or maintained or is now pending at law or otherwise for the foreclosure of the Tax Lien. Pursuant to Section 11-335 of the Administrative Code, Plaintiff is simultaneously notifying the New York City Department of Finance, in writing, of the commencement of this action.

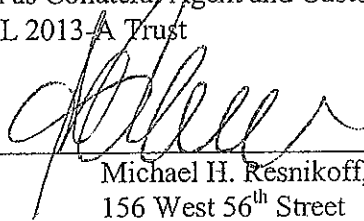
WHEREFORE, the Plaintiff demands judgment that each and all of the Defendants in this action and any and all persons claiming under them or any of them subsequent to the commencement of this action and the filing of the Notice of Pendency of Action thereof in the Office of the Clerk of the County of NEW YORK that being the County in which the Property is situated, may be forever barred and foreclosed of all right, title, interest, claim, lien and equity of redemption in the Property; that the Property may be decreed to be

sold according to law, subject to the items specified in Paragraph 15 of this complaint; that the money arising from the sale of the Property and property located thereon be brought into court; that the Plaintiff be paid the amount adjudged to be due on the Tax Lien, with interest to the time of such payment, together with costs, allowances and disbursements of this action, including attorneys' fees, and together with attorneys' fees and the expenses of the sale insofar as the amount of such monies properly applicable thereto will pay the same; and that Plaintiff have such other further relief as may be just and equitable.

Dated: New York, New York
January 27, 2014

WINDELS MARX LANE & MITTENDORF LLP
Attorneys for Plaintiffs
NYCTL 2013-A Trust, and The Bank of New York
Mellon as Collateral Agent and Custodian for the
NYCTL 2013-A Trust

By: _____

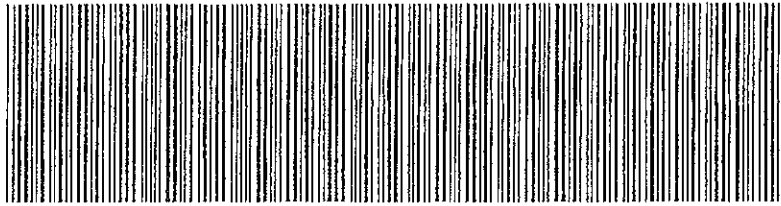


Michael H. Resnikoff, Esq.
156 West 56th Street
New York, New York 10019
(212) 237-1102

Exhibit A

NYC DEPARTMENT OF FINANCE
OFFICE OF THE CITY REGISTER

This page is part of the instrument. The City Register will rely on the information provided by you on this page for purposes of indexing this instrument. The information on this page will control for indexing purposes in the event of any conflict with the rest of the document.



2013093001311001001E8515

RECORDING AND ENDORSEMENT COVER PAGE

PAGE 1 OF 6

Document ID: 2013093001311001

Document Date: 08-16-2013

Preparation Date: 09-30-2013

Document Type: TAX LIEN SALE CERTIFICATE

Document Page Count: 4

PRESENTER:

NYC DEPARTMENT OF FINANCE
66 JOHN STREET, 13TH FLOOR
NY, NY 10038

RETURN TO:

NYC DEPARTMENT OF FINANCE
66 JOHN STREET, 13TH FLOOR
NY, NY 10038

PROPERTY DATA

Borough	Block	Lot	Unit	Address
MANHATTAN	372	12	Entire Lot	278 EAST 3RD STREET

Property Type: APARTMENT BUILDING

Borough	Block	Lot	Unit	Address
MANHATTAN	393	47	Entire Lot	377 EAST 10TH STREET

Property Type: APARTMENT BUILDING

Additional Properties on Continuation Page

CROSS REFERENCE DATA

CRFN _____ or DocumentID _____ or Year _____ Reel _____ Page _____ or File Number _____

PARTIES

PARTY 1:

THE CITY OF NEW YORK
1 CENTRE STREET, ROOM 500
NEW YORK, NY 10007

PARTY 2:

THE BANK OF NEW YORK MELLON
101 BARCLAY STREET, 4W
NEW YORK, NY 10286

FEES AND TAXES

Mortgage :			Filing Fee:	\$	0.00
Mortgage Amount:	\$	0.00	NYC Real Property Transfer Tax:	\$	0.00
Taxable Mortgage Amount:	\$	0.00	Exemption:	\$	0.00
TAXES: County (Basic):	\$	0.00	NYS Real Estate Transfer Tax:	\$	0.00
City (Additional):	\$	0.00			
Spec (Additional):	\$	0.00			
TASF:	\$	0.00			
MTA:	\$	0.00			
NYCTA:	\$	0.00			
Additional MRT:	\$	0.00			
TOTAL:	\$	0.00			
Recording Fee:	\$	EXEMPT			
Affidavit Fee:	\$	0.00			

RECORDED OR FILED IN THE OFFICE
OF THE CITY REGISTER OF THE

CITY OF NEW YORK

Recorded/Filed 10-03-2013 16:22

City Register File No.(CRFN):

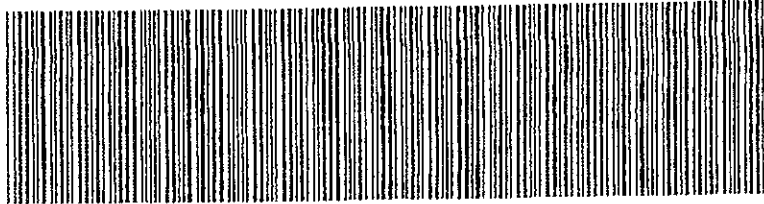
2013000410788



Gracie M. Hill

City Register Official Signature

NYC DEPARTMENT OF FINANCE
OFFICE OF THE CITY REGISTER



2013093001311001001C8795

RECORDING AND ENDORSEMENT COVER PAGE (CONTINUATION)

PAGE 2 OF 6

Document ID: 2013093001311001

Document Date: 08-16-2013

Preparation Date: 09-30-2013

Document Type: TAX LIEN SALE CERTIFICATE

PROPERTY DATA

Borough	Block	Lot	Unit	Address
MANHATTAN	399	24	Entire Lot	230 EAST 4TH STREET
Property Type: APARTMENT BUILDING				
MANHATTAN	406	27	Entire Lot	546 EAST 13TH STREET
Property Type: APARTMENT BUILDING				
MANHATTAN	875	69	Entire Lot	16 GRAMERCY PARK SOUTH
Property Type: COMMERCIAL REAL ESTATE				
MANHATTAN	1011	1240	Entire Lot 760	160 CENTRAL PARK SOUTH
Property Type: SINGLE RESIDENTIAL CONDO UNIT				
MANHATTAN	1347	52	Entire Lot	307 EAST 54TH STREET
Property Type: APARTMENT BUILDING				
MANHATTAN	1570	41	Entire Lot	406 EAST 91ST STREET
Property Type: COMMERCIAL REAL ESTATE				
MANHATTAN	1729	1207	Entire Lot ASTO	7 WEST 131 STREET
Property Type: STORAGE ROOM				
MANHATTAN	1842	1302	Entire Lot 2	70 WEST 107 STREET
Property Type: INDUSTRIAL BUILDING				
MANHATTAN	1917	53	Entire Lot	150 WEST 133 STREET
Property Type: RELIGIOUS STRUCTURE				
MANHATTAN	1977	46	Entire Lot	528 WEST 123 STREET
Property Type: APARTMENT BUILDING				
MANHATTAN	2050	163	Entire Lot	416 WEST 144 STREET
Property Type: RELIGIOUS STRUCTURE				
MANHATTAN	2064	50	Entire Lot	450 WEST 150 STREET
Property Type: RELIGIOUS STRUCTURE				

THE CITY OF NEW YORK
TAX LIEN CERTIFICATE NO. 1A
Manhattan
August 16, 2013

THIS CERTIFICATE, made as of August 16, 2013, from The City of New York, a municipal corporation existing under the laws of the State of New York (the "City") having an address at The City of New York, Department of Finance, 1 Centre Street, New York, New York 10007, to The Bank of New York Mellon, as Collateral Agent and Custodian (the "Collateral Agent and Custodian"), having an address at 101 Barclay Street, 4W, New York, New York 10286, Attention: Asset Backed Securities Group, Email: nyctlabsny@bnymellon.com,

WITNESSETH:

THAT the City, in consideration of TEN DOLLARS (\$10.00), lawful money of the United States, paid in hand by the Collateral Agent and Custodian, and other good and valuable consideration, receipt of which is hereby acknowledged, in accordance with Chapter 3 of Title 11 of the City Administrative Code, DOES HEREBY SELL, TRANSFER, ASSIGN, CONVEY, GRANT AND RELEASE unto the Collateral Agent and Custodian and its successors and assigns all of the City's right, title and interest in and to all real property taxes, assessments, sewer rents, sewer surcharges, water rents and any other City charges that, (A) prior to May 24, 2013, in the case of sewer rents, sewer surcharges and water rents listed under the heading "CIS" on Schedule A hereto, and (B) prior to May 17, 2013, in the case of all real property taxes, assessments and all other City charges, including sewer rents, sewer surcharges and water rents listed under the heading "Environ" on Schedule A hereto (each such date, a "Sale Date"), have become a lien against those certain parcels of real property (each, a "Property") located in the Borough of Manhattan, County of New York and listed on Schedule A hereto by block and lot number, plus all interest and penalties accrued thereon to the applicable Sale Date, plus (except in the case of Properties as to which the owners thereof were subject to bankruptcy proceedings on the applicable Sale Date ("Bankruptcy Tax Liens")) costs of advertisements and notices of sale and a surcharge equal to five percent (5%) of the sum of all such amounts (all such amounts with respect to a Property, including costs of advertisements and notices of sale and the surcharge if any, collectively, a "Tax Lien") in the total amount (the "Tax Lien Principal Balance") set forth with respect to each Property on Schedule A hereto, plus interest accruing thereon from the applicable Sale Date at the rate of nine percent (9%) per annum, compounded daily, for Properties with an actual assessed value of \$250,000 or less and eighteen percent (18%) per annum, compounded daily, for Properties with an actual assessed value greater than \$250,000 (or nine percent (9%) per annum, compounded daily, on the water and sewer component, in the case of certain Bankruptcy Tax Liens where a Property owner was in bankruptcy as of the applicable Sale Date; *provided, however*, that such rate shall be the statutory judgment rate of interest, currently nine percent (9%) per annum, in the case of any Tax Lien with respect to which a judgment of foreclosure has been entered).

THAT the Tax Lien Principal Balance for each Tax Lien is due and payable one year from the applicable Sale Date, unless it becomes due and payable earlier as set forth in Section 11-332 of the City Administrative Code. Accrued interest on the Tax Lien Principal Balance for each

Tax Lien is payable semi-annually on the date which is six months from applicable Sale Date, and on each anniversary of such date and applicable Sale Date, until the Tax Lien Principal Balance is paid in full. The Tax Lien Principal Balance and all accrued interest thereon shall be payable directly to the Collateral Agent and Custodian or its designee.

TO HAVE AND TO HOLD the premises herein granted unto the Collateral Agent and Custodian and its successors and assigns forever.

IN WITNESS WHEREOF, the City has duly executed this Certificate as of the day and year first above written.

Approved as to form:

NEW YORK CITY LAW DEPARTMENT

By *James M. Spiriti*
James McSpirit
Acting Corporation Counsel

THE CITY OF NEW YORK

By *Pamela Parker-Cortijo*
Pamela Parker-Cortijo
Assistant Commissioner, Dept of Finance

STATE OF NEW YORK
COUNTY OF NEW YORK

SS:

SEAL

On September 25, 2013, before me, the undersigned, a Notary Public in and for said State, personally appeared Pamela Parker-Cortijo, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

DEBORAH ALLEN
NOTARY PUBLIC, State of New York
No. 01AL6131489
Qualified in Queens County
Commission Expires 01/15/2014

Deborah Allen

Notary Public

My commission expires: 1/15/14

Records: 14
 Balance: \$21,939,978.35
 Section: Manhattan

New York Tax Liens
 NYC Tax Liens 1998-2 Sold in May 2013 (Schedule A) - \$40,397,128.17 (1998) Liens

Page 1 of 1
 Report Schedule
 Wednesday, August 7, 2013

Block	Lot	Address	Owner	Property	Other	ERP	Emtion	CS	Redempt Fees	Searchers	Loan Total	Interest Rate
372	12	278 EAST 3 STREET	PEOPLES MUTUAL HSNGDE	7420,744.59	721.70	-	-	-	184.38	301,558.83	0,072,733.50	8.00%
363	47	377 EAST 10 STREET	UKAB HSNGS DEVELOPM	728,821.54	-	188.74	-	-	184.38	11,281.78	241,683.44	8.00%
399	24	200 EAST 4 STREET	PEOPLES MUTUAL HSNGE	8,800,038.08	398.33	-	-	-	184.38	490,000.99	102,891,831.66	8.00%
408	37	548 EAST 13 STREET	UKAB HSNGS DEVELOPM	179,256.99	89.31	-	-	-	184.38	8,987.84	188,238.71	8.00%
878	69	18 CHALLENGER PARK SOUTH	THE PLAYERS CLUB	250,470.82	1,024.00	-	-	-	184.38	12,259.86	264,232.76	8.00%
1511	1280	180 CENTRAL PARK SOUTH	PAUL KELLER	38,355.07	-	-	-	-	184.38	1,025.87	38,343.32	8.00%
1547	52	307 EAST 54 STREET	REV DESTINY HOUSING C	1,373,159.25	1,423.81	-	-	6.21	184.38	89,737.69	1,464,491.70	8.00%
1970	41	406 EAST 91 STREET	THE CONVENT OF THE BA	149,241.14	108.68	-	-	1,949.62	184.38	7,878.10	150,146.12	8.00%
1728	1287	7 WEST 131 STREET	SCHWARTZ ALYSSA	1,673.74	-	-	-	-	184.38	91.01	1,859.83	8.00%
1842	1302	70 WEST 107 STREET	SALT MARY MARGALEN O	31,487.32	-	-	-	-	184.38	1,581.09	33,244.79	8.00%
1817	53	150 WEST 133 STREET	RO AFR METH EPS CH	12,448.85	-	-	-	-	184.38	830.71	13,244.84	8.00%
1877	45	578 WEST 123 STREET	RELANDER NDCPC	891,692.89	5,818.86	834.04	-	-	184.38	42,809.40	1,005,800.38	8.00%
2050	183	418 WEST 144 STREET	HAZARETH DELVANCE ET	7,670.69	-	43,570.44	-	-	184.38	2,367.76	51,873.28	8.00%
2084	59	430 WEST 152 STREET	THE COMMUNITY OF THE	182,412.83	148.17	-	-	-	184.38	8,135.83	192,852.43	8.00%

New York Tax Liens
NYC Tax Liens 1998-2
Sold in May 2013 (Schedule A)
Totals for Certificate Number 1A

Property	20,823,461.23
Other	21,886.77
ERP	44,374.22
Environ	0.00
CIS	1,955.83
Noticing Fees	2,301.32
Surcharge	1,044,698.98
Lien Total	21,938,678.35

Exhibit B

ADVANTAGE FORECLOSURE SERVICES, INC.

Title No. FCL-100943-14 (File No. 304650.612)

SCHEDULE A
DESCRIPTION

Block 406 and Lot 27

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York, known and designated as Block 406 and Lot 27 on the New York County Tax Assessment Map.

Premises known as 546 East 13th Street a/k/a 544 East 13th Street a/k/a 544/546 East 13th Street, New York, New York

Exhibit C

Title No: 5298-

COUNTY CLERK SEARCH(1/15/2014)

COMPANY NAME: (uhab housing)
COUNTY: (MANHATTAN)

Run Date: To: 1/15/2014

JUDGMENTS -

Manhattan County from (06/87 to 01/14/14)

Search Parameters- CORP:uhab housing

All Types Of Liens

END RETURNS

PVB - (Parking Violations Bureau - Ending Date 12/26/13)

Search Parameters- CORP:uhab housing

END RETURNS

Environmental Control Board (Fire and Building) - Ending Date 12/31/13)

Search Parameters- CORP:uhab housing

MANHATTAN 203B-UHAB HOUSING DEVELOP
450 EAST 118 STREET
NEW YORK, NY 10035
ECB Violation No.: 43471330L Date-02/13

Amt: \$25.00

MANHATTAN 203B-UHAB HOUSING DEVELOP
229 WEST 113 STREET
NEW YORK, NY 10026
ECB Violation No.: 43581039N Date-10/12

Amt: \$25.00

MANHATTAN 203B-UHAB HOUSING DEVELOP
229 WEST 113 STREET
NEW YORK, NY 10026
ECB Violation No.: 43600953X Date-09/12

Amt: \$25.00

MANHATTAN 203B-UHAB HOUSING DEVELOP
229 WEST 113 STREET
NEW YORK, NY 10026
ECB Violation No.: 44150056R Date-06/13

Amt: \$25.00

UHAB HOUSING
505 WEST 148 STREET
10031
ECB Violation No.: 11289960Y Date-05/12

Amt: \$600.00

UHAB HOUSING
505 WEST 148 STREET
10031
ECB Violation No.: 11289961X Date-05/12

Amt: \$3,100.00

UHAB HOUSING DEVEL.FUND
120 WALL STREET
NY, NY 10005
ECB Violation No.: 38201194P Date-01/10

Amt: \$250.00

UHAB HOUSING DEVELOP. FUND
129-09 26 AVENUE
FLUSHING, NY 11354
ECB Violation No.: 38190467K Date-04/10

Amt: \$80.00

UHAB HOUSING DEVELOPMENT
129-09 26 AVENUE
FLUSHING, NY 11354
ECB Violation No.: 38190040L Date-04/09

Amt: \$1,000.00

UHAB HOUSING DEVELOPMENT
521 WEST 148 STREET
10031
ECB Violation No.: 11282991P Date-05/12

Amt: \$900.00

UHAB HOUSING DEVELOPMENT CORP
550 WEST 144 STREET
NEW YORK, NY 10031
ECB Violation No.: 42316247Y Date-05/13

Amt: \$100.00

UHAB HOUSING DEVELOPMENT FUN
2285 2 AVENUE
NEW YORK, NY 10035
ECB Violation No.: 178092081 Date-07/11

Amt: \$300.00

UHAB HOUSING DEVELOPMENT FUND
129-09 26 AVENUE
QN, NY 11354
ECB Violation No.: 34700119X Date-09/10

Amt: \$450.00

UHAB HOUSING DEVELOPMENT FUND
377 EAST 10 STREET
NEW YORK, NY 10009
ECB Violation No.: 174815356 Date-06/12

Amt: \$100.00

UHAB HOUSING DEVELOPMENT FUND
544 EAST 13 STREET
NEW YORK, NY 10009
ECB Violation No.: 11105459L Date-10/13

Amt: \$1,650.00

UHAB HOUSING DEVELOPMENT FUND
120 WALL STREET
NEW YORK, NY 10005
ECB Violation No.: 35022452X Date-10/13

Amt: \$1,600.00

UHAB HOUSING DEVELOPMENT FUND
120 WALL STREET
NEW YORK, NY 10005
ECB Violation No.: 35022456N Date-10/13

Amt: \$2,400.00

UHAB HOUSING DEVELOPMENT FUND
120 WALL STREET
NEW YORK, NY 10005
ECB Violation No.: 35013656N Date-10/13

Amt: \$2,500.00

UHAB HOUSING DEVELOPMENT FUND
120 WALL STREET
NEW YORK, NY 10005
ECB Violation No.: 35022455L Date-10/13

Amt: \$800.00

UHAB HOUSING DEVELOPMENT FUND
120 WALL STREET
NEW YORK, NY 10005
ECB Violation No.: 35022454J Date-10/13

Amt: \$1,200.00

UHAB HOUSING DEVELOPMENT FUND
120 WALL STREET
NEW YORK, NY 10005
ECB Violation No.: 35022453H Date-10/13

Amt: \$1,000.00

UHAB HOUSING DEVELOPMENT FUND
520 WEST 144 STREET
MANHATTAN, NY 10031
ECB Violation No.: 38219060P Date-04/12

Amt: \$2,500.00

UHAB HOUSING DEVELOPMENT FUND
540 WEST 144 STREET
NEW YORK, NY 10031
ECB Violation No.: 43571656J Date-03/13

Amt: \$100.00

UHAB HOUSING DEVELOPMENT FUND
540 WEST 144 STREET
NEW YORK, NY 10031
ECB Violation No.: 42363591P Date-04/13

Amt: \$100.00

UHAB HOUSING DEVELOPMENT FUND
540 WEST 144 STREET
NEW YORK, NY 10031
ECB Violation No.: 175817759 Date-09/13

Amt: \$100.00

UHAB HOUSING DEVELOPMENT FUND
540 WEST 144 STREET
NEW YORK, NY 10031
ECB Violation No.: 38165796R Date-07/09

Amt: \$350.00

UHAB HOUSING DEVELOPMENT FUND CORP
120 WALL STREET
NY, NY 10005
ECB Violation No.: 36005860R Date-05/10

Amt: \$800.00

UHAB HOUSING DEVELOPMENT FUND CORP
535 WEST 156 STREET
NEW YORK, NY 10032
ECB Violation No.: 43661850M Date-05/13

Amt: \$175.00

UHAB HOUSING DEVELOPMENT FUND CORP 20 FLOOR
120 WALL STREET
NY, NY 10005
ECB Violation No.: 34537562N Date-04/09

Amt: \$350.00

UHAB HOUSING DEVELOPMENT FUND CORPO
2283 2 AVENUE
NEW YORK, NY 10035
ECB Violation No.: 43611019K Date-10/12

Amt: \$300.00

UHAB HOUSING DEVELOPMENT FUND CORPO
2283 2 AVENUE
NEW YORK, NY 10035
ECB Violation No.: 42363160N Date-07/12

Amt: \$25.00

UHAB HOUSING DEVELOPMENT FUND CORPO
2283 2 AVENUE
NEW YORK, NY 10035
ECB Violation No.: 42363304N Date-08/12

Amt: \$300.00

UHAB HOUSING DEVELOPMENT FUND CORPO
2283 2 AVENUE
NEW YORK, NY 10035
ECB Violation No.: 43501618P Date-04/12

Amt: \$25.00

UHAB HOUSING DEVELOPMENT FUND CORPO
2283 2 AVENUE
NEW YORK, NY 10035
ECB Violation No.: 40067689Y Date-07/11

Amt: \$300.00

UHAB HOUSING DEVELOPMENT FUND CORPO
278 EAST 7 STREET
NEW YORK, NY 10009
ECB Violation No.: 42371907M Date-08/11

Amt: \$300.00

UHAB HOUSING DEVELOPMENT FUND CORPO
278 EAST 7 STREET
NEW YORK, NY 10009
ECB Violation No.: 42313417Y Date-08/11

Amt: \$100.00

UHAB HOUSING DEVELOPMENT FUND CORPO
278 EAST 7 STREET
NEW YORK, NY 10009
ECB Violation No.: 43390870H Date-05/11

Amt: \$300.00

UHAB HOUSING DEVELOPMENT FUND CORPO
278 EAST 7 STREET
NEW YORK, NY 10009
ECB Violation No.: 43600389Y Date-03/12

Amt: \$300.00

UHAB HOUSING DEVELOPMENT FUND CORPO
278 EAST 7 STREET
NEW YORK, NY 10009
ECB Violation No.: 43441799L Date-02/12

Amt: \$100.00

UHAB HOUSING DEVELOPMENT FUND CORPO
278 EAST 7 STREET
NEW YORK, NY 10009
ECB Violation No.: 40309862H Date-04/12

Amt: \$100.00

UHAB HOUSING DEVELOPMENT FUND CORPO
278 EAST 7 STREET
NEW YORK, NY 10009
ECB Violation No.: 43580385L Date-05/12

Amt: \$100.00

UHAB HOUSING DEVELOPMENT FUND CORPO
377 EAST 10 STREET
NEW YORK, NY 10009
ECB Violation No.: 40199928R Date-02/12

Amt: \$300.00

UHAB HOUSING DEVELOPMENT FUND CORPO
377 EAST 10 STREET
NEW YORK, NY 10009
ECB Violation No.: 42383194J Date-11/11

Amt: \$300.00

UHAB HOUSING DEVELOPMENT FUND CORPO
377 EAST 10 STREET
NEW YORK, NY 10009
ECB Violation No.: 43115125L Date-01/12

Amt: \$300.00

UHAB HOUSING DEVELOPMENT FUND CORPO
377 EAST 10 STREET
NEW YORK, NY 10009
ECB Violation No.: 43340174Z Date-09/13

Amt: \$100.00

UHAB HOUSING DEVELOPMENT FUND CORPO
1661 LEXINGTON AVENUE
NEW YORK, NY 10029
ECB Violation No.: 42623381P Date-09/11

Amt: \$300.00

UHAB HOUSING DEVELOPMENT FUND CORPO
1661 LEXINGTON AVENUE
NEW YORK, NY 10029
ECB Violation No.: 43374894M Date-08/13

Amt: \$200.00

UHAB HOUSING DEVELOPMENT FUND CORPO
520 WEST 144 STREET
NEW YORK, NY 10031
ECB Violation No.: 43581831R Date-08/13

Amt: \$300.00

UHAB HOUSING DEVELOPMENT FUND CORPO
520 WEST 144 STREET
NEW YORK, NY 10031
ECB Violation No.: 43482367Z Date-08/13

Amt: \$300.00

UHAB HOUSING DVLPMENT FUND COR
550 WEST 144 STREET
NEW YORK, NY 10031
ECB Violation No.: 177680700 Date-11/13

Amt: \$300.00

END RETURNS

Federal Tax Liens from (01/94 - 01/14/14)

Manhattan, Bronx, Queens, Kings County
Search Parameters- CORP:uhab housing

END RETURNS

Index No:
SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

NYCTL 2013-A TRUST, and THE BANK OF NEW YORK MELLON as Collateral Agent and Custodian for the
NYCTL 2013-A Trust,

Plaintiff,

- against -

UHAB HOUSING DEVELOPMENT FUND CORPORATION, NEW YORK CITY DEPARTMENT OF FINANCE, NEW YORK STATE DEPARTMENT OF TAXATION AND FINANCE, NEW YORK CITY ENVIRONMENTAL CONTROL BOARD, NCB CAPITAL IMPACT and "JOHN DOE No. 1" through "JOHN DOE No. 100" inclusive, the names of the last 100 defendants being fictitious, the true names of said defendants being unknown to plaintiff, it being intended to designate fee owners, tenants or occupants of the liened premises and/or persons or parties having or claiming an interest in or a lien upon the liened premises, if the aforesaid individual defendants are living, and if any or all of said individual defendants be dead, their heirs at law, next of kin, distributees, executors, administrators, trustees, committees, devisees, legatees, and the assignees, lienors, creditors and successors in interest of them, and generally all persons having or claiming under, by, through, or against the said defendants named as a class, of any right, title, or interest in or lien upon the premises described in the complaint herein,

Defendants.

SUMMONS IN TAX LIEN FORECLOSURE AND COMPLAINT

WINDELS MARX LANE & MITTENDORF, LLP
Attorneys for Plaintiff
156 WEST 56TH STREET
NEW YORK, NEW YORK 10019
212.237.1000

To: _____ Signature (Rule 130-1.1-a)

Attorney(s) for _____ Printed name beneath

Service of a copy of the within _____ is hereby admitted.

Dated, _____
Attorney(s) for _____

Please take notice
 NOTICE OF ENTRY
that the within is a (certified) true copy of a
duly entered in the office of the clerk of the within court on
 NOTICE OF SETTLEMENT
that an order _____ of which the within is a true copy will be presented for
settlement to the HON. _____ one of the judges of
the within court, at _____
on _____ at _____ M

Dated, _____ Yours, etc.

WINDELS MARX LANE & MITTENDORF, LLP
Attorneys for Plaintiff
156 WEST 56TH STREET
NEW YORK, NEW YORK 10019
212.237.1000

To

Attorney(s) for

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

NYCTL 2013-A TRUST, and THE BANK OF NEW
YORK MELLON as Collateral Agent and Custodian for
the NYCTL 2013-A Trust,

Plaintiffs,

- against -

UHAB HOUSING DEVELOPMENT FUND
CORPORATION, NEW YORK CITY DEPARTMENT
OF FINANCE, NEW YORK STATE DEPARTMENT OF
TAXATION AND FINANCE, NEW YORK CITY
ENVIRONMENTAL CONTROL BOARD, NCB
CAPITAL IMPACT and "JOHN DOE No. 1" through
"JOHN DOE No. 100" inclusive, the names of the last 100
defendants being fictitious, the true names of said
defendants being unknown to plaintiff, it being intended to
designate fee owners, tenants or occupants of the liened
premises and/or persons or parties having or claiming an
interest in or a lien upon the liened premises, if the
aforesaid individual defendants are living, and if any or all
of said individual defendants be dead, their heirs at law,
next of kin, distributees, executors, administrators, trustees,
committees, devisees, legatees, and the assignees, lienors,
creditors and successors in interest of them, and generally
all persons having or claiming under, by, through, or
against the said defendants named as a class, of any right,
title, or interest in or lien upon the premises described in
the complaint herein,

Defendants.

Index No.:

**NOTICE OF
PENDENCY
OF ACTION**

Borough: MANHATTAN
Block: 406
Lot: 27

NOTICE IS HEREBY GIVEN that an action has been commenced and now is
pending in this Court upon the Complaint of the plaintiffs NYCTL 2013-A Trust and The Bank
of New York Mellon, as Collateral Agent and Custodian for the NYCTL 2013-A Trust, against
the above-named defendants for the foreclosure of a tax lien affecting the property described in
Schedule A attached hereto, which property is known as Block 406 Lot 27 on the Tax Map of

NEW YORK County and is also known as 546 East 13th Street a/k/a 544 East 13th Street a/k/a 544/546 East 13th Street, New York, New York.

The Clerk of this Court is hereby directed to index this Notice against the above described property and the above-named defendants and each of them.

Dated: New York, New York
January 27, 2014

WINDELS MARX LANE & MITTENDORF LLP
Attorneys for Plaintiffs
NYCTL 2013-A Trust, and The Bank of New York
Mellon as Collateral Agent and Custodian for the
NYCTL 2013-A Trust

By: 

Michael H. Resnikoff, Esq.
156 West 56th Street
New York, New York 10019
(212) 237-1102

ADVANTAGE FORECLOSURE SERVICES, INC.

Title No. FCL-100943-14 (File No. 304650.612)

SCHEDULE A
DESCRIPTION

Block 406 and Lot 27

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York, known and designated as Block 406 and Lot 27 on the New York County Tax Assessment Map.

Premises known as 546 East 13th Street a/k/a 544 East 13th Street a/k/a 544/546 East 13th Street, New York, New York

Index No:
SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

NYCTL 2013-A TRUST, and THE BANK OF NEW YORK MELLON as Collateral Agent and Custodian for the
NYCTL 2013-A Trust,

Plaintiff,

- against -

UHAB HOUSING DEVELOPMENT FUND CORPORATION, NEW YORK CITY DEPARTMENT OF FINANCE, NEW YORK STATE DEPARTMENT OF TAXATION AND FINANCE, NEW YORK CITY ENVIRONMENTAL CONTROL BOARD, NCB CAPITAL IMPACT and "JOHN DOE No. 1" through "JOHN DOE No. 100" inclusive, the names of the last 100 defendants being fictitious, the true names of said defendants being unknown to plaintiff, it being intended to designate fee owners, tenants or occupants of the liened premises and/or persons or parties having or claiming an interest in or a lien upon the liened premises, if the aforesaid individual defendants are living, and if any or all of said individual defendants be dead, their heirs at law, next of kin, distributees, executors, administrators, trustees, committees, devisees, legatees, and the assignees, lienors, creditors and successors in interest of them, and generally all persons having or claiming under, by, through, or against the said defendants named as a class, of any right, title, or interest in or lien upon the premises described in the complaint herein,

Defendants.

NOTICE OF PENDENCY OF ACTION

WINDELS MARX LANE & MITTENDORF, LLP
Attorneys for Plaintiff
156 WEST 56TH STREET
NEW YORK, NEW YORK 10019
212.237.1000

To: _____ Signature (Rule 130-1.1-a)

Attorney(s) for _____ Printed name beneath

Service of a copy of the within _____ is hereby admitted.

Dated, _____
Attorney(s) for _____

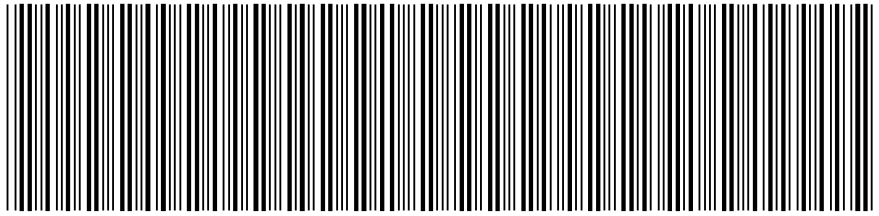
Please take notice
 NOTICE OF ENTRY
that the within is a (certified) true copy of a
duly entered in the office of the clerk of the within court on
 NOTICE OF SETTLEMENT
that an order _____ of which the within is a true copy will be presented for
settlement to the HON. _____ one of the judges of
the within court, at _____
on _____ at _____ M
Dated, _____ Yours, etc.

WINDELS MARX LANE & MITTENDORF, LLP
Attorneys for Plaintiff
156 WEST 56TH STREET
NEW YORK, NEW YORK 10019
212.237.1000

To
Attorney(s) for

**NYC DEPARTMENT OF FINANCE
OFFICE OF THE CITY REGISTER**

This page is part of the instrument. The City Register will rely on the information provided by you on this page for purposes of indexing this instrument. The information on this page will control for indexing purposes in the event of any conflict with the rest of the document.



2009020400607001001E0DBD

RECORDING AND ENDORSEMENT COVER PAGE

PAGE 1 OF 42

Document ID: 2009020400607001

Document Date: 01-30-2009

Preparation Date: 02-04-2009

Document Type: MORTGAGE

Document Page Count: 41

PRESENTER:

FIRST AMERICAN TITLE INSURANCE- PICK UP FOR GAIL
633 THIRD AVENUE
3008-258074(IS)
NEW YORK, NY 10017
212-850-0670

RETURN TO:

DICKSTEIN SHAPIRO LLP
ATTN: JAMES D. KELLY, ESQ.
1825 EYE STREET, N.W.
WASHINGTON, D.C., DC 20006

PROPERTY DATA

Borough	Block	Lot	Unit	Address
MANHATTAN	406	27	Entire Lot	544 EAST 13TH STREET
Property Type: OTHER				

CROSS REFERENCE DATA

CRFN _____ or Document ID _____ or _____ Year _____ Reel _____ Page _____ or File Number _____

PARTIES

MORTGAGOR/BORROWER:

UHAB HOUSING DEVELOPMENT FUND CORPORATION
120 WALL STREET, 20TH FLOOR
NEW YORK, NY 10005

MORTGAGEE/LENDER:

NCB CAPITAL IMPACT
2011 CRYSTAL DRIVE, SUITE 800
ARLINGTON, VA 22202

FEES AND TAXES

Mortgage		Filing Fee:	
Mortgage Amount:	\$ 850,000.00		\$ 0.00
Taxable Mortgage Amount:	\$ 0.00	NYC Real Property Transfer Tax:	\$ 0.00
Exemption:	253		\$ 0.00
TAXES: County (Basic):	\$ 0.00	NYS Real Estate Transfer Tax:	\$ 0.00
City (Additional):	\$ 0.00		\$ 0.00
Spec (Additional):	\$ 0.00		
TASF:	\$ 0.00		
MTA:	\$ 0.00		
NYCTA:	\$ 0.00		
Additional MRT:	\$ 0.00		
TOTAL:	\$ 0.00		
Recording Fee:	\$ 242.00		
Affidavit Fee:	\$ 8.00		

**RECORDED OR FILED IN THE OFFICE
OF THE CITY REGISTER OF THE
CITY OF NEW YORK**

Recorded/Filed 02-11-2009 16:04
City Register File No.(CRFN):

2009000040802



Annette McHill

City Register Official Signature

MORTGAGE

Date: January 30, 2009

Mortgagor: UHAB HOUSING DEVELOPMENT FUND CORPORATION a corporation formed pursuant to Article XI of the New York Private Housing Finance Law

Address: 120 Wall Street, 20th Floor, New York, New York 10005

Mortgagee: NCB CAPITAL IMPACT, a corporation organized under the laws of the District of Columbia at the direction of the U.S. Congress in 12 U.S.C. §3051

Address: 2011 Crystal Drive
Suite 800
Arlington, Virginia 22202

Mortgage Amount: Eight Hundred Fifty Thousand and No/100 Dollars (\$850,000.00)

Location of Premises: 544 East 13th Street, New York, New York
Lot 27, Block 406

County: New York

3008-258074
First American Title Insurance Company of New York
633 Third Avenue
New York, New York 10017
T - (212) 922-9700
F - (212) 922-0381

Record and Return to: *Dickstein Shapiro LLP*
1825 Eye Street, N.W.
Washington, D.C. 20006
Attn: James D. Kelly, Esq.

MORTGAGE

THIS MORTGAGE (this "Mortgage") is made as of the ____ day of _____ 2009, by UHAB HOUSING DEVELOPMENT FUND CORPORATION a corporation formed pursuant to Article XI of the New York Private Housing Finance Law having its principal office and place of business at 120 Wall Street, 20th Floor, New York, New York 10005, for the benefit of NCB CAPITAL IMPACT, a corporation organized under the laws of the District of Columbia at the direction of the U.S. Congress in 12 U.S.C. §3051 having its principal operating and servicing office located at 2011 Crystal Drive, Suite 800, Arlington, Virginia 22202. All capitalized terms used in the Recitals are defined in the section entitled "Certain Definitions".

RECITALS

A. The Mortgagor is the owner of the real property described in **Exhibit A** attached hereto. Mortgagor is a wholly owned subsidiary of UHAB.

B. UHAB has borrowed the Mortgage Amount, as evidenced by the Note, obligating UHAB to pay the Mortgage Amount together with all interest accrued thereon.

C. Mortgagee is not willing to make any further funds available to UHAB pursuant to the Note or otherwise continue to extend credit to UHAB unless Mortgagor grants a Mortgage in the Mortgaged Property in order to secure the payment of both the Mortgage Amount and the interest and any other sums payable on, the Note.

D. As a wholly owned subsidiary, Mortgagor will directly benefit from Mortgagee continuing its extension of credit to UHAB.

CERTAIN DEFINITIONS

The Mortgagor and the Mortgagee agree that the following terms shall have the meanings herein specified:

"Chattels" means all fixtures, fittings, appliances, apparatus, equipment, machinery, building materials, inventory and articles of personal property and replacements thereof, other than those owned or rented by service vendors or by lessees which may be removed by such lessee at the expiration of such lease, now or at any time hereafter affixed to, attached to, placed upon, or used in any way in connection with the complete and comfortable use, enjoyment, occupancy or operation of the Premises or the Improvements, together with any proceeds realized from the sale, transfer or conversion of any of the above.

"Default Rate" means at a rate equal to five (5%) percent in excess of the applicable rate specified by the Note, but in no event higher than the maximum rate allowed by applicable law.

“Documents” means the Note, the Loan Agreement, this Mortgage and all other documents further evidencing and/or securing the loan evidenced by the Note together with all modifications or amendments thereto.

“Environmental Law” means any and all present and future federal, state or local laws, statutes, codes, ordinances, rules, regulations, permits, consents, approvals, licenses, judgments, orders, writs, decrees, injunctions or other restrictions or requirements relating to health, the environment, any Hazardous Materials or any use, storage, release, threatened release, emission, discharge, generation, processing, abatement, removal or disposition of any Hazardous Materials from, under, into or on the Mortgaged Property or any handling, transportation or treatment of Hazardous Materials relating to the Mortgaged Property, including, but not limited to, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. Sections 9601, et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Section 6921, et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. Section 1801, et seq.), the Clean Air Act, as amended (42 U.S.C. Sections 7401, et seq.), the Clean Water Act, as amended (33 U.S.C. Sections 1251, et seq.), the Toxic Substances Control Act, as amended (15 U.S.C. Sections 2601 et seq.), the Safe Drinking Water Act, as amended (42 U.S.C. Sections 300f et seq.), the Atomic Energy Act, as amended (42 U.S.C. Sections 2011 et seq.), the Federal Insecticide, Fungicide and Rodenticide Act, as amended (7 U.S.C. Sections 136 et seq.), the Occupational Safety and Health Act, as amended (29 U.S.C. Sections 651 et seq.), and the regulations adopted and publications promulgated pursuant thereto.

“Events of Default” means the events and circumstances described as such in Section 2.01 hereof.

“Hazardous Materials” means any substance, material or waste which is regulated by any federal, state or local governmental or quasi-governmental authority, and includes, without being limited to, (a) any substance, material or waste defined, used or listed as a “hazardous waste”, “extremely hazardous waste”, “restricted hazardous waste”, “hazardous substance”, “hazardous material”, “toxic substance” or other similar or related terms as defined, used or listed in any Environmental Law, (b) any petroleum products, asbestos, polychlorinated biphenyls, flammable explosives or radioactive materials, (c) any additional substances or materials which are now or hereafter hazardous or toxic substances under any Environmental Law relating to the Premises and (d) as of any date of determination, any additional substances or materials which are hereafter incorporated in or added to the definition of “hazardous substance” for purposes of any Environmental Law.

“Improvements” means all improvements, structures or buildings, and replacements and alterations thereof, to be erected or now or hereafter located upon the Premises including all plant, equipment, apparatus, machinery and fixtures of every kind and nature whatsoever forming part of said improvements, structures or buildings.

“Loan Agreement” means that certain Business Loan Agreement, dated May 1, 2002 between the Mortgagee and UHAB, as modified by those certain Change in Terms Agreement, dated April 23, 2003, November 18, 2003, January 13, 2005, together with all further modifications and amendments thereto.

“Mortgage Amount” means Eight Hundred Fifty Thousand and No/100 Dollars (\$850,000.00) or so much thereof as shall be advanced pursuant to the Note or this Mortgage.

“Mortgaged Property” means the property specified as such in the Granting Clause of this Mortgage.

“Mortgagee” means NCB Capital Impact, its successors and assigns.

“Mortgagor” means UHAB Housing Development Fund Corporation.

“Note” means that certain amended and restated Promissory Note dated August 21, 2008 made by UHAB and payable to the order of the Mortgagee in the maximum principal amount of Eight Hundred Fifty Thousand and No/100 Dollars (\$850,000.00), together with all modifications and amendments thereto.

“Premises” means the premises identified as such on Exhibit A hereto, which is located at 544 East 13th Street, New York, New York, including all of the easements, rights, privileges and appurtenances thereunto belonging or in anyway appertaining, and all of the estate, right, title, interest, claim or demand whatsoever of the Mortgagor therein and in and to the strips and gores, streets, ways, alleys, passages, sewer rights, waters, water courses, water rights and powers adjacent thereto, either at law or in equity, in possession or expectancy, now or hereafter acquired.

“UCC” shall mean the Uniform Commercial Code as the same may from time to time be enacted and in effect in the State of New York, provided, that to the extent the UCC is used to define any term in this Mortgage, and such term has different meanings in different Articles or Divisions of the UCC, the definition of such term contained in Article or Division 9 of the UCC shall govern; provided further, that if by reason of mandatory provisions of law, any or all of the attachment, perfection or priority of, or remedies with respect to, Mortgagee’s lien on any Mortgaged Property is governed by the UCC as enacted and in effect in a jurisdiction other than the State of New York, the term “UCC” shall mean the Uniform Commercial Code as enacted and in effect in such other jurisdiction solely for purposes of the provisions thereof relating to such attachment, perfection, priority or remedies and for purposes of definitions related to such provisions.

UHAB means Urban Homesteading Assistance (U-HAB), INC., a New York corporation having its principal office and place of business at 120 Wall Street, 20th Floor, New York, New York 10005.

Unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein, words used in this Mortgage shall be used interchangeably in singular or plural form and the word "Mortgagor" shall mean "each Mortgagor and/or any subsequent owner or owners of the Mortgaged Property or any part thereof or interest therein," the word "Mortgagee" shall mean "the Mortgagee or any subsequent holder of the Note," the word "Note" shall mean "the Note or any other evidence of indebtedness secured by this Mortgage," the term "lease" shall include all leases, occupancy agreements, licenses and any other arrangements by which a person may occupy a portion of the Premises, the term "rent" shall include all impositions, assessments, occupancy charges, maintenance charges, flip taxes and any other fees and charges payable by a tenant of the Mortgagor, the word "person" shall include an individual, corporation, partnership, trust, unincorporated association, government, governmental authority, or other entity, the words "Mortgaged Property" shall include any portion of the Mortgaged Property or interest therein, and the terms "include", "including" and similar terms shall be construed as if followed by the phrase "without being limited to". Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa. All terms of this Mortgage which are not defined above have the meaning set forth in this Mortgage.

GRANTING CLAUSE

NOW, THEREFORE, the Mortgagor, in order to secure the payment of both the Mortgage Amount and the interest and any other sums payable on, the Note, this Mortgage and the other Documents and the performance and observance of all the provisions hereof and of the Note and the other Documents including, without limitation, the payment of all sums under the Note and any further sums advanced by the Mortgagee pursuant to this Mortgage to the extent the aggregate of such sums expended pursuant hereto exceed the sum of the Mortgage Amount, hereby gives, grants, bargains, sells, warrants, alienates, demises, releases, conveys, assigns, transfers, mortgages, hypothecates, deposits, pledges, sets over and confirms unto the Mortgagee, with mortgage covenants, all its estate, right, title and interest in, to and under any and all of the following described property (the "Mortgaged Property") whether now owned or held or hereafter acquired:

- (i) the Premises;
- (ii) the Improvements;
- (iii) the Chattels;
- (iv) all proceeds of the conversion, voluntary or involuntary, of any of the foregoing into cash or liquidated claims, including, without limitation, proceeds of insurance and condemnation awards and any unearned premiums accrued, accruing or to accrue under any and all insurance policies now or hereafter obtained by the Mortgagor and real estate tax and assessment refunds and credits at any time accruing to the benefit of the Mortgagor in connection

with the Mortgaged Property or the Mortgaged Property, even if relating to taxes and assessments payable for a period or periods prior to the date hereof;

(v) all leases of the Premises or any part thereof now or hereafter entered into and all right, title and interest of the Mortgagor thereunder; and including, without limitation, the Mortgagor's right, if any, to cash or securities deposited thereunder whether or not same was deposited to secure performance by the lessees of their obligations thereunder, including, further, the right upon the happening of an Event of Default, to receive and collect the rents and other charges thereunder (all of which leases are assigned to the Mortgagee as further security hereunder);

(vi) all utility or municipal deposits made by or on behalf of the Mortgagor in connection with the Premises;

(vii) all plans, drawings, specifications, site plans, sketches, samples, contracts and agreements, however characterized from time to time prepared for use in connection with the construction, repair, renovation, or maintenance of the Improvements;

(viii) all contracts, agreements and understandings now or hereafter entered into, relating to or involving the performance of any work, rendering of any services, and supply of any materials or the conduct of operations in and the management of the Premises including, without limitation, construction contracts, architect agreements, management agreements, options and other agreements, however characterized, affecting the Premises and/or the Improvements;

(ix) any and all permits, certificates, approvals and authorizations, however characterized, issued or in any way furnished whether necessary or not, for the operation and use of the Premises and/or the Improvements and/or Chattels, including, without limitation, building permits, environmental certificates, certificates of operation, warranties and guarantees; and

(x) all Proceeds (as defined in the UCC) and all extensions, improvements, betterments, renewals, substitutes and replacements of, and all additions and appurtenances to, any of the foregoing hereafter acquired by, or released to, the Mortgagor or constructed, assembled or placed by the Mortgagor on the Premises and all conversions of the security constituted thereby, immediately upon such acquisition, release, construction, assemblage, placement or conversion, as the case may be, and in each such case, without any further mortgage, deed of trust, conveyance, assignment or other act by the Mortgagor, the same shall become subject to the lien of this Mortgage as fully and completely, and with the same effect, as though now owned by the Mortgagor and specifically described herein.

TO HAVE AND TO HOLD unto the Mortgagee, its successors and assigns forever.

NOTWITHSTANDING ANYTHING CONTAINED HEREIN TO THE CONTRARY, THE MAXIMUM AMOUNT OF INDEBTEDNESS SECURED BY THIS MORTGAGE AT EXECUTION OR WHICH UNDER ANY CONTINGENCY MAY BECOME SECURED HEREBY AT ANY TIME HEREAFTER IS THE PRINCIPAL SUM EQUAL TO THE MORTGAGE AMOUNT, EIGHT HUNDRED FIFTY THOUSAND DOLLARS (\$850,000) PLUS INTEREST THEREON, PLUS AMOUNTS EXPENDED BY THE MORTGAGEE AFTER A DECLARATION OF DEFAULT HEREUNDER TO MAINTAIN THE LIEN OF THIS MORTGAGE, OR TO PROTECT THE PROPERTY SECURED BY THIS MORTGAGE, INCLUDING, WITHOUT LIMITATION, AMOUNTS IN RESPECT OF INSURANCE PREMIUMS, REAL ESTATE TAXES, LITIGATION EXPENSES TO PROSECUTE OR DEFEND THE RIGHTS, REMEDIES AND LIEN OF THIS MORTGAGE OR TITLE TO THE PROPERTY SECURED HEREBY, AND ANY COSTS, CHARGES OR AMOUNTS TO WHICH THE MORTGAGEE BECOMES SUBROGATED UPON PAYMENT, WHETHER UNDER RECOGNIZED PRINCIPLES OF LAW OR EQUITY OR UNDER EXPRESS STATUTORY AUTHORITY, TOGETHER WITH INTEREST ON ALL THE FOREGOING AMOUNTS AT THE DEFAULT RATE.

ARTICLE I.

**PARTICULAR COVENANTS, WARRANTIES AND
REPRESENTATIONS OF THE MORTGAGOR**

The Mortgagor covenants, warrants, represents and agrees as follows:

Section 1.01 Title to Mortgaged Property.

(a) The Mortgagor warrants that it has a good and marketable title to an indefeasible fee estate in the Premises subject in all cases to no lien, charge or encumbrance except for exceptions to title approved in writing by the Mortgagee and listed in the title policy insuring the lien of this Mortgage. The Mortgagor further warrants that it will own the Chattels free and clear of liens and claims; and that this Mortgage is and will remain a valid and enforceable first lien on the Mortgaged Property subject only to the exceptions to title in the title policy insuring the lien of this Mortgage that have been approved in writing by the Mortgagee. The Mortgagor has full power and lawful authority to mortgage the Mortgaged Property in the manner and form herein done or intended hereafter to be done. The Mortgagor will preserve such title, and will forever warrant and defend the validity and priority of the lien hereof against the claims of all persons and parties whomsoever. The Mortgagor is a duly created and validly existing New York corporation with full power and authority to execute and deliver the Documents and consummate the transactions contemplated hereby.

(b) The Mortgagor will not, without the prior written consent of the Mortgagee, (i) initiate or support any zoning reclassification of the Premises or use or permit the use of the Premises in a manner which would result in such use becoming a nonconforming

use under applicable zoning ordinances, (ii) impose or consent to the imposition of any restrictive covenants or encumbrances upon the Premises, (iii) execute, file or consent to any subdivision plat affecting the Premises or consent to the annexation of the Premises to any municipality, (iv) combine the tax lot or lots comprising the Premises with any tax lot or lots or any portion thereof which is not subject to the lien of this Mortgage or (v) permit or suffer the Premises to be used by the public or any person in such manner as might make possible a claim of adverse usage or possession or of any implied dedication or easement.

Section 1.02 Further Assurances. The Mortgagor will, at the cost and reasonable expense of the Mortgagor, and without expense to the Mortgagee, promptly correct any defect or error which may be discovered in any of the Documents to which it is a party and shall do, execute, acknowledge and deliver all and every such further acts, deeds, conveyances, mortgages, assignments, notices of assignment, transfers and assurances as the Mortgagee shall from time to time reasonably require, for the better assuring, conveying, assigning, transferring and confirming unto the Mortgagee the property and rights hereby conveyed, mortgaged or assigned or intended now or hereafter so to be, or which the Mortgagor may be or may hereafter become bound to convey, mortgage or assign to the Mortgagee, or for carrying out the intention or facilitating the performance of the terms of this Mortgage, and for filing, registering or recording this Mortgage and, on demand, will execute and deliver, and hereby authorizes the Mortgagee to execute in the name of the Mortgagor to the extent it may lawfully do so, in the event of the failure or refusal of the Mortgagor so to do, one or more financing statements, chattel mortgages or comparable security instruments, and renewals thereof to evidence more effectively the lien hereof upon the Chattels.

Section 1.03 Recording Fees/Transfer Taxes.

(a) The Mortgagor forthwith upon the execution and delivery of this Mortgage, and thereafter from time to time, will cause this Mortgage and any security instrument creating a lien or evidencing the lien hereof upon the Chattels and each instrument of further assurance to be filed, registered or recorded in such manner and in such places as may be required by any present or future law in order to publish notice of and fully to protect the lien hereof upon, and the interest of the Mortgagee in, the Mortgaged Property.

(b) The Mortgagor will pay to the extent applicable all filing, registration and recording fees, and all expenses incident to the execution and acknowledgment of this Mortgage, any mortgage supplemental hereto, any security instrument with respect to the Chattels, and any instrument of further assurance, and all federal, state, county and municipal stamp taxes and other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution, delivery and recording of the Note, this Mortgage, any mortgage supplemental hereto, any security instrument with respect to the Chattels or any instrument of further assurance.

(c) If a mortgage recording or transfer tax is imposed on this Mortgage or any amendment to this Mortgage at any time, the Mortgagor shall pay such tax. If

applicable law prohibits the Mortgagor from making such payments, the Mortgagee may, at its election, declare all sums outstanding under the Note or under this Mortgage immediately due and payable. The Mortgagee and/or its assigns shall have no obligation to either participate in any dispute of said tax or to make any payment with respect thereto and the Mortgagor agrees to indemnify the Mortgagee and its assigns and hold them harmless from any liability with respect thereto and to reimburse or pay upon demand for the same by the Mortgagee and/or its assigns their reasonable costs and expenses (including, but without limitation, reasonable attorneys' fees and disbursements) incurred with respect thereto or in connection therewith.

Section 1.04 Payment of Indebtedness. UHAB will punctually pay the principal and interest and all other sums to become due in respect of the Note at the time and place and in the manner specified in the Note, according to the true intent and meaning thereof and without offset or counterclaim, all in any coin or currency of the United States of America which at the time of such payment shall be legal tender for the payment of public and private debts.

Section 1.05 Good Standing of the Mortgagor. The Mortgagor is a duly incorporated, validly existing corporation formed pursuant to Article XI of the New York Private Housing Finance Law in good standing under the laws of such jurisdiction,. The Mortgagor will do all things necessary to preserve and keep in full force and effect its existence, franchises, rights and privileges, as an education corporation under the laws of the State of New York and will comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental authority or court and applicable to the Mortgagor or to the Mortgaged Property or any part thereof. The Mortgagor will not without the prior written consent of the Mortgagee, which consent shall not be unreasonably delayed or withheld, so long as any sums are owed pursuant to the Note or this Mortgage (i) consolidate or merge the Mortgagor into or with any corporation, partnership or other entity, effect any voluntary liquidation or reorganization, or effect any change in its capital structure, or (ii) amend its articles of incorporation or its bylaws.

Section 1.06 Lien on Improvements. All rights, title and interest of the Mortgagor in and to all extensions, improvements, betterments, renewals, substitutes and replacements of, and all additions and appurtenances to, the Mortgaged Property, hereafter acquired by, or released to, the Mortgagor or constructed, assembled or placed by the Mortgagor on the Premises, and all conversions of the security constituted thereby, immediately upon such acquisition, release, construction, assembling, placement or conversion, as the case may be, and in each such case, without any further mortgage, conveyance, assignment or other act by the Mortgagor, shall become subject to the lien of this Mortgage as fully and completely, and with the same effect, as though now owned by the Mortgagor and specifically described in the granting clause hereof, but at any and all times the Mortgagor will execute and deliver to the Mortgagee any and all such further assurances, mortgages, conveyances or assignments thereof as the Mortgagee may reasonably require for the purpose of expressly and specifically subjecting the same to the lien of this Mortgage.

Section 1.07 Impositions and Tax Deposits.

(a) The Mortgagor, from time to time when the same shall become due and payable, but without the benefit of any grace period therefor whether or not a penalty or interest charge would be imposed in such grace period, will pay and discharge all taxes of every kind and nature (including real and personal property taxes and income, franchise, withholding, profits and gross receipts taxes), all general and special assessments, levies, permits, inspection and license fees, all water and sewer rents and charges, and all other public charges whether of a like or different nature, imposed upon or assessed against it or the Mortgaged Property or any part thereof or upon the revenues, rents, issues, income and profits of the Mortgaged Property or arising in respect of the occupancy, use or possession thereof (collectively, "Impositions"). The Mortgagor will, upon the request of the Mortgagee, deliver to the Mortgagee receipts evidencing the payment of all such Impositions imposed upon or assessed against it or the Mortgaged Property or the revenues, rents, issues, income or profits thereof.

(b) Following the occurrence of an Event of Default, the Mortgagee may require that the Mortgagor deposit with the Mortgagee or any servicer or financial institution designated for such purposes by the Mortgagee (whichever of the foregoing is applicable being the "Depository"), on the first day of each month, one-twelfth (1/12) of the annual real estate taxes ("Taxes"), if any, assessed against the Mortgaged Property (and, if the Mortgagee shall so elect, any or all other Impositions) and the Mortgagor shall accordingly make such deposits. In addition, if required by the Mortgagee, the Mortgagor shall also deposit with the Depository a sum of money which, together with the aforesaid monthly installments, will be sufficient to make payments of Taxes (and, if the Mortgagee has elected to collect deposits for other Impositions, such other Impositions) at least forty-five (45) days before such payments are due. If the amount of any such payment is not ascertainable at the time any such deposit is required to be made, the deposit shall be made on the basis of the Mortgagee's estimate thereof, and when such amount is fixed for the then-current year, the Mortgagor shall promptly deposit any deficiency with the Depository.

All funds so deposited, until so applied, shall constitute additional security for the Note, shall be held by the Depository without interest (except to the extent required under applicable laws), and may be commingled with other funds of the Depository. So long as no Event of Default shall exist and be continuing hereunder, and provided that the Mortgagor shall have supplied, in the manner set forth in the next sentence of this subsection, the instructions, information and documents necessary for the Depository to make an effective application and payment of such funds, all funds so deposited shall be applied to the payment of Impositions in the order determined by the Mortgagee and in accordance with instructions to be furnished to the Mortgagee by the Mortgagor. The Mortgagor shall, at least thirty (30) days before the date on which the Impositions first become payable, furnish the Depository with bills and instructions for the payment of the Impositions and/or such other documents as are necessary for the payment of the same. If the Mortgagor has not complied with any of the foregoing or, in any event, during

the continuance of an Event of Default hereunder, the Mortgagee may apply funds so deposited in the order determined by the Mortgagee.

Upon an assignment or transfer of this Mortgage by the Mortgagee, the Mortgagee shall have the right to assign and/or transfer the unapplied balance of any amounts deposited pursuant to this Section 1.07, if any, to the assignee or transferee (or to a successor Depository designated by such assignee or transferee) and the Mortgagee shall thereupon be completely released from all liability with respect thereto. This provision shall apply to every transfer of such deposits to a new assignee or transferee (or a successor Depository). When the loan evidenced by the Note has been paid in full, and all other obligations of the Mortgagor under the Documents have been performed and observed in full, the Mortgagee shall, and at any prior time, the Mortgagee, at its election, may, pay over or cause the Depository (if not the Mortgagee) to pay over the unapplied balance of the deposits, if any, to the record owner of the Mortgaged Property or its designee and no other person shall have any right or claim thereto.

(c) The Mortgagor will pay all taxes except income, franchise or other similar taxes, inheritance, estate and gift taxes, imposed on the Mortgagee by reason of its ownership of the Note or this Mortgage.

(d) Nothing in this Section 1.07 shall require the payment or discharge of any obligation imposed upon the Mortgagor by this Section so long as the Mortgagor shall in good faith and at its own expense contest the same or the validity thereof by appropriate legal proceedings which shall operate to prevent the collection thereof or other realization thereon and the sale or forfeiture of the Premises or any part thereof to satisfy the same; provided that during such contest the Mortgagor shall, at the option of the Mortgagee, provide security satisfactory to the Mortgagee, assuring the discharge of the Mortgagor's obligation hereunder and of any additional charge, penalty or expense arising from or incurred as a result of such contest; and provided, further, that if at any time payment of any obligation imposed upon the Mortgagor by subsection (a) of this Section shall become necessary to prevent the delivery of a tax deed or other similar instrument conveying the Mortgaged Property or any portion thereof because of non-payment, then the Mortgagor shall pay the same in sufficient time to prevent the delivery of such tax deed or other similar instrument.

Section 1.08 Mechanics' and Other Liens. The Mortgagor will pay, or otherwise cause for the payment of, from time to time when the same shall become due, all lawful claims and demands of mechanics, materialmen, laborers, and others which, if unpaid, might result in, or permit the creation of, a lien on the Mortgaged Property or any part thereof, or on the revenues, rents, issues, income and profits arising therefrom and in general will do or cause to be done everything necessary so that the lien hereof shall be fully preserved, at the cost of the Mortgagor, without expense to the Mortgagee. Notwithstanding the foregoing, in the event any lien, charge or order for the payment of money or other encumbrance is filed against the Mortgaged Property, the Mortgagor shall cause the same to be discharged of record or bonded within thirty (30) days after the filing thereof. The Mortgagor shall pay or cause the payment of

all costs and expenses incurred in posting the bond or other security and in defending any lien foreclosure action. The Mortgagor further agrees to reimburse or cause the reimbursement of the Mortgagee for all reasonable costs and expenses including reasonable attorneys' fees and disbursements incurred by the Mortgagee in connection with any such lien foreclosure action.

Section 1.09 Insurance and Insurance Deposits.

(a) The Mortgagor will at its expense, provide or cause to be provided in force the following policies of insurance:

(i) insurance with respect to the Improvements and the Chattels against any peril included within the classification "All Risks of Physical Loss or Damage", , including, without limitation, insurance against loss or damage by fire, lightning, windstorm, civil commotion, smoke, hail, aircraft, vandalism, explosion, riot, strike, water damage, sprinkler leakage, collapse and malicious mischief, in amounts at all times sufficient to prevent the Mortgagor from becoming a coinsurer within the terms of the applicable policies, but in any event such insurance shall be maintained in the full insurable value of the Improvements and the Chattels (the term "full insurable value" to mean 100% of the actual replacement cost of the Improvements and the Chattels);

(ii) commercial general liability insurance, including bodily injury and property damage liability against any and all claims, including, without limitation, all legal liability to the extent insurable imposed upon the Mortgagee and all court costs and reasonable attorneys' fees, arising out of or connected with the possession, use, leasing, operation or condition of the Premises, in such amounts and of such types as the Mortgagee may require from time to time;

(iii) statutory workers' compensation insurance with respect to any work on or about the Premises;

(iv) loss of "business income" insurance covering one year of loss;

(v) comprehensive boiler and machinery coverage, in such amount as the Mortgagee may require from time to time; and

(vi) such other insurance and increased policy limits with respect to the Mortgaged Property as may be reasonably required from time to time by the Mortgagee.

(b) Each policy of insurance maintained by the Mortgagor pursuant to the terms hereof shall (i) name the Mortgagee (together with its successors and assigns as their interests may appear) as an additional insured, as its interest may appear with respect to liability insurance coverage; (ii) contain the standard non-contributory New York

mortgagee clause endorsement in favor of the Mortgagee with respect to hazard insurance coverage; (iii) except in the case of public liability insurance and workers' compensation insurance, name the Mortgagee as loss payee and provide that all insurance proceeds for losses be adjusted and be payable in accordance with subsection 1.09(f) hereof; (iv) include effective waivers (whether under the terms of any such policy or otherwise) by the insurer of all claims for insurance premiums against all loss payees and named insureds other than the Mortgagor (provided that the Mortgagee shall have the right to pay premiums and continue any insurance upon the insolvency of the Mortgagor or the foreclosure or other transfer of the Mortgaged Property) and all rights of subrogation against any named insured; (v) provide that if all or any part of such policy is cancelled, terminated or expires, the insurer will forthwith give notice thereof to each named insured and loss payee and that no cancellation, termination, expiration or reduction in amount or material change in coverage thereof shall be effective until at least thirty (30) days (or, in the case of nonpayment of premiums, ten (10) days) after receipt by each named insured and loss payee of written notice thereof; and (vi) not be subject to a deductible in excess of amounts as shall be reasonably satisfactory to the Mortgagee.

(c) The Mortgagor shall pay or cause to be paid on or prior to the date hereof the premiums due during the term of the Loan for all insurance policies that the Mortgagor is required to maintain hereunder. All such policies shall be nonassessable and shall contain such expiration dates as the Mortgagee may reasonably require. The Mortgagor will deliver to the Mortgagee concurrently herewith insurance certificates setting forth in reasonable detail the terms of all insurance policies that the Mortgagor is required to maintain hereunder, together with true and complete copies of such policies. The Mortgagor will deliver to the Mortgagee, concurrently with each change in or renewal of any such insurance policy, a certificate with respect to such changed insurance policy certified by the insurance broker that procured or placed such policies, in the same form and containing the same information as the certificates required to be delivered by the Mortgagor pursuant to the first sentence of this subparagraph and a certificate of the Mortgagor certifying that all of the insurance policies maintained by the Mortgagor pursuant hereto comply in all respects with the requirements of this Mortgage, that all premiums then due thereon have been paid to the applicable insurers and that the same are in full force and effect.

(d) Not later than twenty (20) days prior to the expiration, termination or cancellation of any insurance policy which the Mortgagor is required to maintain hereunder, the Mortgagor shall obtain a replacement policy or policies (or a binding commitment for such replacement policy or policies), which shall be effective no later than the date of the expiration, termination or cancellation of the previous policy, and shall deliver to the Mortgagee a certificate and a true and complete copy of such policy or policies which comply with the requirements of this Section 1.09 or a copy of the binding commitment for such policy or policies. The Mortgagor shall also provide to the Mortgagee originals of such policies or copies thereof certified by the insurance companies issuing them as soon as reasonably possible after the Mortgagee's request therefor.

(e) All insurers shall be authorized to issue insurance in the State of New York and all insurers and reinsurers shall have a rating in Best's Key Rating Guide (Property-Casualty) of at least Policyholder Rating "A-1" and Financial Rating "V".

(f) In the event of loss, the Mortgagor shall give immediate written notice to the insurance carrier and to the Mortgagee. The Mortgagor hereby authorizes and empowers the Mortgagee as attorney-in-fact for the Mortgagor to make proof of loss, to adjust and compromise any claim under insurance policies, to appear in and prosecute any action arising from such insurance policies, to collect and receive insurance proceeds, and to deduct therefrom the Mortgagee's expenses incurred in the collection of such proceeds; provided, however, that nothing contained in this subsection 1.09(f) shall require the Mortgagee to incur any expense or take any action hereunder. Any moneys received by the Mortgagor as payment for any loss under any insurance required to be carried by the Mortgagor pursuant to the terms hereof shall be paid over to the Mortgagee to be applied at the option of the Mortgagee either to the prepayment of the Note, without premium, and/or to the reimbursement of the Mortgagor for expenses incurred by it in the restoration of the Improvements. Notwithstanding anything to the contrary contained herein or in Section 254 of the Real Property Law of the State of New York or any other provision of applicable law, the proceeds of insurance policies coming into the possession of the Mortgagee shall not be deemed trust funds and the Mortgagee shall be entitled to dispose of such funds as hereinafter provided.

(g) The Mortgagor shall not take out separate insurance concurrent in form or contributing in the event of loss with that required to be maintained under this Section 1.09 unless the Mortgagee has approved the insurance company and the form and content of the insurance policy, including, without limitation, the naming thereon of the Mortgagee as a named insured with loss payable to the Mortgagee under a standard mortgage endorsement of the character above described. The Mortgagor shall immediately notify the Mortgagee whenever any such separate insurance is taken out and shall promptly deliver to the Mortgagee the policy or policies or certificates of such insurance.

(h) Following the occurrence of an Event of Default, the Mortgagee may require that the Mortgagor deposit with the Depository one-twelfth (1/12) of the annual premiums for insurance required under subsection 1.09(a) hereof, and the Mortgagor shall accordingly make such deposits, and (ii) the Mortgagor shall also deposit with the Depository a sum of money which, together with the aforesaid monthly installments, will be sufficient to pay the insurance premiums for such insurance at least thirty (30) days before such payments are first due. If the amount of any such insurance premiums are not ascertainable at the time any such deposit is required to be made, the deposit shall be made on the basis of the Mortgagee's estimate thereof, and when such insurance premiums are fixed for the then-current year, the Mortgagor shall promptly deposit any deficiency with the Depository.

All funds so deposited, until so applied, shall constitute additional security for the Note, shall be held by the Depository without interest (except to the extent required under

applicable laws), and may be commingled with other funds of the Depository. So long as no Event of Default shall exist and be continuing hereunder, and provided that the Mortgagor shall have supplied, in the manner set forth in the next sentence of this subsection, the instructions, information and documents necessary for the Depository to make an effective application and payment of such funds, all funds so deposited shall be applied to the payment of insurance premiums in the order determined by the Mortgagee and in accordance with instructions to be furnished to the Mortgagee by the Mortgagor. The Mortgagor shall, at least forty-five (45) days before the date on which any such insurance premiums first become payable, furnish the Depository with bills and instructions for the payment of such insurance premiums and/or such other documents as are necessary for the payment of the same. If the Mortgagor has not complied with any of the foregoing or, in any event, during the continuance of an Event of Default hereunder, the Mortgagee may apply funds so deposited in the order determined by the Mortgagee.

Upon an assignment or transfer of this Mortgage by the Mortgagee, the Mortgagee shall have the right to assign and/or transfer the unapplied balance of any amounts deposited pursuant to this Section 1.09, if any, to the assignee or transferee (or to a successor Depository designated by such assignee or transferee) and the Mortgagee shall thereupon be completely released from all liability with respect thereto. This provision shall apply to every transfer of such deposits to a new assignee or transferee (or a successor Depository). When the loan evidenced by the Note has been paid in full, and all other obligations of the Mortgagor under the Documents have been performed and observed in full, the Mortgagee shall, and at any prior time, the Mortgagee, at its election, may, pay over or cause the Depository (if not the Mortgagee) to pay over the unapplied balance of the deposits, if any, to the record owner of the Mortgaged Property or its designee and no other person shall have any right or claim thereto.

Section 1.10 Additional Advances and/or Disbursements. If the Mortgagor or any party under any of the Documents, except the Mortgagee, shall fail to perform any of the covenants contained in this Mortgage, or any covenant contained in the Note or the other Documents after any applicable notice and an opportunity to cure, the Mortgagee may make advances and/or disbursements to perform the same, and all sums so advanced and/or disbursed shall be a lien upon the Mortgaged Property and shall be secured hereby. The Mortgagor will repay on demand all sums so advanced and/or disbursed with interest at the Default Rate. The provisions of this Section 1.10 shall not prevent any default in the observance of any covenant contained in this Mortgage, or contained in the Note or the other Documents, from constituting a default or an Event of Default.

Section 1.11 Financial Statements; Estoppels.

(a) Mortgagor will keep adequate records and books of account and Mortgagor will permit Mortgagee, by its agents, accountants and attorneys, to visit and inspect the Mortgaged Property and examine and copy Mortgagor's records, books of account and any plans and drawings pertinent to the Mortgaged Property, and to discuss Mortgagor's

affairs, finances and accounts with Mortgagor, at such reasonable times as may be requested by Mortgagee. Mortgagee shall have the right to share any information obtained thereby with others in the ongoing course of its ownership or sale, if any, of the loan secured hereby, or any interest therein.

(b) Mortgagor from time to time, within ten (10) days upon request by Mortgagee, will furnish a written statement duly acknowledging the amount due, whether for principal or interest, on this Mortgage and/or any other financings secured by the Mortgaged Property (information with respect to all such loans shall be set forth separately for each loan) and whether any offsets or defenses exist against the Mortgage Amount and, if any are alleged to exist, the nature of each such offset or defense shall be set forth in full detail.

Section 1.12 Maintenance of Property; Compliance with Law.

(a) The Mortgagor will not threaten, commit, permit or suffer any waste to occur on or to the Mortgaged Property, or any part thereof, or alter the Mortgaged Property or any part thereof in any manner or make any change in its use which will in any way increase any risk of fire or other hazards arising out of construction or operation of the Mortgaged Property. The Mortgagor will, at all times, maintain the Mortgaged Property in good operating order and condition, and will promptly make, from time to time, all repairs, renewals, replacements, additions and improvements in connection therewith which are needful or desirable to such end. The Improvements shall not be removed, demolished or substantially altered, nor shall any Chattels be removed without the prior written consent of the Mortgagee, except where appropriate replacements free of superior title, liens and claims are immediately made of value at least equal to the value of the Chattels removed.

(b) The Mortgagor will keep and maintain or cause to be kept and maintained the Mortgaged Property and the sidewalks and curbs abutting the same in good order and condition and in a rentable and tenantable state of repair and will make or cause to be made, as and when the same shall become necessary, all structural and nonstructural, exterior and interior, ordinary and extraordinary, foreseen and unforeseen repairs, renewals and replacements necessary to that end. In the event that the Mortgaged Property shall be damaged or destroyed, in whole or in part, by fire or any other casualty, or in the event of a taking of a portion of the Mortgaged Property as a result of any exercise of the power of eminent domain, the Mortgagor shall promptly restore, replace, rebuild, or alter the same as nearly as possible to the condition they were in immediately prior to such fire, other casualty or taking, and shall take such other additional actions and measures as shall be necessary to avoid any default or forfeiture under any lease or any other applicable agreement. Although damage to or destruction of the Mortgaged Property, or any portion thereof, shall not of itself constitute a default hereunder, the failure of the Mortgagor to restore, replace, rebuild or alter the same, as hereinabove provided, shall constitute a default hereunder regardless of the availability of insurance proceeds or condemnation awards for such purpose.

(c) The Mortgagor represents that the Mortgaged Property is presently in compliance with all laws, ordinances, rules, regulations and other requirements of all governmental authorities whatsoever having jurisdiction of or with respect to the Mortgaged Property or any portion thereof or the use and occupation thereof. The Mortgagor will promptly comply, or cause compliance with all existing and future laws, ordinances, rules, regulations and other requirements of all governmental authorities whatsoever having jurisdiction of or with respect to the Mortgaged Property or any portion thereof or the use and occupation thereof.

(d) The Mortgagor will not, without the prior written consent of the Mortgagee, initiate, join in, or consent to any change in any private restrictive covenant, zoning ordinance, or other public or private restrictions limiting or defining the uses which may be made of the Premises or any part thereof.

(e) All covenants hereof shall be construed as affording to the Mortgagee rights additional to and not exclusive of the rights conferred under the provisions of Sections 254, 271 and 272 of the Real Property Law of the State of New York or any other applicable law of any other state. If there is a conflict between any provision of this Mortgage and the provisions of Section 254 of the Real Property Law of the State of New York or such law of such other state, the Mortgagor agrees that the applicable provision of this Mortgage shall control.

Section 1.13 Condemnation. No proceeding for the condemnation of all or any portion of the Mortgaged Property has been commenced or threatened. The Mortgagor, immediately upon obtaining knowledge of the institution of any proceedings for the condemnation of the Premises or any portion thereof, will notify the Mortgagee of the pendency of such proceedings. The Mortgagee may participate in any such proceedings and the Mortgagor from time to time will deliver to the Mortgagee all instruments requested by it to permit such participation. In the event of such condemnation proceedings, the award or compensation payable is hereby assigned to and shall be paid to the Mortgagee up to the Mortgage Amount. The Mortgagee shall be under no obligation to question the amount of any such award or compensation and may accept the same in the amount in which the same shall be paid. In any such condemnation proceedings the Mortgagee may be represented by counsel selected by the Mortgagee but the Mortgagor may appear by its counsel to contest the amount of the condemnation award. The proceeds of any award or compensation so received shall, at the option of the Mortgagee, either be applied, without premium, to the prepayment of the Note or be paid over to the Mortgagor for restoration of the Improvements. The Mortgagee shall not be limited to the interest paid on the proceeds of any award or compensation, but shall be entitled to the payment of interest by the Mortgagor at the rates provided for herein or in the Note.

Section 1.14 Leases.

(a) The Mortgagor will not, without the prior written consent and approval of the Mortgagee in each instance, (i) execute an assignment of the rents from the Mortgaged Property or any part thereof, (ii) enter into any leases, lettings or license arrangement

affecting the Mortgaged Property or any part thereof, or (iii) in any other manner impair the value of the Mortgaged Property or the security of the Mortgage. Reference is made to Section 291-(f) of the Real Property Law with respect to the following: The Mortgagor will not without the prior written consent and approval of the Mortgagee, which consent and approval shall not be unreasonably delayed or withheld, in each instance, (x) terminate or consent to the cancellation or surrender of any lease of the Mortgaged Property or of any part thereof, now existing or hereafter to be made, (y) modify or vary any such lease, or (z) accept prepayments of any installments of rents to become due under such leases, except prepayments in the nature of security for the performance of the lessees thereunder. Notwithstanding the provisions of clause (ii) above, the Mortgagor shall be permitted without the prior consent of the Mortgagee, to enter into residential leases for apartments at the Premises, so long as (I) such residential leases are on a form previously approved by the Mortgagee and upon economic terms within a range previously approved by the Mortgagee, (II) such residential leases are at all times subject to the Rent Stabilization Law, and (III) the Mortgagor furnishes to the Mortgagee a true, correct and complete copy of all such residential leases within five (5) days of the Mortgagor's execution thereof.

(b) The Mortgagor will at all times promptly and faithfully perform, or cause to be performed, all of the covenants, conditions and agreements contained in all leases of the Premises or any part thereof now or hereafter existing, on the part of the lessor thereunder to be kept and performed, and shall do all things necessary to compel performance by the lessee under each lease of all obligations, covenants, and agreements by such lessee to be performed thereunder. If any of such leases provide for the giving by the lessee of certificates with respect to the status of such leases, the Mortgagor shall exercise its right to request such certificates within five (5) days of any demand therefor by the Mortgagee. The Mortgagor shall promptly notify the Mortgagee of (i) the commencement of any action or proceeding by any lessee, the purpose of which shall be the cancellation of any lease or diminution or offset against the rent payable under any such lease, or (ii) the interposition by any lessee of any defense in any action or proceeding brought by the Mortgagor against such lessee, or (iii) a written notice received by the Mortgagor from any lessee claiming constructive eviction, and will cause a copy of any process, pleading or notice received by the Mortgagor in reference to any such action, defense or claim to be promptly delivered to the Mortgagee.

(c) The Mortgagor shall furnish to the Mortgagee, within thirty (30) days after a request by the Mortgagee to do so, a written statement containing a schedule of all leases of all or any part of the Mortgaged Property, the names of the respective lessees, the terms of their respective leases, the space occupied and the rentals payable thereunder, and, if also requested, true copies of all such leases.

Section 1.15 Notices to the Mortgagee. The Mortgagor shall give written notice to the Mortgagee promptly (but in no event later than five (5) business days after the Mortgagor's discovery thereof) upon the occurrence of:

- (a) any default by the Mortgagor under this Mortgage or by UHAB under any other Document;
- (b) any pending or, to its knowledge, threatened litigation that may materially adversely affect the Mortgagor or UHAB;
- (c) any pending or, to its knowledge, threatened litigation that may affect the Mortgaged Property;
- (d) any claims, disputes, judgments or violations of law, or any breach by the Mortgagor of any material agreement to which the Mortgagor is a party; and
- (e) any other facts and circumstances which might materially impact the Mortgaged Property, the Mortgagor, UHAB or the loan secured hereby.

Section 1.16 Attornment. To the extent not so provided by applicable law each lease of the Premises, or any part thereof shall provide that, in the event of the enforcement by the Mortgagee of the remedies provided for by law or by this Mortgage, the lessee thereunder will, upon request of any person succeeding to the interest of the Mortgagor as a result of such enforcement, automatically become the lessee of said successor in interest, without change in the terms or other provisions of such lease, provided, however, that said successor in interest shall not be bound by (i) any payment of rent or additional rent for more than one month in advance, except prepayments in the nature of security for the performance by said lessee of its obligations under said lease, (ii) any amendment or modification of the lease made without the consent of the Mortgagee or such successor in interest, which consent shall not be unreasonably delayed or withheld, or (iii) any work required to be done by the Mortgagor pursuant to the terms of said lease. Each such lease shall also provide that, upon request by said successor in interest, such lessee shall execute and deliver an instrument or instruments confirming such attornment.

Section 1.17 Expenses of the Mortgagee. The Mortgagor agrees that if any action or proceeding be commenced, excepting an action to foreclose this Mortgage or to collect the indebtedness hereby secured, to which action or proceeding the Mortgagee is a party by reason of the execution of this Mortgage or the Note which it secures, or in which it becomes necessary to defend or uphold the lien of this Mortgage, all sums paid by the Mortgagee for the expense of any litigation to prosecute or defend the transaction and the rights and lien created hereby (including, without limitation, reasonable attorneys' fees) shall be paid by the Mortgagor together with interest thereon from the date of payment by the Mortgagee at the Default Rate. All such sums paid and the interest thereon shall be a lien upon the Mortgaged Property, and shall be secured hereby.

Section 1.18 Change in Law Affecting Mortgages. The Mortgagor agrees that in the event of the passage after the date of this Mortgage of any law deducting any lien from the value of land for the purpose of taxation, or changing in any way the laws now in force for the taxation of mortgages or debts secured by a mortgage, or the manner of the collection of any

such taxes, so as to impose upon the Mortgagee any tax that previously would have been payable by the Mortgagor, the whole of the principal sum secured by this Mortgage, together with interest due thereon, shall at the option of the Mortgagee, without notice to any party, become immediately due and payable.

Section 1.19 Utilities. The Mortgaged Property will be provided with adequate water, sewer and other utility facilities at all times, in compliance with all applicable laws and regulations.

Section 1.20 Restrictions on Transfer or Encumbrance. The Mortgagor shall not, directly or indirectly, by transfer, mortgage, hypothecation, encumbrance or conveyance, do or suffer the assignment, transfer, sale, conveyance, or encumbrance junior or senior hereto of the Mortgaged Property or any part thereof or any interest therein or in the Mortgagor without in each instance the prior written consent of the Mortgagee.

Section 1.21 Hazardous Materials. The Mortgagor represents, warrants and covenants that the Mortgagor has not used Hazardous Materials, on, from, or affecting the Mortgaged Property in any manner which violates federal, state or local laws, ordinances, rules, regulations, or policies governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials, and no prior owner of the Mortgaged Property or any tenant, subtenant, prior tenant or prior subtenant has used Hazardous Materials on, from, or affecting the Mortgaged Property, in any manner which violates federal, state or local laws, ordinances, rules, regulations, or policies governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials. The Mortgagor represents, warrants and covenants that the Mortgaged Property is in compliance with all environmental laws, rules, regulations, ordinances and orders and that no asbestos or other Hazardous Materials have been, or are incorporated in, stored on, treated on or disposed of on or from the Mortgaged Property, except as set forth in that certain environmental report dated October 6, 2008 prepared by EMG and that certain environmental report dated January 7, 2009 prepared by EMG (collectively, the "Environmental Report"), a true and complete copy of which has been delivered to the Mortgagee. The Mortgagor shall keep or cause the Mortgaged Property to be kept free of Hazardous Materials. Without limiting the foregoing, the Mortgagor shall not cause or permit the Mortgaged Property to be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process Hazardous Materials, nor shall the Mortgagor cause or permit, as a result of any intentional or unintentional act or omission on the part of the Mortgagor or any tenant or subtenant, a release of Hazardous Materials onto the Mortgaged Property or onto any other property. The Mortgagor shall comply with and ensure compliance by all tenants and subtenants with all applicable federal, state and local laws, ordinances, rules and regulations, whenever and by whomever triggered, and shall obtain and comply with any and all approvals, registrations or permits required thereunder. The Mortgagor shall (a) conduct and complete all investigations, studies, sampling, and testing and all remedial, removal, and other actions necessary to clean up and remove all Hazardous Materials, on, from, or affecting the Mortgaged Property (i) in accordance

with all applicable, federal, state, and local laws, ordinances, rules, regulations, and policies, (ii) to the satisfaction of the Mortgagee, (iii) in accordance with the orders and directions of all federal, state and local governmental authorities and (iv) within six (6) months from the date of this Mortgage, or sooner if required by law and (b) defend, indemnify, and hold harmless the Mortgagee and its employees, agents, officers, and directors, from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs, or expenses of whatever kind or nature, known or unknown, contingent or otherwise, arising out of, or in any way related to (i) the presence, disposal, release, or threatened release of any Hazardous Materials which are on, from, or affecting the soil, water, vegetation, buildings, personal property, persons, animals, or otherwise; (ii) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials; (iii) any lawsuit brought or, to Mortgagor's knowledge, threatened, settlement reached, or government order relating to such Hazardous Materials; and/or (iv) any violation of laws, orders, regulations, requirements, or demands of government authorities, or any policies or requirements of the Mortgagee, which are based upon or in any way related to such Hazardous Materials including, without limitation, attorney and consultant fees, investigation and laboratory fees, court costs, and litigation expenses. In addition to the requirements set forth in the previous sentence, in the event the Environmental Report recommends asbestos treatment, such treatment shall be certified to the Mortgagee by an asbestos hygienist or engineer licensed by the State or City of New York. If at any time prior to repayment of all sums secured by this Mortgage, the estimated cost, as reasonably determined by the Mortgagee, to remove Hazardous Materials or remedy any condition pertaining to the existence, release or threatened release of Hazardous Materials on or affecting the Mortgaged Property exceeds Twenty Thousand (\$20,000.00) Dollars, the Mortgagor shall promptly deposit with the Mortgagee the estimated cost, as reasonably determined by the Mortgagee, to effect such removal or remedy, to secure the Mortgagor's prompt compliance with the requirements of the preceding sentence. In the event of the Mortgagor's failure to comply with the provisions of this Section 1.21, the Mortgagee may apply any or all of such sums so deposited with the Mortgagee to cause the removal or other remedy as required pursuant to this Section 1.21. Any sums not so applied shall be returned to the Mortgagor by the Mortgagee promptly upon completion of the removal or other remedy required hereunder to the satisfaction of the Mortgagee. In the event this Mortgage is foreclosed, or the Mortgagor tenders a deed in lieu of foreclosure, the Mortgagor shall deliver the Mortgaged Property to the Mortgagee free of any and all Hazardous Materials so that the condition of the Mortgaged Property shall conform with all applicable federal, state and local laws, ordinances, rules or regulations affecting the Mortgaged Property. The provisions of this Section 1.21 shall be in addition to any and all obligations and liabilities the Mortgagor may have to the Mortgagee at common law, and shall survive the transactions contemplated herein.

Section 1.22 Easements and Instruments of Record. The Mortgagor will promptly perform and observe, or cause to be performed and observed, all of the terms, covenants and conditions of all instruments of record affecting the Mortgaged Property, non-compliance with which shall affect the security of this Mortgage, or shall impose any duty or obligation upon the Mortgagor or any lessee or other occupant of the Mortgaged Property or any part thereof, and the

Mortgagor shall do or cause to be done all things necessary to preserve intact and unimpaired any and all easements, appurtenances and other interests and rights in favor of or constituting any portion of the Mortgaged Property.

Section 1.23 Lien Law. The Mortgagor will, in compliance with Section 13 of the Lien Law, receive the advances secured hereby and will hold the right to receive such advances as a trust fund to be applied first for the purpose of paying the cost of the Improvements and will apply the same first to the payment of the cost of the Improvements before using any part of the total of the same for any other purpose.

Section 1.24 Right of Entry. The Mortgagee and its authorized representatives and designees shall have the right at all reasonable times during usual business hours or as otherwise required in the event of an emergency to enter upon and inspect all portions of the Mortgaged Property.

Section 1.25 Service Contracts. The Mortgagor shall not, without the prior written consent of the Mortgagee, which consent shall not be unreasonably delayed or withheld, in each instance, enter into any service contracts or other agreements which would be binding upon a successor owner of the Mortgaged Property.

Section 1.26 Flood Hazard. The Mortgagor hereby represents that the Premises do not comprise property identified by the Secretary of Housing and Urban Development as an area having special flood hazards. If the Premises at any time are so identified by the Secretary of Housing and Urban Development as having special flood hazards, the Mortgagor will keep the Premises insured against loss by flood hazards in an amount at least equal to the outstanding principal balance of the Note secured by this Mortgage, or to the maximum limit of coverage made available with respect to the particular type of property under the National Flood Insurance Act of 1968, as amended by the Flood Disaster Protection Act of 1973, whichever is less.

Section 1.27 Eligible Borrower. The Mortgagor and UHAB shall, at all times until payment in full of the Note and all interest accrued therein, maintain the such entity's status as an "eligible borrower", as such term is defined in the National Consumer Cooperative Bank Act, as amended (12 U.S.C. Section 3001 et seq.) and in the policies of the Mortgagee.

Section 1.28 Certain Representations and Warranties. The Mortgagor represents and warrants to the Mortgagee that: (a) the Documents are all valid, binding and enforceable obligations of the Mortgagor or UHAB, as the case may be; (b) there is no action, suit or proceeding threatened against or affecting the Mortgagor, UHAB or the Mortgaged Property which could materially adversely affect the Mortgagor, UHAB or the Mortgaged Property; (c) all laws and governmental and private restrictions affecting the Mortgagor or the Mortgaged Property have been complied with and all governmental and private consents necessary to the Mortgagor's consummation of the loan secured hereby have been obtained; (d) the Mortgagor is not in violation of (i) any law, rule, regulation, order, writ, judgment, decree, determination or award applicable to it, or (ii) any indenture, lease, loan or other agreement to which it is a party

or by which it or its properties may be bound if such violation of such indenture, lease, loan or other agreement would have an adverse effect upon the Mortgagor's ability to perform any of its obligations under the Documents; (e) the statements, information and reports furnished to the Mortgagee in connection with the loan secured hereby are accurate, correct and complete in all respects; (f) Mortgagor has filed all federal, state, county and municipal tax returns and annual reports required to be filed by it, and has paid all taxes and fees which have become due pursuant to such returns and reports or pursuant to any assessments related thereto, and Mortgagor does not know of any basis for any additional assessment in respect thereof; (g) there are no delinquent taxes, ground rents, water charges, sewer rents, assessments (including assessments payable in future installments) or other outstanding charges affecting the Mortgaged Property; (h) the Mortgaged Property is separately assessed for tax purposes; (i) each party to the Note, the Mortgage, and all other Documents had legal capacity to enter into, execute and deliver the same, and the Note, Mortgage and all other Documents have been duly and properly executed by such parties; (j) [intentionally deleted]; (k) there are no mechanics' or similar liens or claims which have been filed for work, labor or material, or which relate to the existence or cleanup of any Hazardous Materials affecting the Mortgaged Property which are or may be liens prior to, or equal or coordinate with, the lien of this Mortgage; (l) all Improvements are wholly within the boundaries and building restriction lines of the Premises, and no improvements on adjoining properties encroach upon the Mortgaged Property, and no covenants, conditions and restrictions, if any, are violated by the Improvements and no future violations could give rise to any rights of reverter or reentry; (m) the Mortgagor has no knowledge of any circumstances or condition with respect to the Mortgage, the Mortgaged Property or use thereof, the UHAB's or Mortgagor's credit standing, any Lease, or any tenant's credit standing that can reasonably be expected to cause private institutional investors to regard the loan evidenced by the Note and secured hereby to be an unacceptable investment, cause such loan to become delinquent, or materially adversely affect the value or marketability of such loan; (n) all leases, licenses or other agreements pursuant to which any person or entity is entitled to use or occupy any portion of the Mortgaged Property are subject and subordinate to this Mortgage; and (o) no lease contains any option, right of offer or right of refusal to purchase the Mortgaged Property or any portion thereof.

Section 1.29 Vaults. The Mortgagor shall at all times comply with all applicable laws with respect to the construction, use and maintenance of any vaults adjacent to the Mortgaged Property. If by reason of the failure of payment of taxes, vault rents, permit fees or assessments, the Mortgagor's right to use the vaults, if any, adjacent to the Mortgaged Property may be discontinued, the Mortgagor shall take such steps (including making any such payment) as may be necessary to insure that such vaults may continue to be used in connection with the use, operation and maintenance of the Mortgaged Property.

Section 1.30 Publicity. The Mortgagor agrees to permit the Mortgagee to disclose the Mortgagor's identity and the amount and purpose of the loan secured hereby.

Section 1.31 Primary Obligor. The Mortgagor agrees that the obligations of Mortgagor to Mortgagee hereunder shall be primary obligations, shall not be subject to any

counterclaim, set-off, abatement, deferment or defense based upon any claim that Mortgagor may have against Mortgagee, UHAB or any other person. The Mortgagor shall be regarded, and shall be in the same position, as the principal debtors with respect to the Mortgage Amount. The Mortgagor agrees that any notice or directive given at any time to the Mortgagee which is inconsistent with the first sentence of this Section 1.31 shall be null and void and may be ignored by Mortgagee, and, in addition, may not be pleaded or introduced as evidence in any litigation relating to this Mortgage for the reason that such pleading or introduction would be at variance with the written terms of this Mortgage, unless Mortgagee has specifically agreed otherwise in writing.

Section 1.32 Liability of Mortgagor Not Affected. This Mortgage shall remain in full force and effect without regard to, and shall not be released, discharged or affected in any way by any circumstances or condition, including, without limitation:

(a) the attempt or the absence of any attempt by Mortgagee to obtain payment or performance by UHAB;

(b) Mortgagee's delay in enforcing or absence of action to enforce Mortgagor's obligations hereunder or of any other party under the Documents, or any prior partial exercise by Mortgagee of any right or remedy hereunder or under any of the other Documents;

(c) the fact that UHAB is not liable for the payment or performance of the Mortgage Amount, or any portion thereof, for any reason whatsoever, Mortgagor being liable for the Mortgage Amount notwithstanding that UHAB may not be;

(d) any renewal, extension, substitution, modification, settlement, compromise, replacement of or indulgence with respect to, the Mortgage Amount, all of which Mortgagee is hereby authorized to make;

(e) any sale, exchange, release, surrender or other disposition of, or realization upon, any collateral securing the Mortgage Amount, or any amendment (except to this Mortgage, in which case, it must be agreed to in writing by the Mortgagor), waiver, settlement or compromise of any guaranties of the Mortgage Amount, or any other obligation of any Person with respect to the Documents;

(f) the acceptance by Mortgagee of any additional security for the Mortgage Amount;

(g) the lack of genuineness, validity, regularity or enforceability of or Mortgagee's amendment (except to this Mortgage, in which case, it must be agreed to in writing by the Mortgagor), waiver or consent with respect to, any provision of any instrument evidencing, securing or otherwise relating to the Mortgage Amount, or any part thereof, including without limitation, the other Documents;

(h) the existence, value or condition of, or the failure by Mortgagee to take any steps to perfect, maintain, or enforce, Mortgagee's security interests or remedies under the Documents, or to preserve Mortgagee's rights to or protect any security or collateral, for the Mortgage Amount;

(i) any voluntary or involuntary bankruptcy, insolvency, reorganization, arrangement, readjustment, assignment for the benefit of creditors, composition, receivership, liquidation, marshalling of assets and liabilities or similar event or proceedings with respect to UHAB or Mortgagor or any other Person, as applicable, or any of their respective properties (each, an "Insolvency Proceeding"), or any action taken by Mortgagee, any trustee or receiver or by any court in any such proceeding;

(j) the failure by Mortgagee to file or enforce a claim against the estate (either in an Insolvency Proceeding or other proceeding) of UHAB or Mortgagor or any other Person;

(k) in any proceeding under Title 11 of the United States Code (11 U.S.C. Section 101 et seq.), as amended (the "Bankruptcy Code"): (i) any election by Mortgagee under Section 1111(b)(2) of the Bankruptcy Code, (ii) any borrowing or grant of a security interest by UHAB as debtor-in-possession under Section 364 of the Bankruptcy Code, (iii) the inability of Mortgagee to enforce the Mortgage Amount against UHAB by application of the automatic stay provisions of Section 362 of the Bankruptcy Code, or (iv) the disallowance, under Section 502 of the Bankruptcy Code, of all or any portion of Mortgagee's or claim(s) against UHAB for repayment of the Mortgage Amount;

(l) the failure of Mortgagor to receive notice of any intended disposition of the collateral for the Mortgage Amount;

(m) any merger or consolidation of UHAB into or with any other entity, or any sale, lease or transfer of any of the assets of UHAB or Mortgagor to any other Person;

(n) any change in the ownership of any UHAB, or any change in the relationship between UHAB and Mortgagor or any termination of any such relationship;

(o) the death, incapacity, insanity, disability, dissolution or other change in status of UHAB or Mortgagor;

(p) the making of additional loans to UHAB, the increase or reduction of the maximum principal amount of the Mortgage Amount, the increase or reduction in the interest rate provided in the Note, or any other modification, amendment, release or waiver of the terms of the Documents;

(q) the absence, impairment or loss of any right of reimbursement or subrogation or other right or remedy of Mortgagor; and

(r) any other action or circumstance which might otherwise constitute a legal or equitable discharge or defense of UHAB or Mortgagor.

Mortgagor hereby expressly waives and surrenders any defense to its liability under this Mortgage based upon any of the foregoing acts, omissions, agreements, waivers or matters, whether or not Mortgagor had notice or knowledge of same. It is the purpose and intent of this Mortgage that the obligations of Mortgagor hereunder shall be absolute and unconditional under any and all circumstances.

Section 1.33 Rights of Mortgagee. Mortgagee is hereby authorized, without notice to or demand of Mortgagor and without affecting the liability of Mortgagor hereunder, to take any of the following actions from time to time and Mortgagee shall not incur any liability to Mortgagor as a result thereof, and no such action shall impair or release the Mortgage Amount of Mortgagor or any of them under this Mortgage:

(a) increase or decrease the amount of, or renew, extend, accelerate or otherwise change the time, place or terms for payment of, or other terms relating to, the Mortgage Amount, or otherwise modify, amend or change the terms of any promissory note or other agreement evidencing, securing or otherwise relating to any of the Mortgage Amount, including, without limitation, the making of additional advances thereunder; provided, however, that if the Mortgage Amount is increased then the Mortgagor shall execute and record a gap mortgage for the benefit of Mortgagee in form and substance acceptable to the Mortgagee;

(b) accept and apply any payments on or recoveries against the Mortgage Amount from any source, and any proceeds of any security therefore, to the Mortgage Amount in such manner, order and priority as Mortgagee may elect in Mortgagee's sole discretion;

(c) take, hold, sell, exchange, dispose of, release or otherwise dispose of all or any property pledged, mortgaged or conveyed, or in which Mortgagee has been granted a lien, as security for the Mortgage Amount or the payment of this Mortgage;

(d) settle, release, compromise, collect or otherwise liquidate the Mortgage Amount or any portion thereof;

(e) accept, hold, substitute, add or release any guaranty or endorsements of the Mortgage Amount;

(f) take any action under or in respect of the Documents in the exercise of any remedy, power or privilege contained therein or available to Mortgagee at law, equity or otherwise, or waive or refrain from exercising any such remedies, powers or privileges;

(g) amend or modify, in any manner whatsoever, the Documents (except to this Mortgage, in which case, it must be agreed to in writing by the Mortgagor);

(h) extend or waive the time for any Person's performance of, or compliance with, any term, covenant or agreement on its part to be performed or observed under the Loan Documents, or waive such performance or compliance or consent to a failure of, or departure from, such performance or compliance;

(i) release anyone who may be liable in any manner for the payment of any amounts owed by UHAB or Mortgagor to Mortgagee;

(j) modify or terminate the terms of any intercreditor or subordination agreement pursuant to which claims of other creditors of Mortgagor or UHAB are subordinated to the claims of Mortgagee; and

(k) at any time after maturity of the Mortgage Amount, appropriate and apply toward payment of the Mortgage Amount (i) any indebtedness due or to become due from Mortgagee to Mortgagor, and (ii) any moneys, credits, or other property belonging to Mortgagor at any time held by or coming into the possession of Mortgagee or any affiliates thereof, whether for deposit or otherwise.

Section 1.34 Material Inducement; Consideration. Mortgagor acknowledges and agrees that Mortgagee is specifically relying upon the representations, warranties, agreements and waivers contained herein and that such representations, warranties, agreements and waivers constitute a material inducement to Mortgagee to accept this Mortgage and to continue to extend credit to UHAB, including making any further advances pursuant to the Note. Mortgagor further acknowledges that it expects to benefit from Mortgagee's extension of financing accommodations to UHAB because of its relationship to UHAB, and that it is executing this Mortgage in consideration of that anticipated benefit.

ARTICLE II.

EVENTS OF DEFAULT AND REMEDIES

Section 2.01 Events of Default and Remedies. If one or more of the following Events of Default shall happen:

(a) (i) a default shall be made in the payment of any monthly installment due on the Note, when and as the same shall become due and payable, and said

default shall have continued for a period of ten (10) days, or (ii) a default shall be made in any other payment of principal or any other sum due under the Note, this Mortgage or any other Document when due, whether due at the stated maturity date, by reason of acceleration or otherwise, or (iii) if default shall be made in the payment of any tax required by Section 1.07 to be paid and said default shall have continued for a period of ten (10) days, default shall be made in the due observance or performance of any covenant or agreement on the part of the Mortgagor contained in Section 1.01, 1.09, 1.14, 1.20, 1.21 or 1.22 hereof (for the purposes of this clause, and for subparagraph (b) below, if any representation made in Section 1.01 shall be incorrect, it shall be deemed to be a default); or

(b) except as set forth in Section 2.01(a) hereof, if a default shall be made in the due observance or performance of any covenant or agreement on the part of the Mortgagor contained herein and such default shall have continued for a period of ten (10) days (or, where the cure of such default by its nature reasonably requires more than ten (10) days to complete, then (if Mortgagor shall have begun such cure of the same immediately and is continuously pursuing such cure diligently and in good faith) the period of ten (10) days shall be extended to the period of time not to exceed thirty (30) additional days which is necessary to effect a full and complete cure of such default with all due diligence); or

(c) if (i) any Event of Default shall occur under the Loan Agreement or any of the other Documents, or (ii) if any such Documents shall not contain "Events of Default" then default shall be made in the due observance, performance or fulfillment of any other covenant or condition on the part of the Mortgagor or UHAB contained in any such Document and such default shall have continued for a period of thirty (30) days; or

(d) if by the order of a court of competent jurisdiction, a trustee, receiver or liquidator of the Mortgaged Property or any part thereof, or of Mortgagor or UHAB, shall be appointed; or

(e) if Mortgagor or UHAB shall file a petition in bankruptcy or for an arrangement or reorganization pursuant to the Federal Bankruptcy Code or any similar law, federal or state, or if, by decree of a court of competent jurisdiction, Mortgagor or UHAB shall be adjudicated a bankrupt, or be declared insolvent, or shall make an assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due, or shall consent to the appointment of a receiver or receivers of all or any part of the Mortgaged Property; or

(f) if any creditor(s) of Mortgagor or UHAB shall file a petition in bankruptcy against such party or for reorganization of such party pursuant to the Bankruptcy Code or any similar law, federal or state, and if such petition shall not be discharged or dismissed within sixty (60) days after the date on which such petition was filed; or

(g) if final judgment for the payment of money shall be rendered against Mortgagor or UHAB and such party shall not discharge or bond the same or cause it to

be discharged or bonded within thirty (30) days from the entry thereof, or shall not appeal therefrom or from the order, decree or process upon which or pursuant to which said judgment was granted, based or entered, and secure a stay of execution pending such appeal, or if the financial condition of Mortgagor or UHAB shall undergo a materially adverse change; or

(h) if it shall be illegal for the Mortgagor to pay any tax referred to in Section 1.07 hereof or if the payment of such tax by the Mortgagor would result in a violation of the usury laws of the state in which the Premises are located; or

(i) if the holder of a junior or senior mortgage or other lien or encumbrance on the Mortgaged Property, or any part thereof, institutes foreclosure or other proceedings for the enforcement of its remedies thereunder, which foreclosure or other proceedings are not discharged (without affecting the Mortgaged Property) or bonded within thirty (30) days from the institution thereof (this subsection (i) shall not be construed to imply that the Mortgagee consents to any junior or senior lien or encumbrance); or

(j) if any easement over, across or under or otherwise affecting the Mortgaged Property or any portion thereof shall be granted without the Mortgagee's prior written consent;

then and in every such case:

(i) The Mortgagee may declare the entire principal of the Note then outstanding (if not then due and payable), and all accrued and unpaid interest thereon, to be due and payable immediately, and upon any such declaration the principal of the Note and said accrued and unpaid interest together with all other fees and charges payable in connection with the indebtedness evidenced by the Note, shall become and be immediately due and payable, anything in the Note or in this Mortgage to the contrary notwithstanding;

(ii) The Mortgagee personally, or by its agents or attorneys, may enter into and upon all or any part of the Mortgaged Property and each and every part thereof, and may exclude the Mortgagor, its agents and servants wholly therefrom; and having and holding the same, may use, operate, manage and control the Mortgaged Property or any part thereof and conduct the business thereof, either personally or by its superintendents, managers, agents, servants, attorneys or receivers; and upon every such entry, the Mortgagee, at the expense of the Mortgagor, from time to time, either by purchase, repairs or construction, may maintain and restore the Mortgaged Property, whereof it shall become possessed as aforesaid, may complete the construction of the Improvements, if applicable, and in the course of such completion may make such changes in the contemplated Improvements as it may deem desirable and may insure the same; and likewise, from time to time, at the expense of the Mortgagor, the Mortgagee may make all necessary or proper repairs, renewals and replacements and such useful alterations, additions, betterments and improvements thereto and thereon as to it may seem advisable; and in every such case the Mortgagee shall have the right to manage and operate the Mortgaged Property and to carry on the business thereof and exercise all rights and powers of the

Mortgagor with respect thereto either in the name of the Mortgagor or otherwise as it shall deem best; and the Mortgagee shall be entitled to collect and receive all gross receipts, earnings, revenues, rents, issues, profits and income of the Mortgaged Property and every part thereof, all of which shall for all purposes constitute property of the Mortgagee; and after deducting the expenses of conducting the business thereof and of all maintenance, repairs, renewals, replacements, alterations, additions, betterments and improvements and amounts necessary to pay for taxes, assessments, insurance and prior or other proper charges upon the Mortgaged Property or any part thereof, as well as just and reasonable compensation for the services of the Mortgagee and for all attorneys, counsel, agents, clerks, servants and other employees by it properly engaged and employed, the Mortgagee may apply the moneys arising as aforesaid in such manner and at such times as the Mortgagee shall determine in its discretion to the payment of the indebtedness secured hereby and the interest thereon, when and as the same shall become payable and/or to the payment of any other sums required to be paid by the Mortgagor under this Mortgage or the Documents; and

(iii) The Mortgagee, with or without entry, personally or by its agents or attorneys, insofar as applicable, may:

(iv) sell the Mortgaged Property or any part thereof to the extent permitted and pursuant to the procedures provided by law, and all estate, right, title and interest, claim and demand therein, at one or more sales, as an entity or in parcels, and at such time and place upon such terms and after such notice thereof as may be required or permitted by law; or

(v) institute proceedings for the complete or partial foreclosure of this Mortgage; or

(vi) take such steps to protect and enforce its rights whether by action, suit or proceeding in equity or at law for the specific performance of any covenant, condition or agreement in the Note, this Mortgage, or the other Documents or in aid of the execution of any power herein granted, or for any foreclosure hereunder, or for the enforcement of any other appropriate legal or equitable remedy or otherwise as the Mortgagee shall elect.

Section 2.02 Foreclosure Sale.

(a) The Mortgagee may adjourn from time to time any sale by it to be made under or by virtue of this Mortgage by announcement at the time and place appointed for such sale or for such adjourned sale or sales; and, except as otherwise provided by any applicable provision of law, the Mortgagee, without further notice or publication, may make such sale at the time and place to which the same shall be so adjourned.

(b) Upon the completion of any sale or sales made by the Mortgagee under or by virtue of this Article II, the Mortgagee, or any officer of any court empowered to do so, shall execute and deliver to the accepted purchaser or purchasers a good

and sufficient instrument or instruments, conveying, assigning and transferring all estate, right, title and interest in and to the property and rights sold. The Mortgagee is hereby irrevocably appointed the true and lawful attorney of the Mortgagor, in its name and stead, to make all necessary conveyances, assignments, transfers and deliveries of any part of the Mortgaged Property and rights so sold. The Mortgagee may, for such purpose, execute all necessary instruments of conveyance, assignment and transfer, and may substitute one or more persons with like power, the Mortgagor hereby ratifying and confirming all that its said attorney or such substitute or substitutes shall lawfully do by virtue hereof. Nevertheless, the Mortgagor, if so requested by the Mortgagee, shall ratify and confirm any such sale or sales by executing and delivering to the Mortgagee or to such purchaser or purchasers all such instruments as may be advisable, in the judgment of the Mortgagee, for the purpose, and as may be designated in such request. Any such sale or sales made under or by virtue of this Article II, whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, shall operate to divest all the estate, right, title, interest, claim and demand whatsoever, whether at law or in equity, of the Mortgagor in and to the properties, interests and rights so sold, and shall be a perpetual bar both at law and in equity against the Mortgagor and against any and all persons claiming or who may claim the same, or any part thereof from, through or under the Mortgagor.

(c) In the event of any sale made under or by virtue of this Article II (whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale), the entire principal of, and interest on, the Note, if not previously due and payable, and all other sums required to be paid by the Mortgagor pursuant to this Mortgage, immediately thereupon shall, anything in the Notes or in this Mortgage to the contrary notwithstanding, become due and payable.

(d) The purchase money proceeds or avails of any sale made under or by virtue of this Article II, together with any other sums which then may be held by the Mortgagee under this Mortgage, whether under the provisions of this Article II or otherwise, shall be applied as follows:

First: to the payment of the costs and expenses of such sale, including reasonable compensation to the Mortgagee, its agents and attorneys, and of any judicial proceedings wherein the same may be made, and of all expenses, liabilities and advances made or incurred by the Mortgagee under this Mortgage, together with interest at the Default Rate on all advances made by the Mortgagee and all taxes or assessments paid by the Mortgagee except any taxes, assessments or other charges subject to which the Mortgaged Property shall have been sold;

Second: to the payment of the whole amount then due, owing or unpaid upon the Note for principal and interest, with interest on the unpaid principal at the Default Rate from and after the happening of any default described in clause

(a)(i), (ii) or (iii) of Section 2.01 from the due date of any such payment of principal until the same is paid;

Third: to the payment of any other sums required to be paid by the Mortgagor pursuant to any provision of this Mortgage, the Note, or the other Documents, all with interest at the Default Rate, from the date such sums were or are required to be paid under this Mortgage, the Note or the other Documents; and

Fourth: to the payment of the surplus, if any, to whomsoever may be lawfully entitled to receive the same.

(e) Upon any sale made under or by virtue of this Article II, whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, the Mortgagee may bid for and acquire the Mortgaged Property or any part thereof and in lieu of paying cash therefor may make settlement for the purchase price by crediting upon the indebtedness of the Mortgagor secured by this Mortgage the net sales price after deducting therefrom the expenses of the sale and the costs of the action and any other sums which the Mortgagee is authorized to deduct under this Mortgage.

Section 2.03 Payment of Indebtedness After Default.

(a) If an Event of Default shall have occurred, then upon written demand of the Mortgagee, the Mortgagor will pay to the Mortgagee the whole amount which then shall have become due and payable on the Note, for principal and interest or both or any other sums due under any of the Documents, as the case may be, and after the happening of said Event of Default will also pay to the Mortgagee interest at the Default Rate on the then unpaid principal of the Note, and the sums required to be paid by the Mortgagor pursuant to any provision of this Mortgage and in addition thereto such further amount as shall be sufficient to cover the costs and expenses of collection, including reasonable compensation to the Mortgagee, its agents, and attorneys and any expenses incurred by the Mortgagee hereunder. In the event the Mortgagor shall fail forthwith to pay such amounts upon such demand, the Mortgagee shall be entitled and empowered to institute such action or proceedings at law or in equity as may be advised by its counsel for the collection of the sums so due and unpaid, and may prosecute any such action or proceedings to judgment or final decree and may enforce any such judgment or final decree against the Mortgagor and collect out of the property of the Mortgagor wherever situated, as well as out of the Mortgaged Property, in any manner provided by law, moneys adjudged or decreed to be payable with interest thereon at the Default Rate.

(b) The Mortgagee shall be entitled to recover judgment as aforesaid either before or after or during the pendency of any proceedings for the enforcement of the provisions of this Mortgage. The right of the Mortgagee to recover such judgment shall not be affected by any entry or sale hereunder, or by the exercise of any other right, power or remedy for the enforcement of the provisions of this Mortgage, or the foreclosure of the lien hereof. In

the event of a sale of the Mortgaged Property or any part thereof and of the application of the proceeds of sale, as in this Mortgage provided, to the payment of the indebtedness hereby secured, the Mortgagee shall be entitled to (i) enforce payment of, and to receive all amounts then remaining due and unpaid upon, the Note, (ii) enforce payment of all other charges, payments and costs due under this Mortgage, and (iii) recover judgment for any portion of the debt remaining unpaid, with interest thereon at the Default Rate. In case of proceedings against the Mortgagor in insolvency or bankruptcy or any proceedings for its reorganization or involving the liquidation of its assets, then the Mortgagee shall be entitled to prove the whole amount of principal and interest due upon the Note to the full amount thereof, and all other payments, charges and costs due under this Mortgage, without deducting therefrom any proceeds obtained from the sale of the whole or any part of the Mortgaged Property, provided, however, that in no case shall the Mortgagee receive a greater amount than such principal and interest and such other payments, charges and costs from the aggregate amount of the proceeds of the sale of the Mortgaged Property or any part thereof and the distribution from the estate of the Mortgagor.

(c) No recovery of any judgment by the Mortgagee and no levy of any execution under any judgment upon the Mortgaged Property or upon any other property of the Mortgagor shall affect in any manner or to any extent, the lien of this Mortgage upon the Mortgaged Property or any part thereof, or any liens, rights, powers or remedies of the Mortgagee hereunder, but such liens, rights, powers and remedies of the Mortgagee shall continue unimpaired as before.

(d) Any moneys thus collected by the Mortgagee under this Section 2.03 shall be applied by the Mortgagee in accordance with the provisions of paragraph (d) of Section 2.02.

Section 2.04 Waiver of Personal Service; Appointment of Receiver. After the happening of any Event of Default and immediately upon the commencement of any action, suit or other legal proceedings by the Mortgagee to obtain judgment for the principal of, or interest on, the Note and other sums required to be paid by the Mortgagor pursuant to any provisions of this Mortgage, or of the Documents, or of any nature in aid of the enforcement of the Note or of this Mortgage, the Mortgagor does hereby (a) waive personal service of process and consent to service by certified mail to the address of the Mortgagor set forth on the cover page of this Mortgage (with copies to be sent as provided in Section 3.03), and (b) if required by the Mortgagee, consent to the appointment of a receiver or receivers of the Mortgaged Property or any part thereof or any business or businesses conducted thereon and of all the earnings, revenues, rents, issues, profits and income thereof. After the happening of any Event of Default, or upon the commencement of any proceedings to foreclose this Mortgage or to enforce the specific performance hereof or in aid thereof or upon the commencement of any other judicial proceeding to enforce any right of the Mortgagee, the Mortgagee shall be entitled, as a matter of right, if it shall so elect, without the giving of notice to any other party and without regard to the adequacy or inadequacy of any security for the Mortgage indebtedness, forthwith either before or

after declaring the unpaid principal of the Note to be due and payable, to the appointment of such receiver or receivers.

Section 2.05 Possession of Premises. Notwithstanding the appointment of any receiver, liquidator or trustee of the Mortgagor, or of any of its property, or of the Mortgaged Property or any part thereof, the Mortgagee shall be entitled to retain possession and control of all property now or hereafter held under this Mortgage.

Section 2.06 Remedies Cumulative. No remedy herein conferred upon or reserved to the Mortgagee is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission of the Mortgagee to exercise any right or power accruing upon any Event of Default shall impair any such rights or power, or shall be construed to be a waiver of any such Event of Default or any acquiescence therein; and every power and remedy given by this Mortgage to the Mortgagee may be exercised from time to time as often as may be deemed expedient by the Mortgagee. Nothing in this Mortgage or in the Note shall affect the obligation of UHAB to pay the principal of, and interest on, the Note in the manner and at the time and place therein respectively expressed.

Section 2.07 No Stay; Exemption or Moratorium. The Mortgagor will not at any time insist upon, or plead, or in any manner whatsoever claim or take any benefit or advantage of any stay or extension or moratorium law, any exemption from execution or sale of the Mortgaged Property or any part thereof, wherever enacted, now or at any time hereafter in force, which may affect the covenants and terms of performance of this Mortgage, nor claim, take or insist upon any benefit or advantage of any law now or hereafter in force providing for the valuation or appraisal of the Mortgaged Property, or any part thereof, prior to any sale or sales thereof which may be made pursuant to any provision herein, or pursuant to the decree, judgment, or order of any court of competent jurisdiction, and covenants not to hinder, delay or impede the execution of any power herein granted or delegated to the Mortgagee, but to suffer and permit the execution of every power as though no such law or laws had been made or enacted. The Mortgagor for itself and all who may claim under it, waives, to the extent that it lawfully may, all right to have the Mortgaged Property or any part thereof marshaled upon any foreclosure hereof.

Section 2.08 Rent During an Event of Default. During the continuance of any Event of Default and pending the exercise by the Mortgagee of its right to exclude the Mortgagor from all or any part of the Premises, the Mortgagor agrees to pay the fair and reasonable rental value for the use and occupancy of the Premises or any portion thereof which are in its possession for such period and, upon default of any such payment, will vacate and surrender possession of the Premises to the Mortgagee or to a receiver, if any, and in default thereof may be evicted by any summary action or proceeding for the recovery of possession of premises for non-payment of rent, however designated.

ARTICLE III.

MISCELLANEOUS

Section 3.01 Binding Obligations. All of the grants, covenants, terms, provisions and conditions herein shall run with the land and shall apply to, bind and inure to the benefit of, the successors and assigns of the Mortgagor and the successors and assigns of the Mortgagee. If there be more than one mortgagor, the covenants and warranties hereof shall be joint and several. As used herein, the singular shall include the plural as the context requires.

Section 3.02 Severability. In the event any one or more of the provisions contained in this Mortgage or in the Note or in any of the other Documents shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of the Mortgagee, not affect any other provision of this Mortgage, but this Mortgage shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein or therein.

Section 3.03 Notices. All notices hereunder shall be in writing and shall be deemed to have been sufficiently given or served for all purposes when given in accordance with the provisions of the Loan Agreement. Each party may designate a change of address by notice to the other party, as provided in the Loan Agreement.

Section 3.04 Waiver of Notice. Whenever in this Mortgage the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person or persons entitled to receive such notice. The Mortgagor shall not be entitled to any notices of any nature whatsoever from the Mortgagee except with respect to matters for which this Mortgage specifically and expressly provides for the giving of notice by the Mortgagee to the Mortgagor, and the Mortgagor hereby expressly waives the right to receive any notice from the Mortgagee with respect to any matter for which this Mortgage does not specifically and expressly provide for the giving of notice by the Mortgagee to the Mortgagor.

Section 3.05 Assignment. This Mortgage, and any instruments made in connection herewith, may be assigned by the Mortgagee without notice to, or the consent of, the Mortgagor or any other party.

Section 3.06 Incorporation of Information. The information set forth on the cover hereof is hereby incorporated herein.

Section 3.07 Default Rate. The Default Rate provided for herein shall continue to accrue and be paid on any amount to which the Default Rate is applied until said amount is paid in full.

Section 3.08 Applicable Law. This Mortgage shall be governed by, and construed, enforced and interpreted according to the laws of the State of New York without giving effect to the principles of conflicts of law.

Section 3.09 No Oral Modification. Neither this Mortgage nor any provision hereof may be changed, waived, modified, discharged or terminated, except by an instrument in writing signed by the Mortgagee.

Section 3.10 Security Agreement. This Mortgage constitutes both a real property mortgage and a “security agreement”, within the meaning of the Uniform Commercial Code, and the Mortgaged Property includes both real and personal property and all other rights and interest, whether tangible or intangible in nature of the Mortgagor in the Mortgaged Property. The Mortgagor by executing and delivering this Mortgage has granted to the Mortgagee, as security for the Note a security interest in the Chattels. If the Mortgagor shall default under the Notes and/or this Mortgage, the Mortgagee, in addition to any other rights and remedies which it may have, shall have and may exercise immediately and without demand, any and all rights and remedies granted to a secured party upon default under the Uniform Commercial Code, including, without limiting the generality of the foregoing, the right to take possession of the Chattels or any part thereof, and to take such other measures as the Mortgagee may deem necessary for the care, protection and preservation of the Chattels. Upon request or demand of the Mortgagee, the Mortgagor shall at its expense assemble the Chattels and make them available to the Mortgagee at a convenient place acceptable to the Mortgagee. The Mortgagor shall pay to the Mortgagee on demand any and all expenses, including legal expenses and attorneys’ fees, incurred or paid by the Mortgagee in protecting its interest in the Chattels and in enforcing its rights hereunder with respect to the Chattels. Any notice of sale, disposition or other intended action by the Mortgagee with respect to the Chattels sent to the Mortgagor in accordance with the provisions hereof at least five days prior to such action, shall constitute reasonable notice to the Mortgagor. The proceeds of any disposition of the Chattels, or any part thereof, may be applied by the Mortgagee to the payment of the Note, Note B and Note C and any other obligations of the Mortgagor secured hereby in such priority and proportions as the Mortgagee in its discretion shall deem proper.

Section 3.11 Attorneys’ Fees. Wherever “attorneys’ or counsel fees” are referred to herein, it shall include disbursements and such fees incurred out of court and in litigation, including, without limitation, appeals and bankruptcy proceedings.

Section 3.12 The Mortgagee’s Consent and Approval. If the Mortgagor shall request the Mortgagee’s consent or approval pursuant to any of the provisions of this Mortgage or otherwise, and the Mortgagee shall fail or refuse to give, or shall unreasonably delay in giving, such consent or approval, the Mortgagor shall in no event make, or be entitled to make, any claim for damages (nor shall the Mortgagor assert, or be entitled to assert, any such claim by way of defense, set-off, or counterclaim) based upon any claim or assertion by the Mortgagor that the Mortgagee unreasonably withheld or delayed its consent or approval, and the Mortgagor hereby waives any and all rights that it may have from whatever source derived, to make or assert any such claim. The Mortgagor’s sole remedy for any such failure, refusal, or delay shall be an action for a declaratory judgment, specific performance, or injunction, and such remedies shall be available only in those instances where the Mortgagee has expressly agreed in writing

not to unreasonably withhold or delay its consent or approval or where, as a matter of law, the Mortgagee may not unreasonably withhold or delay the same.

Section 3.13 Inclusion of Subtenants. Whenever reference is made in this Mortgage to a lease, lessee, tenancy or tenant, such reference shall be deemed to include a sublease, sublessee, subtenancy or subtenant, as the case may be.

Section 3.14 Counterparts. This Mortgage may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts shall together constitute but one and the same Mortgage.

Section 3.15 Default Under Additional Security. If the payment of the mortgage indebtedness is now or hereafter further secured by assignments of leases or rentals, security agreements, financing statements, mortgages, collateral assignments, pledges, contracts of guaranty, or other additional security documents, any default under the provisions of any such further security documents shall constitute and be a default under this Mortgage, and the Mortgagee may, at its option, exhaust any one or more of the said security documents and the security thereunder as well as the Mortgaged Property covered by this Mortgage either concurrently or independently and in such other and further manner as the Mortgagee may elect, and the Mortgagee may apply the proceeds received therefrom upon the mortgage indebtedness without waiving or affecting the Mortgagee's rights and remedies under this Mortgage exercised hereunder or whether contained or exercised under any other such security documents.

Section 3.16 Legal Interest Rate. Nothing herein, nor any transaction related hereto, shall be construed or so operate as to require the Mortgagor to pay interest at a greater rate than shall be lawful. Should any interest or other charges paid by the Mortgagor in connection with the loan evidenced by the Note result in the computation or earning of interest in excess of the maximum legal rate of interest which is legally permitted under the laws of the State of New York, after taking into account all provisions of the Note and the Documents, then any and all such excess shall be, and the same is hereby waived by the Mortgagee, and any and all such excess shall be automatically credited against and in reduction of the balance due under the indebtedness secured hereby and any portion which exceeds the balance due under the Note and secured hereby shall be paid by the Mortgagee to the Mortgagor. At the maturity of the Note secured hereby (or prior thereto, in the event of any permitted prepayment, or if the Mortgagee accelerates payment thereof), if the total amount of interest paid, including any service fee and any other charge upon the principal, exceeds the maximum legal contract rate permitted by law, such interest shall be recomputed and any such excess shall be credited to principal or returned to the Mortgagor. It is the intent of the parties hereto that the Mortgagor, under no circumstances, shall be required to pay, nor shall the Mortgagee be entitled to collect, any interest which is in excess of maximum legal rate permitted under applicable laws.

Section 3.17 No Joint Venture. Nothing contained herein shall create any joint venture, partnership, agency or trust arrangement between the Mortgagor and the Mortgagee.

Section 3.18 Waiver of Trial By Jury. To the fullest extent permitted by law, the Mortgagor hereby irrevocably waives trial by jury in any judicial proceeding brought by the Mortgagor or the Mortgagee involving, directly or indirectly, any matter in any way arising out of, related to, or connected with this Mortgage, the Notes and/or the transactions contemplated hereby or thereby. To the fullest extent permitted by law, the Mortgagor hereby expressly and unconditionally waives, in connection with any suit, action or proceeding brought by the Mortgagee under this Mortgage or the Note, any and every right it may have to, (i) interpose any counterclaim therein and (ii) have the same consolidated with any other or separate suit, action or proceeding. Nothing herein contained shall prevent or prohibit the Mortgagor from instituting or maintaining a separate action against the Mortgagee with respect to any asserted claim.

Section 3.19 Set-Off. Upon the occurrence and during the continuance of any Event of Default, the Mortgagee is hereby authorized at any time and from time to time, without notice to the Mortgagor (any such notice being expressly waived by the Mortgagor), to set off and apply any and all money, credits, stocks, bonds or other securities or property of any nature whatsoever at any time held, and other indebtedness at any time owing, by the Mortgagee or any affiliate of the Mortgagee to or for the credit or the account of the Mortgagor, including patronage dividends which would otherwise be payable to the Mortgagor, against any and all of the obligations of the Mortgagor, first under any of the Documents, and second under any other agreement with the Mortgagor, irrespective of whether or not the Mortgagee shall have made any demand under this Mortgage or the Note secured thereby, and although such obligations may be unmatured. The Mortgagee agrees promptly to notify the Mortgagor after any such setoff and application, provided, however, that the failure to give such notice shall not affect the validity of such setoff and application. The rights of the Mortgagee under this Section are in addition to other rights and remedies (including, without limitation, other rights of setoff) that the Mortgagee may have.

Section 3.20 Recovery of Sums Required To Be Paid. The Mortgagee shall have the right from time to time to take action to recover any sum or sums which constitute a part of the indebtedness secured hereby as the same becomes due, without regard to whether or not the balance of such indebtedness shall be due, and without prejudice to the right of the Mortgagee thereafter to bring an action of foreclosure, or any other action, for a default or defaults by the Mortgagor existing at the time such earlier action was commenced.

Section 3.21 Marshalling. The Mortgagor waives and releases, to the fullest extent permitted by law and with awareness of the consequences thereof, any right to have the Mortgaged Property marshalled.

Section 3.22 Headings. The headings and captions of the various Articles and Sections of this Mortgage, and the table of contents, are for convenience of reference only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions hereof.

Section 3.23 Multiple Dwelling. The Mortgaged Property is principally improved or to be improved by one or more structures containing in the aggregate more than six (6) residential dwelling units, each dwelling unit having its own separate cooking facilities. ✓

Section 3.24 Notice of Refinancing. In order to assist the Mortgagee in the proper and efficient administration of the indebtedness secured hereby, if the Mortgagor shall at any time desire to refinance all or any portion of the indebtedness secured hereby or to obtain any subordinate indebtedness, the Mortgagor shall promptly so notify the Mortgagee. The giving of any notice pursuant to this Section shall not obligate the Mortgagor to obtain any such financing or in any way constitute a waiver of any prepayment prohibition contained herein, in the Note or in any other Document. Any such notice given by the Mortgagor shall expressly state whether or not such notice also constitutes a prepayment notice pursuant to the provisions of the Note.

Section 3.25 Security and Priority of Advances.

(a) Loan Advances. This Mortgage secures, and the Mortgage Amount secured hereby includes future advances. All advances and indebtedness arising and accruing from time to time under this Mortgage and the other Documents shall be secured hereby to the same extent as though the other Documents were fully incorporated in this Mortgage. Under this Mortgage and the other Documents (if applicable), advances shall be made and indebtedness shall be incurred from time to time hereafter, but each such advance or indebtedness shall be secured hereby as if made on the date hereof.

(b) Other Advances. This Mortgage secures (i) all advances made by Mortgagee with respect to any of the Mortgaged Property for the payment of impositions, maintenance charges, insurance premiums or costs incurred for the protection of any of the Mortgaged Property or the lien of this Mortgage, and (ii) all expenses incurred by Mortgagee by reason of an Event of Default hereunder. This Mortgage shall constitute a lien on the Mortgaged Property from the time this Mortgage is recorded for, among other things, all such advances and expenses, plus interest thereon, regardless of the time when such advances are made or such expenses are incurred.

IN WITNESS WHEREOF, this Mortgage has been duly executed by the Mortgagor as of the day and year first above written.

UHAB HOUSING DEVELOPMENT CORPORATION

By: R. Heitler
Name: ~~Richard Heitler, Vice President~~
Title: ~~Urban Homesteading Assistance (U-HAB) HDEC~~
120 Wall Street, 20 Floor
New York, NY 10005

The undersigned hereby acknowledges and agrees (i) to the terms, provisions and conditions of this Mortgage, (ii) that this Mortgage is binding and enforceable against the undersigned and (iii) that this Mortgage shall for all purposes constitute and be deemed a Security Agreement as defined in the Loan Agreement :

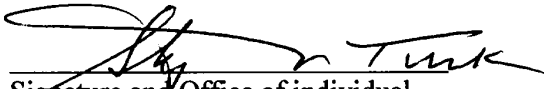
URBAN HOMESTEADING ASSISTANCE (U-HAB), INC.

By: R. Heitler
Name: Richard Heitler, C.O.O
Title: Urban Homesteading Assistance (U-HAB) Inc.
120 Wall Street, 20 Floor
New York, NY 10005

State of New York)
County of ~~New York~~ *ss.:*

On the *30th* day of *JAN* in the year *2009* before me, the undersigned,
personally appeared *RICHARD HEITLER*

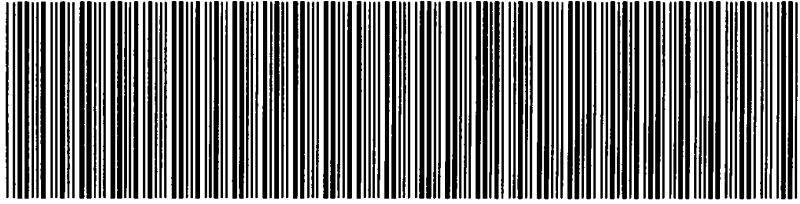
personally known to me or proved to me on the basis of satisfactory evidence to
be the individual(s) whose name(s) is (are) subscribed to the within instrument
and acknowledged to me that he/she/they executed the same in his/her/their
capacity(ies), and that by his/her/their signatures(s) on the instrument, the
individual(s), or the person upon behalf of which the individual(s) acted,
executed the instrument.


Signature and Office of individual
taking acknowledgment

STEPHEN N. TURK
Notary Public, State of New York
No. 31-4925722
Qualified in New York County
Commission Expires March 7, 2010

TEBS

**NYC DEPARTMENT OF FINANCE
OFFICE OF THE CITY REGISTER**



2009020400607001001SC33C

SUPPORTING DOCUMENT COVER PAGE

PAGE 1 OF 1

Document ID: 2009020400607001
Document Type: MORTGAGE

Document Date: 01-30-2009

Preparation Date: 02-04-2009

SUPPORTING DOCUMENTS SUBMITTED:

253 MORTGAGE TAX EXEMT AFFIDAVIT

Page Count
1

3008-258074

SECTION 577 AFFIDAVIT

STATE OF NEW YORK)
)
) ss.:
COUNTY OF NEW YORK)


The undersigned, being duly sworn, deposes and says:

1. I am the President of UHAB HOUSING DEVELOPMENT FUND CORPORATION (the "Corporation"), which was duly organized pursuant to the provisions of Article XI of the Private Housing Finance Law of the State of New York (the "PHFL") for the exclusive purpose of providing housing for persons of low income.

2. The Corporation has executed that certain Mortgage Agreement by the Corporation in favor of NCB Capital Impact securing a principal indebtedness of \$850,000 (the "Mortgage"), and wishes to record the Mortgage in the Office of the New York City Register, New York County.

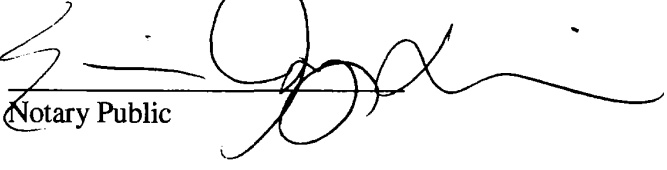
3. Section 577(2) of Article XI of the PHFL provides that mortgages of a housing development fund company are exempt from the mortgage recording taxes imposed by Article Eleven of the Tax Law of the State of New York.

THEREFORE, I hereby respectfully submit that the aforementioned Mortgage be declared exempt from taxation and be recorded without payment of mortgage recording taxes.




Andrew Reicher

Sworn to before me this
2nd day of February, 2009



Notary Public


ERICA JOY LINDQUIST
NOTARY PUBLIC-STATE OF NEW YORK
No. 01L16191809
Qualified in Kings County
My Commission Expires August 25, 2012

CITY COUNCIL
CITY OF NEW YORK

----- X

TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON HOUSING AND BUILDINGS

----- X

April 26, 2018
Start: 10:11 a.m.
Recess: 2:42 p.m.

HELD AT: Council Chambers - City Hall

B E F O R E: ROBERT E. CORNEGY, Jr.
Chairperson

COUNCIL MEMBERS: Fernando Cabrera
Margaret S. Chin
Rafael L. Espinal, Jr.
Mark Gjonaj
Barry S. Grodenchik
Bill Perkins
Carlina Rivera
Helen K. Rosenthal
Ritchie J. Torres
Jumaane D. Williams

2 ACTING CHAIRPERSON RIVERA: Thank you.

3 [cheers] Thank you. Thank you. Annie.

4 ANNIE WILSON: Hello. Thank you for
5 giving us the opportunity to speak up today, and
6 regarding the Third Party Transfer and my experience
7 in the building that I have lived in since 1984.
8 Unfortunately, I am here to disclose information that
9 I wish I had never had to experience during the time
10 of my residency at that location prior to the Third
11 Party Transfer in 2002, and the subsequent events
12 since then, which, in fact, there was more
13 deterioration within the program than prior to the
14 program. We had counted on the oversight of UHAB
15 unfortunately. I am greatly disappointed in the type
16 of management UHAB offered. They have breached their
17 agreement with the city in 2002 to complete the
18 program by 2004. Our building of 11 buildings in
19 that program was the most advanced. We only had
20 \$120,000 of renovation costs assessed. We had a
21 working tenants union. We had a bank account for 15
22 years, and we had bylaws and meetings. Once in the
23 program there was unfortunately a family that had
24 only been recognized as one membership agreement that
25 decided that they were going to control this building

2 and derail the program for everyone. They repeatedly
3 created violence, destruction of property, took over
4 units. For example, the electrician was hired early
5 in the program to put in some-some conduit piping so
6 that there wouldn't be any more stealing of
7 electricity, but that electrician was assaulted by a
8 family member. There was no follow-up courts in
9 nuisance and this continuously went on until the roof
10 was completely destroyed, the gas was removed, there
11 had been a fire. No repairs for ten years. Despite
12 the insurance that was cashed in on by UHAB, and
13 there was black mold everywhere for ten years and-
14 and, of course, in arrears and complete decay [bell]
15 and a subject of several newspaper articles. We were
16 then saved, saving by the Inclusionary Zoning
17 Program, and Don Capoccia and BNN were going to come
18 in and pay off whatever was owed and what was to be
19 foreclosed and make a brand new renovation for
20 everyone to return. It sounded like a good idea. I
21 signed for it. There had been a vacate order on half
22 the building. Didn't have much choice.
23 Unfortunately--and I'm going to be closing very soon--
24 the terms of the loan agreement were not as proposed
25 to us. We were told 40 to 70,000 nominal alone.

2 Instead, there's \$960,000 without stakeholder
3 consent, which is tied to the equity. There is just
4 about no resale, \$6,000 in three years. In addition
5 to that, given that there had been a family that had
6 been voted into one unit they were given four units.
7 They were moved up next to me. Unfortunately, I will
8 not be returning because of the threat to my personal
9 safety. I am in negotiation now for alternatives to
10 this problem, and I have not returned as many have,
11 and in conclusion, I wanted to support the
12 recommendations made by the Public Advocate in a
13 report that was issued in 2016 that requires that
14 there be a Third Party Overview for all these
15 privatization programs of city property. In this
16 case, you know, our buildings, and that is an
17 investigative report named the Multi-Million Dollar
18 Boondoggle. The developer has been unaccountable--

19 ACTING CHAIRPERSON RIVERA: [interposing]

20 Can you—I'm sorry.

21 ANNIE WILSON: It's not surprising I
22 cannot get any accounting. They have made a lot of
23 money, and we have no way of knowing what exactly is
24 the income for that developer, and they have spent

2 over \$350,000 per unit without bidding. Thank you
3 very much for your attention.

4 ACTING CHAIRPERSON RIVERA: Thank you.

5 ANNIE WILSON: To be continued.

6 LAUREN MEGAN DE SANTOS: Hello and thank
7 you for your attention. I know we spent a lot of
8 time here. My name is Lauren Megan De Santos, and I
9 am representing 67-69 Saint Nicholas and HDFC Co-Op
10 in Central Harlem where my mother is a shareholder.
11 Out of 27 units in the building, 16 are owned and 12
12 of those including my mother's have mortgages of over
13 \$200,000 each. 67 and 69 are currently facing
14 foreclosure, and it's very likely that it will be
15 entered into the TPT Program, which we do not want.
16 In the last two months my mother and the other
17 shareholders have twice voted in a new board with the
18 assistance of NHS. The old board, it is alleged and
19 we believe that they have mismanaged the money, which
20 was why the building was entered into foreclosure,
21 but the new board is committed to halting the
22 foreclosure entering into Amnesty Program, and
23 eventually making repairs to the building to make it
24 livable and to get rid of all the violations. To my
25 knowledge, apart from the old board none of the

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON HOUSING AND BUILDINGS JOINTLY WITH
COMMITTEE ON OVERSIGHT AND INVESTIGATIONS

----- X

July 22, 2019
Start: 1:15 AM
Recess: 6:42 PM

HELD AT: COUNCIL CHAMBERS - CITY HALL

B E F O R E: ROBERT E. CORNEGY, JR.
Chairperson

RITCHIE J. TORRES
Chairperson

COUNCIL MEMBERS: Fernando Cabrera
Margaret S. Chin
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1 sprinkler. We are going to do this and that
2 according to the rules, and now it's like everything
3 has been sheetrocked, they wanted to get us to do an-
4 and sprinkler system. I know it's a controversial
5 one, but the idea was the discussion was one way, and
6 Nelson here was part of the discussion, and I have to
7 say that they have been there. HPD been there, but
8 they have been listening. That's what I have to say.
9 Thank you very much for your time.
10

11 CHAIRPERSON CORNEGY: Thank you, thank
12 you for your testimony, and thank you for your hard
13 work.

14 TIO CHINO: Thank you.

15 CHAIRPERSON CORNEGY: Yes.

16 ANNIE WILSON: Hi. I'm Annie Wilson, and,
17 um, I'm speaking on a parallel with the Third Party
18 Transfer Program that involves and HPD building.
19 UHAB unfortunately has failed their mission. I had
20 been a tenant organizer that led the building to
21 becoming a part of the UHAB program along with other
22 buildings as part of a live-in building parcel in
23 2018. I've been residing there since 1984, and I was
24 looking forward to the renovation of the building
25 given that of the 11 buidings this building had the

1 least amount to be done around \$160,000 in scope of
2 work and then around \$100,000 more for the weight
3 station program. Well, to fast forward, there's
4 been \$6 million spent on the renovation. In the past
5 two years, the building was flipped into a Third
6 Party Transfer, but as of the HPD Program, but into
7 the Inclusionary Zoning Program, and, um, a developer
8 was selected without a bidding process, [bell] and
9 our building had been once the most viable of all
10 the—all the buildings in the program, and there was a
11 fire in 2004. [coughs] UHAB kept the insurance
12 money, and there was an enormous amount of decay in
13 the building and disruption for the Tenants
14 Association by the activities by UHAB, and their
15 preference for a particular family. So,
16 unfortunately, I have to say that I do believe that
17 they promoted as much deterioration as possible to
18 benefit from whatever their percentage, from whatever
19 loan and so forth. So, come 2014-2015, with the
20 vacate order that our Tenant's Union had corrected
21 the violation towards, UHAB refused to process a
22 removal of the vacate order as owner/sponsor, and
23 that is when we were told, oh, well, you have these
24 debts coming in now, we're going to like have to
25

2 foreclose on the building that we have this developer
3 who's going to come in and save the day, and renovate
4 everything. You all go back. Hey, I was the first
5 person to sign, and, um, moved to a relocation
6 apartment two years later so we're looking at 2016.
7 Uh-oh, problem. We've moved these residents all
8 around up here. We've taken your equity, we took a
9 \$960,000 without stakeholder consent. Oh, really.
10 Called up HPD. Kim Darga, how can you do this? No
11 notice, no consent, \$960,000 in addition to \$5
12 million on this so-called Inclusionary Zoning
13 Program? Well, okay, I don't think that should be
14 allowed and I could go on and on, but the point is at
15 this stage UHAB is suing me, and, um, I have refused
16 to return under the existing conditions under the
17 type of renovations they had completed and the lack
18 of security system as per the scope and, of course,
19 there's the equity issue. So, we went into a
20 negotiation to get a fair arrangement, which included
21 possibly going to another place, and I accepted their
22 arrangements. There were to arrangements last year I
23 had accepted that they took off the table, and then I
24 worked with the developer, and said, well, can we
25 just put in a security system? You know, maybe I'll

1 just go back? And, um, that system has not been
2 installed, and UHAB began to sue me in December.
3 I've had my fifth hearing on Friday, and that flipped
4 to the, um, to the--the trial part. UHAB lawyers at
5 each hearing have been different lawyers that mislead
6 the judge, and in this case they claimed that they
7 had received in the morning an agreement. So, I
8 asked to see this agreement. I couldn't see it.
9 Why? Because all parties had not approved? Well, am
10 I not a party to this? Well, I'd like to see this
11 agreement, anyway the judge was kind of frustrated
12 with having been there already in his part as many
13 times as we had. He flipped it to the next part,
14 and, um, at this stage I'm, um, as for my neighbors,
15 I want to say that my immediate neighbor quit. My
16 neighbor across the hall passed away and during the
17 negotiations. When we talk about racism and the loss
18 of equity, in this building in particular there are
19 four individuals. Three were men of color that lost
20 their equity, and I feel like UHAB has really
21 deceived me. I feel like they are extremely cruel,
22 and I hope that they'll understand that they need to
23 come up with a fair arrangement, keep to their word,
24 and uh, I feel harassed. I've been extremely
25

1 depressed and as that I could end up in a hospital.
2 I mean I can't tell you. This is the only place I
3 had and, um, I'm willing to participate in any type
4 of investigation. I have all my documents. I've
5 kept everything in a semi-order except for all the-
6 some of the recordings and they're in completely, you
7 know. All the hard documents I can provide to you.
8 I'd be very happy to help sketch some kind of policy
9 whereby there is oversight where there is
10 accountability. When there's a problem the residents
11 can go somewhere so we can solve the problems, and
12 before they become larger problems, and, um, I'll
13 leave it at that for now. There are probably other
14 details I wanted to touch on. I did talk about the
15 no bidding. Um, I guess I did cover pretty much all
16 I wanted to say, and I hope you'll want to work with
17 me towards making sure no one ever has to go through
18 anything like this again. Thank you.

20 CHAIRPERSON CORNEGY: Well, as I
21 mentioned, that is clearly my goal and the goal of
22 this committee. I'm-I'm very sorry for what you had
23 to experience through this process, but I will say to
24 you that the information that you've given to me and
25 Tina has given to me on the-on the-on the developer

1 portion of this, um, is-is great insight, and I think
2 that that's something that we're going to take back
3 and really look at oversight over the developers who
4 are a part of the the-these programs that have
5 demonstrated incomplete work, no work at all with-
6 with-tremendous loans taken our, but quite
7 frankly that's not the first time I heard this as
8 part of the Third Party Transfer as far as HD-HDFC
9 process, and it's incredibly disturbing when we talk
10 about the amount of money that's being leveraged--

11 ANNIE WILSON: Yes.

12 CHAIRPERSON CORNEGY:--to bring things up
13 to a livable standard, and not meeting that. So,
14 there is certainly something we can do for a Council
15 perspective to ensure that-that, you know, that-that
16 people are-the developers are doing that, and you
17 have my commitment to do that. My colleague had to
18 step out, but I'm sure he would give his commitment
19 from the Oversight perspective.

20 ANNIE WILSON: Sir, there's a little
21 detail I wanted to add looking at my notes if you'll
22 let me. Um, with regard to the sales of the units,
23 now that the building has been put into a transition
24 HDFC governance made of UHAB employees. The four
25

1 units that were sold, and this information, um, was
2 disclosed because an elected had managed to get the
3 accounting a couple of months ago, um, for the
4 operation of the building that I have requested so
5 that I can make a better decision, and as it turns
6 out, the four units totaling \$435,087, is not
7 accounted for in the, um, Operating Spreadsheet for
8 the building, and I have since found that UHAB kept
9 that money. I do not think that should be allowed
10 whereby there is a program, whereby the so-called
11 sponsor/developer can actually keep the money from
12 the sales that could have been part of the payback
13 for the \$960,000 loan and, um, the sister building in
14 the program on Tenth Street I hear they did the same
15 thing, and I think I really had to tell you that,
16 and, um, and that there had been also a contract
17 between the, um, Inclusionary Zoning developer, and
18 you UHAB, and when I had met, um, the staff at the-
19 Letitia James' Office when she was the Public
20 Advocate, they could not get that contract. Now,
21 there's some litigation by a couple that were
22 illegally evicted by UHAB, and that particular family
23 in this case is the Dawson Family that were given all
24 these units, and there was a release of the that
25

2 document the contract between UHAB and the
3 Inclusionary zoning developer that, in fact, shows
4 that there was a--an amount of \$845,043 that went to
5 UHAB from BNN, and that contract was October 1, 2015.
6 So, I couldn't get it. Now it's been disclosed, and
7 those are the details I forgot to tell you so thank
8 you.

9 CHAIRPERSON CORNEGY: Well, thank you for
10 that. So, we have one last testimony, and--

11 REV. DR. MICHAEL STORM: And think you
12 for being here today. [coughs] My name is Reverend
13 Dr. Michael Storm, and--and that, you know, there's a
14 lot has been said about a lot of things going on in
15 our communities that are very, very disheartening to
16 the people that live her, and I have some tips here
17 that I passed on regarding some evidence that big
18 banks are, you know, being, um, their foreclosures
19 are illegal because of they're giving loans, and
20 ownership and enforcement of interest that the
21 modifications are not valid, and the creditors are
22 sealed because the loans, the money that they're
23 giving there's no names on them, and these are being
24 done constantly. Probably not just--I have it here
25 about Kings County, but its's probably not just in

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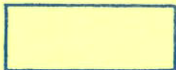
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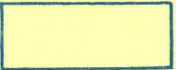
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