OFFERING PLAN

A PLAN TO CONVERT TO COOPERATIVE OWNERSHIP

Premises at

15 West 12th Street

New York City, New York

Total cash amount of offering (47,857 shares)	$3,684,989
Mortgage Indebtedness	900,000
Total Purchase Price	4,584,989
Less Reserve Fund and Repair Fund to be retained by Apartment Corporation	50,000
Net Purchase Price of Property to Sponsor	$4,534,989

NAME AND ADDRESS OF APARTMENT CORPORATION WHOSE SHARES ARE OFFERED:

12th Street Apartment Corp.
Suite 2300
230 Park Avenue
New York, New York 10017

NAME AND ADDRESS OF SPONSOR:

Twelfth Street Apartments
c/o Pan Am Equities, Inc.
"The Pavilion" 76th on York
New York, New York 10021

NAME AND ADDRESS OF MANAGING AGENT:

Pan Am Equities, Inc.
"The Pavilion" 76th on York
New York, New York 10021

NAME AND ADDRESS OF SELLING AGENT:

We Cooperate, Inc.
c/o Pan Am Equities, Inc.
"The Pavilion" 76th on York
New York, New York 10021

The approximate date of first offering of this Plan is September 15, 1980

This Plan is presented pursuant to the procedural requirements of Section 61 of the New York City Rent Stabilization Code and Section 352-eeee of The General Business Law. If all requirements are met, non-purchasing tenants (except eligible senior citizens and eligible handicapped persons) may be subject to eviction. If applicable law changes the Sponsor-Seller reserves the right to amend this Plan to reflect such changes.

THE FILING OF THIS PLAN WITH THE DEPARTMENT OF LAW OF THE STATE OF NEW YORK DOES NOT CONSTITUTE APPROVAL OF THE ISSUE OR THE SALE THEROF BY THE DEPARTMENT OF LAW OR THE ATTORNEY GENERAL OF THE STATE OF NEW YORK. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

FIFTEENTH AMENDMENT
TO A PLAN TO CONVERT
TO COOPERATIVE OWNERSHIP
PREMISES AT 15 WEST 12TH STREET,
NEW YORK, NEW YORK

The Plan to convert to cooperative ownership Premises at 15 West 12th Street, New York, New York (the "Plan") filed October 22, 1980 and as amended by fourteen previous amendments is hereby further amended by this Fifteenth Amendment as follows:

1. The holder of Unsold Shares, Mr. Paul Raymond, owns 20,193 allocated to the twenty-nine (29) apartments set forth on Exhibit A, attached hereto and made a part hereof.

2. The Board of Directors of the Apartment Corporation consists of the following individuals:

Jorgia Garcia

Ted Brickman

Margrit Piket

Joseph Stern

John Mack

James Brosnan*

Evelyn Ali*

* Holder of Unsold Share designee.

The holder of Unsold Shares has only two (2) designees on a seven (7) member Board, and therefore does not control the Board of Directors.

3. Monthly Maintenance on Unsold Share Apartments. The aggregate monthly maintenance for the Unsold Shares owned by the Holder of Unsold Shares is $24,635.46.

4. Monthly Aggregate Rental from Tenants of Unsold Share Apartments. The aggregate monthly rents from Tenants of Unsold Share Apartments equal approximately $23,935.81.

5. Financial Obligations to Co-op Corporation. Other than the payment of maintenance, there are no other financial obligations to 12th Street Apartment Corp., the Cooperative Corporation, from the Holder of Unsold Shares, which will become due within twelve (12) months of this Amendment.

6. Financing Commitment of Holder of Unsold Shares. All of the Unsold Shares are subject to a financing commitment from the Holder of Unsold Shares to Mr. Parviz Yaghoubzadeh, as Successor - in-Interest to Twelfth Street Apartments, a New York partnership, the Sponsor of the Plan, with offices at 3 New York Plaza, New York, New York 10004. The original principal amount of the loan, from the Sponsor to the Holder of Unsold Shares, upon its acquisition of the Unsold Shares at the Closing on September 30, 1983, was $4,480,469.00, which has been reduced by subsequent sales of Unsold Share Apartments. The maturity date of the loan is September 29, 1998, and may be extended, at the option of the Holder of Unsold Shares, for an additional five (5) year period. There are no monthly payments due on the loan and payments of principal and interest are due and payable only from net proceeds of sales of Unsold Shares. Since the financing arrangements require payments of interest and principal only from the subsequent sale of Unsold Shares, no source of funding will be utilized other than the proceeds from the projected sales.

7. All Obligations Current. The Holder of Unsold Shares is current on all financial obligations under the Offering Plan, including, but not limited to, maintenance payments, reserve and working fund capital payments and assessments. No payments by the Holder of Unsold Shares for repairs or improvements were promised in the Plan. The Holder of Unsold Shares is current, and has been current for the past twelve (12) months with payments with respect to the financing commitment set forth in Paragraph 6 above.

8. Other Properties of Holder of Unsold Shares. There are no other buildings in which the Holder of Unsold Shares owns more than ten (10%) percent of the shares or the units, other than the premises discussed herein.

9. Holder of Unsold Shares Current in Obligations to Other Cooperatives. The Holder of Unsold Shares is, as an individual holder of unsold shares in other cooperatives, current in his financial obligations with respect to those other cooperatives.

10. No Control of Board of Directors. The Holder of Unsold Shares does not control the Board of Directors of the Apartment Corporation. The Holder of Unsold Shares surrendered such control in September, 1986.

11. Financial Statement. The Financial Statement of the Apartment Corporation for 1992 is attached hereto and made a part hereof as Exhibit B.

12. Current Interest Rate. The current interest rate on Contract Deposits for purchasers from the Holder of Unsold Shares is 2.00% per annum.

13. No Other Material Changes. Except as set forth in this Amendment, there have been no other material changes in the Plan. The Plan, as hereby amended, does not omit any material fact or knowingly contain an untrue statement.

Paul Raymond
Holder of Unsold Shares

Dated: January 2, 1994

EXIHBIT A
LIST OF UNSOLD SHARES

	Apartment	Number of Shares
1.	7A	435
2.	9A	445
3.	11A	715
4.	12A	620
5.	4B	485
6.	6B	495
7.	7B	500
8.	2C	800
9.	3C	807
10.	4C	814
11.	6C	828
12.	9C	849
13.	11C	860
14.	2D	525
15.	3D	530
16.	7D	550
17.	9D	560
18.	1E	700
19.	3E	1010
20.	4E	1020
21.	5E	1030
22.	6E	1040
23.	8E	1060
24.	9E	1070
25.	5F	465
26.	7F	475
27.	5G	490
28.	7G	500
29.	10G	515

TOTAL UNSOLD SHARES: 20,193

EXHIBIT B

12TH STREET APARTMENT CORP.
(A COOPERATIVE HOUSING CORPORATION)

FINANCIAL STATEMENTS AND ACCOMPANYING INFORMATION

YEARS ENDED DECEMBER 31, 1992 AND 1991

WITH

INDEPENDENT AUDITOR'S REPORT

12TH STREET APARTMENT CORP.
(A COOPERATIVE HOUSING CORPORATION)

FINANCIAL STATEMENTS AND ACCOMPANYING INFORMATION

YEARS ENDED DECEMBER 31, 1992 AND 1991

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Jay H. Barchat
Certified Public Accountant

404 Nassau Street
Bellmore, NY 11710

(516) 785-2956

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Stockholders of
12th Street Apartment Corp.

I have audited the accompanying balance sheet of 12th Street Apartment Corp. (a cooperative housing corporation) as of December 31, 1992 and the related statements of operations, retained earnings (accumulated deficit) and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. My responsibility is to express an opinion on these financial statements based on my audit.

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

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of 12th Street Apartment Corp. as of December 31, 1992 and the results of its operations and cash flows for the years then ended in conformity with generally accepted accounting principles.

12th Street Apartment Corp. has not presented the supplementary information on future major repairs and replacements that the American Institute of Certified Public Accountants has determined is necessary to supplement, although not required to be part of, the basic financial statements.

The 1991 financial statements were reviewed by other accountants, and their report thereon, dated April 1, 1992, stated they were not aware of any material modification that should be made to those statements for them to be in conformity with generally accepted accounting principles. However, a review is substantially less in scope than an audit and does not provide a basis for the expression of an opinion on the financial statements taken as a whole.

Bellmore, New York
June 3, 1993

12TH STREET APARTMENT CORP.
(A COOPERATIVE HOUSING CORPORATION)
BALANCE SHEET
DECEMBER 31, 1992 AND 1991

ASSETS

	1992	1991
Current Assets		
Cash	$ 3,028	$ 107,570
Cash - reserve and working capital	14,695	302,992
Maintenance charges and rent receivable	2,925	2,714
Mortgage escrow deposits	40,091	-
Prepaid water and sewer	12,708	11,580
Prepaid insurance	11,862	-
Total current assets	85,309	424,856
Other assets		
Property and equipment, net - Note 3	3,806,968	3,841,915
Deferred mortgage costs	40,471	45,293
Utility deposits	-	3,800
	$ 3,932,748	$ 4,315,864

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities		
Accounts payable and accrued expenses Note 5	$ 50,779	$ 35,647
Accrued interest on mortgage	11,813	-
Franchise and corporation taxes payable	2,290	2,700
Due to Sponsor	12,497	12,497
Tenant Security deposits payable	9,100	9,725
Total current liabilities	86,479	60,569
Long Term Liabilities		
Mortgage payable - Note 4	1,400,000	1,400,000
Total liabilities	1,486,479	1,460,569
Stockholders' equity		
Capital stock - $1.00 par value, 60,000 shares authorized, 47,857 shares issued and outstanding	47,857	47,857
Additional paid-in capital - Note 6	5,892,239	5,892,239
Accumulated deficit	(3,493,827)	(3,084,801)
Total stockholders' equity	2,446,269	2,855,295
	$ 3,932,748	$ 4,315,864

The accompanying notes are an integral part of these financial statements.

12TH STREET APARTMENT CORP.
(A COOPERATIVE HOUSING CORPORATION)
STATEMENT OF OPERATIONS AND ACCUMULATED DEFICIT
YEARS ENDED DECEMBER 31, 1992 AND 1991

	1992	1991
INCOME		
Maintenance charges - shareholders	$ 643,198	$ 603,189
Less: amount applicable to mortgage amortization - Note 9	-	1,633
	643,198	601,556
Commercial rent	110,000	109,800
Laundry room	5,520	6,605
Investment income	5,295	22,132
Sundry	1,685	-
	765,698	740,093
EXPENSES		
Administrative expenses (Schedule 1)	51,788	72,015
Operating costs (Schedule 2)	357,488	331,215
Repairs and maintenance (Schedule 3)	24,195	48,736
Real estate taxes	183,338	180,623
Interest expense (Schedule 4)	154,324	122,817
Franchise and corporation taxes - Note 8	3,397	2,074
	774,530	757,480
Income (loss) before depreciation and amortization	(8,832)	(17,387)
Depreciation and amortization (Schedule 5)	400,194	401,903
Net income (loss)	(409,026)	(419,290)
Accumulated deficit at January 1	(3,084,801)	(2,664,587)
Tax adjustments	-	(924)
Accumulated deficit at December 31	$(3,493,827)	$(3,084,801)

The accompanying notes are an integral part of these financial statements.

12TH STREET APARTMENT CORP.
(A COOPERATIVE HOUSING CORPORATION)
STATEMENT OF CASH FLOWS
YEARS ENDED DECEMBER 31, 1992 AND 1991

	1992	1991
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	$(409,026)	$(419,290)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities		
Depreciation and amortization	400,194	401,903
Changes in assets and liabilities		
Maintenance charges and rent receivable	(211)	28,189
Mortgage escrow deposits	(40,091)	-
Prepaid water and sewer	(1,128)	(1,010)
Prepaid insurance	(11,862)	-
Utility deposits	3,800	-
Deferred mortgage costs	-	(34,319)
Accounts payable and accrued expenses	15,132	(33,503)
Accrued interest on mortgage	11,813	-
Amortized closing costs	-	(13,907)
Franchise and corporation taxes payable	(410)	(921)
Tenants security payable	(625)	-
Net cash provided by (used in) operating activities	(32,414)	(72,858)
CASH FLOWS FROM INVESTING ACTIVITIES		
Building improvements	(360,425)	(87,651)
Net cash provided by (used in) investing activities	(360,425)	(87,651)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds of mortgage refinancing	-	210,940
Net cash provided by financing activities	-	210,940
NET INCREASE (DECREASE) IN CASH	(392,839)	50,431
CASH and cash equivalents at beginning of year	410,562	360,131
CASH and cash equivalents at end of year	$ 17,723	$ 410,562
SUPPLEMENTAL CASH FLOW DISCLOSURE		
Interest paid	$ 142,511	$ 122,817

The accompanying notes are an integral part of these financial statements.

12TH STREET APARTMENT CORP.
(A COOPERATIVE HOUSING CORPORATION)
NOTES TO FINANCIAL STATEMENTS

1 - ORGANIZATION AND BUSINESS

12th Street Apartment Corp. (the "Corporation") was incorporated on August 8, 1979 under the Business Corporation Law of New York State. It is a qualified cooperative housing corporation under Section 216(b)(1) of the Internal Revenue Code (the "IRC"). Accordingly, the tenant-shareholders may deduct their proportionate share of the real estate taxes and mortgage interest.

The Corporation was organized for the purpose of acquiring, managing and providing homes for stockholders in a residential apartment building (the "Building") situated at 15 West 12th Street, New York, New York. There are 75 residential apartments to which 47,857 shares of the Corporation's stock were allocated, 4 professional apartments and a superintendent's apartment owned by the Corporation. Operations of the Corporation began on September 30, 1983 upon the sale of the land and building (collectively the "Property") to the Corporation from 12th Street Apartments ("the Sponsor").

2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Statement Preparation
The Corporation prepares its financial statements on the accrual basis of accounting.

(b) Property, Equipment and Depreciation
Land, building, improvements and equipment are recorded at cost. Depreciation expense is calculated over the estimated useful lives of the assets as follows:

Asset	Method	Life
Building	Straight-line	15 Years
Building improvements	Straight-line	5-40 Years
Furniture and fixtures	Straight-line	5 Years

(c) Repairs and Maintenance
Maintenance, repairs and recurring replacements are charged to current operations as incurred. Replacements which improve or extend the useful life of an asset are capitalized and depreciated over the remaining useful life of the asset.

2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Maintenance Charges

The Corporation derives its revenues principally from payments of "maintenance" under proprietary leases with its stockholders. Maintenance charges, if any, over and above the amounts used for the operation of the property, are applied to the following year's maintenance.

(e) Statement of Cash Flows

Cash and cash equivalents are stated at cost which approximates market value. The Corporation considers all highly liquid investments with a maturity date of three months or less as of the date of purchase to be cash equivalents.

3 - PROPERTY AND EQUIPMENT

Property and equipment consists of the following at December 31,:

	1992	1991
Land	$1,138,781	$1,138,781
Building	5,590,377	5,590,377
Building improvements	603,391	242,965
	7,332,549	6,972,123
Less: accumulated depreciation	3,525,581	3,130,208
Net property and equipment	$3,806,968	$3,841,915

4 - MORTGAGE PAYABLE

On June 6, 1991, the Corporation obtained a new $1,400,000 mortgage from The Morgan Guaranty Trust Company (the "Bank").

A portion of the proceeds were used to satisfy the then existing first and second mortgages. The former first mortgage required monthly payments of $9,500 applied to interest at 9.5% and the balance to principal. The former second mortgage required monthly payments of $3,355 applied to interest at 10.5% and the balance to principal.

The refinanced mortgage requires monthly payments of $11,812.50 applied to interest only on the unpaid principal balance at 10.125% and are due until July 1, 2001. The principal balance at that time will be $1,400,000. The balance at December 31, 1992 was $1,400,000. The mortgage may be prepaid subject to a prepayment penalty as further described in the loan agreement. Mortgage refinancing costs of $48,226 are being amortized over the life of the mortgage. The Corporation is not required to escrow with the "Bank" for real estate taxes, water and sewer charges or insurance. The Corporation has established a self managed escrow account.

5 - ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses at December 31 consist of:

	1992	1991
Fuel	$ 2,599	$ 4,658
Gas and electric	838	-
Building supplies	1,146	3,431
Insurance	8,364	10,655
Union funds	2,005	-
Professional fees	5,040	250
Administrative expenses	100	1,311
Exterminating	189	-
Repairs and maintenance	9,498	15,002
License, fees and permits	-	340
Building improvements	21,000	-
	$50,779	$35,647

6 - ADDITIONAL PAID-IN CAPITAL

	1992	1991
Capital paid-in, in excess of par value of shares issued	$5,791,166	$5,791,166
Capital contributed for:		
Mortgage amortization	51,073	51,073
Reserve fund	50,000	50,000
Total additional paid-in capital	$5,892,239	$5,892,239

7 - MANAGEMENT FEES

The property is managed by John J. Grogan & Assoc., Inc. an unaffiliated entity, who received management fees of $3,333 in 1992. The property was previously managed by Raskin Matza & Cohen, an unaffiliated entity, who received fees of $22,867 and $26,000 in 1992 and 1991, respectively.

8 - FEDERAL INCOME TAX

The Internal Revenue Service has taken the position that cooperative housing corporations are subject to Section 277 of the IRC.

Section 277 of the IRC provides that a membership organization that is operated to provide services to members is permitted to deduct expenses attributable to the furnishing of services to members only to the extent of the income derived during such year from its members. Section 277 permits a membership organization to reduce income from non-membership sources only by expenses incurred in generating this income. Accordingly, income from non-membership sources, such as interest, commercial rent, etc., in excess of expenses properly attributed thereto, may be subject to Federal income tax. New York State and New York City have also been asserting this position.

Any income tax liability that may result from the above is not reflected in the attached financial statements. If the position of the Internal Revenue Service and the New York State Corporation Tax Bureau and the New York City Department of Finance is sustained by the courts, this could result in assessments for unpaid corporate taxes for years still open under the Statute of Limitations. No provision has been made for such taxes, nor has the corporation been notified of a claim. Any liability will be reflected in future financial statements.

9 - CONTRIBUTED CAPITAL

The portion of maintenance charges earmarked for mortgage principal payments, which not currently deductible for income tax purposes by the shareholders, represents additional cost which should be added to the basis of the shares in the event of sale. This amount does not constitute income to the cooperative and for 1991 mortgage amortization was $1,633 or $0.0341 per share.

10 - OTHER

Employees are covered by a union sponsored, collectively bargained, multiemployer pension plan. The Corporation's contributions to such plan for the year ended December 31, 1992 were $7,863. Information as to the Corporation's portion of accumulated plan benefits and plan assets is not determinable. Under the Employee Retirement Income Security Act of 1974 as amended in 1980, an employer upon withdrawal from a multiemployer plan, is required to continue to pay its proportionate share of the plan's unfunded vested benefits. The Corporation has no intention of withdrawing from the plan.

11 - FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Corporation has not promulgated a study to determine the remaining useful lives of the components of the building and current estimates of costs of major repairs and replacements that may be required in the future. When funds for these projects are required, the Corporation has the right to borrow, including using lines of credit, utilizing the reserve fund, in creasing maintenance charges, levying a special assessment, or delaying the repairs or replacements until funds are available. The effect on future assessments has not been determined.

INDEPENDENT AUDITOR'S REPORT
ON ACCOMPANYING INFORMATION

To the Board of Directors and Stockholders of
12th Street Apartment Corp.

My audit of the basic financial statements, as of and for the year ended December 31, 1992, presented in the preceding section of this report was made for the purpose of forming an opinion on such financial statements taken as a whole. The accompanying information shown on pages 11 and 12 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The financial statements as of and for the year ended December 31, 1991 were reviewed by other auditors whose report, dated April 1, 1992, stated that they were not aware of any material modifications that should be made to those statements for them to be in conformity with generally accepted accounting principles. However, a review is substantially less in scope than an audit and does not provide a basis for the expression of an opinion on the financial statements taken as a whole.



Certified Public Accountant

Bellmore, New York
June 3, 1993

12TH STREET APARTMENT CORP.
(A COOPERATIVE HOUSING CORPORATION)
CLASSIFIED SCHEDULES OF EXPENSES
YEARS ENDED DECEMBER 31, 1992 AND 1991

	1992	1991
Schedule 1		
Administrative expenses		
Management fees - Note 7	$ 26,200	$ 26,000
Professional fees	20,430	35,755
Telephone and beepers	2,006	1,033
Other administrative	3,152	9,227
	$ 51,788	$ 72,015
Schedule 2		
Operating costs		
Payroll	$201,021	$192,900
Payroll taxes	16,946	17,122
Union funds	31,307	28,896
Fuel	27,667	17,520
Gas and electric	19,818	15,135
Water and sewer	24,288	22,162
Building supplies and uniforms	7,774	7,126
Insurance	24,177	29,744
Sanitation and extermination	2,706	-
License, fees and permits	1,157	610
Sundry	627	-
	$357,488	$331,215
Schedule 3		
Repairs and maintenance		
Plumbing and boiler	$ 1,014	$ 27,395
Landscaping	4,974	-
Elevator maintenance and repairs	10,400	11,107
Painting and plastering	1,009	890
Electrical	2,795	-
Intercom	1,470	-
Windows and glass	422	-
Compactor	1,527	-
Air conditioning	226	2,149
Sundry	358	7,195
	$ 24,195	$ 48,736

See Independent Auditor's Report on Accompanying Information.

12TH STREET APARTMENT CORP.
(A COOPERATIVE HOUSING CORPORATION)
CLASSIFIED SCHEDULES OF EXPENSES
YEARS ENDED DECEMBER 31, 1992 AND 1991

	1992	1991
Schedule 4		
Interest expense		
Mortgage - current year	$141,750	$122,817
- prior year payment	11,813	-
Other	761	-
	$154,324	$122,817
Schedule 5		
Depreciation and amortization - Note 2 (b)		
Building	$372,692	$372,692
Building improvements	22,680	15,304
Amortization of deferred mortgage costs	4,822	13,907
	$400,194	$401,903

See Independent Auditor's Report on Accompanying Information.

FOURTEENTH AMENDMENT
TO A PLAN TO CONVERT
TO COOPERATIVE OWNERSHIP
PREMISES AT 15 WEST 12TH STREET,
NEW YORK, NEW YORK

The Plan to convert to cooperative ownership Premises at 15 West 12th Street, New York, New York (the "Plan") filed October 22, 1980 and as amended by thirteen previous amendments is hereby further amended by this Fourteenth Amendment as follows:

1. The holder of Unsold Shares, Mr. Paul Raymond, owns 21,118 allocated to the thirty (30) apartments set forth on Exhibit A, attached hereto and made a part hereof.

2. The Board of Directors of the Apartment Corporation consists of the following individuals:

Jorgia Garcia

Ted Brickman

Margrit Picket

Joseph Stern

James Brosnan*

Michael McCauley*

Tuckey Devlin*

* Holder of Unsold Share designee.

The holder of Unsold Shares has only three (3) designees on a seven (7) member Board, and therefore does not control the Board of Directors.

3. Monthly Maintenance on Unsold Share Apartments. The aggregate monthly maintenance for the Unsold Shares owned by the Holder of Unsold Shares is $23,652.36.

4. Monthly Aggregate Rental from Tenants of Unsold Share Apartments. The aggregate monthly rents from Tenants of Unsold Share Apartments equal approximately $23,461.17.

5. Financial Obligations to Co-op Corporation. Other than the payment of maintenance, there are no other financial obligations to 12th Street Apartment Corp., the Cooperative Corporation, from the Holder of Unsold Shares, which will become due within twelve (12) months of this Amendment.

6. Financing Commitment of Holder of Unsold Shares. All of the Unsold Shares are subject to a financing commitment from the Holder of Unsold Shares to Mr. Parviz Yaghoubsadeh, as Successor - in-Interest to Twelfth Street Apartments, a New York partnership, the Sponsor of the Plan, with offices at 3 New York Plaza, New York, New York 10004. The original principal amount of the loan, from the Sponsor to the Holder of Unsold Shares, upon its acquisition of the Unsold Shares at the Closing on September 30, 1983, was $4,480,469.00, which has been reduced by subsequent sales of Unsold Share Apartments. The maturity date of the loan is September 29, 1998, and may be extended, at the option of the Holder of Unsold Shares, for an additional five (5) year period. There are no monthly payments due on the loan and payments of principal and interest are due and payable only from net proceeds of sales of Unsold Shares. Since the financing arrangements require payments of interest and principal only from the subsequent sale of Unsold Shares, no source of funding will be utilized other than the proceeds from the projected sales.

7. All Obligations Current. The Holder of Unsold Shares is current on all financial obligations under the Offering Plan, including, but not limited to, maintenance payments, reserve and working fund capital payments and assessments. No payments by the Holder of Unsold Shares for repairs or improvements were promised in the Plan. The Holder of Unsold Shares is current, and has been current for the past twelve (12) months with payments with respect to the financing commitment set forth in Paragraph 6 above.

8. Other Properties of Holder of Unsold Shares. There are no other buildings in which the Holder of Unsold Shares owns more than ten (10%) percent of the shares or the units, other than the premises discussed herein.

9. Holder of Unsold Shares Current in Obligations to Other Cooperatives. The Holder of Unsold Shares is, as an individual holder of unsold shares in other cooperatives, current in his financial obligations with respect to those other cooperatives.

10. No Control of Board of Directors. The Holder of Unsold Shares does not control the Board of Directors of the Apartment Corporation. The Holder of Unsold Shares surrendered such control in September, 1986.

11. Financial Statement. The Financial Statement of the Apartment Corporation for 1991 is attached hereto and made a part hereof as Exhibit B.

12. General Business Law ("GBL") Section 352-e (2-d). General Business Law ("GBL") Section 352-e (2-d), a copy of which

is attached to this amendment, became law on July 23, 1991. It applies to all cooperative and condominium conversion plans except those where all shares or units have been sold. The law is intended to provide financial protection for a cooperative corporation or condominium association if a sponsor or investor fails to make monthly payments for its units.

In compliance with this statute, the sponsor and/or holders of unsold shares on behalf of all offerors represent that:

a. In the event payment of maintenance, assessments or late fees by the Holder of Unsold Shares or other investor who does not occupy the unit is more than thirty days late, rental payments from the tenant shall become directly payable to the cooperative corporation. When the non-occupying owner resumes payment of maintenance on a current basis, non-purchasing tenants will be notified within three business days of such payments becoming current and their rental payments will once again be payable to the non-occupying owner.

b. The offeror will provide each non-purchasing tenant with irrevocable notice of the provisions contained in GBL Section 352-e (2-d).

c. Any rights existing under any other laws are not limited by this statutory requirement.

d. Payment by the non-purchasing tenant to the cooperative corporation or condominium association done pursuant to GBL Section 352-e (2-d) relieves the non-purchasing tenant from the obligation to pay that rent to the non-occupying owner.

e. These requirements apply to the sponsor, its successors or assigns and all purchasers who are owners of occupied units or shares allocated to occupied units.

13. In accordance with the enactment of recent State legislation concerning escrow deposits held by Sponsors or Holders of Unsold Shares, the Holder of Unsold Shares will comply with the escrow and trust fund requirements of General Business Law Sections 352-e (2-b) and 352-h and the Attorney General's regulations promulgated pursuant thereto.

a. Any provision of any contract or agreement, whether oral or in writing, by which a purchaser purports to waive or indemnify any obligation of the escrow agent holding trust funds is absolutely void. The provisions of the Attorney General's regulations concerning escrow/trust funds shall prevail over any conflicting or inconsistent provision in the offering plan or in a purchase or subscription agreement. Purchasers shall not be obligated to pay any legal or other expense of the sponsor in connection with the establishment, maintenance or defense of obligations arising from the handling or disposition of trust funds.

b. All deposits, downpayments, or advances made by purchasers prior to closing of each individual transaction, whether received before or after the date of consummation of the plan, will be placed, within five business days after the agreement is signed by all necessary parties, in a segregated special escrow account of

Seth Paprin, Esq., the Escrow Agent, whose address is 488 Madison Avenue, New York, New York 10022-5702 and whose telephone number is (212) 754-1500. The signatory on this account authorized to withdraw funds is: Seth Paprin,Esq., 488 Madison Avenue, New York, New York 10022-5702. The name of the account is 15 West 12th Street Sales - Escrow Account, located in Chase Manhattan Bank, N.A. at 726 Madison Avenue, New York, New York 10021. This bank is covered by federal bank deposit insurance to a maximum of $100,000 per individual deposit.

c. The account will interest-bearing and, unless the purchaser defaults, interest will be credited to the purchaser at closing. The interest rate to be earned will be the prevailing rate for these accounts which currently is 3.00%. Interest will begin to accrue within five business days of tender of the downpayment.

d. All instruments shall be made payable to or endorsed to the order of Seth Paprin, Esq. as escrow agent.

e. Within ten business days after tender of the deposit submitted with the purchase agreement, the escrow agent will notify the purchaser that such funds have been deposited into the escrow account and will provide the account number and the initial interest rate. If the purchaser does not receive notice of such deposit within fifteen business days after tender of the deposit, the purchaser may cancel the purchase and rescind so long as the right to rescind is exercised within ninety days after tender of the deposit. Rescission may not be afforded where proof

satisfactory to the Attorney General is submitted establishing that the escrowed funds were timely deposited and requisite notice was timely mailed to the purchaser in conformity with the Attorney General's regulations.

f. Since all contracts are contingent upon the plan's becoming effective, under no circumstances shall the Holder of Unsold Shares apply for release of the escrowed funds of a defaulting purchaser until after consummation of the plan.

g. The escrow agent will hold funds in escrow until otherwise directed in

(i) a writing signed by both the Holder Unsold Shares and purchaser; or

(ii) a determination of the Attorney General pursuant to the dispute resolution procedures contained in the Attorney General's regulations; or

(iii) a judgment or order of a court of competent jurisdiction.

h. If there is no written agreement between the parties to release the escrowed funds, the escrow agent will not pay the funds to the Holder of Unsold Shares until the escrow agent has given the purchaser written notice of not fewer than ten business days. Thereafter, the funds may be paid to the Holders of Unsold Shares unless the purchaser has already made application to the Department of Law pursuant to the dispute resolution provisions of

the Attorney General regulations and has so notified the escrow agent in accordance with such provisions.

i. The Holder of Unsold Shares will not object to the release of the escrowed funds to

(a) a purchaser who timely rescinds in accordance with an offer of rescission contained in the plan or an amendment to the plan; and

(b) all purchasers after an amendment abandoning the plan is accepted for filing by the Department of Law.

j. Purchasers and the escrow agent <u>may</u> apply to the Attorney General in the event of a dispute for a determination on the disposition of the downpayment and any interest thereon. The Holder of Unsold Shares <u>must</u> avail itself of this procedure if there is a dispute which needs to be resolved. A form for this purpose is attached as Exhibit C to this amendment. The party applying for a determination must send all other parties a copy of the application.

k. Pending the determination of the Attorney General to grant or deny the application, the Holder of Unsold Shares, the purchaser, and the escrow agent shall abide by any interim directive issued by the Attorney General.

l. Attached to this amendment, as Exhibit D, is a copy of the escrow agreement which incorporates the terms of the Attorney General's regulations.

m. The escrow agent will maintain all records concerning the escrow account for seven years after the release of funds.

14. No Other Material Changes. Except as set forth in this Amendment, there have been no other material changes in the Plan. The Plan, as hereby amended, does not omit any material fact or knowingly contain an untrue statement.

Paul Raymond
Holder of Unsold Shares

Dated: June 15, 1992

EXIHBIT A
LIST OF UNSOLD SHARES

	Apartment	Number of Shares
1.	7A	435
2.	9A	445
3.	11A	715
4.	12A	620
5.	4B	485
6.	6B	495
7.	7B	500
8.	2C	800
9.	3C	807
10.	4C	814
11.	6C	828
12.	9C	849
13.	11C	860
14.	PHC	925
15.	2D	525
16.	3D	530
17.	7D	550
18.	9D	560
19.	1E	700
20.	3E	1010
21.	4E	1020
22.	5E	1030
23.	6E	1040
24.	8E	1060
25.	9E	1070
26.	5F	465
27.	7F	475
28.	5G	490
29.	7G	500
30.	10G	515

TOTAL UNSOLD SHARES: 21,118

EXHIBIT B

ELI LEVINE AND COMPANY

Certified Public Accountants

27 UNION SQUARE WEST
NEW YORK N Y 10003

SUITE 403
212 807 1200

To The Shareholders of
12th Street Apartment Corp.

We have reviewed the accompanying balance sheet of 12th Street Apartment Corp. as of December 31, 1991 and the related statements of income (loss) and retained earnings (deficit), changes in cash flows and supplemental schedules for the year then ended in accordance with standards established by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management (the shareholders) of 12th Street Apartment Corp.

A review consists principally of inquiries of Company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

Eli Levine and Company

ELI LEVINE AND COMPANY

NEW YORK, NY
April 1, 1992

12TH STREET APARTMENT CORP.
BALANCE SHEET
DECEMBER 31, 1991

ASSETS

Current Assets:		
Cash in Banks	$ 107,570	
Maintenance Receivable	2,714	
Prepaid Expenses and Advances	11,580	
Shearson Lehman	302,992	
Total Current Assets		$ 424,856
Fixed Assets:		
Land	1,138,781	
Building and Improvements	5,833,342	
	6,972,123	
Less: Accumulated Depreciation	3,130,208	
Net Book Value		3,841,915
Other Assets:		
Deposits	3,800	
Unamortized Mortgage Refinancing Costs	45,293	
Total Other Assets		49,093
Total Assets		$ 4,315,864

LIABILITIES AND SHAREHOLDERS' EQUITY

Current Liabilities:		
Accrued Expenses and Taxes	$ 50,844	
First Mortgage Payable	1,400,000	
Total Current Liabilities		$ 1,450,844
Long Term Liabilities:		
Commercial Tenants Security Deposits Payable	9,725	
Total Long Term Liabilities		9,725
Total Liabilities		1,460,569
Shareholders' Equity:		
Common Stock, Par Value $1; 47,857 Shares Authorized, Issued and Outstanding	47,857	
Capital Contributed in Excess of Par Value	5,791,166	
Capital Contributed from Mortgage Amortization	51,073	
Capital Donated for Reserve Fund	50,000	
Retained Earnings (Deficit)	(3,084,801)	
Total Shareholders' Equity		2,855,295
Total Liabilities and Shareholders' Equity		$ 4,315,864

This statement is subject to the comments contained in the accompanying letter of transmittal

12TH STREET APARTMENT CORP.
STATEMENT OF INCOME (LOSS) AND RETAINED EARNINGS (DEFICIT)
FOR THE YEAR ENDED DECEMBER 31, 1991

Revenues:		
Maintenance	$ 603,189	
Less: Amounts Contributed to Capital for Amortization of Mortgage	1,633	
		601,556
Rental Income from Commercial Tenants		109,800
Interest and Other Income		28,737
Total Revenue		$ 740,093
Costs and Expenses:		
Fixed Costs and Other Charges	$ 355,346	
Operating Expenses	271,573	
Repairs and Maintenance	56,472	
General and Administrative	74,089	
Total Costs and Expenses		757,480
Loss from Operations, before Depreciation and Amortization of Mortgage Refinancing Costs		(17,714)
Depreciation and Amortization of Mortgage Refinancing Costs		401,903
Net (Loss) from Operations		(419,290)
Retained Earnings (Deficit) - Beginning of Year		(2,6645590)
Tax Adjustments		(924)
Retained Earnings (Deficit) - End of Year		$ (3,084,801)

This statement is subject to the comments contained in the accompanying letter of transmittal

12TH STREET APARTMENT CORP.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 1991

Cash Balance - January 1, 1991		$ 360,131
Increases (Decreases) to Cash:		
Maintenance Receivable	$ 28,189	
Depreciation - Non-cash Item	401,903	
Unamortized Mortgage Refinancing Costs	(34,319)	
Accrued Expenses and Taxes	(37,503)	
Mortgage Payable	210,940	
Net Loss	(419,290)	
Prepaid Expenses	(1,010)	
Amortized Closing Costs	(13,907)	
Capitalization of Building Improvements	(87,651)	
Shearson Lehman Investment	(302,992)	
Tax Adjustments	(921)	
Net Decrease to Cash		(252,561)
Cash Balance - December 31, 1991		$ 107,570

This statement is subject to the comments contained in the accompanying letter of transmittal

12TH STREET APARTMENT CORP.
SUPPLEMENTAL SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 1991

Fixed Costs and Other Charges:	
Interest on Mortgage	$ 122,817
Real Estate Taxes	180,623
Water and Sewer	22,162
Insurance	29,744
	$ 355,346
Operating expenses:	
Salaries and Wages	$ 192,900
Payroll Benefits and Fringes	46,018
Fuel	17,520
Utilities	15,135
	$ 271,573
Repairs and Maintenance:	
Air Conditioning	$ 2,149
Elevator	11,107
Hardware and Supplies	7,126
Painting and Decorating	890
Plumbing, Heating and Electrical Repairs	27,395
Permits	610
Miscellaneous	7,195
	$ 56,472
General and Administrative:	
Management Fees	$ 26,000
Professional Fees	35,755
New York State and City Franchise Taxes	2,074
Telephone	1,033
Miscellaneous	9,227
	$ 74,089

This statement is subject to the comments contained in the accompanying letter of transmittal

12th STREET APARTMENT CORP.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1991

1. - Summary of Significant Accounting Policies

Contributed Capital

Contributed capital includes a portion of the maintenance charges collected from the proprietary leaseholders equal to the current amortization of the morgage.

Property and Depreciation

Property is recorded and carried at cost less an appropriate allowance for depreciation. Expenditures for betterments and renewals are capitalized. Expenditures for repairs and maintenance are charged to expense as incurred. Upon retirement or disposition of depreciated property, the cost and related accummulated depreciation are removed from the accounts and any gain or loss are recognized as income or loss. Depreciation is computed using the straight-line method over the useful life of the property.

2. - First Mortgage Payable

The property was acquired September 30, 1983 subject to an existing first mortgage of $890,134 payable in constant monthly installments of $9,500, including interest at 9 1/2% per anum, due September 1, 1991.

3. - Second Mortgage Payable

On April 2, 1990 a second mortgage was taken on the property in the amount of $350,000 at an interest rate of 10 1/2 %. Monthly payments of $3,355 were required until the maturity date of September 1, 1991.

4. - On June 6, 1991, the first and second mortgages listed above were refinanced into a single first mortgage with the Morgan Guaranty Trust Company of New York in the principal sum of $1,400,000 with interest only at the rate of 10.125% per annum, with a maturity date of July 1, 2001.

5. - Working Capital Fund

On September 30, 1989 (the date of closing of title) a working capital fund in the amount of $50,000 was established by the sponsor. The net proceeds received by the 12th Street Apartment Corp. were $19,463 which was determined as follows:

Working Capital Fund	$ 50000
Less: Net Closing Adjustments in Favor of Seller	30537
Balance to 12th Street Apartment Corp.	$ 19463

This statement is subject to the comments contained in the accompanying letter of transmittal

6. - Related Party Transactions

Included in accrued expenses is approximately $12497 due to the prior managing agent of the property representing management fees and other items.

7. - Income Taxes

The Internal Revenue Service permits net operating losses, which have not been applied, to be carried forward to future years for the purpose of reduction of taxes in those years. The Corporation has a net operating loss carryforward of $3,080,506 which expires in various years as follows:

1998	-	$ 308453
1999	-	$ 159320
2000	-	$ 383929
2001	-	$ 340356
2002	-	$ 285689
2003	-	$ 316258
2004	-	$ 408929
2005	-	$ 458282
2006	-	$ 419290

This statement is subject to the comments contained in the accompanying letter of transmittal

EXHIBIT C

APPLICATION TO THE ATTORNEY GENERAL FOR A DETERMINATION ON THE DISPOSITION OF DOWNPAYMENTS

[Send this application to the reviewing attorney assigned to the subject plan.]

Re: _____
Address of Building or
Name of Project

File Number: _____

Application is made to the Attorney General to consider and determine the disposition of down payments held pursuant to GBL Sections 352-e(2-b) and 352-h. The following information is submitted in support of this application:

1. Name of Applicant _____

2. Address of Applicant _____

3. Name, Address, and Telephone Number of Applicant's Attorney (if any) _____

_____

_____

4. This is an application for

[ ] return of downpayment.
[ ] forfeiture of downpayment.
[ ] other: _____

_____

5. The project is [ ] a conversion of occupied premises.
[ ] newly constructed or rehabilitated.
[ ] vacant (as is).

6. The project is structured as
   [ ] a cooperative.
   [ ] a condominium.
   [ ] a homeowners association.
   [ ] a timeshare.

   [ ] other: _____

7. Name and Address of Sponsor: _____

   _____

8. Name and Address of Escrow Agent: _____

   _____

9. If downpayments are maintained in an escrow account:

   (a) Name of account _____

   (b) Name and address of bank _____

   (c) Account number (if known)_____

   (d) Initial interest rate (if known)_____

10. If downpayments have been secured by bonds:

   (a) Name and address of bond issuer or surety: _____

   _____

   (b) Copy of bond included in this application. (DO NOT SEND ORIGINAL BOND.) If not included, explain:

   _____

   _____

   _____

   _____

11. If downpayments have been secured by a letter of credit:

(a) Name and address of bank which issued the letter of credit: _____

_____

_____

(b) Date of expiration of the letter of credit, if known:

_____

12. Plan information:

(a) Date of filing of plan: _____

(b) Plan

[ ] has been declared effective. Approximate date: _____

[ ] has not been declared effective.

(c) If effective, the plan

[ ] has closed or the first unit has closed. Approximate date: _____

[ ] has not closed.

[ ] don't know.

(d) Downpayments are secured by

[ ] escrow account.

[ ] bonds.

[ ] letter of credit.

13. Contract information:

(a) Copy of contract and of all riders or modification letters are attached. (DO NOT SEND ORIGINALS.)

(b) Date on which subscription or purchase agreement was signed: _____

(c) Date(s) of downpayment(s): _____

(d) Total amount of downpayment(s): _____

(e) Names and addresses of subscribers or purchasers affected by this application:

_____

_____

_____

_____

_____

14. State the basis for your claim. Please be as specific as possible. You may add additional sheets. Attach copies of any relevant documents.

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

15. I am contemporaneously sending a copy of this application to the following persons: _____

_____

_____

_____

Note: You are required to mail a copy of this Application to all other affected parties.

In filing this application, I understand that the Attorney General is not my private attorney, but represents the public in enforcing laws designed to protect the public from unlawful business practices. I also understand that if I have any questions concerning my legal rights or responsibilities I may contact a private attorney. The above application is true and accurate to the best of my knowledge. False statements made herein are punishable as a Class A Misdemeanor under Section 175.30 and/or Section 210.45 of the Penal Law.

Signature: _____ Date: _____

Name (Printed): _____

Telephone: (Home) _____ (Business) _____

Mailing Address: _____

_____

EXHIBIT D

ESCROW AGREEMENT

AGREEMENT made as of this 1st day of July, 1992, between Paul Raymond ("HOLDER OF UNSOLD SHARES") as Holder of Unsold Shares at 15 West 12th Street, New York, New York and Seth Paprin, Esq. ("ESCROW AGENT") as escrow agent.

WHEREAS, Paul Raymond is the HOLDER OF UNSOLD SHARES under the Plan to convert to cooperative ownership the premises located at 15 West 12th Street, New York, New York; and

WHEREAS, Seth Paprin is authorized to act as an escrow agent hereunder in accordance with General Business Law ("GBL") Section 352-e(2-b) and the Attorney General's regulations promulgated thereunder; and

WHEREAS, HOLDER OF UNSOLD SHARES desires that ESCROW AGENT act as escrow agent for deposits and payments by purchasers and subscribers, pursuant to the terms of this agreement.

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

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1 HOLDER OF UNSOLD SHARES and ESCROW AGENT hereby establish an escrow account with ESCROW AGENT for the purpose of holding deposits of payments made by purchasers or subscribers. The escrow account has been opened with Chase Manhattan Bank, N.A. at its branch located at 726 Madison Avenue, New York, New York. The account number is _____.

1.2 The name of the account is 15 West 12th Street Sales-Escrow Account.

1.3 ESCROW AGENT is the sole signatory on the account.

1.4 The escrow account shall be an interest-bearing account as disclosed in the offering plan.

1.5 The escrow account is not an IOLA established pursuant to Judiciary Law Section 497.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1 All funds received from prospective purchasers or subscribers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other

instruments which identify the payor, shall be deposited in the escrow account. All instruments to be deposited into the escrow account shall be made payable to, or endorsed by the purchaser or subscriber to the order of Seth Paprin as escrow agent for 15 West 12th Street offering plan. Any instrument payable or endorsed other than as required hereby, and which cannot be deposited into such escrow account, shall be returned to the prospective purchaser or subscriber promptly, but in no event more than five business days following receipt of such instrument by ESCROW AGENT. In the event of such return of funds, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2 Within ten (10) business days after tender of the deposit submitted with the subscription or purchase agreement, ESCROW AGENT shall notify the purchaser of the deposit of such funds in the bank indicated in the offering plan, provide the account number, and disclose the initial interest rate. If the purchaser does not receive notification of such deposit within fifteen (15) business days after tender of the deposit, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were

timely deposited in accordance with these regulations and requisite notice was timely mailed to the subscriber or purchaser.

3. RELEASE OF FUNDS.

3.1 ESCROW AGENT shall not release the escrowed funds of a defaulting purchaser until after consummation of the plan as defined in the Attorney General's regulations. Consummation of the plan shall not relieve HOLDER OF UNSOLD SHARES of its fiduciary obligations pursuant to GBL Section 352-h.

3.2 ESCROW AGENT shall continue to hold the funds in escrow until otherwise directed in (a) a writing signed by both HOLDER OF UNSOLD SHARES and purchaser or (b) a determination of the Attorney General or (c) a judgment or order of a court of competent jurisdiction or until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds.

3.3 HOLDER OF UNSOLD SHARES shall not object to the release of the escrowed funds to (a) a purchaser who timely rescinds in accordance with an offer of rescission contained in the plan or an amendment to the plan or (b)

all purchasers after an amendment abandoning the plan is accepted for filing by the Department of Law.

3.4 If there is no written agreement between the parties to release the escrowed funds, ESCROW AGENT shall not pay the funds to HOLDER OF UNSOLD SHARES until ESCROW AGENT has given the purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to HOLDER OF UNSOLD SHARES unless the purchaser has made application to the Department of Law pursuant to the dispute resolution provisions contained in the Attorney General's regulations and has so notified ESCROW AGENT in accordance with such provisions.

4. RECORDKEEPING.

4.1 ESCROW AGENT shall maintain all records concerning the escrow account for seven years after release of the funds.

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

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

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1 ESCROW AGENT shall maintain the accounts called for in this Agreement under the direct supervision and control of ESCROW AGENT.

5.2 A fiduciary relationship shall exist between ESCROW AGENT and Purchasers, and ESCROW AGENT acknowledges its fiduciary obligations.

6. RESPONSIBILITIES OF HOLDER OF UNSOLD SHARES.

6.1 HOLDER OF UNSOLD SHARES agrees that HOLDER OF UNSOLD SHARES and its agents, including any selling agents, shall immediately deliver all deposits and payments received by them prior to closing of an individual transaction to ESCROW AGENT.

6.2 HOLDER OF UNSOLD SHARES agrees that it shall not interfere with ESCROW AGENT'S performance of its

fiduciary duties and compliance with the Attorney General's regulations.

7. TERMINATION OF AGREEMENT.

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

(a) Written notice given by HOLDER OF UNSOLD SHARES to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor ESCROW AGENT; or

(b) The resignation of ESCROW AGENT upon giving notice to HOLDER OF UNSOLD SHARES of its desire to so resign, which resignation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor ESCROW AGENT; or

(c) All shares or units offered pursuant to the plan have been sold and all sales transactions have been consummated.

7.2 Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1 above, ESCROW AGENT shall deliver any and all funds held by it in escrow and any all contracts or documents maintained by ESCROW AGENT to the new escrow agent.

8. SUCCESSORS AND ASSIGNS.

8.1 This Agreement shall be binding upon HOLDER OF UNSOLD SHARES and ESCROW AGENT and their successors and assigns.

9. GOVERNING LAW.

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

10. ESCROW AGENT'S COMPENSATION.

10.1 HOLDER OF UNSOLD SHARES agrees that ESCROW AGENT'S compensation shall not be paid from escrowed principal nor from any interest accruing thereon and that compensation to ESCROW AGENT, if any, shall not be deducted from escrowed funds by any financial institution under any circumstance.

11. SEVERABILITY.

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

12. ENTIRE AGREEMENT.

12.1 This Agreement, read together with GBL Section 352-e(2-b) and the Attorney General's regulations, constitutes the

entire agreement between the parties with respect to the subject matter hereof.

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

ESCROW AGENT



SETH PAPRIN

HOLDER OF UNSOLD SHARES

X _____

PAUL RAYMOND

TF-1

EXHIBIT C

APPLICATION TO THE ATTORNEY GENERAL FOR A DETERMINATION ON THE DISPOSITION OF DOWNPAYMENTS

[Send this application to the reviewing attorney assigned to the subject plan.]

Re: _____
Address of Building or
Name of Project

File Number: _____

Application is made to the Attorney General to consider and determine the disposition of down payments held pursuant to GBL Sections 352-e(2-b) and 352-h. The following information is submitted in support of this application:

1. Name of Applicant _____

2. Address of Applicant _____

3. Name, Address, and Telephone Number of Applicant's Attorney (if any) _____

_____

_____

4. This is an application for

[ ] return of downpayment.
[ ] forfeiture of downpayment.
[ ] other: _____

_____

5. The project is [ ] a conversion of occupied premises.
[ ] newly constructed or rehabilitated.
[ ] vacant (as is).

6. The project is structured as
   [ ] a cooperative.
   [ ] a condominium.
   [ ] a homeowners association.
   [ ] a timeshare.

   [ ] other: _____

7. Name and Address of Sponsor: _____

   _____

8. Name and Address of Escrow Agent: _____

   _____

9. If downpayments are maintained in an escrow account:

   (a) Name of account _____

   (b) Name and address of bank _____

   (c) Account number (if known)_____

   (d) Initial interest rate (if known)_____

10. If downpayments have been secured by bonds:

   (a) Name and address of bond issuer or surety: _____

   _____

   (b) Copy of bond included in this application. (DO NOT SEND ORIGINAL BOND.) If not included, explain:

   _____

   _____

   _____

   _____

11. If downpayments have been secured by a letter of credit:

(a) Name and address of bank which issued the letter of credit: _____

_____

_____

(b) Date of expiration of the letter of credit, if known:

_____

12. Plan information:

(a) Date of filing of plan: _____

(b) Plan

[ ] has been declared effective. Approximate date: _____

[ ] has not been declared effective.

(c) If effective, the plan

[ ] has closed or the first unit has closed. Approximate date: _____

[ ] has not closed.

[ ] don't know.

(d) Downpayments are secured by

[ ] escrow account.

[ ] bonds.

[ ] letter of credit.

13. Contract information:

(a) Copy of contract and of all riders or modification letters are attached. (DO NOT SEND ORIGINALS.)

(b) Date on which subscription or purchase agreement was signed: _____

(c) Date(s) of downpayment(s): _____

(d) Total amount of downpayment(s): _____

(e) Names and addresses of subscribers or purchasers affected by this application:

_____

_____

_____

_____

_____

14. State the basis for your claim. Please be as specific as possible. You may add additional sheets. Attach copies of any relevant documents.

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

15. I am contemporaneously sending a copy of this application to the following persons: _____

_____

_____

_____

Note: You are required to mail a copy of this Application to all other affected parties.

In filing this application, I understand that the Attorney General is not my private attorney, but represents the public in enforcing laws designed to protect the public from unlawful business practices. I also understand that if I have any questions concerning my legal rights or responsibilities I may contact a private attorney. The above application is true and accurate to the best of my knowledge. False statements made herein are punishable as a Class A Misdemeanor under Section 175.30 and/or Section 210.45 of the Penal Law.

Signature: _____ Date: _____

Name (Printed): _____

Telephone: (Home) _____ (Business) _____

Mailing Address: _____

_____

EXHIBIT D

ESCROW AGREEMENT

AGREEMENT made as of this 1st day of July, 1992, between Paul Raymond ("HOLDER OF UNSOLD SHARES") as Holder of Unsold Shares at 15 West 12th Street, New York, New York and Seth Paprin, Esq. ("ESCROW AGENT") as escrow agent.

WHEREAS, Paul Raymond is the HOLDER OF UNSOLD SHARES under the Plan to convert to cooperative ownership the premises located at 15 West 12th Street, New York, New York; and

WHEREAS, Seth Paprin is authorized to act as an escrow agent hereunder in accordance with General Business Law ("GBL") Section 352-e(2-b) and the Attorney General's regulations promulgated thereunder; and

WHEREAS, HOLDER OF UNSOLD SHARES desires that ESCROW AGENT act as escrow agent for deposits and payments by purchasers and subscribers, pursuant to the terms of this agreement.

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

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1 HOLDER OF UNSOLD SHARES and ESCROW AGENT hereby establish an escrow account with ESCROW AGENT for the purpose of holding deposits of payments made by purchasers or subscribers. The escrow account has been opened with Chase Manhattan Bank, N.A. at its branch located at 726 Madison Avenue, New York, New York. The account number is _____.

1.2 The name of the account is 15 West 12th Street Sales-Escrow Account.

1.3 ESCROW AGENT is the sole signatory on the account.

1.4 The escrow account shall be an interest-bearing account as disclosed in the offering plan.

1.5 The escrow account is not an IOLA established pursuant to Judiciary Law Section 497.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1 All funds received from prospective purchasers or subscribers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other

instruments which identify the payor, shall be deposited in the escrow account. All instruments to be deposited into the escrow account shall be made payable to, or endorsed by the purchaser or subscriber to the order of Seth Paprin as escrow agent for 15 West 12th Street offering plan. Any instrument payable or endorsed other than as required hereby, and which cannot be deposited into such escrow account, shall be returned to the prospective purchaser or subscriber promptly, but in no event more than five business days following receipt of such instrument by ESCROW AGENT. In the event of such return of funds, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2 Within ten (10) business days after tender of the deposit submitted with the subscription or purchase agreement, ESCROW AGENT shall notify the purchaser of the deposit of such funds in the bank indicated in the offering plan, provide the account number, and disclose the initial interest rate. If the purchaser does not receive notification of such deposit within fifteen (15) business days after tender of the deposit, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were

timely deposited in accordance with these regulations and requisite notice was timely mailed to the subscriber or purchaser.

3. RELEASE OF FUNDS.

3.1 ESCROW AGENT shall not release the escrowed funds of a defaulting purchaser until after consummation of the plan as defined in the Attorney General's regulations. Consummation of the plan shall not relieve HOLDER OF UNSOLD SHARES of its fiduciary obligations pursuant to GBL Section 352-h.

3.2 ESCROW AGENT shall continue to hold the funds in escrow until otherwise directed in (a) a writing signed by both HOLDER OF UNSOLD SHARES and purchaser or (b) a determination of the Attorney General or (c) a judgment or order of a court of competent jurisdiction or until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds.

3.3 HOLDER OF UNSOLD SHARES shall not object to the release of the escrowed funds to (a) a purchaser who timely rescinds in accordance with an offer of rescission contained in the plan or an amendment to the plan or (b)

all purchasers after an amendment abandoning the plan is accepted for filing by the Department of Law.

3.4 If there is no written agreement between the parties to release the escrowed funds, ESCROW AGENT shall not pay the funds to HOLDER OF UNSOLD SHARES until ESCROW AGENT has given the purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to HOLDER OF UNSOLD SHARES unless the purchaser has made application to the Department of Law pursuant to the dispute resolution provisions contained in the Attorney General's regulations and has so notified ESCROW AGENT in accordance with such provisions.

4. RECORDKEEPING.

4.1 ESCROW AGENT shall maintain all records concerning the escrow account for seven years after release of the funds.

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

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

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1 ESCROW AGENT shall maintain the accounts called for in this Agreement under the direct supervision and control of ESCROW AGENT.

5.2 A fiduciary relationship shall exist between ESCROW AGENT and Purchasers, and ESCROW AGENT acknowledges its fiduciary obligations.

6. RESPONSIBILITIES OF HOLDER OF UNSOLD SHARES.

6.1 HOLDER OF UNSOLD SHARES agrees that HOLDER OF UNSOLD SHARES and its agents, including any selling agents, shall immediately deliver all deposits and payments received by them prior to closing of an individual transaction to ESCROW AGENT.

6.2 HOLDER OF UNSOLD SHARES agrees that it shall not interfere with ESCROW AGENT'S performance of its

fiduciary duties and compliance with the Attorney General's regulations.

7. TERMINATION OF AGREEMENT.

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

(a) Written notice given by HOLDER OF UNSOLD SHARES to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor ESCROW AGENT; or

(b) The resignation of ESCROW AGENT upon giving notice to HOLDER OF UNSOLD SHARES of its desire to so resign, which resignation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor ESCROW AGENT; or

(c) All shares or units offered pursuant to the plan have been sold and all sales transactions have been consummated.

7.2 Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1 above, ESCROW AGENT shall deliver any and all funds held by it in escrow and any all contracts or documents maintained by ESCROW AGENT to the new escrow agent.

8. SUCCESSORS AND ASSIGNS.

8.1 This Agreement shall be binding upon HOLDER OF UNSOLD SHARES and ESCROW AGENT and their successors and assigns.

9. GOVERNING LAW.

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

10. ESCROW AGENT'S COMPENSATION.

10.1 HOLDER OF UNSOLD SHARES agrees that ESCROW AGENT'S compensation shall not be paid from escrowed principal nor from any interest accruing thereon and that compensation to ESCROW AGENT, if any, shall not be deducted from escrowed funds by any financial institution under any circumstance.

11. SEVERABILITY.

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

12. ENTIRE AGREEMENT.

12.1 This Agreement, read together with GBL Section 352-e(2-b) and the Attorney General's regulations, constitutes the

entire agreement between the parties with respect to the subject matter hereof.

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

ESCROW AGENT

SETH PAPRIN

HOLDER OF UNSOLD SHARES

x Paul Raymond

PAUL RAYMOND

THIRTEENTH AMENDMENT
TO A PLAN TO CONVERT
TO COOPERATIVE OWNERSHIP
PREMISES AT 15 WEST 12TH STREET,
NEW YORK, NEW YORK

The Plan to convert to cooperative ownership Premises at 15 West 12th Street, New York, New York (the "Plan") filed October 22, 1980 and as amended by twelve previous amendments is hereby further amended by this Thirteenth Amendment as follows:

1. The current cost of maintenance is $11.96007 per Share per year ($.9966796 per Share per month).

2. The Board of Directors of the Apartment Corporation consists of the following individuals:

Jorge Garcia
Ted Brickman
Margrit Picket
Joseph Stern
James Brosnan*
Claudia Justy*
Tuckey Devlin*

* Holder of Unsold Shares designee.

The holder of Unsold Shares has only three (3) designees on a seven (7) member Board, and therefore does not control the Board of Directors.

3. Number of Unsold Shares. The number of Unsold Shares remaining are 21,598, and are all owned by Mr. Paul Raymond, the holder of Unsold Shares and are appurtenant to the dwelling units listed on Exhibit A, which is attached hereto and made a part hereof.

4. Monthly Maintenance on Unsold Share Apartments. The aggregate monthly maintenance for the Unsold Shares owned by the Holder of Unsold Shares is $21,526.11.

5. Monthly Aggregate Rental from Tenants of Unsold Share Apartments. The aggregate monthly rents from Tenants of Unsold Share Apartments equal approximately $22,758.42.

6. Financial Obligations to Co-op Corporation. Other than the payment of maintenance, there are no other financial obligations to 12th Street Apartment Corp., the Cooperative Corporation, from the Holder of Unsold Shares, which will become due within twelve (12) months of this Amendment.

7. Financing Commitment of Holder of Unsold Shares. All of the Unsold Shares are subject to a financing commitment from the Holder of Unsold Shares to Mr. Parviz Yaghoubzadeh, as Successor-in-Interest to Twelfth Street Apartments, a New York partnership, the Sponsor of the Plan, with offices at 3 New York Plaza, New York, New York 10004. The original principal amount of the loan, from Sponsor to the Holder of Unsold Shares, upon

its acquisition of the Unsold Shares at the Closing on September 30, 1983, was $4,480,469.00, which has been reduced by subsequent sales of Unsold Share Apartments. The maturity date of the loan is September 29, 1998, and may be extended, at the option of the Holder of Unsold Shares, for an additional five (5) year period. There are no monthly payments due on the loan and payments of principal and interest are due and payable only from net proceeds of sales of Unsold Shares. Since the financing arrangements require payments of interest and principal only from the subsequent sale of Unsold Shares, no source of funding will be utilized other than the proceeds from the projected sales.

8. All Obligations Current. The Holder of Unsold Shares is current on all financial obligations under the Offering Plan, including, but not limited to, maintenance payments, reserve and working fund capital payments and assessments. No payments by the Holder of Unsold Shares for repairs or improvements were promised in the Plan. The Holder of Unsold Shares is current, and has been current for the past twelve (12) months with payments with respect to the financing commitment set forth in Paragraph 7 above.

9. Other Properties of Holder of Unsold Shares. There are no other buildings in which the Holder of Unsold Shares owns more than ten (10%) percent of the shares or units, other than the premises discussed herein.

10. Holder of Unsold Shares Current in Obligations to Other Cooperatives. The Holder of Unsold Shares is, as an individual holder of unsold shares in other cooperatives, current in his financial obligations with respect to those other cooperatives.

11. No Control of Board of Directors. The Holder of Unsold Shares does not control the Board of Directors of the Apartment Corporation. The Holder of Unsold Shares surrendered such control in September, 1986.

12. Financial Statement. The Financial Statement of the Apartment Corporation for 1990 is attached hereto and made a part hereof as Exhibit B.

13. Refinance Underlying Mortgage. The Apartment Corporation has accepted a Commitment Letter from Morgan Guaranty Trust Company of New York in the principal amount of $1,400,000. The term of the mortgage is for ten (10) years. The interest rate is fixed at 10.125% per annum, payable in equal monthly installments. This is an interest only mortgage and there shall be no payments of principal during the term of the mortgage.

The mortgage will require monthly payments of $11,812.50. There is a prepayment penalty for prepayments of the entire mortgage, at a price equal to the higher of the Par and the Make Whole Amount. The "Make Whole Amount" means the present

value of future debt service on the mortgage discounted at the then current yield on the U.S. Treasury Security of a maturity comparable to the then remaining average life of the loan. This prepayment may be made in whole only, and no partial prepayments shall be permitted. During the last two (2) months of the term of this ten (10) year loan, no prepayment penalty shall apply. Under the proposed mortgage documents, no escrow for taxes, water or sewer charges or insurance are currently required. There is a four (4%) percent late payment penalty for any payment not paid within ten (10) days after due, which shall be assessed in the following month. Secondary financing, which shall not exceed $250,000, is permitted, with the Bank's prior consent, which shall not be unreasonably withheld, so long as the proceeds of same are to be used for capital improvements to the Building or to replenish the reserve fund.

The net proceeds of the mortgage, over the existing financing, shall be used to fund a reserve fund for capital improvements, anticipated to be in the form of recommended repairs and maintenance to the Building including possible waterproofing work, terrace repair, and balcony and roof rehabilitation.

14. Form Contract of Sale; Escrow Arrangements. Attached hereto and made a part hereof as Exhibit C is the form of Contract of Sale to be used by the Holder of Unsold Shares for the sale of Unsold Share Apartments.

All Contract Deposits under Contracts of Sale shall be placed promptly in an escrow account of Seth Paprin, Esq., counsel to the holder of Unsold Shares. The Contract Deposits shall be held in an account entitled, "Seth Paprin, Attorney-at-Law - Special Account," which account is maintained at The Chase Manhattan Bank, N.A., 410 Park Avenue, New York, New York 10022, and funds may be released from that account only upon the signature of Seth Paprin, Esq. The escrow account shall be an interest bearing IOLA account, where, pursuant to New York State Judiciary Law, interest is used to pay for legal assistance programs.

15. No Other Material Changes. Except as set forth in this Amendment, there have been no other material changes in the Plan. The Plan, as hereby amended, does not omit any material fact or knowingly contain an untrue statement.

Paul Raymond
Holder of Unsold Shares

Dated: June 18, 1991

EXHIBIT A

LIST OF UNSOLD SHARE APARTMENTS

15 WEST 12TH STREET

Apartment	Number of Shares
7-A	435
9-A	445
11-A	715
12-A	620
4-B	485
6-B	495
7-B	500
2-C	800
3-C	807
4-C	814
6-C	828
9-C	849
11-C	860
PH-C	925
2-D	525
3-D	530
7-D	550
9-D	560
1-E	700
3-E	1010
4-E	1020
5-E	1030
6-E	1040
8-E	1060
9-E	1070
5-F	465
7-F	475
8-F	480
5-G	490
7-G	500
10-G	515
	21,598

EXHIBIT B

ELI LEVINE AND COMPANY
Certified Public Accountants

UNION SQUARE WEST
EW YORK, N.Y. 10003

(TELEPHONE) 212-807-1200
(FACSIMILE) 212-807-1325

To The Shareholders of
12th Street Apartment Corp.

We have reviewed the accompanying balance sheet of 12th Street Apartment Corp. as of December 31, 1990 and the related statements of income (loss) and retained earnings (deficit), changes in cash flows and supplemental schedules for the year then ended in accordance with standards established by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management (the shareholders) of 12th Street Apartment Corp.

A review consists principally of inquiries of Company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

Eli Levine and Company

ELI LEVINE AND COMPANY

NEW YORK, NY
May 22, 1991

12TH STREET APARTMENT CORP.
BALANCE SHEET
DECEMBER 31, 1990

ASSETS

Current Assets:		
Cash in Banks	$ 360,131	
Maintenance Receivable	30,903	
Prepaid Expenses and Advances	10,570	
Total Current Assets		$ 401,604
Fixed Assets:		
Land	1,138,781	
Building and Improvements	5,749,691	
	6,888,472	
Less: Accumulated Depreciation	2,742,212	
Net Book Value		4,146,260
Other Assets:		
Deposits	3,800	
Unamortized Mortgage Refinancing Costs	10,974	
Total Other Assets		14,774
Total Assets		$ 4,562,638

LIABILITIES AND SHAREHOLDERS' EQUITY

Current Liabilities:		
Accrued Expenses and Taxes	$ 88,347	
First and Second Mortgages Payable	1,189,060	
Total Current Liabilities		$ 1,277,407
Long Term Liabilities:		
Commercial Tenants Security Deposits Payable	9,725	
Total Long Term Liabilities		9,725
Total Liabilities		1,287,132
Shareholders' Equity:		
Common Stock, Par Value $1; 47,857 Shares Authorized, Issued and Outstanding	47,857	
Capital Contributed in Excess of Par Value	5,791,166	
Capital Contributed from Mortgage Amortization	51,073	
Capital Donated for Reserve Fund	50,000	
Retained Earnings (Deficit)	(2,664,590)	
Total Shareholders' Equity		3,275,506
Total Liabilities and Shareholders' Equity		$ 4,562,638

This statement is subject to the comments contained in the accompanying letter of transmittal

12TH STREET APARTMENT CORP.
STATEMENT OF INCOME (LOSS) AND RETAINED EARNINGS (DEFICIT)
FOR THE YEAR ENDED DECEMBER 31, 1990

Revenues:		
Maintenance	$ 572,413	
Less: Amounts Contributed to Capital for Amortization of Mortgage	4,913	
		567,500
Rental Income from Commercial Tenants		99,600
Interest and Other Income		13,393
Total Revenue		$ 680,493
Costs and Expenses:		
Fixed Costs and Other Charges	$ 347,570	
Operating Expenses	260,920	
Repairs and Maintenance	68,693	
General and Administrative	72,024	
Total Costs and Expenses		749,207
Loss from Operations, before Depreciation and Amortization of Mortgage Refinancing Costs		(68,714)
Depreciation and Amortization of Mortgage Refinancing Costs		389,568
Net (Loss) from Operations		(458,282)
Retained Earnings (Deficit) - Beginning of Year		(2,202,933)
Violations		(3,375)
Retained Earnings (Deficit) - End of Year		$ (2,664,590)

This statement is subject to the comments contained in the accompanying letter of transmittal

12TH STREET APARTMENT CORP.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 1990

Cash Balance - January 1, 1990		$ 72,610
Increases in Cash:		
Depreciation & Amortization - Non Cash Expense	$ 389,568	
Increase in Accrued Expenses and Taxes Payable	27,455	
Decrease in Prepaid Expenses	39,309	
Capital Contribution of Mortgage Amortization	4,913	
Increase in Mortgage Payable	345,087	
		806,332
		878,942
Decreases in Cash:		
Net Loss	458,282	
Increase in Rent Receivable	26,499	
Capitalization of Building Improvements	14,194	
Increase in Unamortized Mortgage Refinancing Costs	10,974	
Violations Paid	3,375	
Amortization of Mortgage Closing Costs	5,487	
		518,811
Cash Balance - December 31, 1990		$ 360,131

This statement is subject to the comments contained in the accompanying letter of transmittal

12TH STREET APARTMENT CORP.
SUPPLEMENTAL SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 1990

Fixed Costs and Other Charges:	
Interest on Mortgage	$ 127,392
Real Estate Taxes	174,225
Water and Sewer	10,150
Insurance	31,803
Commitment Fee on Mortgage	4,000
	$ 347,570
Operating expenses:	
Salaries and Wages	$ 175,146
Payroll Benefits and Fringes	41,155
Fuel	31,092
Utilities	13,527
	$ 260,920
Repairs and Maintenance:	
Air Conditioning	$ 1,597
Elevator	10,638
Hardware and Supplies	17,671
Painting and Decorating	2,915
Plumbing, Heating and Electrical Repairs	24,073
Permits	306
Miscellaneous	11,493
	$ 68,693
General and Administrative:	
Management Fees	$ 24,552
Professional Fees	38,193
New York State and City Franchise Taxes	3,576
Telephone	822
Miscellaneous	4,881
	$ 72,024

This statement is subject to the comments contained in the accompanying letter of transmittal

12th STREET APARTMENT CORP.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1990

1. - Summary of Significant Accounting Policies

Contributed Capital

Contributed capital includes a portion of the maintenance charges collected from the proprietary leaseholders equal to the current amortization of the morgage.

Property and Depreciation

Property is recorded and carried at cost less an appropriate allowance for depreciation. Expenditures for betterments and renewals are capitalized. Expenditures for repairs and maintenance are charged to expense as incurred. Upon retirement or disposition of depreciated property, the cost and related accummulated depreciation are removed from the accounts and any gain or loss are recognized as income or loss. Depreciation is computed using the straight-line method over the useful life of the property.

2. - First Mortgage Payable

The property was acquired September 30, 1983 subject to an existing first mortgage of $890,134 payable in constant monthly installments of $9,500, including interest at 9 1/2% per anum, due September 1, 1991. At December 31, 1990 the balance outstanding was $840,542.

3. - Income Taxes

The Internal Revenue Service permits net operating losses, which have not been applied, to be carried forward to future years for the purpose of reduction of taxes in those years. The Corporation has a net operating loss carryforward of $2,661,216 which expires in various years as follows:

1998	-	$ 308453
1999	-	$ 159320
2000	-	$ 383929
2001	-	$ 340356
2002	-	$ 285689
2003	-	$ 316258
2004	-	$ 408929
2005	-	$ 458282

This statement is subject to the comments contained in the accompanying letter of transmittal

4. - Working Capital Fund

On September 30, 1989 (the date of closing of title) a working capital fund in the amount of $50,000 was established by the sponsor. The net proceeds received by the 12th Street Apartment Corp. were $19,463 which was determined as follows:

Working Capital Fund	$ 50000
Less: Net Closing Adjustments in Favor of Seller	30537
Balance to 12th Street Apartment Corp.	$ 19463

5. - Related Party Transactions

Included in accrued expenses is approximately $12497 due to the prior managing agent of the property representing management fees and other items.

6. - Second Mortgage Payable

On April 2, 1990 a second mortgage was taken on the property in the amount of $350,000 at an interest rate of 10 1/2 %. Monthly payments of $3,355 are required until the maturity date of September 1, 1991 when the full unpaid principle is due and payable. It is anticipated by the managing Board of Directors that both the first and second mortgages will be refinanced prior to Septenber 1, 1991.

7. - 1987 Year Audit

A successful conclusion was reached with the Internal Revenue Service for the 1987 year audit. The negotiated settlement resulted in a small tax liability and will serve as the basis for future years.

This statement is subject to the comments contained in the accompanying letter of transmittal

M 123—Contract of sale of cooperative apartment, 10-89 EXHIBIT "C" Distributed by Julius Blumberg, Inc. NYC 10013
Prepared by The Committee on Condominiums and Cooperatives of the Real Property Section of the New York State Bar Association.

CONSULT YOUR LAWYER BEFORE SIGNING THIS AGREEMENT

Contract of Sale — Cooperative Apartment

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

1. Certain Definitions and Information

1.1 The "Parties" are:

Seller: PAUL RAYMOND

Address: [redacted]

Prior names used by Seller:

Soc. Sec. No. [redacted]

Purchaser:

Address:

Soc. Sec. No.

1.2. The "Attorneys" are *(name, address and telephone)*:

For Seller:

Seth Paprin, Esq.
488 Madison Avenue, 18th Floor
New York, New York 10022-5702
Tel: (212) 754-1500 Fax: (212) 758-0460

For Purchaser:

1.3 The "Escrowee" is *(name, address and telephone)*

Seth Paprin, Esq.
488 Madison Avenue, 18th Floor
New York, New York 10022-5702
Tel: (212) 754-1500 Fax: (212) 758-0460

1.4 The "Managing Agent" is *(name, address and telephone)*

Raskin Matza & Cohen, Inc.
645 Madison Avenue
New York, New York 10022
(212) 755-3555

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

12th Street Apartment Corp.

1.6 The "Unit" number is

1.7 The Unit is located in "Premises" known as

15 West 12th Street
New York, New York

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

1.9 The "Lease" is the proprietary lease for the Unit given by the Corporation.

1.10 The "Broker" (see Par. 12) is

1.11 The "Closing" is the transfer of ownership of the Shares and Lease, which is scheduled to occur on 19 at M. (see Pars. 9 and 10)

1.13 The "Maintenance" charge is the rent payable under the Lease which at the date of this Contract is in the monthly amount of $ (see Par. 4)

1.14 The "Assessment" is the additional rent payable under the Lease which at the date of this Contract is $ payable as follows:

1.15 The Party upon whom the Corporation imposes a "Flip Tax" or similar transfer fee, if any, is (see Par. 11.3)

1.16 If Par. 19 (Financing Contingency) applies:

1.16.1 the "Loan Terms" are:

Amount Financed: $ or any lower amount applied for or acceptable to Purchaser.

Payment Terms and Charges: The customary payment terms (including prevailing fixed or adjustable interest rate, prepayment provisions and maturity) and charges (including points, origination and other fees) then currently being offered to purchasers of cooperative apartments by the Institutional Lender (defined in Par. 19.5.1) to which Purchaser applies.

Security: Pledge of the Shares and Lease.

1.16.2 the period for Purchaser to obtain a Loan Commitment Letter is business days after a fully executed counterpart of this Contract is given to Purchaser.

1.17 The "Proposed Occupants" of the Unit are the following:

1.17.1 persons and relationship to Purchaser:

1.17.2 pets:

1.18 The Contract Deposit shall be held in a n interest bearing escrow account. Interest shall be payable in accordance with the regulations for IOLA (Interest on Lawyers Accounts) accounts. The escrow account shall be a money maximizer type account held at Chase Manhattan Bank, N.A. (See Par. 28)

2. Agreement to Sell and Purchase; Purchase Price; Escrow

2.1 Seller agrees to sell and assign to Purchaser, and Purchaser agrees to purchase and assume from Seller, the Seller's Shares and Lease for the Purchase Price and upon the other terms and conditions stated in this Contract.

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

2.2.1 the Contract Deposit at the time of signing this Contract, by Purchaser's collectible check to the order of Escrowee.

2.2.2 the Balance at Closing, only by cashier's, official bank or certified check of Purchaser made payable to the direct order of Seller. These checks shall be drawn on and payable by a branch of a commercial or savings bank, savings and loan association or trust company located in the same City or County as the Unit. Seller may direct, on not less than 3 business days' Notice (defined in Par. 17) prior to Closing, that all or a portion of the Balance shall be made payable to persons other than Seller.

3. Personal Property

3.1 Subject to any rights of the Corporation or any holder of a mortgage to which the Lease is subordinate, this sale includes all of Seller's ownership, if any, of the following "Property" to the extent existing in the Unit on the date hereof: the refrigerator, freezer, range, oven, microwave oven, dishwasher, cabinets and counters, lighting fixtures, chandeliers, wall-to-wall carpeting, plumbing fixtures, central air-conditioning and/or window or sleeve units, washing machine, dryer, screens and storm windows, window treatments, switch plates, door hardware, built-ins not excluded in Par. 3.2 and

This unit is to be sold "AS IS" notwithstanding anything else to the contrary contained herein.

3.2 Specifically excluded from this sale is all personalty not included in Par. 3.1 and

3.4 No consideration is being paid for the Property. Seller makes no representation as to the condition of the Property. Purchaser shall take the Property "as is" on the date of this Contract, except for reasonable wear and tear, and except further, the appliances shall be in working order at Closing.

3.5 At or prior to the time of Closing, Seller shall remove from the Unit all the furniture, furnishings and other personalty not included in this sale, and repair any damage caused by such removal.

4. Representations and Covenants

4.1 Subject to any matter affecting title to the Premises (as to which Seller makes no representations or covenants), Seller represents and covenants that:

4.1.1 Seller is and shall at Closing be the sole owner of the Shares and Lease with the full right and power to sell and assign them;

4.1.2 the Shares and Lease will at Closing be free and clear of liens (other than the Corporation's general lien on the Shares, for which no monies shall be owed), encumbrances and adverse interests ("Liens"); or Seller will deliver to Purchaser at Closing all requisite terminations, releases and/or satisfactions executed in form suitable for filing and/or recording, so as to remove of record, at Seller's expense, any such Liens;

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

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

4.1.5 the Maintenance and Assessments payable as of the date hereof are as specified in Pars. 1.13 and 1.14. All sums due to the Corporation will be fully paid by Seller to the end of the payment period immediately preceding the date of Closing;

4.1.6 as of this date, Seller neither has actual knowledge nor has received any written notice of (a) any increase in Maintenance or (b) any proposed Assessment which has been either adopted or is under consideration by the Board of Directors of the Corporation and not reflected in the amounts set forth in Pars. 1.13 and 1.14;

4.1.7 Seller will not at Closing be indebted for labor or material which might result in the filing of a notice of mechanic's lien against the Unit or the Premises;

4.1.8 there are and at closing will be no violations of record which the owner of the Shares and Lease would be obligated to remedy under the terms of the Lease;

4.1.9 Seller has not made any alterations or additions to the Unit, without any required consent of the Corporation;

4.1.10 Seller has not entered and will not enter into, and has no actual knowledge of, any agreement (other than the Lease) affecting the use and/or occupancy of the Unit which would be binding on or adversely affect Purchaser; and

4.1.11 Seller has been known by no other name for the past 10 years except as set forth in Par. 1.1.

4.2 Purchaser represents and covenants that Purchaser is acquiring the Shares and Lease solely for residential occupancy of the Unit by the Proposed Occupants only and will so represent to the Corporation in connection with Purchaser's application to the Corporation for approval of this transaction by the Corporation.

4.3 The representations and covenants contained in Par. 4.1 shall survive Closing, but any action based thereon must be instituted within 1 year from Closing.

5. Corporate Documents

Purchaser has examined and is satisfied with or has waived the examination of the Lease, and the Corporation's certificate of incorporation, bylaws, house rules, most recent audited financial statement and most recent statement of tax deductions available to the Corporation's shareholders under Internal Revenue Code ("IRC") § 216 (or any successor statute).

6. Required Approval and References

6.1 This sale is subject to the approval of the Corporation.

6.2 Purchaser shall in good faith:

6.2.1 submit to the Corporation or its Managing Agent, within 10 business days after the receipt of a fully executed counterpart of this Contract, an application for approval of this sale on the form required by the Corporation containing such data and together with such documents as the Corporation reasonably requires except for the Loan Commitment Letter (defined in Par. 19.5.2), if applicable, which shall be submitted by Purchaser within 3 business days after it is obtained;

6.2.2 attend (and cause any person who will reside in the Unit to attend) one or more personal interviews, as requested by the Corporation; and

6.2.3 promptly submit to the Corporation such further references, data and documents reasonably requested by the Corporation.

6.3 Either Party, after learning of the approval or denial by the Corporation of the application, shall promptly send Notice to the other Party of the Corporation's decision. If approval or denial has not been issued on or before the date set for Closing, the Closing shall be adjourned for 30 business days for the purpose of obtaining such approval unless otherwise agreed to by the Parties. If the approval of this sale is not obtained by said adjourned date, either Party may cancel this Contract on Notice to the other provided that the Contract Deposit to Purchaser. In case of a denial or lack of approval due to Purchaser's bad faith conduct, Purchaser shall be in default and Par. 13.1 shall govern.

7. Condition of Unit and Possession

7.1 Seller makes no representation as to the condition of the Unit. Purchaser has inspected the Unit and shall take the same "as is", on the date of this Contract, reasonable wear and tear excepted.

7.2 Seller shall deliver possession of the Unit at the Closing, vacant, broom-clean and free of all occupants and rights of possession.

8. Risk of Loss

8.1 While Seller has legal title and is in possession of the Unit, Seller assumes all risk of loss or damage ("Loss") to the Unit and Property from fire or other cause not due to the fault of Purchaser or Purchaser's contractors, agents or servants. In the event of a Loss, Seller shall have the option (but not the obligation) to restore the Unit and Property to as near as reasonably possible to the condition immediately prior to the Loss.

8.2 Within 10 calendar days after the Loss occurs, Seller shall give Notice to Purchaser of the Loss and whether or not Seller elects to restore ("Election Notice").

8.3 If Seller elects to restore, Seller must do so within 60 calendar days after sending the Election Notice or by the Closing, whichever is later ("Restoration Period").

8.4 If the Closing is before such 60 calendar day period expires, then the Closing shall be adjourned to a date and time fixed by Seller on not less than 10 calendar days' prior Notice to Purchaser, but in no event shall the Closing be adjourned for more than 70 calendar days after giving of the Election Notice.

8.5 If Seller elects not to restore or fails, in a timely manner, to send the Election Notice or, having sent the Notice, Seller fails to complete the restoration within the Restoration Period, then Purchaser's sole remedy is either to:

8.5.1 cancel this Contract in accordance with Par. 16 and recover all sums theretofore paid on account of the Purchase Price; or

8.5.2 complete the purchase in accordance with this Contract, without reduction in the Purchase Price or claim against Seller, but with the right to receive any "Net Insurance Proceeds" as defined in Par. 8.6 together with an assignment to Purchaser, without recourse to Seller, of any uncollected proceeds, which assignment shall be delivered by Seller at Closing.

8.6 "Net Insurance Proceeds" are proceeds of Seller's insurance covering the Loss which is attributable to the Unit and Property after deducting legal and other collection expenses incurred by Seller and any sums paid or incurred by Seller for restoration.

8.7 If Purchaser fails to exercise one of Purchaser's options pursuant to Par. 8.5 by Notice to Seller within 7 business days after Seller gives the Election Notice or within 7 business days after the Restoration Period expires (in the event Seller fails to complete the restoration within the Restoration Period), then Purchaser will be deemed to have conclusively elected the option to complete the purchase pursuant to Par. 8.5.2.

8.8 If Purchaser is given possession of the Unit prior to Closing:

8.8.1 Purchaser assumes all risk of Loss to the Unit and Property prior to Closing from fire or other cause not the fault of Seller or Seller's contractors, agents, employees or servants; and

8.8.2 Purchaser shall be obligated to complete the purchase in accordance with this Contract, without reduction in the Purchase Price or claim against Seller and without delay.

8.9 Notwithstanding anything to the contrary in Par. 8.1, Purchaser shall have the right to cancel this Contract in accordance with Par. 16 if, prior to Closing and while Seller is in possession, through no fault of Purchaser or Purchaser's contractors, agents, employees and servants, either:

8.9.1 a Loss occurs to the Unit which would cost more than 10% of the Purchase Price to restore; or

8.9.2 more than 10% of the units in the Premises are damaged and rendered uninhabitable by fire or other cause, regardless of whether the Unit is damaged.

8.10 Purchaser shall be deemed to have waived Purchaser's right to cancel under Par. 8.9 if Purchaser fails to elect to cancel by Notice to Seller given within 7 business days after Seller gives Notice to Purchaser of the event which gives rise to Purchaser's right to cancel. In the event Purchaser waives or is deemed to have waived this right to cancel, the provisions of Par. 8.5.2 shall apply.

9. Closing Location

The Closing shall be held at the location designated by the Corporation, or (if none is designated), at the office of Seller's attorney.

10. Closing

10.1 At Closing, Seller shall deliver:

10.1.1 Seller's certificate for the Shares duly endorsed for transfer to Purchaser or accompanied by a separate duly executed stock power to Purchaser, and in either case, with any guarantee of Seller's signature required by the Corporation;

10.1.2 Seller's counterpart original of the Lease and a duly executed assignment thereof to Purchaser in the form required by the Corporation;

10.1.3 a written statement by an officer of the Corporation or its authorized agent consenting to the transfer of the Shares and

).1.8 instruments or other documents required under 1.2, if any.

At Closing, Purchaser shall:

).2.1 pay the Balance in accordance with Par. 2.2.2;

).2.2 execute and deliver to Seller and the Corporation an nent assuming the Lease, in the form required by the ration; and

).2.3 if requested by the Corporation, execute and deliver :rparts of a new lease substantially the same as the Lease, for ılance of the Lease term, in which case the Lease shall be .led and surrendered to the Corporation together with Seller's ment thereof to Purchaser.

At Closing, the Parties shall provide the information necessary ternal Revenue Service ("IRS") Form 1099-S or other similar required.

At Closing, Seller shall provide, and the Parties shall execute, ocuments necessary to comply with any applicable transfer or gains tax filings.

Closing Fees, Taxes and Apportionments

At Closing, Seller shall pay, if applicable:

.1.1 the processing fee(s) of the Corporation, its attorneys, or agents, except as set forth in Par. 11.2.3;

11.1.2 the cost of stock transfer stamps; and

11.1.3 the transfer tax and transfer gains tax, except a transfer which by its terms imposes primary liability on the purchaser.

At Closing, Purchaser shall pay:

11.2.1 the sales taxes, if any, on this sale, other than the transfer ps as provided for in Par. 11.1.2;

11.2.2 the cost of any title search;

11.2.3 any fee to the Corporation or its agents and/or attorneys ing to Purchaser's financing; and

11.2.4 a transfer tax which by law is primarily imposed on the haser.

At Closing, the Flip Tax, if any, shall be paid by the Party ified in Par. 1.15.

At Closing, the Parties shall apportion as of 11:59 P.M. of the preceding the Closing, the Maintenance and any other periodic ges due the Corporation (other than Assessments).

Assessments, whether payable in a lump sum or installments, l not be apportioned, but shall be paid by the Party who is the ler of the Shares on the date specified by the Corporation for ment. Purchaser shall pay any installments payable after Closing vided Seller had the right to and elected to pay the Assessment in allments.

Each party covenants to the other that it will timely pay any es for which it is primarily liable pursuant to law. This Par. 11.6 il survive Closing.

Broker

Each Party represents to the other that such Party has not dealt h any other person acting as a broker, whether licensed or icensed, in connection with this transaction other than the Broker ned in Par. 1.10.

2 Seller shall pay the Broker's commission pursuant to a separate eement. The Broker shall not be deemed to be a third-party eficiary of this provision.

3 This Par. 12 shall survive the Closing.

. Defaults, Remedies and Indemnities

1 In the event of a default or misrepresentation by Purchaser, ller's sole remedy shall be to terminate this Contract and retain the ntract Deposit as liquidated damages, except there shall be no itation on Seller's remedies for a breach of Par. 12.1. In case of rchaser's misrepresentation or default, Seller's damages would be possible to ascertain and the Contract Deposit constitutes a fair d reasonable amount of compensation.

.2 In the event of a default or misrepresentation by Seller, rchaser shall have such remedies as Purchaser is entitled to at law in equity, including specific performance, because the Unit and ssession thereof cannot be duplicated.

.3 Each Party indemnifies and holds harmless the other against d from any claim, judgment, loss, liability, cost or expense sulting from the indemnitor's breach of any of the representations covenants stated to survive Closing. This indemnity includes, thout limitation, reasonable attorneys' fees and disbursements, urt costs and litigation expenses. This Par. 13.3 shall survive the losing.

3.4 Purchaser indemnifies and holds harmless Seller against and om any claim, judgment, loss, cost or expense resulting from the ease obligations assumed by Purchaser. This indemnity includes, ithout limitation, reasonable attorneys' fees and disbursements, urt costs and litigation expenses. This indemnity does not include r excuse a breach of any representation or covenant by Seller in Par. .1. This Par. 13.4 shall survive the Closing.

3.5 In the event any instrument for the payment of the Contract eposit fails of collection, Seller shall have the right to sue on the

14.1 All prior oral or written representations, understandings and agreements had between the Parties with respect to the subject matter of this Contract, and with the Escrowee as to Par. 28, are merged in this Contract, which alone fully and completely expresses their agreement.

14.2 A provision of this Contract may be changed or waived only in writing signed by the Party (or Escrowee) to be charged.

14.3 The Attorneys may extend in writing any of the time limitations stated in this Contract.

15. No Assignment by Purchaser

15.1 Purchaser may not assign this Contract or any of Purchaser's rights hereunder and any purported assignment shall be null and void.

15.2 This Contract shall bind and inure to the benefit of the Parties hereto and their respective heirs, personal and legal representatives and successors in interest.

16. Cancellation for Other than Default or Misrepresentation

If Seller shall be unable to transfer the Lease and the Shares in accordance with this Contract for any reason not due to Seller's willful acts or omissions, then the sole obligation of Seller shall be to refund to Purchaser the Contract Deposit and reimburse Purchaser for the actual costs incurred for Purchaser's title or abstract search, except such reimbursement shall not be required if a cancellation is pursuant to Par. 6 or 19. Upon making such refund, this Contract shall be cancelled and neither Party shall have any further claim against the other hereunder.

17. Notices

17.1 Any notice or demand ("Notice") shall be in writing and either delivered by hand or overnight delivery or sent by certified or registered mail to the Party and simultaneously, in like manner, to such Party's Attorney, if any, and to Escrowee at the addresses set forth in Par. 1, or to such other address as shall hereafter be designated by Notice given pursuant to this Par. 17.

17.2 Each Notice shall be deemed given on the same day if delivered by hand or on the following business day if sent by overnight delivery, or the second business day following the date of mailing.

17.3 The Attorneys are authorized to give any Notice specified in this Contract on behalf of their respective clients.

17.4 Failure to accept a Notice does not invalidate the Notice.

18. Margin Headings

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

19. Financing Contingency *(delete if inapplicable)*

19.1 Purchaser may cancel this Contract and recover the Contract Deposit by following the procedure in Par. 19.4 if after complying with Purchaser's "Financing Obligations" in Par. 19.2 below and Purchaser's other obligations under this Contract:

19.1.1 Purchaser fails through no fault of Purchaser to obtain from an "Institutional Lender" (defined in Par. 19.5.1) a "Loan Commitment Letter" (defined in Par. 19.5.2) for financing on the Loan Terms and within the time period stated in Par. 1.16 (the "Loan"); or

19.1.2 the Institutional Lender and the Corporation cannot agree on the terms of an agreement for the protection of the Institutional Lender (commonly called a recognition agreement), if required by the Institutional Lender.

19.2 Purchaser's right to cancel under Par. 19.1 and recover the Contract Deposit is conditioned upon Purchaser's diligent compliance with all of the following "Financing Obligations":

19.2.1 Purchaser must apply in good faith for the Loan from an Institutional Lender within 7 business days after a fully executed counterpart of this Contract is given to Purchaser;

19.2.2 the Loan application must contain truthful, accurate and complete information as required by the Institutional Lender; and

19.2.3 Purchaser must comply with all requirements of the Institutional Lender to obtain the Loan Commitment Letter and to close the Loan.

19.3 Purchaser may also cancel this Contract and recover the Contract Deposit in accordance with the procedure in Par. 19.4 if:

19.3.1 the Closing is adjourned by Seller or the Corporation for for more than 30 business days from the date set for Closing in Par. 1.11; and

19.3.2 the Loan Commitment Letter expires on a date more than 30 business days after the date set for Closing in Par. 1.11 and before the new date set for Closing pursuant to Par. 19.3.1; and

19.3.3 Purchaser is unable in good faith to obtain from the Institutional Lender an extension or a new Loan Commitment Letter for the Amount Financed stated in Par. 1.16 or the same principal amount stated in the expired Loan Commitment Letter, whichever is lower, without paying any additional fees to the Institutional Lender (unless Seller, within 5 business days after receipt of Notice of such fees, gives Notice that Seller will pay such fees and pays them when due). All other substantive Loan terms may be materially no less favorable than in the expired Loan Commitment Letter.

19.4 In order to cancel pursuant to Par. 19.1 or 19.3, Purchaser shall give Notice of cancellation to Seller within 7 business days after the right to cancel arises. Purchaser's failure to timely give such Notice of cancellation will be deemed a conclusive waiver of such right to

loan refusal letter or non-complying Loan Commitment Letter (as the case may be) issued by the Institutional Lender shall accompany the Notice of cancellation, if available, or if not then available, shall be provided promptly after receipt. In case of cancellation pursuant to Par. 19.3, a copy of all written communications between the Institutional Lender and Purchaser concerning the extension or new loan commitment shall accompany the Notice of cancellation (or a copy of any letter refusing to extend the loan commitment or make a new loan commitment received by Purchaser after sending the cancellation Notice shall be sent to Seller promptly after receipt). Purchaser's obligation under this Par. 19.4 shall survive the cancellation of this Contract.

19.5 The definitions for certain terms used in this Par. 19 are:

19.5.1 an "Institutional Lender" is any bank, savings bank, savings and loan association, trust company, credit union of which Purchaser is a member, insurance company or governmental entity which is duly authorized to issue a loan secured by the Shares and Lease in the state where the Unit is located and is then currently extending similarly secured loan commitments; and

19.5.2 a "Loan Commitment Letter" is a written offer to make the Loan with or without recourse, and whether or not conditional upon any factor other than an appraisal satisfactory to the Institutional Lender. An offer to make the Loan which is conditional on obtaining a satisfactory appraisal shall only become a Loan Commitment Letter upon such condition being met.

20. Singular/Plural and Joint/Several

The use of the singular shall be deemed to include the plural, and vice versa, whenever the context so requires. If more than one entity is selling or purchasing the Unit, their obligations shall be joint and several.

21. No Survival

No representation and/or covenant contained herein shall survive Closing except as expressly provided. Computational errors shall survive and be corrected after Closing.

22. Inspections

Purchaser shall have the right to inspect the Unit at reasonable times upon reasonable request to Seller, and within 48 hours prior to Closing.

23. Governing Law

This Contract shall be governed by the laws of the State of New York. Any action or proceeding arising out of this Contract shall be brought in the county where the Unit is located and the Parties hereby consent to said venue.

24. Removal of Liens

24.1 Purchaser shall deliver or cause to be delivered to Seller or Seller's Attorney, not less than 10 calendar days prior to Closing, a list of Liens, if any, which may violate Par. 4.1.

24.2 Seller shall have a reasonable period of time to remove any such Lien.

25. Cooperation of Parties

25.1 The Parties shall each cooperate with the other, the Corporation, Purchaser's Institutional Lender and title company, if any, and obtain, execute and deliver such documents as are reasonably necessary to close.

25.2 The Parties shall timely file or pre-file all required documents in connection with all governmental filings that are required by law. Each Party represents to the other that its statements in such filings will be true and complete. This Par. 25.2 shall survive the Closing.

26. FIRPTA and Gains Tax

26.1 The Parties shall comply with IRC §§ 897, 1445 and related provisions, as amended, and any substitute provisions of any successor statute and the regulations thereunder ("FIRPTA"). The Seller shall furnish to the Purchaser at or prior to Closing a Certification of Nonforeign Status in accordance with FIRPTA. If the Seller fails to deliver such certification by Closing, the Purchaser shall deduct and withhold from the Purchase Price such sum required by law and remit such amount to the IRS. In the event of such withholding by Purchaser, Seller's obligations hereunder, including (but not limited to) the transfer of ownership of the Shares and Lease, shall not be excused or otherwise affected. In the event of any claimed over-withholding, Seller shall be limited solely to an action against the IRS for a refund. Seller hereby [illegible] action against Purchaser on account of such withholding. This Par. 26.1 shall survive the Closing.

26.2 If a Real Property Transfer Gains Tax pre-filing is required by law, Purchaser shall simultaneously herewith deliver to Seller a completed and executed Transferee Questionnaire or the equivalent thereof.

27. Additional Conditions

27.1 Purchaser shall not be obligated to close unless at the time of the Closing:

27.1.1 the Corporation is duly incorporated and in good standing; and

27.1.2 the Corporation has fee or leasehold title to the Premises, whether or not marketable or insurable; and

27.1.3 there is no pending *in rem* action or foreclosure action of any underlying mortgage affecting the Premises.

27.2 Purchaser shall give Seller Notice of any failure of any of the conditions in Par. 27.1. If any condition in Par. 27.1 is not true and is not cured within a reasonable period of time after giving said Notice, then either Seller or Purchaser shall have the option to cancel this Contract pursuant to Par. 16.

28. Escrow Terms

28.1 Escrowee acknowledges receipt of the check for the Contract Deposit, subject to collection.

28.2 The check for the Contract Deposit shall be deposited by Escrowee in an escrow account as described in Par. 1.18 and the proceeds held and disbursed in accordance with the terms of this Contract. Upon Closing, Escrowee shall deliver the Contract Deposit to Seller. In all other cases, if either Party makes a demand upon Escrowee for delivery of the Contract Deposit, Escrowee shall give Notice to the other Party of such demand. If a Notice of objection to the proposed payment is not received from the other Party within 7 business days after the giving of Notice by Escrowee, time being of the essence, Escrowee is hereby authorized to deliver the Contract Deposit to the Party who made the demand. If Escrowee receives a Notice of objection within said period, or if for any other reason Escrowee in good faith elects not to deliver the Contract Deposit, then Escrowee shall continue to hold the Contract Deposit and thereafter pay it to the Party entitled when Escrowee receives (a) a Notice from the objecting Party withdrawing the objection, or (b) a Notice signed by both Parties directing disposition of the Contract Deposit or (c) a judgment or order of a court of competent jurisdiction.

28.3 In the event of any dispute or doubt as to the genuineness of any document or signature, or uncertainty as to Escrowee's duties, then Escrowee shall have the right either to continue to hold the Contract Deposit in escrow or to pay the Contract Deposit into court pursuant to relevant statute.

28.4 The parties agree jointly to defend (by attorneys selected by Escrowee), indemnify and hold harmless Escrowee against and from any claim, judgment, loss, liability, cost or expense resulting from any dispute or litigation arising out of or concerning Escrowee's duties or services hereunder. This indemnity includes, without limitation, disbursements and reasonable attorneys' fees either paid to retain attorneys or representing the fair value of legal services rendered by Escrowee to itself.

28.5 Escrowee shall not be liable for any error in judgment or for any act done or step taken or omitted in good faith, or for any mistake of fact or law, except for Escrowee's own gross negligence or willful misconduct.

28.6 The Parties acknowledge that Escrowee is merely a stakeholder. Upon payment of the Contract Deposit pursuant to Par. 28.2 or 28.3, Escrowee shall be fully released from all liability and obligations with respect to the Contract Deposit.

28.7 In the event Escrowee is the attorney for either Party, Escrowee shall be entitled to represent such Party in any lawsuit.

28.8 Escrowee shall serve without compensation.

28.9 The signing of this Contract by Escrowee is only to evidence Escrowee's acceptance of the terms and conditions of this Par. 28.

29. Binding Effect

This Contract shall not be binding unless a fully executed counterpart thereof has been delivered to each of the Parties.

SEE RIDER ATTACHED HERETO AND MADE A PART HEREOF.

In Witness Whereof, the Parties hereto have duly executed this Contract as of the date first above written.

ESCROW TERMS AGREED TO: SELLER: PURCHASER:

RIDER TO THAT CERTAIN CONTRACT OF SALE DATED AS OF , 1991, BETWEEN PAUL RAYMOND, AS "SELLER" AND , AS "PURCHASER" FOR THE SHARES OF 12TH STREET APARTMENT CORP. ALLOCATED TO APARTMENT AT 15 WEST 12TH STREET, NEW YORK, NEW YORK

1. In the event that there is any inconsistency between the terms and conditions of this Rider and the terms of the printed form of Contract of Sale, then, in such event, the terms and conditions of this Rider shall prevail.

2. The Seller is the Holder of Unsold Shares pursuant to the Offering Plan to convert the premises 15 West 12th Street to cooperative ownership, which Plan includes Amendments First through Twelfth, inclusive (the "Plan"). The terms of the Plan, as amended, are incorporated herein by reference. Purchaser shall simultaneously with the execution of this Contract of Sale, execute a New York State Real Property Transfer Gains Tax Questionnaire for Transferees (Form TP-581) and shall return the executed, notarized form, together with the executed Contract of Sale and Contract Deposit, so that Seller's counsel can make a timely filing to fix the Gains Tax due in connection with the proposed transfer. In addition, Seller and Purchaser shall execute at the Closing, any and all forms and documents then required by the New York State Department of Taxation and Finance, the New York City Department of Taxation and Finance, City Collector or any other bureau or agency then having jurisdiction over this matter.

SELLER

_____

Paul Raymond

PURCHASER

_____

rider raymond master

TWELFTH AMENDMENT
TO A PLAN TO CONVERT
TO COOPERATIVE OWNERSHIP
PREMISES AT 15 WEST 12TH STREET,
NEW YORK, NEW YORK

The Plan to convert to cooperative ownership Premises at 15 West 12th Street (the "Plan") filed October 22, 1980 and as amended by eleven previous amendments is hereby amended further by this Twelfth Amendment as follows:

1. The current cost of maintenance is $10.86007 per share per year ($.905005833 per share per month).

2. The following individuals consist of the Board of Directors of the Apartment Corporation:

Jorge Garcia
Frederic Mosher
Margrit Picket
Joseph Stern
James Brosnan*
Claudia Justy*
Tuckey Develin*

* Holder of Unsold Shares designee.

The holder of Unsold Shares has only three (3) designees on a seven member Board.

3. Number of Unsold Shares. The number of Unsold Shares remaining are 24,563 and are all owned by Mr. Paul Raymond, the holder of Unsold Shares and are appurtenant to the dwelling units listed on Exhibit A, which is attached hereto and made a part hereof.

4. Monthly Maintenance on Unsold Share Apartments. The aggregate monthly maintenance for the Unsold Shares owned by the holder of Unsold Shares is $22,229.60.

5. Monthly Aggregate Rental from Tenants of Unsold Share Apartments. The aggregate monthly rents from tenants of the Unsold Share Apartments equal approximately $24,110.48.

6. Financial Obligations to Co-Op Corporation. Other than the payment of maintenance, there are no other financial obligations to 12th Street Apartment Corp., the cooperative corporation, from the holder of Unsold Shares, which will become due within twelve months of this amendment.

7. Financing Commitment of holder of Unsold Shares. All of the Unsold Shares are subject to a financing commitment from the holder of Unsold Shares to Mr. Parviz Yaghoubzadeh, as successor-in-interest to Twelfth Street Apartments, a New York partnership, the Sponsor of the Plan, with an office address at 475 Park Avenue South, New York, New York 10016. The original principal amount of the loan, from the Sponsor to the holder of

Unsold Shares upon his acquisition of the Unsold Shares at the closing or September 30, 1983 was $4,480,469, which has been reduced by subsequent sales of Unsold Share Apartments. The maturity date of the loan is September 29, 1998, and may be extended, at the option of the holder of Unsold Shares, for an additional five year period. There are no monthly payments due on the loan and payments of interest and principal are due and payable only from net proceeds of sales of Unsold Shares. Since the financing arrangments require payments of interest and principal only from the subsequent sale of Unsold Shares, no source of funding will be utilized other than the proceeds from the projected sales.

8. All Obligations Current. The holder of Unsold Shares is current on all financial obligations under the Offering Plan, including, but not limited to, maintenance payments, reserve and working capital fund payments and assessments. No payments by the holder of Unsold Shares for repairs or improvements were promised in the Plan. The holder of Unsold Shares is current, and has been current for the past twelve months, on payments with respect to the financing commitment set forth in Paragraph 7 above.

9. Other Properties of holder of Unsold Shares. There are no other buildings in which the holder of Unsold Shares owns more than 10 percent of the Shares or Units, other than the premises discussed herein.

10. The holder of Unsold Shares is, as an individual holder of unsold shares in other cooperatives, current in his financial obligations with respect to those other cooperatives.

11. No Control of Board of Directors. The holder of Unsold Shares does not control the Board of Directors of the Apartment Corporation. The holder of Unsold Shares surrendered such control in September, 1986.

12. Except as set forth in this Amendment, there have been no other material changes in this Plan. The Plan, as hereby amended, does not omit any material fact or knowingly contain an untrue statement.

Paul Raymond
Holder of Unsold Shares

Dated: June 1, 1990

EXHIBIT A
(List of Unsold Share Apartments)

Apartment	Number of Shares
5A	425
7A	435
9A	445
11A	715
12A	620
4B	485
6B	495
7B	500
10B	515
PHB	925
2C	800
3C	807
4C	814
6C	828
9C	849
11C	860
PHC	925
2D	525
3D	530
6D	545
7D	550
8D	555
9D	560
1E	700
3E	1,010
4E	1,020
5E	1,030
6E	1,040
8E	1,060
9E	1,070
5F	465
7F	475
8F	480
5G	490
7G	500
10G	515
TOTAL	24,563

ELEVENTH AMENDMENT

TO A PLAN TO CONVERT

TO COOPERATIVE OWNERSHIP

PREMISES AT 15 WEST 12TH STREET,

NEW YORK, NEW YORK

The Plan to convert to cooperative ownership Premises at 15 West 12th Street (the "Plan") filed October 22, 1980 and as amended by ten previous amendments is hereby amended further by this Eleventh Amendment as follows:

1. The current cost of maintenance is $10.86007 per share per year ($.905005833 per share per month).

2. The following individuals consist of the Board of Directors of the Apartment Corporation:

Peter Brickman	President
Jorge Garcia	Vice President & Treasurer
Claudia Justy	Director*
Frederic Mosher	Secretary
James Brosnan	Director*
Tuckey Devlin	Director*

* Holder of Unsold Shares designee.

The seventh seat currently is vacant, due to the resignation of a tenant-shareholder (who sold his apartment) and will be filled by a vote of the tenant-shareholders. The holder of Unsold Shares has only three (3) designees on the seven member capacity board.

3. Attached hereto as Exhibit A are the financial statements for the Apartment Corporation for the years 1983 through 1989, inclusive. The loss from operations, before depreciation, reflected in the 1989 financial statements represents expenditures for non-capitalized expenses paid in connection with building improvements, including principally repainting and relighting the hallways, and unanticipated repairs, all of which were paid from the cash surplus of the Apartment Corporation.

4. The number of Unsold Shares remaining are 26,573 and are all owned by Mr. Paul Raymond, the holder of all Unsold Shares and they are appurtenant to the dwelling units set forth on Exhibit B set forth and attached hereto and made a part hereof.

5. Change in Prices of Unsold Units. Attached hereto and made a part hereof as Exhibit C is the new price list with respect to the Unsold Units.

6. Asbestos Report. The holder of Unsold Shares has obtained at his own cost and expense an asbestos report for the Building prepared by ATC Environmental Inc., a copy of which is attached hereto and made a part hereof as Exhibit D, and the Apartment Corporation shall perform the recommendations set forth

therein, including the immediate removal of asbestos-containing material from certain areas of the basement, in the Laundry and Tenant Storage Rooms and the Locker Room and West Hallway.

7. Except as set forth in this Amendment, there have been no other materials changes in this Plan. The Plan, as hereby amended, does not omit any material fact or knowingly contain an untrue statement.

Paul Raymond
Holder of Unsold Shares

EXHIBIT A

12TH STREET APARTMENT CORP.

FINANCIAL REPORT

DECEMBER 31, 1983

12TH STREET APARTMENT CORP.

DECEMBER 31, 1983

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YOHALEM, GILLMAN FIELD & AGLER
CERTIFIED PUBLIC ACCOUNTANTS

655 THIRD AVENUE, NEW YORK, NY 10017
(212) 867-0700

To the Shareholders of
12th Street Apartment Corp.

We have reviewed the accompanying balance sheet of 12th Street Apartment Corp. as of December 31, 1983 and the related statements of income (loss) and retained earnings (deficit) and statement of changes in financial position for the period September 30, 1983 (date of inception) to December 31, 1983, in accordance with standards established by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of 12th Street Apartment Corp.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an examination in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, with the exception of the matters described in the preceding paragraph, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

Yohalem, Gillman, Field & Agler

New York, New York
April 3, 1984

12TH STREET APARTMENT CORP.

BALANCE SHEET

DECEMBER 31, 1983

ASSETS

Real estate	
Land	$1,229,499
Building and improvements	5,507,900
	6,737,399
Less accumulated depreciation	91,798
	6,645,601
Other assets	
Cash	78,479
Rent receivable - net	3,474
Prepaid expenses and advances	11,191
	93,144
	$6,738,745

LIABILITIES AND SHAREHOLDERS' EQUITY

Liabilities	
Mortgage payable	$ 888,764
Accrued expenses and taxes	31,800
Commercial tenants security deposits payable	6,575
	927,139
Shareholders' equity	
Common stock, par value $1; 47,857 shares authorized, issued and outstanding	47,857
Capital contributed in excess of par value	5,799,408
Capital contributed for amortization of mortgage	1,370
Capital donated for reserve fund	50,000
Retained earnings (deficit)	(87,029)
	5,811,606
	$6,738,745

The accountants' review report and accompanying notes should be read in conjunction with the financial statements.

12TH STREET APARTMENTS

STATEMENT OF INCOME (LOSS) AND RETAINED EARNINGS (DEFICIT)

FOR THE PERIOD SEPTEMBER 30, 1983 (DATE OF INCEPTION) TO DECEMBER 31, 1983

Revenue	
Rental income from tenant-shareholders	$112,885
Less amounts contributed to capital for amortization of mortgage	1,370
	111,515
Rental income from commercial tenants	15,410
Total revenue	126,925
Costs and expenses	
Fixed costs and other charges	53,097
Operating expenses	60,824
Repairs and maintenance	4,019
General and administrative	4,216
Total costs and expenses	122,156
Income from operations, before depreciation	4,769
Depreciation	91,798
Net (loss) from operations	(87,029)
Retained earnings (deficit) - beginning of period	-.-
Retained earnings (deficit) - end of period	$(87,029)

The accountants' review report and accompanying notes should be read in conjunction with the financial statements.

12TH STREET APARTMENT CORP.

STATEMENT OF CHANGES IN FINANCIAL POSITION

FOR THE PERIOD SEPTEMBER 30, 1983 (DATE OF INCEPTION) TO DECEMBER 31, 1983

Cash provided by	
Operations	
Net (loss)	$ (87,029)
Add items not affecting cash	
Depreciation and amortization	91,798
Other related to operations	23,710
Cash provided by operations	28,479
Sale of common stock	47,857
Capital contributed in excess of par value	5,799,408
Capital contributed for amortization of mortgage	1,370
Capital donated for reserve fund	50,000
	5,927,114
Cash used for	
Acquisition of land and building - net	5,847,265
Amortization of mortgage	1,370
	5,848,635
Net increase in cash	78,479
Cash - beginning of period	-.-
Cash - end of period	$ 78,479

The accountants' review report and accompanying notes should be read in conjunction with the financial statements.

12TH STREET APARTMENT CORP.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1983

Note 1 - Summary of Significant Accounting Policies

Contributed Capital

Contributed capital includes a portion of the maintenance charges collected from the proprietary leaseholders equal to the current amortization of the mortgage.

Property and Depreciation

Property is recorded and carried at cost less an appropriate allowance for depreciation. Expenditures for betterments and renewals are capitalized. Expenditures for repairs and maintenance are charged to expense as incurred. Upon retirement or disposition of depreciable property, the cost and related accumulated depreciation are removed from the accounts and any gain or loss is recognized in income. Depreciation is computed under the accelerated cost recovery system method over the useful life of the property.

Note 2 - Mortgage Payable

The property was acquired September 30, 1983 subject to an existing first mortgage of $890,134 payable in constant monthly installments of $7,500, including interest at 9-1/2% per annum, due September 1, 1991. At December 31, 1983 the balance outstanding was $888,764.

Note 3 - Income Taxes

The Internal Revenue Service permits net operating losses, which have not been applied, to be carried forward to future years for the purpose of reduction of taxes in those years.

12TH STREET APARTMENT CORP.

SUPPORTING SCHEDULES

FOR THE PERIOD SEPTEMBER 30, 1983 (DATE OF INCEPTION) TO DECEMBER 31, 1983

Fixed costs and other charges	
Interest on mortgage	$ 21,354
Real estate taxes	29,755
Water and sewer	1,319
Insurance	669
Total	$ 53,097
Operating expenses	
Salaries and wages	$ 33,447
Payroll benefits and fringes	6,551
	39,998
Fuel	17,038
Utilities	3,788
Total	$ 60,824
Repairs and maintenance	
Elevator	$ 1,704
Electrical	920
Hardware and supplies	767
Miscellaneous	628
Total	$ 4,019
General and administrative	
Management fees	$ 1,500
Professional fees	1,765
New York State and City Franchise taxes	713
Telephone	105
Miscellaneous	133
Total	$ 4,216

The accountants' review report and accompanying notes should be read in conjunction with the financial statements.

12TH STREET APARTMENT CORP.

FINANCIAL REPORT

DECEMBER 31, 1984

12TH STREET APARTMENT CORP.

DECEMBER 31, 1984

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YOHALEM, GILLMAN, FIELD & AGLER
CERTIFIED PUBLIC ACCOUNTANTS

655 THIRD AVENUE, NEW YORK, NY 10017
(212) 867-0700

To the Shareholders of
12th Street Apartment Corp.

We have reviewed the accompanying balance sheet of 12th Street Apartment Corp. as of December 31, 1984 and the related statements of income (loss) and retained earnings (deficit), changes in financial position and supporting schedules for the year then ended in accordance with standards established by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of 12th Street Apartment Corp.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an examination in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Yohalem Gillman Field & Agler

New York, New York
June 25, 1985

12TH STREET APARTMENT CORP.

BALANCE SHEET

DECEMBER 31, 1984

ASSETS

Real estate	
Land	$1,138,781
Building and improvements	5,598,226
	6,737,007
Less accumulated depreciation	467,042
	6,269,965
Other assets	
Cash	74,929
Rent receivable	1,755
Prepaid expenses and advances	39,580
	116,264
	$6,386,229

LIABILITIES AND SHAREHOLDERS' EQUITY

Liabilities	
Mortgage payable	$ 882,943
Accrued expenses and taxes	68,170
Commercial tenants security deposits payable	6,675
	957,788
Shareholders' equity	
Common stock, par value $1; 47,857 shares authorized, issued and outstanding	47,857
Capital contributed in excess of par value	5,791,166
Capital contributed for amortization of mortgage	7,191
Capital donated for reserve fund	50,000
Retained earnings (deficit)	(467,773)
	5,428,441
	$6,386,229

The accountants' review report and accompanying notes should be read in conjunction with the financial statements.

12TH STREET APARTMENT CORP

STATEMENT OF INCOME (LOSS) AND RETAINED EARNINGS (DEFICIT)

FOR THE YEAR ENDED DECEMBER 31, 1984

Revenue	
Rental income from tenant-shareholders	$ 452,190
Less amounts contributed to capital for amortization of mortgage	5,821
	446,369
Rental income from commercial tenants	62,900
Total revenue	509,269
Costs and expenses	
Fixed costs and other charges	217,864
Operating expenses	219,697
Repairs and maintenance	41,406
General and administrative	35,801
Total costs and expenses	514,768
(Loss) from operations, before depreciation	(5,499)
Depreciation	375,245
Net (loss) from operations	(380,744)
Retained earnings (deficit) - beginning of year	(87,029)
Retained earnings (deficit) - end of year	$(467,773)

The accountants' review report and accompanying notes should be read in conjunction with the financial statements.

12TH STREET APARTMENT CORP

STATEMENT OF CHANGES IN FINANCIAL POSITION

FOR THE YEAR ENDED DECEMBER 31, 1984

Cash provided by	
Operations	
Net (loss)	$ (380,744)
Add items not affecting cash	
Depreciation	375,245
Other related to operations	9,799
Cash provided by operations	4,300
Capital contributed for amortization of mortgage	5,821
	10,121
Cash used for additions to building improvements	7,850
Amortization of mortgage	5,821
	13,671
Net decrease in cash	(3,550)
Cash - beginning of year	78,479
Cash - end of year	$ 74,929

The accountants' review report and accompanying notes should be read in conjunction with the financial statements.

12TH STREET APARTMENT CORP.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1984

Note 1 - Summary of Significant Accounting Policies

Contributed Capital

Contributed capital includes a portion of the maintenance charges collected from the proprietary leaseholders equal to the current amortization of the mortgage.

Property and Depreciation

Property is recorded and carried at cost less an appropriate allowance for depreciation. Expenditures for betterments and renewals are capitalized. Expenditures for repairs and maintenance are charged to expense as incurred. Upon retirement or disposition of depreciable property, the cost and related accumulated depreciation are removed from the accounts and any gain or loss is recognized in income. Depreciation is computed using the straight-line method over the useful life of the property.

Note 2 - Mortgage Payable

The property was acquired September 30, 1983 subject to an existing first mortgage of $890,134 payable in constant monthly installments of $7,500, including interest at 9-1/2% per annum, due September 1, 1991. At December 31, 1984 the balance outstanding was $882,944.

Note 3 - Income Taxes

The Internal Revenue Service permits net operating losses, which have not been applied, to be carried forward to future years for the purpose of reduction of taxes in those years. The corporation has a net operating loss carryforward of $467,315 which expires in various years as follows:

1998 - $308,453
1999 - $158,852

12TH STREET APARTMENT CORP.

SUPPORTING SCHEDULES

FOR THE YEAR ENDED DECEMBER 31, 1984

Fixed costs and other charges	
Interest on mortgage	$ 84,134
Real estate taxes	117,349
Water and sewer	8,593
Insurance	7,788
Total	$217,864
Operating expenses	
Salaries and wages	$129,141
Payroll benefits and fringes	26,420
	155,561
Fuel	39,273
Utilities	24,863
Total	$219,697
Repairs and maintenance	
Air conditioning	$ 3,304
Elevator	7,933
Hardware and supplies	6,476
Masonry	13,092
Painting	4,748
Plumbing	5,853
Total	$ 41,406
General and administrative	
Management fees	$ 21,000
Professional fees	7,470
New York State and City Franchise taxes	4,592
Telephone	866
Miscellaneous	1,873
Total	$ 35,801

The accountants' review report and accompanying notes should be read in conjunction with the financial statements.

12TH STREET APARTMENT CORP.

FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 1985

12TH STREET APARTMENT CORP.

DECEMBER 31, 1985

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YOHALEM GILLMAN & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

477 MADISON AVENUE, NEW YORK, NY 10022
(212) 371-2100

To the Shareholders of
12th Street Apartment Corp.

We have reviewed the accompanying balance sheet of 12th Street Apartment Corp. as of December 31, 1985 and the related statements of income (loss) and retained earnings (deficit), changes in financial position and supplemental schedules for the year then ended in accordance with standards established by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of 12th Street Apartment Corp.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an examination in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based upon our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

Yohalem Gillman & Company

New York, New York
June 6, 1986

12TH STREET APARTMENT CORP

BALANCE SHEET

DECEMBER 31, 1985

ASSETS

Property, at cost	
Land	$1,138,781
Building and improvements	5,599,087
	6,737,868
Less accumulated depreciation	840,781
	5,897,087
Other assets	
Cash	118,578
Rent receivable	4,897
Prepaid expenses and advances	42,770
Deposits	3,800
	170,045
	$6,067,132

LIABILITIES AND SHAREHOLDERS' EQUITY

Liabilities	
Mortgage payable	$ 876,551
Accrued expenses and taxes	132,502
Commercial tenants security deposits payable	7,175
	1,016,228
Shareholders' equity	
Common stock, par value $1; 47,857 shares authorized, issued and outstanding	47,857
Capital contributed in excess of par value	5,791,166
Capital contributed for amortization of mortgage	13,583
Capital donated for reserve fund	50,000
Retained earnings (deficit)	(851,702)
	5,050,904
	$6,067,132

The accountants' review report and accompanying notes should be read in conjunction with the financial statements.

12TH STREET APARTMENT COR.

STATEMENT OF INCOME (LOSS) AND RETAINED EARNINGS (DEFICIT)

FOR THE YEAR ENDED DECEMBER 31, 1985

Revenue	
Maintenance income	$ 465,889
Less amounts contributed to capital for amortization of mortgage	6,392
	459,497
Rental income from commercial tenants	73,600
Interest and other income	4,660
Total revenue	537,757
Costs and expenses	
Fixed costs and other charges	229,688
Operating expenses	232,112
Repairs and maintenance	50,300
General and administrative	35,847
Total costs and expenses	547,947
(Loss) from operations, before depreciation	(10,190)
Depreciation	(373,739)
Net (loss) from operations	(383,929)
Retained earnings (deficit) - beginning of year	(467,773)
Retained earnings (deficit) - end of year	$(851,702)

The accountants' review report and accompanying notes should be read in conjunction with the financial statements.

12TH STREET APARTMENT CORP

STATEMENT OF CHANGES IN FINANCIAL POSITION

FOR THE YEAR ENDED DECEMBER 31, 1985

Cash provided by	
Operations	
Net (loss)	$(383,929)
Add items not affecting cash	
Depreciation	373,739
Increase in accrued expense and taxes	64,332
Cash provided by operations	54,142
Other sources	
Increase in commercial tenants' security deposits payable	500
Increase in capital contributed for amortization of mortgage	6,392
Total source of cash	61,034
Use of cash	
Increase in deposits	3,800
Acquisition of furniture and fixtures	861
Increase in rent receivable	3,142
Increase in prepaid expenses and advances	3,190
Decrease in mortgage payable	6,392
Total use of cash	17,385
	43,649
Cash - beginning of year	74,929
Cash - end of year	$ 118,578

The accountants' review report and accompanying notes should be read in conjunction with the financial statements.

12TH STREET APARTMENT CORP.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1985

Note 1 - Summary of Significant Accounting Policies

Contributed Capital

Contributed capital includes a portion of the maintenance charges collected from the proprietary leaseholders equal to the current amortization of the mortgage.

Property and Depreciation

Property is recorded and carried at cost less an appropriate allowance for depreciation. Expenditures for betterments and renewals are capitalized. Expenditures for repairs and maintenance are charged to expense as incurred. Upon retirement or disposition of depreciable property, the cost and related accumulated depreciation are removed from the accounts and any gain or loss is recognized in income. Depreciation is computed using the straight-line method over the useful life of the property.

Note 2 - Mortgage Payable

The property was acquired September 30, 1983 subject to an existing first mortgage of $890,134 payable in constant monthly installments of $7,500, including interest at 9-1/2% per annum, due September 1, 1991. At December 31, 1985 the balance outstanding was $876,551.

Note 3 - Income Taxes

The Internal Revenue Service permits net operating losses, which have not been applied, to be carried forward to future years for the purpose of reduction of taxes in those years. The corporation has a net operating loss carryforward of $851,702 which expires in various years as follows:

1998 - $308,453
1999 - $159,320
2000 - $383,929

Note 4 - Working Capital Fund

On September 30, 1983 (the date of closing of title) a working capital fund, in the amount of $50,000, was established by the sponsor. The net proceeds received by 12th Street Apartment Corporation was $19,462.97 which was determined as follows:

Working Capital fund	$50,000.00
Less net closing adjustments in favor of seller	30,537.03
Balance to 12th Street Apartment Corporation	$19,462.97

Note 5 - Related Party Transactions

Included in accrued expenses is approximately $86,000 due to the managing agent of the property, representing management fees and other items.

12TH STREET APARTMENT COR

SUPPLEMENTAL SCHEDULES

FOR THE YEAR ENDED DECEMBER 31, 1985

Fixed costs and other charges	
Interest on mortgage	$ 83,556
Real estate taxes	126,727
Water and sewer	6,392
Insurance	13,013
Total	$229,688
Operating expenses	
Salaries and wages	$141,520
Payroll benefits and fringes	31,099
	172,619
Fuel	41,843
Utilities	17,650
Total	$232,112
Repairs and maintenance	
Air conditioning	$ 2,883
Elevator	7,678
Hardware and supplies	7,755
Masonry	10,621
Painting and decorating	3,560
Plumbing and heating repair	17,803
Total	$ 50,300
General and administrative	
Management fees	$ 18,000
Professional fees	8,409
New York State and City Franchise taxes	6,490
Telephone	863
Miscellaneous	2,085
Total	$ 35,847

The accountants' review report and accompanying notes should be read in conjunction with the financial statements.

12TH STREET APARTMENT CORP.

FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 1986

SOLOMON, STARK & PASSKOFF
CERTIFIED PUBLIC ACCOUNTANTS
111 NORTH CENTRAL AVENUE
HARTSDALE, N. Y. 10530

(914) 948-3527

MICHEAL SOLOMON CPA
MELVIN STARK CPA
MARVIN PASSKOFF CPA

February 26, 1987

To the Shardholders of
12th Street Apartment Corp.

We have reviewed the accompanying balance sheet of 12th Street Apartment Corp. as of December 31, 1986 and the related statements of income (loss) and retained earnings (deficit), changes in financial position and supplemental schedules for the year then ended in accordance with standards established by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of 12th Street Apartment Corp.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an examination in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based upon our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

Respectfully submitted,

SOLOMON, STARK & PASSKOFF
Certified Public Accountants

SSP:ml

12TH STREET APARTMENT CORP.

DECEMBER 31, 1986

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12TH STREET APARTMENT CORP.

BALANCE SHEET

DECEMBER 31, 1986

A S S E T S

Property, at cost		
Land	$ 1,138,781	
Building and Improvements	5,599,087	
	6,737,868	
Less Accumulated Depreciation	1,215,042	
		$ 5,522,826
Other Assets		
Cash	130,511	
Rent Receivable	10,322	
Prepaid Expenses and Advances	9,906	
Deposits	3,800	
		154,539
		$ 5,677,365

LIABILITIES AND SHAREHOLDERS' EQUITY

Liabilities		
Mortgage Payable	$ 869,528	
Accrued Expenses and Taxes	81,140	
Commercial Tenants Security Deposits Payable	7,125	
Commercial Tenants Prepaid Rent	2,000	
		$ 959,793
Shareholders' Equity		
Common Stock, Par Value $1; 47,857 Shares Authorized, Issued and Outstanding	$ 47,857	
Capital Contributed in Excess of Par Value	5,791,166	
Capital Contributed for Amortization of Mortgage	20,607	
Capital Donated for Reserve Fund	50,000	
Retained Earnings (Deficit)	(1,192,058)	
		4,717,572
		$ 5,677,365

The accountants' review report and accompanying notes should be read in conjunction with the financial statements.

12TH STREET APARTMENT CORP.

STATEMENT OF INCOME (LOSS) AND RETAINED EARNINGS (DEFICIT)

FOR THE YEAR ENDED DECEMBER 31, 1986

evenue		
Maintenance	$ 519,729	
Less: Amounts Contributed to Capital for Amortization of Mortgage	7,024	
		$ 512,705
Rental Income from Commercial Tenants		76,575
Interest and Other Income		6,881
Total Revenue		596,161
Costs and Expenses		
Fixed Costs and Other Charges	$ 253,501	
Operating Expenses	224,179	
Repairs and Maintenace	40,473	
General and Administrative	44,102	
Total Costs and Expenses		562,255
Gain or (Loss) from Operations, Before Depreciation		33,906
Depreciation		(374,262)
Net Gain or (Loss) From Operations		(340,356)
Retained Earnings (Deficit)-Beginning of Year		(851,702)
Retained Earnings (Deficit)-End of Year		$1,192,058

The accountants' review report and accompanying notes should be read in conjunction with the financial statements.

12TH STREET APARTMENT CORP.

STATEMENT OF CHANGES IN FINANCIAL POSITION

FOR THE YEAR ENDED DECEMBER 31, 1986

Cash Provided by		
Operations		
Net Loss	$(340,356)	
Add: Items not Affecting Cash		
Depreciation	374,262	
Decrease in Prepaid Expenses and Advances	32,864	$ 66,770
Other Sources		
Increase in Commercial Tenants Prepaid Rent		2,000
Increase in Capital Contributed for Amortization of Mortgage		7,023
Total Sources of Cash		$ 75,793
Use of Cash		
Decrease in Accrued Expenses and Taxes	$ 51,362	
Increase in Rent Receivable	5,425	
Decrease in Mortgage Payable	7,023	
Decrease in Tenants Security Deposits	50	
Total Use of Cash		63,860
Increase in Cash		$ 11,933
Cash - Beginning of Year		118,578
Cash - End of Year		$ 130,511

The accountants' review report and accompanying notes should be read in conjunction with the financial statements.

12TH STREET APARTMENT CORP.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1986

Note 1 - Summary of Significant Accounting Policies

Contributed Capital

Contributed capital includes a portion of the maintenance charges collected from the proprietary leaseholders equal to the current amortization of the mortgage.

Property and Depreciation

Property is recorded and carried at cost less an appropriate allowance for depreciation. Expenditures for betterments and renewals are capitalized. Expenditures for repairs and maintenance are charged to expense as incurred. Upon retirement or disposition of depreciable property, the cost and related accumulated depreciation are removed from the accounts and any gain or loss is recognized in income. Depreciation is computed using the straight-line method over the useful life of the property.

Note 2 - Mortgage Payable

The property was acquired September 30, 1983 subject to an existing first mortgage of $890,134 payable in constant monthly installments of $7,500, includeing interest at 9-½% per annum, due September 1, 1991. At December 31, 1986 the balance outstanding was $869,528.

Note 3 - Income Taxes

The Internal Revenue Service permits net operating losses, which have not been applied, to be carried forward to future years for the purpose of reduction of taxes in those years. The corporation has a net operating loss carryforward of $1,192,058 which expires in various years as follows:

1988	-	$308,453
1999	-	$159,320
2000	-	$383,929
2001	-	$340,356

12TH STREET APARTMENT CORP.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1986

Note 4 - Working Capital Fund

On September 30, 1983 (the date of closing of title) a working capital fund, in the amount of $50,000, was established by the sponsor. The net proceeds received by 12th Street Apartment Corporation was $19,462.97 which was determined as follows:

Working Capital Fund	$50,000.00
Less Net Closing Adjustments in Favor or Seller	30,537.03
Balance to 12th Street Apartment Corporation	$19,462.97

Note 5 - Related Party Transactions

Included in accrued expenses is approximately $50,000 due to the managing agent of the property, representing management fees and other items.

12TH STREET APARTMENT CORP.

SUPPLEMENTAL SCHEDULES

FOR THE YEAR ENDED DECEMBER 31, 1986

FIXED COSTS AND OTHER CHARGES		
Interest on Mortgage	$ 82,919	
Real Estate Taxes	135,877	
Water and Sewer	8,137	
Insurance	26,568	
Total		$ 253,501
OPERATING EXPENSES		
Salaries and Wages	$ 147,727	
Payroll Benefits and Fringes	26,845	
Fuel	35,398	
Utilities	14,209	
Total		$ 224,179
REPAIRS AND MAINTENANCE		
Air Conditioning	$ 2,547	
Elevator	7,921	
Hardware and Supplies	10,447	
Painting and Decorating	584	
Plumbing, Heating & Electrical Repairs	17,512	
Permits	798	
Miscellaneous	664	
Total		$ 40,473
GENERAL AND ADMINISTRATIVE		
Management Fees	$ 24,500	
Professional Fees	8,306	
New York State and City Franchise Taxes	8,744	
Telephone	1,512	
Miscellaneous	1,040	
Total		$ 44,102

The accountants' review report and accompanying notes should be read in conjunction with the financial statements.

12TH STREET APARTMENT CORP.

FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 1987

SOLOMON, STARK & PASSKOFF

12TH STREET APARTMENT CORP.

DECEMBER 31, 1987

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SOLOMON, STARK & PASSKOFF
CERTIFIED PUBLIC ACCOUNTANTS
111 NORTH CENTRAL AVENUE
HARTSDALE, N Y 10530

(914) 948-3527

MICHAEL SOLOMON CPA
MELVIN STARK CPA
MARVIN PASSKOFF CPA

August 2, 1988

To the Shareholders of
12th Street Apartment Corp.

We have reviewed the accompanying balance sheet of 12th Street Apartment Corp. as of December 31, 1987 and the related statements of income (loss) and retained earnings (deficit), changes in financial position and supplemental schedules for the year then ended in accordnace with standards established by the American Institute of Certified Public Accountants. All information included in these financial statements is the representaiton of the management of 12th Street Apartment Corp.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an examination in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based upon our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

Respectfully submitted,

SOLOMON, STARK & PASSKOFF
Certified Public Accountants

SSP:ml

12TH STREET APARTMENT CORP.

BALANCE SHEET

DECEMBER 31, 1987

A S S E T S

Property, at Cost		
Land	$1,138,781	
Building and Improvements	5,647,820	
	6,786,601	
Less: Accumulated Depreciation	1,594,521	$ 5,192,080
Other Assets		
Cash	131,420	
Rent Receivable	37,397	
Prepaid Expenses and Advances	12,613	
Deposits	3,800	
		185,230
		$ 5,377,310

LIABILITIES AND SHAREHOLDERS' EQUITY

Liabilities		
Mortgage Payable	$ 861,801	
Accrued Expenses and Taxes	66,188	
Commercial Tenants Security Deposits Payable	8,550	
Commercial Tenants Prepaid Rent	1,162	
		$ 937,701
Shareholders' Equity		
Common Stock, Par Value $1; 47,857 Shares Authorized, Issued and Outstanding	$ 47,857	
Capital Contributed in Excess of Par Value	5,791,166	
Capital Contributed for Amortization of Mortgage	28,333	
Capital Donated for Reserve Fund	50,000	
Retained Earnings (Deficit)	(1,477,747)	
		4,439,609
		$ 5,377,310

The accountants' review report and accompanying notes should be read in conjunction with the financial statements.

12TH STREET APARTMENT CORP.

STATEMENT OF INCOME (LOSS) RETAINED EARNINGS (DEFICIT)

FOR THE YEAR ENDED DECEMBER 31, 1987

Revenue		
Maintenance	$ 577,157	
Less: Amounts Contributed to Capital for Amortization of Mortgage	7,726	
		$ 569,431
Rental Income from Commercial Tenants		84,975
Interest and Other Income		10,556
Total Revenue		664,962
Costs and Expenses		
Fixed Costs and Other Charges	$ 270,516	
Operating Expenses	223,960	
Repairs and Maintenance	28,020	
General and Administrative	48,676	
Total Costs and Expenses		571,172
Gain or (Loss) from Operations, Before Depreciation		93,790
Depreciation		(379,479)
Net (Loss) From Operations		(285,689)
Retained Earnings (Deficit) - Beginning of Year		(1,192,058)
Retained Earnings (Deficit) - End of Year		$(1,477,747)

the accountants' review report and accompanying notes should be read in conjunction with the financial statements.

12TH STREET APARTMENT CORP.

STATEMENT OF CHANGES IN FINANCIAL POSITION

FOR THE YEAR ENDED DECEMBER 31, 1987

Cash Provided by		
Operations		
Net Loss	$ (285,689)	
Add: Items not Affecting Cash		
Depreciation	379,479	$ 93,790
Other Sources		
Increase in Tenants Security Deposits		$ 1,425
Increase in Capital Contributed for Amortization of Mortgage		7,726
Total Sources of Cash		$ 102,941
Use of Cash		
Increase in Prepaid Expenses and Advances	$ 2,707	
Decrease in Accrued Expenses and Taxes	14,952	
Increase in Rent Receivable	27,075	
Decrease in Mortgage Payable	7,727	
Decrease in Tenants Prepaid Rent	838	
Purchase of Fixed Assets	48,733	
Total Use of Cash		102,032
Increase in Cash		$ 909
Cash - Beginning of Year		130,511
Cash - End of Year		$ 131,420

The accountants' review report and accompanying notes should be read in conjunction with the financial statements.

12TH STREET APARTMENT CORP.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1987

Note 1 - Summary of Significant Accounting Policies

Contributed Capital

Contributed capital includes a portion of the maintenance charges collected from the proprietary leaseholders equal to the current amortization of the mortgage.

Property and Depreciation

Property is recorded and carried at cost less an appropriate allowance for allowance for depreciation. Expenditures for betterments and renewals are capitalized. Expenditures for repairs and maintenance are charged to expense as incurred. Upon retirement or disposition of depreciable property, the cost and related accumulated depreciation are removed from the accounts any gain or loss is recognized in income. Depreciation is computed using the straight-line method over the useful life of the property.

Note 2 - Mortgage Payable

The property was acquired September 30, 1983 subject to an existing first mortgage of $890,134 payable in constant monthly installments of $7,500, including interest at 9-½% per annum, due September 1, 1991. At December 31, 1987 the balance outstanding was $861,801.

Note 3 - Income Taxes

The Internal Revenue Service permits net operating losses, which have not been applied, to be carried forward to future years for the purpose of reduction of taxes in those years. The corporation has a net operating loss carryforward of $1,477,747 which expires in various years as follow:

1988	-	$308,453
1999	-	$159,320
2000	-	$383,929
2001	-	$340,356
2002	-	$285,689

12TH STREET APARTMENT CORP.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1987

Note 4 - Working Capital Fund

On September 30, 1987 (the date of closing of title) a working capital fund, in the amount of $50,000, was established by the sponsor. The net proceeds received by 12th Street Apartment Corporation was $19,462.97 which was determined as follows:

Working Capital Fund	$50,000.00
Less Net Closing Adjustments in Favor or Seller	30,537.03
Balance to 12th Street Apartment Corporation	$19,462.97

Note 5 - Related Party Transactions

Included in accrued expenses is approximately $45,000 due to the managing agent of the property, representing management fees and other items.

12TH STREET APARTMENT CORP.

SUPPLEMENTAL SCHEDULES

FOR THE YEAR ENDED DECEMBER 31, 1987

FIXED COSTS AND OTHER CHARGES		
Interest on Mortgage	$ 82,213	
Real Estate Taxes	143,655	
Water and Sewer	9,332	
Insurance	35,316	
Total		$ 270,516
OPERATING EXPENSES		
Salaries and Wages	$ 152,690	
Payroll Benefits and Fringes	26,290	
Fuel	32,015	
Utilities	12,965	
Total		$ 223,960
REPAIRS AND MAINTENANCE		
Air Conditioning	$ 4,492	
Elevator	8,748	
Hardware and Supplies	7,506	
Painting and Decorating	2,699	
Plumbing, Heating & Electrical Repairs	3,383	
Permits	528	
Miscellaneous	664	
Total		$ 28,020
GENERAL AND ADMINISTRATIVE		
Management Fees	$ 25,000	
Professional Fees	16,591	
New York State and City Franchise Taxes	5,733	
Telephone	786	
Miscellaneous	566	
Total		$ 48,676

The accountants' review report and accompanying notes should be read in conjunction with the financial statements.

ELI LEVINE AND COMPANY
Certified Public Accountants

37 UNION SQUARE WEST
NEW YORK, N Y 10003

SUITE 403
212 807 1200

To The Shareholders of
12th Street Apartment Corp.

We have reviewed the accompanying balance sheet of 12th Street Apartment Corp. as of December 31, 1988 and the related statements of income (loss) and retained earnings (deficit), changes in cash flows and supplemental schedules for the year then ended in accordance with standards established by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of 12th Street Apartment Corp.

A review consists principally of inquiries of Company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

Eli Levine and Company

ELI LEVINE AND COMPANY

NEW YORK, NY
December 22, 1989

12TH STREET APARTMENT CORP.
BALANCE SHEET
DECEMBER 31, 1988

ASSETS

Current Assets:		
Cash	$ 165,409	
Rent Receivable	6,564	
Prepaid Expenses and Advances	6,796	
Total Current Assets		$ 178,769
Fixed Assets:		
Land	1,138,781	
Building and Improvements	5,672,295	
	6,811,076	
Less: Accumulated Depreciation	1,975,053	
Net Book Value		4,836,023
Other Assets:		
Deposits		3,800
Total Assets		$ 5,018,592

LIABILITIES AND SHAREHOLDERS' EQUITY

Current Liabilities:		
Accrued Expenses and Taxes	$ 23,715	
Total Current Liabilities		$ 23,715
Long Term Liabilities:		
Mortgage Payable	853,309	
Commercial Tenants Security Deposits Payable	9,725	
Total Long Term Liabilities		863,034
Total Liabilities		886,749
Shareholders' Equity:		
Common Stock, Par Value $1; 47,857 Shares Authorized, Issued and Outstanding	47,857	
Capital Contributed in Excess of Par Value	5,791,166	
Capital Contributed from Mortgage Amortization	36,825	
Capital Donated for Reserve Fund	50,000	
Retained Earnings (Deficit)	(1,794,005)	
Total Shareholders' Equity		4,131,843
Total Liabilities and Shareholders' Equity		$ 5,018,592

This statement is subject to the comments contained in the accompanying letter of transmittal

12TH STREET APARTMENT CORP.
STATEMENT OF .COME (LOSS) AND RETAINED RNINGS (DEFICIT)
FOR THE YEAR ENDED DECEMBER 3., 1988

Revenues:		
Maintenance	$ 516,869	
Less: Amounts Contributed to Capital for Amortization of Mortgage	8,492	
		508,377
Rental Income from Commercial Tenants		93,800
Interest and Other Income		18,855
Total Revenue		$ 621,032
Costs and Expenses:		
Fixed Costs and Other Charges	$ 268,380	
Operating Expenses	215,964	
Repairs and Maintenance	27,268	
General and Administrative	45,147	
Total Costs and Expenses		556,759
Gain (Loss) from Operations, before Depreciation		64,273
Depreciation		380,531
Net (Loss) from Operations		(316,258)
Retained Earnings (Deficit) - Beginning of Year		(1,477,747)
Retained Earnings (Deficit) - End of Year		$ (1,794,005)

This statement is subject to the comments contained in the accompanying letter of transmittal

12TH STREET APARTMENT CORP.
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED DECEMBER 31, 1988

Cash Balance - January 1, 1988		$ 131,420
Increases in Cash:		
Reduction of Rent Receivable	$ 30,833	
Reduction of Prepaid Expenses and Advances	5,817	
Increase in Commercial Tenants Security Deposits Payable	1,175	
Depreciation - Non Cash Expense	380,531	
Capital Contribution of Mortgage Amortization	8,492	
		426,848
		558,268
Decreases in Cash:		
Reduction in Mortgage Payable	8,492	
Reduction in Accrued Expenses and Taxes	42,473	
Reduction in Commercial Tenants' Prepaid Rent	1,162	
Capitalization of Building Improvements	24,474	
Net Loss	316,258	
		392,859
Cash Balance - December 31, 1988		$ 165,409

This statement is subject to the comments contained in the accompanying letter of transmittal

12th STREET APARTMENT CORP.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1988

1. - Summary of Significant Accounting Policies

Contributed Capital

Contributed capital includes a portion of the maintenance charges collected from the proprietary leaseholders equal to the current amortization of the morgage.

Property and Depreciation

Property is recorded and carried at cost less an appropriate allowance for depreciation. Expenditures for betterments and renewals are capitalized. Expenditures for repairs and maintenance are charged to expense as incurred. Upon retirement or disposition of depreciated property, the cost and related accummulated depreciation are removed from the accounts and any gain or loss are recognized as income or loss. Depreciation is computed using the straight-line method over the useful life of the property.

2. - Mortgage Payable

The property was acquired September 30, 1983 subject to an existing first mortgage of $890,134 payable in constant monthly installments of $9,500, including interest at 9 1/2% per anum, due September 1, 1991. At December 31, 1988 the balance outstanding was $853,309.

3. - Income Taxes

The Internal Revenue Service permits net operating losses, which have not been applied, to be carried forward to future years for the purpose of reduction of taxes in those years. The Corporation has a net operating loss carryforward of $1,794,005 which expires in various years as follows:

1998	-	$ 308453
1999	-	$ 159320
2000	-	$ 383929
2001	-	$ 340356
2002	-	$ 385689
2003	-	$ 316258

4. - Working Capital Fund

On September 30, 1989 (the date of closing of title) a working capital fund, in the amount of $50,000 was established by the sponsor. The net proceeds received by the 12th Street Apartment

Corp. were $19,463 which was determined as follows:

Working Capital Fund	$ 50000
Less: Net Closing Adjustments in Favor of Seller	30537
Balance to 12th Street Apartment Corp.	$ 19463

5. - Related Party Transactions

Included in accrued expenses is approximately $12497 due to the managing agent of the property representing management fees and other items.

6. - There was a change in managing agents during 1988. The changeover took place as of October 1, 1988.

7. - Our review was delayed because of an on-going Internal Revenue Service TCMP audit of the 1987 year. The IRS audit was not completed until early in November, 1989. The proposed adjustments were not received until December, 1989. It is an unagreed case. The Board, directly and through its managing agents, has been apprised of the current status.

12TH STREET APARTMENT CORP.
SUPPLEMENTAL SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 1988

Fixed Costs and Other Charges:	
Interest on Mortgage	$ 81,508
Real Estate Taxes	145,892
Water and Sewer	10,356
Insurance	30,624
	$ 268,380
Operating expenses:	
Salaries and Wages	$ 158,926
Payroll Benefits and Fringes	29,411
Fuel	14,685
Utilities	12,942
	$ 215,964
Repairs and Maintenance:	
Air Conditioning	$ 1,457
Elevator	7,752
Hardware and Supplies	4,891
Painting and Decorating	1,024
Plumbing, Heating and Electrical Repairs	9,729
Permits	1,283
Miscellaneous	1,132
	$ 27,268
General and Administrative:	
Management Fees	$ 22,750
Professional Fees	18,676
New York State and City Franchise Taxes	2,700
Telephone	896
Miscellaneous	125
	$ 45,147

This statement is subject to the comments contained in the accompanying letter of transmittal

ELI LEVINE AND COMPANY
Certified Public Accountants

7 UNION SQUARE WEST
NEW YORK, N. Y. 10003

SUITE 403
212-807-1200

To The Shareholders of
12th Street Apartment Corp.

We have reviewed the accompanying balance sheet of 12th Street Apartment Corp. as of December 31, 1989 and the related statements of income (loss) and retained earnings (deficit), changes in cash flows and supplemental schedules for the year then ended in accordance with standards established by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of 12th Street Apartment Corp.

A review consists principally of inquiries of Company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

ELI LEVINE AND COMPANY

NEW YORK, NY
March 21, 1990

12TH STREET APARTMENT CORP.
BALANCE SHEET
DECEMBER 31, 1989

ASSETS

Current Assets:		
Cash	$ 72,610	
Rent Receivable	4,404	
Prepaid Expenses and Advances	49,879	
Total Current Assets		$ 126,893
Fixed Assets:		
Land	1,138,781	
Building and Improvements	5,735,497	
	6,874,278	
Less: Accumulated Depreciation	2,358,131	
Net Book Value		4,516,147
Other Assets:		
Deposits		3,800
Total Assets		$ 4,646,840

LIABILITIES AND SHAREHOLDERS' EQUITY

Current Liabilities:		
Accrued Expenses and Taxes	$ 60,892	
Total Current Liabilities		$ 60,892
Long Term Liabilities:		
Mortgage Payable	843,973	
Commercial Tenants Security Deposits Payable	9,725	
Total Long Term Liabilities		853,698
Total Liabilities		914,590
Shareholders' Equity:		
Common Stock, Par Value $1; 47,857 Shares Authorized, Issued and Outstanding	47,857	
Capital Contributed in Excess of Par Value	5,791,166	
Capital Contributed from Mortgage Amortization	46,160	
Capital Donated for Reserve Fund	50,000	
Retained Earnings (Deficit)	(2,202,933)	
Total Shareholders' Equity		3,732,250
Total Liabilities and Shareholders' Equity		$ 4,646,840

This statement is subject to the comments contained in the accompanying letter of transmittal

12TH STREET APARTMENT CORP.
STATEMENT OF INCOME (LOSS) AND RETAINED EARNINGS (DEFICIT)
FOR THE YEAR ENDED DECEMBER 31, 1989

Revenues:		
Maintenance	$ 529,843	
Less: Amounts Contributed to Capital for Amortization of Mortgage	9,335	
		520,508
Rental Income from Commercial Tenants		95,400
Interest and Other Income		5,918
Total Revenue		$ 621,826
Costs and Expenses:		
Fixed Costs and Other Charges	$ 297,975	
Operating Expenses	247,083	
Repairs and Maintenance	50,332	
General and Administrative	52,286	
Total Costs and Expenses		647,676
Gain (Loss) from Operations, before Depreciation		(25,850)
Depreciation		383,079
Net (Loss) from Operations		(408,929)
Retained Earnings (Deficit) - Beginning of Year		(1,794,004)
Retained Earnings (Deficit) - End of Year		$ (2,202,933)

This statement is subject to the comments contained in the accompanying letter of transmittal

12TH STREET APARTMENT CORP.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 1989

Cash Balance - January 1, 1989		$ 165,409
Increases in Cash:		
Reduction of Rent Receivable	$ 2,160	
Depreciation - Non Cash Expense	383,079	
Capital Contribution of Mortgage Amortization	9,335	
Increase in Accrued Expenses and Taxes	37,177	
		431,751
		597,160
Decreases in Cash:		
Reduction in Mortgage Payable	9,336	
Capitalization of Building Improvements	63,202	
Net Loss	408,929	
Increase in Prepaid Expenses and Advances	43,083	
		524,550
Cash Balance - December 31, 1989		$ 72,610

This statement is subject to the comments contained in the accompanying letter of transmittal

12th STREET APARTMENT CORP.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1989

1. - Summary of Significant Accounting Policies

Contributed Capital

Contributed capital includes a portion of the maintenance charges collected from the proprietary leaseholders equal to the current amortization of the morgage.

Property and Depreciation

Property is recorded and carried at cost less an appropriate allowance for depreciation. Expenditures for betterments and renewals are capitalized. Expenditures for repairs and maintenance are charged to expense as incurred. Upon retirement or disposition of depreciated property, the cost and related accummulated depreciation are removed from the accounts and any gain or loss are recognized as income or loss. Depreciation is computed using the straight-line method over the useful life of the property.

2. - Mortgage Payable

The property was acquired September 30, 1983 subject to an existing first mortgage of $890,134 payable in constant monthly installments of $9,500, including interest at 9 1/2% per anum, due September 1, 1991. At December 31, 1989 the balance outstanding was $843,973.

3. - Income Taxes

The Internal Revenue Service permits net operating losses, which have not been applied, to be carried forward to future years for the purpose of reduction of taxes in those years. The Corporation has a net operating loss carryforward of $2,202,934 which expires in various years as follows:

1998	-	$ 308453
1999	-	$ 159320
2000	-	$ 383929
2001	-	$ 340356
2002	-	$ 285689
2003	-	$ 316258
2004	-	$ 408929

4. - Working Capital Fund

On September 30, 1989 (the date of closing of title) a working capital fund in the amount of $50,000 was established by the

sponsor. The net proceeds received by the 12th Street Apartment Corp. were $19,463 which was determined as follows:

Working Capital Fund	$ 50000
Less: Net Closing Adjustments in Favor of Seller	30537
Balance to 12th Street Apartment Corp.	$ 19463

5. - Related Party Transactions

Included in accrued expenses is approximately $12497 due to the prior managing agent of the property representing management fees and other items.

6. - The IRS audit of the 1987 tax year has not yet resulted in our being contacted by an appeals officer. On December 22, 1989, after reviewing the proposed adjustments with the Board of Directors and the Managing Agents of the building corporation, we filed a written protest with the IRS. It remains an unagreed case. The Board of Directors will make the ultimate decision as to its future course of action in this matter.

12TH STREET APARTMENT CORP.
SUPPLEMENTAL SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 1989

Fixed Costs and Other Charges:	
Interest on Mortgage	$ 80,683
Real Estate Taxes	168,108
Water and Sewer	14,914
Insurance	34,270
	$ 297,975
Operating expenses:	
Salaries and Wages	$ 171,256
Payroll Benefits and Fringes	38,148
Fuel	25,106
Utilities	12,573
	$ 247,083
Repairs and Maintenance:	
Air Conditioning	$ 234
Elevator	10,032
Hardware and Supplies	10,479
Painting and Decorating	6,760
Plumbing, Heating and Electrical Repairs	13,912
Permits	539
Miscellaneous	8,376
	$ 50,332
General and Administrative:	
Management Fees	$ 26,500
Professional Fees	18,439
New York State and City Franchise Taxes	418
Telephone	705
Miscellaneous	6,224
	$ 52,286

This statement is subject to the comments contained in the accompanying letter of transmittal

EXHIBIT B
(List of Unsold Share Apartments)

Apartment	Number of Shares
5A	425
7A	435
9A	445
11A	715
12A	620
4B	485
6B	495
7B	500
10B	515
PHB	925
2C	800
3C	807
4C	814
6C	828
9C	849
11C	860
PHC	925
2D	525
3D	530
6D	545
7D	550
8D	555
9D	560
1E	700
3E	1,010
4E	1,020
5E	1,030
6E	1,040
7E	1,050
8E	1,060
9E	1,070
5F	465
7F	475
8F	480
5G	490
7G	500
10G	515

EXHIBIT C
(Price of Unsold Shares Apartments)

Apartment	Price
5A	95,000
7A	96,500
9A	97,500
11A	171,600
12A	148,800
4B	120,000
6B	121,500
7B	122,250
10B	123,600
PHB	275,000
2C	193,500
3C	195,000
4C	120,000
6C	199,200
9C	200,000
11C	225,000
PHC	275,000
2D	135,000
3D	136,500
6D	140,000
7D	141,500
8D	143,000
9D	144,500
1E	165,000
3E	280,000
4E	285,000
5E	299,000
6E	305,000
7E	320,000
8E	325,000
9E	330,000
5F	110,000
7F	112,500
8F	115,000
5G	120,000
7G	122,500
10G	124,500

EXHIBIT D

(ASBESTOS REPORT)

ASSESSMENT SURVEY

prepared for

PAN AM EQUITIES

for the property

located at

15 WEST 12TH STREET

NEW YORK, NEW YORK

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III.	STRUCTURAL LAYOUT WITH MECHANICAL AND PLUMBING NOTES	2
IV.	PHYSICAL CHARACTERISTICS OF THE "SUSPECT" MATERIAL	3
V.	LOCATION, CONDITION AND QUANTITIES OF ASBESTOS-CONTAINING MATERIALS	3
VI.	DISCUSSION AND RECOMMENDATIONS	5
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LABORATORY ANALYSIS
PHOTOGRAPHIC DOCUMENTATION

APPENDIX A:	PLAN DRAWINGS
APPENDIX B:	INDEX OF APARTMENTS SURVEYED
APPENDIX C:	SUPPLEMENTAL SURVEY OF REMAINING APARTMENTS

ASSESSMENT SURVEY
prepared for
PAN AM EQUITIES
for the property
located at
15 WEST 12TH STREET
NEW YORK, NEW YORK

I. INTRODUCTION

A comprehensive visual inspection including bulk sampling, photographic documentation and quantification of suspected asbestos-containing materials (ACM) was conducted of the property at 15 West 12th street, New York, New York. All common areas, the basement and ten percent of the existing units (nine) within the building were surveyed for ACM. The purpose of this survey was to locate, identify and quantify all suspect ACM and to assess its condition.

The inspection was conducted by ATC Environmental, Inc. New York, New York Project Manager Curtis H. Preston (City of New York Handler/Supervisor Certificate No. 33568; State of New York Asbestos Handling Certificate No. AH89-06020; City of New York Investigator Certificate No. 02856) on October 24th, 25th and 26th, 1989.

II. SAMPLING AND ANALYTICAL PROCEDURES

Representative bulk samples of all "suspect" material were collected to determine the presence of asbestos. Representative sampling is based upon the following criteria:

A. The distribution of "suspect" material throughout the survey area.

B. The "suspect" material's physical characteristics and application.

The "suspect" materials sampled and analyzed should be considered the same as those not sampled if 1) they exhibit similar physical characteristics, and 2) the application and distribution of the material are uniform.

All representative "suspect" materials sampled were collected in accordance with the Environmental Protection Agency's "Guide for Controlling Asbestos Containing Material in Buildings" (EPA 560/6-85-024, June 1985).

The materials being sampled were properly misted with water to minimize any potential fiber release. A small amount of the "suspect" material was then placed in an airtight container for safe transportation to the laboratory.

All bulk samples are analyzed by Polarized Light Microscopy (PLM), utilizing the Environmental Protection Agency's Interim Method for the Detection of Asbestos in Bulk Insulation Samples, (EPA-600/M4-82020, December 1982) and the McCrone Research Institue's The Asbestos Particle Atlas as method references.

ATC Environmental, Inc. is currently accredited by the National Institute of Standards and Technology for bulk asbestos analysis under their current NVLAP laboratory program. We also participate in the NIOSH/AIHA Proficiency Analytical Testing (PAT) Program. Our laboratory is approved by the State of New York to do both air sample analysis for miscellaneous fibers and bulk asbestos analysis.
EPA Lab #2289
NIOSH/AIHA PAT #57103-01
NBS/NVLAP Lab #1187
NY STATE DEPARTMENT OF HEALTH ELAP #10879

III. STRUCTURAL LAYOUT WITH MECHANICAL AND PLUMBING NOTES

The facility is constructed of steel, concrete and masonry, approximately thirty years old, with four different floor layouts. Usage ranges from private owner-occupant through common use professional offices and restricted maintenance areas.

There are mechanical rooms for elevator motors and fans on the roof of the penthouse, three penthouse apartments, five apartments on floors twelve and eleven, seven on each of floors ten through two, and six on the first floor, all over a foot print of about 5,300 square feet.

The structure is heated by circulated hot water and fin-tube convection radiators throughout, and common areas have air circulation ducts. No cooling units other than occupant-supplied window units are in place.

Exterior columns generally contain either a hot water supply or return line, with expansion joints and access doors on all lines at the sixth floor, except where column access panels have been enclosed.

The B, C and G lines (apartment designations) also have an insulated supply line in the kitchen, accessible on the sixth floor through doors below the sinks.

While the structure does not have a sprinkler system, a wet standpipe (which is not insulated) is located in the interior (central) stairwell. Chases exist to the full building height, but are not accessible above the basement entry points. Nominal air flows are detectable within chases and wet columns.

IV. PHYSICAL CHARACTERISTICS OF THE "SUSPECT" MATERIAL

The following is a list of suspect materials observed and sampled:

- Fire door insulation
- Floor tile
- Mudded pipe fitting insulation on elbows and joints
- Plaster on ceilings, fascia, partitions and walls
- Preformed and aircell pipe insulation on hot water lines and tank jacketing insulation

V. LOCATION, CONDITION AND QUANTITIES OF ASBESTOS-CONTAINING MATERIAL (ACM)

All identified asbestos-containing materials were located throughout the structure except thermal system insulation.

Thermal system insulation was observed within chases, through the sixth floor access panels. ATC was informed by maintenance personnel that these pipes are insulated throughout the extent of the pipe chase.

In the elevator motor room and fan room there are two insulated pipes - the domestic supply and return lines. Closets in the inspected living units were frequently found to have an original layer of brown 9" x 9" floor tile, about twelve square feet per closet, covered over with a new layer of flexible vinyl tile. Doors throughout, which are fire-rated, contain an insulation similar to the pre-formed pipe insulation (based on observations and sampling of one door in the maintenance shop which had the lock set removed) found in the wet columns and chases, but is about forty to fifty percent higher in asbestos content.

Various forms of thermal system insulation are found throughout the basement level, except for the boiler and compactor rooms, which were not found to contain any ACM. Types range from tank jacket insulation and pre-formed pipe insulation to trowelled-on and hand-formed elbow and joint fitting insulation. Some of the larger fittings are original, in very good condition with hand-sewn canvas covers, but many are in serious states of decay with age deterioration and delamination from the substrate.

TABLE OF QUANTITIES

Location	Description	Lin Ft.	Sq. Ft.	# of Fittings
Elevator Motor Room	Pipe Insulation	16		2
Fan Room	Pipe Insulation	16		
Closets (all spaces)	Floor Tile		12 each (approx.)	
Living Units, & Professional Offices	Supply/Return Lines in wet columns/chases	Indeterminate without demolition probing for inspection.		
All Spaces	Fire Doors	Indeterminate without removal of all lock sets for inspection.		
Basement - Hot Water Tank Room	Tank Jacket		250	
	Pipe Insulation	230		44
Basement - Laundry	Pipe Insulation	165		28
Basement - Tenant Storage	Pipe Insulation	235		45
Basement - Oil Tank Room (Estimate only due to non-accessibility)	Pipe Insulation	200 (approx.)		6 (approx.)
Basement - Work Shop	Pipe Insulation	40		9
Basement - Meter Room	Pipe Insulation	30		4
Basement - Locker Room	Pipe Insulation	100		12
Basement - Hallway West End	Pipe Insulation	50		5
Basement - Service Entrance	Pipe Insulation	46		16 (approx.)

Overall the insulation suffers from contact damage despite evidence of high maintenance efforts to preserve its physical condition.

VI. DISCUSSION AND RECOMMENDATIONS

Developing and implementing an effective strategy to deal with asbestos-containing materials (ACM) requires information relative to such factors as; the amount, type, location, condition and the potential for asbestos fiber release from these ACM. This potential for asbestos fiber release depends upon the materials friability (ability to be reduced to a powder by hand or other mechanical pressure), the amount of exposed surface area and the amount of disturbance that the ACM will be subjected to. Once all of these factors have been assessed one of the following methods of ACM control can be recommended:

1. Removal
2. Encapsulation
3. Enclosure
4. Operations and Maintenance Program

The information and recommendations presented in this report are intended to provided guidelines in dealing with the surveyed areas containing ACM. These recommendations reflect requirements, guidelines and practices established at the federal, state and local levels.

A. Specific Recommendations

Although there are no present regulations, either city, state or federal, mandating removal or repair of asbestos-containing materials unless subject to disturbance by a renovation, demolition or maintenance activity, ATC Environmental, Inc. recommends the following:

1. Perform the immediate removal of badly damaged asbestos-containing thermal system insulation in the following locations:

   Basement

   - Laundry and Tenant Storage Rooms where the friability and extent of damaged areas are the highest.

   - Locker Room and West Hallway where the friability is high, but the potential for damage is greater than the actual damage, due to the materials accessibility.

2. All asbestos-containing floor tiles identified should be put under an Operations and Maintenance Program to monitor the condition of this material. In their present state the floor tiles are considered non-friable material (unlikely to emit airborne asbestos fibers). Removal by destroying the adhesive bond, cutting with a non-serrated cutting instrument, or enclosing or covering the tiles with a new finish or layer should not result in friable asbestos (see NYC Regulatory Interpretation Memorandum 1-87). If treated other than this (i.e. grinding, drilling, sanding etc.) then all Procedures and Regulations of NYC State Rule 56 Asbestos and New York City Local Law 76/85 need to be adhered to.

3. Initiate an Operations and Maintenance Program for all material that remains within the building.

Program Elements and Duties of the O&M Coordinator

A series of general steps should be taken for each of the three (3) general types of asbestos present in buildings (sprayed-on or troweled-on surfacing materials, pipe and boiler insulation, other ACM).

- Record exact location of ACM on building documents. Label those locations in the building.
- Inform all building occupants and workers of the ACM locations.
- Educate the building occupants on methods and practices which can be used to reduce asbestos disturbance.
- Develop a respirator program for maintenance and custodial personnel to be implemented whenever they may come in contact with the ACM, at least with half-face air purifying respirator capabilities.
- Provide a training program for all employees who may come in contact with the ACM.
- Implement a cleaning program which should contain:

    1. Procedures for an initial cleaning
    2. Procedures for periodic cleaning

- Review any renovation, maintenance, and construction requests and ensure that the recommended procedures and safety precautions will be followed before authorizing the work to begin.

- Arrange to have the building's ACM inspected on a semiannual basis.

- The inspector should inspect all ACM for damage and deterioration and report findings to the O&M coordinator.

- Develop notification procedures for reporting fiber release episodes and any damage that may occur.

- Keep records of all written documents discussed above. Keep them in permanent files. OSHA requires records of compliance be maintained for 30 years.

- Report all findings to owner and consultant.

Other Considerations

In larger buildings with air handling units:

- Replace standard filters in HVAC system with higher efficiency filters.

- Practice strict abatement measures when routinely changing filters.

The Special O&M Program should continue until all ACM is removed from the building

The special O&M Program should be continually modified to meet the changing conditions in the building and the changes in governmental requirements.

4. Abatement activities other than removal (i.e. encapsulation, enclosure or repair) may be conducted in the following spaces: Work Shop, Meter Room, Hot Water Tank Room, Oil Tank Room, and the Service Entrance. Storage of materials in places where direct contact is made should be corrected as soon as alternative storage space is available.

B. General Recommendations

In general the ACM throughout the surveyed areas had moderate damage. The forms of ACM were usually a friable form of thermal insulation that is often canvas wrapped, which when in good condition the potential for release of airborne asbestos fibers is minimal. However, when the material is damaged and there exists exposed surface areas, the potential for release of airborne asbestos fibers increases significantly The floor tiles are a non-friable form of ACM which are unlikely to release airborne asbestos fibers.

It is the belief of ATC Environmental, Inc. that if a material has not been positively identified, but it is similar in mode of occurrence and physical properties as other ACM, it should be considered as asbestos-containing. Only through further testing should a material be identified as non-asbestos.

1. Removal

To see the removal is properly and effectively carried out, the following general recommendations are proposed by ATC Environmental, Inc.:

a. Develop and institute a schedule that outlines the time frame for removal of asbestos-containing materials (ACM).

b. Develop complete and concise specifications to effectively deal with removal of the asbestos-containing material. These specifications should be developed to comply with all applicable federal, state and local regulations.

c. Retain the services of an independent testing laboratory to monitor the performance of the contractor, completeness of the removal work, and the quality of the air before, during and after the removal work.

d. Re-insulate with certified "Asbestos Free" products and mark as such.

e. Retain and document all items and correspondence from the removal contractor, the testing laboratory, and related items in a permanent record.

2. Operation and Maintenance Program

Until all asbestos-containing material is removed from the building, an Asbestos Operations and Maintenance Program is recommended. This program needs to be implemented in order to assure that building employees understand, initiate and utilize proper work practices and procedures to prevent avoidable asbestos exposure and maintain good condition of the ACM.

The important key elements of this plan are as follows:

a. Define and enforce work practices and procedures for routine maintenance work that takes place near or on either friable or non-friable asbestos containing materials and that may result in asbestos exposure to worker or building occupants.

b. A training and medical surveillance program should be required of the maintenance, construction and custodial personnel that includes such topics of respirator usage, work area isolation, potential hazards of asbestos exposures and proper work methods. This training and medical surveillance should conform to any applicable local, state or federal regulations.

c. Establish a system to alert and inform employees and outside contractors of potential asbestos hazards.

d. Periodically, visually re-inspect areas with asbestos-containing materials to note any change of status.

e. Maintain concise records of all activities carried out under the Operation and Maintenance Program.

3. Disclaimer

This assessment survey should be considered neither a scope of work nor a design and specification for abatement of asbestos-containing building materials (ACM).

VII. CREDENTIALS

Credentials and qualifications of the inspector (in response to Part 18.7 (aa)(1)(i) of Title 13, CRR State of New York).

Name: Curtis H. Preston
Title: Project Manager; Assessment Surveyor
Phone: (212) 353-8280, (800) 227-7794

Fields of Competence:

- Inspection of buildings for hazardous materials including air monitoring bulk sampling and assessment report writing.
- On-site Construction Supervision, Project Management and Compliance Assurance.
- Individual and collective protection from high-toxicity compounds and decontamination of hazardous materials.

Key Projects:

- Construction Supervisor and Project Engineer for Asbestos Abatement in Occupied Commercial, Public and Residential buildings.
- Supervision of Asbestos Abatement at Port Authority of New York and New Jersey facilities; Archdiocese of Boston, MA; Bank of Boston, Brigham and Womens' Hospital; Boston, MA; US Air Force, Hanscom AFB, MA.
- On-site project supervision of five-story gas turbine insulation, removal and re-insulation at AT&T.

Education/Credential/Professional Qualifications:

Certificates:
N.Y.C. Investigator #02856
N.Y. City Handler/Supervisor #33568
N.Y. State Handler #AH89-06020
EPA Management Planner #ATC 0048M
EPA Building Inspector #ATC 0043I
EPA Contractor/Supervisor #ATC 0013C
EPA Abatement Worker #ATC 003W
CT State Air Sampling Professional 1988

Education: U.S. Army Corps of Engineers, Chemical Corps and Ordinance Corps:

Staff organization and procedures; Battalion Instruction and Training Management; Environmental Site Surveying with Biological, Physical and Topographical Analysis; Meteorology for Chemical Operations, High-Altitude Imagery Interpretation; Health Physics and Industrial Hygiene Technician; Individual and Collective Protection; Hazardous Material Decontamination, Transportation and Disposal; Chemical and nuclear accident contamination control; Construction Drafting and Estimation; Blue Print Reading and Drafting.

U.S. Army Chemical Warfare Center and School Honor Graduate, 1983, American International College, BS Management, 1964

Professional Memberships

New York Society of Architects Associate



Laboratory Analysis

ATC ENVIRONMENTAL, INC.

ANALYSIS BY LOCATION

Client Name: Pan Am Equities

Site Address: 15 West 12th Street

Inspector: Curtis Preston

Date: October 24, 1989

Sample No.	Sample Location	% ASBESTOS & % Other Fibrous Material	Condition of Material
15-06 10/24-001	Apt. 6G, northwest corner wet column, hot water return pipe insulation at access door (covered all the way up and down) in living room.	35% CHRYSOTILE 15% Fibrous Glass 30% Cellulose 20% Non-fibrous material	Moderate Water Damage
15-06 10/24-002	Apt. 6G, kitchen, under sink behind access panel - supply line aircell pipe insulation.	35% CHRYSOTILE 5% Fibrous Glass 40% Cellulose 20% Non-fibrous material	Severe Water Damage
15-06 10/24-003	Apt. 6F northeast corner of living/bed room - wall plaster from inside access door to hot water supply lines in wet column.	NONE DETECTED 10% Cellulose 90% Non-fibrous material	Good
15-06 10/26-004	Apt. 6F northwest corner of living/bedroom wet column - hot water return pipe insulation at access door.	40% CHRYSOTILE 5% Fibrous Glass 25% Cellulose 30% Non-fibrous material	Moderate Damage

TR = Trace Amount

ATC ENVIRONMENTAL, INC.

ANALYSIS BY LOCATION

Client Name: Pan Am Equities

Site Address: 15 West 12th Street

Inspector: Curtis Preston

Date: October 24, 1989

Sample No.	Sample Location	% ASBESTOS & % Other Fibrous Material	Condition of Material
15-08 10/24-005	Apt. 8D, 9" x 9" closet floor tile, original brown tile covered over by newer soft vinyl tile.	3% CHRYSOTILE TR Fibrous Glass 22% Cellulose 75% Non-fibrous material	Moderate Damage
15-EMR- 10/24-006	Elevator Motor Room, domestic supply & return lines elbows, trowelled-on cementitious pipe insulation.	20% CHRYSOTILE 40% Fibrous Glass 10% Cellulose 30% Non-fibrous material	Good
15-FR 10/24-007	Fan Room, domestic supply and return lines - aircell pipe insulation.	7% CHRYSOTILE TR Fibrous Glass 8% Cellulose 85% Non-fibrous material	Moderate Damage

TR = Trace Amount

ATC ENVIRONMENTAL, INC.

ANALYSIS BY LOCATION

Client Name: Pan Am Equities

Site Address: 15 West 12th Street

Inspector: Curtis Preston

Date: October 25, 1989

Sample No.	Sample Location	% ASBESTOS & % Other Fibrous Material	Condition of Material
15-06 10/25-001	Apt. 6B, northeast corner of living room return line pipe insulation at access door.	40% CHRYSOTILE 10% Fibrous Glass 10% Cellulose 40% Non-fibrous material	Severe Water Damage
15-BS-10/25-002	Basement, shop door fireproofing insulation - typical of all fire doors throughout.	60% CHRYSOTILE 30% Cellulose 10% Non-fibrous material	Moderate Damage
15-BL-10/25-003	Basement, laundry ceiling plaster - original plaster found throughout on ceiling and walls.	NONE DETECTED 5% Cellulose 95% Non-fibrous material	Moderate Damage
15-BL-10/25-004	Basement laundry, air-cell pipe insulation near bathroom.	35% CHRYSOTILE TR Fibrous Glass 25% Cellulose 40% Non-fibrous material	Severe Damage

TR = Trace Amount

ATC ENVIRONMENTAL, INC.

ANALYSIS BY LOCATION

Client Name: Pan Am Equities

Site Address: 15 West 12th Street

Inspector: Curtis Preston

Date: October 25, 1989

Sample No.	Sample Location	% ASBESTOS & % Other Fibrous Material	Condition of Material
15-BL-10/25-005	Basement laundry, air-cell pipe insulation near east bank of washing machines.	35% CHRYSOTILE 45% Cellulose 20% Non-fibrous material	Severe Damage
15-BW-10/25-006	Basement, work shop blue painted aircell pipe insulation.	20% CHRYSOTILE 70% Cellulose 10% Non-fibrous material	Moderate Damage
15-BW-10/25-007	Basement, work shop red painted mud-pack pipe joint insulation.	10% CHRYSOTILE 15% Cellulose 65% Non-fibrous material	Severe Damage
15-BM-10/25-008	Basement meter room, blue painted aircell pipe insulation.	NONE DETECTED 90% Cellulose 10% Non-fibrous material	Good

TR = Trace Amount

ATC ENVIRONMENTAL, INC.

ANALYSIS BY LOCATION

Client Name: Pan Am Equities

Site Address: 15 West 12th Street

Inspector: Curtis Preston

Date: October 25, 1989

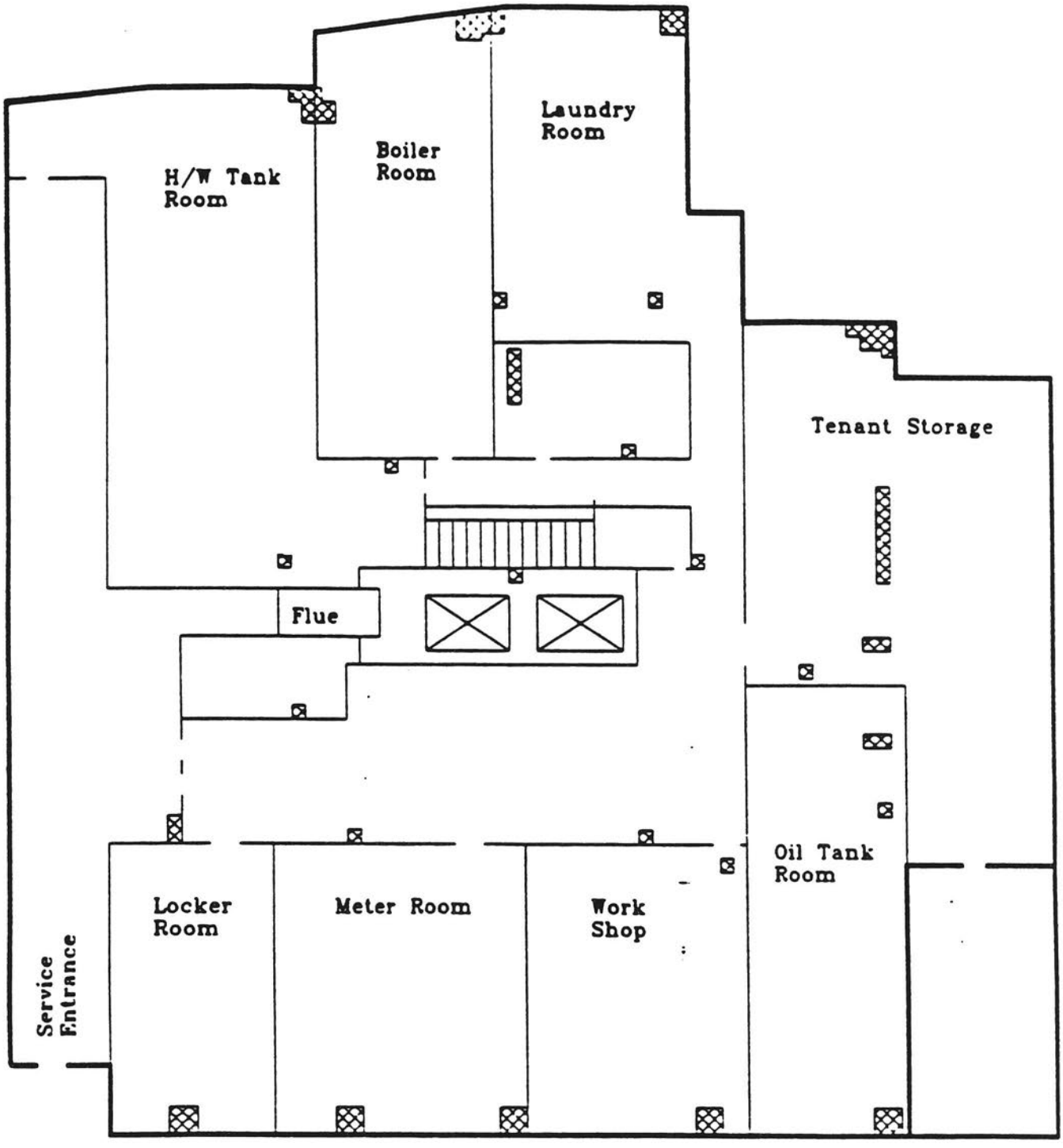
Sample No.	Sample Location	% ASBESTOS & % Other Fibrous Material	Condition of Material
15-BT-10/25-009	Basement hot water tank room - insulation on hot water tank.	20% CHRYSOTILE 40% Fibrous Glass 15% Cellulose 25% Non-fibrous material	Good
15-BS-10/25-010	Basement hot water tank room - insulation on elbow of tank feed line.	5% AMOSITE 20% CHRYSOTILE 5% Cellulose 70% Non-fibrous material	Severe Damage

TR = Trace Amount



Appendix A

PLAN DRAWINGS

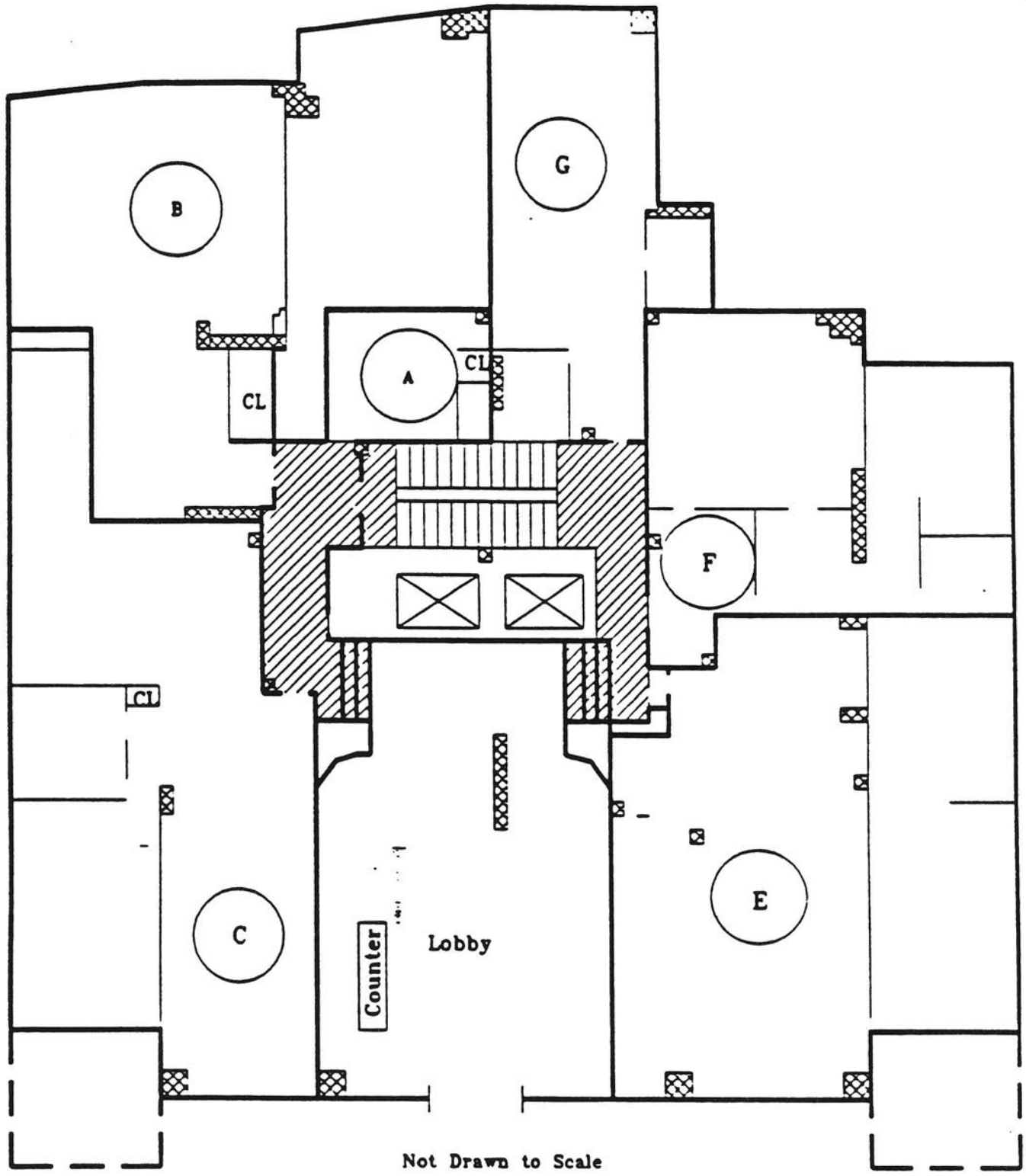


Not Drawn to Scale

ATC ENVIRONMENTAL, INC.

15 WEST 12TH STREET

BASEMENT

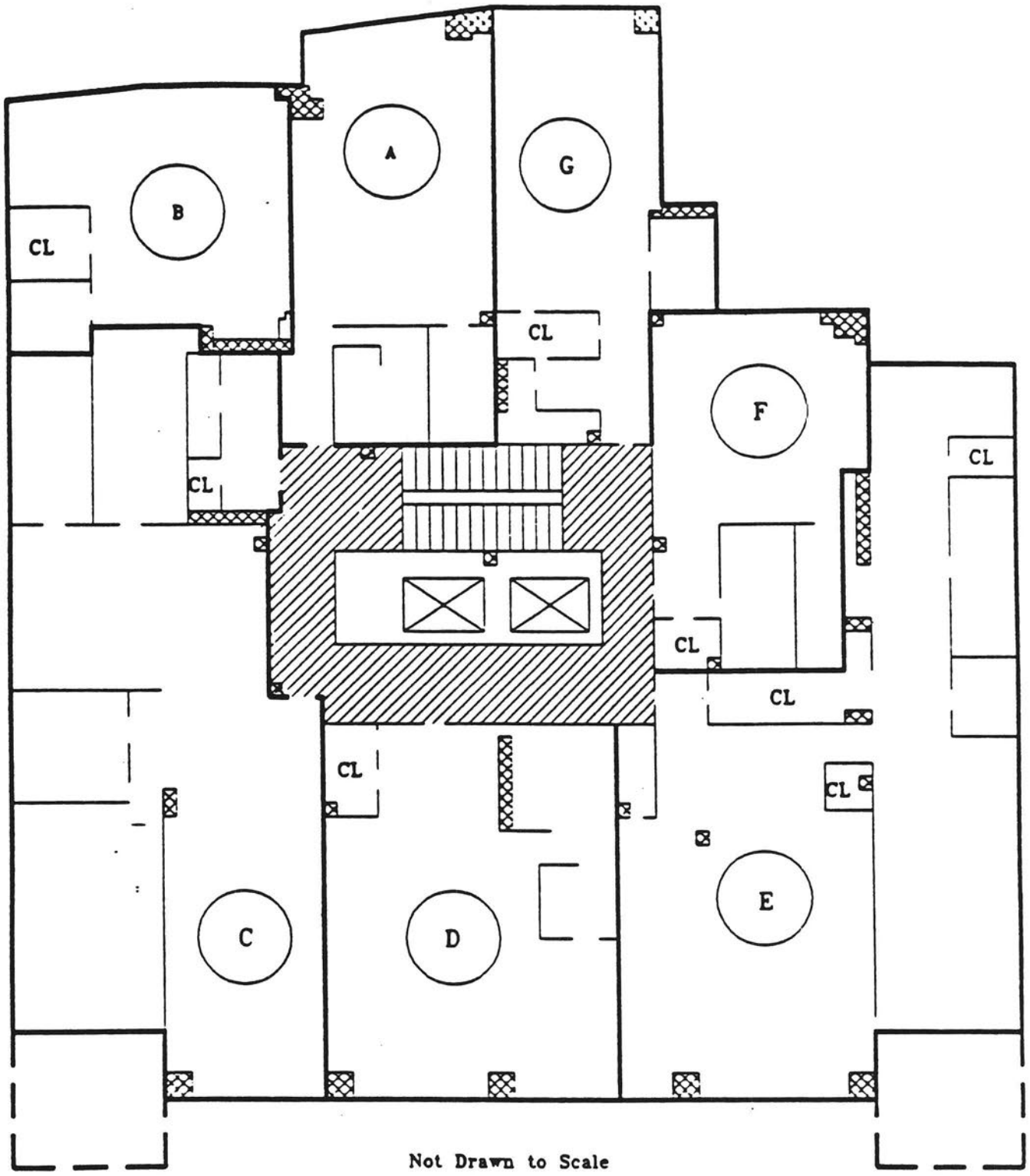


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ATC ENVIRONMENTAL, INC.

15 WEST 12TH STREET

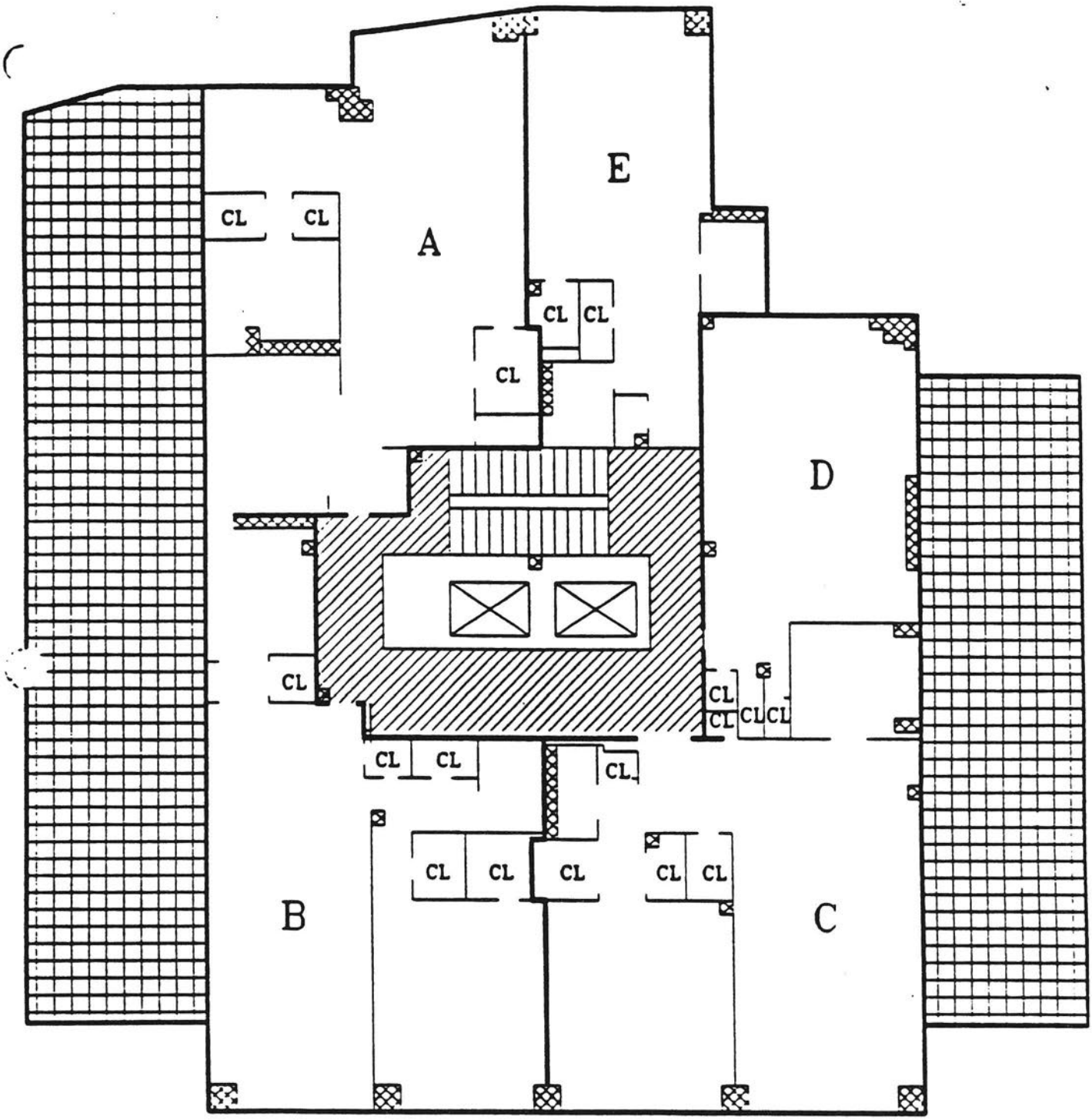
1st FLOOR



Not Drawn to Scale

ATC ENVIRONMENTAL, INC.

15 WEST 12TH STREET
2nd - 10th FLOORS

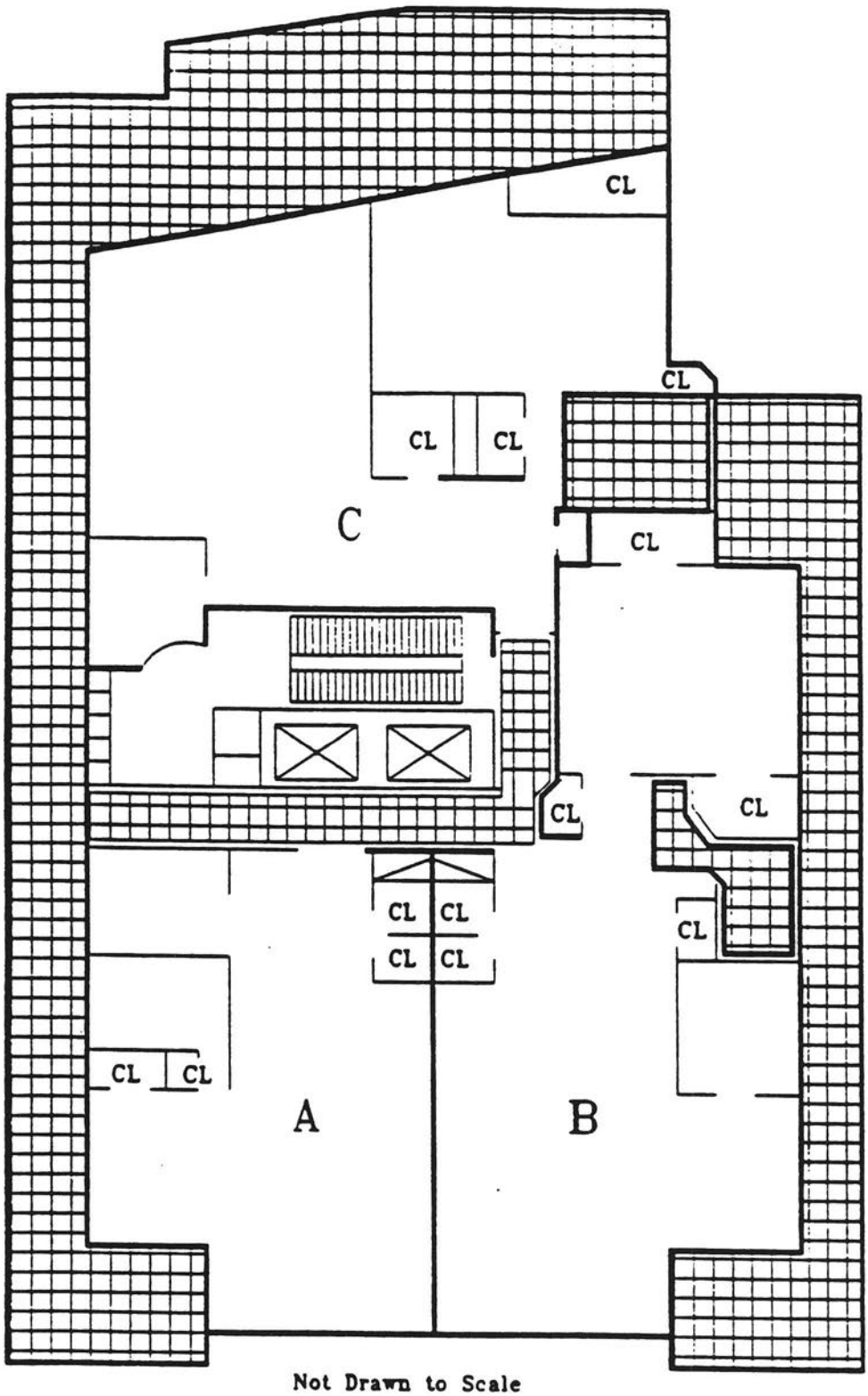


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ATC ENVIRONMENTAL, INC.

15 WEST 12TH STREET
11th and 12th Floors

N

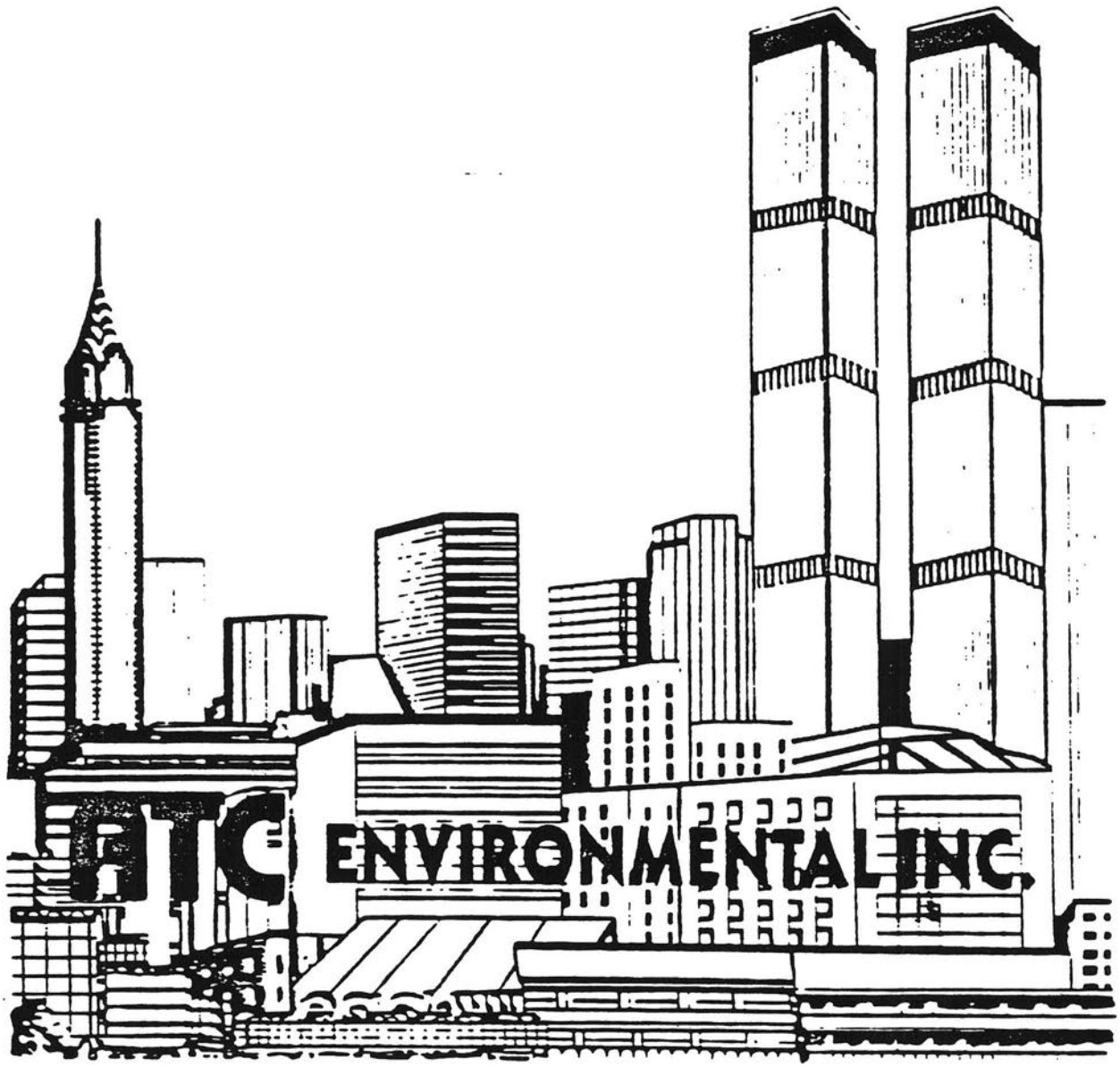


Not Drawn to Scale

ATC ENVIRONMENTAL, INC.

15 WEST 12TH STREET
PENTHOUSE

N



Appendix B

INDEX OF APARTMENTS SURVEYED

TABLE #1

LEVEL	ACTUAL APARTMENTS (PER FLOOR)						
	A	B	C	D	E	F	G
P	X	X	X				
12	X	X	X	X	X		
11	X	X	X	X	X		
10	X	X	X	X	X	X	X
9	X	X	X	X	X	X	X
8	X	X	X	X	X	X	X
7	X	X	X	X	X	X	X
6	X	X	X	X	X	X	X
5	X	X	X	X	X	X	X
4	X	X	X	X	X	X	X
3	X	X	X	X	X	X	X
2	X	X	X	X	X	X	X
1	X	X	X		X	X	X

82 APARTMENTS ON 13 FLOORS

TABLE #2

LEVEL	SURVEYED APARTMENTS (PER FLOOR)						
	A	B	C	D	E	F	G
P		O					
12							
11							
10							
9							
8				O			
7					O		
6		O	O	O		O	O
5							
4							
3	O	-					
2							
1							

9 APARTMENTS ON 4 FLOORS



Appendix C

SUPPLEMENTAL SURVEY OF
REMAINING APARTMENTS

ASSESSMENT SURVEY
prepared for
PAN AM EQUITIES
for the property
located at
15 WEST 12TH STREET
NEW YORK, NEW YORK

I. INTRODUCTION

A supplemental survey with visual inspection including bulk sampling and photographic documentation of suspected asbestos-containing materials (ACM) was conducted within the property at 15 West 12th Street, New York, New York. All remaining accessible apartments within the building were surveyed for ACM. The purpose of this remainder survey was to comply with the "second inspection" requirement of the applicable section(s) of Title 13, CRRNY.

The inspection was conducted by ATC Environmental, Inc. New York, New York Project Manager Curtis H. Preston (City of New York Handler/Supervisor Certificate No. 33568; State of New York Asbestos Handling Certificate No. AH89-06020; City of New York Investigator Certificate No. 02856) on November 8th and 9th 1989.

II. SAMPLING AND ANALYTICAL PROCEDURES

Representative bulk samples of all "suspect" material were collected to determine the presence of asbestos. Representative sampling is based upon the following criteria:

A. The distribution of "suspect" material throughout the survey area.

B. The "suspect" material's physical characteristics and application.

The "suspect" materials sampled and analyzed should be considered the same as those not sampled if 1) they exhibit similar physical characteristics, and 2) the application and distribution of the material are uniform.

All representative "suspect" materials sampled were collected in accordance with the Environmental Protection Agency's "Guide for Controlling Asbestos Containing Material in Buildings" (EPA 560/6-85-024, June 1985).

The materials being sampled were properly misted with water to minimize any potential fiber release. A small amount of the "suspect" material was then placed in an airtight container for safe transportation to the laboratory.

All bulk samples are analyzed by Polarized Light Microscopy (PLM), utilizing the Environmental Protection Agency's Interim Method for the Detection of Asbestos in Bulk Insulation Samples, (EPA-600/M4-82020, December 1982) and the McCrone Research Institue's The Asbestos Particle Atlas as method references.

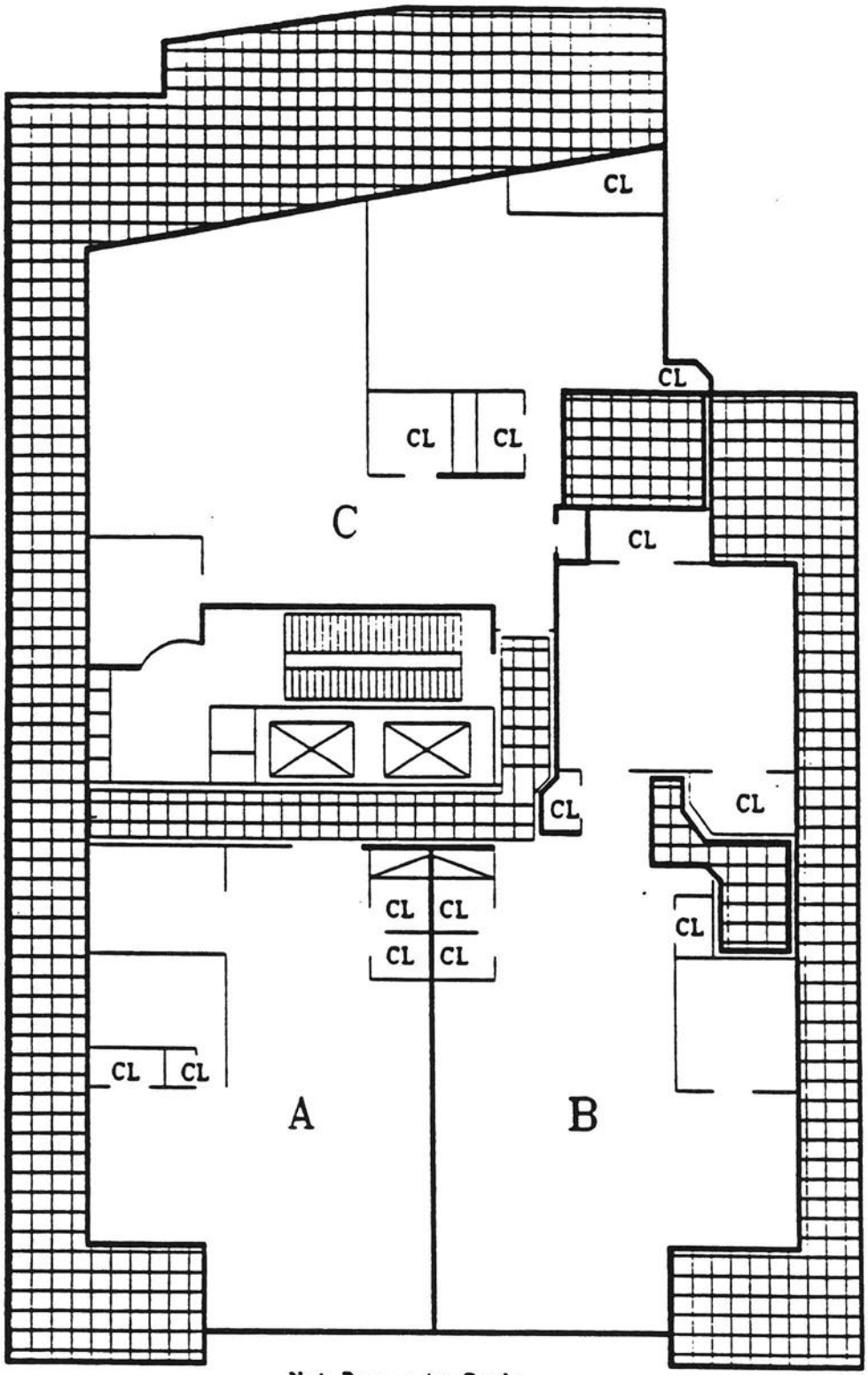
ATC Environmental, Inc. is currently accredited by the National Institute of Standards and Technology for bulk asbestos analysis under their current NVLAP laboratory program. We also participate in the NIOSH/AIHA Proficiency Analytical Testing (PAT) Program. Our laboratory is approved by the State of New York to do both air sample analysis for miscellaneous fibers and bulk asbestos analysis.
EPA Lab #2289
NIOSH/AIHA PAT #57103-01
NBS/NVLAP Lab #1187
NY STATE DEPARTMENT OF HEALTH ELAP #10879

III. LOCATION, CONDITION AND QUANTITIES OF ASBESTOS-CONTAINING MATERIAL (ACM)

Closets in the inspected living and professional office units were again frequently found to have an original layer of brown 9" x 9" floor tile, about 12 square feet per closet, sometimes carpeted over, in good, moderate and damaged condition. Floor tile was also observed in the kitchens, in limited locations, in good and moderate condition.

IV. RECOMMENDATIONS

Please refer to the initial report; section VI A 2 & 3 in particular.



Not Drawn to Scale

ATC ENVIRONMENTAL, INC.

15 WEST 12TH STREET
PENTHOUSE

N



Appendix B

INDEX OF APARTMENTS SURVEYED

TABLE #1

LEVEL	ACTUAL APARTMENTS (PER FLOOR)						
	A	B	C	D	E	F	G
P	X	X	X				
12	X	X	X	X	X		
11	X	X	X	X	X		
10	X	X	X	X	X	X	X
9	X	X	X	X	X	X	X
8	X	X	X	X	X	X	X
7	X	X	X	X	X	X	X
6	X	X	X	X	X	X	X
5	X	X	X	X	X	X	X
4	X	X	X	X	X	X	X
3	X	X	X	X	X	X	X
2	X	X	X	X	X	X	X
1	X	X	X		X	X	X

82 APARTMENTS ON 13 FLOORS

TABLE #2

LEVEL	SURVEYED APARTMENTS (PER FLOOR)						
	A	B	C	D	E	F	G
P		O					
12							
11							
10							
9							
8				O			
7					O		
6		O	O	O		O	O
5							
4							
3	O	–					
2							
1							

9 APARTMENTS ON 4 FLOORS



Appendix C

SUPPLEMENTAL SURVEY OF
REMAINING APARTMENTS

ASSESSMENT SURVEY
prepared for
PAN AM EQUITIES
for the property
located at
15 WEST 12TH STREET
NEW YORK, NEW YORK

I. INTRODUCTION

A supplemental survey with visual inspection including bulk sampling and photographic documentation of suspected asbestos-containing materials (ACM) was conducted within the property at 15 West 12th Street, New York, New York. All remaining accessible apartments within the building were surveyed for ACM. The purpose of this remainder survey was to comply with the "second inspection" requirement of the applicable section(s) of Title 13, CRRNY.

The inspection was conducted by ATC Environmental, Inc. New York, New York Project Manager Curtis H. Preston (City of New York Handler/Supervisor Certificate No. 33568; State of New York Asbestos Handling Certificate No. AH89-06020; City of New York Investigator Certificate No. 02856) on November 8th and 9th 1989.

II. SAMPLING AND ANALYTICAL PROCEDURES

Representative bulk samples of all "suspect" material were collected to determine the presence of asbestos. Representative sampling is based upon the following criteria:

A. The distribution of "suspect" material throughout the survey area.

B. The "suspect" material's physical characteristics and application.

The "suspect" materials sampled and analyzed should be considered the same as those not sampled if 1) they exhibit similar physical characteristics, and 2) the application and distribution of the material are uniform.

All representative "suspect" materials sampled were collected in accordance with the Environmental Protection Agency's "Guide for Controlling Asbestos Containing Material in Buildings" (EPA 560/6-85-024, June 1985).

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All bulk samples are analyzed by Polarized Light Microscopy (PLM), utilizing the Environmental Protection Agency's Interim Method for the Detection of Asbestos in Bulk Insulation Samples, (EPA-600/M4-82020, December 1982) and the McCrone Research Institue's The Asbestos Particle Atlas as method references.

ATC Environmental, Inc. is currently accredited by the National Institute of Standards and Technology for bulk asbestos analysis under their current NVLAP laboratory program. We also participate in the NIOSH/AIHA Proficiency Analytical Testing (PAT) Program. Our laboratory is approved by the State of New York to do both air sample analysis for miscellaneous fibers and bulk asbestos analysis.
EPA Lab #2289
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Closets in the inspected living and professional office units were again frequently found to have an original layer of brown 9" x 9" floor tile, about 12 square feet per closet, sometimes carpeted over, in good, moderate and damaged condition. Floor tile was also observed in the kitchens, in limited locations, in good and moderate condition.

IV. RECOMMENDATIONS

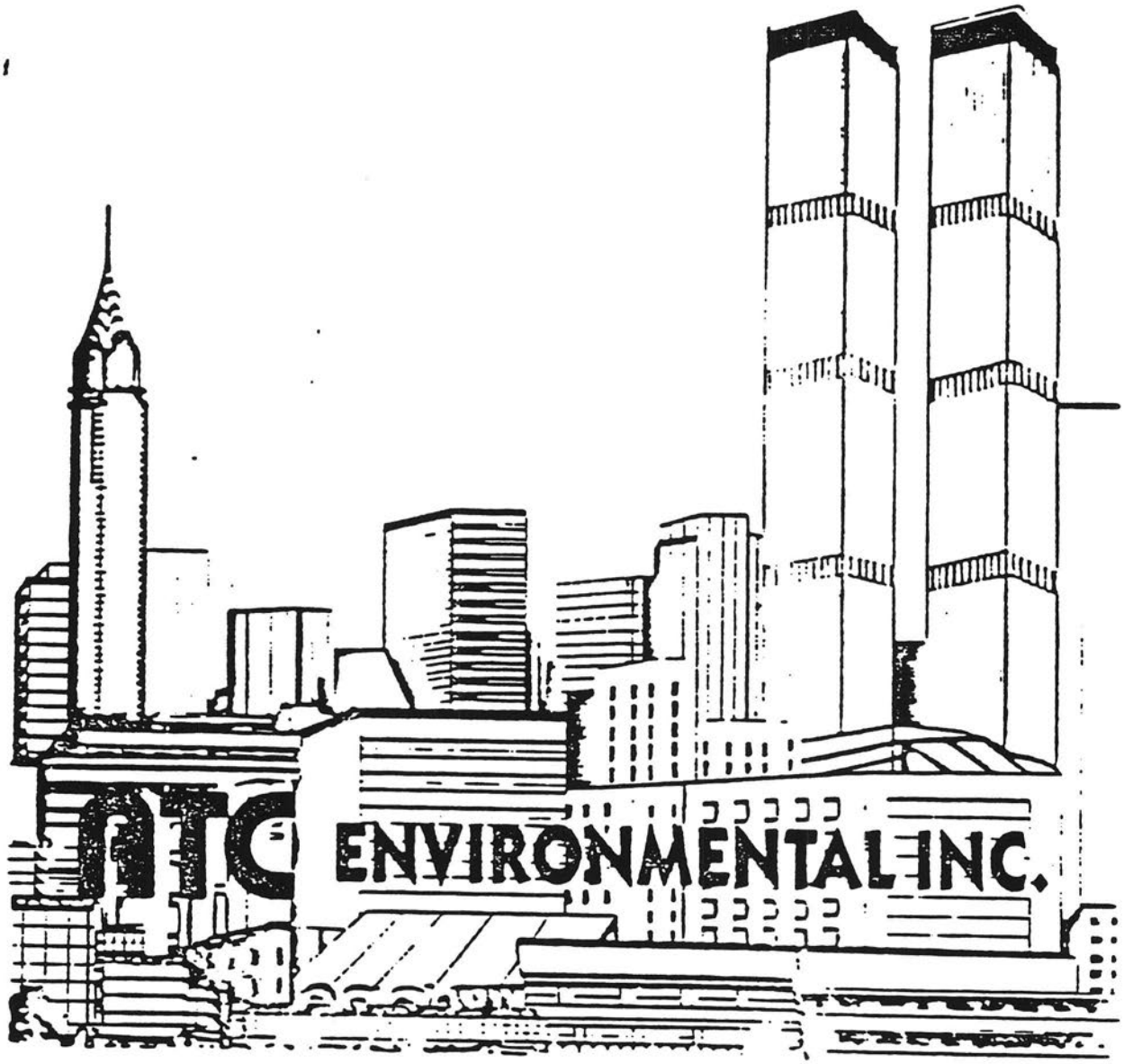
Please refer to the initial report; section VI A 2 & 3 in particular.

LIST OF APARTMENTS ACCESSED

Level	Apartment Line
P	B
12	B C D E
11	A B C D E
10	A D G
9	A C D E F G
8	B C D
7	E G
6	B C D F G
5	A B
4	A B C D E F G
3	A B C E F G
2	A B C D E G –
1	F G

LIST OF APARTMENTS NOT ACCESSED

Level	Apartment Line
P	A C
12	A
10	B C E F
9	B
8	A E F G
7	A B C D F
6	A E
5	C D E F G
3	D
2	F
1	A B C E



Laboratory Analysis

ATC ENVIRONMENTAL, INC.

ANALYSIS BY LOCATION

Client Name: Pan Am Equities

Site Address: 15 West 12th Street

Inspector: Curtis Preston

Date: November 8, 1989

Sample No.	Sample Location	% ASBESTOS & % Other Fibrous Material	Condition of Material
15-12C-11/8-001	Apartment 12C, living room, ceiling-plaster.	NONE DETECTED 2% Cellulose 98% Non-fibrous material	Good
15-12D-11/8-002	Apartment 12D, entrance closet, floor tile.	2% CHRYSOTILE 18% Cellulose 80% Non-fibrous material	Moderate Damage
15-11A-11/8-003	Apartment 11A, kitchen, floor tile.	2% CHRYSOTILE TR Fibrous Glass 18% Cellulose 80% Non-fibrous material	Good
15-12E-11/8-004	Apartment 12E, bedroom closet, floor tile.	3% CHRYSOTILE 2% Fibrous Material 5% Cellulose 90% Non-fibrous material	Moderate Damage

TR = Trace Amount

ATC ENVIRONMENTAL, INC.

ANALYSIS BY LOCATION

Client Name: Pan Am Equities

Site Address: 15 West 12th Street

Inspector: Curtis Preston

Date: November 8, 1989

Sample No.	Sample Location	% ASBESTOS & % Other Fibrous Material	Condition of Material
15-12E-11/8-005	Apartment 12E, hall closet, floor tile.	2% CHRYSOTILE 18% Cellulose 5% Organic Fibers 75% Non-fibrous material	Good
15-12E-11/8-006	Apartment 12E, hall, wall plaster.	NONE DETECTED 6% Cellulose 94% Non-fibrous material	Severe Damage
15-10D-11/8-007	Apartment 10D, hall closet, floor tile.	3% CHRYSOTILE 7% Cellulose 90% Non-fibrous material	Moderate Damage

TR = Trace Amount

ATC ENVIRONMENTAL, INC.

ANALYSIS BY LOCATION

Client Name: Pan Am Equities

Site Address: 15 West 12th Street

Inspector: Curtis Preston

Date: November 9, 1989

Sample No.	Sample Location	% ASBESTOS & % Other Fibrous Material	Condition of Material
15-4E-11/9-008	Apartment 4E, entrance hall closet, floor tile.	5% CHRYSOTILE 2% Cellulose 93% Non-fibrous material	Moderate Damage
15-4E-11/9-009	Apartment 4E, back bedroom closet, floor tile.	3% CHRYSOTILE 2% Cellulose TR Vermiculite 95% Non-fibrous material	Moderate Damage
15-1G 11/9-010	Apartment 1G, entrance hall closet, floor tile.	15% CHRYSOTILE TR Cellulose TR Vermiculite 85% Non-fibrous material	Moderate Damage
15-1G-11/9-011	Apartment 1G, bedroom closet, floor tile.	2% CHRYSOTILE TR Cellulose 98% Non-fibrous material	Moderate Damage

TR = Trace Amount

Table # 2

Level	Initial Survey: Apartments / Floor																		
X		A		B		C		D		E		F		G					
P				0															
12																			
11																			
10																			
9																			
8								0											
7										0									
6				0		0		0				0		0					
5																			
3		0																	
2																			
1																			
		–																	

ATC Surveyed 9 Apartments on 4 Floors = 11%

Table # 2-A

Level	A	B	C	D	E	F	G
P							
12		0	0	0	0		
11	0	0	0	0	0		
10	0			0			0
9	0		0	0	0	0	0
8		0	0				
7							0
6							
5	0	0					
4	0	0	0	0	0	0	0
3		0	0		0	0	0
2	0	0	0	0	0		0
1						0	0

Remainder Survey: Apartments / Floor

ATC Surveyed 43 Apartments on 11 Floors = 52%

Table # 2-B

Level	Combined Surveys: Apartments / Floor																			
	A		B		C		D		E		F		G							
P			0																	
12			0		0		0		0											
11	0		0		0		0		0											
10	0						0						0							
9	0				0		0		0		0		0							
8			0		0		0													
7									0				0							
6			0		0		0				0		0							
5	0		0																	
	0		0		0		0		0		0		0							
3	0		0		0				0		0		0							
2	0		0		0		0		0				0							
1											0		0							

ATC Surveyed 52 Apartments on 13 Floors = 63%

TENTH AMENDMENT

TO

A PLAN TO CONVERT

TO COOPERATIVE OWNERSHIP

PREMISES AT 15 WEST 12TH STREET

NEW YORK, NEW YORK

The Plan to convert to cooperative ownership, Premises at 15 West 12th Street ("Plan") filed October 22, 1980 and amended on August 28, 1981 ("First Amendment"), November 5, 1981 ("Second Amendment"), December 21, 1981 ("Third Amendment"), February 23, 1982 ("Fourth Amendment"), April 12, 1982 ("Fifth Amendment"), July 12, 1982 ("Sixth Amendment"), October 8, 1982 ("Seventh Amendment"), May 8, 1983 ("Eighth Amendment"), July 28, 1983 ("Ninth Amendment") is hereby amended as follows:

1. Board of Directors; Voting by Holder of Unsold Shares. After consultation with the tenant stockholders of the 12th Street Apartment Corp., the following sentence on page 30 of the Plan is hereby deemed deleted:

> "The Sponsor and other holders of Unsold Shares will, under no circumstances, control the Board of Directors."

At the time of the Closing, September 30, 1983, as set forth in detail in Paragraph 5 of this Tenth Amendment, Mr. Paul Raymond acquired approximately 80% of the issued and

outstanding shares of 12th Street Apartment Corp. (the "Corporation"). To further amplify the rights of the holder of Unsold Shares, he may vote such shares at the annual meeting of shareholders of the Corporation to elect directors, and at any other meetings of the shareholders. Notwithstanding anything else contained herein, the holder of the Unsold Shares will not constitute a majority of the Board of Directors from the third anniversary of the Closing or from such earlier time following the second anniversary of the Closing Date as the Unsold Shares shall constitute less than fifty (50%) percent of all issued and outstanding shares of the Corporation.

2. Date and Place of Closing of Title.

On September 30, 1983, at the law offices of Pryor, Cashman Sherman & Flynn title to the Property was transferred from Twelfth Street Apartments, the Sponsor, to 12th Street Apartment Corp., the Apartment Corporation.

3. Reserve Fund.

A reserve fund of $19,462 was deposited in an account at Citibank, N.A., One Park Avenue, New York, New York 10016.

4. Mortgage.

A mortgage in the principal amount at closing of $890,134.57 encumbers the Property.

5. Unsold Shares.

At the closing Mr. Paul Raymond, an Individual Produced by Sponsor, acquired the shares allocated to and the Proprietary

Leases for the fifty-four (54) apartments in the building set forth on Exhibit A, attached hereto and made a part hereof, such apartments have, in the aggregate, 37,656 shares of the 47,857 issued and outstanding shares of the Apartment Corporation.

7. No Other Material Changes.

Except as set forth in this Amendment, there have been no other material changes in this Plan. The Plan, as hereby amended, does not omit any material fact or knowingly contain an untrue statement.

Twelfth Street Apartments

By: Elise M. Adams
Elise M. Adams

EXHIBIT A

Units Purchased by Paul Raymond

4A
5A
7A
9A
11A
12A
PHA
4B
6B
7B
10B
11B
12B
PHB
2C
3C
4C
6C
7C
8C
9C
10C
11C
12C
PHC

2D
3D
6D
8D
9D
1E
2E
3E
4E
5E
6E
7E
8E
9E
10E
11E
4F
5F
7F
8F
10F
2G
3G
4G
5G
6G
7G
9G
10G

NINTH AMENDMENT

TO

A PLAN TO CONVERT

TO COOPERATIVE OWNERSHIP

PREMISES AT 15 WEST 12TH STREET

NEW YORK, NEW YORK

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1. Plan Declared Effective. By notice dated July 12, 1983, a copy of which is attached to this Amendment as Exhibit A, the Sponsor advised tenants and non-tenant subscribers that the Plan was declared effective as a non-eviction plan. In addition to declaring the Plan effective, such notice indicated that the Sponsor expected the closings to take place in September, 1983. The Apartment Corporation has accepted Subscription Agreements for 21% of the apartments in the Building, including one Subscription Agreement from one tenant in occupancy. All of the Subscription

Agreements were executed by individuals who represented to Sponsor that the subscriber or members of the subscriber's immediate family intend to reside in the apartment when it becomes vacant. Attached hereto and made a part hereof as Exhibit B is the affidavit of Sponsor as required by 13 NYCRR Part 18.5 of the regulations issued by the New York Department of Law pursuant to Article 23-A of the General Business Law.

2. Status of Litigation. The lawsuit commenced by Sponsor in 1982 against the Tenants Association of the Building and certain individual tenants, has been settled. Sponsor and the Executive Committee of the Tenants Association executed a Settlement Agreement dated July 5, 1983 which provided, among other things, that a Stipulation discontinuing the action with prejudice would be executed and filed and that the Executive Committee, in turn, would terminate the obligations of those tenants who had executed No Buy Pledges. Such Stipulation was executed and filed with the Clerk of the Supreme Court, New York County, on July 11, 1983.

3. Financial Information. The Certified Financial Statements are hereby further updated by the inclusion of the Certified Financial Statement for the Sponsor for the calendar year 1982, as prepared by Sponsor's independent auditors, is attached hereto and made a part hereof as Exhibit C.

EXCEPT AS AMENDED HEREBY, the terms of the Plan and all prior amendments thereto remain in full force and effect.

TWELFTH STREET APARTMENTS
BY: VASATEPA CORP., a General Partner

By Elise M. Adams
Elise M. Adams, Vice President

Exhibit A

12th Street Apartment Corp.
And
Twelfth Street Apartments

July 12, 1983

Re: 15 West 12th Street
Cooperative Conversion

Dear Resident and/or Subscriber:

To declare the Offering Plan effective, the Sponsor must obtain executed Subscription Agreements of at least fifteen (15%) percent of the shares or apartments occupied by tenants or by bonafide purchasers, who represent an intent to reside in the apartment. Since the Sponsor has received 16 executed Subscription Agreements which is the equivalent of 21 % of the apartments in the Building, we are pleased to inform you that the Plan has been declared effective as a non-eviction plan on this date.

We expect that the closing will take place in September, 1983 (i.e., not less than 30 and not more than 180 days after the date the plan is declared effective). If you are a subscriber, you will be notified of the exact date fixed for the closing of title to your shares.

An amendment to the Plan confirming the declaration of effectiveness shall be filed promptly.

12th Street Apartment Corp.

And

Twelfth Street Apartments

Exhibit B

AFFIDAVIT OF TWELFTH STREET APARTMENTS

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

I, Elise M. Adams, being duly sworn, depose and say:

1. I am the Vice President of Vasatepa Corp., a General Partner of Twelfth Street Apartments, the Sponsor of the offering plan to convert to convert the premises at 15 West 12th Street to cooperative ownership (the "Plan").

2. The Plan for 15 West 12th Street was accepted for filing by the New York Department of Law on October 22, 1980.

3. The presentation date of the Plan was October 27, 1980.

4. To our knowledge, after due inquiry, all subscribers counted for purposes of declaring the Plan effective:

a. are bona-fide purchasers;

b. are not purchasing for the purpose of resale, subletting, assigning, or as an accommodation to, or for the account on behalf of Sponsor or principals of Sponsor;

c. have paid the full downpayment as required in the Procedure to Purchase section of the Plan.

5. Only subscription agreements assigned in compliance with the terms of the Plan have been counted for the purpose of declaring the Plan effective.

6. The following is a list of all subscribers who are being counted to meet the minimum percentage of units needed under the terms of the Plan to declare it effective together with (1) the date of the subscription agreement, and (2) an indication whether such subscriber is a tenant or a bona fide purchaser who represents that they or one or more members of their immediate family intend to occupy the apartment when it becomes vacant.:

7. All subscription agreements counted toward effectiveness as set forth in Paragraph 6 hereof were received either from tenants in occupancy or bona fide purchasers who represent that they or one or more members of their immediate family intend to occupy the apartment when it becomes vacant.

8. No subscriber counted for the purposes of declaring the Plan effective is a sponsor, a principal of sponsor or related by blood, marriage, or adoption to, or is an employee, shareholder, limited partner or business associate of sponsor, any of sponsor's principals or selling agent.

TWELFTH STREET APARTMENTS

VASATEPA CORP., a General Partner

By Elise M. Adams
Elise M. Adams, Vice President

Sworn to before me this
11th day of July 1983.

SETH PAPRIN
Notary Public, State of New York
No. 31-4708027
Qualified in New York County
Commission Expires March 30, 1985

Apartment	Subscriber	Date of Sub-scription Agreement	Tenant o Bona fid Purchase
3A	[redacted]	7/6/82	*
3B	[redacted]	11/5/82	
3F	[redacted]	6/21/82	
4D	[redacted]	12/11/81	Tenant
5B	[redacted]	12/30/82	
5C	[redacted]	8/2/82	
5D	[redacted]	11/19/81	
6A	[redacted]	11/12/82	
6F	[redacted]	11/25/81	
8A	[redacted]	5/25/83	
8B	[redacted]	4/5/83	
9B	[redacted]	11/28/81	
10A	[redacted]	5/26/83	
11D	[redacted]	5/24/83	
12D	[redacted]	7/6/83	
12E	[redacted]	10/22/82	

* All purchasers with the exception of [redacted] (4D) are bona fide purchasers rather than tenants.

Exhibit C

TWELFTH STREET APARTMENTS

FINANCIAL REPORT

DECEMBER 31, 1982

TWELFTH STREET APARTMENTS

DECEMBER 31, 1982

I N D E X

	Pages
Accountants' Opinion	1
Balance Sheet	2
Statement of Operations	3
Statement of Partnership Equity	4
Statement of Changes in Cash Position	5
Notes to Financial Statements	6

YOHALEM, GILLMAN, FIELD & AGLER
CERTIFIED PUBLIC ACCOUNTANTS

655 THIRD AVENUE, NEW YORK, NY 10017
(212) 867-0700

To the Partners
Twelfth Street Apartments

We have examined the balance sheet of Twelfth Street Apartments as of December 31, 1982 and 1981 and the related statements of operations, partnership equity and changes in cash position for the years then ended. Our examinations were made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying financial statements present fairly the financial position of Twelfth Street Apartments at December 31, 1982 and 1981 and the results of its operations and changes in its financial position for the years then ended in conformity with generally accepted accounting principles applied on a consistent basis.

Yohalem, Gillman, Field & Agler

New York, New York
April 7, 1983

TWELFTH STREET APARTMENTS

BALANCE SHEET

DECEMBER 31, 1982 AND 1981

ASSETS

	1982	1981
Real estate		
Cost of property and improvements	$2,110,618	$2,110,618
Less accumulated depreciation	337,676	251,376
	1,772,942	1,859,242
Other assets		
Cash	7,711	41,656
Rent receivable	1,409	4,679
Deferred expenses	165,566	81,033
Deposits	2,540	2,485
Tenants' security deposits	43,944	41,561
Prepaid expenses and advances	8,500	13,069
	229,670	184,483
	$2,002,612	$2,043,725

LIABILITIES AND PARTNERSHIP EQUITY

Liabilities		
Mortgage payable	$ 894,056	$ 898,866
Accounts payable and accrued expenses	27,331	29,895
Due to related parties	97,819	52,519
Tenants' security deposits payable	43,944	44,502
	1,063,150	1,025,782
Partnership equity	939,462	1,017,943
	$2,002,612	$2,043,725

The accompanying notes are an integral part of the financial statements.

TWELFTH STREET APARTMENTS

STATEMENT OF OPERATIONS

YEARS ENDED DECEMBER 31, 1982 AND 1981

	1982	1981
Rent income	$493,079	$467,458
Expenses		
Fixed expenses		
Mortgage interest	85,151	84,635
Real estate taxes	116,350	114,560
Water and sewer	5,849	4,806
	207,350	204,001
Maintenance		
Painting	2,852	4,344
Plumbing	1,675	7,102
Supplies	6,109	4,275
Elevator	5,820	4,893
General	7,403	10,590
	23,859	31,204
Other expenses		
Payroll	128,700	103,080
Payroll taxes and fringes	19,707	19,901
Total payroll cost	148,407	122,981
Fuel	41,042	42,485
General expenses	1,607	1,150
Insurance	8,815	7,496
Legal and accounting	7,037	12,388
Management fee	19,834	19,212
Telephone	1,508	1,218
Utilities	22,583	19,007
	250,833	225,937
Depreciation and amortization	89,518	87,069
Total expenses	571,560	548,211
Net (loss)	$(78,481)	$(80,753)

The accompanying notes are an integral part of the financial statements.

TWELFTH STREET APARTMENTS

STATEMENT OF PARTNERSHIP EQUITY

YEARS ENDED DECEMBER 31, 1982 AND 1981

	Total	Aquarius Properties Inc.	Vasatepa Corp.
1982			
Partnership equity - January 1, 1982	$1,017,943	$1,108,471	$ (90,528)
Net loss	(78,481)	(39,241)	(39,240
Partnership equity - December 31, 1982	$ 939,462	$1,069,230	$(129,768)
1981			
Partnership equity - January 1, 1981	$1,098,696	$1,148,848	$(50,152)
Net loss	(80,753)	(40,377)	(40,376)
Partnership equity - December 31, 1981	$1,017,943	$1,108,471	$(90,528)

The accompanying notes are an integral part of the financial statements.

TWELFTH STREET APARTMENTS

STATEMENT OF CHANGES IN CASH POSITION

YEARS ENDED DECEMBER 31, 1982 AND 1981

	1982	1981
Cash was provided by		
Operations		
Net (loss)	$(78,481)	$(80,753)
Item not requiring an outlay of cash		
Depreciation and amortization	89,518	87,069
Other items relating to operations, net	47,579	(25,490)
Cash provided by operations	58,616	(19,174)
Decrease in escrow with mortgage for taxes	-.-	46,776
	58,616	27,602
Cash was applied to		
Property improvements	-.-	1,908
Amortization of mortgage	4,810	1,901
Deferred expenses	87,751	22,514
	92,561	26,323
Net increase (decrease) in cash	(33,945)	1,279
Cash balance, beginning of year	41,656	40,377
Cash balance, end of year	$ 7,711	$ 41,656

The accompanying notes are an integral part of the financial statements.

TWELFTH STREET APARTMENTS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1982

Note 1 - Depreciation

Depreciation on the building and improvements is being computed over a twenty year life, using the straight-line method.

Note 2 - Deferred Expenses

Deferred expenses include the following:

	1982	1981
Mortgage costs relating to new first mortgage	$ 28,155	$ 31,373
Unamortized expenses relating to proposed offering plan for conversion to cooperative status	137,411	49,660
	$165,566	$ 81,033

Note 3 - Mortgage Payable

On September 1, 1981 the first mortgage on the property came due and was repaid to the lender. The Company secured a new first mortgage for $900,000, payable in constant monthly installments of $7,500, including interest at 9 1/2% per annum, due September 1, 1991.

Note 4 - Management fee

The property is being managed by an affiliate of one of the partners. The charge for this service is 4% of actual rent collected.

Note 5 - Income Taxes

No provision has been made in the accompanying financial statements for any federal, state or local taxes of the partners.

Note 6 - Contingencies

On April 3, 1980 the Company filed a proposed offering plan with the Department of Law of the State of New York for the conversion of apartments to cooperative status. The plan has not been accepted nor has it become effective.

EIGHTH AMENDMENT

TO

A PLAN TO CONVERT
TO COOPERATIVE OWNERSHIP

PREMISES AT 15 WEST 12TH STREET
NEW YORK, NEW YORK

The Plan to convert to cooperative ownership Premises at 15 West 12th Street ("Plan") filed October 6, 1980 and amended on August 28, 1981 ("First Amendment"), November 5, 1981 ("Second Amendment"), December 21, 1981 ("Third Amendment"), February 23, 1982 ("Fourth Amendment"), April 12, 1982 ("Fifth Amendment"), July 12, 1982 ("Sixth Amendment") and October 8, 1982 ("Seventh Amendment"), is hereby amended as follows:

1. Financial Information

(a) The Certified Financial Statements set forth at Pages 9a - 9e of the Plan have been updated by the inclusion of Certified Financial Statements for the calendar years of 1980 and 1981, and an unaudited Statement for 1982 prepared by Sponsor's internal auditors. These are attached hereto as Exhibit "1". A Certified Financial Statement prepared by Sponsor's independent auditors will be completed by approximately May 18, 1983. The Plan will be promptly amended thereafter to include such Certified Statement.

(b) The projected Schedule of Receipts and Expenses for First Year of Operation (Schedule B) set forth on Page 15 of the Plan, and as revised in the First Amendment hereto, is hereby amended, revised and updated, and is attached hereto as Exhibit "2".

(c) Because of the changes in Schedule B, an abbreviated and revised Schedule "A" has also been prepared and is attached hereto as Exhibit "3".

2. Status of Litigation

As previously reflected in the Fifth Amendment hereto, Sponsor initiated a lawsuit against the tenant association of the Building and certain individual tenants challenging the continued validity of the No-Buy Pledge Agreement. On April 12, 1982, Counsel to certain of the defendants moved in Supreme Court, New York County, to have the Complaint dismissed. By Order dated June 19, 1982, Hon. Manuel A. Gomez, a Justice of the Supreme Court, denied such motion in all respects. Thereafter, Counsel for these defendants filed a Notice of Appeal from such Order.

Even though Defendants do not appear to be actively pursuing their appeal, Sponsor has decided to discontinue the lawsuit. It will not pursue the matter further and is now in the process of taking such steps as are necessary to terminate the litigation.

3. Status of Sales

Sponsor has presently accepted and executed Purchase Agreements for 12 apartments, which is equivalent to 16% of the apartments in the Building. Pursuant to the Plan, Sponsor, if it now wishes, has the option to declare the Plan effective, but is not now declaring it effective.

4. Extension of Time

The Plan is hereby amended to allow Sponsor to declare the Plan effective if, on or before October 20, 1983, Subscription Agreements have been executed by at least fifteen (15%) percent of all apartments in the Building by either tenants-in-occupancy or purchasers who represent that either they or one or more members of their immediate family intend to occupy the apartment when it becomes vacant. If the Plan is not declared effective by Midnight, October 20, 1983, it will be deemed abandoned.

Except as amended hereby, the terms of the Offering Plan and all prior amendments thereto remain in full force and effect.

TWELFTH STREET APARTMENTS

By: VASATEPA CORP., a
General Partner

By: Elise M. Adams
Elise M. Adams,
Vice-President

EXHIBIT "1"

TWELFTH STREET APARTMENTS

FINANCIAL REPORT

DECEMBER 31, 1980

TWELFTH STREET APARTMENTS

DECEMBER 31, 1980

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YOHALEM, GILLMAN, FIELD & AGLER
CERTIFIED PUBLIC ACCOUNTANTS

655 THIRD AVENUE
NEW YORK, N. Y. 10017
(212) 867-0700

To the Partners
Twelfth Street Apartments

We have examined the balance sheet of Twelfth Street Apartments as of December 31, 1980 and the related statements of operations, partnership equity and changes in cash position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying financial statements present fairly the financial position of Twelfth Street Apartments at December 31, 1980 and the results of its operations and changes in its financial position for the year then ended in conformity with generally accepted accounting principles applied on a consistent basis.

Yohalem, Gillman, Field & Agler

New York, New York
May 14, 1981

TWELFTH STREET APARTMENTS

BALANCE SHEET

DECEMBER 31, 1980

ASSETS

Real estate	
Cost of property and improvements	$2,108,710
Less accumulated depreciation	165,111
	1,943,599
Cash in rent security account	39,550
Less tenants' security deposits	(39,550)
Other assets	
Cash	40,377
Rent receivable	14,960
Deferred expenses, commitment fee (Note 2)	59,323
Deposits	2,485
Escrow with mortgagee for taxes	46,776
Prepaid expenses	8,946
	172,867
	$2,116,466

LIABILITIES AND PARTNERSHIP EQUITY

Liabilities	
Mortgage payable (Note 2)	$ 900,767
Accounts payable and accrued expenses	25,530
Due to related parties	91,473
	1,017,770
Partnership equity	1,098,696
	$2,116,466

The accompanying notes are an integral part of the financial statements.

TWELFTH STREET APARTMENTS

STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 1980

Rent income	$465,431
Expenses	
Fixed expenses	
Mortgage interest	83,897
Real estate taxes	108,719
Water and sewer	4,806
	197,422
Maintenance	
Painting	1,643
Plumbing and heating	6,227
Supplies and hardware	3,688
Elevator maintenance	5,148
Other repairs and maintenance	9,353
	26,059
Other expenses	
Payroll	96,260
Payroll taxes and fringes	17,001
Total payroll cost	113,261
Fuel	47,886
General expenses	1,641
Insurance	7,033
Legal and accounting	4,305
Management fee	18,011
Telephone	761
Utilities	17,835
	210,733
Depreciation	86,145
Total expenses	520,359
Net (loss)	$(54,928)

The accompanying notes are an integral part of the financial statements.

TWELFTH STREET APARTMENTS

STATEMENT OF PARTNERSHIP EQUITY

YEAR ENDED DECEMBER 31, 1980

	Total	Aquarius Properties Inc.	Vasatepa Corp.
Partnership equity - January 1, 1980	$1,153,624	$1,176,312	$(22,688)
Net loss	(54,928)	(27,464)	(27,464)
Partnership equity - December 31, 1980	$1,098,696	$1,148,848	$(50,152)

The accompanying notes are an integral part of the financial statements.

TWELFTH STREET APARTMENTS

STATEMENT OF CHANGES IN CASH POSITION

YEAR ENDED DECEMBER 31, 1980

Cash was provided by	
Operations	
Net (loss)	$(54,928)
Item not requiring an outlay of cash	
Depreciation	86,145
Other items relating to operations, net	59,182
	90,399
Cash was applied to	
Property improvements	1,200
Amortization of mortgage	13,375
Deferred expenses	39,045
Escrow with mortgagee for taxes	7,058
	60,678
Net increase in cash	29,721
Cash balance, beginning of period	10,656
Cash balance, end of period	$ 40,377

The accompanying notes are an integral part of the financial statements.

TWELFTH STREET APARTMENTS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1980

Note 1 - Depreciation

Depreciation on the building is being computed over a twenty year life, using the straight-line method.

Note 2 - Mortgage Payable

The property was acquired subject to a first mortgage which is payable in constant monthly installments of $8,155, including interest at 9 1/4% per annum, and is due September 1, 1981. The Company has negotiated a commitment for a new first mortgage on the property in the amount of $900,000. The loan will be payable in constant monthly installments of $7,500, including interest at 9 1/2% per annum for a term of ten years.

Note 3 - Management Fee

The property is being managed by an affiliate of one of the partners. The charge for this service is 4% of actual rent collected.

Note 4 - Income Taxes

No provision has been made in the accompanying financial statements for any federal, state or local income taxes of the partners.

Note 5 - Contingencies

On April 3, 1980 the Company filed a proposed offering plan with the Department of Law of the State of New York for the conversion of apartments to cooperative status. The plan has not been accepted nor has it become effective.

The Company has filed for real estate tax reductions with the tax commission of the City of New York.

TWELFTH STREET APARTMENTS

FINANCIAL REPORT

DECEMBER 31, 1981

DECEMBER 31, 1981

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YOHALEM, GILLMAN, FIELD & AGLER
CERTIFIED PUBLIC ACCOUNTANTS

655 THIRD AVENUE, NEW YORK, NY 10017
(212) 867-0700

To the Partners
Twelfth Street Apartments

We have examined the balance sheet of Twelfth Street Apartments as of December 31, 1981 and the related statements of operations, partnership equity and changes in cash position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying financial statements present fairly the financial position of Twelfth Street Apartments at December 31, 1981 and the results of its operations and changes in its financial position for the year then ended in conformity with generally accepted accounting principles applied on a consistent basis.

Yohalem, Gillman, Field & Agler

New York, New York
May 18, 1982

TWELFTH STREET APARTMENTS

BALANCE SHEET

DECEMBER 31, 1981

ASSETS

Real estate	
Cost of property and improvements	$2,110,618
Less accumulated depreciation	251,376
	1,859,242
Other assets	
Cash	41,656
Rent receivable	4,679
Deferred expenses	81,033
Deposits	2,485
Tenants' security deposits	41,561
Prepaid expenses and advances	13,069
	184,483
	$2,043,725

LIABILITIES AND PARTNERSHIP EQUITY

Liabilities	
Mortgage payable	$ 898,866
Accounts payable and accrued expenses	29,895
Due to related parties	52,519
Tenants' security deposits payable	44,502
	1,025,782
Partnership equity	1,017,943
	$2,043,725

The accompanying notes are an integral part of the financial statements.

TWELFTH STREET APARTMENTS

STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 1981

Rent income	$467,458
Expenses	
Fixed expenses	
Mortgage interest	84,635
Real estate taxes	114,560
Water and sewer	4,806
	204,001
Maintenance	
Painting	4,344
Plumbing	7,102
Supplies	4,275
Elevator	4,893
General	10,590
	31,204
Other expenses	
Payroll	103,080
Payroll taxes and fringes	19,901
Total payroll cost	122,981
Fuel	42,485
General expenses	1,150
Insurance	7,496
Legal and accounting	12,388
Management fee	19,212
Telephone	1,218
Utilities	19,007
	225,937
Depreciation and amortization	87,069
Total expenses	548,211
Net (loss)	$(80,753)

The accompanying notes are an integral part of the financial statements.

TWELFTH STREET APARTMENTS

STATEMENT OF PARTNERSHIP EQUITY

YEAR ENDED DECEMBER 31, 1981

	Total	Aquarius Properties Inc.	Vasatepa Corp.
Partnership equity - January 1, 1981	$1,098,696	$1,148,848	$(50,152)
Net loss	(80,753)	(40,377)	(40,376)
Partnership equity - December 31, 1981	$1,017,943	$1,108,471	$(90,528)

The accompanying notes are an integral part of the financial statements.

TWELFTH STREET APARTMENTS

STATEMENT OF CHANGES IN CASH POSITION

YEAR ENDED DECEMBER 31, 1981

Cash was provided by	
Operations	
Net (loss)	$(80,753)
Item not requiring an outlay of cash	
Depreciation and amortization	87,069
Other items relating to operations, net	(25,490)
Cash provided by operations	(19,174)
Decrease in escrow with mortgage for taxes	46,776
	27,602
Cash was applied to	
Property improvements	1,908
Amortization of mortgage	1,901
Deferred expenses	22,514
	26,323
Net increase in cash	1,279
Cash balance, beginning of year	40,377
Cash balance, end of year	$ 41,656

The accompanying notes are an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1981

Note 1 - Depreciation

Depreciation on the building and improvements is being computed over a twenty year life, using the straight-line method.

Note 2 - Deferred Expenses

Deferred expenses include the following:

Mortgage costs relating to new first mortgage	$ 31,373
Unamortized expenses relating to proposed offering plan for conversion to cooperative status	49,660
	$ 81,033

Note 3 - Mortgage Payable

On September 1, 1981 the first mortgage on the property came due and was repaid to the lender. The Company secured a new first mortgage for $900,000, payable in constant monthly installments of $7,500, including interest at 9 1/2% per annum, due September 1, 1991.

Note 4 - Management fee

The property is being managed by an affiliate of one of the partners. The charge for this service is 4% of actual rent collected.

Note 5 - Income Taxes

No provision has been made in the accompanying financial statements for any federal, state or local taxes of the partners.

Note 6 - Contingencies

On April 3, 1980 the Company filed a proposed offering plan with the Department of Law of the State of New York for the conversion of apartments to cooperative status. The plan has not been accepted nor has it become effective.

TWELFTH STREET APARTMENTS

FINANCIAL CONDITION
YEAR ENDED DECEMBER 31, 1982

TWELFTH STREET APARTMENTS

STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 1982

****

Rent Income			$493,079
Expenses			
Fixed Expenses			
Mortgage Interest	$ 85,151		
Real Estate Taxes	116,350		
Water & Sewer	5,849	$ 207,350	
Maintenance			
Painting	2,852		
Plumbing	1,675		
Supplies	6,109		
Elevator	5,820		
General	7,403	23,859	
Other Expenses			
Payroll	128,700		
Payroll Taxes and Fringes	19,707		
Fuel	41,042		
Office & General Expense	27,405		
Insurance	8,815		
Legal and Accounting	7,037		
Management Fee	19,834		
Telephone	1,508		
Utilities	22,583		
Depreciation & Amortization	86,300	362,931	
Total Expenses			594,140
NET (Loss)			($101,061)

TWELFTH STREET APARTMENTS

BALANCE SHEET

DECEMBER 31, 1982

****

ASSETS

Real Estate		
Cost of property & improvements	$2,110,618	
Less accumulated depreciation	337,676	$1,772,942
Other Assets		
Cash	7,711	
Rent receivable	1,409	
Deferred expenses	142,986	
Deposits	2,540	
Prepaid expenses and advances	43,944	
Prepaid expenses and advances	8,500	207,090
		$1,980,032

LIABILITIES AND PARTNERSHIP EQUITY

Liabilities		
Mortgage payable	$ 894,056	
Accounts payable & accrued expenses	27,332	
Due to related parties	97,819	
Tenants' security deposits payable	43,944	1,063,151
Partnership equity		916,881
		$1,980,032

EXHIBIT "2"

SCHEDULE B

15 WEST 12th STREET, NEW YORK, N.Y.
BUDGET FOR FIRST YEAR OF COOPERATIVE OPERATION
BEGINNING SEPTEMBER 1, 1983

PROJECTED INCOME			
Maintenance charges to tenant-stockholders, 47,857 shares @ $9.36 per share		$ 447,942	
Commercial income from professional apartments	(1)	56,352	
Income from laundry machines	(2)	1,680	
TOTAL			$ 505,974
PROJECTED EXPENSES			
Operating expenses:			
Labor	(3)	$ 140,200	
Fuel oil	(4)	48,500	
Electricity and gas	(5)	25,100	
Water charges and sewer rents	(6)	5,849	
Repairs and maintenance	(7)	16,000 *	
Service contracts	(8)	7,500	
Insurance	(9)	15,000	
Management fees	(10)	15,000	
Legal and audit fees		4,500	
Telephone, office and miscellaneous		1,000	
Taxes, mortgages, etc.			
Real estate taxes	(11)	121,780	
Franchise and corporate taxes	(12)	6,500	
Mortgage payments	(13)	90,000	
Reserve for contingencies	(14)	9,045	
TOTAL			$ 505,974

* This figure does not include internal repairs to apartments, including but not limited to, painting, and also does not include service contracts which are more fully explained in Footnote 8.

NOTES: See following pages.

15 West 12th Street, New York, NY

FOOTNOTES TO SCHEDULE B

(1) Rental income from professional apartments is projected as follows:

APT. #		MONTHLY RENTAL (a)	LEASE EXPIRATION DATE
1B	- Doctor's office (vacant)	$ 1,500.00(b)	
1C	- Doctor's office	1,325.00	11/30/84
1F	- Doctor's office	1,416.00(c)	4/30/84
1G	- Psycho-therapist's office	455.00	9/30/83
	Total	$ 4,696.00	
	Total-annual	$56,352.00	

NOTES:

(a) Monthly rentals above include real estate tax adjustments, if any.

(b) Apartment 1B is presently vacant. No representation is made as to the rental obtainable for this apartment. However, the Sponsor believes that the rental of $1,500.00 is obtainable in the current market.

(c) Rental increases to $1,566.00 effective May 1, 1983.

(2) The laundry income is projected at the rate of $140.00 per month in accordance with the current laundry contract with Homestead Vending Corporation which expires on August 31, 1983. This contract may be renewed for three (3) years on the same terms, unless cancelled by either party prior to May 31, 1983.

(3) The current typical weekly payroll (effective April 21, 1983) amounts to $2,051.00. The payroll consists of seven (7) men (including one part-time man) as follows:

1 - Superintendent
1 - Porter
4 - Doormen
1 - Part-time doorman (8 hours weekly)
7 - Total

The existing staff will continue to service the apartment corporation. All the employees are union members. The current union contract expires on April 21, 1985. The

projected payroll takes into account the wage increases effective April 21, 1983 and April 21, 1984, in accordance with the union contract. The projected payroll includes a provision to cover the estimated holiday, vacation and overtime payroll.

The projected labor expense for the first year of operation includes the following:

Projected payroll		$122,000.00
Projected payroll taxes:		
Social Security (6.7% of taxable payroll)	$ 8,174.00	
N.Y. unemployment insurance (2.9%)	1,334.00	
Federal unemployment insurance (0.7%)	322.00	
N.Y. disability insurance (estimated premium)	300.00	$ 10,130.00
Required contribution to welfare and pension plans based on the current union contract		$ 8,088.00
	TOTAL	$140,218.00

(4) The building uses #6 oil. The actual purchases for each of the past three years is as follows:

YEAR	GALLONS
1980	44,624
1981	40,522
1982	47,072

The fuel oil purchases for the above years averaged 44,072 gallons per annum. The projection herein is based on 44,072 gallons per annum at an estimated price of $1.10 per gallon, including sales tax. The current price of fuel oil (Feb. 1983) is $0.78 per gallon, including sales tax.

(5) This item does not include apartment electricity which is billed directly to the tenants. However, this item includes charges for cooking gas supplied to the apartments since the gas charges are billed on one meter for the entire building and paid for by the landlord. The history of the electricity and gas expense for the past two years is as follows:

ELECTRICITY

YEAR	TOTAL KW HOURS	TOTAL COST FOR YEAR	AVERAGE COST PER KW HOUR
1981	120,840	$14,544.00	$ 0.1204
1982	114,000	13,875.00	0.1217

GAS

YEAR	TOTAL ccf	TOTAL COST FOR YEAR	AVERAGE COST PER ccf
1981	9,279	$ 5,961.00	$ 0.6424
1982	8,427	6,310.00	0.7488

The average number of kilowatt hours for the above two-year period amounts to 117,420 hours per annum, which if priced at the average rate of $0.1217 (as per the billings for 1982), plus 20%, amounts to $17,148.00. The average number of units of gas for the above two(2)-year period amounts to 8,853 ccf per annum, which if priced at the average rate of $0.7488 (as per the aforesaid billing period), plus 20%, amounts to $7,955.00. Therefore, the total cost of electricity and gas for the first year of operation is projected at $25,103.00

(6) Based on the actual invoice for water charges and sewer rents for the year.

(7) This item includes painting of the common areas, building and janitorial supplies and the various repairs and maintenance items involved in the operation of this type of property. However, this item does not include repairs and painting of the interiors of the apartments which would become the obligations of the respective tenant-stockholders following the purchase of their shares.

(8) Based on service contracts, as follows:

TYPE OF SERVICE	NAME OF CONTRACTOR	ANNUAL COST	EXPIRATION DATE
Elevator Service	Marcato Elevator Co.	$6,218.00	3/31/84
Water Treatment	Olin Water Treatment Co.	262.00	8/31/83
Exterminating	Esco Exterminating Co.	340.00	mo. to mo.
Total		$6,820.00	
Add 10% for inflation factor		682.00	
TOTAL		$7,502.00	

(9) Includes current annual insurance premiums and reserves for additional premiums as quoted by American Coverage Corporation, as follows:

	Coverage	Premium
Multi-peril insurance including:		
Fire - all risk	3,125,000	
Property damage and bodily injury liability	1,000,000	
Water damage, legal liability	100,000	
Elevator collision	100,000	
Loss of rents	400,000	
Total premium		$ 6,150.00
Umbrella liability	5,000,000	3,500.00
Boiler and machinery	250,000	150.00
Workmen's compensation		3,787.00
Officers and directors liability	250M/500M	400.00
Reserve for additional insurance		1,013.00
Total Annual insurance premiums		$15,000.00

At closing, the Sponsor will deliver policies or binders providing the above-mentioned coverages. Purchasers are advised that the foregoing insurance does not cover such risks as fire and casualty losses to apartment contents, fixtures and alterations and liability coverage for occurrences within the apartment. In the event of a total loss, insurance proceeds will first be applied to reduce the outstanding mortgage indebtedness.

(10) This amount is based on the Management Agreement described in MANAGEMENT AND OTHER CONTRACTUAL ARRANGEMENTS.

(11) Based upon the transition assessment as described below of $1,352,000.00 for the tax year 1983-1984 and an anticipated transition assessment of $1,404,000.00 for the next year 1984-85. The taxes were computed at an estimated rate of $8.95 per $100 assessed valuation, which is the rate currently in effect for the year 1982-83. The actual amount of taxes paid may be reduced by Senior Citizen tax exemptions.

Real estate taxes are levied and collected by the Finance Department of the City of New York. The assessed valuation and tax rate for each of the past three years as well as for the current year are as follows:

YEAR	ASSESSED VALUATION	TAX RATE
1979-80	$1,225,000.00	8.75%
1980-81	1,185,000.00	8.85
1981-82	1,300,000.00	8.95
1982-83	1,300,000.00	8.95

Pursuant to recently enacted legislation, the manner in which the City of New York will fix the assessed valuation ("AV") of any parcel of real property located therein for the next five tax years has been modified. A targeted AV of $1,560,000.00 has been noted to take effect for the 1987-88 tax year. The transition AV for each of the intervening tax years will be determined so as to spread out the increase in the AV in equal increments of over the next five years as follows:

YEAR		TRANSITION ASSESSMENT	INCREASE OVER PRIOR YEAR
1983-84		$1,352,000.00	$52,000.00
1984-85		1,404,000.00	52,000.00
1985-86		1,456,000.00	52,000.00
1986-87		1,508,000.00	52,000.00
1987-88	(target)	1,506,000.00	52,000.00

The transition AVs for each year are subject to change.

(12) Estimated on the basis of current rates, namely .0004 on gross assets for th State Franchise Tax and .0004 for the City Corporation Tax.

(13) After the monthly payment due on September 1, 1983, the balance of the existing mortgage will then be approximately $890,133. This mortgage requires constant monthly payments of $7,500 which is applied to interest at 9½% per annum and the balance to amortization of principal. The mortgage payments during the first year of cooperative operation will total $90,000 which will consist of $84,300 interest and $5,700 principal.

See TERMS OF MORTGAGE for complete details of the mortgage terms.

(14) The reserve for contingencies is intended to provide for any unanticipated expenses or unanticipated increases in the projected expenses. It is not intended to provide for capital repairs or replacements. No representation is made as to the amount of unanticipated expenses.

CERTIFICATION OF SPONSOR'S EXPERT
PURSUANT TO SEC. 18.4(d)
OF THE REGULATIONS ISSUED PURSUANT TO
GENERAL BUSINESS LAW, ARTICLE 23-A,
AS AMENDED.

New York State Department of Law
Two World Trade Center
New York, New York 10047

Att: Real Estate Financing Bureau

Re: 15 West 12th St., New York, N.Y.

Leo H. Seitelman, a licensed real estate broker in the State of New York since 1959, certifies as follows:

The sponsor of the offering plan for the captioned property retained me to review or prepare Schedule B containing projections of income and expenses for the first year of cooperative operation. My experience in this field includes the review or preparation of operating budgets for a substantial number of cooperative offerings, similar to the captioned property, starting in 1965 and up to the present time.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Attorney General in Part 18 insofar as they are applicable to Schedule B.

I have reviewed the Schedule and investigated the facts set forth in the Schedule and the facts underlying it with due diligence in order to form a basis for this certification. I have also relied on my experience in managing residential buildings.

I certify that the projections in Schedule B appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expense for the projected first year of cooperative operation.

I certify that the Schedule:

1. sets forth in detail the projected income and expenses for the first year of cooperative operation;

2. affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of cooperative operation;

3. does not omit any material fact;

Continued

4. does not contain any untrue statement of a material fact;

5. does not contain any fraud, deception, concealment, or suppression;

6. does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

7. does not contain any representation or statement which is false, where I: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth, or (d) did not have knowledge concerning the representations or statement made;

I further certify that I am not owned or controlled by the sponsor. I understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of cooperative operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. I understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Leo H. Seitelman

Leo H. Seitelman
855 Ave. of the Americas
New York, N.Y. 10001

State of New York)
) ss:
County of New York)

Sworn to before me this
19th day of April, 1983.

Notary Public

FRANK REITER
Notary Public, State of New York
No. 41-8541600
Qualified in Queens County
Commission Expires March 30, 1984

EXHIBIT "3"

SCHEDULE A

15 W. 12 Street

PURCHASE PRICES, MORTGAGE ALLOCATIONS,
Estimated Maintenance Charges and Estimated Income Tax
Deductions for the First Year of Cooperative Operation.
SEPTEMBER 1, 1983 THROUGH AUGUST 31, 1984

Apt.	Par Value of Shares at $1.00 Per Share	Contribution to Capital for Purchasers at $149.00 Per Share	Total Cash Payment for Purchasers at $150.00 Per Share	Approximate Mortgage Applicable to Shares at $18.60 Per Share (1)	Estimated Annual Maintenance at $9.36 Per Share (2)	Estimated Monthly Maintenance at $0.78 Per Share	Estimated Annual Tax Deduction at $3.82 Per Share (3)
2A	SUPT.						
3A	$415	$ 61,835.00	$ 62,250.00	$ 7,719.00	$3,884.40	$323.70	$1,585.30
4A	420	62,580.00	63,000.00	7,812.00	3,931.20	327.60	1,604.40
5A	425	63,325.00	63,750.00	7,905.00	3,978.00	331.50	1,623.50
6A	430	64,070.00	64,500.00	7,998.00	4,024.80	335.40	1,642.60
7A	435	64,815.00	65,250.00	8,091.00	4,071.60	339.30	1,661.70
8A	440	65,560.00	66,000.00	8,184.00	4,118.40	343.20	1,680.80
9A	445	66,305.00	66,750.00	8,277.00	4,165.20	347.10	1,699.90
10A	450	67,050.00	67,500.00	8,370.00	4,212.00	351.00	1,719.00
11A	715	106,535.00	107,250.00	13,299.00	6,692.40	557.70	2,713.30
12A	620	92,380.00	93,000.00	11,532.00	5,803.20	483.60	2,368.40
PHA	680	101,320.00	102,000.00	12,648.00	6,364.80	530.40	2,597.60
2B	SUPT.						
3B	480	71,520.00	72,000.00	8,928.00	4,492.80	374.40	1,833.60
4B	485	72,265.00	72,750.00	9,021.00	4,539.60	378.30	1,852.70
5B	490	73,010.00	73,500.00	9,114.00	4,586.40	382.20	1,871.80
6B	495	73,755.00	74,250.00	9,207.00	4,633.20	386.10	1,890.90
7B	500	74,500.00	75,000.00	9,300.00	4,680.00	390.00	1,910.00
8B	505	75,245.00	75,750.00	9,393.00	4,726.80	393.90	1,929.10
9B	510	75,990.00	76,500.00	9,486.00	4,773.60	397.80	1,948.20
10B	515	76,735.00	77,250.00	9,579.00	4,884.40	341.70	1,967.30
11B	880	131,120.00	132,000.00	16,368.00	8,236.80	686.40	3,361.60
12B	765	114,035.00	114,750.00	14,229.00	7,160.40	596.70	2,922.30
PHB	925	137,825.00	138,750.00	17,205.00	8,658.00	721.50	3,533.50

SCHEDULE A

15 W. 12 Street

PURCHASE PRICES, MORTGAGE ALLOCATIONS,
Estimated Maintenance Charges and Estimated Income Tax
Deductions for the First Year of Cooperative Operation.
SEPTEMBER 1, 1983 THROUGH AUGUST 31, 1984

Apt.	Par Value of Shares at $1.00 Per Share	Contribution to Capital for Purchasers at $149.00 Per Share	Total Cash Payment for Purchasers at $150.00 Per Share	Approximate Mortgage Applicable to Shares at $18.60 Per Share (1)	Estimated Annual Maintenance at $9.36 Per Share (2)	Estimated Monthly Maintenance at $0.78 Per Share	Estimated Annual Tax Deduction at $3.82 Per Share (3)
2C	800	$119,200.00	$120,000.00	$14,880.00	$7,488.00	$624.00	$3,056.00
3C	807	120,243.00	121,050.00	15,010.20	7,553.52	629.46	3,082.74
4C	814	121,286.00	122,100.00	15,140.40	7,635.32	634.92	3,109.48
5C	821	122,329.00	123,150.00	15,270.60	7,684.56	640.38	3,136.22
6C	828	123,372.00	124,200.00	15,400.80	7,750.08	645.84	3,162.96
7C	835	124,415.00	125,250.00	15,531.00	7,815.60	651.30	3,189.70
8C	842	125,458.00	126,300.00	15,661.20	7,881.12	656.76	3,216.44
9C	849	126,501.00	127,350.00	15,791.40	7,946.64	662.22	3,243.18
10C	856	127,544.00	128,400.00	15,921.60	8,012.16	667.68	3,269.92
11C	860	128,140.00	129,000.00	15,996.00	8,049.60	670.80	3,285.20
12C	770	114,730.00	115,500.00	14,322.00	7,207.20	600.60	2,941.40
PHC	925	137,825.00	138,750.00	17,205.00	8,658.00	721.50	3,533.50
2D	525	78,225.00	78,750.00	9,765.00	4,914.00	409.50	2,005.50
3D	530	78,970.00	79,500.00	9,858.00	4,960.80	413.40	2,024.60
4D	535	79,715.00	80,250.00	9,951.00	5,007.60	417.30	2,043.70
5D	540	80,460.00	81,000.00	10,044.00	5,054.40	421.20	2,062.80
6D	545	81,205.00	81,750.00	10,137.00	5,101.20	425.10	2,081.90
7D	550	81,950.00	82,500.00	10,230.00	5,148.00	429.00	2,101.00
8D	555	82,695.00	83,250.00	10,323.00	5,194.80	432.90	2,120.10
9D	560	83,440.00	84,000.00	10,416.00	5,241.60	436.80	2,139.20
10D	565	84,185.00	84,750.00	10,509.00	5,288.40	440.70	2,158.30
11D	600	89,400.00	90,000.00	11,160.00	5,616.00	468.00	2,292.00
12D	530	78,970.00	79,500.00	9,858.00	4,960.80	413.40	2,024.60

SCHEDULE A

15 W. 12 Street

PURCHASE PRICES, MORTGAGE ALLOCATIONS,
Estimated Maintenance Charges and Estimated Income Tax
Deductions for the First Year of Cooperative Operation.
SEPTEMBER 1, 1983 THROUGH AUGUST 31, 1984

Apt.	Par Value of Shares at $1.00 Per Share	Contribution to Capital for Purchasers at $149.00 Per Share	Total Cash Payment for Purchasers at $150.00 Per Share	Approximate Mortgage Applicable to Shares at $18.60 Per Share (1)	Estimated Annual Maintenance at $9.36 Per Share (2)	Estimated Monthly Maintenance at $0.78 Per Share	Estimated Annual Tax Deduction at $3.82 Per Share (3)
1E	700	$104,300.00	$105,000.00	$13,020.00	$ 6,552.00	$546.00	$2,674.00
2E	1,000	149,000.00	150,000.00	18,600.00	9,360.00	780.00	3,820.00
3E	1,010	150,490.00	151,500.00	18,786.00	9,453.60	787.80	3,858.20
4E	1,020	151,980.00	153,000.00	18,972.00	9,547.20	795.60	3,896.40
5E	1,030	153,470.00	154,500.00	19,158.00	9,640.80	803.40	3,934.60
6E	1,040	154,960.00	156,000.00	19,344.00	9,734.40	811.20	3,972.80
7E	1,050	156,450.00	157,500.00	19,530.00	9,828.00	819.00	4,011.00
8E	1,060	157,940.00	159,000.00	19,716.00	9,921.60	826.80	4,049.20
9E	1,070	159,430.00	160,500.00	19,902.00	10,015.20	834.60	4,087.40
10E	1,080	160,920.00	162,000.00	20,088.00	10,108.80	842.40	4,125.60
11E	520	77,480.00	78,000.00	9,672.00	4,867.20	405.60	1,986.40
12E	525	78,225.00	78,750.00	9,765.00	4,914.00	409.50	2,005.50
2F	450	67,050.00	67,500.00	8,370.00	4,212.00	351.00	1,719.00
3F	455	67,795.00	68,250.00	8,463.00	4,258.80	354.90	1,738.10
4F	460	68,540.00	69,000.00	8,556.00	4,305.60	358.80	1,757.20
5F	465	69,285.00	69,750.00	8,649.00	4,352.40	362.70	1,776.30
6F	470	70,030.00	70,500.00	8,742.00	4,399.20	366.60	1,795.40
7F	475	70,775.00	71,250.00	8,835.00	4,446.00	370.50	1,814.50
8F	480	71,520.00	72,000.00	8,928.00	4,492.80	374.40	1,833.60
9F	485	72,265.00	72,750.00	9,021.00	4,539.60	378.30	1,852.70
10F	490	73,010.00	73,500.00	9,114.00	4,586.40	382.20	1,871.80

SCHEDULE A

15 W. 12 Street

PURCHASE PRICES, MORTGAGE ALLOCATIONS,
Estimated Maintenance Charges and Estimated Income Tax
Deductions for the First Year of Cooperative Operation.
SEPTEMBER 1, 1983 THROUGH AUGUST 31, 1984

t.	Par Value of Shares at $1.00 Per Share	Contribution to Capital for Purchasers at $149.00 Per Share	Total Cash Payment for Purchasers at $150.00 Per Share	Approximate Mortgage Applicable to Shares at $18.60 Per Share (1)	Estimated Annual Maintenance at $9.36 Per Share (2)	Estimated Monthly Maintenance at $0.78 Per Share	Estimated Annual Tax Deduction at $3.82 Per Share (3)
	475	$ 70,775.00	$ 71,250.00	$ 8,835.00	$ 4,446.00	$ 370.50	$ 1,814.50
	480	71,520.00	72,000.00	8,928.00	4,492.80	374.40	1,833.60
	485	72,265.00	72,750.00	9,021.00	4,539.60	378.30	1,852.70
	490	73,010.00	73,500.00	9,114.00	4,586.40	382.20	1,871.80
	495	73,755.00	74,250.00	9,207.00	4,633.20	386.10	1,890.90
	500	74,500.00	75,000.00	9,300.00	4,680.00	390.00	1,910.00
	505	75,245.00	75,750.00	9,393.00	4,726.80	393.90	1,929.10
	510	75,990.00	76,500.00	9,486.00	4,773.60	397.80	1,948.20
	515	76,735.00	77,250.00	9,579.00	4,884.40	341.70	1,967.30
ALS	$47,857	$7,130,693.00	$7,178,550.00	$890,133.00	$447,941.52	$37,328.46	$182,813.74

Tenant-shareholders will have no personal liability to the mortgagee for payment of the Apartment Corporation's mortgage indebtedness. Interest and amortization payments are included in the monthly maintenance charges. The amount of mortgage shown on this column will be reduced by amortization.

These amounts are estimated for the first year, based on the projection of Leo H. Seitelman contained in Schedule B attached to this Eighth Amendment.

These amounts are estimated for the first year in accordance with the figures computed by Leo H. Seitelman contained in Schedule B attached to this Eighth Amendment. These amounts may vary because of changes in the amount of real estate taxes.

3. It updates the Certified Financial Statements by including the Certified Financial Statement for the Sponsor for the calendar year 1982, as prepared by Sponsor's independent auditors.

SEVENTH AMENDMENT

TO

A PLAN TO CONVERT TO
COOPERATIVE OWNERSHIP

PREMISES AT 15 WEST 12TH STREET
NEW YORK, NEW YORK

The Plan to Convert to Cooperative Ownership Premises at 15 West 12th Street (the "Offering Plan") filed October 6, 1980, and amended on August 28, 1981 ("First Amendment"), November 5, 1981 ("Second Amendment"), December 21, 1981 ("Third Amendment"), February 23, 1982 ("Fourth Amendment"), April 12, 1982 ("Fifth Amendment") and July 12, 1982 ("Sixth Amendment") is hereby amended as follows:

1. Consent Injunction

By letter dated September 15, 1982, the Attorney General withdrew its acceptance of the Offering Plan and subsequent amendments on the grounds that the Fifth Amendment had not been properly distributed either to tenants of the Building or to those people who had executed Purchase Agreements prior to the date when such amendment was accepted for filing by the Attorney General.

Thereafter, on October 8, 1982, without admitting or denying guilt, and in order to avoid costly litigation, Sponsor consented to the entry of an injunction permanently enjoining Sponsor from any further violation of Article 23-A of the New York General Business Law. Sponsor further agreed to re-distribute the Fifth Amendment, together with copies of this Amendment, to all tenants and those who have executed Subscription Agreements.

2. Rescission

As part of the settlement, Sponsor has agreed to, and hereby does, offer rescission to all persons who executed Subscription Agreements prior to April 12, 1982. Any person wishing to rescind must send to Sponsor, at 475 Park Avenue South, New York, New York 10016, Attention: Elise M. Adams, Certified Mail, Return Receipt Requested, no later than November 15, 1982, written notice of his/her cancellation of the Subscription Agreement. Upon receipt of such written notice, Sponsor will promptly refund the down payment.

3. Extension of Time

The Attorney General has reinstated his acceptance of the Plan for filing. The Offering Plan was previously supposed to expire on October 6, 1982. Such Plan is hereby amended to allow Sponsor to declare the Plan effective if, on or before April 6, 1983, Subscription Agreements have been executed by at least fifteen (15%) percent of all apartments in the Building by either bona fide tenants in occupancy or bona fide purchasers who represent that either they or one or more members of their immediate family intend to occupy the apartment when it becomes vacant.

Except as amended hereby, the terms of the Plan and all six prior Amendments thereto remain in full force and effect.

TWELFTH STREET APARTMENTS

By: VASATEPA CORP., a
General Partner

By: Elise M. Adams
Elise M. Adams
Vice President

SIXTH AMENDMENT
TO
A PLAN TO CONVERT TO
COOPERATIVE OWNERSHIP

PREMISES AT 15 WEST 12TH STREET

The Offering Plan - A Plan to Convert to Cooperative Ownership Premises at 15 West 12th Street, filed October 6, 1980 (the "Plan") as amended by an amendment thereto, dated August 28, 1981 (the "First Amendment") and as amended by an amendment thereto, effective as of November 5, 1981 (the "Second Amendment") and as amended by an amendment thereto, dated December 21, 1981 (the "Third Amendment") and as amended by an amendment thereto, dated February 23, 1982 (the "Fourth Amendment") and as further amended by an amendment thereto, dated April 12, 1982 (the "Fifth Amendment") presented by Twelfth Street Apartments is hereby amended as follows:

1. Discounts and Sponsor Financing For Tenants Only.

The Sponsor hereby offers the following discounts and Sponsor financing to the tenants at 15 West 12th Street. Sponsor's offer of discounts and Sponsor financing is being made only to tenants who execute Subscription Agreements on or before September 5, 1982. To date the Sponsor has not accepted Subscription Agreements from non-tenants for occupied apartments. Commencing September 6, 1982, Sponsor shall begin accepting Subscription Agreements with respect to apartments, which are currently occupied and for which the tenants thereof have not theretofore executed and delivered Subscription Agreements.

a. Studio Apartments. For tenants executing and delivering Subscription Agreements on or before September 5, 1982, the Sponsor shall:

1) reduce the price per share by twnety (20%) percent; and, at the tenant's option, either:

2) reduce the price an additional fifteen (15%) percent for those not taking advantage of Sponsor financing (by way of illustration, if the tenant in the studio apartment 10-A were to choose this option, the price would be calculated as follows:

Apt.	Number of Shares	Current Price Per Share Without Discount	Total Purchase Price Without Discounts
10-A	450	150	$67,500

Initial 20% discount results in a total purchase price of $54,000, and the additional 15% discount results in a total purchase price of $45,900); or

3) instead of the second fifteen (15%) percent discount, tenants executing and delivering Subscription Agreements on or before September 5, 1982, may take Sponsor financing. Such Sponsor financing shall be in the form of purchase money mortgages, in an amount of up to 66 2/3% of the total purchase price. Additionally, such loans shall be secured by a pledge of the shares subscribed for, creating a first lien thereon, in favor of Sponsor, shall bear interest only at the rate of eleven and seven-eighths (11 7/8%) percent per annum, and shall be for a term of five (5) years and require monthly payments of interest only, with the entire principal due and payable upon maturity. At the time of delivery of an executed Subscription Agreement, a tenant must indicate, in writing, whether he is taking Sponsor Financing or the additional discount.

b) One-and Two-Bedroom Apartments. For tenants executing and delivering Subscription Agreements on or before September 5, 1982, the Sponsor shall:

1) reduce the price five (5%) percent, and, at the tenant's option, either:

2) reduce the price an additional fifteen (15%) percent for those not taking advantage of Sponsor Financing. (By way of illustration, if the tenant in the one bedroom apartment 12-C were to choose this option, the price would be calculated as follows:

Apt.	Number of Shares	Current Price Per Share Without Discounts	Total Purchase Price Without Discounts
12-C	770	150	$115,000

The initial (5%) discount results in a total purchase price of $109,725, and the additional 15% discount results in a total purchase price of $93,266.25); or

3) instead of the second fifteen (15%) percent discount, tenants executing and delivering Subscription Agreements on or before September 5, 1982 may take advantage of the Sponsor Financing set forth above in subparagraph 1.a 3).

2. Security Agreements for Sponsor Financing.

Tenant subscribers electing to take advantage of the Sponsor's financing will be required to execute an Installment Promissory Note, Security Agreement, Recognition Agreement and Assignment of Proprietary Lease, substantially in the forms annexed hereto as Exhibits A, B, C and D, respectively. Each such Subscriber will also be required to execute a UCC-1 financing statement and provide the Sponsor, as the secured party, with a blank stock power form executed with the Subscriber's guaranteed signature. Additionally, each such Subscriber will be required to pay fees of $250 to the Sponsor's attorneys for fees incurred in connection with the preparation of the loan closing documents and the actual closing of the loan.

3. Change in Ownership of Sponsor.

Nargess Karendy has transferred all of the issued and outstanding shares of stock in Vasatepa Corp., a general partner in Twelfth Street Apartments, the Sponsor of this Offering Plan, to her husband, Parviz Yaghoubzadeh, who is the sole stockholder of Aquarius Properties, Inc., the other partner of Twelfth Street Apartments.

EXCEPT as amended hereby, the terms of the Plan, and all previous amendments remain in full force and effect.

Dated: July 12, 1982

TWELFTH STREET APARTMENTS

By: VASATEPA CORP.
A General Partner

Lawrence Kalik, President

EXHIBIT A

INSTALLMENT PROMISSORY NOTE
(COOPERATIVE APARTMENT LOAN)

New York, New York
$_____ , 198_

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay Dollars ($)(this amount will be called the "Principal") plus interest, to the order of the Lender. The Lender is TWELFTH STREET APARTMENTS, A New York partnership with an office care of Pan Am Equities, 475 Park Avenue South, New York, New York 10016. I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer, and who is entitled to receive payments under this Note, will be called the "Note Holder".

2. INTEREST

I will pay interest at the rate of 11-7/8 percent per year (the "Interest"). Interest will be charged on that part of the Principal which has not been paid. Interest will be charged beginning on the date of this Note and will continue to be charged until the full amount of the Principal has been paid.

3. PAYMENTS

I will pay Principal and Interest by making monthly payments on the first day of each month beginning on 1, 19__. All unpaid payments of Interest, the entire Principal and any other charges described below that I may owe under this Note or under the Security Agreement described below shall be due and payable on , unless I shall repay these obligations earlier as described below.

Each regular monthly payment will be on account of the Interest only and will be in the amount of Dollars ($), except that my first monthly payment on , 198_ will be in the amount of Dollars ($), as payment of Interest on the Principal from the date I sign this Note through the last day of the month in which I sign this Note. I will make my monthly payments at Lender's address set forth above or at a different place if requested by the Note Holder.

4. PENALTY FOR LATE PAYMENT

If the Note Holder has not received the full amount of any monthly payment by the end of 15 calendar days after it is due, I will pay a late charge to the Note Holder, equal to 2% of the overdue monthly payment.

5. DEFAULT AND RIGHT OF NOTE HOLDER TO IMMEDIATE PAYMENT IN FULL

If I do not pay the full amount of any monthly payment on time, the Note Holder may send me a written notice informing me that if I do not pay the overdue amount by a certain date I will be in default. The date must be at least 10 days after the date on which the notice is mailed to me, or it is delivered to me. If I do not pay the overdue amount by the date stated in the notice, I will be in default. The Security Agreement described below also contains obligations which if not complied with by me may result in a default on my part. If I am in default, the Note Holder may require me to pay immediately the full amount of the Principal which has not been paid and the Interest that I owe on that amount. Even if, at a time when I am in default, the Note Holder does not require me to pay immediately the full amount of the unpaid Principal and the Interest that I owe on that amount, the Note Holder will continue to have the right to require me to pay the unpaid Principal and the Interest I then owe, if at a later time I am in default again.

6. NOTE HOLDER'S COLLECTION COSTS AND EXPENSES

If the Note Holder has required me to pay immediately in full as described in Paragraph 5 above, the Note Holder will have the right to be paid back for all its reasonable costs and expenses which may be recovered by law. Those expenses include, for example, reasonable attorneys' fees to the extent permitted by law.

7. BORROWER'S PAYMENTS BEFORE THEY ARE DUE

Unless I am in default under this Note or the Security Agreement described below, I have the right to pay all or any part of the amount I owe under this Note before it is due, at no additional charge. Any payment made before it is due is known as a "Prepayment" and any Prepayment of only part of the amount that I owe under this Note is known as a "Partial Prepayment". I must give the Note Holder at least 30 days' and not more than 90 days' written notice of my intention to make a Prepayment or a Partial Prepayment and state in my notice the amount of the Partial Prepayment that I wish to make. Any Partial Prepayment must be in a multiple of $100 and may not be in an amount less than $100. I

must make any Prepayment on the date that one of my monthly payments is due. Any prepayment will be used by the Note Holder first to pay any Interest or other amount other than Principal which I may owe the Note Holder under this Note or under the Security Agreement described below; the remaining amount of the Prepayment will be used by the Note Holder to reduce the amount of the Principal I owe under this Note. If I make a Partial Prepayment, the time and amount of my monthly payments shall remain the same as described in Paragraph 3 above until I have paid the entire amount that I owe under this Note, but the application by the Note Holder of these monthly payments to the unpaid Principal and the Interest will be adjusted to reflect the Partial Prepayment.

8. BORROWER'S WAIVERS

I waive my rights to require the following of the Note Holder: (A) Presentment - that is, to demand payment of amounts due; (B) Notice of Dishonor - that is, to give notice that amounts due have not been paid; (C) Protest - that is, to obtain an official certification of nonpayment. Any guarantor, meaning anyone who agrees to keep the promises made in this note, or surety, meaning anyone who agrees to make payments to the Note Holder if I fail to keep my promises under this Note, or endorser, meaning anyone who signs this Note to transfer it to someone else, also waives these rights.

9. GIVING OF NOTICE

Any notice that must be given to me under this Note will be given by delivering it or mailing it, certified or registered mail, return receipt requested, addressed to me at the Property Address listed below. A notice will be delivered or mailed to me at a different address if I give the Note Holder a notice of my different address.

Any notice that must be given to the Note Holder under this Note will be given by mailing it, certified or registered mail, return receipt requested, to the Note Holder at the address stated in Paragraph 1 of this Note. A notice will be mailed to the Note Holder at a different address if I am given notice of that different address.

10. THIS NOTE IS COVERED BY A SECURITY AGREEMENT

A security agreement, dated the same date as this Note, (the "Security Agreement") is given as security for the amounts owed to the Note Holder and protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note and in the Security Agreement.

The Security Agreement creates additional obligations on my part relating to the Property described in the Security Agreement and describes how and under what conditions I may be required to make immediate payment in full of all amounts that I owe under this Note as well as the amounts which I may be required to pay under the Security Agreement. For this reason both this Note and the Security Agreement must be read in order to determine my rights and obligations relating to the loan described in this Note.

11. RESPONSIBILITY OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each of us is fully and personally obligated to pay the full amount owed and to keep all of the promises made in this Note and the Security Agreement. Any guarantor, surety or endorser of this Note (as described in Paragraph 8 above) is also obligated to do these things. The note Holder may enforce its rights under this Note against each of us individually or against all of us together (jointly and severally). This means that any one of us may be required to pay all of the amounts owed under this Note.

Any person who is allowed by the Note Holder to take over my rights or obligations under this Note will have all of my rights and must keep all of my rights and must keep all of my promises made in this Note and in the Security Agreement, but I shall continue to be fully and personally obligated to keep all of the promises that I have made in this Note. Any person who takes over the rights or obligations of a guarantor, surety, or endorser of this Note (as described in Paragraph 8 above) is also obligated to keep all of the promises made in this Note.

12. CAPTIONS

This Note has been divided into sections, with each section having a separate number and caption. Each section number and caption is intended to make it easier to read and refer to this Note. The section numbers and captions are not summaries of the information contained within the sections and are not intended to have any effect upon that information.

_____ _____

_____ _____

Property Address (sign original only)

EXHIBIT B

SECURITY AGREEMENT
(COOPERATIVE APARTMENT)

I, , (the "Borrower") residing at

and TWELFTH STREET APARTMENTS, a New York partnership, having an office care of Pan Am Equities, Inc. 475 Park Avenue South, New York, New York 10016 ("Lender") do, this day of , 198_, agree as follows:

RECITALS

I am the owner and holder of shares of capital stock (the "Shares") of TWELFTH STREET APARTMENT CORP. (the "Corporation"), and the tenant under a certain proprietary lease (the "Lease") dated , 198_, between the Corporation, as landlord, and , as tenant. The Lease relates to and the Shares are allocated to Apartment No. (the "Apartment") in the building having a street address of in the Borough of Manhattan, City, County and State of New York (the "Building"). In this Agreement the Shares and my rights under the Lease collectively are called the "Security".

I have executed a certain promissory note dated the same date as this Agreement (the "Note") payable to the order of the Lender. The Note shows that I owe Lender $ (the "Principal") plus interest, as more fully described in the Note (the Principal and the interest together with all other sums which may be advanced under the terms of this Agreement are called the "Debt").

CONSIDERATION

IN CONSIDERATION of Lender making the Loan described in the Note and to secure payment of the Debt, I agree as follows:

1. BORROWER'S TRANSFER TO LENDER OF RIGHTS IN THE SHARES AND THE LEASE

I pledge, hypothecate, mortgage, assign, transfer and grant to Lender, as collateral security for the payment of the Note and all of my obligations under this Agreement, a continuing security interest and lien on all my right, title and interest in and to (i) the Shares evidenced by the certificate(s) issued to me, (ii) the Lease for the Apartment, and (iii) all proceeds of the Shares and the Lease (the "Proceeds"). This means that, by signing this

Security Agreement, I am giving Lender those rights that are stated in this Security Agreement and also those rights which the law gives to lenders who hold security interests in collateral such as the Shares, the Lease and the Proceeds. These rights are sometimes called the "security interest and lien".

2. DURATION OF TRANSFER OF RIGHTS

The security interest and lien shall remain in full force and effect until I have paid back all of the Debt. When I have paid back all of the Debt (i) Lender shall return to me the certificate(s) representing the Shares, the Lease and any other related documents Lender then holds, (ii) the security interest and lien shall terminate, and (iii) this Agreement shall be terminated with no further liability on the part of either Lender or me.

3. BORROWER'S PROMISE TO PAY DEBT

I will pay the Debt in the manner described in the Note and in this Agreement.

4. BORROWER'S REPRESENTATIONS AND WARRANTIES

(A) No Other Name

I have not been known by any other name during the last ten years, except as I have already disclosed to Lender in a writing signed by me and Lender.

(B) Ownership of Security

I am the only owner of the Security and all interest in the Security.

(C) Other Claims or Charges

There are no outstanding claims or charges against the Security.

(D) No Material Actions Against Me

There are no actions or proceedings threatened or pending which might materially or adversely affect (i) Lender's rights under this Agreement, (ii) my ability to keep my obligations under this Agreement, (iii) my title to the Security or the Proceeds, or (iv) the validity or priority of Lender's security interest and lien on the Security as created by this Agreement.

5. BORROWER'S OBLIGATION TO PRESERVE, WARRANT AND DEFEND RIGHTS OF TENANCY AND OWNERSHIP OF SHARES

I give a general warranty of title to Lender. This means that I will be fully responsible for any losses which Lender suffers because someone other than myself has some rights in the Security which I represent to Lender that I have, and I will defend my ownership of the Security and Lender's interests in the Security against any claims of others to those rights.

6. ESTOPPEL CERTIFICATE

I will give a written sworn statement to Lender, or to any other party designated by Lender, of the unpaid Debt and whether there are any reasons as permitted by this Agreement or by law that I may have a right to modify my obligation to pay the Debt, within five (5) days after request in person or within ten (10) days after request by mail.

7. BORROWER'S EXECUTION OF OTHER DOCUMENTS

At Lender's request I will sign in the presence of a notary public, who shall acknowledge my signature at Lender's cost and expense, all further agreements and documents as Lender may require to impose, perfect and protect its security interest and lien, and I will deliver those agreements and documents to Lender. I authorize the filing or recording or those agreements and documents in any official state, county or other governmental office as Lender may choose, and I authorize Lender to sign in my name any of those agreements or documents, and I do not have the right to revoke or take back either of these authorizations. In addition, Lender, at its option, may file the following documents without my signature: Financing Statement(s), amendment(s) and Continuation Statement(s). These are documents commonly filed with an official state and/or county recording office to protect a security interest and lien on personal property such as I am giving to Lender in this Agreement, and are defined by the New York State Uniform Commercial Code.

8. LENDER MAY RECORD THE LEASE AND THIS AGREEMENT AT MY EXPENSE

I authorize Lender to record the Lease, an assignment of the Lease to Lender, and this Agreement, or any of these documents if Lender thinks it is necessary to do so to protect its security interest and lien. I will pay all recording and filing fees paid by Lender for the filing of the Agreement and any agreements and documents made under the terms of this Agreement or related to this Agreement.

9. BORROWER'S PROMISE TO PAY CERTAIN TAXES

I will pay any taxes ever imposed by Section 253 of the New York Tax Law on the recording of this Agreement and any taxes ever imposed on this Agreement or the security interest and lien, except income taxes payable by the Lender upon its receipt of interest on the Debt. If Section 253.2 of the New York Tax Law, which imposes certain taxes on mortgages, is applicable to this Agreement, this Agreement is a "mortgage . . . of real property principally improved" by a "one . . . family residence or dwelling".

10. DELIVERY OF SHARES AND LEASE TO LENDER AND BORROWER'S OBLIGATION TO DELIVER TO LENDER ALL NEW OR MODIFIED SHARES AND LEASES: RESTRICTION ON BORROWER'S SALE OF SECURITY

I have delivered to Lender at the same time as I have delivered this Agreement the certificate(s) evidencing the Shares issued or endorsed to me, and a duplicate original of the Lease. If, at any time, while any part of the Debt remains unpaid, (i) I come into possession of the certificate(s) or the Lease that I have delivered to Lender for any purpose, or (ii) new shares or replacement, substitute or additional shares allocated to the Apartment are issued to me, or (iii) I enter into a new or replacement proprietary lease for the Apartment, or (iv) if the Lease is modified, amended or extended, then I shall, without notice or demand from Lender, immediately deliver the certificate(s) evidencing the Shares or the replacement, substitute or additional shares and/or my duplicate original of the Lease or any new lease or modification of the Lease to Lender. I agree that the shares referred to in subdivision (ii) above, and the lease or agreement referred to in subdivisions (iii) and (iv) above shall, upon issuance and upon execution, respectively, be part of the Security, and shall be subject to all of the provisions of this Agreement. I will not sell the Security, except as permitted by this Agreement and all laws, rules, regulations and orders which affect a sale of that kind.

11. EVENTS WHICH WILL GIVE LENDER THE RIGHT TO IMMEDIATE PAYMENT OF ALL OF THE DEBT AND OTHER RIGHTS

If one or more than one of the following events (each called an "Event of Default") shall occur, then, if Lender chooses, all the unpaid Debt shall immediately become due and payable:

(A) I fail or refuse to deliver immediate possession of (i) the Shares, or replacement, substitute or additional shares or (ii) the lease or any new lease or amendment or modification of either the Lease or a new lease; or

(B) I fail to pay any monthly payment payable under the Note and the monthly payment remains unpaid for 15 days after the date that the payment is due; or

(C) I fail to pay any maintenance charges and/or any other charges or payments required to be made under the terms of my Lease within the time and in the manner provided for in the Lease; or

(D) I fail to perform or I break any of the terms, covenants and conditions of the Lease to be performed by me under the Lease, and I fail to cure any non-performance or breach in the time and in the manner provided for in the Lease; or

(E) The Corporation gives notice of termination and/or cancellation of the Lease; or

(F) I fail to pay or bond any judgment against me within thirty (30) days after entry or the filing of any tax deficiency notice or lien by any Municipal, State or Federal government or any of their agencies in an official recording office so that the judgment becomes a lien against any of my property; or

(G) I become insolvent, or file a petition in bankruptcy, or take advantage of the Bankruptcy Act and/or any other law for the relief of debtors, or make an assignment for the benefit of creditors, or if a receiver is appointed for my property, or if any involuntary proceeding under any bankruptcy law or insolvency act is instituted against me and any such proceeding and/or appointment of receiver is not dismissed or vacated (removed) within thirty (30) days after such institution or appointment, or I admit in writing my inability to pay my debts as they become due, or I become insolvent in whatever manner otherwise evidenced; or

(H) I grant a further security interest and lien in any of the Security without having paid to Lender the entire remaining balance of the Debt on or before the date of such further security interest and lien; or

(I) I have made any false or incorrect representations or warranties in this Agreement; or

(J) I fail or refuse to comply with any of my promises and obligations under this Agreement.

12. LENDER'S RIGHTS TO TRANSFER THE SECURITY IF BORROWER FAILS TO KEEP PROMISES AND AGREEMENTS

If any Event of Default shall occur, and if Lender chooses to demand immediate payment of all of the Debt, Lender shall give me written notice of demand for immediate payment. That notice shall specify the amount of the Debt that is unpaid as of the date of the notice and shall state a date by which payment must be made. If I fail to pay all of the Debt by the date stated in the notice, then Lender, in addition to any rights it may have under this Agreement or under any law or statute, may, but shall not be obligated to, sell, assign and deliver the Security at public or private sale, for cash, upon credit or for future delivery, with or without advertisement of the time, place or terms of such sale. If the sale shall be private, I agree that it would be reasonable notice if Lender shall give me not less than five (5) days' written notice of the time, place and terms of the sale.

If the Security is sold on credit or for future delivery, Lender may retain the Security until the purchase price is paid. If the purchase price is not paid, Lender will have no liability as to that sale. In case a sale fails to be completed, Lender may again sell the Security. At any sale Lender, or any person that Lender shall designate, may purchase the Security, free from all of my right of redemption, which right I waive and release to the extent I may do so under law. In case of any sale, Lender may first deduct all expenses of collection, sale and delivery of the Security and any incidental expenses, including, but not limited to, past due rent, additional rent and charges due under the Lease, reasonable attorneys' fees and expenses of Lender's counsel, brokerage commissions, transfer fees and taxes. Lender may then hold the money remaining from the sale and apply that money to the satisfaction of any of my liabilities under this Agreement. Lender shall return any surplus money to me. Lender may use any other method of sale, so long as such method conforms with reasonable commercial practices of disposing of similar security. I also agree that Lender shall have the right to continue to keep the Security until such time as Lender, in its reasonable judgment, believes it can obtain in advantageous purchase price for the Security. Except for its gross negligence, Lender shall have no responsibility to me for any loss in the value of the Security due to Lender's keeping the Security due to Lender's keeping the Security for that purpose.

13. LENDER'S RIGHT TO THE APPOINTMENT OF A RECEIVER

Lender, in an action to enforce, foreclose or protect its security interest and lien, shall be entitled to the appointment of a receiver without notice and whether or not the Security held by Lender for the Debt is adequate to repay the Debt.

14. BORROWER'S RIGHT TO SELL SECURITY IF LENDER FAILS TO DO SO WITHIN NINETY DAYS OF AN EVENT OF DEFAULT

If Lender has not begun to dispose of the Security within ninety (90) days after it has the right to dispose of it, then I shall have the right, at any time after that ninety (90)-day period, and before Lender begins to dispose of the Security, to request Lender to dispose of the Security or I may dispose of the Security at my own cost and expense. If I request Lender to dispose of the Security, Lender shall not be obligated to do so if the money left after paying the expenses of that disposition would not be enough to repay all of the Debt I then owe to Lender. If I choose to dispose of the Security myself, I must obtain Lender's consent to the terms and conditions of that disposition. Lender shall be obligated to consent to the terms and conditions of such disposition if the net proceeds shall be sufficient to satisfy in full my then existing Debt.

Lender must give me written notice of its intent to retain the Security. If I object in writing within thirty (30) days after I have received the notice (and if I refuse to accept delivery of the notice, the date of refusal shall be considered to be the date of receipt) then Lender shall commence to dispose of the Security, but, despite my objection to Lender's retention of the Security, Lender shall not be obligated to complete any sale if the net proceeds of any offer to purchase would be insufficient to satisfy all of the Debt then due.

15. RIGHTS OF LENDER WITH RESPECT TO COMPLETING A STOCK POWER AND ASSIGNMENT OF LEASE

IN CONNECTION WITH ANY SALE OR DISPOSITION OF THE SECURITY, LENDER SHALL HAVE THE ABSOLUTE RIGHT TO COMPLETE (i) ANY INCOMPLETE STOCK POWER AND (ii) AN ASSIGNMENT OF PROPRIETARY LEASE, FOR THE PURPOSE OF TRANSFERRING THE SHARES AND THE LEASE.

16. BORROWER WAIVES RIGHT TO CANCEL OR TERMINATE LEASE

I agree that I will not exercise any rights that I may have under the Lease to cancel and terminate the Lease until all of the Debt is paid to Lender. Any notice given with respect to a cancellation or termination of the Lease in violation of this Agreement shall be considered an Event of Default and Lender shall be entitled to the rights provided for in Sections 12, 13 and 15 above.

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

On the day of , 198_, before me personally came , to me known and known to me to be the individual(s) described in and who executed the foregoing instrument, and he duly acknowledged to me that he executed same.

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

On the day of , 198_, before me personally came , to me known and known to me to be a member of the firm of Twelfth Street Apartments, the firm described in, and which executed the foregoing instrument and said _____ acknowledged that he executed the foregoing instrument for and in behalf of said firm.

_____
Notary Public

EXHIBIT C

RECOGNITION AGREEMENT

Twelfth Street Apartment Corp.
Frank Karelson, Esq.
230 Park Avenue
New York, NY 10022

Premises:
Apartment

Gentlemen:

We have been asked by (the "Lessee") for a loan of $ to be secured by a pledge, security interest, mortgatge and/or assignment (hereinafter sometimes collectively referred to as "the Security") of shares of your Corporation allocated to the above Apartment and of the Proprietary Lease (the "Lease") appurtenant thereto (the shares and Lease hereinafter collectively referred to as "the Apartment").

1. (a) You are a New York corporation formed for the purpose of cooperative ownership in fee of the above premises.

(b) Your records show that the Lessee is the owner of the Apartment.

(c) You have duly approved or consented to the creation by the Lessee of the Security, if and to the extent such approval is required by the Lease.

2. (a) You will not consent to any further encumbrances, termination, cnancellation, surrender or modification of the Apartment by the Lessee without our approval, which we will not unreasonably withhold, but this provision shall not apply to any modification or termination which, by the terms of the Lease, may be effective against a Lessee when approved by a fixed percentage of other holders of your shares or which may be effective in the event of condemnation or casualty.

(b) The Lessee has agreed that, without our written approval, the Lessee will not exercise any right that he may have under the Lease to terminate the Lease so long as the loan is outstanding. Accordingly you will not consider effective any attempt to do so.

(c) You will notify us of any notice of intention to terminate the Lease, and

(1) If the Leasee's default can be cured by the payment of money, you will also notify us promptly of any default involving an amount equal to or exceeding three months' maintenance payments and will take no action to terminate the Lease or cancel the shares if the default be cured either by us for the account of the Lessee or by the Lessee within 15 days after such notice of default or intention to terminate; or

(2) If the default cannot be so cured, you will institute no action to terminate the Lease or cancel the shares until we have had reasonable notice and opportunity, by action or otherwise, to induce the Lessee to cure the default, such opportunity to be no less than the time provided in the Lease for the Lessee to cure.

(3) If you shall terminate the Lease and cancel the shares for a default not curable by the payment of money, then, provided we pay you the amounts which are due to you under the Lease (including its deficiency clause) when due, you shall not sell or sublet the apartment without our approval, unless the net proceeds of such sale or subletting shall equal or exceed the amount owing to us by Lessee.

(d) You will accept payment from us on behalf of the Lessee of any sums due under the Lease (including its deficiency clause), any payments made by us under the terms of this agreement will be deemed so paid, and no payments made in accordance herewith shall be deemed to limit our rights against the Lessee pursuant to law.

(e) You shall recognize our right as lienor against the Apartment pursuant to the Security, and, if the Lease be terminated and/or shares cancelled, against the net proceeds of any sale or subletting of the apartment, after reimbursement to you of all sums due you under the Lease.

3. (a) Before delivery of this letter by you to us, we will have authority from the Lessee to give, and will, on request, give you a copy of the financial and credit information, if any, provided by him, but shall be under no duty to advise you of the results of any credit check we may make.

(b) Notwithstanding any apparent authority granted to us under agreements with the Lessee, WE SHALL HAVE NO RIGHT OR POWER TO TRANSFER THE APARTMENT UPON FORECLOSURE OR OTHERWISE EITHER TO US OR ANYONE ELSE WITHOUT YOUR APPROVAL AS REQUIRED BY THE LEASE; provided, however, that nothing contained herein shall limit any rights we may have to dispossess the Lessee pursuant to law or realize upon our security in accordance herewith.

(c) If through oversight or negligence you or your agents or employees shall fail to notify us of Lessee's default prior to termination of the Lease, we will not seek to hold you or your agents or employees liable for breach of this agreement, provided that:

(1) you advise us promptly after discovering your failure, and

(2) if you have already sold or contracted to sell the Apartment, that you pay us the net proceeds of such sale (after reimbursing yourself for all sums due you), or such lesser sum as shall equal the amount owing to us by the Lessee (the balance being payable to the Lessee), or

(3) if you have not contracted to sell the Apartment, that the provisions of paragraphs "2.(c)(3)" and "2.(e)" hereof shall apply.

(d) We will indemnify you and your agent against loss, liability or expense incurred in connection with any claim by the Lessee, his successors or assigns against either of you arising out of our representations pursuant hereto or your agreements herein (except as stated in paragraph "3.(a)" hereof), provided you give us prompt notice of any such claim. We may contest such claim in your name and on your behalf, but at our sole cost and expense, and you will execute such documents and do such things as are reasonably necessary to assist us in such contest.

4. While we have the right but no obligation to cure the Lessee's defaults under the Lease, if we do not do so within the time provided for herein, you shall have no obligation to us except that in the event of sale or subletting the Apartment, you shall recognize our rights as lienor against the net proceeds of any sale or subletting (after reimbursement to you of all sums which are due to you under the Lease).

5. Upon receipt by you of a written notice from us that our note is in default and upon our written request that you institute and prosecute proceedings to recover possession of the leased premises, you shall thereafter promptly institute and prosecute Summary Dispossess Proceedings against the Lessee to recover possession of the leased premises, provided, however, that we shall pay currently to you all charges and assessments (if any) due under the Lease and the expenses of such proceedings.

Any notice or approval provided for herein shall be deemed valid only if in writing and sent by registered or certified mail, as follows: to you, in care of your Managing Agent, with a copy by regular mail addressed to

at
to us care of Pan Am Equities, Inc., 475 Park Avenue South, New York, New York 10016.

Either of us may change the address to which notices or approval shall be mailed by notice given herein provided. This letter and the representations and agreements contained herein shall be deemed made as of the date of the making of the loan.

TWELFTH STREET APARTMENTS

By:_____

AGREED TO:

Twelfth Street Apartment Corp.
LESSOR

By:_____

APPROVED:

_____
LESSEE

_____
LESSEE

EXHIBIT E

ASSIGNMENT OF PROPRIETARY LEASE

1. ASSIGNMENT OF LEASE

I, for value received, for payment of a loan and any renewals or extensions of that loan, made to me in the amount of $_____ by Twelfth Street Apartments (called the "Lender"), do assign to the Lender, a certain proprietary lease (called the "Lease") made by Twelfth Street Apartment Corp., as Landlord, and _____, as Tenant, dated the _____ day of _____, 19__, beginning on the _____ day of _____, 19__ and ending on _____, covering Apt. No. ___ in a Building located at 15 West 12th Street, Borough of Manhattan, City and State of New York, together with all rights in other property that I have as a result of the Lease.

2. COVENANTS AND REPRESENTATIONS

I covenant and represent that by being the named Tenant under the Lease or by reason of intermediate trasfer(s) of Tenant's interest in the Lease, I am now the Tenant under the Lease.

3. DURATION OF THIS ASSIGNMENT; MEANING OF LENDER

This Assignment shall remain in effect from this date for all the rest of the term of the Lease and any renewal terms, subject to the covenants, conditions and provisions of the Lease.

As used in this Assignment, the word "Lender" shall include Twelfth Street Apartments, its successors and assigns.

I have signed this Assignment the ___ day of _____, 19__.

_____

_____

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

On the ___ day of _____, 19__, before me personally came _____, to me known and known to me to be the individual(s) described in and who executed the foregoing instrument and duly acknowledged to me that _he executed the same.

_____
Notary Public

FIFTH AMENDMENT
TO
A PLAN TO CONVERT TO COOPERATIVE OWNERSHIP

PREMISES AT 15 WEST 12th STREET

The Offering Plan - A Plan to Convert to Cooperative Ownership Premises at 15 West 12th Street, filed October 6, 1980 (the "Plan") as amended by an amendment thereto dated August 28, 1982 (the "First Amendment") and as amended by an amendment thereto, effective as of November 5, 1981 (the "Second Amendment") and as amended by an amendment thereto, dated December 21, 1981 (the "Third Amendment") and as further amended by an amendment thereto dated February 23, 1982 (the "Fourth Amendment") presented by Twelfth Street Apartments, as Sponsor, is hereby further amended as follows:

1. Clarification of Definition of 15%

The definition of the minimum number of Subscription Agreements which must be executed before this Plan is declared effective, as heretofore defined on Page 19 of the Plan, Page 18 of the First Amendment and Page 1 of the Fourth Amendment is hereby amended to read as follows:

> "Fifteen (15%) percent of the shares or apartments by tenants, or by bonafide purchasers, who represent intent to reside in the apartment."

2. Litigation as to the Validity of the No-Buy Pledge.

On or about February 25, 1982, the Sponsor commenced a three count lawsuit against the tenant association of the

Building, known as 15 West 12th Street Tenants Organization and the individual tenants, with the exception of tenants filing senior citizens exemptions. The lawsuit seeks a declaratory judgment that the No Buy Pledge and Agreement signed by a number of tenants is invalid and unenforceable under the non-eviction plan and a declaratory judgment confirming that the sponsor and each individual tenant may deal directly with each other in connection with negotiating the purchase and sale of apartments. In addition, the lawsuit seeks substantial money damages against members of the Executive Committee by virtue of their continued enforcement of the No Buy Pledge and Agreement.

EXCEPT as amended hereby, the terms of the Plan, the First Amendment, the Second Amendment, the Third Amendment and the Fourth Amendment remain in force and effect.

Dated: April 12, 1982

TWELFTH STREET APARTMENTS

By VASATEPA CORP.,
A General Partner

Elsie M. Adams V.P
An Officer

FOURTH AMENDMENT

TO

A PLAN TO CONVERT TO COOPERATIVE OWNERSHIP

PREMISES AT 15 WEST 12TH STREET

The Offering Plan - A Plan to Convert to Cooperative Ownership Premises at 15 West 12th Street, filed October 16, 1980 (the "Plan") as amended by an amendment thereto dated August 28, 1981 (the "First Amendment") and as amended by and amendment thereto, effective November 5, 1981 (the "Second Amendment") and as further amended by an amendment thereto, dated December 21, 1981 (the "Third Amendment") is presented by Twelfth Street Apartments, as Sponsor is hereby further amended as follows:

1. Effective Date of Plan

The Sponsor may declare the Plan effective if, within twenty-four (24) months following the presentation date (October 16, 1980) Subscription Agreements have been signed (i) by at least fifteen (15%) percent of the tenants then in occupancy or (ii) for at least fifteen (15%) percent of Shares allocated to the Building.

EXCEPT as amended hereby, the terms of the Plan, the First Amendment, the Second Amendment and the Third Amendment remain in force and effect.

Dated: February 23, 1982

TWELFTH STREET APARTMENTS

BY: VASATEPA CORP., A
General Partner

Elsie M. Adams V.P.
An Officer

THIRD AMENDMENT

TO

A PLAN TO CONVERT TO COOPERATIVE OWNERSHIP

PREMISES AT 15 WEST 12TH STREET

The Offering Plan - A Plan to Convert to Cooperative Ownership Premises at 15 West 12th Street, filed October 6, 1980, (the "Plan") as amended by an amendment thereto dated August 28, 1981 (the "First Amendment") and as further amended by an amendment thereto, effective as of November 5, 1981 (the "Second Amendment") presented by Twelfth Street Apartments, as Sponsor, is hereby amended as follows.

1. Expiration of Thirty Day Exclusive Purchase Period -

The thirty (30) day period, as set forth in Paragraph 2 of the Second Amendment, during which the Eligible Tenants had the right to purchase the shares in the Apartment Corporation, at the prices set forth in the eighth column of Schedule "A" attached thereto, has expired.

2. Total Cash Payment For Vacant Apartments -

Effective immediately, the Total Cash Payment for shares in respect of vacant apartments in the premises is $150.00 per share.

3. Extension of Thirty Day Exclusive Purchase Period -

The Sponsor hereby agrees to extend its offer to sell the shares to tenants in occupancy at the date of presentation of the Plan, October 6, 1980, ("Eligible Tenants"), at the prices set forth on Schedule "A" annexed to the Second Amendment, until

midnight Jnauary 31, 1982. The Sponsor further agrees not to accept Subscription Agreements from other than Eligible Tenants in respect of apartments occupied by Eligible Tenants until 12:01 A.M. February 1, 1982. After 12:01 A.M. February 1, 1982, the Sponsor hereby reserves the right with respect to apartments occupied by Eligible Tenants to accept Subscription Agreements from, and sell shares to individuals other than Eligible Tenants and to consummate such sales subject to existing tenancies.

4. Total Cash Payment Per Share As of February 1, 1982 -

On February 1, 1982, the Total Cash Payment per share with respect to all apartments shall be $150.00 per share. After January 31, 1982, the Sponsor hereby reserves the right to change the Total Cash Payment to Eligible Tenants from time to time, without prior notice or further amendment to the Plan. However, the Plan will be amended to reflect (i) any general price change affecting a line or category of apartments (as opposed to an isolated price change) or (ii) a higher price to be advertised in a newspaper or other media.

Other terms of a proposed sale to an Eligible Tenant or to those other than Eligible Tenants, including the manner of payment of the Total Cash Payment, may be made without prior notice and without further amendment to the Plan, provided (i) such change is approved by the Sponsor and (ii) no substantial change in the terms of sale to an Eligible Tenant may be made during the thirty (30) day period after this Amendment is declared effective.

Consequently, purchasers of apartments affected by such change(s) may pay, or may have paid more or less than other purchasers of comparable apartments having the same share-allocation. However, such change shall not affect the maintenance charges or share allocation of any apartment (including apartments

whose Total Cash Payments have been changed), nor vary the total number of shares to be issued under the Plan, nor affect the Total Cash Payment stated in any Subscription Agreement then in effect.

Except as amended and modified hereby, the terms of the Plan, the First Amendment and the Second Amendment remain in force and effect.

Dated: December 21, 1981

TWELFTH STREET APARTMENTS

By: VASATEPA CORP., General Partner

Elsie M. Adams, V.P.

An Officer

SECOND AMENDMENT

TO

OFFERING PLAN

A PLAN TO CONVERT TO COOPERATIVE OWNERSHIP

PREMISES AT 15 WEST 12TH STREET

The Offering Plan - A Plan to Convert to Cooperative Ownership Premises at 15 West 12th Street, filed October 6, 1980, (the "Plan") as amended by an amendment thereto dated August 28, 1981 (the "First Amendment") presented by Twelfth Street Apartments as Sponsor is hereby amended as follows:

1. THIS IS NOW A NON-EVICTION PLAN-

Pursuant to the terms of Paragraph 9 of the First Amendment, the Plan is now a Non-Eviction Plan.

2. Thirty Day Exclusive Purchase Period -

For a period of thirty (30) days from the effective date of this Amendment, the Sponsor is offering to sell the shares to tenants in occupancy at the date of presentation of the Plan, October 6, 1980, ("Eligible Tenants"), at the prices set forth in Paragraph 9(c)(ii) of the Amendment, and as set forth in greater detail in Schedule "A" attached hereto and made a part hereof.

The Sponsor hereby reserves the right after the expiration of the aforesaid thirty day period, to change the Total Cash Payment to Eligible tenants from time to time, without prior notice or further amendment to the Plan. Additionally, changes in Total Cash Payment to those other than Eligible Tenants may be made without prior notice and without further amendment to the Plan. However, the Plan will be amended to reflect (i) any general price change affecting a line or category of apartments (as opposed to an isolated price change) or (ii) a higher price to be advertised in a newspaper or other media.

Other terms of a proposed sale to an Eligible Tenant or to those other than Eligible Tenants, including the manner of payment of the Total Cash Payment, may be made without prior notice and without further amendment to the Plan, provided (i) such change is approved by the Sponsor and (ii) no substantial change in the terms of sale to an Eligible Tenant may be made during the thirty (30) day period after this Amendment is declared effective.

Consequently, purchasers of apartments affected by such change(s) may pay, or may have paid more or less than other purchasers of comparable apartments having the same share-allocation. However, such change shall not affect the maintenance charges or share allocation of any apartment (including apartments whose Total Cash Payments have been changed), nor vary the total number of shares to be issued under the Plan, nor affect the Total Cash Payment stated in any Subscription Agreement then in effect.

3. Declaration of Effectiveness of Plan -

The Sponsor hereby agrees to declare the Plan effective upon receiving Subscription Agreements for eighty (80%) percent of the shares allocated to the Building.

EXCEPT as amended and modified hereby, the terms of the Plan and the First Amendment remain in force and effect.

DATED: October , 1981

TWELFTH STREET APARTMENTS

By VASATEPA CORP., General Partner

Elsie M. Adams V.P.

An Officer

SCHEDULE A

15 W. 12 STREET

PURCHASE PRICES, SHARE ALLOCATIONS, MORTGAGE ALLOCATIONS, Estimated Maintenance Charges and Estimated Income Tax Deductions for the First Year of Cooperative Operation.

Apt.	Rooms and Bath (1)	Number of Shares	Par Value of Shares at $1.00 Per Share	Contribution to Capital for Occupants at $98.55 Per Share	Total Cash Payment for Occupants at $99.55 Per Share (2)	Contribution to Capital for Non-Occupants at $109.64 Per Share	Total Cash Payment for Non-Occupants at $110.64 Per Share	Approximate Mortgage Applicable to Shares at $18.806 Per Share (3)	Estimated Annual Maintenance at $8.91 Per Share	Estimated Monthly Maintenance at $0.7425 Per Share	Estimated Annual Income Tax Deduction at $3.98 Per Share (5)
*2A	Supt.										
3A	1½-1	415	$ 415	$ 40,898.25	$ 41,313.25	$ 45,500.60	$ 45,915.60	$ 7,804.49	$3,697.65	$ 308.14	$1,651.70
4A	1½-1	420	420	41,391.00	41,811.00	46,048.80	46,468.80	7,898.52	3,742.20	311.85	1,671.60
5A	1½-1	425	425	41,883.75	42,308.75	46,597.00	47,022.00	7,992.55	3,786.75	315.56	1,691.50
6A	1½-1	430	430	42,376.50	42,806.50	47,145.20	47,575.20	8,086.58	3,831.30	319.28	1,711.40
7A	1½-1	435	435	42,869.25	43,304.25	47,693.40	48,128.40	8,180.61	3,875.85	322.99	1,731.30
8A	1½-1	440	440	43,362.00	43,802.00	48,241.60	48,681.60	8,274.64	3,920.40	326.70	1,751.20
9A	1½-1	445	445	43,854.75	44,299.75	48,789.80	49,234.80	8,368.67	3,964.95	330.41	1,771.10
10A	1½-1	450	450	44,347.50	44,797.50	49,338.00	49,788.00	8,462.70	4,009.50	334.13	1,791.00
11A	2½-1-T	715	715	70,463.25	71,178.25	78,392.60	79,107.60	13,446.29	6,370.65	530.89	2,845.70
12A	2½-1	620	620	61,101.00	61,721.00	67,976.80	68,596.80	11,659.72	5,524.20	460.35	2,467.60
PHA	2½-1-T	680	680	67,014.00	67,694.00	74,555.20	75,235.20	12,788.08	6,058.80	504.90	2,706.40
*2B	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3B	2-1	480	480	47,304.00	47,784.00	52,627.20	53,107.20	9,026.88	4,276.80	356.40	1,910.40
4B	2-1	485	485	47,796.75	48,281.75	53,175.40	53,660.40	9,120.91	4,321.35	360.11	1,930.30
5B	2-1	490	490	48,289.50	48,779.50	53,723.60	54,213.60	9,214.94	4,365.90	363.83	1,950.20
6B	2-1	495	495	48,782.25	49,277.25	54,271.80	54,766.80	9,308.97	4,410.45	367.54	1,970.10
7B	2-1	500	500	49,275.00	49,775.00	54,820.00	55,320.00	9,403.00	4,455.00	371.25	1,990.00
8B	2-1	505	505	49,767.75	50,272.75	55,368.20	55,873.20	9,497.03	4,499.55	374.96	2,009.90
9B	2-1	510	510	50,260.50	50,770.50	55,916.40	56,426.40	9,591.06	4,544.10	378.68	2,029.80
10B	2-1	515	515	50,753.25	51,268.25	56,464.60	56,979.60	9,685.09	4,588.65	382.39	2,049.70
11B	3½-1-T	880	880	86,724.00	87,604.00	96,483.20	97,363.20	16,549.28	7,840.80	653.40	3,502.40
12B	3½-1	765	765	75,390.75	76,155.75	83,874.60	84,639.60	14,386.59	6,816.15	568.01	3,044.70
PHB	3½-1-T	925	925	91,158.75	92,083.75	101,417.00	102,342.00	17,395.55	8,241.75	686.81	3,681.50

(*) denotes superintendent's apartment. The superintendent also occupies Apt. 2B. Apartments 2A and 2B are combined into one apartment by means of a door through the common dividing wall.

(T) denotes terrace

SCHEDULE A

15 W. 12 STREET

PURCHASE PRICES, SHARE ALLOCATIONS, MORTGAGE ALLOCATIONS, Estimated Maintenance Charges and Estimated Income Tax Deductions for the First Year of Cooperative Operation.

Apt.	Rooms and Bath (1)	Number of Shares	Par Value of Shares at $1.00 Per Share	Contribution to Capital for Occupants at $98.55 Per Share	Total Cash Payment for Occupants at $99.55 Per Share (2)	Contribution to Capital for Non-Occupants at $109.64 Per Share	Total Cash Payment for Non-Occupants at $110.64 Per Share	Approximate Mortgage Applicable to Shares at $18.806 Per Share (3)	Estimated Annual Maintenance at $8.91 Per Share	Estimated Monthly Maintenance at $0.7425 Per Share	Estimated Annual Income Tax Deduction at $3.98 Per Share (5)
2C	4-1-B	800	$ 800	$ 78,840.00	$ 79,640.00	$ 87,712.00	$ 88,512.00	$15,044.80	$7,128.00	$ 594.00	$3,184.00
3C	4-1-B	807	807	79,529.85	80,336.85	88,479.48	89,286.48	15,176.44	7,190.37	599.20	3,211.86
4C	4-1-B	814	814	80,219.70	81,033.70	89,246.96	90,060.96	15,308.08	7,252.74	604.40	3,239.72
5C	4-1-B	821	821	80,909.55	81,730.55	90,014.44	90,835.44	15,439.73	7,315.11	609.59	3,267.58
6C	4-1-B	828	828	81,599.40	82,427.40	90,781.92	91,609.92	15,571.37	7,377.48	614.79	3,295.44
7C	4-1-B	835	835	82,289.25	83,124.25	91,549.40	92,384.40	15,703.01	7,439.85	619.99	3,323.30
8C	4-1-B	842	842	82,979.10	83,821.10	92,316.88	93,158.88	15,834.65	7,502.22	625.19	3,351.16
9C	4-1-B	849	849	83,668.95	84,517.95	93,084.36	93,933.36	15,966.29	7,564.59	630.38	3,379.02
10C	4-1-B	856	856	84,358.80	85,214.80	93,851.84	94,707.84	16,097.94	7,626.96	635.58	3,406.88
11C	3½-1-T	860	860	84,753.00	85,613.00	94,290.40	95,150.40	16,173.16	7,662.60	638.55	3,422.80
12C	3½-1	770	770	75,883.50	76,653.50	84,422.80	85,192.80	14,480.62	6,860.70	571.73	3,064.60
PHC	3½-1-T	925	925	91,158.75	92,083.75	101,417.00	102,342.00	17,395.55	8,241.75	686.81	3,681.50
2D	2-1	525	525	51,738.75	52,263.75	57,561.00	58,086.00	9,873.15	4,677.75	389.81	2,089.50
3D	2-1	530	530	52,231.50	52,761.50	58,109.20	58,639.20	9,967.18	4,722.30	393.53	2,109.40
4D	2-1	535	535	52,724.25	53,259.25	58,657.40	59,192.40	10,061.21	4,766.85	397.24	2,129.30
5D	2-1	540	540	53,217.00	53,757.00	59,205.60	59,745.60	10,155.24	4,811.40	400.95	2,149.20
6D	2-1	545	545	53,709.75	54,254.75	59,753.80	60,298.80	10,249.27	4,855.95	404.66	2,169.10
7D	2-1	550	550	54,202.50	54,752.50	60,302.00	60,852.00	10,343.30	4,900.50	408.38	2,189.00
8D	2-1	555	555	54,695.25	55,250.25	60,850.20	61,405.20	10,437.33	4,945.05	412.09	2,208.90
9D	2-1	560	560	55,188.00	55,748.00	61,398.40	61,958.40	10,531.36	4,989.60	415.80	2,228.80
10D	2-1	565	565	55,680.75	56,245.75	61,946.60	62,511.60	10,625.39	5,034.15	419.51	2,248.70
11D	2-1-T	600	600	59,130.00	59,730.00	65,784.00	66,384.00	11,283.60	5,346.00	445.50	2,388.00
12D	2-1	530	530	52,231.50	52,761.50	58,109.20	58,639.20	9,967.18	4,722.30	393.53	2,109.40
1E	3½-1-B	700	700	68,985.00	69,685.00	76,748.00	77,448.00	13,164.20	6,237.00	519.75	2,786.00
2E	4½-2-B	1,000	1,000	98,550.00	99,550.00	109,640.00	110,640.00	18,806.00	8,910.00	742.50	3,980.00

(*) denotes superintendent's apartment. The superintendent also occupies Apt. 2B. Apartments 2A and 2B are combined into one apartment by means of a door through the common dividing wall.

(T) denotes terrace

SCHEDULE A

15 W. 12 STREET

PURCHASE PRICES, SHARE ALLOCATIONS, MORTGAGE ALLOCATIONS, Estimated Maintenance Charges and Estimated Income Tax Deductions for the First Year of Cooperative Operation.

Apt.	Rooms and Bath (1)	Number of Shares	Par Value of Shares at $1.00 Per Share	Contribution to Capital for Occupants at $98.55 Per Share	Total Cash Payment for Occupants at $99.55 Per Share (2)	Contribution to Capital for Non-Occupants at $109.64 Per Share	Total Cash Payment for Non-Occupants at $110.64 Per Share	Approximate Mortgage Applicable to Shares at $18.806 Per Share (3)	Estimated Annual Maintenance at $8.91 Per Share	Estimated Monthly Maintenance at $0.7425 Per Share	Estimated Annual Income Tax Deduction at $3.98 Per Share (5)
3E	4½-2-B	1,010	$1,010	$ 99,535.50	$100,545.50	$110,736.40	$111,746.40	$18,994.06	$8,999.10	$ 749.93	$4,019.80
4E	4½-2-B	1,020	1,020	100,521.00	101,541.00	111,832.80	112,852.80	19,182.12	9,088.20	757.35	4,059.60
5E	4½-2-B	1,030	1,030	101,506.50	102,536.50	112,929.20	113,959.20	19,370.18	9,177.30	764.78	4,099.40
6E	4½-2-B	1,040	1,040	102,492.00	103,532.00	114,025.60	115,065.60	19,558.24	9,266.40	772.20	4,139.20
7E	4½-2-B	1,050	1,050	103,477.50	104,527.50	115,122.00	116,172.00	19,746.30	9,355.50	779.63	4,179.00
8E	4½-2-B	1,060	1,060	104,463.00	105,523.00	116,218.40	117,278.40	19,934.36	9,444.60	787.05	4,218.80
9E	4½-2-B	1,070	1,070	105,448.50	106,518.50	117,314.80	118,384.80	20,122.42	9,533.70	794.48	4,258.60
10E	4½-2-B	1,080	1,080	106,434.00	107,514.00	118,411.20	119,491.20	20,310.48	9,622.80	801.90	4,298.40
11E	2-1	520	520	51,246.00	51,766.00	57,012.80	57,532.80	9,779.12	4,633.20	386.10	2,069.60
12E	2-1	525	525	51,738.75	52,263.75	57,561.00	58,086.00	9,873.15	4,677.75	389.81	2,089.50
2F	2-1	450	450	44,347.50	44,797.50	49,338.00	49,788.00	8,462.70	4,009.50	334.13	1,791.00
3F	2-1	455	455	44,840.25	45,295.25	49,886.20	50,341.20	8,556.73	4,054.05	337.84	1,810.90
4F	2-1	460	460	45,333.00	45,793.00	50,434.40	50,894.40	8,650.76	4,098.60	341.55	1,830.80
5F	2-1	465	465	45,825.75	46,290.75	50,982.60	51,447.60	8,744.79	4,143.15	345.26	1,850.70
6F	2-1	470	470	46,318.50	46,788.50	51,530.80	52,000.80	8,838.82	4,187.70	348.98	1,870.60
7F	2-1	475	475	46,811.25	47,286.25	52,079.00	52,554.00	8,932.85	4,232.25	352.69	1,890.50
8F	2-1	480	480	47,304.00	47,784.00	52,627.20	53,107.20	9,026.88	4,276.80	356.40	1,910.40
9F	2-1	485	485	47,796.75	48,281.75	53,175.40	53,660.40	9,120.91	4,321.35	360.11	1,930.30
10F	2-1	490	490	48,289.50	48,779.50	53,723.60	54,213.60	9,214.94	4,365.90	363.83	1,950.20
2G	2-1	475	475	46,811.25	47,286.25	52,079.00	52,554.00	8,932.85	4,232.25	352.69	1,890.50
3G	2-1	480	480	47,304.00	47,784.00	52,627.20	53,107.20	9,026.88	4,276.80	356.40	1,910.40
4G	2-1	485	485	47,796.75	48,281.75	53,175.40	53,660.40	9,120.91	4,321.35	360.11	1,930.30
5G	2-1	490	490	48,289.50	48,779.50	53,723.60	54,213.60	9,214.94	4,365.90	363.83	1,950.20
6G	2-1	495	495	48,782.25	49,277.25	54,271.80	54,766.80	9,308.97	4,410.45	367.54	1,970.10
7G	2-1	500	500	49,275.00	49,775.00	54,820.00	55,320.00	9,403.00	4,455.00	371.25	1,990.00

(*) denotes superintendent's apartment. The superintendent also occupies Apt. 2B. Apartments 2A and 2B are combined into one apartment by means of a door through the common dividing wall.

(T) denotes terrace

SCHEDULE A

15 W. 12 STREET

PURCHASE PRICES, SHARE ALLOCATIONS, MORTGAGE ALLOCATIONS, Estimated Maintenance Charges and Estimated Income Tax Deductions for the First Year of Cooperative Operation.

Apt.	Rooms and Bath (1)	Number of Shares	Par Value of Shares at $1.00 Per Share	Contribution to Capital for Occupants at $98.55 Per Share	Total Cash Payment for Occupants at $99.55 Per Share (2)	Contribution to Capital for Non-Occupants at $109.64 Per Share	Total Cash Payment for Non-Occupants at $110.64 Per Share	Approximate Mortgage Applicable to Shares at $18.806 Per Share (3)	Estimated Annual Maintenance at $8.91 Per Share	Estimated Monthly Maintenance at $0.7425 Per Share	Estimated Annual Income Tax Deduction at $3.98 Per Share (5)
8G	2-1	505	$ 505	$ 49,767.75	$ 50,272.75	$ 55,368.20	$ 55,873.20	$ 9,497.03	$4,499.55	$ 374.96	$2,009.90
9G	2-1	510	510	50,260.50	50,770.50	55,916.40	56,426.40	9,591.06	4,544.10	378.68	2,029.80
10G	2-1	515	515	50,753.25	51,268.25	56,464.60	56,979.60	9,685.09	4,588.65	382.39	2,049.70
TOTALS		47,857	$47,857	$4,716,307.35	$4,764,164.35	$5,247,041.48	$5,294,898.48	$899,998.74	$426,405.87	$35,533.91	$190,470.86

(*) denotes superintendent's apartment. The superintendent also occupies Apt. 2B. Apartments 2A and 2B are combined into one apartment by means of a door through the common dividing wall.

(T) denotes terrace

AMENDMENT

TO

OFFERING PLAN - A PLAN TO
CONVERT TO COOPERATIVE OWNERSHIP
PREMISES AT 15 WEST 12th STREET
NEW YORK, NEW YORK

NOTE THAT MANY OF THE BENEFITS DESCRIBED IN THIS AMENDMENT WILL BE AVAILABLE ONLY IF NOT LESS THAN 35% OF THE TENANTS IN OCCUPANCY AT THE DATE OF PRESENTATION OF THE PLAN, COMPUTED IN ACCORDANCE WITH SECTION 61 OF THE RENT STABILIZATION CODE AND SECTION 352-eeee OF THE GENERAL BUSINESS LAW ("ELIGIBLE TENANTS"), SIGN SUBSCRIPTION AGREEMENTS WITHIN 30 DAYS AFTER THE DATE OF THIS AMENDMENT. (SEE PARAGRAPH 9 BELOW.)

The Offering Plan - A Plan to Convert to Cooperative Ownership Premises at 15 West 12th Street, New York, New York dated September 15, 1980 (the Plan) presented by Twelfth Street Apartments as Sponsor is hereby amended as follows:

1. Correction of Address of Sponsor, Managing Agent and Selling Agent

The address of the Sponsor, the Selling Agent and the Managing Agent are hereby changed on the cover and on pages 40 and 41 to 475 Park Avenue South, New York, New York 10016.

2. Financing Arrangements for Purchasers

The last paragraph on page 3 and the third paragraph on page 20 are hereby amended by inserting the following:

> With respect to loans to be obtained by tenant-purchasers to finance their apartments, the Sponsor agrees to provide one of the financing mechanisms described below which will effectively limit the interest rate payable by such tenant-purchasers to either 12% for the first two years after closing or 13% for the first three years after closing (the "Initial Period"). This benefit will be made available only to those Eligible Purchasers who execute subscription agreements within 30 days after the date of this Amendment and only in accordance with the following terms and conditions:
>
> A. Institutional Financing.
>
> In the event that the Sponsor chooses to fulfill its obligation through a lending institution (the "Bank"), the Sponsor will obtain a commitment from the Bank to

furnish loans to Eligible Purchasers on the following terms and conditions:

(1) The Bank will agree to make loans to Eligible Purchasers who would otherwise qualify for such financing under the Bank's normal credit requirements for loans of this type. The terms of such loans will be the same (subject to the subsidy described below) as those then generally being offered by the Bank for cooperative apartment loans. All decisions with respect to the acceptance or rejection of loan applications will be made solely by the Bank and neither the Sponsor, the Selling Agent nor the Apartment Corporation shall have any liability or responsibility if the application is denied.

(2) The Bank will agree that, upon payment of a fee by the Sponsor (the "Sponsor's Subsidy"), it will reduce the interest rate during the Initial Period payable by Eligible Purchasers who qualify under (1) above to a rate below that required for the balance of the loan term (the "Normal Rate"). However, the Sponsor's Subsidy shall be available only for loan amounts of up to 70% of the purchase price of an apartment, even if the Bank is prepared to lend more. In other words, if an apartment costs $50,000 and the Bank is prepared to lend $40,000 (80%), the Sponsor's Subsidy will apply to (and will reduce the interest rate with respect to) only $37,500. The interest rate on the balance of the Bank's loan would presumably be the market rate. THEREFORE, IF THE LOAN AMOUNT EXCEEDS 75% OF THE PURCHASE PRICE, THE WEIGHTED AVERAGE INTEREST RATE PAYABLE BY AN ELIGIBLE PURCHASER MAY BE HIGHER THAN THE RATES DESCRIBED BELOW.

(3) At the option of the Eligible Purchaser, the Sponsor will pay the appropriate fee to reduce the interest rate on such loans either (A) to 12% per annum for the first two years or (B) to 13% per annum for the first three years.

(4) At the expiration of the applicable two year or three year reduced rate period, the interest rate will be adjusted to the rate then applicable in the absence of any reduction secured by the Sponsor.

(5) The interest rates described in this paragraph refer to the stated rate of interest in the loan documents. Eligible Purchasers shall be responsible

for any origination fee, points, or other charges imposed by the Bank on cooperative apartment loans.

(B) Sponsor Financing.

In the event the Sponsor chooses to fulfill its obligation directly, the following financing arrangement will be made available to each Eligible Purchaser:

Amount to be Financed:	70% of the Total Cash Payment or such lesser amount as the tenant desires.
Interest Rate:	At the Eligible Purchaser's option, 12% per annum for two years or 13% for three years.
Payment Terms:	Interest only will be payable monthly during the term of the loan (no amortization will be required).
Maturity Date:	The loan will mature on the second or third anniversary, as the case may be, at which time the entire principal indebtedness, together with all accrued interest, shall be due and payable. The maturity date may, at the option of Sponsor, be accelerated when and if borrower resells his apartment or dies (unless the spouse of borrower becomes the owner of the apartment) or otherwise defaults in complying with his or her obligations under the loan and fails to cure such default within the applicable grace period (if any).
Prepayment Terms:	The loan may be prepaid in full at any time, or in part, from time to time (in multiples of $100) on the first day of any month, on not less than ten (10) days' prior written notice, without penalty, but with interest accrued on the

amount prepaid to the date of prepayment. Partial prepayments shall be applied first to accrued interest and then to reduction of principal.

Late Charge: If any interest payment is overdue for more than ten (10) days, then borrower shall pay a late charge of four (4) cents on each dollar so overdue.

The loan will be evidenced by a note (the "Note"), executed by the borrower, and will be secured by a security interest in the shares owned by, and the Proprietary Lease made with, the borrower. Borrower shall be personally liable in the event the loan is not repaid. The Finance Charge (interest) is calculated on the actual balances outstanding from time to time. The Finance Charge (interest) begins to accrue from the closing of the apartment to which the pledged shares are allocated (i.e., the date that the Note is executed).

At the time an Eligible Purchaser submits a Subscription Agreement for an apartment, he must simultaneously notify the Sponsor in writing whether he wishes to obtain the financing described in this subparagraph B and, if so, the amount to be financed. If no such notice is received it will be conclusively presumed that said Eligible Purchaser has declined to obtain financing in accordance with this section. In addition, after the Plan is declared effective, such purchaser will be required to execute, acknowledge and deliver to the Sponsor, within fifteen (15) days after the giving of written notice, the Note, Pledge Agreement, Stock Power, Assignment of Lease, UCC-1 Financing Statement and a Disclosure Statement of Credit Sale (one copy of such Disclosure Statement will be retained by the Eligible Purchaser), failing which the Eligible Purchaser will be deemed to have waived his right to obtain said financing. The Sponsor will hold such documents in escrow pursuant to the Pledge Agreement and will not deliver same until the closing under the Plan. The date of such Note will be the date on which the Eligible Purchaser becomes the owner of the apartment. Such date will be inserted in the Note by the Sponsor, who is deemed authorized to make such insertion. The Pledge Agreement shall be dated as of

the day it is executed by the Eligible Purchaser and delivered to the Sponsor.

COPIES OF ALL FINANCING DOCUMENTS WILL BE AVAILABLE FOR INSPECTION BY AN ELIGIBLE PURCHASER AND HIS ATTORNEY AT THE OFFICE OF THE SELLING AGENT DURING NORMAL BUSINESS HOURS.

The foregoing financing is contingent upon the Eligible Purchaser timely paying the unfinanced portion of his purchase price and otherwise performing all other obligations under his Subscription Agreement.

Sponsor will finance the purchase of only one apartment for each Eligible Purchaser.

Pledge Agreement

An Eligible Purchaser electing to finance the purchase of an apartment in accordance with the foregoing section will secure his obligation to pay the Note by executing and delivering a Pledge Agreement, pursuant to which the shares allocated to the apartment (together with a stock power signed by the Eligible Purchaser in blank) and the appurtenant Proprietary Lease (and an assignment thereof executed by the Eligible Purchaser in blank) will be held by Sponsor as collateral security. Notwithstanding such pledge, the Eligible Purchaser will retain the right, until the occurrence of an Event of Default (defined below), to occupy his apartment, vote his shares, and take the deductions for income taxes (if any) available to all shareholders of the Apartment Corporation. Any purported transfer, sale, assignment, pledge or hypothecation of the shares and/or Proprietary Lease, or subletting, by an Eligible Purchaser in violation of the provisions of the Pledge Agreement shall be null and void and of no force or effect.

Upon repayment, in full, of principal and accrued interest, the applicable certificate for the shares and the Proprietary Lease held by the Secured Party (defined below) will be returned to the Eligible Purchaser. Moreover, if the Eligible Purchaser desires to sell the shares and transfer his Proprietary Lease simultaneously with the repayment of the loan, the Secured Party will deliver the certificate for the shares and the Proprietary Lease at the closing of such sale (in New York City or the office of the Secured Party) against payment in full of outstanding principal

and accrued interest by the Eligible Purchaser's personal certified check, drawn on a bank which is a member of the New York Clearing House Association or an official check of a bank which is a member of such Association, and made payable to the direct order of the Secured Party.

The occurrence of any of the following constitutes an Event of Default under the Pledge Agreement, entitling Sponsor or the then holder of the note (hereinafter called the "Secured Party") to accelerate the maturity date of the note and declare the unpaid principal balance thereof (with accrued interest and legal fees of 15%) to be forthwith due and payable:

(a) default for ten (10) days after the due date in payment of any installment of interest or the failure to pay principal indebtedness at maturity or any other sum when due (and before the lapse of the applicable grace period, if any) in accordance with the Note and Pledge Agreement;

(b) the failure (i) to pay when the maintenance charges and assessments or other charges or payments required to be paid under the Proprietary Lease, or (ii) to keep the apartment, including its equipment, facilities and appliances in good repair and condition, or (iii) to promptly observe, perform and comply with all other terms, covenants and conditions and provisions of the Proprietary Lease, which failure shall entitle the Apartment Corporation to terminate the lease (irrespective of whether the Apartment Corporation exercises its right of termination);

(c) the sending of a notice of termination and/or cancellation of the Proprietary Lease (whether voluntary or involuntary);

(d) a purported transfer, sale, assignment, pledge or hypothecation of all or part of the shares and/or Proprietary Lease without borrower having paid the Secured Party the entire remaining balance of the Note, together with accrued interest, on or before the effective date of such purported transfer, sale, assignment, pledge or hypothecation, except for an assignment or transfer to the spouse of the borrower after the death of the borrower (in which latter event such spouse shall be personally obligated to pay the Note);

(e) the subletting or offering to sublet the apartment without prior written consent of the Board of Directors;

(f) the determination by the Secured Party that any of the representations and warranties made by the borrower are not true and correct;

(g) the failure of borrower to comply with any of his obligations under the Pledge Agreement;

(h) In the event that the borrower

(i) is voluntarily adjudicated a bankrupt or insolvent,

(ii) seeks, consents to, or does not contest the appointment of a receiver or trustee for himself or for all or any part of his property,

(iii) files a petition seeking relief under the bankruptcy, arrangement, reorganization or other debtor relief laws of the United States or any state or any other competent jurisdiction,

(iv) makes a general assignment for the benefit of his creditors,

(v) admits in writing his inability to pay his debts as they may mature, or

(vi) has a petition filed against him seeking relief under the bankruptcy, arrangement, reorganization or other debtor relief laws of the United States or any state or other competent jurisdiction, or a court of competent jurisdiction enters an order, judgment or decree appointing, without his consent, a receiver or trustee for all or any part of his property, and such petition, order, judgment or decree shall not be and remain discharged or stayed within a period of 90 days after its entry;

(i) the filing of a judgment or tax lien against borrower (unless paid or bonded within thirty 30 days);

(j) the institution of foreclosure proceedings by the holder of a mortgage encumbering the Building;

(k) the approval or authorization of the shareholders of the Apartment Corporation to dissolve or liquidate the Apartment Corporation; or

(l) the alteration of, or addition or improvement to, the apartment (other than painting, installing wall coverings, or new flooring or appliances, or similar decorating not involving the removal or relocation of walls or partitions), without obtaining the prior written consent of the Board of Directors.

Upon the occurrence of an Event of Default which is not cured within the applicable grace period (if any), the Secured Party will be entitled to obtain immediate possession of the apartment and will have the right, without limitation intended, to cause the borrower's shares and Proprietary Lease to be transferred to any individual designated by the Secured Party or to sell such shares and Proprietary Lease at public or private sale, free of the defaulting borrower's equity of redemption. The proceeds of such public or private sale will be applied first to the payment of any arrearage in maintenance or other sums due to the Apartment Corporation under the Proprietary Lease; second, to all costs and expenses of collection of said sale; third, to interest due under the Note; and fourth, to the unpaid balance of principal together with accrued interest. After making such payments, any surplus will be paid to the defaulting borrower. In the event of a deficiency, the borrower will be personally liable to pay same.

The Secured Party will have the right, but not the obligation, to make any payments for the borrower's account, or to do any acts required to be done to prevent a default, under the borrower's Proprietary Lease. Any sums expended by the Secured Party (including the cost of performing such acts) pursuant to the preceeding sentence will be added to the indebtedness payable to the Secured Party, will bear interest at the maximum rate permitted by law, and will be payable on demand. The failure to make any such payments constitutes an Event of Default and will render the borrower personally liable.

The Note will provide that the Eligible Purchaser agrees that he will not, cannot and waives any right to assert or interpose against the Secured Party or against the Note or the Pledge Agreement (or the payment or collection thereof), any claim, demand, defense, set-off or counterclaim whatsoever of any nature or description arising out of the Subscription Agreement, the plan, the

Apartment, the Building or any other matter or event which is not directly related to the Eligible Purchaser's obligations under the Note and the Pledge Agreement. The Eligible Purchaser's sole remedies as a purchaser of the Shares, shareholder or proprietary lessee are those afforded to all purchasers, shareholders and proprietary lessees under the Subscription Agreement, the Plan and the Proprietary Lease.

The Note will also provide that except as prohibited by statute, the parties expressly waive trial by jury in any litigation arising out of, or connection with, or relating to the Pledge Agreement, Collateral Documents, Note (or the payment thereof) or the relationship created thereby. With respect to any matter for which a jury trial cannot be waived, the parties hereto agree not to assert any such claim as a counterclaim in nor move to consolidate same with any action or proceeding in which a jury trial is waived.

Until each and every Note is satisfied, the Apartment Corporation will agree:

(a) to give notice to the Secured Party of any default by the Eligible Purchaser under the Proprietary Lease and if the default is not cured, the Secured Party shall have an additional period of time equal to the time originally given to the lessee within which to cure said default;

(b) to accept maintenance or other sums from the Secured Party or an individual or individuals designated by the Secured Party in satisfaction of any defaulted payment due under the Proprietary Lease, provided same is received during said additional period of time;

(c) to institute proceedings at the expense of the Secured Party to recover possession of an apartment in case of any default under the Proprietary Lease which may not be satisfied by the payment of a sum of money or any default under the Note or Pledge Agreement of which the Secured Party notifies the Apartment Corporation, and in either case, if requested by the Secured Party, to terminate the Proprietary Lease and (without requiring the payment of any charge or transfer fee, other than stock transfer stamps) (i) issue to an individual or individuals designated by the Secured Party (who may be the Secured Party, if the Secured Party is an individual) a new certificate for

the shares, and a new Proprietary Lease for the apartment and/or (ii) lease (other than a Proprietary Lease) or sublet the apartment to a person designated by the Secured Party pending the sale of the apartment (such lease to be in form satisfactory to the Secured Party), provided that all arrearage in maintenance (if any) and any other overdue sums under the Proprietary Lease are paid;

(d) to record on the books of the Apartment Corporation (without requiring the payment of any charge or transfer fee, other than stock transfer stamps) any sale of the shares and Proprietary Lease by the Secured Party or its designee (and to issue a new share certificate and Proprietary Lease in place thereof on request), who may also sublet the apartment, provided that (i) the consent only of the Apartment Corporation of the Building is first obtained for such sale or subletting (which consent may not be unreasonably withheld and will be given in the event of a sale or subletting to a financially responsible individual), and (ii) at the time of such sale or subletting all maintenance or assessments then due under the Proprietary Lease shall have been paid;

(e) To give notice to the Secured Party of a surrender or termination of any pledged Proprietary Lease and, if requested by the Secured Party, to issue a new stock certificate and Proprietary Lease to a person or persons designated by the Secured Party (who may be the Secured Party, if the Secured Party is an individual), provided such designee is first approved by the then managing agent of the Building (which approval may not be unreasonably withheld and will be granted if the designee be a financially responsible individual);

(f) to reject a surrender or cancellation of a pledged Proprietary Lease by the lessee unless consented to by the Secured Party;

(g) to withhold its consent to a purported assignment of the Proprietary Lease or subletting of the apartment by the tenant-purchaser unless the written consent of the Secured Party is given;

(h) to refuse to enter into any agreement with another lender in respect of any shares and Proprietary Lease pledged with the Secured Party or otherwise consent or approve the creation of a junior lien on such collateral;

(i) to pay to the Secured Party, upon termination of a pledged Proprietary Lease and sale of an apartment, any sum realized by the Apartment Corporation in excess of the amounts owed to it (including reasonable expenses incurred in connection with the sale);

(j) to pay to the Secured Party any and all distributions that might be made by the Apartment Corporation to those of its shareholders who have pledged their respective shares and Proprietary Lease with the Secured Party and apply such distribution to the unpaid balance of principal;

(k) to terminate a Proprietary Lease in accordance with Paragraph 35 of the lease (the "escape clause") in the event same is surrendered by a purchaser who acquired same at a foreclosure sale.

In addition, in the event of a default under the Note or Pledge Agreement which is not cured within the applicable grace period, the Secured Party shall have the same right as the holders of Unsold Shares to freely sell such pledged shares and related Proprietary Lease or sublet the apartment, without payment of any charge or transfer fee (other than stock transfer stamps in the case of a sale), provided the consent only of the then managing agent of the Building for such sale or subletting (as the case may be) is first obtained, which consent shall not be unreasonably withheld or delayed.

The individual designated by the Secured Party to receive the shares and Proprietary Lease of a defaulting tenant-purchaser pursuant to subparagraph (c), (d), or (e) above shall represent to the Apartment Corporation that he will not be acting as nominee for any corporation, partnership or association.

NEITHER THE SPONSOR, THE SELLING AGENT NOR THE APARTMENT CORPORATION DOES OR WILL GUARANTY THAT AN ELIGIBLE PURCHASER WILL BE ABLE TO OBTAIN PERMANENT FINANCING FOR HIS APARTMENT UPON THE MATURITY OF DIRECT SPONSOR FINANCING AS DESCRIBED HEREIN.

Purchasers interested in financing their purchases may also consult other local institutions, lenders, such as mutual savings banks and commercial banks, certain of which have advertised programs offering financial aid to purchasers of cooperative apartments. Any applications for such financing with lending institutions must be done on an individual basis by prospective

purchasers and will involve negotiation only between the lending institution and the applicant. Except as otherwise stated in this Paragraph 2, Either Sponsor, the Selling Agent nor the Apartment Corporation is offering any financing under this Plan or requiring any retrospective purchaser to use any particular lending institution. NO REPRESENTATION OR WARRANTY IS MADE BY SPONSOR, THE APARTMENT CORPORATION, THE SELLING AGENT THAT ANY FINANCING WILL BE AVAILABLE TO PROSPECTIVE PURCHASERS FROM THE BANK OR ANY OTHER SOURCES.

3. Discount on Price.

If an Eligible Purchaser arranges financing for his apartment which does not take advantage of all or some portion of the assistance of the Sponsor described in paragraph 2 above (the "Available Assistance"), the Sponsor will reduce the overall purchase price of the apartment by an amount equal to ten percent (10%) times the difference between the Available Assistance and the amount of any loan for which the Sponsor's assistance is requested. Thus, to continue the above example, again assume the purchase price of the apartment is $50,000, the Eligible Purchaser is seeking to finance $40,000 and that the Available Assistance is $37,500. If the Eligible Purchaser requests no assistance at all from the Sponsor, the Sponsor will discount the price of the apartment by $3,750 (10% of the difference between $37,500 and $0). The total purchase price would therefore be $46,250. If the Eligible Purchaser requests the Sponsor's assistance with respect to only $20,000 of his financing, the Sponsor will discount the price of the apartment by $1,750 (10% of the difference between $37,500 and $20,000). The total purchase price would then be $48,250.

4. Increase in Total Cash Payments for Tenants; Changes to Schedule A

On December 31, 1980, Parviz Yaghoubzabeh, an individual residing at [redacted] (the "Purchaser"), purchased from The Brooklyn Savings Bank, a corporation with its principal offices at 211 Montague Street, Brooklyn, New York 11201, all of the issued and outstanding shares of Aquarius Properties, Inc. ("Aquarius"). As noted on page 40 of the Plan, Aquarius owned a 50% interest in the Sponsor.

The amount paid by the Purchaser to acquire Aquarius (and thus indirectly a 50% interest in the Sponsor-Seller) was substantially in excess of 50% of the cost of the property to the Sponsor-Seller. In effect, therefore, the cost basis of the property to the present owners is substantially higher than the amount stated as the cost of the property to the Sponsor-Seller in

Doc. No. 26 of the Documents Binder submitted by the Sponsor to the Attorney General's office in connection with the Plan. As a result of such higher cost basis and also as a result of changes in the housing market since September, 1979 (when the per share price presently appearing in Schedule A was determined), the sections entitled Financial Features, Sponsor's Features, Sponsor's Profit and Identity of Parties are amended, to the extent set forth below:

(a) Tenants in occupancy on the date of presentation of this Amendment have the exclusive right for a period of thirty (30) days from the date of presentation of this Amendment (and not thereafter) to purchase shares allocated to their apartments for a Total Cash Payment of $82.96 per share. Schedule A of the Plan has been amended to reflect the revised prices set forth in this Paragraph 3, as well as other changes precipitated by the provisions of this Amendment, e.g., estimated maintenance charges per share and estimated income tax deduction per share. The revised Schedule is annexed hereto as Exhibit "A" and by this reference made a part hereof. After the expiration of said 30 day period, the Total Cash Payment shall again be increased by an additional 20% to $99.55 per share without further amendment to the Plan. The price to Non-Occupants will be similarly increased.

(b) Footnote No. 2 to Schedule A, appearing on page 6d, is amended to read as follows:

> "The amount shown in this column shall be applicable to occupants only during the thirty-day period described in Paragraph 5 of the Amendment to the Plan. Thereafter, the Total Cash Payment for occupants will be increased to $99.55."

(c) The remaining Footnotes of Schedule A have been revised to reflect updated facts.

(d) The third paragraph appearing on page 5 is amended to read in its entirety as follows:

> "The additional Cash Payment required to be made by a tenant in occupancy on the date of presentation of the Plan will be $81.96 per share if the Tenant signs a Subscription Agreement within 30 days from the date of presentation of the Amendment to the Plan and will thereafter be increased by the Sponsor-Seller to $98.55."

(e) The first, third and last lines of "Financial Features", appearing on page 22, are amended in their entirety to read as follows:

"Total cash amount of offering.....$3,970,216."

~~"Total Purchase price.....$4,870,216."~~

"Net Purchase Price of Property to Sponsor.....$4,695,216."

(f) The first sentence of the second paragraph appearing on page 37 is amended to read in its entirety as follows:

"If all the apartments offered herein are sold at the prices set forth in the sixth column of Schedule A, Sponsor's profits may be approximately $1,958,126 computed before the payment of taxes but after deducting the Sponsor's expenses in connection with the acquisition of the Property, the preparation and presentation of this Plan, and the closing of title with the Apartment Corporation.

(g) Page 40 is amended to insert the following paragraph after the second paragraph appearing therein:

"On December 31, 1980, Parviz Yaghoubzabeh, an individual residing at [redacted] purchased from The Brooklyn Savings Bank all of the issued and outstanding shares of Aquarius Properties, Inc.

4. Thirty Day Exclusive Purchase Period

Pursuant to Section 61 of the Rent Stabilization Code, a Tenant who has not already executed a Subscription Agreement to purchase the shares allocated to his apartment will be granted the exclusive right for a period of thirty (30) days following the date of the presentation of this Amendment to purchase such shares on the amended terms reflected herein.

5. Financial Features: Reserve and Repair Fund; Sponsor's Profit

The above referenced sections are amended, to reflect an increase in the Reserve and Repair Fund to $175,000 from $50,000:

a) The fourth line of "Financial Features", appearing on page 22, is amended to read in its entirety as follows:

"Less Reserve and Repair Fund to be retained by Apartment Corporation.....$175,000"

b) The first sentence of the first paragraph appearing on page 33, and the last sentence of the second paragraph appearing on page 37, are each amended to delete the phrase "the sum of $50,000," and to substitute in its place the phrase "the sum of $175,000,".

6. Amendment to Schedule B - Projected Schedule of Revenue and Expense for First Year of Operation

Schedule B of the Plan has been amended to reflect a projected increase in certain budget items. The revised Schedule B and Footnotes thereto is annexed hereto as Exhibit B, and by this reference made a part hereof.

7. Apartment Corporation; Management Agreement and Other Contractual Agreements

a) The next to the last sentence of the first paragraph appearing on page 30 is deleted, and the following substituted in its place and stead:

> "The Sponsor and other holders of Unsold Shares agree to vote the shares held by them in the Apartment Corporation so as to cause, at all times, the election of three representatives designated by tenant-purchasers to three of the seven positions on the Board of Directors. At such time as 60% of the Apartment Units in the Building have been sold, the Sponsor agrees that it and other holders of Unsold Shares will vote the shares then held by them so that a majority of the Board of Directors will consist of Tenant Shareholders unaffiliated with the Sponsor or with holders of Unsold Shares."

b) The first paragraph appearing on page 38 is amended to add the following sentence after what is now the last sentence of said paragraph:

> "The Apartment Corporation shall have the right to terminate the Management Agreement prior to the expiration of the initial two year term, upon not less than 30 days prior written notice, at such time as 60% of the Apartment Units have been sold by the Sponsor, provided, however, that upon termination of said Management Agreement, Sponsor's Agreement to pay increases in maintenance charges shall automatically terminate."

8. Sponsor's Agreement to Pay Increase in Maintenance Charges

a) The first paragraph on page 25 is amended to read as follows:

"Sponsor agrees that in the event that the expenses (other than the reserve for contingencies) as set forth in Schedule B of the Plan, amount in the aggregate to more than $472,897, during the first year of operations by the Apartment Corporation, or amount in the aggregate to more than $543,931 during the second year of operations by the Apartment Corporation, the Sponsor will pay to the Apartment Corporation any such excess. Such agreement is subject to the building being operated by Pan Am Equities, Inc. during said two year period pursuant to the Management Agreement and, more specifically, such agreement shall specifically exclude the following items:"

b) Numbered subparagraph (11) on page 26 is amended to read as follows:

"(11) payments for management services in excess of amounts payable to Pan Am Equities, Inc., under the Management Agreement;"

c) After numbered subparagraph (16) on page 26, insert the following:

"(17) the amount of increases, if any, in real estate or corporate taxes payable by the Apartment Corporation."

d) The first paragraph on page 27 is amended to read as follows:

"At the end of each of the first two years of operation of the Property following the Closing Date an independent certified public accountant engaged by the Apartment Corporation will prepare and deliver to the Apartment Corporation and to the Sponsor an audited financial statement for the preceding 12-month period. The cost of this report will be borne by the Apartment Corporation in addition to the cost of the annual report described on page 68. If said audited financial statement indicates that the annual expenses incurred by the Apartment Corporation for the preceding 12-month period exceed the applicable sum for such period within one month of receipt of the said financial

statement the Sponsor will pay to each purchaser for whose benefit this provision is made the sum due to it hereunder. If any item or expense is (in whole or in part) applicable to a period after the expiration of the year in question though it was paid in full during such year then for the purposes of computation of the Sponsor's obligation hereunder such item of expense shall be apportioned so that only the portion thereof attributable to the year in which payment is made shall be included in the computation of the annual expenses for such year."

The Plan, as amended by this Amendment, remains in full force and effect. The reference to the Plan in the Subscription Agreement appearing as Exhibit A of the Plan shall mean the Plan as amended by this Amendment. A reference to this Amendment shall be inserted in all subsequently executed Subscription Agreements after the description of the Plan.

9. Effective Date of the Plan and Closing Date: Subscription Agreement

A. Paragraph No. 1 appearing on page 18, and Paragraph 5b.1 of the Subscription Agreement appearing on page 46, are each amended to add the following sentence:

"Unless otherwise abandoned in accordance with the terms contained herein, the Sponsor-Seller agrees that the Plan shall be declared effective if at least 35% of the tenants in occupancy of rent stabilized apartments on the date the Plan is accepted for filing (computed in accordance with the provisions of Sections 61 of the Rent Stabilization Code ("RSC") and Section 352-eeee of the General Business Law), have signed Subscription Agreements."

B. The offering of shares of the Apartment Corporation on the terms set forth in this Amendment and the undertakings of Sponsor referred to above are all expressly conditioned on thirty-five percent (35%) of those rent stabilized tenants in occupancy on October 6, 1980 (the "Filing Date"), the date the Plan was originally accepted for filing, purchasing their respective apartments prior to the expiration of thirty (30) days from the presentation of this Amendment to them (hereafter called the "35% Presale Condition").

C. IF THE 35% PRESALE CONDITION IS NOT MET BY THE EXPIRATION OF SUCH 30 DAY PERIOD, AS SET FORTH IN PARAGRAPH 8B HEREOF, THEN AND IN SUCH EVENT THIS PLAN SHALL AUTOMATICALLY BE CONVERTED TO A NON-EVICTION PLAN EFFECTIVE AS OF 12:01 A.M. OF THE

THIRTY-FIRST (31st) DAY FOLLOWING THE DATE OF PRESENTATION OF THIS AMENDMENT (THE "CONVERSION DATE") AND THE PROVISIONS OF THIS ~~PARAGRAPH 8C OF THIS AMENDMENT SHALL AUTOMATICALLY BECOME~~ EFFECTIVE ON THE CONVERSION DATE AS FOLLOWS:

The Plan is no longer being presented in accordance with the requirements of the Rent Stabilization Code (RSC).

(i) This is Now a Non-Eviction Plan

Accordingly, a non-purchasing tenant in occupancy of a rent stabilized apartment on the Filing Date may not be evicted for failure to purchase and shall be entitled to remain in possession of his or her apartment, and to demand leases and renewal leases pursuant to the provisions of the RSC (unless such non-purchasing tenant fails to pay rent, refuses to renew his lease or otherwise defaults on his obligation under his lease or tenancy so as to permit termination of his tenancy and eviction in accordance with the RSC). A tenant in occupancy of a rent stabilized apartment is under no obligation to purchase his or her apartment.

To declare the Plan effective, it is no longer necessary to obtain the consent of 35% of the tenants in occupancy on the date the Plan was accepted for filing by the Attorney General. Rather, the Plan may now be declared effective on a non-eviction basis if the Sponsor receives executed Subscription Agreements covering 15% of the apartments in the building. Said Subscription Agreements may be entered into with both tenants and non-tenants as there is no longer a requirement that a minimum percentage of tenants purchase in order to convert under a Non-Eviction Plan.

(ii) Increase in Price Per Share

Schedule A of the Plan is amended to reflect an increase in the Total Cash Payment per share for tenant purchasers to $99.55.

THOSE INDIVIDUALS WHO ENTERED INTO SUBSCRIPTION AGREEMENTS TO PURCHASE THE SHARES ALLOCATED TO THEIR APARTMENTS PRIOR TO THE CONVERSION DATE WILL BE PROTECTED. THESE PURCHASERS WILL HAVE THE RIGHT TO PURCHASE ON A NON-EVICTION BASIS AT THE PRICE PER SHARE SET FORTH IN THEIR EXECUTED SUBSCRIPTION AGREEMENT.

(iii) Right of Rescission

If, after conversion of the Plan to a Non-Eviction Plan, a purchaser who executed a Subscription Agreement prior to the Conversion Date is dissatisfied with completing the pending purchase of his apartment for any reason whatsoever, then such

purchaser shall have the right to rescind his Subscription Agreement, provided that he complies with all of the following terms and conditions (hereinafter collectively called the "Rescission Prerequisites"):

(A) To exercise the right to rescind, the purchaser must sign and mail to the Selling Agent, We Cooperate, Inc., c/o Pan Am Equities, Inc., 475 Park Avenue, New York, New York 10016 by registered or certified mail, return receipt requested no later than midnight of the tenth (10th) day following the date of presentation of this Amendment, the Rescission Notice annexed hereto as Exhibit C (properly completed, dated and signed). If more than one person has signed the Subscription Agreement or interim lease, if any, then all signatories to the Subscription Agreement and the interim lease must sign the Rescission Notice. Time is of the essence for the exercise of such right of rescission.

(B) If a rescinding purchaser was not a tenant in occupancy of an apartment on the Filing Date (the "Non-Resident Purchaser") then his interim lease for the apartment shall be terminated and cancelled effective 90 days after receipt of his Rescission Notice (the "Lease Termination Date") on which date he must vacate and surrender possession of his apartment. The foregoing Rescission Prerequisite (i.e., terminating the lease and surrendering possession of the apartment) shall not be applicable to any rescinding purchaser who was a tenant of the Building on the Filing Date (the "Resident Purchaser").

(C) On the Lease Termination Date: (a) the interim lease made with the rescinding Non-Resident Purchaser must be in good standing, with all rent paid through the Lease Termination Date; (b) the apartment of the rescinding Non-Resident Purchaser must be completely vacant and unoccupied, in broomswept clean condition with all personal belongings, furniture, furnishings, wall coverings and decorations removed and in substantially the same condition such apartment was in at the time such rescinding Non-Resident Purchaser obtained possession of the apartment, reasonable wear and tear excepted; (c) all keys to the outer doors of the Non-Resident Purchaser's apartment shall be delivered to Sponsor, including keys to any lock installed by the Tenant and the Tenant shall obtain a receipt for same; and (d) subject to compliance with Sections (a), (b), and (c) above, any unapplied rent security deposited under the terminated interim lease shall be returned to the rescinding Non-Resident Purchaser.

(iv) Withdrawal of Provisions of Amendment

The Sponsor hereby withdraws the provisions of Paragraphs 2, 3, 5, and 8, respectively, of this Amendment.

10. Amendment to Certificate of Occupancy

The Sponsor has undertaken to cause the Certificate of Occupancy of the Building to be amended to allow, with respect to Apartment 1-E, residential usage without restriction for professional usage.

11. Terms of New Mortgage with Brooklyn Savings Bank

On August 28, 1981, the Sponsor paid in full and caused to be discharged of record the first mortgage on the Property held by Union Dime Savings Bank, and executed a new first mortgage to the Brooklyn Savings Bank. As described on page 23 of the Offering Plan, the new first mortgage is in the amount of $900,000, bears interest at the rate of nine and one-half (9-1/2%) percent per annum, with an initial amortization at the rate of one-half of one (1/2%) percent per annum. The mortgage will mature in ten (10) years, and requires constant monthly payments of $7,500, applied first to the payment of interest and the balance to the amortization of principal. The Sponsor may transfer the Property to the Apartment Corporation without the consent of the mortgagee and without acceleration of the outstanding balance of the principal of the loan.

DATED: August 28, 1981

TWELFTH STREET APARTMENTS

By: VASATAPA CORP., General Partner

An Officer.

EXHIBIT A

SCHEDULE A

15 W. 12 STREET

PURCHASE PRICES, SHARE ALLOCATIONS, MORTGAGE ALLOCATIONS, Estimated Maintenance Charges and Estimated Income Tax Deductions for the First Year of Cooperative Operation.

Apt.	Rooms and Bath (1)	Number of Shares	Par Value of Shares at $1.00 Per Share	Contribution to Capital for Occupants at $81.96 Per Share	Total Cash Payment for Occupants at $82.96 Per Share (2)	Contribution to Capital for Non-Occupants at $91.20 Per Share	Total Cash Payment for Non-Occupants at $92.20 Per Share	Approximate Mortgage Applicable to Shares at $18.806 Per Share (3)	Estimated Annual Maintenance at $8.91 Per Share	Estimated Monthly Maintenance at $0.7425 Per Share	Estimated Annual Income Tax Deduction at $3.98 Per Share (5)
*2A	SUPT.										
3A	1½-1	415	$ 415	$34,013.40	$34,428.40	$37,848.00	$38,263.00	$ 7,804.49	$3,697.65	$308.14	$1,651.70
4A	1½-1	420	420	34,423.20	34,843.20	38,304.00	38,724.00	7,898.52	3,742.20	311.85	1,671.60
5A	1½-1	425	425	34,833.00	35,258.00	38,760.00	39,185.00	7,992.55	3,786.75	315.56	1,691.50
6A	1½-1	430	430	35,242.80	35,672.80	39,216.00	39,646.00	8,086.58	3,831.30	319.28	1,711.40
7A	1½-1	435	435	35,652.60	36,087.60	39,672.00	40,107.00	8,180.61	3,875.85	322.99	1,731.30
8A	1½-1	440	440	36,062.40	36,502.40	40,128.00	40,568.00	8,274.64	3,920.40	326.70	1,751.20
9A	1½-1	445	445	36,472.20	36,917.20	40,584.00	41,029.00	8,368.67	3,964.95	330.41	1,771.10
10A	1½-1	450	450	36,882.00	37,332.00	41,040.00	41,490.00	8,462.70	4,009.50	334.13	1,791.00
11A	2½-1-T	715	715	58,601.40	59,316.40	65,208.00	65,923.00	13,446.29	6,370.65	530.89	2,845.70
12A	2½-1	620	620	50,815.20	51,435.20	56,544.00	57,164.00	11,659.72	5,524.20	460.35	2,467.60
PHA	2½-1-T	680	680	55,732.80	56,412.80	62,016.00	62,696.00	12,788.08	6,058.80	504.90	2,706.40
*2B	0	0	0	0	0	0	0		0		0
3B	2-1	480	480	39,340.80	39,820.80	43,776.00	44,256.00	9,026.88	4,276.80	356.40	1,910.40
4B	2-1	485	485	39,750.60	40,235.60	44,232.00	44,717.00	9,120.91	4,321.35	360.11	1,930.30
5B	2-1	490	490	40,160.40	40,650.40	44,688.00	45,178.00	9,214.94	4,365.90	363.83	1,950.20
6B	2-1	495	495	40,570.20	41,065.20	45,144.00	45,639.00	9,308.97	4,410.45	367.54	1,970.10
7B	2-1	500	500	40,980.00	41,480.00	45,600.00	46,100.00	9,403.00	4,455.00	371.25	1,990.00
8B	2-1	505	505	41,389.80	41,894.80	46,056.00	46,561.00	9,497.03	4,499.55	374.96	2,009.90
9B	2-1	510	510	41,799.60	42,309.60	46,512.00	47,022.00	9,591.06	4,544.10	378.68	2,029.80
10B	2-1	515	515	42,209.40	42,724.40	46,968.00	47,483.00	9,685.09	4,588.65	382.39	2,049.70
11B	3½-1-T	880	880	72,124.80	73,004.80	80,256.00	81,136.00	16,549.28	7,840.80	653.40	3,502.40
12B	3½-1	765	765	62,699.40	63,464.40	69,768.00	70,533.00	14,386.59	6,816.15	568.01	3,044.70
PHB	3½-1-T	925	925	75,813.00	76,738.00	84,360.00	85,285.00	17,395.55	8,241.75	686.81	3,681.50

(*) denotes superintendent's apartment. The superintendent also occupies Apt. 2B. Apartments 2A and 2B are combined into one apartment by means of a door through the common dividing wall.

(T) denotes terrace

SCHEDULE A

15 W. 12 STREET

PURCHASE PRICES, SHARE ALLOCATIONS, MORTGAGE ALLOCATIONS, Estimated Maintenance Charges and Estimated Income Tax Deductions for the First Year of Cooperative Operation.

Apt.	Rooms and Bath (1)	Number of Shares	Par Value of Shares at $1.00 Per Share	Contribution to Capital for Occupants at $81.96 Per Share	Total Cash Payment for Occupants at $82.96 Per Share (2)	Contribution to Capital for Non-Occupants at $91.20 Per Share	Total Cash Payment for Non-Occupants at $92.20 Per Share	Approximate Mortgage Applicable to Shares at $18.806 Per Share (3)	Estimated Annual Maintenance at $8.91 Per Share	Estimated Monthly Maintenance at $0.7425 Per Share	Estimated Annual Income Tax Deduction at $3.98 Per Share (5)
2C	4-1-B	800	$ 800	$65,568.00	$66,368.00	$72,960.00	$73,760.00	$15,044.80	$7,128.00	$594.00	$3,184.00
3C	4-1-B	807	807	66,141.72	66,948.72	73,598.40	74,405.40	15,176.44	7,190.37	599.20	3,211.86
4C	4-1-B	814	814	66,715.44	67,529.44	74,236.80	75,050.80	15,308.08	7,252.74	604.40	3,239.72
5C	4-1-B	821	821	67,289.16	68,110.16	74,875.20	75,696.20	15,439.73	7,315.11	609.59	3,267.58
6C	4-1-B	828	828	67,862.88	68,690.88	75,513.60	76,341.60	15,571.37	7,377.48	614.79	3,295.44
7C	4-1-B	835	835	68,436.60	69,271.60	76,152.00	76,987.00	15,703.01	7,439.85	619.99	3,323.30
8C	4-1-B	842	842	69,010.32	69,852.32	76,790.40	77,632.40	15,834.65	7,502.22	625.19	3,351.16
9C	4-1-B	849	849	69,584.04	70,433.04	77,428.80	78,277.80	15,966.29	7,564.59	630.38	3,379.02
10C	4-1-B	856	856	70,157.76	71,013.76	78,067.20	78,923.20	16,097.94	7,626.96	635.58	3,406.88
11C	3½-1-T	860	860	70,485.60	71,345.60	78,432.00	79,292.00	16,173.16	7,662.60	638.55	3,422.80
12C	3½-1	770	770	63,109.20	63,879.20	70,224.00	70,994.00	14,480.62	6,860.70	571.73	3,064.60
PHC	3½-1-T	925	925	75,813.00	76,738.00	84,360.00	85,285.00	17,395.55	8,241.75	686.81	3,681.50
2D	2-1	525	525	43,029.00	43,554.00	47,880.00	48,405.00	9,873.15	4,677.75	389.81	2,089.50
3D	2-1	530	530	43,438.80	43,968.80	48,336.00	48,866.00	9,967.18	4,722.30	393.53	2,109.40
4D	2-1	535	535	43,848.60	44,383.60	48,792.00	49,327.00	10,061.21	4,766.85	397.24	2,129.30
5D	2-1	540	540	44,258.40	44,798.40	49,248.00	49,788.00	10,155.24	4,811.40	400.95	2,149.20
6D	2-1	545	545	44,668.20	45,213.20	49,704.00	50,249.00	10,249.27	4,855.95	404.66	2,169.10
7D	2-1	550	550	45,078.00	45,628.00	50,160.00	50,710.00	10,343.30	4,900.50	408.38	2,189.00
8D	2-1	555	555	45,487.80	46,042.80	50,616.00	51,171.00	10,437.33	4,945.05	412.09	2,208.90
9D	2-1	560	560	45,897.60	46,457.60	51,072.00	51,632.00	10,531.36	4,989.60	415.80	2,228.80
10D	2-1	565	565	46,307.40	46,872.40	51,528.00	52,093.00	10,625.39	5,034.15	419.51	2,248.70
11D	2-1-T	600	600	49,176.00	49,776.00	54,720.00	55,320.00	11,283.60	5,346.00	445.50	2,388.00
12D	2-1	530	530	43,438.80	43,968.80	48,336.00	48,866.00	9,967.18	4,722.30	393.53	2,109.40
1E	3½-1-B	700	700	57,372.00	58,072.00	63,840.00	64,540.00	13,164.20	6,237.00	519.75	2,786.00
2E	4½-2-B	1,000	1,000	81,960.00	82,960.00	91,200.00	92,200.00	18,806.00	8,910.00	742.50	3,980.00

*) denotes superintendent's apartment. The superintendent also occupies Apt. 2B. Apartments 2A and 2B are combined into one apartment by means of a door through the common dividing wall.

SCHEDULE A

15 W. 12 STREET

PURCHASE PRICES, SHARE ALLOCATIONS, MORTGAGE ALLOCATIONS, Estimated Maintenance Charges and Estimated Income Tax Deductions for the First Year of Cooperative Operation.

Apt.	Rooms and Bath (1)	Number of Shares	Par Value of Shares at $1.00 Per Share	Contribution to Capital for Occupants at $81.96 Per Share	Total Cash Payment for Occupants at $82.96 Per Share (2)	Contribution to Capital for Non-Occupants at $91.20 Per Share	Total Cash Payment for Non-Occupants at $92.20 Per Share	Approximate Mortgage Applicable to Shares at $18.806 Per Share (3)	Estimated Annual Maintenance at $8.91 Per Share	Estimated Monthly Maintenance at $0.7425 Per Share	Estimated Annual Income Tax Deduction at $3.98 Per Share (5)
3E	4½-2-B	1,010	$1,010	$82,779.60	$83,789.60	$92,112.00	$93,122.00	$18,994.06	$8,999.10	$749.93	$4,019.80
4E	4½-2-B	1,020	1,020	83,599.20	84,619.20	93,024.00	94,044.00	19,182.12	9,088.20	757.35	4,059.60
5E	4½-2-B	1,030	1,030	84,418.80	85,448.80	93,936.00	94,966.00	19,370.18	9,177.30	764.78	4,099.40
6E	4½-2-B	1,040	1,040	85,238.40	86,278.40	94,848.00	95,888.00	19,558.24	9,266.40	772.20	4,139.20
7E	4½-2-B	1,050	1,050	86,058.00	87,108.00	95,760.00	96,810.00	19,746.30	9,355.50	779.63	4,179.00
8E	4½-2-B	1,060	1,060	86,877.60	87,937.60	96,672.00	97,732.00	19,934.36	9,444.60	787.05	4,218.80
9E	4½-2-B	1,070	1,070	87,697.20	88,767.20	97,584.00	98,654.00	20,122.42	9,533.70	794.48	4,258.60
10E	4½-2-B	1,080	1,080	88,516.80	89,596.80	98,496.00	99,576.00	20,310.48	9,622.80	801.90	4,298.40
11E	2-1	520	520	42,619.20	43,139.20	47,424.00	47,944.00	9,779.12	4,633.20	386.10	2,069.60
12E	2-1	525	525	43,029.00	43,554.00	47,880.00	48,405.00	9,873.15	4,677.75	389.81	2,089.50
2F	2-1	450	450	36,882.00	37,332.00	41,040.00	41,490.00	8,462.70	4,009.50	334.13	1,791.00
3F	2-1	455	455	37,291.80	37,746.80	41,496.00	41,951.00	8,556.73	4,054.05	337.84	1,810.90
4F	2-1	460	460	37,701.60	38,161.60	41,952.00	42,412.00	8,650.76	4,098.60	341.55	1,830.80
5F	2-1	465	465	38,111.40	38,576.40	42,408.00	42,873.00	8,744.79	4,143.15	345.26	1,850.70
6F	2-1	470	470	38,521.20	38,991.20	42,864.00	43,334.00	8,838.82	4,187.70	348.98	1,870.60
7F	2-1	475	475	38,931.00	39,406.00	43,320.00	43,795.00	8,932.85	4,232.25	352.69	1,890.50
8F	2-1	480	480	39,340.80	39,820.80	43,776.00	44,256.00	9,026.88	4,276.80	356.40	1,910.40
9F	2-1	485	485	39,750.60	40,235.60	44,232.00	44,717.00	9,120.91	4,321.35	360.11	1,930.30
10F	2-1	490	490	40,160.40	40,650.40	44,688.00	45,178.00	9,214.94	4,365.90	363.83	1,950.20
2G	2-1	475	475	38,931.00	39,406.00	43,320.00	43,795.00	8,932.85	4,232.25	352.69	1,890.50
3G	2-1	480	480	39,340.80	39,820.80	43,776.00	44,256.00	9,026.88	4,276.80	356.40	1,910.40
4G	2-1	485	485	39,750.60	40,235.60	44,232.00	44,717.00	9,120.91	4,321.35	360.11	1,930.30
5G	2-1	490	490	40,160.40	40,650.40	44,688.00	45,178.00	9,214.94	4,365.90	363.83	1,950.20
6G	2-1	495	495	40,570.20	41,065.20	45,144.00	45,639.00	9,308.97	4,410.45	367.54	1,970.10
7G	2-1	500	500	40,980.00	41,480.00	45,600.00	46,100.00	9,403.00	4,455.00	371.25	1,990.00

(*) denotes superintendent's apartment. The superintendent also occupies Apt. 2B. Apartments 2A and 2B are combined into one apartment by means of a door through the common dividing wall.

SCHEDULE A

15 W. 12 STREET

PURCHASE PRICES, SHARE ALLOCATIONS, MORTGAGE ALLOCATIONS, Estimated Maintenance Charges and Estimated Income Tax Deductions for the First Year of Cooperative Operation.

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8G	2-1	505	$ 505	$41,389.80	$41,894.80	$46,056.00	$46,561.00	$ 9,497.03	$4,499.55	$374.96	$2,009.90
9G	2-1	510	510	41,799.60	42,309.60	46,512.00	47,022.00	9,591.06	4,544.10	378.68	2,029.80
10G	2-1	515	515	42,209.40	42,724.40	46,968.00	47,483.00	9,685.09	4,588.65	382.39	2,049.70
TOTALS		47,857		$3,922,359.72		$4,364,558.40		$899,998.74		$35,533.91	
			$47,857		$3,970,216.72		$4,412,415.40		$426,405.87		$190,470.86

(*) denotes superintendent's apartment. The superintendent also occupies Apt. 2B. Apartments 2A and 2B are combined into one apartment by means of a door through the common dividing wall.

EXHIBIT B

SCHEDULE B

15 WEST 12th STREET, NEW YORK, N.Y.

PROJECTED SCHEDULE OF INCOME AND EXPENSES FOR THE FIRST YEAR OF OPERATION

NOTE #			
	INCOME		
	Annual maintenance charges (47,857 shares at $8.91)	$ 426,406	
(1)	Rental income - professional apartments	44,811	
	Income from laundry machines	1,680	
	TOTAL INCOME		$ 472,897
	EXPENSES		
	Operating expenses:		
(2)	Payroll	$ 108,500	
	Payroll taxes	9,700	
	Employees welfare and pension funds	7,000	
(3)	Electricity and gas	20,500	
(4)	Fuel oil	49,800	
	Water and sewer (frontage)	4,806	
(5)	Repairs, maintenance and supplies	18,500	
(6)	Insurance	9,000	
	Management expenses	15,000	
	Telephone, office and miscellaneous	1,000	
(7)	Legal and auditing	3,900	
	Taxes:		
(8)	Real estate taxes	125,300	
(9)	Corporate taxes (State and City)	4,000	
	Mortgage indebtedness:		
(10)	First mortgage - interest	85,336	
(10)	First mortgage - amortization	4,664	
(11)	Reserve for contingencies	5,891	
	TOTAL EXPENSES		$ 472,89

NOTES: See following pages.

15 WEST 12th STREET, NEW YORK, N.Y.
NOTES RE PROJECTED STATEMENT OF INCOME AND EXPENSES

(1) Rental income from professional apartments includes the following:

	Monthly Rental Per Lease	Monthly Adjustments (Note A)	Total Monthly (July/81)	Lease Expiration Date
Apt. 1B - Psycho-therapist	$ 710.00	$ -	$ 710.00	(Note B)
Apt. 1C - Doctor's office	1,325.00	-	1,325.00	11/30/84
Apt. 1F - Doctor's office	1,150.00	141.00	1,291.00	(Note B)
Apt. 1G - Psycho-therapist	360.75	47.49	408.24	9/30/81
Total	$ 3,545.75	$ 188.49	$ 3,734.24	
Total - Annual			$44,810.88	

NOTES: (A) Includes adjustment for real estate taxes and cost of living, as per terms of lease.

(B) Currently under negotiation.

(2) The payroll consists of 7 men, namely a superintendent, five full-time men and a part-time man (who works 8 hours per week). The payroll is projected herein for the year from October 1981 through September 1982. Since the current union contract expires in April 1982, the payroll projected herein includes a reserve for an 8% increase in wage rates (after April 1982) which is anticipated in the new union contract. The projected annual payroll includes a provision to cover estimated holiday, vacation and overtime payroll.

(3) This item does not include charges for apartment electricity which are billed directly to the tenants. However, this item includes charges for gas supplied to the apartments since the gas charges are billed on one meter for the entire building and said charges are paid for by the landlord. The projection herein is based on the actual expense for the year 1980 plus 15% to cover anticipated rate increases.

(4) Fuel oil purchases for the years 1977 through 1980 averaged 44,035 gallons per annum. The projection herein is based on 44,035 gallons for the first year. Although the current price of fuel oil (July 1981) is $1.03 per gallon, including sales tax, the projection herein is based on $1.13 per gallon, including sales tax. The Sponsor believes that the estimated price of $1.13 per gallon is reasonable according to present market conditions.

Continued

(4) Cont'd.

The Attorney General has recommended the use of an estimated price of approximately $1.25 per gallon, including sales tax, in cooperative plans presented in 1980-81. Therefore, the Sponsor has placed in escrow with the New York law firm of Pryor, Cashman, Sherman & Flynn (see page 40) an amount equal to the difference between the Sponsor's estimate and that of the Attorney General. This escrow will be available for use only if the aggregate cost of fuel oil for the first year of operation exceeds the Sponsor's estimate. (For a description of the terms of the escrow, see Sponsor's Agreement to Pay Increase in Maintenance Charges at page 28.)

(5) This item includes building and janitorial supplies and the various repairs and maintenance items involved in the operation of this type of property, including elevator maintenance, exterminating and uniforms. However, this item does not include amounts expended for repairs and painting of the interiors of the apartments which would become the obligations of the respective tenant-stockholders following purchase of their shares. The figure used represents an amount equal to slightly more than 4% of the total estimated annual maintenance to be paid by tenant-stockholders to the Apartment Corporation, which the Sponsor believes is appropriate for a building of the type and age of the Building.

(6) Includes current annual insurance premiums (as quoted by the American Coverage Corporation) as follows:

	Coverage	Premium
Multi-peril insurance including:		
fire - all risk	$ 2,500,000	
property damage and bodily injury liability	1,000,000	
water damage legal liability	100,000	
elevator collision	50,000	
loss of rents	400,000	
Total premium -- multi-peril policy		$ 3,857
Comprehensive umbrella liability	2,000,000	800
Boiler insurance	250,000	130
Workmen's compensation insurance		3,051
Reserve for additional insurance charges		1,162
Total Annual Insurance Premiums		$ 9,000

Continued

(7) The figure used is comprised of approximately $1,500 in estimated legal fees, primarily for general advice to the Board of Directors of the Apartment Corporation, and $2,400 for estimated accounting fees, primarily for preparation of the annual report, the tax deduction letter for the tenant-stockholders and the Corporation income tax returns. The Sponsor believes these amounts to be typical for the first year of operation of such buildings. Leo H. Seltelman, who prepared the Letter of Adequacy and Reasonableness appearing herein, has indicated that he would be prepared to perform accounting services typically required in situations of this type for the amount indicated above.

(8) Based on the 1981-82 assessment of $1,400,000 at the projected rate of 8.95%. The rate of 8.95% is in effect for the year 1981-82. Certiorari proceedings for the reduction of the assessed value are pending. The assessed valuation for each of the past three years as well as for the current year is as follows:

Year	Land	Total
1978-79	220,000	$1,225,000
1979-80	220,000	$1,225,000
1980-81	220,000	$1,260,000
1981-82	220,000	$1,400,000

Prospective purchasers are advised that Justice Sullivan of the Westchester Supreme Court recently held in Matter of River house-Bronxville, Inc. (Hoffman) (New York Law Journal 10/10/79) that the market value approach, rather than the capitalization of income approach, is the proper method of assessment for an assessor to employ in assessing a building formerly operated on a rental basis but converted to cooperative apartment house use. Justice Sullivan's decision upheld the assessor's action of substantially increasing the former assessment on the building. This decision was reversed in January, 1981 (New York Law Journal 1/14/81) by the Appellate Division, Second Department and remanded to Special Term of the Supreme Court to consider evidence as to the maximum value under the test of reproduction cost less depreciation to determine if the assessment exceeded such ceiling. Sponsor is unable to warrant or represent to prospective purchasers that the existing assessment on Marlo Towers will not be affected by this decision. It is recommended that any person interested in purchasing an apartment should consult an attorney about the legal affect of this decision.

(9) Estimated on basis of current rates, namely 4/10 of a mill on gross assets for the State Franchise Tax and 4/10 of a mill for the City Corporation Tax.

(10) Based on a new first mortgage of $900,000 which will require constant monthly payments of $7,500 which will be applied to interest at 9 1/2% per annum and the balance to amortization of principal.

(11) The Reserve for Contingencies is intended to provide for any unanticipated expenses herein.

EXHIBIT C

RESCISSION NOTICE

(To be Sent by Registered or Certified Mail,
Return Receipt Requested)

_____1981
(Insert Date)

We Cooperate, Inc.
c/o Pan Am Equities, Inc.
475 Park Avenue South
New York, NY 10016

RE: Apartment_____("Apartment")
15 West 12th Street
New York, New York

Gentlemen:

Pursuant to the right granted to the undersigned in the Amendment to the Offering Plan to convert to Cooperative Ownership Premises at 15 West 12th Street, New York, New York, the undersigned hereby elects to rescind the Subscription Agreement for shares of 12th Street Apartment Corp.

If the undersigned is a Non-Resident Purchaser (i.e., was not a tenant of the above-captioned Building on October 6, 1980, the date the Offering was accepted for filing by the Department of Law), then the interim lease made with the undersigned covering the Apartment is terminated and cancelled effective 90 days after receipt of this Rescission Notice (the "Lease Termination Date").

The undersigned accepts, agrees to be bound by and to comply with all of the terms, covenants, agreements and conditions set forth in the Amendment relative to this rescission.

The undersigned further acknowledges and confirms that this Rescission Notice shall be null and void and of no force or effect unless the undersigned shall have fully complied with and performed all of the Rescission Prerequisites set forth in the Amendment.

The undersigned warrants and represents that the undersigned has not sold, assigned, transferred, hypothecated or otherwise disposed of the undersigned's rights or interest in or to the Subscription Agreement or the monies deposited thereunder and that the undersigned has the full and sole right, power and authority to sign and deliver this Rescission Notice. The foregoing warranties and representations shall survive the rescission of the Subscription Agreement.

Very truly yours,

Purchaser:

_____ (Signature)

_____ (Print Name)

_____ (Signature)

_____ (Print Name)

(If more than one person has signed the Subscription Agreement or interim lease, then all signatories to the Subscription Agreement and interim lease must sign this Rescission Notice for it to be effective.)

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CAPTION

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SPECIAL RIGHTS OF ELIGIBLE SENIOR CITIZENS AND ELIGIBLE HANDICAPPED PERSONS

Pursuant to Section 352-eeee of the General Business Law, eviction proceedings will not be commenced against eligible senior citizens or eligible handicapped persons. An eligible senior citizen is a tenant who (1) is 62 years of age or older on the date this Plan is accepted for filing (or the spouse of such tenant on that date) and (2) has resided in the Building as his primary residence for at least two years prior to such date and (3) together with all other occupants of the apartment, has a combined annual income, from all sources, of less than $50,000 and (4) has elected within 90 days of such date, on forms promulgated by the Attorney General and presented to said eligible senior citizen by the Sponsor, to become a non-purchasing tenant. An eligible handicapped person is a tenant (1) who has an impairment (a) which results from anatomical, physiological or psychological abnormalities (other than addiction to alcohol, gambling or any controlled substance), (b) which is expected to be permanent, and (c) which prevents the tenant from engaging in any employment or other gainful activity on the date the Attorney General has accepted the plan for filing, (2) who has resided in the Building as his primary residence for at least two years prior to such date, and (3) who has elected within 60 days of such date, on forms promulgated by the Attorney General and presented to such eligible handicapped person by the Sponsor, to become a non-purchasing tenant. Such election will not preclude either an eligible senior citizen or an eligible handicapped person from subsequently purchasing pursuant to the provisions of the Plan.

The rentals of eligible senior citizens and eligible handicapped persons who live in dwelling units which are not subject to government regulation or which cease to be regulated after the Plan has become effective will not be subject to unconscionable increase beyond ordinary rentals for comparable apartments during the period of their occupancy. They may be evicted only for non-payment of rent or a breach of other obligations of their tenancy. For furter details, appropriate parts of Section 352-eeee of the General Business Law, which are reproduced in Part II of this Plan, should be referred to.

Eligible senior citizens and eligible handicapped persons who reside in dwelling units subject to government regulations as to rentals and continued occupancy shall continue to be subject thereto.

The rights granted under this Plan to eligible senior citizens and eligible handicapped persons may not be abrogated or reduced regardless of any expiration of or amendment to Section 352-eeee of the General Business Law.

The forms promulgated by the Attorney General for use by eligible senior citizens and eligible handicapped persons to elect to become non-purchasing tenants appear beginning at page 58(a).

INTRODUCTION

The corporation (the "Apartment Corporation") which will purchase from the Sponsor the land and the apartment building (the "Building") constructed thereon at 15 West 12th Street, New York, New York, is offering its shares for sale to individuals resident in the State of New York. The land and the Building are hereafter sometimes collectively referred to as "the Property."

The Property is located within the Greenwich Village Historic District designated by the Landmarks Preservation Commission of the City of New York and the physical appearance of the Building is therefore subject to regulation by that Commission. In particular, no changes may be made to the exterior of the Building without the prior approval of the Commission.

The purchaser of a cooperative apartment buys shares of the Apartment Corporation which owns the Building in which his apartment is located, as well as the land. Ownership of the shares entitles the purchaser to a special lease of his apartment commonly known as a proprietary lease. As a shareholder, he will have the right to vote annually for the Board of Directors who will conduct the affairs of the Apartment Corporation and supervise the operation of the Property. As a lessee, he will pay an amount (customarily called maintenance charges) representing his proportionate share of the Apartment Corporation's cash requirements for the operation and maintenance of the Property and creation of such reserve for contingencies as the Board of Directors may deem proper.

The prices for the blocks of shares allocated to the various apartments in the building are found at pages 6a through 6c. THESE PRICES HAVE BEEN SET BY THE SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY ANY GOVERNMENTAL AGENCY. The estimated annual maintenance charges for each apartment for the Apartment Corporation's first year of operations are also set forth on pages 6a through 6c.

In the opinion of counsel for the Apartment Corporation, if this Plan becomes effective in accordance with its terms, each tenant-shareholder will have the right to deduct for income tax purposes his proportionate share of real estate taxes assessed against the property and mortgage interest paid by the Apartment Corporation (Counsel's opinion may be found at page 10).

The agreement to purchase the Apartment Corporation's shares is called a Subscription Agreement and may be found in Part II at page 44.

A summary of the principal provisions of the proprietary lease may be found in Part I at page 29. A copy of the entire lease is set forth in Part II at pages 59 through 95.

The Apartment Corporation's By-Laws governing operation of the Apartment Corporation are contained in Part II beginning at page 96.

There are 75 apartments in the Building which are the subject of this Offering. The Building contains, in addition, a building office, Apt. 1A, the superintendent's apartments, Nos. 2A and 2B, and 4 professional offices, Nos. 1B, 1C, 1F and 1G which are not the subject of this Offering and will be owned by the Apartment Corporation. A schedule of leases with respect

to the apartments and professional offices not subject to this Offering may be found in Part II at page 51.

Starting at page 50 in Part II there is contained a detailed description of the Property which should be carefully reviewed by the prospective purchaser. Parts I and II together constitute the entire Offering Plan. All the documents referred to in this Offering Plan are important. It is suggested that you consult your own attorney or financial advisor before purchasing and provide him with a copy of this Offering Plan.

All 75 apartments in the Building subject to this offering are rent stabilized under the New York City Rent Stabilization Law and Code. The applicable rent laws are summarized in Part I at pages 14 to 17 and printed in full in Part II. These laws grant certain rights and privileges to tenants, whether or not they wish to purchase.

Attention is also called to the ten percent (10%) reduction in prices applicable to purchases by tenants in occupancy at the date of the presentation of the Plan during the 90 day period after the date of such presentation. (See further page 5 of the Plan in this regard.) It should be noted that each purchaser has the right to secure financing of the cash portion of the purchase price from any source of his own choosing. A number of banks are making such loans, but whether an individual will qualify will depend upon such individual's credit standing and other factors. In particular, the historically high levels of interest rates recently reached, the continuing high levels of such rates as at the date of the presentation of this Plan, and the demonstrated volatility of such rates in the recent past may make it difficult for prospective purchasers to secure such financing. No representation is made by Sponsor that

any prospective purchaser will obtain any such loan or with respect to the terms thereof.

PRICES AND TERMS OF OFFERING

The shares are being offered under this Plan at a price of $1.00 per share (the "Share Purchase Price"). Each purchaser will be required to make an Additional Cash Payment as a contribution to the Apartment Corporation's capital to provide the funds needed to acquire the Property. The share Purchase Price and the Additional Cash Payment are herein referred to together as the Total Cash Payment.

This offering is made only to individuals over the age of 18 years who occupy their apartments as their principal residence, and not to corporations, partnerships, trusts or foreign governments.

The Additional Cash Payment required to be made by a tenant in occupancy on the date of presentation of the Plan will be $68.30 per share (or approximately 10% less than the Additional Cash Payment required from non-tenant purchaser) if the tenant signs a Subscription Agreement within 90 days from the date of presentation of the Plan and may thereafter be increased by the Sponsor-Seller.

The share allocations shown in Schedule A were made by the Selling Agent and in its opinion the price of each block of shares bears a reasonable relationship to the portion of the fair market value of the Apartment Corporation's equity in the Building and the land on which it is situated attributable to the apartment to which the block of shares is allocated, as determined on the date of presentation of the Plan.

SCHEDULE A

15 W. 12 STREET

PURCHASE PRICES, SHARE ALLOCATIONS, MORTGAGE ALLOCATIONS, Estimated Maintenance Charges and Estimated Income Tax Deductions for the First Year of Cooperative Operation.

Apt.	Rooms and Bath (1)	Number of Shares	Par Value of Shares at $1.00 per share	Contribution to Capital for Occupants at $68.30 per share	Total Cash Payment for Occupants at $69.30 per share (2)	Contribution to Capital for Non-Occupants at $76.00 per share	Total Cash Payment for Non-Occupants at $77.00 per share	Approximate Mortgage Applicable to Shares at $18.806 per share (3)	Estimated Annual Maintenance at $8.43 per share (4)	Estimated Monthly Maintenance at $0.7025 per share	Estimated Annual Income Tax Deduction at $3.77 per share (5)
* 2A	Supt.										
3A	1½-1	415	415.00	28,344.50	28,759.50	31,540.00	31,955.00	7,804.49	3,498.45	291.54	1,564.55
4A	1½-1	420	420.00	28,686.00	29,106.00	31,920.00	32,340.00	7,898.52	3,540.60	295.05	1,583.40
5A	1½-1	425	425.00	29,027.50	29,452.50	32,300.00	32,725.00	7,992.55	3,582.75	298.56	1,602.25
6A	1½-1	430	430.00	29,369.00	29,799.00	32,680.00	33,110.00	8,086.58	3,624.90	302.08	1,621.10
7A	1½-1	435	435.00	29,710.50	30,145.50	33,060.00	33,495.00	8,180.61	3,667.05	305.59	1,639.95
8A	1½-1	440	440.00	30,052.00	30,492.00	33,440.00	33,880.00	8,274.64	3,709.20	309.10	1,658.80
9A	1½-1	445	445.00	30,393.50	30,838.50	33,820.00	34,265.00	8,368.67	3,751.35	312.61	1,677.65
10A	1½-1	450	450.00	30,735.00	31,185.00	34,200.00	34,650.00	8,462.70	3,793.50	316.13	1,696.50
11A	2½-1-T	715	715.00	48,834.50	49,549.50	54,340.00	55,055.00	13,446.29	6,027.45	502.29	2,695.55
12A	2½-1	620	620.00	42,346.00	42,966.00	47,120.00	47,740.00	11,659.72	5,226.60	435.55	2,337.40
PHA	2½-1-T	680	680.00	46,444.00	47,124.00	51,680.00	52,360.00	12,788.08	5,732.40	477.70	2,563.60
* 2B	Supt.										
3B	2-1	480	480.00	32,784.00	33,264.00	36,480.00	36,960.00	9,026.88	4,046.40	337.20	1,809.60
4B	2-1	485	485.00	33,125.50	33,610.50	36,860.00	37,345.00	9,120.91	4,088.55	340.71	1,828.45
5B	2-1	490	490.00	33,467.00	33,957.00	37,240.00	37,730.00	9,214.94	4,130.70	344.23	1,847.30
6B	2-1	495	495.00	33,808.50	34,303.50	37,620.00	38,115.00	9,308.97	4,172.85	347.74	1,866.15
7B	2-1	500	500.00	34,150.00	34,650.00	38,000.00	38,500.00	9,403.00	4,215.00	351.25	1,885.00
8B	2-1	505	505.00	34,491.50	34,996.50	38,380.00	38,885.00	9,497.03	4,257.15	354.76	1,903.85
9B	2-1	510	510.00	34,833.00	35,343.00	38,760.00	39,270.00	9,591.06	4,299.30	358.28	1,922.70
10B	2-1	515	515.00	35,174.50	35,689.50	39,140.00	39,655.00	9,685.09	4,341.45	361.79	1,941.55
11B	3½-1-T	880	880.00	60,104.00	60,984.00	66,880.00	67,760.00	16,549.28	7,418.40	618.20	3,317.60
12B	3½-1	765	765.00	52,249.50	53,014.50	58,140.00	58,905.00	14,386.59	6,448.95	537.41	2,884.05
PHB	3½-1-T	925	925.00	63,177.50	64,102.50	70,300.00	71,225.00	17,395.55	7,797.75	649.81	3,487.25

(*) denotes superintendent's apartment. The superintendent also occupies Apt. 2B. Apartments 2A and 2B are combined into one apartment by means of a door through the common dividing wall.

(T) denotes terrace

SCHEDULE A

15 W. 12 STREET

PURCHASE PRICES, SHARE ALLOCATIONS, MORTGAGE ALLOCATIONS, Estimated Maintenance Charges and Estimated Income Tax Deductions for the First Year of Cooperative Operation.

Apt.	Rooms and Bath (1)	Number of Shares	Par Value of Shares at $1.00 per share	Contribution to Capital for Occupants at $68.30 per share	Total Cash Payment for Occupants at $69.30 per share (2)	Contribution to Capital for Non-Occupants at $76.00 per share	Total Cash Payment for Non-Occupants at $77.00 per share	Approximate Mortgage Applicable to Shares at $18.806 per share (3)	Estimated Annual Maintenance at $8.43 per share (4)	Estimated Monthly Maintenance at $0.7025 per share	Estimated Annual Income Tax Deduction at $1.77 per share (5)
2C	4-1-B	800	800.00	54,640.00	55,440.00	60,800.00	61,600.00	15,044.80	6,744.00	562.00	3,016.00
3C	4-1-B	807	807.00	55,118.10	55,925.10	61,332.00	62,139.00	15,176.44	6,803.01	566.92	3,042.39
4C	4-1-B	814	814.00	55,596.20	56,410.20	61,864.00	62,678.00	15,308.08	6,862.02	571.84	3,068.78
5C	4-1-B	821	821.00	56,074.30	56,895.30	62,396.00	63,217.00	15,439.73	6,921.03	576.75	3,095.17
6C	4-1-B	828	828.00	56,552.40	57,380.40	62,928.00	63,756.00	15,571.37	6,980.04	581.67	3,121.56
7C	4-1-B	835	835.00	57,030.50	57,865.50	63,460.00	64,295.00	15,703.01	7,039.05	586.59	3,147.95
8C	4-1-B	842	842.00	57,508.60	58,350.60	63,992.00	64,834.00	15,834.65	7,098.06	591.50	3,174.34
9C	4-1-B	849	849.00	57,986.70	58,835.70	64,524.00	65,373.00	15,966.29	7,157.07	596.42	3,200.73
10C	4-1-B	856	856.00	58,464.80	59,320.80	65,056.00	65,912.00	16,097.94	7,216.08	601.34	3,227.12
11C	3½-1-T	860	860.00	58,738.00	59,598.00	65,360.00	66,220.00	16,173.16	7,249.80	604.15	3,242.20
12C	3½-1	770	770.00	52,591.00	53,361.00	58,520.00	59,290.00	14,480.62	6,491.10	540.93	2,902.90
PHC	3½-1-T	925	925.00	63,177.50	64,102.50	70,300.00	71,225.00	17,395.55	7,797.75	649.81	3,487.25
2D	2-1	525	525.00	35,857.50	36,382.50	39,900.00	40,425.00	9,873.15	4,425.75	368.81	1,979.25
3D	2-1	530	530.00	36,199.00	36,729.00	40,280.00	40,810.00	9,967.18	4,467.90	372.33	1,998.10
4D	2-1	535	535.00	36,540.50	37,075.50	40,660.00	41,195.00	10,061.21	4,510.05	375.84	2,016.95
5D	2-1	540	540.00	36,882.00	37,422.00	41,040.00	41,580.00	10,155.24	4,552.20	379.35	2,035.80
6D	2-1	545	545.00	37,223.50	37,768.50	41,420.00	41,965.00	10,249.27	4,594.35	382.86	2,054.65
7D	2-1	550	550.00	37,565.00	38,115.00	41,800.00	42,350.00	10,343.30	4,636.50	386.38	2,073.50
8D	2-1	555	555.00	37,906.50	38,461.50	42,180.00	42,735.00	10,437.33	4,678.65	389.89	2,092.35
9D	2-1	560	560.00	38,248.00	38,808.00	42,560.00	43,120.00	10,531.36	4,720.80	393.40	2,111.20
10D	2-1	565	565.00	38,589.50	39,154.50	42,940.00	43,505.00	10,625.39	4,762.95	396.91	2,130.05
11D	2-1-T	600	600.00	40,980.00	41,580.00	45,600.00	46,200.00	11,283.60	5,058.00	421.50	2,262.00
12D	2-1	530	530.00	36,199.00	36,729.00	40,280.00	40,810.00	9,967.18	4,467.90	372.33	1,998.10

(B) denotes balcony

(T) denotes terrace

SCHEDULE A

15 W. 12 STREET

PURCHASE PRICES, SHARE ALLOCATIONS, MORTGAGE ALLOCATIONS, Estimated Maintenance Charges and Estimated Income Tax Deductions for the First Year of Cooperative Operation.

Apt.	Rooms and Bath (1)	Number of Shares	Par Value of Shares at $1.00 per share	Contribution to Capital for Occupants at $68.30 per share	Total Cash Payment for Occupants at $69.30 per share (2)	Contribution to Capital for Non-Occupants at $76.00 per share	Total Cash Payment for Non-Occupants at $77.00 per share	Approximate Mortgage Applicable to Shares at $18.806 per share (3)	Estimated Annual Maintenance at $8.43 per share (4)	Estimated Monthly Maintenance at $0.7025 per share	Estimated Annual Income Tax Deduction at $3.77 per share (5)
1E	3½-1-B	700	700.00	47,810.00	48,510.00	53,200.00	53,900.00	13,164.20	5,901.00	491.75	2,639.00
2E	4½-2-B	1,000	1,000.00	68,300.00	69,300.00	76,000.00	77,000.00	18,806.00	8,430.00	702.50	3,770.00
3E	4½-2-B	1,010	1,010.00	68,983.00	69,993.00	76,760.00	77,770.00	18,994.06	8,514.30	709.53	3,807.70
4E	4½-2-B	1,020	1,020.00	69,666.00	70,686.00	77,520.00	78,540.00	19,182.12	8,598.60	716.55	3,845.40
5E	4½-2-B	1,030	1,030.00	70,349.00	71,379.00	78,280.00	79,310.00	19,370.18	8,682.90	723.58	3,883.10
6E	4½-2-B	1,040	1,040.00	71,032.00	72,072.00	79,040.00	80,080.00	19,558.24	8,767.20	730.60	3,920.80
7E	4½-2-B	1,050	1,050.00	71,715.00	72,765.00	79,800.00	80,850.00	19,746.30	8,851.50	737.63	3,958.50
8E	4½-2-B	1,060	1,060.00	72,398.00	73,458.00	80,560.00	81,620.00	19,934.36	8,935.80	744.65	3,996.20
9E	4½-2-B	1,070	1,070.00	73,081.00	74,151.00	81,320.00	82,390.00	20,122.42	9,020.10	751.68	4,033.90
10E	4½-2-B	1,080	1,080.00	73,764.00	74,844.00	82,080.00	83,160.00	20,310.48	9,104.40	758.70	4,071.60
11E	2-1	520	520.00	35,516.00	36,036.00	39,520.00	40,040.00	9,779.12	4,383.60	365.30	1,960.40
12E	2-1	525	525.00	35,857.50	36,382.50	39,900.00	40,425.00	9,873.15	4,425.75	368.81	1,979.25
2F	2-1	450	450.00	30,735.00	31,185.00	34,200.00	34,650.00	8,462.70	3,793.50	316.13	1,696.50
3F	2-1	455	455.00	31,076.50	31,531.50	34,580.00	35,035.00	8,556.73	3,835.65	319.64	1,715.35
4F	2-1	460	460.00	31,418.00	31,878.00	34,960.00	35,420.00	8,650.76	3,877.80	323.15	1,734.20
5F	2-1	465	465.00	31,759.50	32,224.50	35,340.00	35,805.00	8,744.79	3,919.95	326.66	1,753.05
6F	2-1	470	470.00	32,101.00	32,571.00	35,720.00	36,190.00	8,838.82	3,962.10	330.18	1,771.90
7F	2-1	475	475.00	32,442.50	32,917.50	36,100.00	36,575.00	8,932.85	4,004.25	333.69	1,790.75
8F	2-1	480	480.00	32,784.00	33,264.00	36,480.00	36,960.00	9,026.88	4,046.40	337.20	1,809.60
9F	2-1	485	485.00	33,125.50	33,610.50	36,860.00	37,345.00	9,120.91	4,088.55	340.71	1,828.45
10F	2-1	490	490.00	33,467.00	33,957.00	37,240.00	37,730.00	9,214.94	4,130.70	344.23	1,847.30

(B) denotes balcony

SCHEDULE A

15 W. 12 STREET

PURCHASE PRICES, SHARE ALLOCATIONS, MORTGAGE ALLOCATIONS, Estimated Maintenance Charges and Estimated Income Tax Deductions for the First Year of Cooperative Operation.

Apt.	Rooms and Bath (1)	Number of Shares	Par Value of Shares at $1.00 per share	Contribution to Capital for Occupants at $68.30 per share	Total Cash Payment for Occupants at $69.30 per share (2)	Contribution to Capital for Non-Occupants at $76.00 per share	Total Cash Payment for Non-Occupants at $77.00 per share	Approximate Mortgage Applicable to Shares at $18.806 per share (3)	Estimated Annual Maintenance at $8.43 per share (4)	Estimated Monthly Maintenance at $0.7025 per share	Estimated Annual Income Tax Deduction at $3.77 per share (5)
2G	2-1	475	475.00	32,442.50	32,917.50	36,100.00	36,575.00	8,932.85	4,004.25	333.69	1,790.75
3G	2-1	480	480.00	32,784.00	33,264.00	36,480.00	36,960.00	9,026.88	4,046.40	337.20	1,809.60
4G	2-1	485	485.00	33,125.50	33,610.50	36,860.00	37,345.00	9,120.91	4,088.55	340.71	1,828.45
5G	2-1	490	490.00	33,467.00	33,957.00	37,240.00	37,730.00	9,214.94	4,130.70	344.23	1,847.30
6G	2-1	495	495.00	33,808.50	34,303.50	37,620.00	38,115.00	9,308.97	4,172.85	347.74	1,866.15
7G	2-1	500	500.00	34,150.00	34,650.00	38,000.00	38,500.00	9,403.00	4,215.00	351.25	1,885.00
8G	2-1	505	505.00	34,491.50	34,996.50	38,380.00	38,885.00	9,497.03	4,257.15	354.76	1,903.85
9G	2-1	510	510.00	34,833.00	35,343.00	38,760.00	39,270.00	9,591.06	4,299.30	358.28	1,922.70
10G	2-1	515	515.00	35,174.50	35,689.50	39,140.00	39,655.00	9,685.09	4,341.45	361.79	1,941.55
			$47,857.00		$3,316,490.12		$3,684,989.00		$403,434.51		$180,420.89
		47,857		$3,268,633.09		$3,637,132.00		$899,998.73		$33,619.62	

FOOTNOTES TO SCHEDULE A

1. Apartment layouts are not uniform and each apartment should be inspected to determine its layout. A set of floor plans is available for examination at the Selling Agent's office.

2. The amount shown in this column shall be applicable to occupants only during the initial 90-day exclusive period. Thereafter, the amount shown in column 7 as the total cash payment for non-occupants will be applicable to all purchasers.

3. Tenant-shareholders will have no personal liability to the mortgagee for payment of the Apartment Corporation's mortgage indebtedness. Interest and amortization payments are included in the monthly maintenance charges. The amount of mortgage shown in this column will be reduced by amortization.

4. These amounts are estimated for the first year, based on the projection of Leo H. Seitelman contained on pages 6a through 6c of this Plan. These amounts do not include charges for electricity and gas.

5. These amounts are estimated for the first year in accordance with the figures computed by Leo H. Seitelman contained on pages 6 through 6c of this Plan. These amounts may vary because of changes in the amount of real estate taxes.

SCHEDULE B

15 WEST 12th STREET, NEW YORK, N.Y.
PROJECTED SCHEDULE OF INCOME AND EXPENSES FOR THE FIRST YEAR OF OPERATION

NOTE #			
	INCOME		
	Annual maintenance charges (47,857 shares at $8.43)	$ 403,435	
(1)	Rental Income - professional apartments	31,960	
	Income from laundry machines	1,680	
	TOTAL INCOME		$437,075
	EXPENSES		
	Operating expenses:		
(2)	Payroll	$ 95,500	
	Payroll taxes	8,800	
	Employees welfare and pension funds	8,000	
(3)	Electricity and gas	17,500	
(4)	Fuel oil	44,940	
	Water and sewer (frontage)	4,000	
(5)	Repairs, maintenance and supplies	17,500	
(6)	Insurance	10,200	
	Management expenses (4%)	17,483	
	Telephone, office and miscellaneous	1,000	
(7)	Legal and auditing	3,200	
	Taxes:		
(8)	Real estate taxes	110,250	
(9)	Corporate taxes (State and City)	3,700	
	Mortgage indebtedness:		
(10)	First mortgage -interest	85,336	
	First mortgage -amortization	4,664	
(11)	Reserve for contingencies	5,002	
	TOTAL EXPENSES		$ 437,075

NOTES: See following pages.

FOOTNOTES TO SCHEDULE B

15 WEST 12th STREET, NEW YORK, N.Y
NOTES RE PROJECTED STATEMENT OF INCOME AND EXPENSES

(1) Rental income from professional apartments includes the following:

	Monthly Rental per Lease	Monthly Adjustments (Note A)	Total Monthly (Feb/80)	Lease Expiration Date
Apt. 1B -Psycho-therapist	$ 650.00	$ 18.22	$ 668.22	10/31/80
Apt. 1C - Doctor's office	619.38	214.27	833.65	9/30/82
Apt. 1F - Doctor's office	541.15	247.82	788.97	Expired (B)
Apt. 1G - Psycho-therapist	325.00	47.49	372.49	9/30/80
Total - Monthly	$2,135.53	$ 527.80	$2,663.33	
Total - Annual			$31,959.96	

(a) Includes adjustment for real estate taxes and cost of living, as per terms of lease.

(b) Currently under negotiation.

(2) The payroll consists of 7 men, namely a superintendent, five full-time men and a part-time man (who works 8 hours per week). The payroll is projected herein for the year from July 1980 through June 1981. The wage rates are in accordance with the current union contract. The projected annual payroll includes a provision to cover the estimated holiday, vacation and overtime payroll.

(3) This item does not include charges for apartment electricity which are billed directly to the tenants. However, this item includes charges for gas supplied to the apartments since the gas charges are billed on one meter for the entire building and said charges are paid for by the landlord. The projection herein is based on the actual expense for the year 1979 plus 20% to cover anticipated rate increases.

(4) Fuel oil purchases for the years 1977 through 1979 averaged 43,838 gallons per annum. It is anticipated that conservation measures which may be taken to comply with directives of the President of the United States (such as reductions in the temperature of common areas and apartments) should reduce the amount of fuel oil consumed in the operation of the Building. The City of New York Rent Stabilization Association, in determining what amount of increased fuel oil costs it would permit landlords to "pass along" to tenants in the form of rent increases, recently estimated that reductions in fuel oil consumption averaging 15% were possible. The cost estimate used herein is based on a more modest projected reduction of only 2.4% or from 43,838 gallons to 42,800.

NOTES CONTINUED

The current price of fuel oil (Feb. 1980) is $.8956 per gallon, including sales tax. The projection herein is based on an estimated price of $1.05 per gallon, including sales tax. The Sponsor believes that this estimate is reasonable. However, based on projections prepared by the Federal Environmental Protection Agency, the Attorney General of New York has estimated that the price of fuel oil during the 1980-81 winter will be $1.15 per gallon, plus sales tax, or approximately $1.25 per gallon. Therefore, the Sponsor has placed in escrow with the New York law firm of Pryor, Cashman, Sherman & Flynn (see page 40) an amount equal to the difference between the Sponsor's estimate and that of the Attorney General. This escrow will be available for use only if the aggregate cost of fuel oil for the first year of operation exceeds Sponsor's estimate. (For a description of the terms of the escrow, see Sponsor's Agreement to Pay Increase in Maintenance Charges at page 28.)

(5) This item includes building and janitorial supplies and the various repairs and maintenance items involved in the operation of this type of property, including elevator maintenance, exterminating and uniforms. However, this item does not include amounts expended for repairs and painting of the interiors of the apartments which would become the obligations of the respective tenant-stockholders following purchase of their shares. The amount projected for this item, after deduction of amounts for such apartment maintenance and after adjustment for inflation, appears to be consistent with amounts indicated for similar items on the financial statements and statements of operations of prior owners of the Property, which statements were prepared by other certified public accountants employed by such owners at the time. Such statements appear on pages 9(c) and 9(h) of this Offering Plan. The figure used represents an amount equal to slightly more than 4% of the total estimated annual maintenance to be paid by tenant-stockholders to the Apartment Corporation, which the Sponsor believes is appropriate for a building of the type and age of the Building.

(6) Includes current annual insurance premiums (as quoted by American Coverage Corporation) as follows:

	Coverage	Premium
Multi-peril insurance including:		
fire - all risk	$ 2,500,000	
property damage and bodily injury liability	1,000,000	
water damage legal liability	100,000	
elevator collision	50,000	
loss of rents	400,000	
Total premium — multi-peril policy		$ 6,091
Boiler insurance	250,000	67
Workmen's compensation insurance		2,798
Reserve for additional insurance charges		1,244
Total Annual Insurance Premiums		$ 10,200

(7) The figure used is comprised of approximately $1,200 in estimated legal fees, primarily for general advice to the Board of Directors of the Apartment Corporation, and $2,000 for estimated accounting fees, primarily for preparation of an annual report. The sponsor believes these amounts to be typical for the first year of operation of buildings such as the Building by an apartment corporation. Leo H. Seitelman, who prepared the Letter of Adequacy and Reasonableness appearing herein, has indicated that he would be prepared to perform accounting services typically required in situations of this type for the amount indicated above.

(8) Based on the 1980-81 assessment of $1,260,000 at the projected rate of 8.75%. The rate of 8.75% is in effect for the year 1980-81. Certiorari proceedings for the reduction of the assessed value are pending. The assessed valuation for each of the past three years as well as for the current year is as follows:

Year	Land	Total
1977-78	220,000	$1,175,000
1978-79	220,000	$1,225,000
1979-80	220,000	$1,225,000
1980-81	220,000	$1,260,000

Prospective purchasers are advised that Justice Sullivan of the Westchester Supreme Court recently held in Matter of River House-Bronxville, Inc. (Hoffman) (New York Law Journal 10/10/79) that the market value approach, rather than the capitalization of income approach, is the proper method of assessment for an assessor to employ in assessing a building formerly operated on a rental basis but converted to cooperative apartment house use. Justice Sullivan's decision upheld the assessor's action of substantially increasing the former assessment on the building. This decision is being appealed. While the Sponsor is of the opinion that Justice Sullivan's decision was incorrect and should be reversed on appeal, it is unable to warrant or represent to prospective purchasers that the existing assessment on the Property will not be affected by this decision. To the best of the Sponsor's knowledge, however, the New York City tax assessor's office is continuing to employ the income method in assessing cooperative conversion properties. It is recommended that any person interested in purchasing an apartment should consult an attorney about the legal affect of this decision.

(9) Estimated on basis of current rates, namely 4/10 of a mill on gross assets for the State Franchise Tax and 4/10 of a mill for the City Corporation Tax.

(10) Based on a new first mortgage of $900,000 which will require constant monthly payments of $7,500 which will be applied to interest at 9-1/2% per annum and the balance to amortization of principal.

(11) The Reserve for Contingencies is intended to provide for any unanticipated expenses herein.

Letter of Adequacy and Reasonable Relationship

LEO H. SEITELMAN
REAL ESTATE
855 AVENUE OF THE AMERICAS
NEW YORK, N. Y. 10001
(AREA 212) 564-6875

INVESTMENTS
MORTGAGES
MANAGEMENT
CONSULTATIONS

March 10, 1980

12th Street Apartment Corp.
Suite 2300
230 Park Avenue
New York, New York 10022

Re: 15 West 12th Street, New York, N.Y.

Gentlemen:

I have prepared for inclusion in the Plan of Cooperative Organization of the premises at the above address the foregoing schedule of the estimated receipts and expenses for the first year of operation of the premises as a cooperative apartment house.

In my opinion, the estimates are reasonable and adequate, under existing circumstances, and the estimated receipts shown therein will be sufficient to meet the normal anticipated operating expenses of the first year of operation. However, because of the possibility of the current energy crisis and unforeseeable changes in the economy, or increase or decrease in expenses of operation, my estimates are not intended to be taken as representations, guaranties or warranties of any kind whatsoever, or as any assurance that the actual expenses or income of your corporation or the amounts deductible for income tax purposes for any period of operation may not vary from the amounts shown, or that your corporation may not incur additional expenses, or that your board of directors may not provide for reserves not reflected in such schedule, or that the annual maintenance charges for any period may not vary from the amounts shown therein. It may be expected, based on current trends, that such items as real estate taxes, fuel costs, maintenance, repair, labor and other related expenses will change in the future.

My estimates are based on my analysis of the audited figures contained in the Plan which gives the three year prior history of this building and my own knowledge of existing conditions.

It is also my opinion that the prices for the blocks of shares allocated to the respective apartments are such that the amount thereof is not less than an amount bearing a reasonable relationship to the portion of the value of the Apartment Corporation's equity in the property attributable to the apartment to which such shares are allocated.

I have been a licensed real estate broker since 1959 and I have had experience in managing apartment houses in the metropolitan area and elsewhere.

Very truly yours,

Leo H. Seitelman

YOHALEM, GILLMAN, FIELD & AGLER
CERTIFIED PUBLIC ACCOUNTANTS

575 MADISON AVENUE
NEW YORK, N. Y. 10022
(212) 832-0700

To the Partners
Twelfth Street Apartments

We have examined the balance sheet of Twelfth Street Apartments as of December 31, 1979 and the related statements of income (loss), changes in financial position and partnership equity for the period from February 7, 1979 (date of inception) through December 31, 1979. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying financial statements present fairly the financial position of Twelfth Street Apartments at December 31, 1979 and the results of its operations, changes in financial position and partnership equity for the period from February 7, 1979 (date of inception) through December 31, 1979 in conformity with generally accepted accounting principles.

Yohalem, Gillman, Field & Agler

New York, New York
March 7, 1980

TWELFTH STREET APARTMENTS

BALANCE SHEET

DECEMBER 31, 1979

ASSETS

Real estate - Note 1	
Cost of property	$2,107,510
Less accumulated depreciation	78,966
	2,028,544
Cash in rent security account	37,169
Less tenants' security deposits	(37,169)
Other assets	
Cash	10,656
Rent receivable	3,536
Deferred legal expenses	20,278
Deposits	2,485
Escrow with mortgagee for taxes	39,718
Prepaid expenses	6,454
	83,127
	$2,111,671

LIABILITIES AND PARTNERSHIP EQUITY

Liabilities	
Mortgage payable - Note 2	$ 914,142
Accounts payable and accrued expenses	29,160
Due to related parties	14,745
	958,047
Partnership equity	1,153,624
	$2,111,671

The accompanying notes are an integral part of this financial statement.

TWELFTH STREET APARTMENTS

STATEMENT OF INCOME (LOSS)

FOR THE PERIOD FEBRUARY 7, 1979 (DATE OF INCEPTION) TO DECEMBER 31, 1979

Rent income	$400,567
Expenses	
Fixed expenses	
Mortgage interest	77,951
Real estate taxes	98,255
Water and sewer	3,683
	179,889
Maintenance	
Painting	3,745
Plumbing and heating	2,159
Supplies and hardware	3,004
Other repairs and maintenance	12,637
	21,545
Other expenses	
Payroll	86,358
Payroll taxes and fringes	15,982
Total payroll cost	102,340
Fuel	25,486
General expenses	2,125
Insurance	6,610
Legal and accounting	2,745
Management fee	14,745
Telephone	818
Utilities	12,674
	167,543
Depreciation	78,966
Total expenses	447,943
Net (loss)	$(47,376)

The accompanying notes are an integral part of this financial statement.

TWELFTH STREET APARTMENTS

STATEMENT OF CHANGES IN FINANCIAL POSITION

FOR THE PERIOD FEBRUARY 7, 1979 (DATE OF INCEPTION) TO DECEMBER 31, 1979

Cash was provided by		
Operations		
Net (loss)		$ (47,376)
Items not requiring an outlay of cash -		
Depreciation		78,966
Other items relating to operations, net		33,915
Total cash provided from operations		65,505
Capital investment		1,201,000
		1,266,505
Cash was applied to		
Purchase of property		
Cost	$2,107,510	
Less mortgage assumed	925,347	1,182,163
Amortization of mortgage		11,205
Deferred legal expenses		20,278
Escrow with mortgagee for taxes		39,718
Deposits		2,485
		1,255,849
Cash at end of year		$ 10,656

The accompanying notes are an integral part of this financial statement.

TWELFTH STREET APARTMENTS

STATEMENT OF PARTNERSHIP EQUITY

FOR THE PERIOD FEBRUARY 7, 1979 (DATE OF INCEPTION) TO DECEMBER 31, 1979

	Total	Aquarius Properties Inc.	Vasatepa Corp.
Capital contributions	$1,201,000	$1,200,000	$ 1,000
Loss for period	(47,376)	(23,688)	(23,688)
Partnership equity - December 31, 1979	$1,153,624	$1,176,312	$(22,688)

The accompanying notes are an integral part of this financial statement.

TWELFTH STREET APARTMENTS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1979

Note 1 - Real Estate

The property was acquired on February 7, 1979 for $2,100,000 plus title insurance and closing costs of $7,510. The total cost was apportioned as follows:

Building	$1,729,000
Land	378,510
	$2,107,510

Depreciation on the building is being computed over a 20 year life, using the straight line method.

Note 2 - Mortgage Payable

The property was acquired subject to a first mortgage which is payable in constant monthly installments of $8,155, including interest at 9 1/4% per annum, and is due September 1, 1981.

Note 3 - Management Fee

The property is being managed by an affiliate of one of the partners. The charge for this service is 4% of actual rent collected.

Note 4 - Income Taxes

No provision has been made in the accompanying financial statements for any federal, state and local income taxes of the participants.

Charles D. Schroeder
Certified Public Accountant
201 East 42nd Street
New York, New York 10007

tel. 986-8650

July 19, 1979

West 12th St. Owners, Inc.
c/o Pan Am Equities, Inc.
"The Pavilion" 76th on York
New York, NY 10021

Gentlemen:

I have examined the Statement of Operations of the property located at 15 West 12th Street, New York, New York for the years ended December 31, 1978, December 31, 1977, and December 31, 1976. My examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as I considered necessary in the circumstances.

These statements do not include depreciation, amortization of mortgage, interest expense, or provision for franchise or income taxes.

In my opinion, the accompanying Statement of Operations of the property located at 15 West 12th Street, New York, New York presents fairly the results of operations for those respective periods in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding years.

Respectfully submitted,

Charles D. Schroeder

Charles D. Schroeder

15 WEST 12TH STREET ASSOCIATES
STATEMENT OF INCOME & EXPENSE ON A FREE AND CLEAR BASIS
FOR THE CALENDAR YEAR:

	1978	1977	1976
Rents	$409,454	$397,723	$374,601
Operating Expenses			
Real Estate Taxes	104,847	105,044	103,629
Real Estate Tax Refund (1976 & 1977 Certiorari)	(4,397)		
Legal Fees applicable to above Certiorari	2,982		
Net Adjustment	(1,415)		
Water & Sewer	3,839	3,918	4,044
Fuel	16,808	18,189	16,628
Gas & Electric	16,006	11,633	8,918
Telephone	768	637	522
Repairs & General Maintenance	3,774	5,573	10,317
Painting	8,421	3,820	4,360
Supplies	3,772	3,554	3,434
Equipment Rental	883	225	--
Plumbing Repairs	5,512		
Elevator Service & Repairs	4,715	3,961	3,614
Electrical Repairs	1,416		
Payroll	79,562	73,093	69,810
Payroll Taxes	7,369	5,810	5,302
Employee Health & Welfare	8,526	7,255	5,885
Management Fees	12,408	11,947	11,235
Insurance	8,088	5,275	4,333
Professional Fees	4,812	6,590	5,450
Advertising	365	425	954
Stationery & Office	945	753	867
Renting Commission	300	475	250
Disposses & Evictions	118	360	214
General Taxes, Licenses & Permits	295	220	182
Total Operating Expenses	292,134	268,757	259,948
NET INCOME	$117,320	$128,966	$114,653

Note: Rental Income is recorded on Cash Basis.
Expenses are recorded on the traditional Accrual Basis.

Charles D. Schroeder
Certified Public Accountant

See Letter Attached

COUNSEL'S INCOME TAX OPINION

LAW OFFICES
KURZMAN KARELSEN & FRANK
230 PARK AVENUE
NEW YORK, N. Y. 10017
(212) 867-9500
CABLE ADDRESS "KARELSEN" NEW YORK

FRANK E. KARELSEN
ROBERT M. GLUCK
SAMUEL B. SEIDEL
MALCOLM R. LAWRENCE
FRANK E. KARELSEN, III
MARIE MALLOY
STANLEY E. MARGOLIES
RICHARD E. MILLER
ERNEST L. SIAL
PHYLLIS H. WEISBERG
KENNETH L. SANKIN

HAROLD MITHERZ
COUNSEL
DAVID YAVARKOVSKY
ASSOCIATE COUNSEL

, 1980

12th Street Apartment Corp.
c/o Kurzman Karelsen & Frank
230 Park Avenue
New York, New York 10017

Re: Offering Plan - A Plan to Convert to Cooperative Ownership premises at 15 West 12th Street, New York, New York

Gentlemen:

You have requested our opinion as to whether 12th Street Apartment Corp. (the "Apartment Corporation"), a corporation organized pursuant to the laws of the State of New York on August 8, 1979 , pursuant to "A Plan to Convert to Cooperative Ownership Premises at 15 West 12th Street, New York, New York (the 'Plan')," in which Twelfth Street Apartments is referred to as the "Sponsor-Seller," will qualify as a cooperative housing corporation for Federal, New York State and New York City income tax purposes after consummation of the Plan.

We have reviewed and are familiar with the Certificate of Incorporation and By-Laws of the Apartment Corporation as amended through the date hereof. We have reviewed the Plan and are familiar with the contract of sale pursuant to which the Sponsor-Seller agreed to sell to the Apartment Corporation all of its right, title and interest in the Building (as that term is used in the Plan) and the land on which it is situated.

The opinions expressed herein are based solely upon the foregoing documents and on the following assumptions:

(i) the validity of the opinion of Leo Seitelman, the real estate consultant (the "consultant") under the Plan, that on the date of the closing under the Plan, the price of each block of shares allocated to each apartment in the Building bears a reasonable relationship to the portion of the fair market value of the Apartment Corporation's equity in the Building and the land on which it is situated attributable to the apartment to which the block of shares is allocated and that the price for a block of shares will be changed if, and only if, the new price bears a reasonable relationship to that portion of the equity in the Building and the land to which such block of shares is allocated; and

(ii) that in each taxable year of the Apartment Corporation, not less than 80% of the gross income of the Apartment Corporation will be derived from qualified "tenant-stockholders" (as that term is defined in Section 216(b)(2) of the Internal Revenue Code of 1954, as amended (the "Code")). Conservative tax planning suggests that mortgage amortization paid by tenant stockholders included in their maintenance charges should be treated as paid-in surplus and added to the cost basis of their stock, and not be treated as income of the Apartment Corporation (see Eckstein v. United States, 452 F.2d 1035 1036 (Ct. Cl. 1971), and Rohan and Raskin, Cooperative Housing Law and Practice, Volume 2, Paragraph 13.02 (4), 13-17 and 18 (1976)). However, based on the consultant's projected budget, this should not present a problem for the Apartment Corporation.

Based on the foregoing (but without passing on the validity of consultant's opinions set forth above) and provided that the Plan is declared effective and there is a closing under the Plan strictly in accordance with the terms thereof, it is our opinion that:

(1) the Apartment Corporation will qualify as a "co-operative housing corporation" within the present meaning of Section 216(b)(1) of the Code, Section 615 of the Tax Law of the State of New York and Section T46-15.0 of the Administrative Code of the City of New York, notwithstanding that blocks of the same number of shares allocated to similar apartments may be sold at different prices at different times;

(2) in any taxable year in which not less than 80% of the Apartment Corporation's gross income consists of rent received from qualified "tenant-stockholders", each "tenant-stockholder" will be entitled, under present tax laws and regulations, to deduct from his adjusted gross income for Federal, New York State and New York City income tax purposes his proportionate share of (a) real estate taxes paid or incurred by the Apartment Corporation (during the taxable year of such tenant-stockholder) on the Building and the land on

which it is situated, and (b) interest paid or incurred by the Apartment Corporation (during the taxable year of such tenant-stockholder) on mortgages to which the Building and the land on which it is situated are subject, to the extent that such tenant-stockholder has paid or incurred within his taxable year, an amount equal to such proportionate share of taxes and interest paid or incurred by the Apartment Corporation.

(3) If, as the Plan provides, all shares of the Apartment Corporation not subscribed for prior to the closing of title, and the accompanying proprietary leases, are acquired by the Sponsor-Seller and then, not later than three years after the closing of title sold by the Sponsor-Seller to one or more financially responsible individuals not acting on behalf of the Sponsor-Seller, each for his own account, then the maintenance charges paid by the Sponsor-Seller and subsequently by those individuals purchasing from the Sponsor-Seller will be deemed rent received from qualified "tenant-stockholders" within the present meaning of Section 216(b)(2) of the Code, and accordingly the holding of Eckstein v. United States, supra, will not be applicable.

In addition, if the person (including a corporation) from whom the Corporation has acquired the Building (hereinafter referred to as the "original seller") acquires any stock of the Apartment Corporation from the Apartment Corporation by purchase, or acquires any stock of the Apartment Corporation by foreclosure (or by instrument in lieu of foreclosure) of any purchase-money security interest in such stock held by the original seller, and if the original seller also has acquired the right to occupy the apartments to which such stock is appurtenant (without regard to whether prior approval of the Apartment Corporation may be required before the original seller or its nominee may occupy such apartment or apartments), such original seller will be treated as a "tenant-stockholder" for a period not to exceed three years from the date of acquisition, and during such period, maintenance charges paid by such original seller will also be deemed rent received from qualified "tenant-stockholders".

We note that the Sponsor-Seller is obligated under the Plan to sell any shares which it acquires within three (3) years from the date of their acquisition.

It is our view that all individuals who acquire shares of the Apartment Corporation will meet the requirement of Section 216 of the Code that all stockholders of the Apartment Corporation be entitled to occupy their apartments for dwelling purposes. It is clear that a voluntary sublease of an apartment by a tenant stockholder does not disqualify a corporation as a cooperative housing corporation; nor does disqualification result when the stockholder purchases the stock (and obtains

his proprietary lease) subject to occupancy by an existing tenant for a fixed term. Rev. Rul. 66-341, 66-2 Cum. Bul. 101. Accordingly, we believe that even if existing tenants remain in occupancy by reason of provisions of law, such as those contained in the Rent Control and Rent Stabilization Laws or the General Business Law, the Apartment Corporation should qualify as a cooperative housing corporation. In these situations, the tenant stockholders would also meet the requirements of the Treasury Regulations (Reg. 1.216.1(d)(2)), which provides "The stockholder is not required to occupy the premises. The right against the corporation to occupy the premises is sufficient."

We understand, however, that in certain private rulings issued many years ago, the Internal Revenue Service took the position that the "right of occupancy" requirement for cooperative housing corporations would not be met where the tenants occupying apartments could not be evicted by stockholders under then applicable rent control laws and regulations. It appears that a substantially similar situation exists under the Plan since, as noted above, under the Rent Control and Rent Stabilization Laws, and the General Business Law, a purchaser of shares allocated to an occupied apartment may not be able to obtain immediate occupancy thereof. Although many cooperative plans have been promulgated in New York within the last twenty years under which substantial numbers of purchasers of shares were unable to evict existing tenants, we know of no court decision or published ruling in which the Internal Revenue Service has taken the position that this circumstance disqualified any cooperative housing corporation.

We also state that neither you, we, the Sponsor-Seller nor the Agent makes any warranty or representation that the United States Treasury Department, the Department of Taxation and Finance of the State of New York or the Department of Finance of the City of New York will allow the deductions or that the tax law or the regulations issued thereunder or any judicial interpretation thereof may not change so as to disallow the deductions in whole or in part, and neither you, we, the Sponsor-Seller nor the Agent shall be liable if for any such reason it be held that the Apartment Corporation fails to meet the requirements above enumerated of the Internal Revenue Code, the Tax Law of New York State, or the Administrative Code of the City of New York or any amendments thereof.

We understand that this letter is to be made a part of the Offering Plan and consent to its reproduction therein.

Very truly yours,

KURZMAN KARELSEN & FRANK

TENANTS'* RIGHT TO PURCHASE

The summaries of the rights of tenants in occupancy set forth in this Section and in the Section entitled "Non-Purchasing Tenants' Right to Possession" are based upon the laws in effect on the date of presentation of the Plan. Such rights may change if the laws, or any of them, summarized herein expire or are modified or repealed during this offering, and the Sponsor-Seller reserves the right to amend the provisions of this Plan relating to the rights of tenants in order to reflect a change in the law. A copy of each amendment to this Plan reflecting a change in the law relating to the rights of tenants will be furnished to all tenants after acceptance for filing.

In accordance with Section 61 of the New York City Rent Stabilization Code and Section 352-eeee of the General Business Law (relevant portions of which appear in Part II of this Plan):

(a) Each tenant in occupancy of an apartment in the Building at the date of presentation of the Plan will have the exclusive right for a period of 90 days from the date of presentation of the Plan to purchase the shares allocated to his apartment for the Total Cash Payment of $69.30 per share as set forth in Schedule A.

(b) After expiration of the 90-day exclusive right to purchase set forth in subparagraph (a) above, a tenant in occupancy at the date of presentation of the Plan who has not purchased or waived in writing his right to purchase, will be given the exclusive right for an additional period of six months from said expiration date to purchase the shares allocated to his apartment on the same terms and conditions as contained in an executed Subscription Agreement made with a bona fide purchaser. The tenant must be given 15 days in which to exercise such right to purchase from the date of mailing by registered mail of notification of the execution of a Subscription Agreement. The notification shall contain a copy of the executed Subscription Agreement.

(c) A subtenant will have no right to purchase unless approved by the tenant of record. A corporation or partnership tenant will have no right to purchase, but an individual approved by such tenant will have the right to purchase.

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* The term "tenant" as used herein shall not include a corporation, partnership, trust or foreign government, and anyone whose apartment in the Building is not his/her primary residence.

NON-PURCHASING TENANTS' RIGHT TO POSSESSION

Eligible Senior Citizens and Eligible Handicapped Persons

An Eligible Senior Citizen or Eligible Handicapped Person, as defined below, who does not purchase his or her apartment may not be evicted on that account. Eviction proceedings may be brought against an Eligible Senior Citizen or Eligible Handicapped Person for refusal of access to the owner or a similar breach of a tenant's obligation to the landlord. The rentals for his apartment will continue to remain subject to the Rent Stabilization Law. If the apartment in which the Eligible Senior Citizen or Eligible Handicapped Person resides is not subject to governmental control of rents or continued occupancy or, at a future date, it becomes no longer subject to such controls after the Plan becomes effective, the rentals of said apartment may not become subject to unconscionable increases beyond ordinary rental for comparable apartments while occupied by the Eligible Senior Citizens or Eligible Handicapped Persons.

An Eligible Senior Citizen is defined by law as a tenant of a building who, on the date of acceptance of a cooperative conversion plan for filing by the Department of Law.

1. is 62 years of age or older;

2. has resided in the building offered for conversion to cooperative as his or her primary residence for at least two years prior to acceptance of the plan by the Department of Law.

3. has, together with all other occupants of the apartment, an income from all sources of less than $50,000 for his income tax year immediately preceding thd date of acceptance; and

4. on Department of Law forms presented by the Sponsor to the Eligible Senior Citizen has elected, within 90 days from the date of acceptance for filing, to become a non-purchasing tenant.

An Eligible Handicapped Person is similarly defined by law as a tenant of a building who, on the date of acceptance of a cooperative conversion plan for filing by the Department of Law:

1. has an impairment (a) which results from anatomical, physiological or psychological abnormalities (other than addiction to alcohol, gambling or any controlled substance),

   (b) which is expected to be permanent, and

   (c) which prevents the tenant from engaging in any employment or other gainful activity on such date;

2. has resided in the building offered for conversion to cooperative as his or her primary residence for at least two years prior to such date; and

3. has elected within 60 days of such date, on Department of Law forms presented to such tenant by the Sponsor, to become a non-purchasing tenant.

Regardless of age, the husband or wife of an Eligible Senior Citizen, or of an Eligible Handicapped Person, on the date the election is made has the same protections against evictions and increased rentals accorded by law to the Eligible Senior Citizen or Eligible Handicapped Person. An Eligible Senior Citizen or an Eligible Handicapped Person or his or her spouse is not barred from becoming a purchaser after the election not to purchase is made provided his purchase is made in accordance with the terms of this Offering Plan or as such terms may be amended at the time of his purchase.

For further information see Section 352-eeee of the General Business Law, a copy of which is annexed in Part II.

Rights of Non-Purchasing Stabilized Tenants

A non-purchasing tenant (including an Eligible Senior Citizen or Eligible Handicapped Person) in occupancy of a rent stabilized apartment at the date of presentation of the Plan shall be entitled to remain in possession (except for non-payment of rent or other default) until the latest of the following dates:

(i) One year from the date of presentation of the Plan; or

(ii) The date on which the Plan is declared effective; or

(iii) The expiration date of his lease as accelerated by any cancellation clause permitted by the New York City Rent Stabilization Law and Code.

Thereafter, except for Eligible Senior Citizens and Eligible Handicapped Persons who have exercised their right of election described above, a non-purchasing tenant may be removed by the Sponsor or the purchaser of the shares allocated to his apartment, provided, however, that within eighteen months from the date of presentation of the Plan at least 35% of the tenants in occupancy of rent stabilized apartments on the date of the Plan is accepted for filing have agreed to purchase shares allocated to apartments, without discriminatory repurchase agreements or other discriminatory inducements.*

Status of Rent During Possession

So long as a non-purchasing rent-stabilized tenant has the right to remain in possession of his apartment, his rent shall continue to be subject ot the New York City Rent Stabilization Law and the Code adopted pursuant thereto.

*Section 352-eeee of the General Business Law of New York permits the Sponsor to exclude electing senior citizens in determining whether 35% of the tenants in occupancy have so agreed. Section 352-eeee is set out in its entirety starting at page 56 of this Offering Statement.

RIGHTS AND OBLIGATIONS OF NON-OCCUPANT PURCHASERS

A purchaser of shares allocated to a rent stabilized apartment which is occupied by someone other than the purchaser may be required to institute summary dispossess proceedings at his own expense to obtain possession. Such proceedings may be commenced immediately following the expiration of the tenant's lease or following the expiration of the period prescribed by the New York City Rent Stabilization Law and Code, or any other applicable statutory period during which non-purchasing tenants may remain in possession, but in no event sooner than the latest of the dates referred to on page 16. In addition, Housing Court judges may exercise their discretion in granting tenants a stay of eviction of up to six months. No representation can now be made as to the length of time which may elapse before a final court judgment is granted or as to the length of time which may elapse before possession is obtained. In no event may summary dispossess proceedings be commenced against an Eligible Senior Citizen or Eligible Handicapped Person who has elected to become a non-purchasing tenant. (See Eligible Senior Citizens and Eligible Handicapped Persons at page 15).

A purchaser of shares allocated to an apartment occupied by a tenant will purchase subject to the terms and conditions of the existing lease or tenancy. Copies of all leases in effect at the date of presentation of the Plan are on file at the Selling Agent's office for examination by prospective purchasers. A non-occupant purchaser will be required to pay the maintenance charges for his apartment, whether such maintenance charges are greater or less than the rent received from the tenant in occupancy, and will be entitled to receive all rent payable by the occupant. Such purchaser will also be responsible for all the obligations of the landlord under the lease or tenancy of the tenant and under the New York City Rent Stabilization Law and Code. The purchaser will have the further obligation of repair, replacement and maintenance of the plumbing fixtures, refrigerator, range, light fixtures and other equipment in the apartment as well as the painting of the apartment and will have to deal with tenant security deposits in accordance with §7-103 of the General Obligations Law of New York.

Purchasers of shares allocated to apartments occupied by tenants should consult their attorneys with respect to their rights and obligations.

EFFECTIVE DATE OF THE PLAN AND CLOSING DATE

1. The plan may be declared effective if within 18 months of the date of its presentation at least 35% of the tenants in occupancy of rent-stabilized apartments, on the date the Plan is accepted for filing, computed in accordance with the provisions of Section 61 of the Rent Stabilization Code and Section 352-eeee of the General Business Law, have signed Subscription Agreements. Eligible Senior Citizens and Eligible Handicapped Persons residing in apartments subject to the Rent Stabilization Law will not be included in the base for computing the minimum number of purchasers required before the Plan may be declared effective.

2. If the Plan has not been declared effective within eighteen months of the date of its presentation, it will be declared abandoned and void and of no effect, and all monies will be returned to purchasers in full, with interest, if any. However, the Sponsor is under no obligation to deposit any such monies received in an interest bearing account.

At least every thirty days from the date on which the Plan has been accepted for filing by the Attorney General until the Plan is declared effective or is abandoned, as the case may be, the Sponsor will:

(a) file with the Attorney General a written statement under oath stating the percentage of tenants occupying their apartments on the date such letter is issued who have agreed in writing as of such date to purchase their apartments pursuant to the Plan; and

(b) shall post a copy of such statement, before noon on the day such statement is filed, in a prominent place accessible to all tenants in the Building.

The Plan will be declared effective by written notice to all tenants and purchasers that 35% of the rent stabilized tenants have signed subscription agreements. An appropriate amendment to the Plan will be duly filed promptly thereafter. No closing of title will take place and no additional subscription agreements will be accepted until an amendment declaring the Plan effective has been submitted for filing.

The Sponsor-Seller may, at its option, declare the Plan abandoned for any reason whatsoever before it is declared effective. Once the Plan has been declared effective it may not be abandoned, except for a defect in title which cannot reasonably be cured. There will be no obligations on the part of the Sponsor-Seller to engage in litigation to cure title defects.

If the Plan is abandoned, the Sponsor-Seller will offer to any tenant of a rent stabilized apartment who was in occupancy at the date of presentation of the Plan and whose lease has theretofore expired a renewal lease in compliance with the provisions of the New York City Rent Stabilization Law and Code and the Emergency Tenant Protection Act.

The Sponsor-Seller will purchase all shares so subscribed for prior to the closing of title and execute proprietary leases for all the apartments to which such shares are allocated, so that all of the shares of the Apartment Corporation will be issued and proprietary leases will be executed for all apartments to which shares are allocated. However, not later than three years after the closing of title the Sponsor-Seller will sell any shares which it acquires to one or more financially responsible individuals, each for their own account, who will not be acting for or on behalf of the Sponsor-Seller.

After the Plan has been declared effective, the sale of the Property to the Apartment Corporation will close on a date (herein sometimes called the "Closing Date") to be fixed by the Sponsor-Seller, which shall be not less than 30 days nor more than 180 days thereafter, unless the closing is adjourned.

The foregoing provisions of this Section are based upon the laws in effect on the date of presentation of the Plan. The Sponsor-Seller reserves the right to amend this Section if such laws, or any of them, expire or are modified or repealed during this offering. A copy of each amendment to this Plan reflecting a change in the law will be furnished to all tenants after acceptance of said amendment for filing.

THE SPONSOR-SELLER ALSO RESERVES THE RIGHT TO AMEND THE PLAN TO WITHDRAW IT FROM THE PROCEDURAL REQUIREMENTS OF THE RENT STABILIZATION LAW AND CODE. IF THE PLAN IS SO AMENDED, THE 35% SALES REQUIREMENT WOULD NO LONGER BE A CONDITION PRECEDENT TO THE SPONSOR-SELLER'S RIGHT TO DECLARE THE PLAN EFFECTIVE AND SUCH RIGHT WOULD BE CONDITIONED ONLY UPON THE SALE OF SHARES OF THE APARTMENT CORPORATION ALLOCATED TO 15% OF THE APARTMENTS TO PURCHASERS WHO NEED NOT BE TENANTS IN OCCUPANCY BUT NO EVICTION PROCEEDINGS COULD BE COMMENCED AGAINST A NON-PURCHASING TENANT EXCEPT FOR NONPAYMENT OF RENT OR OTHER BREACH OF HIS OBLIGATIONS TO THE LANDLORD. A COPY OF ANY AMENDMENT EFFECTING SUCH CHANGE IN THE TERMS OF THIS OFFERING WILL BE FURNISHED TO ALL TENANTS AFTER ACCEPTANCE OF SAID AMENDMENT FOR FILING.

On the Closing Date, title to the Property will be transferred to the Apartment Corporation and each purchaser

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

FINANCING ARRANGEMENTS FOR TENANTS IN OCCUPANCY

Commercial and savings banks, as well as savings and loan associations, may make loans to tenants and other persons purchasing shares of the Apartment Corporation. Many savings banks, several commercial banks and some savings and loan associations have announced or advertised the existence of a loan program of this kind. It should be noted, however, that the historically high levels of interest rates recently reached, the continuing high levels as at the date of the presentation of this Plan, and the demonstrated volitility of such rates in the recent past may make it difficult for prospective purchasers to obtain the necessary financing. In the event that a prospective purchaser has signed a Subscription Agreement and then fails to obtain such financing, the Subscription Agreement will nevertheless continue to be a binding agreement and the subscriber will forfeit his or her down payment if he or she is unable to pay the remainder of the purchase price for the subscribed-for apartment.

Persons who may be interested in making financial arrangements with any savings bank, any commercial bank or a savings and loan association should communicate directly with the lender of their preference.

Neither the Sponsor nor the Selling Agent is making arrangements for such individual bank financing or is acting as agent for any lender in respect of the financing of share purchases.

NO REPRESENTATION OR WARRANTY IS MADE THAT BANK FINANCING WILL BE AVAILABLE TO ANYONE WHO SUBSCRIBES FOR SHARES OF THE APARTMENT CORPORATION UNDER THE PLAN OR AS TO THE TERMS AND CONDITIONS UPON WHICH IT MIGHT BE AVAILABLE.

PROCEDURE TO PURCHASE

A person desiring to purchase shares of the Apartment Corporation will be required to execute a subscription agreement in quadruplicate in the form contained in Part II of this Plan at pages 44 through 48 and return it to the Selling Agent at "The Pavilion," 76th on York, New York, New York 10021 together with a check for 10 (10%) percent of the cash purchase price drawn to the order of "Twelfth Street Apartments Subscription Account."

The Sponsor will hold all moneys received by it directly or through its agents, employees, or escrow agent, in trust, in a special account at Citibank, 399 Park Avenue, New York 10022, entitled "Twelfth Street Apartments Subscription Account" until actually employed in connection with the consummation of the Plan as herein described. In the event that insufficient funds are raised through the Offering to effectuate the purchase of the Property and the consummation of the Plan, or if the Plan is abandoned or withdrawn for any reason, or if title to the Property is not acquired by the Apartment Corporation on or prior to October 1, 1981, for any reason whatsoever, then such moneys shall be fully returned to the purchasers, with interest, if any. However, the Sponsor is under no obligation to deposit such monies received in an interest-bearing account. The amounts paid by the purchasers will be handled in accordance with the provisions of the Section 352(h) of the New York General Business Law.

FINANCIAL FEATURES

The basic financial plan of this cooperative project is as follows:

Total cash amount of Offering (47,857 shares). . . .	$3,684,989
Mortgage Indebtedness.	.900,000
Total Purchase Price.	4,584,989
Less Reserve and Repair Fund to be retained by Apartment Corporation.	.50,000
Net Purchase Price of Property to Sponsor.	.4,534,989

TERMS OF MORTGAGE WHICH WILL AFFECT THE PROPERTY AT THE CLOSING DATE

The Property is presently encumbered by a first mortgage held by the Union Dime Savings Bank, 1065 Avenue of the Americas which at the date of presentation of the Plan has a principal balance of $913,073.66. At or before closing, the Sponsor will cause said mortgage to be paid in full and discharged of record and a new first mortgage shall be executed to the Brooklyn Savings Bank in the amount of $900,000, bearing interest at the rate of 9 1/2 (9-1/2%) percent per annum, amortizing at the rate of .5 (1/2%) percent per annum. Said mortgage will require constant monthly payments of $7,500 which will be applied to interest at the rate of 9-1/2 (9-1/2%) percent per annum and the balance to amortization of principal. Privilege will be granted to prepay the mortgage in full after 5 years from the closing of the loan on any interest due date upon 30 days prior written notice and payment of a penalty equal to 3% of the then outstanding principal balance if prepaid during the 6th year, with said penalty declining 1/2 of 1% per annum to a minimum of 1%. The mortgage will require that the premises be insured against such hazards and in such amounts and in such Insurance Companies as shall be satisfactory to the mortgage lender. Hazard insurance in the minimum amount of $2,420,000 with 80% co-insurance if applicable is required pursuant to the terms of the mortgage commitment. The mortgage will prohibit secondary financing without the prior written consent of the mortgagee. The mortgage will provide for the acceleration of the entire outstanding principal balance of the loan at the option of the mortgagee in the event of the transfer of the mortgaged premises without the prior written consent of the mortgagee, which consent will not be unreasonably withheld. Said mortgage shall mature 10 years from the date of closing. Upon maturity, if all required payments shall have been made thereunder, the principal balance then payable will be $832,844.74, ($17.40 per share) and if the Apartment Corporation does not arrange for refinancing or extension of the mortgage, it will have the responsibility of paying the principal indebtedness then due which may require additional maintenance charges. No representations are made as to the availability of funds for refinancing, the interest rate or the cost of refinancing, at the time the mortgage becomes due.

The Brooklyn Savings Bank has entered into a commitment letter to grant a first mortgage on the terms and conditions described above in this Section. In consideration of this

commitment, the Sponsor has paid to The Brooklyn Savings Bank a commitment fee of $27,000.

It is not anticipated that any interest or amortization payments will be due on the Brooklyn Savings Bank's first mortgage prior to closing as the refinancing of the current first mortgage and the Closing Date are anticipated to occur simultaneously. In the event, however, that any such payments shall be due prior to the Closing Date, the Sponsor agrees that it will make all interest and amortization payments, if any, due prior to the Closing Date and the Apartment Corporation will take title to the property subject to the actual balance of principal of this mortgage unpaid as of the Closing Date, as reduced by regular amortization payments and without any requirement to adjust any amortization payments made prior to the Closing Date.

SPONSOR'S AGREEMENT TO PAY INCREASE IN MAINTENANCE CHARGES

Sponsor agrees that in the event that the expenses (other than the reserve for contingencies) as set forth in Schedule B of the Plan, during the first year of operations by the Apartment Corporation, amount in the aggregate to more than $417,940, the Sponsor will pay to the Apartment Corporation any such excess. Such agreement is subject to the building being operated during said one year period substantially as it has in the past two years and, more specifically, shall specifically exclude the following items:

(1) any expenses for repairs or decoration to apartments or which are the responsibility of the tenant-shareholders under the provisions of the proprietary leases;

(2) any expenditures for capital replacements or improvements, whether or not so designated on the books of the Apartment Corporation, and any expenditures for costs of repairs or improvements to correct presently existing conditions indicated in the Statement of Present Building Condition which appears in Part II of the Plan;

(3) repairs, maintenance and supplies which have not been customarily made in the past (or if made in the past more often than in the past) or which relate to machinery, parts of the physical premises or equipment in excess of the cost to repair them to the condition which existed as of the Closing Date;

(4) any expenditures for redecorating the lobby and public halls of the Building, or any additional expenditures other than for ordinary repairs and maintenance;

(5) any payments in excess of $90,000 for interest and amortization on mortgages or on any other loans, secured or unsecured;

(6) any amount for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund;

(7) wages, welfare benefits, contributions to pension funds, payroll insurance and payroll taxes for more than the 7 employees referred to in the Plan;

(8) payments under service or maintenance contracts for work not covered by the contracts referred to in the Plan;

(9) supplies, employees' uniforms and sundries in excess of the amount reasonably required in the regular and normal operation of the Bulding for the period of 90 days after the end of said one-year period;

(10) any insurance premium for coverage greater than or in addition to the coverage shown in Schedule B;

(11) payments for management services in excess of $16,718 per annum;

(12) the amount of any obligations prepaid;

(13) salaries or other compensation to officers and directors of the Apartment Corporation;

(14) a payment made in connection with the cancellation or termination of any lease of the commercial space or of any contract affecting the Property;

(15) expenses incurred in connection with any new lease or renewal lease of commercial or professional space, except as such expenses are offset by increased income; and

(16) the amount of any deferred closing adjustments.

The Apartment Corporation shall notify the Sponsor by registered or certified mail of every item of repair (other than a repair of an emergency nature) costing $1,000 or more which it intends to make and the Sponsor shall be granted access to the Building in order to determine the nature and scope of the intended repair. The Sponsor may, by giving written notice to the Apartment Corporation within 10 days thereafter, specify that in its opinion such repairs are not within the scope of Sponsor's agreement hereinabove set forth. In such event Sponsor shall not be deemed to have waived its rights to such contention. In any event upon receipt of such notice and without prejudice to Sponsor's right to contest Sponsor's liability for such repairs, Sponsor may elect to cause the repairs set forth in the Apartment Corporation's notice to be performed at the Sponsor's sole expense. If the Sponsor does not elect to cause such work to be performed within said 10 days, the Apartment Corporation may cause such work to be performed by such contractors and at such expenses as it may deem reasonable.

At the end of the first year of operation of the Property following the Closing Date an independent certified public accountant engaged by the Apartment Corporation will prepare and deliver to the Apartment Corporation and to the Sponsor an audited financial statement for the preceding 12-month period. The cost of this report will be borne by the Apartment Corporation in addition to the cost of the annual report described on page 68. If said audited financial statement indicates that the annual expenses incurred by the Apartment Corporation for the preceding 12-month period exceed the sum of $417,940, then within one month of receipt of the said financial statement the Sponsor will pay to each purchaser for whose benefit this provision is made the sum due to him hereunder. If any item or expense is (in whole or part) applicable to a period after the expiration of the first year following the Closing Date though it was paid in full during said 12-month period then for the purposes of computation of the Sponsor's obligation hereunder such item of expense shall be apportioned so that only the portion thereof attributable to the year in which payment is made shall be included in the computation of the annual expenses for such year.

The Sponsor shall be afforded a reasonable opportunity to examine the Apartment Corporation's books and records to verify the amount shown by the audited financial statement to be payable to the Apartment Corporation.

Any disputes with respect to the Sponsor's obligation for increases in the Apartment Corporation's expenses will be submitted to and resolved by an accounting firm acceptable to both the Apartment Corporation and the Sponsor and if they shall be unable to agree on the designation of an accounting firm for that purpose, the dispute shall be submitted to non-binding arbitration. The fees of the accounting firm shall be borne by the party against whom the determination is made.

The Sponsor will have the right (but not the obligation) to apply for reductions of the assessed valuation of the Property and to institute court proceedings for the reduction of the assessed valuation, at its expense, in the name of the Apartment Corporation, if the Apartment Corporation does not do so. If real estate taxes are reduced for any period covered by the Sponsor's obligations under this Section (whether the reduction is obtained by the Sponsor or by the Apartment Corporation) the reduced taxes, plus legal fees and related expenses, if any, which have been paid by the Apartment Corporation in obtaining the reductions, shall

be deemed an item of expense in lieu of the original tax payment and the resulting refund, if any, shall be paid to the Sponsor promptly after collection by the Apartment Corporation.

No bond or other security (except for the escrow account described in footnote 4 on page 7b of this Offering Statement) has been provided to secure the obligations of the Sponsor hereunder and except for such escrow account, the Sponsor's ability to perform will depend on its financial condition when called upon.

SUMMARY OF PRINCIPAL TERMS OF PROPRIETARY LEASE

The proprietary lease will be for a term ending on September 30, 2030 but may be extended by vote of the tenant-shareholders. As a lessee every shareholder of the Apartment Corporation will be obligated to pay the maintenance charges for his apartment as fixed by the Board of Directors. He will also have the following rights and obligations.

(1) He will have the right to pledge his shares and lease on the terms set forth therein as security for repayment of a loan made by a bank, trust company or other recognized lending institution.

(2) Subject to the rights of any lender with which the shares and proprietary lease may be pledged by the tenant-shareholders, he may cancel his lease and surrender his shares to the Apartment Corporation (without receiving any compensation) effective as of September 30th following expiration of three years after the closing date or on any September 30th thereafter, on at least six months' prior notice to the Apartment Corporation, and if he elects to cancel, he will have no liability for payment of maintenance charges after the effective date of the cancellation.

(3) Subject to the rights of any lender with which the shares and proprietary lease may be pledged by the tenant-shareholder, he will have the right to sell his shares and assign his proprietary lease, and sublet his apartment at any time in compliance with the provisions of the proprietary lease and the Apartment Corporation's By-Laws, which require that consent thereto be authorized by resolution of the Board of Directors or given in writing by a majority of the Directors or by written consent or vote of shareholders owning at least 65 (65%) percent of the Apartment Corporation's outstanding shares.

(4) He will be responsible for the cost of interior repairs and decorating in his apartment, and the cost of repairing and, when necessary, replacing the fixtures, refrigerator, range, air conditioning unit and other equipment in the apartment.

(5) Apartments may be used for residential purposes and for such other purposes as may be permitted under the applicable zoning laws and are otherwise legal.

The form of proprietary lease is printed in full in Part II as Exhibit III. It may be changed only by the approval of lessees owning at least 75 (75%) percent of the Apartment Corporation's outstanding shares.

APARTMENT CORPORATION

The Apartment Corporation was formed on August 8, 1979, under the Business Corporation Law of the State of New York. It has an authorized capital of 60,000 shares of the par value of $1.00 each, of which 40,854 have been allocated to the apartments in the Building. The remaining shares may not be issued unless authorized by the Board of Directors elected by the tenant Shareholders. The By-Laws require not less than three nor more than seven directors. The present officers and directors have been designated by the Sponsor and will resign in favor of directors to be elected by the shareholders at a meeting to be held within 30 days after the Closing Date. Each shareholder will be entitled to one vote for each share held. The Sponsor and other holders of Unsold Shares will, under no circumstances, control the Board of Directors. Directors will be elected by cumulative voting.

The Apartment Corporation will have a lien on each shareholder's shares to secure payment of maintenance charges.

All expenses of the Apartment Corporation accruing up to and including the Closing Date, including the Selling Agent's commission will be paid by the Sponsor.

UNSOLD SHARES

If by the Closing Date, any shares of the Apartment Corporation which have been allocated to apartments have not been sold to Purchasers (the "Unsold Shares"), the Sponsor shall elect, at its sole discretion, either of the following options:

(a) The Sponsor will produce individuals (the "Individuals Produced by the Sponsor") to whom the Apartment Corporation will issue such Unsold Shares and with whom the Apartment Corporation will enter into Proprietary Leases for the apartments to which such shares are allocated; or,

(b) The Sponsor will purchase such Unsold Shares from the Apartment Corporation and the Apartment Corporation shall thereupon issue such Unsold Shares to the Sponsor and will enter into Proprietary Leases with the Sponsor for the apartments to which such shares are allocated.

If the Sponsor elects option (b) above and has not sold all such shares of stock with accompanying proprietary leases to Purchasers within three (3) years of the Closing Date, (or sooner if the Sponsor so elects), the Sponsor will produce individuals to whom Sponsor will assign its shares of stock and Proprietary Leases to which such shares are allocated.

The Individuals Produced by the Sponsor will hold the Unsold Shares for their own account and not as nominees for, or for the benefit of, any other individual or any corporation, partnership, joint venture or other entity, or as participants in any tenancy-in-common or joint tenancy.

The Sponsor has agreed that if any such Individual Produced by the Sponsor fails to fulfill his obligations under his Proprietary Lease, including his obligation to pay all rent (maintenance charges) thereunder, the Sponsor will become liable for such obligations. The Apartment Corporation also will have a lien upon the shares to secure the performance of all obligations of the Sponsor and of Individuals Produced by the Sponsor under the Proprietary Lease.

The Sponsor represents that is has financial resources adequate to enable it to meet its obligations with respect to such Unsold Shares and with respect to the Individuals Produced by the Sponsor, but this Plan contains no financial data supporting this representation. Since no bond or security has been furnished by the Sponsor, the Sponsor's ability to perform said obligations will depend solely upon its financial condition if and when called upon to perform.

Moreover, the Sponsor's liability for its obligations with respect to said Unsold Shares and with respect to the Individuals Produced by the Sponsor under a Proprietary Lease will terminate if the Sponsor or the Indivudual Produced by Sponsor either (i) sells his shares of stock and assigns his Proprietary Lease, or (ii) ceases to have the rights granted by paragraph 38 of the Proprietary Lease to a holder of Unsold Shares or (iii) cancels his Proprietary Lease and surrenders his shares of stock pursuant to the provisions of paragraphs 35(f) and 38(d) of the Proprietary Lease.

RESERVE AND REPAIR FUND

On the Closing Date, from the amount of cash raised by this offering, the Apartment Corporation will retain the sum of $50,000. This reserve fund may be held for working capital (plus or minus closing adjustments), and for repairs and other appropriate corporate purposes as determined by the Board of Directors.

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

THE PROPERTY IS OFFERED IN ITS CURRENT CONDITION AS SET FORTH IN THIS OFFERING PLAN. NO GOVERNMENT AGENCY HAS PASSED UPON THE ADEQUACY OF THE RESERVE FUND OR ON THE PHYSICAL CONDITION OF THE BUILDING.

CONTRACT OF SALE

By agreement dated Spetember 17, 1979, the Sponsor has contracted to sell the Property to the Apartment Corporation subject only to the following exceptions:

(a) The mortgage hereinabove referred to under heading "Terms of Mortgage" which will affect the property at the Closing Date.

(b) Leases in force on the Closing Date, statutory tenancies and rights of tenants in possession.

(c) Statement of facts shown on survey made by Charles J. Dearing dated 12/8/59, redated 7/15/79 by Peter C. Hansen, and any other or changed facts which an accurate survey may show provided such other or changed facts do not render title unmarketable.

(d) Zoning laws, regulations and ordinances, and any amendments thereto now or hereafter adopted, provided same do not prohibit the existence or present use of the structure.

(e) Any rights of gas, electricity, steam, telephone and other utility companies to maintain, repair and replace any wires, conduits, pipes, valves, chutes and vaults on, over, under and adjacent to the property.

(f) Encroachment of stoops, areas, celler steps, trim, cornices and projections, if any, on any street or highway; and consents by any owner of the property for the erection of any structure on, under or above any street or streets on which the property may abut.

(g) Union contracts and management and service agreements referred to on page 39.

(h) Existing service contracts.

(i) Covenants, easements and restrictions of record which do not prevent the present use of the property.

(j) The revocable nature of the right, if any, to use vaults, areas, chutes and other space beyond the lot lines and under the abutting the public sidewalks.

(k) Liens for any unpaid current real estate and

vault taxes, water charges or sewer rents, provided that the amounts thereof are apportioned between the Sponsor and the Apartment Corporation as of the date preceding the Closing Date.

(l) Liens for unpaid New York State franchise taxes or New York City General Corporation taxes of any corporation in the chain of title, provided that the title company insuring the Apartment Corporation's title will insure against collection of such taxes from the Property.

With regard to violations, the Sponsor will convey title to the premises free of all violations of record (except as provided below at page 49) or will deliver its written undertaking to remove any such violations as soon after the Closing as practicable, including the depositing in escrow of a reasonable sum to secure the removal of such violations. The amount of such sum to be deposited in escrow will be determined by the attorney for the Sponsor and the attorneys representing the Apartment Corporation at Closing; and if such attorneys cannot agree, the amount will be fixed by arbitration held under the auspices of the American Arbitration Association. Further, if the cost to the Sponsor for the removal of violations exceeds $5,000, Sponsor shall have the right, at its option to cancel the contract and declare this Plan and offer withdrawn.

Title will be conveyed to the Apartment Corporation by a Bargain and Sale Deed with Covenants Against Grantor's Acts. The Apartment Corporation's title will be insured by American Title Insurance Corporation or any other duly licensed title company for an amount equal to $4,600,000. Expenses of $12,700 incurred in connection with obtaining such title insurance will be borne by the Sponsor.

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

The agreement provides that the following items will be apportioned between the Sponsor and the Apartment Corporation as of the date preceding the closing of title: (a) real

estate taxes, (b) water and sewer charges, (c) fuel, (d) prepaid insurance premiums, (e) payments under service contracts and union contracts, (f) mortgage interest, (g) wages and payroll expenses including vacation accruals in accordance with the standard union contract, (h) commercial and professional rents, (i) fees for assignable permits and licenses, (j) indivudual apartment rents, (k) escrow deposits, if any, with first mortgagee and other items, if any, normally adjusted.

The security deposit, if any, of a tenant who purchases will be refunded to him after the closing of title if he is not in default under his lease or tenancy. The security deposit of a non-purchasing tenant who is not in default under his lease or tenancy will be transferred after te closing of title to the purchaser of the shares allocated to the apartment. Security held under commercial leases will be transferred to the Apartment Corporation on the Closing Date,

Conflicts between the contract of sale and the Offering Plan shall be resolved in favor of the Plan.

Prior to the Closing Date, the Sponsor will obtain for the Apartment Corporation a fuel oil storage permit and an up-to-date air resources permit with respect to the Property.

SPONSOR'S PROFIT

The Sponsor, Twelfth Street Apartments, acquired the Property on February 7, 1979.

If all the apartments offered herein are sold at the prices set forth in the sixth column of Schedule A, Sponsor's profits may be approximately $2,254,000.00 computed before the payment of taxes but after deducting the Sponsor's expenses in connection with the acquisition of the Property, the preparation and presentation of this Plan, and the closing of title with the Apartment Corporation. These expenses inlcude sales commission, attorney's fees, accounting fees, printing, title insurance to the Apartment Corporation, engineer's fees, and the cost of Sponsor's financing. In addition, the Apartment Corporation, is retaining the sum of $50,000 out of the purchase price as a Reserve Fund and for working capital.

The exact profit to be realized by the Sponsor upon sale of the Property to the Apartment Corporation cannot now be determined and may increase or decrease depending upon such variable factors as future market condition, losses which may be sustained by reason of the Sponsor's responsibility for performance of proprietary leases acquired by it as holder of unsold shares and the length of time required to sell all shares offered under this Plan.

MANAGEMENT AGREEMENT AND OTHER CONTRACTUAL ARRANGEMENTS.

Management Agreement.

On the Closing Date, the Apartment Corporation will enter into an agreement with Pan Am Equities, Inc. (the "Managing Agent") to act as managing agent of the Property for a period of two (2) years from the Closing Date, which agreement will continue thereafter until terminated at the option of either party at the end of any calendar month on at least thirty (30) days' prior written notice. For its services, the Managing Agent, will receive compensation of four (4%) percent of the income of the Corporation which for purposes of such agreement shall consist of the annual maintenance charges, rental income from professional apartments and income from laundry machines (See, Projected Schedule of Expenses) for said two (2) year period. It will also receive commissions for leasing or subleasing space in the Building on behalf of the Apartment Corporation and fees in connection with transfer of shares and proprietary leases by tenant shareholders at rates to be agreed upon with the Apartment Corporation. Pan Am Equities, Inc, is a corporation which is owned and controlled by Fraydun Manocherian and his family.

The fees of the Managing Agent will be payable monthly out of the monthly maintenance charges collected. The agreement will not be assignable by the Managing Agent without the consent of the Apartment Corporation and will not be cancellable by the Apartment Corporation or Managing Agent before the end of its initial term unless the Apartment Corporation shall fail or refuse to comply with or abide by any rule, order, determination, ordinance or law of any federal, state or municipal authority, in which event the contract may be cancelled by the Managing Agent upon two (2) days prior written notice.

The services to be rendered by the Managing Agent will include (a) billing and collecting maintenance charges and rent; (b) hiring and discharging of employees; (c) supervision of routine building maintenace and repairs; (d) purchase of supplies for the Property (which will be paid for by the Apartment Corporation); and (e) attendance at directors' and shareholders' meetings at no extra charge. The Managing Agent will make no repair expenditures in excess of $750 without the authorization of the Board of Directors of the Apartment Corporation except in the case of emergencies. The Managing Agent is covered by a blanket fidelity bond for liabilities of up to $200,000 per employee.

The Apartment Corporation, at its own expense, will retain a certified public accountant to maintain the cor-

porate books and records and to prepare annual financial reports and tax statements for the Apartment Corporation, said statements to be furnished to shareholders by the Apartment Corporation.

Other Contractual Arrangements.

The Apartment Corporation will take subject to the foregoing agreement as well as the union agreement with Local 32B International Building Service Employees' Union, AFL-CIO, effective January 1, 1978 through April 20, 1982, and will assume the same.

In addition, the laundry facilities are owned and operated by a concessionaire, Homestead Vending Corp., on a monthly basis at a rental paid to the owner of $140 per month. The concessionaire supplies and services the equipment. Utilities for operation of the laundry machines are furnished by the owner.

In addition, the Building has contracted with Mercato Elevator Company, Inc. for inspection and maintenance of the elevators for which said company renders a monthly maintenance charge of $389.23; with Kasco Exterminating Services, Co., 60 Madison Avenue, New York, New York 10000, for extermination services for which charges of $214.22 are payable per year, and with Remco Maintenance Corporation for metal maintenance at $45.00 per month.

IDENTITY OF PARTIES

The Sponsor is Twelfth Street Apartments, a New York Partnership with offices at "The Pavilion", 76th on York, New York, NY 10021. The names and addresses and percentage interests of the partners of the Sponsor are:

Name	Address	Percentage Interest
Aquarius Properties, Inc.	211 Montague Street Brooklyn, NY	50%
Vasatepa Corp.	1440 York Avenue New York, NY	50%

Aquarius Properties, Inc. is a Delaware Corporation; all of the issued and outstanding stock of which is owned by the Brooklyn Savings Bank, a New York banking corporation organized under the laws of the State of New York with its principal place of business at 211 Montague Street, Brooklyn, New York. The officers and directors of Aquarius Properties, Inc. are Vincent J. Quinn, Director, Chairman and President; Richard W. Baker, Jr., Director; Willard G. Hampton, Director; Frank A. Dellomo, Executive Vice-President; Harry A. Baierlein, Jr., Senior Vice-President; John E. Winner, Vice-President; Francis Tutone, Secretary/Treasurer; Robert A. Davidson, Auditor; Edward A. King, Jr., Assistant and Edward A. Burns, Jr., Comptroller.

Vasatepa Corp., is a New York corporation with its principal place of business at 1440 York Avenue, New York, N.Y. The President and Treasurer is Lawrence Kalik, Esq., of the firm of Kalik, Rosoff & Maron, 745 Fifth Avenue, New York. The firm represented the Sponsor in connection with the acquisiton of the Property. The Vice-President and Secretary is Elise M. Adams. Ms. Adams is also Vice-President and Secretary of We Cooperate, Inc., the Selling Agent. Mr. Kalik and Ms. Adams serve as the directors of the company. The sole shareholder is Nargess Karendy, an individual.

Pryor, Cashman, Sherman & Flynn, 410 Park Avenue, New York, New York 10022, represent the Sponsor in this matter and have prepared the Plan and related documents.

We Cooperate, Inc., the selling agent, is a New York corporation with its principal place of business at 1440 York Avenue, New York, New York 10021. The President and Chairman of the Board is Stanley Klebanoff. The Treasurer and secretary is Elise M. Adams. Mr. Klebanoff and Ms. Adams also serve as the directors of the company. Mr. Klebanoff is a licensed real estate broker and a Vice-President of Pan Am Equities, Inc. Ms. Adams is Vice-President and Secretary of Vasatepa Corporation.

All of the issued and outstanding shares of We Cooperate, Inc. are owned by Twelfth Street Apartments, the Sponsor. For its services, We Cooperate, Inc. will receive a sales commission equal to four percent (.04) of proceeds realized from sales concluded under this Plan.

The Managing Agent, Pan Am Equities, Inc., located at "The Pavilion", 76th on York, New York, New York manages approximately 85 apartment buildings in Manhattan including cooperative apartment buildings. The Managing Agent also manages other apartment buildings in the New York metropolitan area. Mr. Fraydun Manocherian, is the owner of 75 (75%) percent of the outstanding stock of such corporation and the balance is owned by his children.

Kurzman, Karelsen & Frank have been designated by the Sponsor-Seller to represent the Apartment Corporation in the preparation of this Plan and the documents referred to herein and in connection with the closing of title and all other legal matters incidental thereto. They will represent the Apartment Corporation until the first meeting of shareholders after the Closing Date but will not represent individual shareholders. Their fee will be paid from the Apartment Corporation's fund for organizational expenses.

DOCUMENTS TO BE RECEIVED PERIODICALLY BY SHAREHOLDERS

Reports to Shareholders

All shareholders of the Apartment Corporation will be entitled to receive, annually, from the Corporation at the expense of the Corporation, copies of the following:

A. An income tax deduction statement prepared by the accountant for the Apartment Corporation, to be received within three (3) months after the end of each calendar year.

B. An annual audited financial statement prepared by an independent certified public accountant to be received within three (3) months after the end of the Apartment Corporation's fiscal year.

C. Notice of the holding of an annual shareholders' meeting for the purpose of electing a Board of Directors to be received annually not less than 10 days before the meeting.

The aforesaid dates may be changed, from time to time, pursuant to the By-Laws.

DOCUMENTS ON FILE

In accordance with Section 352-e(9) of the General Business Law, copies of this Offering Statement - Plan of Cooperative Organization and all exhibits or documents referred to herein shall be available for inspection by prospective purchasers and by any person who shall have purchased shares offered by this Plan or shall have participated in the offering of such shares at the office of the Sponsor and Selling Agent c/o Pan Am Equities, Inc., "The Pavilion", 76th on York, New York, New York 10021, and shall remain available for such inspection for a period of six years.

GENERAL

The Plan does not knowingly omit any material fact or contain any untrue statement of any material fact. Exact copies are contained in Part II hereof of the proprietary lease, subscription agreement, By-Laws and house rules.

There are no lawsuits or other proceedings now pending, or any judgments outstanding, either against the Sponsor or the Apartment Corportion or any person or persons which might become a lien against the Property or which materially affect this offering.

This Plan is offered only to persons over 21 years of age resident in the State of New York.

In accordance with the provisions of the laws of the State and City of New York, the Sponsor represents that the Sponsor, the Apartment Corporation, and the Selling Agent will not discriminate against any person because of his race, creed, color, national origin or ancestry in the sale of the shares offered by the Plan, or in the leasing of any apartment in the Building.

As of the date of first presentation of the Offering Plan, neither the Sponsor nor Selling Agent or any representative, or agent thereof, has raised funds or made any preliminary offering or binding agreement to or with tenants, subtenants, or non-resident prospective purchasers with respect to apartments in the Building.

No person has been authorized to make any representation which is not expressly contained herein. This Plan may not be changed or modified orally.

Dated: September 12, 1980

Twelfth Street Apartments

Sponsor

SUBSCRIPTION AGREEMENT

(To be executed in quadruplicate)

Information for non-tenant purchaser(s):	Apartment
Existing lease expires	Number of Shares
or	Share Purchase Price at $1.00 per share $
Monthly tenancy ( )	Additonal Cash Payment $
Rent under existing lease or tenancy	Total Cash Payment $
$. . . per month	Down Payment Herewith $

1. As Purchaser, I have received and read the Offering Statement-Plan of Cooperative Organization (the Plan) with respect to the premises, 15 West 12th Street, New York City, New York, dated _____, 1980, and a copy of the proprietary lease, all of which documents are made part hereof.

2. I hereby agree to purchase the above-stated number of shares of 12th Street Apartment Corp. (the Apartment Corporation), allocated to the above-described apartment, for the Total Cash Payment stated above and to become the proprietary lessee of the said apartment in said premises.

3a. Herewith is my check to the order of "Twelfth Street Apartments Subscription Account", for the amount of the above-stated Down Payment. I agree that, as and when the Plan becomes effective, as herein provided, I will pay the balance of the Total Cash Payment within fifteen days after written notice and demand by you or the Apartment Corporation (which notice shall state that the date of closing title has been specified to be not later than 60 days thereafter), such payment to be by personal certified check or official check drawn on a New York bank to the order of "Twelfth Street Apartments Subcription Account" delivered to you, and that I will sign the proprietary lease for said apartment promptly upon presentation to me in the form contained on page 59 of the Offering Plan.

The Agent will give me prompt written notice thereof when the Plan either becomes effective or is abandoned. If the Plan is amended in a manner which materially and adversely affects me, then I will have a reasonable opportunity (which the Attorney General's office deems to be 28 days) after notice of the amendment to elect to rescind this contract.

3b The date of the commencement of the term of said proprietary lease, and the date of issuance of the certificate for the aforesaid shares, which may be inserted by either you or the Apartment Corporation, shall be the date when it acquires title to said premises. Provided that I shall have paid the full Total Cash Payment for said shares, as provided for herein, and shall not be in default hereunder, I am to receive the certificate for the aforesaid shares, together with my executed copy of said proprietary lease, promptly after the Apartment Corporation acquires such title. I agree that my present lease (if any) or monthly tenancy of said apartment shall be deemed terminated and cancelled as of such date. If I shall not be the tenant of said apartment when said proprietary lease is issued, I will accept same subject to the then tenant's lease and tenancy of said apartment.

3c*. I understand that if the tenant in occupancy does not voluntarily remove from the apartment when his lease expires or is terminated, or his right to occupancy ends, I shall be required to obtain possession at my own expense. I understand that the apartment I am purchasing is subject to the New York City Rent Stabilization Law and Code and that I shall be obligated to comply with said Law and Code and regulations in evicting the tenant. I further understand that if the apartment I am purchasing is subject to an existing tenancy, that I will, after the Closing Date be assuming the Sponsor's rights and obligations, under the existing lease or tenancy, which will include the obligato repair and maintain the apartment for the benefit of the existing lease or tenancy, whether the same be greater or less than the proprietary rent established by the proprietary lease.

4a. The Sponsor will hold all moneys received by it through it agents or employees in trust until actually employed in connection with the consumation of the transaction. All such moneys will be deposited by the Agent with Citibank, N. A., at its branch at 399 Park Avenue, New York City, and will be held in trust in a special account without interest under the name of "Twelfth Street Apartments Subscription Account" or similar name, in accordance with §§352-e(2-b) and 352-h of the General Obligations Law of New York. The funds so deposited will be disbursed only at the closing and only for the purposes of the consummation of this Plan or returned to me as herein provided. The Sponsor, Selling Agent and the Apartment Corporation shall account to me for any interest on the down payment or other payments made by me prior to the Closing, it being understood that the Sponsor, Selling Agent and the Apartment Corporation shall be under no obligation to deposit any funds received hereunder in an interestbearing account.

4b. My signing of this Purchase Agreement shall constitute my acceptance of said apartment in the condition in

*If applicable

which it shall be at the time of closing, including the existing kitchen, bathroom and other appliances, fixtures, equipment, air conditioning units and installations. I acknowledge that I have inspected the said apartment and the Building prior to signing this Subscription Agreement.

5a. It is agreed that this contract is contingent upon the Plan being declared effective and that the Plan shall not be declared effective except as provided in the Plan.

5b.1 The Plan may be abandoned by the Seller at any time prior to its being declared effective and shall be abandoned if it has not been declared effective within the time prescribed by the Plan.

5b.2 The Plan may also be abandoned by the Sponsor after it has been declared effective if (a) there is a defect in title which cannot be cured by reasonable efforts on Sponsor's part which do not involve the expenditure of any moneys or engaging in litigation; or (b) there are violations of record which are not referred to in the Description of Building and Statement of Its Condition in Part II ("Description"), and/or, after presentation of the Plan the Sponsor has received written work orders from a mortgagee or insurance carrier, and the aggregate cost of the work necessary to cure such violations and to comply with such work orders would exceed the sum of $5,000.

5c. If the Plan is abandoned or does not become effective, or, if after being declared effective, the Plan shall not be consummated for any reason within the time set forth in the Plan, this agreement shall be deemed cancelled and the Plan terminated and I am to receive back, not later than forty-five (45) days thereafter, in full, all moneys paid by me hereunder, (except as provided in Paragraph 6 hereof) with interest, if any, earned thereon and, upon such repayment no party shall have any claim against any other party or person, the Sponsor, the Selling Agent or the Apartment Corporation, and all parties shall be released from all obligations hereunder.

5d. Title shall be transferred to the Apartment Corporation not earlier than 30 days nor later than 180 days after the Plan has been declared effective, unless the closing of title is adjourned.

6. I agree that if I shall fail to pay the Balance of the Total Cash Consolidation when due, as herein provided, the

Apartment Corporation may elect to cancel this agreement by written notice to me at my residence or at the address stated below, by registered or certified mail, and at the expiration of thirty (30) days after the date of mailing thereof (unless I shall have theretofore paid the balance of the Total Cash Payment in full) said notice shall be effective and this Subscription Agreement shall be deemed cancelled and all rights of the parties thereunder shall terminate except that the amount of said Downpayment shall be paid over to the Sponsor as liquidated damages, provided that such liquidated damages shall not exceed 10% of the purchase price. In the event of such cancellation, the Sponsor or Apartment Corporation shall have the right to sell said shares and proprietary lease to another purchaser as though this agreement had never been made.

7a. The entire contract between the parties hereto is set forth herein and in the Plan. The only representations made to me are those contained herein and in the Plan. I have not relied upon any representations, statements or warranties, written or oral, as to any matter or estimate, that are not set forth herein and in the Plan; and, I acknowledge that I have had full opportunity to examine all documents and investigate all facts referred to and stated herein. This Subscription Agreement is not assignable by me without the prior written consent of the Apartment Corporation and shall bind and apply to the parties hereto and their personal and legal representatives, successors and assigns and may not be changed orally.

7b. Conflicts between this Subscription Agreement and the Plan shall be resolved in favor of the Plan.

8. If this offer is for a rent stabilized apartment not occupied by Purchaser, and, if within the 90-day exclusive period or match-offer period granted to the tenant thereof under the Rent Stabilization Law or Code or under the Plan or any amendment thereto, the shares allocated to the apartment are purchased by such tenant, this Subscription Agreement shall be deemed cancelled, and, within forty-five (45) days after the occurrence of such event, there shall be refunded to me all moneys paid by me hereunder without interest; and, upon such repayment, neither I, the Sponsor, the Apartment Corporation, the Selling Agent nor any other party hereto, shall have any liability or obligation to the others hereunder. If the tenant of such apartment shall be entitled to purchase at a later date under the Rent Stabilization Law or Code, as amended, or pursuant to an administrative or judicial interpretation thereof, than if said tenant shall purchase, this Subscription Agreement shall be deemed cancelled and the foregoing provisions of this Paragraph 8 shall apply.

*9. This agreement shall not be binding on me or the Apartment Corporation until I, as Purchaser, shall be accepted, by endorsement hereon by the Apartment Corporation and the Selling Agent, and a fully signed copy hereof shall have been delivered promptly to me. If this agreement shall not be accepted within forty (40) days of the date hereof by the delivery to me of such endorsed and fully signed copy, this Subscription Agreement shall be deemed to be rejected and cancelled and my deposit shall be promptly refunded to me.

10. I represent that I am a person resident in the State of New York and that I am over 18 years of age. The term "I" shall be read as "we" and "Purchaser" shall be read as "Purchasers" if more than one person are subscribers, in which case our obligations shall be deemed joint and several.

11. Notices hereunder shall be delivered or mailed as follows: to the Purchaser(s), at the address stated below; and, to the Selling Agent and to the Apartment Corporation, at the Selling Agent's office.

12. I certify that I have agreed in good faith to purchase the shares allocated to the above-described apartment with no discriminatory re-purchase agreement or other discriminatory inducement.

Dated: _____, 1980 _____
Purchaser(s)

APPROVED AND ACCEPTED: _____

12th Street Apartment Corp. Address: _____

By: _____ _____

Apt. No. __

We Cooperate, Inc.

By: _____

To be executed in quadruplicate.

_____

*Delete this paragraph if purchaser is a tenant at the time of presentation of the Plan.

SPONSOR'S STATEMENT OF PRESENT BUILDING CONDITION INCLUDING AGE AND DESCRIPTION OF BUILDING, APARTMENTS AND EQUIPMENT

The Sponsor makes the following representations of the description and condition of the land and bulidng. With reference to the Sponsor's preparation of such materials, Sponsor consulted with Miller Goldsmith Associates, P.C., licensed professional engineers. There follows a full report by Miller Goldsmith Associates, P.C. which is adopted by Sponsor as its representations.

The Sponsor represents that it does not know of any defect or need for repairs except as hereinafter set forth and that to the best of the Sponsor's knowledge the following description accurately states the condition of the Building and its equipment.

The Property is offered in its current condition. The Sponsor will, however, maintain and operate the Building until the Closing Date in substantially the same manner and condition as on the date of presentation of the Plan and will cure or cause to be cured all violations of record, to the extent summarized in Paragraph (1) of "Contract of Sale" found at page 35 hereof, against the Property on the Closing Date (except violations which it is the obligation of the tenant to cure). Except as set forth above in this paragraph, neither the Sponsor nor the Apartment Corporation will have any obligation to make repairs or improvements.

MILLER GOLDSMITH ASSOCIATES P.C.

333 WEST 52nd STREET, NEW YORK, N. Y. 10019 (212) 757-3210-11

CONSULTING ENGINEERS

ALFRED A. MILLER, P.E.

MARVIN L. GOLDSMITH, P.E.

May 17, 1979

Engineers' Report on 13-15 West 12 Street, N.Y., N.Y.

General

The building is a 12 story plus cellar and penthouse, Class A fireproof Multiple dwelling, located on the north side of West 12th Street, between Fifth Avenue and Avenue of Americas, and designated as Block 579 Lots 49 to 51. The building is located in an area zoned for Residential use with a 75 ft. wide frontage and an irregular lot with a minimum rectangular depth of 103 ft. plus a partial trapezoidal appendage measuring 50 ft. wide with depths of 13 ft. and 26 ft. respectively at the sides. The building is built the full 75 ft. width. The face of the building starts approximately 13 ft. back from the building line. The structure has an irregular building line at the rear, but maintains an approximately 27 ft. rear yard depth for the full width of the property.

The building fronts on a public street with paved gutters and concrete curbs and sidewalks. Public storm and sanitary sewers and catch basins are installed. No off-street parking facilities are provided on the building site. Gas and electric utility services are provided by Consolidated Edison Company. Telephone service is provided by New York Telephone Company. Cable TV is available for tenant hookup.

Occupancy

Erected in 1958-59, the building contains 76 apartments plus 4 Professional suites as follows: 6 apartments on the 2nd floor; 7 apartments on each of the 3rd through 10th floors; 5 apartments on each of the 11th and 12th floors; 3 penthouse apartments, and 1 apartment and 4 professional suites on the 1st floor - street level. Present apartment layouts appear to be as approved in 1969 under Building Alteration 998/68 for which a Certificate of Occupancy No. 68703 was issued on March 6, 1970.

There are presently no violations of record listed with any City agency.

Site Conditions

The building is located in an area zoned R-5 for general residential occupancy. The main entrance, on West 12 Street, is recessed 30 ft. back from the street curb line. The front sidewalk is 15 ft. wide. The concrete pavement is in generally good condition with some minor repair work necessary to correct scattered cracking. There are 2 trees located at curb line, one at each border of the canopy, set in planting beds with wrought iron grillage protection at their base. An 8 ft. wide canvas covered, pipe framed canopy structure, providing protection from the elements, extends from curb line to building entrance.

There are planting areas on both sides of the main entrance landing. The left planting area is approximately 13 ft. deep by 21 ft. wide and the right planting area is approximately 13 ft. deep by 30 ft. wide. Areas are contained by 2'-6" high granite faced retaining walls. Planting areas have shrubbery and also contain an electrical access manhole on the left side and the standpipe connections on the right side retaining wall.

The main entrance approach is up 2 risers from sidewalk level to a landing which is 16 ft. wide and 12 ft. deep. Landing and steps are of granite finish. On the extreme left hand side of the left planting area, adjacent to the west edge of the property is a run of 13 concrete risers which step down to a passageway leading to the cellar and rear yard areas. A similar flight of stairs lead up to the rear yard which is at approximately 1st floor-street level. Passageway is closed at both ends with electrically controlled doors.
The rear yard is the full 75 ft. width of the lot and extends to an average 27 ft. depth. Part of the yard is paved and part is of stone pebble cover or soil. The lobby AC unit is located in the rear yard as are several mechanical vent duct housings for the kitchens, bathrooms and boiler room. The rear yard is also accessible from each of the professional suites on the 1st floor-street level.

Building Structure

The building records indicate the structure was erected under N.B. 122/57. The construction is Class 1 fire proof consisting of masonry exterior walls, reinforced concrete floor slabs, steel beams and columns encased in concrete, supported on reinforced concrete walls and foundations on rock and/or piles driven to a minimum 40 ton medium-hard rock.

Exterior

The front facade on West 12 Street is of polished marble facing from street level to 2nd floor sills, split by the main entranceway which is [illegible] and movable glass and metal doors and side sash. Concrete balconies with wrought iron railings project into the planting areas, at both the left and right sides of the facade. Balconies exist from 1st floor-street level through the 10th floor level.

Above the 2nd floor level, construction is of red brick masonry. Bands of continuous fixed and movable steel sash windows extend across most of the frontage, framed by continuous bands of concrete sills. There are 3 through-the-wall AC sleeves (one for each of the C, D and E line apartments), under the windows at each level.

The width across the 11th and 12th floors narrows and provides terraces on both the east and west sides for the 11th floor apartments.

The penthouse rises above the 12th floor level and is set back and narrowed so that the roofs over the 12th floor serve as terraces for the penthouse apartments.

The rear wall is of unpainted masonry with 5 lines of through-the-wall AC sleeves for the bedrooms and living rooms of lines A, B, G, F and E apartments.

The side walls of the building are also of brick masonry, with bedroom, kitchen and bathroom windows on the left (west) side, from 8th through 10th levels, and similar windows on the right (east) side, starting above the 7th and 8th floors. Windows are metal casement type at front and rear walls and double hung at side walls.

Building Entrance

The main entrance is framed with polished marble side walls and overhead canopy. The 16 ft. width is closed with 2 central 3 ft. x 7 ft. swinging glass doors and two 4 ft. x 9 ft. fixed aluminum and glass side panels one on each side of the doorway. The canopy contains outdoor recessed lighting fixtures. The front saddle is aluminum.

The vestibule is 7 ft. deep with the full 16 ft. width maintained. The floor is of terrazzo finish with a 3 ft. wide planter on the right side. Bells, buzzer and intercom are located on the left wall above a decorative heating and cooling duct grille. A large circular lighting fixture is recessed in the ceiling. Walls have marble facing to ceiling. Ceiling is painted plaster.

Interior

The full 16 ft. width is also maintained for the front public hall. Doors and side panels are similar to vestibule entrance and saddle is also aluminum. The entire front hall has a decorative terrazzo floor. Side walls are wall papered and ceiling is painted plaster with recessed lighting fixtures. There are duct grilles on each side of the hall for heating and air conditioning. The hall is approximately 24 ft. long.

Centered at the rear of the hall are 2 elevators with a full height mirror panel between them. At each side at the rear of the hall, are terrazzo steps of 3 risers each, with terazzo side wall finish to ceiling and brass handrails, leading to the rear public halls.

The rear public hall at the right side is carpeted. Off the hall is a mailroom alcove, a fire proof self closing door to the main stairwell, and 3 entrance doors to the one apartment and 2 professional offices at the 1st floor level. The ceiling and walls are painted.

On the left side, off the carpeted hallway, is a door to the 2nd set of stairs, the incinerator shaft door, entrance doors to the other two professional apartments and the entrance door to the building office.

The central stairwell houses twin scissor stairs, both of which run to penthouse level. Public halls on each floor are carpeted. A full height mirror panel fills the space between elevator doors. Public halls are cooled and ventilated by a separate water cooled blower unit mounted in the roof fan room. A compactor chute is located on each floor, including the penthouse floor, adjacent to the elevators.

Cellar

The cellar is accessible via the stairs, by both elevators, and through the outside street steps and yard corridor. Cellar has a concrete floor and ceiling and painted cinder block, concrete and/or masonry walls. Building foundations are of concrete and no evidence of subsurface water problems were observed. Sump pumps are available for the boiler room and elevator pits in the event of water buildup in these areas.

The cellar areas are very well maintained. All public areas appeared freshly painted with bright, light colors. Elevators and stairwell open onto a 12 ft. wide service hall. Cellar areas include a boiler room, a meter room, a superintendent's work shop, an enclosed oil tank room, a compactor room, a laundry room, a porter's room, a building storage room and a large room for tenant storage. Both the laundry

with water closet and lavatory and ceramic tiled floor and tile cove base

Apartment layouts and room dimensions

1st floor - street level

As previously noted, the building is entered at the street level-1st floor. In addition to the public hall, hall corridors and mailroom alcove, there are one apartment, the building office and 4 professional suites located on this level. Basic dimensions and layouts are as follow

1A - Building Office	
Entrance alcove	7'-0" x 9'-0"
Office area	13'-0" x 14'-6"
Bathroom and closet	
1B - Dentist's Suite	
Waiting room	13'-0" x 13'-0"
Alcove	5'-9" x 10'-0"
Treatment room	15'-0" x 18'-0"
Office	13'-0" x 15'-0" average
Halls, bathroom and closets	
1C - Doctor's Suite	
Lab	7'-0" x 7'-3"
Examination room	10'-3" x 16'-3"
Waiting room	13'-0" x 22'-0"
Office	11'-0" x 18'-0"
Halls, closets and bathroom	
Balcony terrace	6'-0" x 10'-0"
1E - Apartment	
Entrance foyer	10'-6" x 12'-6"
Living room	13'-6" x 21'-0"
Kitchen	7'-6" x 9'-0"
Bedroom	11'-0" x 18'-0"
Halls, closets and bathroom	
Balcony terrace	6'-0" x 10'-0"
1F - Doctor's Suite	
Waiting room	12'-0" x 16'-6"
Office	10'-6" x 18'-0"
Lab	5'-3" x 10'-0"
Examination room	10'-0" x 15'-0"
Halls, closets and bathroom	

1G - Doctor's Suite

Entrance waiting foyer	5'-3" x 7'-8"
Office	13'-0" x 22'-0"
plus alcove	3'-0" x 13'-0"
Lab	5'-6" x 8'-0"
Hall, closets and bathroom	

All suites are well maintained and in excellent condition. Fixtures and appliances are similar to those provided for other apartments.

2nd through 10th floors

There are 7 apartment layouts on each of these floors which are designated as types A through G. On the 2nd floor only, Apartments 2A and 2B were combined into one apartment by introducing a door through the common dividing wall. Basic dimensions and layout of the apartments are:

Line A

Living room	13'-0" x 23'-0" average
Kitchen	4'-0" x 7'-2"
Foyer, closets and bathroom	

Line B

Living room	13'-2" x 22'-9"
Dining alcove	5'-9" x 10'-0" average
Kitchen	5'-5" x 7'-2"
Foyer, closets and bathroom	

Line C

Living room	13'-0" x 22'-0"

Bedroom	11'-0" x 18'-0"
Dining room	9'-0" x 16'-3"
Foyer	8'-6" x 9'-8"
Kitchen	7'-2" x 7'-4"
Halls, closets and bathroom	
Balcony terrace	6'-0" x 10'-0"

Line D

Living room	13'-0" x 22'-0"
Dining alcove	5'-5" x 14'-0"
Kitchen	5'-2" x 7'-8"
Foyer	6'-7" x 7'-3"
Closets and bathroom	

Line E

Living - dining room	18'-9" x 17'-0" + 10'-5" x 5'-0"
Kitchen	7'-2" x 8'-0"
Foyer	7'-6" x 10'-5"
Bedroom	11'-4" x 18'-0"
Bedroom	10'-0" x 15'-0"
Halls, closet and 2 full bathrooms	
Balcony terrace	6'-0" x 10'-0"

Line F

Living room	12'-6" x 21'-0"
Dining alcove	5'-5" x 10'-6"
Kitchen	6'-4" x 7'-10"
Foyer, closets and bathroom	

Line G

Living room	13'-0" x 22'-0"
Alcove	3'-0" x 13'-0"
Kitchen	5'-6" x 7'-2"
Foyer	5'-3" x 7'-8"
Closets and bathroom	

11th and 12th floors

There are 5 apartments on each of these levels as follows:

Line A

Living room	13'-0" x 23'-0" average
Alcove	8'-0" x 13'-0"
Dining gallery	8'-3" x 10'-6"
Kitchen	7'-4" x 7'-6"
Closets and bathroom	
Roof terrace Apt. 11A only	10'-0" x 29'-0"

Line B	
Living room	13'-3" x 22'-0"
Dining gallery	8'-5" x 10'-0"
Bedroom	12'-0" x 18'-0"
Kitchen	5'-3" x 11'-6"
Closets and bathroom	
Roof terrace Apt. 11B only	10'-0" x 37'-0"
Line C	
Living room	13'-3" x 22'-0"
Dining gallery	7'-3" x 13'-3"
Bedroom	12'-0" x 18'-0"
Foyer	7'-6" x 7'-6"
Closets and bathroom	
Roof terrace Apt. 11C only	10'-0" x 30'-0"
Line D	
Living room	11'-7" x 21'-0"
Alcove	5'-7" x 9'-9"
Kitchen	5'-4" x 7'-0"
Foyer	6'-2" x 9'-1"
Closets and bathroom	
Roof terrace Apt. 11D only	10'-0" x 20'-0"
Line E	
Living room	13'-0" x 22'-0"
Alcove	3'-0" x 13'-0"
Foyer	5'-3" x 7'-8"
Kitchen	5'-6" x 7'-2"

Penthouse

The penthouse contains 3 apartments as follows:

Apt. PHA	
Living room	13'-2" x 22'-0"
Alcove	8'-6" x 12'-0"
Dining gallery	8'-0" x 9'-6"
Kitchen	5'-6" x 8'-3"
Closets and bathroom	
Roof terrace	3'-0" x 30'-0" + 5'-0" x 8'-0"
Apt. PHB	
Living room	13'-2" x 22'-0"
Dining alcove	8'-6" x 11'-6"
Kitchen	7'-4" x 8'-3"
Foyer	8'-0" x 9'-0"

Bedroom	13'-2" x 17'-5"
Closets and bathroom	
Roof terrace	3'-0" x 62'-0" + 5'-0" x 8'-0" + 8'-0" x 10'-0"

Apt. PHC

Living room	17'-0" x 17'-0" average
Bedroom	13'-0" x 16'-0"
Dining gallery	7'-6" x 14'-0"
Kitchen	7'-0" x 8'-6" average
Foyer	7'-6" x 10'-0"
Closets and bathroom	
Roof terrace	3'-0" x 42'-0" + 7'-0" (average) x 34'-0" (average)

Apartment finishes

Apartments have hardwood flooring except bathrooms which have ceramic tile floors and kitchens which are finished with resilient flooring. Many of these floor areas are carpet or rug covered. Walls throughout are plaster with painted or wallpaper covered finish. Ceilings are painted plaster on underside of structural concrete slabs. Walls in bathrooms have ceramic glazed tile wainscots with painted or wall paper finish on plaster above the wainscot. Tile at bathtub walls is higher.

Apartment entrance doors are metal, FPSC, set in metal bucks with a marble saddle. All doors have peepholes. Apartments on the C and E lines each have 2 separate entrance doors from the public hall.

Appliances are similar in each line of apartments and are generally a 10 to 12 cu. ft. GE refrigerator, a 4 burner range, a stainless steel or porcelain sink set in a counter top and metal top and bottom cabinets. Apartments on lines C and E also have GE dishwashers and separate wall ovens. Penthouse Apartment B also has a GE dishwasher and an Imperial wall oven.

Apartment interiors are in good condition and are well maintained, requiring only normal maintenance, routine painting, cleaning and other upkeep items of work.

Roofs and terraces

All exposed roof areas on the 11th floor and penthouse levels have a quarry tile finish and serve as terrace patios for the adjacent apartments. The outside perimeter masonry walls extend above the terrace

level 2'-0" and are topped with a concrete coping and metal railing. Doors from the apartments to the terrace are glass and aluminum full height sliding patio doors. An aluminum and glass greenhouse type structure has been erected by the tenant in Penthouse C over a portion of his adjoining terrace.

Terrace balconies at the front of the building for each of the C and E line apartments on the 1st through tenth floors are built structurally integral with the main construction. Most of the balconies have a quarry tile floor. Some balconies have a concrete finish. Metal railings are covered with a metal wire guard mesh to prevent objects from falling to the street below.

Roof over penthouses is concrete slab with mineral rock roofing and gravel topping. Flashings at the 2'-0" high brick parapet walls are copper. Roof surface appears to be in good condition and weathertight; however, there was some evidence of water leakage from the living room ceiling in Penthouse B. Additional evidence of water leakage was seen at the windows and wall in the bathroom.

Fan room, elevator machinery room and water tank enclosure extend above the penthouse roof level. Access to the fan room is from the main roof level. Fans and housings for D line apartments and public hall vent are located here, as is the main control box for master TV antenna and Cable TV. Walls, floor and ceiling are in very good condition

Elevator machine room is reached by an extension flight of stairs from one of the main stairways. Machine room is well maintained and concrete floor, masonry walls and ceiling are in very good condition. The water tank sits above the elevator machine room and is reached via a steel ladder up through a hatch in the machine room ceiling. The wood water tank is supported on a raised steel platform. Tank is protected on all 4 sides by masonry enclosure walls which extend up approximately 10 ft., to above top of tank. Enclosure walls appear to be reinforced with steel bracing which is fire proofed with concrete cover. This concrete has cracked and spalled at some areas and masonry wall joints are in need of some repointing. Both fan room and elevator machine room have metal casement windows for light and air.

Building services and ancillary features

Stairs

A single central stairwell encloses the 2 runs of scissor stairs. One stair extends from cellar floor level up to and including access to

the roof. The other stair extends from first floor halls up to and including access to the elevator machine room. Both stairs are of similar structural steel design with cement filled steel pan treads, steel risers and cement platforms. All metal and cement are painted. Stairwell walls are painted plaster. Stair handrails are painted steel. Standpipe with fire hose and racks are located at each floor level. Stairs are in good condition and appear to require only routine maintenance painting.

Elevators

The building is serviced by 2 Westinghouse passenger elevators, capacity 2,000 pounds, speed 250 feet to 300 feet per minute, operation automatic with push button controls. Both travel between the cellar floor to and including the penthouse floor. The cabs of the elevators have resilient tile floors, baked enamel finish steel walls, and recessed ceiling light fixtures.

The elevators appear to be in good operating condition. Elevators are serviced under a contract with Marcato Elevator Co., Inc.

The elevator machine room extends above the penthouse roof and is spacious, well maintained and clean of any debris. Floor is concrete. Elevator MG sets are each 15 HP, 3 phase, 60 cycles.

Elevators were last inspected on 2/16/79.

Compactor

Compactor is situated in an originally built masonry incinerator shaft which extends from cellar to penthouse floor level. Compactor is of Rucker-Yuken manufacture with a sprinkler head in the shaft over the bag feed and an additional head outside the shaft in the cellar bagging room. The Kernerator incinerator feed hopper doors at each level are further protected by a 1'-6" x 7'-0" FPSC door from the public hall corridors. Compactor room is ventilated to the outside and has a floor drain to the sewer system.

Heating, ventilating and air conditioning

The building is heated by a two pipe vacuum steam system and distributed to the apartments through risers and enclosed convectors in bedrooms, living rooms, kitchens and dining areas.

Main boiler, located in a pit in the cellar boiler room, is a Federal

series FLR 21250 fired by a York Rotary Oil Burner type C175, 60 GPM using No. 6 oil with gas-electric ignition. Fuel is stored in a masonry enclosed fuel tank room in a 7500 gallon tank. Auxiliary equipment includes instantaneous hot water coils, Heat-Timer, Fireye, draft control boiler water circulation pump, condensate return pumps, and Petrometer. Boiler operation is zone controlled by a computer through a tie line to a Connecticutt firm. Boiler room is clean with concrete floors, cinder block walls and plastered ceiling in very good condition. All piping in the boiler room and throughout the cellar is color coded. All valves are tagged and centrally charted. System has been approved by Air Resources on 1/5/76, C.O. 2085-68.

Last boiler inspection was on 12/16/77.

Summer hot water and emergency hot water is maintained through a Rudd Multi-Coil hot water boiler located in the cellar storage room. With a 471 MBU input and a 575 gallon hot water tank, unit operates on natural gas and is vented directly to the main chimney.

All apartments are provided with through-the-wall A.C. sleeves for all living rooms and bedrooms. The lobby is air conditioned and public hall areas on each floor are cooled and ventilated by a water cooled American Blower mounted in the fan room. Kitchens and bathrooms have continuous forced ventilation via ducts, fans and blowers. Apartment lines A, B and C are controlled by a system manufactured by Barry Blower Co., located in the cellar storage area. Lines E, F and G have a separate blower and duct system located in another cellar storage area. These systems are vented to the rear yard. Fans for the D line apartments and penthouse apartments are located in the roof fan room.

The heating and ventilation systems appear to be in good operating condition.

Plumbing

The waste system is a combination storm and sanitary drainage system with extra heavy cast iron soil, waste and vent stacks, leaders, house drain and house sewer which carry the sewage by gravity to the City main in the street.

Branch waste and vent lines are cast iron and/or galvanized steel.

Water supply piping is brass. Hot water is generated by submerged coils in boiler, and/or by the separate summer hot water boiler. Roof tank

appears to be in good condition and of adequate capacity to provide the required reserve for the fire protection systems.

Water pressure and volume appear to be good at all levels.

Plumbing fixtures in the bathrooms consist of cast iron enameled bathtubs, vitreous china lavatories and water closets. Bathtubs have showers and curtain rods.. E line apartments have a second bathroom which contains similar fixtures.

Kitchen sinks are stainless steel or steel with porcelain enamel finish, set in metal base cabinet.

Kitchen ranges are gas-fired and metered by a single meter located in the cellar and paid for by the landlord. C line and E line apartments also have separate wall ovens and under the counter dishwashers.

Laundry room is located in the cellar and contains five Speed Queen washers, three dryers and two washtubs. These units are coin operated and owned and maintained by an outside concession. The laundry room is ventilated by windows opening directly to the outside. Hot air from dryers is released directly through a duct to outside. Adjacent toilet facilities are available.

There are two domestic water pumps, located in the cellar pump room, and run by Electro Dynamic 7½ horsepower motors with safety switches for overflow and low level operations.

Sump pumps are located in the cellar for boiler pit and elevator pit water buildup.

The plumbing system appears to be in good condition and operating properly. All piping in the cellar is color coded. All water and plumbing lines are valve tagged and indexed as to location and function.

Electric

The building has incoming electric service consisting of five panels. The house panel is one of 400 amperes, 240 volt A.C., 3 poles, 3 phase. This panel provides service for elevators; oil burner, pumps, fans, stairs and public halls. The other four panels serve tenant apartments and are similar, each providing 400 amperes, 240 volt A.C., 3 poles, 3 phase.

Each apartment is individually metered and electric consumption paid

by the tenant. Meters are located at 4 separate locations. 20 meter pans are located in the cellar meter room with circuit breaker protection. Two banks of 21 meter pans each are located off the hall corridors on the 5th and 8th floors and a bank of 20 meter pans is located on the 11th floor.

All rooms are adequately wired for light and kitchens have convenience outlets for domestic appliances. Each living room and bedroom has a 208 volt electric outlet for through-the-wall air conditioning units. Each apartment has an electric refrigerator. Apartments on lines C and E also have electric dishwashers. Each apartment has a separate fuse box varying from 6 fuses to 10 fuses depending on apartment size. An intercom system connects each apartment with the lobby providing two way communication. The intercom system also extends to the cellar. Entire building is prewired for telephone service.

A master TV antenna is installed with an outlet in each apartment. Building is also prewired for Cable TV, which is available at tenant's option.

All apartment entrance doors, vestibule, front hall doors, and rear cellar yard doors are computer controlled to a central panel located in Building Office on 1st floor.

Summary

The overall condition of the structural components of the building appears to be good and no extraordinary expenditures in connection with structural maintenance are foreseen for the immediate future.

The mechanical equipment and services appear to be in good operating condition and no repair work other than normal routine maintenance appears necessary at present.

The plumbing and heating systems, electric wiring, elevators and roofing appear to be in good states of repair, function properly for the purposes intended and should continue to operate for the foreseeable future without major repair.

Scheduled general maintenance work on a regular basis should maintain the high standard of appearance throughout all areas of the building.

We consent to the inclusion of this report in an Offering Plan for conversion of the building to cooperative ownership.

Miller Goldsmith Associates



Marvin L. Goldsmith, P.E.

-50n-

LOCATION: 15 West 12th Street

artment	Dishwasher	Refrigerator	Air Conditioner	Stove
1B				
1C	General Electric	General Electric	General Electric 2	Slattery
1E				
1F		General Electric	General Electric 2	Slattery
1G		General Electric	General Electric 1	Century
2C	1	1	Westinghousel GE 1	Imperial
2D		General Electric	General Electric 1	Imperial
2E	1	General Electric	General Electric 3	Imperial
2F		General Electric	General Electric 1	Imperial
2G		General Electric	General Electric 1	Imperial
3A		General Electric	General Electric 1	Imperial
3B		General Electric	General Electric 1	Imperial
3C	General Electric	General Electric	General Electric 3	Imperial
3D		General Electric	General Electric 1	Royal Rose
3E	General Electric	General Electric	Westinghouse 1 GE2	Imperial
3F		General Electric	General Electric	Slattery
3G		General Electric	General Electric 1	Slattery
4A		General Electric	General Electric 1	Imperial
4B		General Electric	General Electric 1	Imperial
4C	General Electric	Hot Point	General Electric 2	Imperial
4D	General Electric	General Electric	General Electric 1	Imperial
4E	General Electric	General Electric	General Electric 3	Imperial
4G	General Electric	General Electric	General Electric 1	Imperial
5A		General Electric	General Electric 1	Imperial
5B		General Electric	General Electric 1	Imperial
5C	General Electric	General Electric	Carrierl GE 2	Imperial
5D		General Electric	General Electric 1	Imperial
5E	General Electric	General Electric	General Electric 3	Imperial
5G		General Electric	General Electric 1	Imperial
6A		General Electric	General Electric 1	Imperial
6B		General Electric	General Electric 1	Slattery
6C	General Electric	Hotpoint	General Electric 2	Imperial
6D		General Electric	Westinghouse 1	Century
6E	General Electric	General Electric	General Electric 1	Imperial
6F		General Electric	General Electric 1	Imperial
6G		General Electric	General Electric 1	Imperial
7A		General Electric	General Electric 1	Imperial
7B		General Electric	General Electric 1	Imperial
7C	General Electric	General Electric	General Electric 2	Imperial
7D		General Electric	General Electric 1	Imperial
7E	General Electric	General Electric	General Electric 3	Imperial
7G		General Electric	General Electric 1	Imperial
8A		General Electric	General Electric 1	Imperial
8B		General Electric	General Electric 1	Imperial
8C	General Electric	General Electric	General Electric 2	Imperial
8D		General Electric	General Electric 1	Imperial
8E	General Electric	General Electric	General Electric 3	Imperial
8G		General Electric	General Electric 1	Slattery
9A		General Electric	General Electric 1	Imperial
9B		General Electric	General Electric 1	Imperial
9C	General Electric	General Electric	General Electric 2	Caloric Ultra
9D		General Electric	Westinghouse 1	Imperial

LOCATION: 15 West 12th Street

Apartment	Dishwasher	Refrigerator	Air Conditioner	Stove
9E	General Electric	General Electric	Westinghouse 1 GE 1	Imperial
9F		General Electric	General Electric1	Imperial
9G		General Electric	General Electric 1	Imperial
10A		General Electric	General Electric 1	Royal Rose
10B		General Electric	General Electric 2	Imperial
10C	General Electric	General Electric	General Electric 2	Imperial
10D		General Electric	General Electric 1	Imperial
10E	General Electric	General Electric	GE 2 Westinghouse 1	Imperial
10G		General Electric	General Electric 1	Slattery
11A		General Electric	General Electric 1	Imperial
11B	General Electric	General Electric	General Electric 2	Caloric
11C	General Electric	General Electric	General Electric 2	Imperial
11D		General Electric	General Electric 1	Imperial
11E		General Electric	General Electric 1	Imperial
12A		General Electric	General Electric 2	Imperial
12B		General Electric	General Electric 2	Wellbuilt
12C	General Electric	General Electric	General Electric 2	Imperial
12D	General Electric	General Electric	General Electric 1	Imperial
12E		General Electric	General Electric 1	Slattery
PHA		General Electric	Westinghouse 1	Imperial
PHB	General Electric	General Electric	Westinghousel GE1	Imperial
PHC	General Electric	General Electric	Westinghousel GE1	Imperial

SCHEDULE OF LEASES

The building contains four (4) professional offices which are not the subject of this offering and will be owned by the Apartment Corporation. They are leased under the following terms:

Apt. No.	Monthly Rent as of 2/80(A)	Term	Expir. Date
1B	$668.22	2 yrs.	10-31-80
1C	$833.65	2 yrs.	9-30-82
1F	$788.97	2 yrs.	Expired(B)
1G	$372.49	2 yrs.	9-30-80

Notes: (A) Includes adjustment for real estate taxes and cost of living, as per terms of lease.

(B) Currently under negotiation.

Additionally, the Apartment Corporation also will own apartment 1A as a building office and Apts. 2A and 2B which are combined into one apartment as an apartment for the superintendant.

APPLICABLE RENT LAWS

SECTION 61 OF THE RENT STABILIZATION CODE

Section 61. Converting to a Cooperative or Condominium Form of Ownership-

An owner of a structure containing dwelling units subject to this Code may refuse to renew leases for such dwelling units when:

1. The Attorney General of the State of New York has accepted for filing an offering Plan to convert the building to coopearative or condominium ownership, and

2. The owner has presented the offering Plan to the tenants in occupancy, and

3. The owner has filed a copy of the accepted offering Plan with the Housing and Development Administration, and

4. The Plan provides

(a) The Plan will not be declared effective by the Owner (Sponsor) unless and until 35% of the tenants then in occupancy have agreed to purchase their dwelling units or the stock entitling them to proprietary leases for their dwelling units with no discriminatory repurchase agreement or other discriminatory inducement.

In establishing a base for computing the required 35%, all residential apartments in the building shall be included, except those that were vacant and not under lease at the time of the presentation of the Plan, and, in computing the 35% requirement the following shall apply:

(i) All purchases by occupants who were in possession at the time of the presentation of the Plan shall be included;

(ii) All purchases of apartments that became vacant after the plan was presented will be included;

(iii) A purchasing tenant residing in the Building who agrees to purchase the shares allocated to another apartment in the Building, vacant at the time the Plan is declared effective, will be included;

(iv) A purchase by a tenant residing in the Building who agrees to purchase the shares allocated to an apartment occupied by another tenant will be included if that other tenant has agreed to purchase the first tenant's apartment or a vacant apartment;

(v) Purchases by the tenant of record of a sublease apartment will be included; sub-tenants will have no right to purchase unless approved by the tenant of record and only the would pruchases by sub-tenants be included; purchases of apartments leased to a Corporation or Partnership will be included if purchased by an indiviual approved by said Corporation or Partnership.

(b) A tenant in occupancy at the time of the offering shall have the exclusive right to purchase his apartment or the shares allocated thereto for ninety days after the offering, during which time his apartment shall not be shown to a third party unless he has, in writing, waived his right to purchase.

(c) Subsequent to the expiration of the 90 day exclusive right to purchase set forth in (b) above, a tenant in occupancy of a dwelling unit who has not purchased will be given the exclusive right to an additional period of six months from said expiration date to purchase said dwelling unit or shares allocated thereto on the same terms and conditions as contained in an excuted contract to purchase made between the sponsor and a bona fide purchaser. The tenant must be given 15 days in which to exercise such right to purchase from the date of mailing by registered mail, of notification of the execution of a contract of sale, which notification shall contain a copy of said executed contract.

(d) For a period of one year after presentation of the Plan or until such time as the Plan is declared effective or until such time as tenant's lease has expired, whichever date is the latest, a tenant in occupancy shall be entitled to remain in possession without any increase in his rent, except as specified in his existing lease. Thereafter, if he has not purchased he may be removed by the owner of the building, or the owner of the stock and lease allocated to his apartment.

(e) If the tenant's least expires after the period during which he otherwise has the right to remain in possession, as herinabove provided, he shall not be required to vacate his apartment until the expiration of his lease,

unless such lease is terminated in accordance with this Code.

(f) If the Plan has not been declared effective within eighteen months from the date of presentation of the Plan to the tenants, it will be declared abandoned, and, if the Plan is abandoned or is not declared effective within such eighteen month period, the tenants then in possession shall have the right to demand leases on the terms and conditions heretofore set forth in the law and regulations.

5. This Section 61 shall only apply to tenants in occupancy and lessees of record of vacant or subleased apartments at the time of the offering; it shall not be applicable or available to subtenants, or tenants leasing an apartment that was vacant at the time of presentation of the Plan.

6. Any dwelling unit which becomes vacant after the offering and prior to the transfer of the property to the cooperative corporation or the condominium owner, or a declaration of abandonment of the offering Plan, shall not be rented except at a rental which would have been authorized had the vacating tenant remained in possession.

7. Notwithstanding anything contained herein to the contrary, any renewal or vacancy lease executed after notice to the HDA that a proposed cooperative or condominium Plan has been submitted to the Attorney General may contain a provision that the lease may be cancelled after 90 days' notice to the tenant that the Plan has been declared effective. In any case containing such a provision, upon submission of the Plan of cooperative or condominium ownership to the tenant after acceptance for filing by the Attorney General, no increase in rent may be collected thereafter pursuant to said lease. If the Plan is abandoned then rent will be at the rate set forth in said lease from the date of abandonment.

8. When the 35% requirement, provided in 4(a) above, has been met with owner will promptly notify all occupants and shall file a copy of the notice with the HDA along with an affidavit indicating the total number of apartments involved in computing the 35% and the names and apartments of the purchasing tenants.

9.(a) If after an offering Plan is presented to the tenants it is substantially amended prior to the transfer of

title to the cooperative corporation, the time periods set forth in his Section 61 shall be extended, if applicable, from the date such amended offering Plan is presented to the tenants, as follows:

(i) If such date of presentation occurs during the ninety-day period provided under subsection 4(b), such period shall terminate not less than thirty days thereafter;

(ii) If such date of presentation occurs at any time after such ninety-day period under subsection 4(b) has expired, then for 30 days after such date a tenant in occupancy shall have the exclusive right to purchase on such amended terms, during which time his apartment shall not be shown to a third party unless he has, in writing, waived his right to purchase, followed by a period of 30 days or, if such date occurs during the six-months period provided under subsection 4(c), by the balance of such six-months period, whichever is later, during which time the tenant shall have the rights provided under subsection 4(c);

(iii) The one-year period provided under subsection 4(d) shall in no event terminate less than six months after such date of presentation.

(b) "Substantial amendment" shall include but not be limited to: an increase or decrease in the mortgage amount or cash purchase price, an increase in the working capital or reserve fund, agreement by the Sponsor to make additional repairs or improvements, or to repurchase apartments, or the offer of new or better terms for financing the purchase price of an apartment.

(c) Nothing contained in this subsection 9 shall shorten any of the time periods in subsections 4(b), 4(c) or 4(d) but shall only extend the same, if applicable; nor shall anything contained in this subsection 9 extend the 18 month period provided in 4(f).

(d) This subsection 9 shall be effective only as to amendments accepted for filing by the Attorney General after January 31, 1972.

SPECIAL LAW RESPECTING TENANTS WHO ARE SENIOR CITIZENS

Section 352-eeee of the General Business Law.

Section 352-eeee. Conversions to cooperative or condominium ownership in the city of New York. 1. As used in this section, the following words and terms shall have the following meanings:

(a) "Plan". Every plan submitted to the department of law for the conversion of a building or group of buildings or development from rental status to cooperative or condominium ownership, other than a plan for such conversion pursuant to article two, eight or eleven of the private housing finance law.

(b) "Eviction Plan". A plan which pursuant to the provisions of any law or regulation governing rentals and continuing occupancy can result in the eviction of a non-purchasing tenant by reason of the tenant failing to purchase pursuant thereto.

(c) "Non-purchasing tenant". A person who has not purchased under the plan and who is a tenant entitled to possession at the time the plan is declared effective or a person to whom a dwelling unit is rented subsequent to the effective date. A person who sublets a dwelling unit from a purchaser under the plan shall not be deemed a non-purchasing tenant.

(d) "Annual income". The combined income from all sources of all tenants of the dwelling unit for the income tax year immediately preceding the year in which the plan is accepted for filing by the attorney general. Income tax year shall mean the twelve month period for which the tenant or tenants filed a federal personal income tax return or, if no such return is filed, the calendar year.

(e) "Eligible senior citizens". Non-purchasing tenants who are sixty-two years of age or older on the date the attorney general has accepted the plan for filing and the spouses of any such tenants on such date, who have resided in the building or group of buildings or development as their primary residence for at least two years prior to the date the attorney general has accepted the plan for filing, who have an annual income of less than fifty thousand

dollars and who have elected, within ninety days of the date the attorney general has accepted the plan for filing, on forms promulgated by the attorney general and presented to such tenants by the offeror, to become non-purchasing tenants under the provisions of this section; provided that such election shall not preclude any such tenant from subsequently becoming a purchaser.

(f) "Eligible handicapped persons". Non-purchasing tenants who have an impairment which results from anatomical, physiological or psychological abnormalities, other than addiction to alcohol, gambling, or any controlled substance, which are demonstrable by medically acceptable clinical and laboratory diagnostic techniques, and which are expected to be permanent and which prevent the tenant from engaging in any employment or other gainful activity on the date the attorney general has accepted the plan for filing, and the spouses of any such tenants, on such date, who have resided in the building or group of buildings or development as their primary residence for at least two years prior to the date the attorney general has accepted the plan for filing and who have elected, within sixty days of the date the attorney general has accepted the plan for filing, on forms promulgated by the attorney general and presented to such tenants by the offeror, to become non-purchasing tenants under the provisions of this section; provided that such election shall not preclude any such tenant from subsequently becoming a purchaser.

2. The attorney general shall refuse to issue a letter stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this article has been filed whenever it appears that the offering statement or prospectus offers for sale residential cooperative apartments or condominium units pursuant to an eviction plan, unless:

(a) The plan provides that no eviction proceedings will be commenced at any time against either eligible senior citizens or eligible handicapped persons and that the rentals of eligible senior citizens and eligible handicapped persons who reside in dwelling units not subject to government regulation as to rentals and continued occupancy and eligible senior citizens and eligible handicapped persons who reside in dwelling units with respect to which government regulation as to rentals and continued occupancy is eliminated or becomes inapplicable after the plan has become effective shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments during the period of their occupancy; provided that such proceedings may be commenced for non-payment of rent, illegal use or occupancy of the premises, refusal of access to the owner or a similar breach by the eligible senior citizen or the eligible handicapped person of his obligations to the landlord.

(b) The plan provides that eligible senior citizens and eligible handicapped persons who reside in dwelling units subject to government regulation as to rentals and continued occupancy shall continue to be subject thereto.

(c) The plan provides that the rights granted under the plan to eligible senior citizens and eligible handicapped persons may not be abrogated or reduced regardless of any expiration of or amendment to this section.

(d) The plan provides that, after ths issuance of the letter from the attorney general stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this article has been filed, the offeror shall, at least every thirty days until the plan is declared effective or is abandoned, as the case may be, (i) file with the attorney general a written statement, under oath, setting forth the percentage of tenants in occupancy on the date such letter was issued who have agreed in writing to purchase under the plan as of the date of such statement and, (ii) before noon on the day such statement is filed post a copy of such statement in a prominent place accessible to all tenants in each building covered by the plan.

3. The attorney general shall refuse to issue a letter stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this chapter has been filed whenever it appears that the offering statement or prospectus offers for sale residential cooperative apartments or condomium units pursuant to a plan unless:

(a) The attorney general finds that an excessive number of long-term vacancies did not exist on the date that the offering statement or prospectus was first submitted to the department of law. "Long-term vacancies" shall mean dwelling units not leased or occupied by bona fide tenants for more than five months prior to the date of such submission. "Excessive" shall mean a vacancy rate in excess of ten percent provided that such vacancy rate is double the normal average vacancy rate for the building or group of buildings or developement for two years prior to the January preceding the date of such submission.

(b) The attorney general finds that each tenant in the building or group of buildings or development was provided following the submission of the proposed offering statement or prospectus to the department of law with a written notice stating that such proposed offering statement or prospectus has been submitted to the department of law. Such notice shall be accompanied by a copy of the proposed offering statement or prospectus or shall include a detailed summary thereof and a statement that the proposed offering statement or prospectus is available, and the statements submitted pursuant to paragraph (d) of subdivision two of this section will be available, for inspection and copying at the office of the department of law where the submission was made and at the office of the offeror or a selling agent of the offeror. Such notice shall

be sent on the date the plan is first submitted to the department of law to each tenant then in occupancy. The attorney general shall not issue a letter stating that the offering has been filed for at least fifteen days thereafter.

4. Any offeror who disputes the election by a person to be an eligible senior citizen or an eligible handicapped person must apply to the attorney general within thirty days of the receipt of the election forms for a determination by the attorney general of such person's eligibility. The attorney general shall, within thirty days thereafter and upon reasonable notice to the offeror and the person making the election and an opportunity to be heard, issue his determination of eligibility. The foregoing shall be the sole method for determining a dispute as to whether a person is an eligible senior citizen or an eligible handicapped person. The determination of the attorney general shall be reviewable only through a proceeding under article seventy-eight of the civil practice law and rules, which must be commenced within thirty days after such determination becomes final.

5. All dwelling units occupied by non-purchasing tenants shall be managed by the same managing agent who manages all other dwelling units in the building or group of buildings or de-velopement. Such managing agent shall provide to non-purchasing tenants all services and facilities required by law on a non-discriminatory basis. The offeror shall guarantee the obliga-tion of the managing agent to provide all such services and facilities until such time as the offeror surrenders control of the board of directors or board of managers.

6. Any tenant who has vacated his dwelling unit or is about to vacate his dwelling unit because any person is engaged in any course of conduct (including, but not limited to, inter-ruption or discontinuance of essentail services) which sub-stantially interferes with or disturbs the comfort, repose, peace or quiet of such tenant in his use or occupancy of his dwelling unit or the facilities related thereto may apply to the attorney general for a determination that such conduct does exist or has taken place and in such case the attorney general may apply to a court of competent jurisdiction for an order restraining such conduct and, if he deems it appropriate, an order restraining the owner from selling the shares allocated to the dwelling unit or the dwelling unit itself.

7. Nothing herein shall be construed to limit the jurisdiction of any local governing body to adopt local laws or of any agency, officer or public body to prescribe rules and regula-tions with respect to the continued occupancy by tenants of dwelling units which are subject to regulation as to rentals and continued occupancy pursuant to law; provided that (i) any such local laws. rules or regulations shall provide that the minimum number of purchasers who must agree to purchase before an eviction plan may be declared effective shall be computed on the basis of tenants in occupancy on the date the plan is accepted for filing by the attorney general, (ii) eligible senior citizens and eligible handi-capped persons residing in dwelling units subject to the rent stabilization law of nineteen hundred sixty-nine shall not be included in the base for computing the minimum number of purchasers

required before the plan may be declared effective and (iii) one-half of the eligible senior citizens and one-half of the eligible handicapped persons residing in housing accommodations subject to the city rent and rehabilitation law shall not be included in the base for computing the minimum number of purchasers required before the plan may be declared effective.

8. Any provision of a lease or other rental agreement which purports to waive a tenant's rights under this section or rules and regulations promulgated pursuant hereto shall be void as contrary to public policy.

9. The provisions of this section shall only be applicable in the city of New York.

I _____ residing at _____

_____, New York, apartment # _____ hereby certify that I was born on

_____, in the County of _____ State of _____.

I further certify that:

(1) I have occupied these premises as my principal residence;

(2) That I am the tenant of record (or the spouse of the tenant of record) entitled to the possession of said apartment; and that I have been in possession of said premises for at least 2 years prior to the approximate date of first offering set forth on the front cover of the offering plan for such premises;

(3) That the combined annual income of all occupants of said dwelling unit for the income tax year or calendar year immediately preceding the filing of the offering plan for said premises was $_____. The term "Annual Income" shall include all income of all tenants or occupants of the unit, from whatever source derived.

I hereby elect:

(1) To be classified as an eligible senior citizen pursuant to subdivision 1 paragraph A of Section 352-EEEE of the General Business Law and I understand that among other rights, I may not be evicted except for non-payment of rent, or failure to permit the landlord access to my apartment at reasonable hours, or illegal use and occupancy or similar breach, and that my rent shall not be unconscionably increased, if it is not subject to government regulation. This election shall not diminish any rights I may have pursuant to Section 61 of the Rent Stabilization Code or Section 55 of the Rent Control and Maintenance Regulations or any other applicable law or regulation.

(2) Not to purchase my apartment on the specific understanding that I may rescind this election at any time prior to the sale of my apartment to another person and at such time as I elect to purchase I shall be entitled to purchase on the same terms available to other tenants in occupancy during the first 90 days of the offering and thereafter on such terms then provided for in the prospectus or offering plan;

(3) I understand that this election must be made within 90 days from the approximate date of first offering set forth on the cover of the offering plan.

This statement is made under penalty of law and is made pursuant to the terms of Article 23-A of the General Business Law and may subject the undersigned to penalties under such Article 23-A of the General Business Law of New York.

_____ Tenant

_____ Tenant

Received by sales agent on _____ 19___ at _____ am (pm) and a copy given to the tenant.

_____ Tenant

_____ Sales Agent

_____ Tenant

Sponsors Suggested Form For Eligible Handicapped Persons

I _____ residing at _____

_____, New York, apartment #_____ hereby certify that I was born on

_____, in the County of_____State of_____.

I further certify that:

(1) I have occupied these premises as my principal residence;

(2) That I am the tenant of record (or the spouse of the tenant of record) entitled to the possession of said apartment; and that I have been in possession of said premises for at least 2 years prior to the approximate date of first offering set forth on the front cover of the offering plan for such premises;

I hereby elect:

(1) To be classified as an eligible handicapped person pursuant to subdivision I paragraph (f) of Section 352-eeee of the General Business Law and I understand that among other rights, I may not be evicted except for non-payment of rent, or failure to permit the landlord access to my apartment at reasonable hours, or illegal use and occupancy or similar breach, and that my rent shall not be unconscionably increased, if it is not subject to government regulation.. This election shall not diminish any rights I may have pursuant to Section 61 of the Rent Stabilization Code or Section 55 of the Rent Control and Maintenance Regulations or any other applicable law or regulation.

(2) Not to purchase my apartment on the specific understanding that I may rescind this election at any time prior to the sale of my apartment to another person and at such time as I elect to purchase I shall be entitled to purchase on the same terms available to other tenants in occupancy during the first 90 days of the offering and thereafter on such terms than provided for in the prospectus or offering plan;

(3) I understand that this election must be made within 60 days from the approximate date of first offering set forth on the cover of the offering plan.

This statement is made under penalty of law and is made pursuant to the terms of Article 23-A of the General Business Law and may subject the undersigned to penalties under such Article 23-A of the General Business Law of New York.

_____ _____
Tenant Tenant

Received by sales agent on _____ 19___ at_____am (pm) and a copy given to the tenant.

_____
Tenant

_____
Sales Agent

_____
Tenant

Apt No.:
Shares:

12TH STREET APARTMENT CORP.

Lessee,

TO

Lessor,

PROPRIETARY LEASE

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PROPRIETARY LEASE

PROPRIETARY LEASE, made as of . 198 . by and between 12TH STREET APARTMENT CORP., a New York Corporation, having an office at Suite 2300, 230 Park Avenue, New York, N.Y., hereinafter called the Lessor, and
hereinafter called the Lessee.

WHEREAS, the Lessor is the owner of the building, hereinafter called the Building, and the land in the Borough of Manhattan, City of New York, known as and by the street number 15 West 12th Street, and

WHEREAS, the Lessee is the owner of shares of the Lessor, to which this lease is appurtenant and which have been allocated to Apartment in the building;

NOW, THEREFORE, in consideration of the premises, the Lessor hereby leases to the Lessee, and the Lessee hires from the Lessor, subject to the terms and conditions hereof, Apartment in the building (hereinafter referred to as the apartment) for a term from , 19 , until September 30, 2030, (unless sooner terminated as hereinafter provided). As used herein "the apartment" means the rooms in the building as partitioned on the date of the execution of this lease designated by the above-stated apartment number, together with their appurtenances and fixtures and any closets, terraces, balconies, roof, or portion thereof outside of said partitioned rooms, which are allocated exclusively to the occupant of the apartment.

Demised Premises

Term

1. (a) The rent (sometimes called maintenance) payable by the Lessee for each year, or portion of a year, during the term shall equal that proportion of the Lessor's cash requirements for such year, or portion of a year, which the number of shares of Lessor allocated to the apartment bears to the total number of shares of the Lessor issued and outstanding on the date of the determination of such cash requirements. Such maintenance shall be payable in equal monthly installments in advance on the first day of each month, unless the Board of Directors of the Lessor (hereinafter called Directors) at the time of its determination of the cash requirements shall otherwise direct. The Lessee shall also pay such additional rent as may be provided for herein when due.

Rent (Maintenance) How Fixed

(b) In every proprietary lease heretofore executed by the Lessor there has been specified, and in every proprietary lease hereafter executed by it there

Accompanying Shares to Be Specified in Proprietary Leases

will be specified, the number of shares of the Lessor issued to a lessee simultaneously therewith.

Cash Requirements Defined

(c) "Cash requirements" whenever used herein shall mean the estimated amount in cash which the Directors shall from time to time in its judgment determine to be necessary or proper for (1) the operation, maintenance, care, alteration and improvement of the corporate property during the year or portion of the year for which such determination is made; (2) the creation of such reserve for contingencies as it may deem proper; and (3) the payment of any obligations, liabilities or expenses incurred or to be incurred, after giving consideration to (i) income expected to be received during such period (other than rent from proprietary lessees), and (ii) cash on hand which the Directors in its discretion may choose to apply. The Directors may from time to time modify its prior determination and increase or diminish the amount previously determined as cash requirements of the corporation for a year or portion thereof. No determination of cash requirements shall have any retroactive effect on the amount of the rent payable by the lessee for any period prior to the date of such determination. All determinations of cash requirements shall be conclusive as to all lessees.

Authority Limited to Board of Directors

(d) Whenever in this paragraph or any other paragraph of this lease, a power or privilege is given to the Directors, the same may be exercised only by the Directors, and in no event may any such power or privilege be exercised by a creditor, receiver or trustee.

Issuance of Additional Shares

(e) If the Lessor shall hereafter issue shares (whether now or hereafter authorized) in addition to those issued on the date of the execution of this lease, the holders of the shares hereafter issued shall be obligated to pay rent at the same rate as the other proprietary lessees from and after the date of issuance. If any such shares be issued on a date other than the first or last day of the month, the rent for the month in which issued shall be apportioned. The cash requirements as last determined shall, upon the issuance of such shares, be deemed increased by an amount equal to such rent.

Paid-in Surplus

(f) The Directors may from time to time as may be proper determine how much of the maintenance and other receipts, when received (but not more than such amount as represents payments on account of principal of mortgages on the property and other capital expenditures), shall be credited on the corporate accounts to "Paid-in-Surplus". Unless the Directors shall determine otherwise, the amount of payments on account of principal of any mortgages shall be credited to Paid-in-Surplus.

Failure to Fix Cash Requirements

(g) The omission of the Directors to determine the Lessor's cash requirements for any year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof, or a release of the Lessee from the obligation to pay the maintenance or any installment thereof, but the maintenance computed on the basis of the cash requirements as last determined for any year or portion thereof shall thereafter continue to be the maintenance until a new determination of cash requirements shall be made.

2. The Lessor shall at its expense keep in good repair all of the building including all of the apartments, the sidewalks and courts surrounding the same, and its equipment and apparatus except those portions the maintenance and repair of which are expressly stated to be the responsibility of the Lessee pursuant to Paragraph 18 hereof.

Lessor's Repairs

3. The Lessor shall maintain and manage the building as a first-class apartment building, and shall keep the elevators and the public halls, cellars and stairways clean and properly lighted and heated, and shall provide the number of attendants requisite, in the judgment of the Directors, for the proper care and service of the building, and shall provide the apartment with a proper and sufficient supply of hot and cold water and of heat, and if there be central air conditioning equipment supplied by the Lessor, air conditioning when deemed appropriate by the Directors. The covenants by the Lessor herein contained are subject, however, to the discretionary power of the Directors to determine from time to time what services and what attendants shall be proper and the manner of maintaining and operating the building, and also what existing services shall be increased, reduced, changed, modified or terminated.

Services by Lessor

4. (a) If the apartment or the means of access thereto or the building shall be damaged by fire or other cause covered by multiperil policies commonly carried by cooperative corporations in New York City (any other damage to be repaired by Lessor or Lessee pursuant to Paragraphs 2 and 18, as the case may be), the Lessor shall at its own cost and expense, with reasonable dispatch after receipt of notice of said damage, repair or replace or cause to be repaired or replaced, with materials of a kind and quality then customary in buildings of the type of the building, the building, the apartment, and the means of access thereto, including the walls, floors, ceilings, pipes, wiring and conduits in the apartment. Anything in this Paragraph or Paragraph 2 to the contrary, Lessor shall not be required to repair or replace, or cause to be repaired or replaced, equipment, fixtures, furniture, furnishings or decorations installed by the Lessee or any of his predecessors in title nor shall the Lessor be obligated to repaint or replace wallpaper or other decorations in apartments.

Damage to Apartment or Building

(b) In case the damage resulting from fire or other cause shall be so extensive as to render the apartment partly or wholly untenantable, or if the means of access thereto shall be destroyed, the rent hereunder shall proportionately abate until the apartment shall again be rendered wholly tenantable or the means of access restored; but if said damage shall be caused by the act or negligence of the Lessee or the agents, employees, guests or members of the family of the Lessee or any occupant of the apartment, such

Rent Abatement

rental shall abate only to the extent of the rental value insurance, if any, collected by Lessor with respect to the apartment.

Expiration of Lease Due to Damage

(c) If the Directors shall determine that (i) the building is totally destroyed by fire or other cause, or (ii) the building is so damaged that it cannot be repaired within a reasonable time after the loss shall have been adjusted with the insurance carriers, or (iii) the destruction or damage was caused by hazards which are not covered under the Lessor's insurance policies then in effect, and if in any such case the record holders of at least two-thirds of the issued shares, at a shareholders' meeting duly called for that purpose held within 120 days after the determination by the Directors, shall vote not to repair, restore or rebuild, then upon the giving of notice pursuant to Paragraph 31 hereof, this Lease and all other proprietary leases and all right, title and interest of the parties thereunder and the tenancies thereby created, shall thereupon wholly cease and expire and rent shall be paid to the date of such destruction or damage. The Lessee hereby waives any and all rights under Section 227 of the Real Property Law and in no event shall the Lessee have any option or right to terminate this Lease.

Waiver of Subrogation

(d) Lessor agrees to use its best efforts to obtain a provision in all insurance policies carried by it waiving the right of subrogation against the Lessee; and, to the extent that any loss or damage is covered by the Lessor by any insurance policies which contain such waiver of subrogation, the Lessor releases the Lessee from any liability with respect to such loss or damage. In the event that the Lessee suffers loss or damage for which Lessor would be liable, and Lessee carries insurance which covers such loss or damage and such insurance policy or policies contain a waiver of subrogation against the Landlord, then in such event Lessee releases Lessor from any liability with respect to such loss or damage.

Inspection of Books of Account

Annual Report

5. The Lessor shall keep full and correct books of account at its principal office or at such other place as the Directors may from time to time determine, and the same shall be open during all reasonable hours to inspection by the Lessee or a representative of the Lessee. The Lessor shall deliver to the Lessee within a reasonable time after the end of each fiscal year an annual report of corporate financial affairs, including a balance sheet and a statement of income and expenses, certified by an independent certified public accountant.

Changes in Terms and Conditions of Proprietary Leases

6. Each proprietary lease shall be in the form of this lease, unless a variation of any lease is authorized by lessees owning at least two-thirds of the Lessor's shares then issued and executed by the Lessor and lessee affected. The form and provisions of all the proprietary leases then in effect and thereafter to

be executed may be changed by the approval of lessees owning at least 66 2/3rds of the Lessor's shares then issued, and such changes shall be binding on all lessees even if they did not vote for such changes except that the proportionate share of rent or cash requirements payable by any lessee may not be increased nor may his rights set forth in Paragraphs 35 and 38 be eliminated or modified without his express consent. Approval by lessees as provided for herein shall be evidenced by written consent or by affirmative vote taken at a meeting called for such purpose.

Penthouses, Terraces and Balconies

7. If the apartment includes a terrace, balcony, or a portion of the roof adjoining a penthouse, the Lessee shall have and enjoy the exclusive use of the terrace or balcony or that portion of the roof appurtenant to the penthouse, subject to the applicable provisions of this lease and to the use of the terrace, balcony or roof by the Lessor to the extent herein permitted. The Lessee's use thereof shall be subject to such regulations as may, from time to time, be prescribed by the Directors. The Lessor shall have the right to erect equipment on the roof, including radio and television aerials and antennas, for its use and the use of the lessees in the building and shall have the right of access thereto for such installations and for the repair thereof. The Lessee shall keep the terrace, balcony, or portion of the roof appurtenant to his apartment clean and free from snow, ice, leaves and other debris and shall maintain all screens and drain boxes in good condition. No planting, fences, structures or lattices shall be erected or installed on the terraces, balconies, or roof of the building without the prior written approval of the Lessor. No cooking shall be permitted on any terraces, balconies or the roof of the building, nor shall the walls thereof be painted by the Lessee without the prior written approval of the Lessor. Any planting or other structures erected by the Lessee or his predecessor in interest may be removed and restored by the Lessor at the expense of the Lessee for the purpose of repairs, upkeep or maintenance of the building.

Assignment of Lessor's Rights Against Occupant

8. If at the date of the commencement of this lease, any third party shall be in possession or have the right to possession of the apartment, then the Lessor hereby assigns to the Lessee all of the Lessor's rights against said third party from and after the date of the commencement of the term hereof, and the Lessee by the execution hereof assumes all of the Lessor's obligations to said third party from said date. The Lessor agrees to cooperate with the Lessee, but at the Lessee's expense, in the enforcement of the Lessee's rights against said third party.

Cancellation of Prior Agreements

9. If at the date of the commencement of this lease, the Lessee has the right to possession of the apartment under any agreement or statutory tenancy,

this lease shall supersede such agreement or statutory tenancy which shall be of no further effect after the date of commencement of this lease, except for claims theretofore arising thereunder.

Quiet Enjoyment

10. The Lessee, upon paying the rent and performing the covenants and complying with the conditions on the part of the Lessee to be performed as herein set forth, shall, at all times during the term hereby granted, quietly have, hold and enjoy the apartment without any let, suit, trouble or hindrance from the Lessor, subject, however, to the rights of present tenants or occupants of the apartment, and subject to any and all mortgages and underlying leases of the land and building.

Indemnity

11. The Lessee agrees to save the Lessor harmless from all liability, loss, damage and expense arising from injury to person or property occasioned by the failure of the Lessee to comply with any provision hereof, or due wholly or in part to any act, default or omission of the Lessee or of any person dwelling or visiting in the apartment, or by the Lessor, its agents, servants or contractors when acting as agent for the Lessee as in this lease provided. This paragraph shall not apply to any loss or damage when Lessor is covered by insurance which provides for waiver of subrogation against the Lessee.

Payment of Rent

12. The Lessee will pay the rent to the Lessor upon the terms and at the times herein provided, without any deduction on account of any set-off or claim which the Lessee may have against the Lessor, and if the Lessee shall fail to pay any instalment of rent promptly, the Lessee shall pay interest thereon at the maximum legal rate from the date when such installment shall have become due to the date of the payment thereof, and such interest shall be deemed additional rent hereunder.

House Rules

13. The Lessor has adopted House Rules which are appended hereto, and the Directors may alter, amend or repeal such House Rules and adopt new House Rules. This lease shall be in all respects subject to such House Rules which, when a copy thereof has been furnished to the Lessee, shall be taken to be part hereof, and the Lessee hereby covenants to comply with all such House Rules and see that they are faithfully observed by the family, guests, employees and subtenants of the Lessee. Breach of a House Rule shall be a default under this lease. The Lessor shall not be responsible to the Lessee for the nonobservance or violation of House Rules by any other lessee or person.

14. The Lessee shall not, without the written consent of the Lessor on such conditions as Lessor may prescribe, occupy or use the apartment or permit the same or any part thereof to be occupied or used for any purpose other than as a private dwelling for the Lessee and Lessee's spouse, their children, grandchildren, parents, grandparents, brothers and sisters and domestic employees, and in no event shall more than one married couple occupy the apartment without the written consent of the Lessor. In addition to the foregoing, the apartment may be occupied from time to time by guests of the Lessee for a period of time not exceeding one month, unless a longer period is approved in writing by the Lessor, but no guests may occupy the apartment unless one or more of the permitted adult residents are then in occupancy or unless consented to in writing by the Lessor.

Use of Premises

15. Except as provided in Paragraph 38 of this lease, the Lessee shall not sublet the whole or any part of the apartment or renew or extend any previously authorized sublease, unless consent thereto shall have been duly authorized by a resolution of the Directors, or given in writing by a majority of the Directors or, if the Directors shall have failed or refused to give such consent, then by lessees owning at least 65% of the then issued shares of the Lessor. Consent by lessees as provided for herein shall be evidenced by written consent or by affirmative vote taken at a meeting called for such purpose. Any consent to subletting may be subject to such conditions as the Directors or lessees, as the case may be, may impose. There shall be no limitation on the right of Directors or lessees to grant or withhold consent, for any reason or for no reason, to a subletting.

Subletting

16. Except as provided in Paragraph 38 of this lease,

(a) The Lessee shall not assign this lease or transfer the shares to which it is appurtenant or any interest therein, and no such assignment or transfer shall take effect as against the Lessor for any purpose, until

Assignment

(i) An instrument of assignment in form approved by Lessor executed and acknowledged by the assignor shall be delivered to the Lessor; and

(ii) An agreement executed and acknowledged by the assignee in form approved by Lessor assuming and agreeing to be bound by all the covenants and conditions of this lease to be performed or complied with by the Lessee on and after the effective date of said assignment shall have been delivered to the Lessor, or, at the request of the Lessor, the assignee shall have surrendered the assigned lease and entered into a new lease in the same form for the remainder of the term, in which case the Lessee's

lease shall be deemed cancelled as of the effective date of said assignment; and

(iii) All shares of the Lessor to which this lease is appurtenant shall have been transferred to the assignee, with proper transfer taxes paid and stamps affixed; and

(iv) All sums due from the Lessee shall have been paid to the Lessor, together with a sum to be fixed by the Directors to cover reasonable legal and other expenses of the Lessor and its managing agent in connection with such assignment and transfer of shares; and

(v) A search or certification from a title or abstract company as the Directors may require; and

(vi) Except in the case of an assignment, transfer or bequest to the Lessee's spouse, of the shares and this lease, and except as provided in Paragraph 38 of this lease, consent to such assignment shall have been authorized by resolution of the Directors, or given in writing by a majority of the Directors; or, if the Directors shall have failed or refused to give such consent within 30 days after submission of references to them or Lessor's agent, then by lessees owning of record at least 65% of the then issued shares of the Lessor. Consent by lessees as provided for herein shall be evidenced by written consent or by affirmative vote taken at a meeting called for such purpose in the manner as provided in the by-laws.

Consents: On Death of Lessee

(b) If the Lessee shall die, consent shall not be unreasonably withheld to an assignment of the lease and shares to a financially responsible member of the Lessee's family (other than the Lessee's spouse as to whom no consent is required).

Consents Generally: Stockholders' and Directors' Obligations to Consent

(c) There shall be no limitation, except as above specifically provided, on the right of Directors or lessees to grant or withhold consent, for any reason or for no reason, to an assignment.

Release of Lessee Upon Assignment

(d) If the lease shall be assigned in compliance herewith, the Lessee-assignor shall have no further liability on any of the covenants of this lease to be thereafter performed.

Further Assignment or Subletting

(e) Regardless of any prior consent theretofore given, neither the Lessee nor his executor, nor administrator, nor any trustee or receiver of the property of the Lessee, nor anyone to whom the interests of the Lessee shall pass by law, shall be entitled further to assign this lease, or to sublet the

apartment, or any part thereof, except upon compliance with the requirements of this lease.

Statement by Lessor

(f) If this lease is then in force and effect, Lessor will, upon request of Lessee, deliver to the assignee a written statement that this lease remains on the date thereof in force and effect; but no such statement shall be deemed an admission that there is no default under the lease.

Consent by Lender

(g) If the purchase by the Lessee of the shares accompanying this Proprietary Lease was financed, the Lessor agrees to withhold consent to any assignment by the Lessee or a subletting of the Apartment unless such assignment or subletting is accompanied by the written consent of the Lender.

Pledge of Shares and Lease

17. The Lessee may pledge and assign this Lease and the shares of the Lessor allocated to the Apartment as security for a loan made to the Lessee by a bank, trust company, insurance company, or other recognized lending institution (the "Lender"), for any purpose whatsoever, provided, however, that the certificate representing the shares allocated to the Apartment and this Lease may be assigned to the Lender only as security for repayment of the loan. The "Lender" may include the seller or any third party when the pledge and assignment is for the purpose of purchasing the shares allocated to the apartment and this Lease and said shares are assigned to the Lender only as security for the repayment of the Loan.

In the event of a default by the Lessee in any of the terms, covenants, provisions or conditions of this Lease, the Lessor will give written notice thereof to the Lender if written notice of the name and address of the Lender has been given by registered or certified mail to the Lessor prior to the date of any such default. If the Lessee shall fail to cure said default within the time and in the manner provided for in this Lease, then the Lender shall have an additional period of time equal to the time originally given to the Lessee to cure said default, and the Lessor will not act upon said default until the time of the Lender to cure said default has elapsed and the Lender has not cured said default.

In the event of a default by the Lessee in any of the terms, covenants, provisions or conditions of this Lease, or in the payment to the Lender of any installment of principal or interest or in the performance of any other obligation of the Lessee to the Lender, the Lessor after written notice thereof from the Lender will exercise the right of termination of this Lease granted to the Lessor pursuant to Paragraph 31 hereof, and if the Lessee shall fail to vacate the apartment, will institute summary dispossess proceedings against the Lessee and take all steps and do all acts thereafter required in order to obtain

possession of the apartment, all at the expense of the Lender, provided, however, that the Lender shall meanwhile pay all maintenance charges and other charges becoming due hereunder for the account of the Lessee until this Lease and the shares allocated to the apartment are acquired for personal occupancy.

If Lessor shall fail to exercise its right to terminate and/or to commence summary proceedings or to take all steps or do all acts required to be done pursuant hereto, then and in that event, Lessor shall execute and deliver to the Lender a power of attorney coupled with an interest to act in the name of the Lessor in any of the ways provided for herein at the Lender's sole expense, and if the Lessor shall fail to execute and deliver such power of attorney within five days after demand, such power of attorney may be executed by the Lender on behalf of and as the agent for the Lessor. The Lessee agrees that until any such loan is repaid to the Lender in full with interest, the Lessee shall not have any right to cancel this lease as provided in Paragraph 35 hereof, and the Lessor agrees that until it receives written notice from the Lender that the entire amount of the loan with interest has been paid in full or discharged, the Lessor will not accept any surrender of this Lease by the Lessee under Paragraph 35 hereof.

If this lease is terminated at the Lender's request by reason of a default by the Lessee in any of the terms, covenants, provisions or in the payment to the Lender of any installment of principal or interest or in the performance of any other obligation of the Lessee to the Lender, the Lender may sell and assign the shares of the Lessor allocated to the apartment and this Lease, or sublet the apartment, for the account of the Lender to a reputable person of good financial standing subject only to the approval of the then Managing Agent of the Lessor, which approval shall not be unreasonably withheld. If written notice of any such loan has been given to the Lessor by the Lender as aforesaid, the Lender may assign all its rights thereto and to the shares of Lessor allocated to the apartment and this lease by giving written notice to the Lessor by certified or registered mail setting forth the name and address of the assignee, and such assignee and any subsequent assignee or assignees shall thereupon have all the rights of the Lender under this Paragraph 17.

Notwithstanding anything to the contrary contained in the within lease the Lessor will not make or consent to any change or alteration in the terms or conditions of any paragraph of the lease pertaining to the rights of a lender without the consent of the Lender.

18. (a) The Lessee shall keep the interior of the apartment (including interior walls, floors and ceilings, but excluding windows, window panes, window frames, sashes, sills, entrance and terrace doors, frames and saddles) in good repair, shall do all of the painting and decorating required for his apartment, including the interior of window frames, sashes and sills, and shall be solely responsible for the maintenance, repair, and replacement of plumbing, gas and heating fixtures and equipment and such refrigerators, dishwashers, removable and through-the-wall air conditioners, washing machines, ranges and other appliances, as may be in the apartment. Plumbing, gas and heating fixtures as used herein shall include exposed gas, steam and water pipes attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which the Lessee may install within the wall or ceiling, or under the floor, but shall not include gas, steam, water or other pipes or conduits within the walls, ceilings or floors or air conditioning or heating equipment which is part of the standard building equipment. The Lessee shall be solely responsible for the maintenance, repair and replacement of all lighting and electrical fixtures, appliances, and equipment, and all meters, fuse boxes or circuit breakers and electrical wiring and conduits from the junction box at the riser into and through the Lessee's apartment. Any ventilator or air conditioning device which shall be visible from the outside of the building shall at all times be painted by the Lessee in a standard color which the Lessor may select for the building.

Repairs by the Lessee

(b) The Lessee shall not permit unreasonable cooking or other odors to escape into the building. The Lessee shall not permit or suffer any unreasonable noises or anything which will interfere with the rights of other lessees or unreasonably annoy them or obstruct the public halls or stairways.

Odors and Noises

(c) If, in the Lessor's sole judgment, any of the Lessee's equipment or appliances shall result in damage to the building or poor quality or interruption of service to other portions of the building, or overloading of, or damage to facilities maintained by the Lessor for the supplying of water, gas, electricity or air conditioning to the building, or if any such appliances visible from the outside of the building shall become rusty or discolored, the Lessee shall promptly, on notice from the Lessor, remedy the condition and, pending such remedy, shall cease using any appliance or equipment which may be creating the objectionable condition.

Equipment and Appliances

(d) The Lessee will comply with all the requirements of the Board of Fire Underwriters, insurance authorities and all governmental authorities and with all laws, ordinances, rules and regulations with respect to the occupancy or use of the apartment. If any mortgage affecting the land or the

Rules and Regulations and Requirements of Mortgage

building shall contain any provisions pertaining to the right of the Lessee to make changes or alterations in the apartment, or to remove any of the fixtures, appliances, equipment or installations, the Lessee herein shall comply with the requirements of such mortgage or mortgages relating thereto. Upon the Lessee's written request, Lessor will furnish Lessee with copies of applicable provisions of each and every such mortgage.

Lessor's Right to Remedy Lessee's Defaults

19. If the Lessee shall fail for 30 days after notice to make repairs to any part of the apartment, its fixtures or equipment as herein required, or shall fail to remedy a condition which has become objectionable to the Lessor for reasons above set forth, or if the Lessee or any person dwelling in the apartment shall request the Lessor, its agents or servants to perform any act not hereby required to be performed by the Lessor, the Lessor may make such repairs, or arrange for others to do the same, or remove such objectionable condition or equipment, or perform such act, without liability on the Lessor; provided that, if the condition requires prompt action, notice of less than 30 days or, in case of emergency, no notice need be given. In all such cases the Lessor, its agents, servants and contractors shall, as between the Lessor and Lessee, be conclusively deemed to be acting as agents of the Lessee and all contracts therefor made by the Lessor shall be so construed whether or not made in the name of the Lessee. If Lessee shall fail to perform or comply with any of the other covenants or provisions of this lease within the time required by a notice from Lessor (not less than 5 days), then Lessor may, but shall not be obligated, to comply therewith, and for such purpose may enter upon the apartment of Lessee. The Lessor shall be entitled to recover from the Lessee all expenses incurred or for which it has contracted hereunder, such expenses to be payable by the Lessee on demand as additional rent.

Increase in Rate of Fire Insurance

20. The Lessee shall not permit or suffer anything to be done or kept in the apartment which will increase the rate of fire insurance on the building or the contents thereof. If, by reason of the occupancy or use of the apartment by the Lessee, the rate of fire insurance on the building or an apartment or the contents of either shall be increased, the Lessee shall (if such occupancy or use continues for more than 30 days after written notice from the Lessor specifying the objectionable occupancy or use) become liable for the additional insurance premiums incurred by Lessor or any lessee or lessees of apartments in the building on all policies so affected, and the Lessor shall have the right to collect the same for its benefit or the benefit of any such lessees as additional rent for the apartment due on the first day of the calendar month following written demand therefor by the Lessor.

Alterations

21. (a) The Lessee shall not, without first obtaining the written consent of the Lessor, which consent shall not be unreasonably withheld, make in the

apartment or building, or on any roof, penthouse, terrace or balcony appurtenant thereto, any alteration, enclosure or addition or any alteration of or addition to the water, gas, or steam risers or pipes, heating or air conditioning system or units, electrical conduits, wiring or outlets, plumbing fixtures, intercommunication or alarm system, or any other installation or facility in the apartment or building. The performance by Lessee of any work in the apartment shall be in accordance with any applicable rules and regulations of the Lessor and governmental agencies having jurisdiction thereof. The Lessee shall not in any case install any appliances which will overload the existing wires or equipment in the building.

Removal of Fixtures

(b) Without Lessor's written consent, the Lessee shall not remove any fixtures, appliances, additions or improvements from the apartment except as hereinafter provided. If the Lessee, or a prior lessee, shall have heretofore placed, or the Lessee shall hereafter place in the apartment, at the Lessee's own expense, any additions, improvements, appliances or fixtures, including but not limited to fireplace mantels, lighting fixtures, refrigerators, air conditioners, dishwashers, washing machines, ranges, woodwork, wall paneling, ceilings, special doors or decorations, special cabinet work, special stair railings or other built-in ornamental items, which can be removed without structural alterations or permanent damage to the apartment, then title thereto shall remain in the Lessee and the Lessee shall have the right, prior to the termination of this lease, to remove the same at the Lessee's own expense, provided: (i) that the Lessee at the time of such removal shall not be in default in the payment of rent or in the performance or observance of any other covenants or conditions of this lease; and (ii) that the Lessee shall, at the Lessee's own expense, prior to the termination of this lease, repair all damage to the apartment which shall have been caused by either the installation or removal of any of such additions, improvements, appliances or fixtures; (iii) that if the Lessee shall have removed from the apartment any articles or materials owned by the Lessor or its predecessor in title, or any fixtures or equipment necessary for the use of the apartment, the Lessee shall either restore such articles and materials and fixtures and equipment and repair any damage resulting from their removal and restoration, or replace them with others of a kind and quality customary in comparable buildings and satisfactory to the Lessor; and (iv) that if any mortgagee had acquired a lien on any such property prior to the execution of this lease, Lessor shall first procure from such mortgagee its written consent to such removal.

Surrender on Expiration of Term

(c) On the expiration or termination of this lease, the Lessee shall surrender to the Lessor possession of the apartment with all additions, improvements, appliances and fixtures then included therein, except as hereinabove provided. Any additions, improvements, fixtures or appliances not

removed by the Lessee on or before such expiration or termination of this lease shall, at the option of the Lessor, be deemed abandoned and shall become the property of the Lessor and may be disposed of by the Lessor without liability or accountability to the Lessee.

Lease Subordinate to Mortgages and Ground Leases

22. This lease is and shall be subject and subordinate to all present and future ground or underlying leases and to any mortgages now or hereafter liens upon such leases or on the land and building, or buildings, and to any and all extensions, modifications, consolidations, renewals and replacements thereof. This clause shall be self-operative and no further instrument of subordination shall be required by any such mortgagee or ground or underlying lessee. In confirmation of such subordination the Lessee shall at any time, and from time to time, on demand, execute any instruments that may be required by any mortgagee, or by the Lessor, for the purpose of more formally subjecting this lease to the lien of any such mortgage or mortgages or ground or underlying leases, and the duly elected officers, for the time being, of the Lessor are and each of them is hereby irrevocably appointed the attorney-in-fact and agent of the Lessee to execute the same upon such demand, and the Lessee hereby ratifies any such instrument hereafter executed by virtue of the power of attorney hereby given.

In the event that a ground or underlying lease is executed and delivered to the holder of a mortgage or mortgages on such ground or underlying lease or to a nominee or designee of or a corporation formed by or for the benefit of such holder, the Lessee hereunder will attorn to such mortgagee or the nominee or designee of such mortgagee or to any corporation formed by or for the benefit of such mortgagee.

Mechanic's Lien

23. In case a notice of mechanic's lien against the building shall be filed purporting to be for labor or material furnished or delivered at the building or the apartment to or for the Lessee, or anyone claiming under the Lessee, the Lessee shall forthwith cause such lien to be discharged by payment, bonding or otherwise; and if the Lessee shall fail to do so within ten days after notice from the Lessor, then the Lessor may cause such lien to be discharged by payment, bonding or otherwise, without investigation as to the validity thereof or of any offsets or defenses thereto, and shall have the right to collect, as additional rent, all amounts so paid and all costs and expenses paid or incurred in connection therewith, including reasonable attorneys' fees and disbursements, together with interest thereon from the time or times of payment.

24. The Lessee shall always in good faith endeavor to observe and promote the cooperative purposes for the accomplishment of which the Lessor is incorporated. **Cooperation**

25. The Lessor and its agents and their authorized workmen shall be permitted to visit, examine, or enter the apartment and any storage space assigned to Lessee at any reasonable hour of the day upon notice, or at any time and without notice in case of emergency, to make or facilitate repairs in any part of the building or to cure any default by the Lessee and to remove such portions of the walls, floors and ceilings of the apartment and storage space as may be required for any such purpose, but the Lessor shall thereafter restore the apartment and storage space to its proper and usual condition at Lessor's expense if such repairs are the obligation of Lessor, or at Lessee's expense if such repairs are the obligation of Lessee or are caused by the act or omission of the Lessee or any of the Lessee's family, guests, agents, employees or subtenants. In order that the Lessor shall at all times have access to the apartment or storage rooms for the purposes provided for in this lease, the Lessee shall provide the lessor with a key to each lock providing access to the apartment or the storage rooms, and if any lock shall be altered or new lock installed, the Lessee shall provide the Lessor with a key thereto immediately upon installation. If the Lessee shall not be personally present to open and permit an entry at any time when an entry therein shall be necessary or permissible hereunder and shall not have furnished a key to Lessor, the Lessor or the Lessor's agents (but, except in an emergency, only when specifically authorized by an officer of the Lessor or an officer of the Managing Agent) may forcibly enter the apartment or storage space without liability for damages by reason thereof (if during such entry the Lessor shall accord reasonable care to the Lessee's property), and without in any manner affecting the obligations and covenants of this lease. The right and authority hereby reserved do not impose, nor does the Lessor assume by reason thereof, any responsibility or liability for the care or supervision of the apartment, or any of the pipes, fixtures, appliances or appurtenances therein contained, except as herein specifically provided. **Right of Entry** **Key**

26. The failure of the Lessor to insist, in any one or more instances, upon a strict performance of any of the provisions of this lease, or to exercise any right or option herein contained, or to serve any notice, or to institute any action or proceeding, shall not be construed as a waiver, or a relinquishment for the future, of any such provisions, options or rights, but such provision, option or right shall continue and remain in full force and effect. The receipt by the Lessor of rent, with knowledge of the breach of any covenant hereof, shall not be deemed a waiver of such breach, and no waiver by the Lessor of **Waivers**

any provision hereof shall be deemed to have been made unless in a writing expressly approved by the Directors.

Notices

27. Any notice by or demand from either party to the other shall be duly given only if in writing and sent by registered mail: if by the Lessee, addressed to the Lessor at the building with a copy sent by regular mail to the Lessor's Managing Agent; if to the Lessee, addressed to the building. Either party may by notice served in accordance herewith designate a different address for service of such notice or demand. Notices or demands shall be deemed given on the date when mailed.

Reimbursement of Lessor's Expenses

28. If the Lessee shall at any time be in default hereunder and the Lessor shall incur any expense (whether paid or not) in performing acts which the Lessee is required to perform, or in instituting any action or proceeding based on such default, or defending, or asserting a counterclaim in, any action or proceeding brought by the Lessee, the expense thereof to the Lessor, including reasonable attorneys' fees and disbursements, shall be paid by the Lessee to the Lessor, on demand, as additional rent.

Lessor's Immunities

29. (a) The Lessor shall not be liable, except by reason of Lessor's negligence, for any failure or insufficiency of heat, or of air conditioning (where air conditioning is supplied or air conditioning equipment is maintained by the Lessor), water supply, electric current, gas, telephone, or elevator service or other service to be supplied by the Lessor hereunder, or for interference with light, air, view or other interests of the Lessee. No abatement of rent or other compensation or claim of eviction shall be made or allowed because of the making or failure to make or delay in making any repairs, alterations or decorations to the building, or any fixtures or appurtenances therein, or for space taken to comply with any law, ordinance or governmental regulation, or for interruption or curtailment of any service agreed to be furnished by the Lessor, due to accidents, alterations or repairs, or to difficulty or delay in securing supplies or labor or other cause beyond Lessor's control, unless due to Lessor's negligence.

Storage Space and Laundry

(b) If the Lessor shall furnish to the Lessee any storage bins or space, the use of the laundry, or any facility outside the apartment, including but not limited to a television antenna, the same shall be deemed to have been furnished gratuitously by the Lessor under a revocable license. The Lessee shall not use such storage space for the storage of valuable or perishable property and any such storage space assigned to Lessee shall be kept by Lessee clean and free of combustibles. If washing machines or other equipment are made available to the Lessee, the Lessee shall use the same on the understanding that such machines or equipment may or may not be in good order and repair and that

the Lessor is not responsible for such equipment, nor for any damage caused to the property of the Lessee resulting from the Lessee's use thereof, and that any use that Lessee may make of such equipment shall be at his own cost, risk and expense.

Automobiles and Other Property

(c) The Lessor shall not be responsible for any damage to any automobile or other vehicle left in the care of any employee of the Lessor by the Lessee, and the Lessee hereby agrees to hold the Lessor harmless from any liability arising from any injury to person or property caused by or with such automobile or other vehicle while in the care of such employee. The Lessor shall not be responsible for any property left with or entrusted to any employee of the Lessor, or for the loss of or damage to any property within or without the apartment by theft or otherwise.

Window Cleaning

30. The Lessee will not require, permit, suffer or allow the cleaning of any window in the premises from the outside (within the meaning of Section 202 of the New York Labor Law) unless the equipment and safety devices required by law, ordinance, rules and regulations, including, without limitation, Section 202 of the New York Labor Law, are provided and used, and unless the industrial code of the State of New York is fully complied with; and the Lessee hereby agrees to indemnify the Lessor and its employees, other lessees, and the managing agent, for all losses, damages or fines suffered by them as a result of the Lessee's requiring, permitting, suffering or allowing any window in the premises to be cleaned from the outside in violation of the requirements of the aforesaid laws, ordinances, regulations and rules.

Termination of Lease by Lessor

31. If upon, or at any time after, the happening of any of the events mentioned in subdivisions (a) to (j) inclusive of this Paragraph 31, the Lessor shall give to the Lessee a notice stating that the term hereof will expire on a date at least five days thereafter, the term of this lease shall expire on the date so fixed in such notice as fully and completely as if it were the date herein definitely fixed for the expiration of the term, and all right, title and interest of the Lessee hereunder shall thereupon wholly cease and expire, and the Lessee shall thereupon quit and surrender the apartment to the Lessor, it being the intention of the parties hereto to create hereby a conditional limitation, and thereupon the Lessor shall have the right to re-enter the apartment and to remove all persons and personal property therefrom, either by summary dispossess proceedings, or by any suitable action or proceeding at law or in equity, or by force or otherwise, and to repossess the apartment in its former estate as if this lease had not been made, and no liability whatsoever shall attach to the Lessor by reason of the exercise of the right of re-entry, re-possession and removal herein granted and reserved:

Lessee Ceasing to Own Accompanying Shares

(a) If the Lessee shall cease to be the owner of the shares to which this lease is appurtenant, or if this lease shall pass or be assigned to anyone who is not then the owner of all of said shares;

Lessee Becoming a Bankrupt

(b) If at any time during the term of this lease (i) the then holder hereof shall be adjudicated a bankrupt under the laws of the United States; or (ii) a receiver of all of the property of such holder or of this lease shall be appointed under any provision of the laws of the State of New York, or under any statute of the United States, or any statute of any state of the United States and the order appointing such receiver shall not be vacated within thirty days; or (iii) such holder shall make a general assignment for the benefit of creditors; or (iv) any of the shares owned by such holder to which this lease is appurtenant shall be duly levied upon under the process of any court whatever unless such levy shall be discharged within thirty days; or (v) this lease or any of the shares to which it is appurtenant shall pass by operation of law or otherwise to anyone other than the Lessee herein named or a person to whom such Lessee has assigned this lease in the manner herein permitted, but this subsection (v) shall not be applicable if this lease shall devolve upon the executors or administrators of the Lessee and provided that within eight (8) months (which period may be extended by the Directors) after the death said lease and shares shall have been transferred to any assignee in accordance with Paragraph 16 hereof;

Assignment, Subletting or Unauthorized Occupancy

(c) If there be an assignment of this lease, or any subletting hereunder, without full compliance with the requirements of Paragraphs 15 or 16 hereof; or if any person not authorized by Paragraph 14 shall be permitted to use or occupy the apartment, and the Lessee shall fail to cause such unauthorized person to vacate the apartment within ten days after written notice from the Lessor;

Default in Rent

(d) If the Lessee shall be in default for a period of one month in the payment of any rent or additional rent or of any installment thereof and shall fail to cure such default within ten days after written notice from the Lessor;

Default in Other Covenants

(e) If the Lessee shall be in default in the performance of any covenant or provision hereof, other than the covenant to pay rent, and such default shall continue for thirty days after written notice from the Lessor;

Objectionable Conduct

(f) If at any time the Lessor shall determine, upon the affirmative vote of two-thirds of its then Board of Directors, at a meeting duly called for that purpose, that because of objectionable conduct on the part of the Lessee, or of a person dwelling or visiting in the apartment, repeated after written notice from Lessor, the tenancy of the Lessee is undesirable;

(g) If the purchase by the Lessee of the shares accompanying this proprietary lease was financed, and an Event of Default shall occur pursuant to the terms of the Agreement entered into between the Lessee and the Lender and notice of said event of Default shall be given to the Lessor.

Termination of All Proprietary Leases

(h) If at any time the Lessor shall determine, upon the affirmative vote of two-thirds of its then Board of Directors at a meeting of such directors duly called for that purpose, and the affirmative vote of the record holders of at least 75% in amount of its then issued shares, at a shareholders' meeting duly called for that purpose, to terminate all proprietary leases;

Destruction of Building

(i) If the building shall be destroyed or damaged and the shareholders shall decide not to repair or rebuild as provided in Paragraph 4;

Condemnation

(j) If at any time the building or a substantial portion thereof shall be taken by condemnation proceedings.

Lessor's Rights After Lessee's Default

32. (a) In the event the Lessor resumes possession of the apartment, either by summary proceedings, action of ejectment or otherwise, because of default by the Lessee in the payment of any rent or additional rent due hereunder, or on the expiration of the term pursuant to a notice given as provided in Paragraph 31 hereof upon the happening of any event specified in subsections (a) to (g) inclusive of Paragraph 31, Lessee shall continue to remain liable for payment of a sum equal to the rent which would have become due hereunder and shall pay the same in installments at the time such rent would be due hereunder. No suit brought to recover any installment of such rent or additional rent shall prejudice the right of the Lessor to recover any subsequent installment. After resuming possession, the Lessor may, at its option, from time to time (i) relet the apartment for its own account, or (ii) relet the apartment as the agent of the Lessee, in the name of the Lessee or in its own name, for a term or terms which may be less than or greater than the period which would otherwise have constituted the balance of the term of this lease, and may grant concessions or free rent, in its discretion. Any reletting of the apartment shall be deemed for the account of the Lessee, unless within ten days after such reletting the Lessor shall notify the Lessee that the premises have been relet for the Lessor's own account. The fact that the Lessor may have relet the apartment as agent for the Lessee shall not prevent the Lessor from thereafter notifying the Lessee that it proposes to relet the apartment for its own account. If the Lessor relets the apartment as agent for the Lessee, it shall, after reimbursing itself for its expenses in connection therewith, including leasing commissions and a reasonable amount for attorneys' fees and expenses, and decorations, alterations and repairs in and to the apartment, apply the remaining avails of such reletting against the Lessee's continuing obligations

hereunder. There shall be a final accounting between the Lessor and the Lessee upon the earliest of the four following dates: (A) the date of expiration of the term of this lease as stated on page 1 hereof; (B) the date as of which a new proprietary lease covering the apartment shall have become effective; (C) the date the Lessor gives written notice to the Lessee that it has relet the apartment for its own account; (D) the date upon which all proprietary leases of the Lessor terminate. From and after the date upon which the Lessor becomes obligated to account to the Lessee, as above provided, the Lessor shall have no further duty to account to the Lessee for any avails of reletting and the Lessee shall have no further liability for sums thereafter accruing hereunder, but such termination of the Lessee's liability shall not affect any liabilities theretofore accrued.

Collection of Rent from Subtenants

(b) If the Lessee shall at any time sublet the apartment and shall default in the payment of any rent or additional rent, the Lessor may, at its option, so long as such default shall continue, demand and receive from the subtenant the rent due or becoming due from such subtenant to the Lessee, and apply the amount to pay sums due and to become due from the Lessee to the Lessor. Any payment by a subtenant to the Lessor shall constitute a discharge of the obligation of such subtenant to the Lessee, to the extent of the amount so paid. The acceptance of rent from any subtenant shall not be deemed a consent to or approval of any subletting or assignment by the Lessee, or a release or discharge of any of the obligations of the Lessee hereunder.

Sale of Shares

(c) Upon the termination of this lease under the provisions of subdivisions (a) to (g) inclusive of Paragraph 31, the Lessee shall surrender to the corporation the certificate for the shares of the corporation owned by the Lessee to which this lease is appurtenant. Whether or not said certificate is surrendered, the Lessor may issue a new proprietary lease for the apartment and issue a new certificate for the shares of the Lessor owned by the Lessee and allocated to the apartment when a purchaser therefor is obtained, provided that the issuance of such shares and such lease to such purchaser is authorized by a resolution of the Directors, or by a writing signed by a majority of the Directors or by lessees owning, of record, at least a majority of the shares of the Lessor accompanying proprietary leases then in force. Upon such issuance the certificate owned or held by the Lessee shall be automatically cancelled and rendered null and void. The Lessor shall apply the proceeds received for the issuance of such shares towards the payment of the Lessee's indebtedness hereunder, including interest, attorneys' fees and other expenses incurred by the Lessor, and, if the proceeds are sufficient to pay the same, the Lessor shall pay over any surplus to the Lessee, but, if insufficient, the Lessee shall remain liable for the balance of the indebtedness. Upon the issuance of any such new proprietary lease and certificate, the Lessee's liability hereunder shall cease and

the Lessee shall only be liable for rent and expenses accrued to that time. The Lessor shall not, however, be obligated to sell such shares and appurtenant lease or otherwise make any attempt to mitigate damages.

Waiver of Right of Redemption

33. The Lessee hereby expressly waives any and all right of redemption in case the Lessee shall be dispossed by judgment or warrant of any court or judge. The words "enter", "re-enter" and "re-entry" as used in this lease are not restricted to their technical legal meaning.

Surrender of Possession

34. Upon the termination of this lease under the provisions of subdivisions (a) to (g) inclusive of Paragraph 31, the Lessee shall remain liable as provided in Paragraph 32 of this lease. Upon the termination of this lease under any other of its provisions, the Lessee shall be and remain liable to pay all rent, additional rent and other charges due or accrued and to perform all covenants and agreements of the Lessee up to the date of such termination. On or before any such termination the Lessee shall vacate the apartment and surrender possession thereof to the Lessor or its assigns, and upon demand of the Lessor or its assigns, shall execute, acknowledge and deliver to the Lessor or its assigns any instrument which may reasonably be required to evidence the surrendering of all estate and interest of the Lessee in the apartment, or in the building of which it is a part.

Lessee's Option to Cancel

35. (a) This lease may be cancelled by the Lessee on any September 30th after the third anniversary of the consummation of the Offering Statement-Plan of Cooperative Organization pursuant to which proprietary leases were originally issued, upon complying with all the provisions hereinafter set forth. Irrevocable written notice of intention to cancel must be given by the Lessee to the Lessor on or before April 1 in the calendar year in which such cancellation is to occur. At the time of the giving of such notice of intention to cancel there must be deposited with the Lessor by the Lessee:

Deposits Required

(i) the Lessee's counterpart of this lease with a written assignment in form required by the Lessor, in blank, effective as of August 31 of the year of cancellation, free from all subleases, tenancies, liens, encumbrances and other charges whatsoever;

(ii) the Lessee's certificate for his shares of the Lessor, endorsed in blank for transfer and with all necessary transfer tax stamps affixed and with payment of any transfer taxes due thereon;

(iii) a written statement setting forth in detail those additions, improvements, fixtures or equipment which the Lessee has, under the terms of this lease, the right to and intends to remove.

If the purchase of the shares accompanying this proprietary lease was financed, and the Lessee elects to avail himself of the right to terminate and cancel the proprietary lease, as more particularly provided for herein, then the Lessor shall give notice thereof to the Lender and, if requested by the Lender, shall issue a new certificate of stock and proprietary lease in the name of a reputable financially responsible individual or individuals resident in the State of New York designated by the Lender and approved by the Lessor, and such individual or individuals shall have all of the rights provided for in this lease. Further, Lessor agrees to reject a surrender of this Proprietary Lease unless it is accompanied by the written consent of the Lender.

Removal of Fixtures

(b) All additions, improvements, appliances and fixtures which are removable under the terms of this lease and which are enumerated in the statement made as provided in subdivision (iii) above shall be removed by the Lessee prior to August 31st of the year of cancellation, and on or before said August 31st the Lessee shall deliver possession of the apartment to the Lessor in good condition with all required equipment, fixtures and appliances installed and in proper operating condition and free from all subleases and tenancies, liens, encumbrances and other charges and pay to the Lessor all rent, additional rent and other charges which shall be payble under this lease up to and including the following September 30th.

Possession

Permission to Show and Occupy Premises

(c) The Lessor and its agents may show the apartment to prospective lessees, contractors and architects at reasonable times after notice of the Lessee's intention to cancel. After August 31st or the earlier vacating of the apartment, the Lessor and its agents, employees and lessees may enter the apartment, occupy the same and make such alterations and additions therein as the Lessor may deem necessary or desirable without diminution or abatement of the rent due hereunder.

Effective Date of Cancellation

(d) If the Lessee is not otherwise in default hereunder and if the Lessee shall have timely complied with all of the provisions of subdivisions (a) and (b) hereof, then this lease shall be cancelled and all rights, duties and obligations of the parties hereunder shall cease as of the September 30th fixed in said notice, and the shares of Lessor shall become the absolute property of the Lessor, provided, however, that the Lessee shall not be released from any indebtedness owing to the Lessor on said last mentioned date.

Rights on Lessee's Default

(e) If the Lessee shall give the notice but fail to comply with any of the other provisions of this paragraph, the Lessor shall have the option at any time prior to September 30th (i) of returning to the Lessee this lease, the certificate for shares and other documents deposited, and thereupon the Lessee shall be deemed to have withdrawn the notice of intention to cancel this lease,

or (ii) of treating this lease as cancelled as of the September 30th named in the notice of intention to cancel as the date for the cancellation of such lease, and bringing such proceedings and actions as it may deem best to enforce the covenants of the Lessee hereinabove contained and to collect from the Lessee the payments which the Lessee is required to make hereunder, together with reasonable attorneys' fees and expenses.

Option to Cancel-Lessee a Holder of Unsold Shares

(f) If the Lessee named herein is a holder of unsold shares, as defined in the Plan of Cooperative Ownership dated 1980, then Lessee may not exercise the option to cancel this lease prior to the expiration of five years following the commencement of the term hereof and unless both of the following conditions are complied with: (i) shares of Lessor allocated to not less than 85% of the apartments in the building have been acquired by purchasers for occupancy and (ii) Lessee deposits with Lessor either an amount in cash equal to two years' maintenance charges at the rate then payable under this lease or an irrevocable bank letter of credit in said amount.

Extension of Option to Cancel

36. (a) If on April 1st in any year the total number of shares owned by lessees holding proprietary leases, who have given notice pursuant to Paragraph 35 of intention to cancel such proprietary leases on September 30th of said year, shall aggregate ten percent (10%) or more of the Lessor's outstanding shares, exclusive of treasury shares, then the Lessor shall, prior to April 30th in such year, give a written notice to the holders of all issued shares of the Lessor, stating the total number of shares then outstanding and in its treasury and the total number of shares owned by lessees holding proprietary leases who have given notice of intention to cancel. In such case the proprietary lessees to whom such notice shall have been given shall have the right to cancel their leases in compliance with the provisions of Paragraph 35 hereof, provided only that written notice of the intention to cancel such leases shall be given on or before July 1st instead of April 1st.

Right of Lessees to Cancel

(b) If lessees owning at least 80% of the then issued and outstanding shares of the Lessor shall exercise the option to cancel their leases in one year, then this and all other proprietary leases shall thereupon terminate on the September 30th of the year in which such options shall have been exercised, as though every lessee had exercised such option. In such event none of the lessees shall be required to surrender his shares to the Lessor and all certificates for shares delivered to the Lessor by those who had, during that year, served notice of intention to cancel their leases under the provisions hereof, shall be returned to such lessees.

Continuance of Cooperative Management of Building After All Leases Terminated

37. No later than thirty days after the termination of all proprietary leases, whether by expiration of their terms or otherwise, a special meeting of shareholders of the Lessor shall take place to determine whether (a) to continue to operate the building as a residential apartment building, (b) to alter, demolish or rebuild the building or any part thereof, or (c) to sell the building and liquidate the assets of the Lessor, and the Directors shall carry out the determination made at said meeting of shareholders of the Lessor, and all of the holders of the then issued and outstanding shares of the Lessor shall have such rights as enure to shareholders of corporations having title to real estate.

Assignment and Subletting with Managing Agent's Consent

38. If the Lessee named herein is a holder of unsold shares, as defined in the Plan of Cooperative Ownership, 1980, on page 31, then Lessee may assign this lease and sublet the apartment without the consent of the Directors or shareholders as provided in paragraphs 15 and 16 but with the consent only of the Lessor's then Managing Agent which may not be unreasonably withheld, provided that this sentence shall only apply to the stock and leases allocated to a total of five apartments owned by such Lessees. If the then Managing Agent refuses to consent for any reason whatsoever, such Lessee may apply for consent to the Directors or to the shareholders as provided in paragraphs 15 and 16 hereof.

Foreclosure Receiver of Rents

39. Notwithstanding anything contained in this lease, if any action shall be instituted to foreclose any mortgage on the land or the building or the leasehold of the land or building, the Lessee shall, on demand, pay to the receiver of the rents appointed in such action rent, if any, owing hereunder on the date of such appointment and shall pay thereafter to such receiver in advance, on the first day of each month during the pendency of such action, as rent hereunder, the rent for the apartment as last determined and established by the Directors prior to the commencement of said action, and such rent shall be paid during the period of such receivership, whether or not the Directors shall have determined and established the rent payable hereunder for any part of the period during which such receivership may continue. The provisions of this Paragraph are intended for the benefit of present and future mortgagees of the land or the building or the leasehold of the land or building and may not be modified or annulled without the prior written consent of any such mortgage holder.

To Whom Covenants Apply

40. The references herein to the Lessor shall be deemed to include its successors and assigns, and the references herein to the Lessee or to a shareholder of the Lessor shall be deemed to include the executors, administrators, legal representatives, legatees, distributees and assigns of the Lessee or of such shareholder; and the covenants herein contained shall apply to, bind and enure to the benefit of the Lessor and its successors and assigns, and the Lessee and the executors and administrators, legal representatives, legatees, distributees and assigns of the Lessee, except as hereinabove stated.

Waiver of Trial by Jury

41. To the extent permitted by law, the respective parties hereto shall and they hereby do waive trial by jury in any action, proceeding or counterclaim

brought by either of the parties hereto against the other on any matters whatsoever arising out of or in any way connected with this lease, the Lessee's use or occupancy of the apartment, or any claim of damage resulting from any act or omission of the parties in any way connected with this lease or the apartment.

Lessor's Additional Remedies

42. In the event of a breach or threatened breach by Lessee of any provision hereof, the Lessor shall have the right of injunction and the right to invoke any remedy at law or in equity, as if re-entry, summary proceedings and other remedies were not herein provided for, and the election of one or more remedies shall not preclude the Lessor from any other remedy.

Lessee More Than One Person

43. If more than one person is named as Lessee hereunder, the Lessor may require the signatures of all such persons in connection with any notice to be given or action to be taken by the Lessee hereunder, including, without limiting the generality of the foregoing, the surrender or assignment of this lease, or any request for consent to assignment or subletting. Each person named as Lessee shall be jointly and severally liable for all of the Lessee's obligations hereunder. Any notice by the Lessor to any person named as Lessee shall be sufficient, and shall have the same force and effect, as though given to all persons named as Lessee.

Effect of Partial Invalidity

44. If any clause or provision herein contained shall be adjudged invalid, the same shall not affect the validity of any other clause or provision of this lease, or constitute any cause of action in favor of either party as against the other.

Marginal Headings

45. The marginal headings of the several paragraphs of this lease shall not be deemed a part of this lease.

Changes to Be in Writing

46. The provisions of this lease cannot be changed orally.

IN WITNESS WHEREOF, the parties have executed this lease.

12TH STREET APARTMENT CORP.
Lessor.

By .....
President

..... (L.S.)

..... (L.S.)
Lessee.

25

State of New York)
)ss.:
County of)

On the day of , in the year 19 . before me personally appeared . to me known. who being by me duly sworn. did depose and say that he resides at ; that he is the of 12th Street Apartment Corp.. the corporation described in and which executed the foregoing instrument: that he knows the seal of said corporation: that the seal affixed to said instrument is such corporate seal: that it was so affixed by order of the Board of Directors of said corporation: and that he signed h name thereto by like order.

.....

State of New York)
)ss.:
County of)

On the day of , in the year 19 , before me personally appeared , to me personally known and known to me to be the individual described in and who executed the foregoing instrument, and duly acknowledged to me that he executed the same.

.....

HOUSE RULES

(1) The public halls and stairways of the building shall not be obstructed or used for any purpose other than ingress to and egress from the apartments in the building, and the fire towers shall not be obstructed in any way.

(2) No patient of any doctor who has offices in the building shall be permitted to wait in the lobby.

(3) Children shall not play in the public halls, courts, stairways, fire towers or elevators.

(4) No public hall above the ground floor of the building shall be decorated or furnished by any Lessee in any manner without the prior consent of all of the Lessees to whose apartments such hall serves as a means of ingress and egress; in the event of disagreement among such Lessees, the Board of Directors shall decide.

(5) No Lessee shall make or permit any disturbing noises in the building or do or permit anything to be done therein which will interfere with the rights, comfort or convenience of other Lessees. No Lessee shall play upon or suffer to be played upon any musical instrument or permit to be operated a phonograph or a radio or television loud speaker in such Lessee's apartment between the hours of eleven o'clock p.m. and the following eight o'clock a.m. if the same shall disturb or annoy other occupants of the building. No construction or repair work or other installation involving noise shall be conducted in any apartment except on weekdays (not including legal holidays) and only between the hours of 8:30 a.m. and 5:00 p.m.

(6) No article shall be placed in the halls or on the staircase landings or fire towers, nor shall anything be hung or shaken from the doors, windows, terraces or balconies or placed upon the window sills of the building.

(7) No awnings, window air-conditioning units or ventilators shall be used in or about the building except such as shall have been expressly approved by the Lessor or the managing agent, nor shall anything be projected out of any window of the building without similar approval.

(8) No sign, notice, advertisement or illumination shall be inscribed or exposed on or at any window or other part of the building, except such as shall have been approved in writing by the Lessor or the managing agent.

(9) No velocipedes, bicycles, scooters or similar vehicles shall be allowed in a passenger elevator and baby carriages and the above-mentioned vehicles shall not be allowed to stand in the public halls, passageways, areas or courts of the building.

(10) Messengers and tradespeople shall use such means of ingress and egress as shall be designated by the Lessor.

(11) Kitchen supplies, market goods and packages of every kind are to be delivered only as shall be designated by Lessor.

(12) Trunks and heavy baggage shall be taken in or out of the building through the service entrance.

(13) Garbage and refuse from the apartments shall be disposed of only at such times and in such manner as the superintendent or the managing agent of the building may direct.

(14) Water closets and other water apparatus in the building shall not be used for any purposes other than those for which they were constructed, nor shall any sweepings, rubbish, rags or any other article be thrown into the water closets. The cost of repairing any damage resulting from misuse of any water closets or other apparatus shall be paid for by the Lessee in whose apartment it shall have been caused.

(15) No Lessee shall send any employee of the Lessor out of the building on any private business of a Lessee.

(16) No bird or animal shall be kept or harbored in the building unless the same in each instance be expressly permitted in writing by the Lessor; such permission shall be revocable by the Lessor. In no event shall dogs be permitted on elevators or in any of the public portions of the building unless carried or on leash. No pigeons or other birds or animals shall be fed from the window sills, terraces, balconies or in the yard, court spaces or other public portions of the building, or on the sidewalk or street adjacent to the building.

(17) No radio or television aerial shall be attached to or hung from the exterior of the building without the prior written approval of the Lessor or the managing agent.

(18) No vehicle belonging to a Lessee or to a member of the family or guest, subtenant or employee of a Lessee shall be parked in such manner as

to impede or prevent ready access to any entrance of the building by another vehicle.

(19) The Lessee shall use the available laundry facilities only upon such days and during such hours as may be designated by the Lessor or the managing agent.

(20) The Lessor shall have the right from time to time to curtail or relocate any space devoted to storage or laundry purposes.

(21) Unless expressly authorized by the Board of Directors in each case, the floors of each apartment must be covered with rugs or carpeting or equally effective noise-reducing material, to the extent of at least 80% of the floor area of each room excepting only kitchens, pantries, bathrooms, maid's rooms, closets, and foyer.

(22) No group tour or exhibition of any apartment or its contents shall be conducted, nor shall any auction sale be held in any apartment without the consent of the Lessor or its managing agent.

(23) The Lessee shall keep the windows of the apartment clean. In case of refusal or neglect of the Lessee during 10 days after notice in writing from the Lessor or the managing agent to clean the windows, such cleaning may be done by the Lessor, which shall have the right, by its officers or authorized agents, to enter the apartment for the purpose and to charge the cost of such cleaning to the Lessee.

(24) The passenger and service elevators, unless of automatic type and intended for operation by a passenger, shall be operated only by employees of the Lessor, and there shall be no interference whatever with the same by Lessees or members of their families or their guests, employees or subtenants.

(25) Complaints regarding the service of the building shall be made in writing to the managing agent of the Lessor.

(26) Any consent or approval given under these House Rules by the Lessor shall be revocable at any time.

(27) If there be a garage in the building, the Lessee will abide by all arrangements made by the Lessor with the garage operator with regard to the garage and the driveways thereto.

(28) The following rules shall be observed with respect to incinerator equipment:

(i) All wet debris is to be securely wrapped or bagged in small package size to fit easily into the hopper panel.

(ii) Debris should be completely drip-free before it leaves the apartment and carried to the incinerator closet in a careful manner and in a drip-proof container; then placed into the flue hopper so it will drop into the flue for disposal.

(iii) No bottles or cans shall be dropped down the flue before 10:00 a.m. or after 5:00 p.m., but shall be left in a neat manner in service elevator area, if such items must be disposed of before 10:00 a.m. or after 5:00 p.m.

(iv) Cartons, boxes, crates, sticks of wood or other solid matter shall not be stuffed into hopper opening. Small items of this nature may be left in a neat manner on the incinerator closet floor. Bulky items should be left at service elevator area between 10:00 a.m. and 6:00 p.m. and service employee summoned to dispose of them by way of the service elevator.

(v) Under no circumstances should carpet sweepings containing naphthalene, camphor balls or flakes, floor scrapings, plastic wrappings or covers, oil soaked rags, empty paint or aerosol cans or any other inflammable, explosive, highly combustible substances or lighted cigarettes or cigar stubs be thrown into the incinerator flue.

(vi) Vacuum cleaner bags must never be emptied into the flue. Such dust, dirt, etc. should be wrapped in a securely tied bag or package and then be placed through hopper door panel into flue.

(vii) The superintendent shall be notified of any drippings, or moist refuse, appearing on incinerator closet floor and corridors.

(29) No Lessee shall install any plantings on the terrace, balcony or roof without the prior written approval of the Lessor. Plantings shall be contained in boxes of wood lined with metal or other material impervious to dampness and standing on supports at least two inches from the terrace, balcony or roof surface, and if adjoining a wall, at least three inches from such wall. Suitable weep holes shall be provided in the boxes to draw off water. In special locations, such as a corner abutting a parapet wall, plantings may be contained in masonry or hollow tile walls which shall be at least three inches from the parapet and

flashing, with the floor of drainage tiles and suitable weep holes at the sides to draw off water. It shall be the responsibility of the Lessee to maintain the containers in good condition, and the drainage tiles and weep holes in operating condition.

(30) The agents of the Lessor, and any contractor or workman authorized by the Lessor, may enter any apartment at any reasonable hour of the day for the purpose of inspecting such apartment to ascertain whether measures are necessary or desirable to control or exterminate any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests. If the Lessor takes measures to control or exterminate carpet beetles, the cost thereof shall be payable by the Lessee, as additional rent.

(31) These House Rules may be added to, amended or repealed at any time by resolution of the Board of Directors of the Lessor.

EXHIBIT III

BY-LAWS

of

12th STREET APARTMENT CORP.

ARTICLE I

Purpose of Business

Section 1. The primary purpose of the Corporation is to provide residences for shareholders who shall be entitled, solely by reason of their ownership of shares, to proprietary leases for apartments in the building owned by the Corporation.

ARTICLE II

Meetings of Shareholders

Section 1. Annual Meeting: The annual meeting of the shareholders of the Corporation, for the election of directors and for such other business as may properly come before such meeting, shall be held in the Borough of Manhattan City of New York, at such time and place during the month of February of each year as may be designated by the Board. The notice of the meeting shall be in writing and signed by the president or a vice president or the secretary or an assistant secretary. Such notice shall state the time when and the place within the state where it is to be held, and the secretary shall cause a copy thereof to be delivered personally or mailed to each shareholder of record of the Corporation entitled to vote at such meeting not less than ten

nor more than forty days before the meeting. If mailed, it shall be directed to each such shareholder at his or her address as it appears on the share book, unless he or she shall have filed with the secretary of the Corporation a written request that notices intended for him or her be mailed to some other address, in which case it shall be mailed to the address designated in such request.

Section 2. Special Meetings: Special meetings of shareholders, other than those the calling of which is regulated by statute, may be called at any time by the president or secretary or by a majority of the Board of Directors. It shall also be the duty of the secretary to call such meetings whenever requested in writing so to do by shareholders owning at least twenty-five per cent of the outstanding shares of the Corporation. The secretary shall cause a notice of such special meeting stating the time, place and object thereof and the officer or other person or persons by whom the meeting is called, to be delivered personally or mailed as provided in Section 1 of this Article to each shareholder of record of the Corporation entitled to vote at such meeting not less than ten nor more than forty days before such meeting. No business other than that stated in such notice shall be transacted at such special meeting unless the holders of all the outstanding shares of the Corporation be present thereat in person or by proxy.

Section 3. Waiver of Notices: The notice provided for in the two foregoing sections is not indispensable but any shareholders' meeting whatever shall be valid for all purposes if all the outstanding shares of the Corporation are represented thereat in person or by proxy, or if a quorum is present, as provided in the next succeeding section, and waiver of notice of the time, place and objects of such meeting shall be duly executed in writing either before or after said meeting by such shareholders as are not so represented and were not given such notice.

Section 4. Quorum: At each meeting of shareholders, except where otherwise provided by law, shareholders representing, in person or by proxy, a majority of the shares then issued and outstanding shall constitute a quorum; in case a quorum shall not be present at any meeting, the holders of a majority of the shares represented may adjourn the meeting to some future time and place. No notice of the time and place of the adjourned meeting need be given other than by announcement at the meeting. Only those shareholders who, if present at the original meeting, would have been entitled to vote thereat, shall be entitled to vote at any such adjourned meeting.

Section 5. Voting: At each meeting of shareholders

each shareholder present in person or by proxy shall be entitled to one vote for each share registered in his name at the time of service of notice of such meeting or at such prior date, not more than forty days before such meeting, as may be prescribed by the Board of Directors for the closing of the corporate share transfer books or fixed by the Board of Directors as the date for determining which shareholders of records are entitled to notice of and to vote at such meeting. The proxies shall be in writing duly signed by the shareholder but need not be acknowledged or witnessed, and the person named as proxy by any shareholder need not himself be a shareholder of the Corporation. Voting by shareholders shall be viva voce unless any shareholder present at the meeting, in person or by proxy, demands a vote by written ballot, in which case the voting shall be by ballot, and each ballot shall state the name of the shareholder voting and the number of shares owned by him, and in addition, the name of the proxy of such ballot if cast by a proxy.

In all elections of directors of the Corporation, each shareholder shall be entitled to as many votes as shall equal the number of votes which (except for these provisions) he would be entitled to cast for the election of directors with respect to his shares, multiplied by the number of directors to be elected, and he may cast all of such votes for a single director or may distribute them among the number to be voted for, or any two or more of them, as he may see fit.

Section 6. Inspectors of Election:

Inspectors of election shall not be required to be appointed at any meeting of shareholders unless requested by a shareholder present (in person or by proxy) and entitled to vote at such meeting and upon the making of such request inspectors shall be appointed or elected as provided in Section 610 of the Business Corporation Law.

Section 7. Order of Business: So far as consistent with the purpose of the meeting, the order of business of each meeting of shareholders shall be as follows:

1. Call to order.
2. Presentation of proofs of due calling of the meeting.
3. Roll call and presentation and examination of proxies.
4. Reading of minutes of previous meeting or meetings, unless waived.
5. Reports of officers and committees.
6. Appointment or election of inspectors of election, if requested.
7. If the annual meeting or a special meeting called for that purpose, the election of directors.
8. Unfinished business.
9. New business.
10. Adjournment.

ARTICLE III

Directors

Section 1. Number: The number of the Directors of the Corporation shall be not less than three nor more than seven,

as may from time to time be herein provided and, in the absence of such provision shall be three (3). Commencing with the first election of Directors by tenant-shareholders of the Corporation, and until changed by amendment of this By-Law provision, as hereinafter provided, the number of Directors shall be seven(7). The number of Directors shall not be decreased to a number less than the number of Directors then in office except at an annual meeting of shareholders.

Section 2. Election: The Directors shall be elected at the annual meeting of shareholders or at a special meeting called for that purpose as provided by law, by a plurality of votes cast at such meeting. Their term of office shall be until the date herein fixed for the next annual meeting, and thereafter until their respective successors are elected and qualify. It shall not be necessary for a director of this Corporation to be a shareholder.

Section 3. Quorum: A majority of the Directors then authorized by these By-Laws shall constitute a quorum.

Section 4. Vacancies: Vacancies in the Board of Directors resulting from death, resignation or otherwise may be filled without notice to any of the shareholders by a vote of a

majority of the remaining directors present at the meeting at which such election is held even though no quorum is present, which may be at any regular meeting of the Board of Directors or any special meeting thereof called for such purpose. In the event of the failure to hold any election of directors at the time designated for the annual election of directors or in the event that the Board of Directorsshall not have filled any such vacancy, a special meeting of shareholders to elect a new Board of Directors or to fill such vacancy or vacancies may be called in the manner generally provided for the calling of special meetings of shareholders. Vacancies in the Board of Directors resulting from an increase of the Board of Directors by amendment of these By-laws shall be filled in the manner provided in the resolution adopting such amendment. In case of a reduction of the authorized number of directors by amendment of these By-laws, the directors, if any, whose term of office shall cease, shall be determined in the manner provided in the resolution adopting such amendment.

Section 5. Meetings: The Board of Directors shall meet immediately after the annual meeting of shareholders without notice and also whenever called together by any officer of the

Corporation or upon the written request of any two directors then holding office, upon notice given to each director, by delivering personally, mailing or telegraphing the same to him at least two days prior to such meeting at the last address furnished by him to the Corporation. Regular meetings may be held without notice at such time and places as the Board of Directors may determine. Any meeting of the Board at which all the members shall be present, or of which notice shall be duly waived by all absentees, either before or after the holding of such meeting, shall be valid for all purposes provided a quorum be present. Meetings of directors may be held either at the principal office of the Corporation or elsewhere within the State of New York as provided in the notice calling the meeting, unless the Board of Directors by resolution adopt some further limitation in regard thereto. At all meetings of the Board of Directors, each director shall be entitled to one vote. The vote of a majority of the Board of Directors present at the time of a vote of a duly constituted meeting shall be the act of the Board of Directors.

Section 6. Resignation and Removal: Any director may resign at any time by written notice delivered in person or sent by certified registered mail to the President or Secretary of the

Corporation. Such resignation shall take effect at the time specified therein, and unless specifically requested acceptance of such resignation shall not be necessary to make it effective.

Any director may be removed from office without cause by the shareholders of the Corporation at a meeting duly called for that purpose.

Section 7. Annual Cash Requirements: The Board of Directors shall, except as may be otherwise restricted by the Proprietary Lease of the Corporation, from time to time, determine the cash requirements as defined in the Corporation's proprietary leases, and fix the terms and manner of payment of rent under the Corporation's proprietary leases. The Board of Directors shall have discretionary power to prescribe the manner of maintaining and operating the apartment house of the Corporation and to determine the cash requirements of the Corporation to be paid as aforesaid by the shareholder-tenants under their respective proprietary leases. Every such determination by the Board of Directors shall be final and conclusive as to all shareholder-tenants and any expenditures made by the Corporation's officers or its agent under the direction or with the approval of the Board of Directors of the Corporation shall, as against the shareholder-tenants, be deemed necessarily and properly made for such purpose.

Section 8. House Rules: The Board of Directors may from time to time, adopt and amend such house rules as it may deem necessary in respect to the apartment building of the corporation for the health, safety and convenience of the shareholder-tenants. Copies thereof and of changes therein shall be furnished to each shareholder-tenant.

Section 9. Executive Committee and other Committees: The Board of Directors may by resolution appoint an Executive Committee, and such other committees as it may deem appropriate, each to consist of three or more directors of the Corporation. Such committees shall have and may exercise such of the powers of the Board in the management of the business and affairs of the Corporation during the intervals between the meetings of the Board as may be determined by the authorizing resolution of the Board of Directors and so far as may be permitted by law, except that no committee shall have power to determine the cash requirements defined in the proprietary leases, or to fix the rent to be paid under the proprietary leases, or to vary the terms of payment thereof as fixed by the Board.

Section 10. Distributions: The shareholder-tenants shall not be entitled, either conditionally or unconditionally,

except upon a complete or partial liquidation of the Corporation, to receive any distribution not out of earnings and profits of the Corporation.

ARTICLE IV

Officers

Section 1. Election and Removal: The officers of the Corporation shall be a president, one or more vice presidents, a secretary and a treasurer. Such officers shall be elected at the first meeting of the Board of Directors after these By-laws become effective, and thereafter at the regular meeting in each year following the annual meeting of shareholders, and shall serve until removed or until their successors shall have been elected. The Board of Directors may at any time or from time to time appoint one or more assistant secretaries and one or more assistant treasurers to hold office at the pleasure of the Board and may accord to such officers such power as the Board deems proper. Any officer may be removed at any time, with or without cause, by the affirmative vote of a majority of the then authorized total number of directors. The president shall be a member of the Board of Directors, and shall be a shareholder or the spouse of a shareholder, but none of the otherofficers need be a member of the Board of Directors or a shareholder or the

spouse of a shareholder. Oneperson may hold not more than two offices at the same time, except that the president and the secretary may not be the same person. Vacancies occurring in the office of any officer may be filled by the Board of Directors at any time.

Section 2. Duties of President and Vice Presidents: The president shall preside at all meetings of the stockholders and of the Board of Directors. The president or any vice president shall sign in the name of the Corporation all contracts, leases and other instruments which are authorized fro, time to time by the Board of Directors. The president, subject to the control of the Board of Directors, shall have general management of the affairs of the Corporation and perform all the duties incidental to the office. In the absence from the City of New York or inability of thepresident to act, any vice president shall have the powers and perform the duties of the president.

Section 3. Duties of Treasurer: The treasurer shall have the care and custody of all funds and securities of the Corporation, and shall deposit such funds in the name of the Corporation in such bank or trust companies as the directors may determine, and he shall perform all other duties incidental

to his office. If so required by the Board of Directors, he shall, before receiving any such funds, furnish to the Corporation a bond with a surety company as surety, in such form and amount as said Board from time to time shall determine. The premium upon such bond shall be paid by the Corporation. Within three months after the close of each calendar year, the treasurer shall cause to be furnished to each shareholder-tenant whose proprietary lease is then in effect, a statement of the Certified Public Accountant of the Corporation of any deductions available for income tax purposes on a per share basis and indicating thereon on a per share basis any such other information as may be necessary or useful to permit him to compute his income tax returns in respect thereof.

Within three months after the end of each fiscal year, the treasurer shall cause to be transmitted to each shareholder-tenant whose proprietary lease is then in effect, an annual report of operations and balance sheet of the Corporation which shall be certified by an independent Certified Public Accountant. A copy of said annual report shall be submitted to the Department of Law of the State of New York.

In the absence or inability of the treasurer, the assistant treasurer, if any, shall have all the powers and

perform all the duties of the treasurer.

Section 4. Duties of Secretary: The secretary shall keep the minutes of the meetings of the Board of Directors and of the meetings of shareholders; he shall attend to the giving and serving of all notices of the Corporation and shall be empowered to affix the corporate seal to all written instruments authorized by the Board of Directors of these By-laws. He shall also perform all other duties incidental to his office. He shall cause to be kept a book containing the names, alphabetically arranged, of all persons who are shareholders of the Corporation, showing their places of residence, the number of shares held by them, respectively, the time when they respectively became the owners thereof, and the amount paid thereon, and the denomination and the amount of all share issuance or transfer stamps affixed thereto, and such book shall be open for inspection as provided by law. In the absence or inability of the secretary, the assistant secretary, if any, shall have all the powers and perform all the duties of the secretary.

ARTICLE V

Proprietary Leases

Section 1. Form of Lease: The Board of Directors shall adopt a form of proprietary lease to be used by the

Corporation for the leasing of all apartments and other space in the apartment building of the Corporation to be leased to shareholder-tenants under proprietary leases. Such proprietary leases shall be for such terms, with or without provisions for renewals, and shall contain such restrictions, limitations and provisions in respect to the assignment thereof, the subletting of the premises demised thereby and the sale and/or transfer of the shares of the Corporation appurtenant thereto, and such other terms, provisions, conditions and covenants as the Board of Directors may determine.

After a proprietary lease in the form so adopted by the Board of Directors shall have been executed and delivered by the Corporation, all proprietary leases (as distinct from the house rules) subsequently executed and delivered shall be in the same form, except with respect to the statement as to the number of shares owned by the lessee, the use of the premises and the date of the commencement of the term, unless any change or alteration is approved by lessees in accordance with the voting set forth in Section 5 of Meetings of Shareholders above.

Section 2. Assignment: Proprietary leases shall be assigned or transferred only in compliance with, and shall never

be assigned or transferred in violation of, the terms, conditions or provisions of such proprietary leases. A duplicate original of each proprietary lease shall always be kept on file in the principal office of the Corporation or with the managing agent of the apartment building.

Section 3. Allocation of Shares: The Board of Directors shall allocate to each apartment or other space in the apartment building of the corporation to be leased to shareholder-tenants under proprietary leases the number of shares of the Corporation which must be owned by the proprietary lessee of such apartment or other space.

Section 4. Assignment of Lease and Transfer of Shares: No assignment of any lease or transfer of the shares of the Corporation shall take effect as against the Corporation for any purpose until a proper assignment has been delivered to the Corporation; the assignee has assumed and agreed to perform and comply with all the covenants and conditions of the assigned lease or has entered into a new lease for the remainder of the term; all shares of the Corporation appurtenant to the lease have been transferred to the assignee; all sums due have been paid to the Corporation; and all necessary consents have been properly obtained. The action of the Board of Directors

with respect to the written application for consent of a proposed assignment or subletting must be made within 30 days after receipt of said written application.

Where the Sponsor named in the Plan of Cooperative Organization or a designee of the Sponsor is a lessee (holder of "Unsold Shares") consent to an assignment or transfer of his lease and the shares appurtenant thereto or a subletting or occupancy of the demised premises will be required only from the Managing Agent of the building (or in lieu thereof at the option of such holder of "Unsold Shares" from the Board of Directors) who shall consent to such assignment, subletting or transfer only when the assignee or transferee or subtenant or occupant is a reputable person, which consent shall not be unreasonably withheld or delayed.

No person to whom the interest of a lessee or shareholder shall pass by law, shall be entitled to assign any lease, transfer any share, or to sublet or occupy any apartment, except upon compliance with the requirements of the lease and these By-laws.

Section 5. Fees on Assignment: The Board of Directors shall have authority before an assignment or sublet of a proprietary lease or reallocation of shares takes effect as against the Corporation as lessor, to fix a reasonable fee to cover actual expenses and attorneys' fees of the Corporation, a service fee of the Corporation and such other conditions as it may determine, in connection with each such proposed assignment.

Section 6. Lost Proprietary Leases: In the event that any proprietary lease in full force and effect is lost, stolen, destroyed or mutilated, the Board of Directors may authorize the issuance of a new proprietary lease in lieu thereof, in the same form and with the same terms, provisions, conditions and limitations. The Board may, in its discretion, before the issuance of any such new proprietary lease, require the owner thereof, or the legal representative of the owner, to make an affidavit or affirmation setting forth such facts as to the loss, destruction or mutilation as it deems necessary, and to give the Corporation a bond in such reasonable sum as it directs, to indemnify the Corporation.

Section 7. Regrouping of Space: The Board of Directors, upon the written request of the owner or owners of one or more proprietary leases covering one or more apartments in the apartment building and of the shares issued to accompany the same, may in its discretion, at any time, permit such owner or owners, at his or their own expense— to: (1) to subdivide any apartment into any desired number of apartments, (2) to combine all or any portions of any such apartments into one or any desired number of apartments; and (3) to reallocate the

shares issued to accompany the proprietary lease or leases, but the total number of the shares so reallocated shall not be less than the number of shares previously allocated to the apartment or apartments involved, and, in connection with any such regrouping, the Board of Directors may require that the number of shares allocated to the resulting apartment or apartments be greater than the number of shares allocated to the original apartment or apartments, and may authorize the issuance of shares from its treasury for such purpose; or B: to incorporate one or more servant's rooms, or other space in the building not covered by an proprietary lease, into one or more apartments covered by a proprietary lease, whether in connection with any regrouping of space pursuant to subparagraph A of this Section 7 or otherwise, and in allocating shares to any such resulting apartment or apartments, shall determine the number of shares from its treasury to be issued and allocated in connection with the appropriation of such additional space.

In respect of apartments for which the proprietary lease and shares issued to accompany the same are owned by the Sponsor named in the Plan of Cooperative Organization or the Sponsor's Nominee or the Sponsor's Assignee (who while entitled

to occupy any such apartments for his personal use does not do so), such Sponsor, Nominee, or Assignee may, upon the written consent of only the Managing Agent of the Building, change the number of such apartments by increasing or decreasing their size, or change the size, layout or location of any such apartment; but such Sponsor, Nominee, or Assignee shall not have the right to reallot the shares allocated to any of the apartments offered for sale under said Plan, unless such reallocation is designed to reflect a change in the value of the equity in the property attributable to the apartment or apartments to which the block of shares is being reallocated.

Upon any regrouping of space in the building, the proprietary leases so affected, and the accompanying share certificates shall be surrendered, and there shall be executed and delivered in place thereof, respectively, a new proprietary lease for each separate apartment involved, and a new certificate for the number of shares so reallocated to each new proprietary lease.

ARTICLE VI

Capital Shares

Section 1. No shares hereafter issued or acquired by the Corporation shall be issued or reissued except in con-

nection with the execution by the purchaser and delivery by the Corporation of a proprietary lease of an apartment in the building owned by the Corporation. The ownership of shares shall entitle the holder thereof to occupy the apartment for the purposes specified in the proprietary lease to which the shares are appurtenant, subject to the provisions, covenants and agreement contained in such proprietary lease.

Section 2. Form and Share Register: Certificates of the shares of the Corporation shall be in the form adopted by the Board of Directors, and shall be signed by the president or a vice president and the secretary or an assistant secretary or the treasurer or an assistant treasurer, and sealed with the seal of the Corporation, and shall be numbered in the order in which issued. Such signatures and seal may be facsimiles when and to the extent permitted by applicable statutory provisions. Certificates shall be issued in consecutive order and there shall be recorded the name of the person holding the shares, the number of shares and the date of issue. Each certificate exchanged or returned to the Corporation shall be cancelled, and the date of cancellation shall be indicated thereon and such certificate shall be retained in the Corporate records.

Section 3. Issuance of Certificates: Shares appurtenant to each proprietary lease shall be issued in the amount allocated by the Board of Directors to the apartment or other space described in such proprietary lease and shall be represented by a single certificate.

Section 4. Transfers: Transfers of shares shall be made upon the books of the Corporation only by the holder in person or by power of attorney, duly executed and filed with the secretary of the Corporation and on the surrender of the certificate for such shares, except that shares sold by the Corporation to satisfy any lien which it holds thereon may be transferred without the surrender of the certificate representing such shares.

Section 5. Units of Issuance: Except as otherwise provided in Article V, Section 7, unless and until all proprietary leases which shall have been executed by the Corporation, shall have been terminated, the shares appurtenant to each proprietary lease shall not be sold or assigned except as an entirety to the Corporation or an assignee of such proprietary lease, after complying with and satisfying the requirements of such proprietary lease in respect to the assignment thereof.

Section 6. Corporation's Lien: The Corporation shall at all times have a first lien upon the shares owned by each shareholder for all indebtedness and obligations owing and to be owing by such shareholder to the Corporation, arising under the provisions of any proprietary lease issued by the Corporation and at any time held by such shareholder or otherwise arising. Unless and until such shareholder as lessee shall make default in the payment of any of the rental or in the performance of any of the covenants or conditions of such proprietary lease, and/or unless and until such shareholder shall make default in the payment of any indebtedness or obligation owing by such shareholder to the Corporation otherwise arising, such shares shall continue to stand in the name of the shareholder upon the books of the Corporation, and the shareholder shall be entitled to exercise the right to vote thereon as though said lien did not exist. The Corporation shall have the right to issue to any purchaser of such shares upon the enforcement by the Corporation of such lien, or to the nominee of such purchaser, a certificate of the shares so purchased substantially of the tenor of the certificate for such shares theretofore issued to such defaulting shareholder shall become void and such defaulting shareholder agrees to surrender such last mentioned certificate

to the Corporation upon the latter's demand, but the failure of such defaulting shareholder so to surrender such certificate shall not affect the validity of the certificate issued in replacement thereof. The Corporation may refuse to consent to the transfer of shares of any shareholder indebted to the Corporation unless and until such indebtedness is paid.

Section 7. Lost Certificates: In the event that any share certificate is lost, stolen, destroyed or mutilated, the Board of Directors may authorize the issuance of a new certificate of the same tenor and for the same number of shares in lieu thereof. The Board may, in its discretion, before the issuance of such new certificate, require the owner of the lost, stolen, destroyed or mutilated certificate, or the legal representative of the owner, to make an affidavit or affirmation setting forth such facts as to the loss, destruction or mutilation as it deems necessary, and to give the Corporation a bond in such reasonable sum as it directs, to indemnify the Corporation.

Section 8. Legend on Share Certificates: Certificates representing shares of the Corporation shall bear a legend reading as follows:

"The rights of any holder hereof are subject to the provisions of the By-Laws of West 12th Street Owners, Inc. and to all the terms, covenants, conditions and provisions of a certain proprietary lease made between the person in whose name this certificate is issued, as the person in whose name this certificate is issued, as Lessee, and West 12th Street Owners, Inc. , as Lessor, for an apartment in the premises known as 15 West 12th Street, New York, , N. Y., which lease limits and restricts the title and rights of any transferee hereof. The shares represented by this certificate are transferable only as an entirety and only to an approved assignee of such proprietary lease. Copies of the proprietary lease and the By-Laws are on file and available for inspection at the office of the managing agent.

The directors of this Corporation may refuse to consent to the transfer of the shares represented by this certificate until any indebtedness of the shareholder to the Corporation is paid. The Corporation, by the terms of said By-laws and proprietary lease, has a first lien on the shares represented by this certificate for all sums due and to become due under said proprietary lease."

ARTICLE VII

Indemnification

Section 1. To the extent allowed by law, the Corporatio shall indemnify any person, made a party to an action by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he, his testator,or, intestate, is or was a director of officer of the Corporation,

against the reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with the defense of such action, or in connection with an appeal therein, except in relation to matters as to which such director or officer is adjudged to have breached his duty to the Corporation, as such duty is defined in Section 717 of the Business Corporation Law. To the extent allowed by law, the Corporation shall also indemnify any person made, or threatened to be made, a party to an action or proceeding other than one by or in the right of the Corporation to procure a judgment in its favor, whether civil or criminal, including an action by or in the right of any other corporation, domestic or foreign, which he served in any capacity at the request of the Corporation by reason of the fact, that he, his testator or intestate was a director or officer of the Corporation or served it in any capacity against judgments, fines, amounts paid in settlement, and reasonable expenses, including attorneys' fees actually and necessarily incurred as a result of such action or proceeding, or any appeal therein, if such director or officer acted, in good faith, for a purpose which he reasonably believed to be in the best interests of the Corporation and, in criminal actions or proceedings, in addition, had no reasonable cause to believe that his conduct was unlawful.

Nothing contained in this provision shall limit any right to indemnification to which any director or any officer may be entitled by contract or under any law now or hereinafter enacted.

ARTICLE VIII

Seal

Section 1. The seal of the Corporation shall be circular in form and have inscribed thereon the name of the Corporation, the year of its organization and the words "Corporate Seal" and "New York".

ARTICLE IX

Negotiable Instruments

Section 1. All checks, drafts, orders for payment of money and negotiable instruments shall be signed by such officer or officers or employee or employees as the Board of Directors may from time to time, by standing resolution or special order, prescribe.

Section 2. Endorsements or transfers of shares, bonds, or other securities shall be signed by the president or any vice president and by the treasurer or an assistant treasurer or the secretary or an assistant secretary unless

the Board of Directors, by special resolution in one or more instances, prescribe otherwise.

Section 3. Safe Deposit Boxes: Such officer or officers as from time to time shall be designated by the Board of Directors, shall have access to any safe of the Corporation in the vault of any safe deposit company.

Section 4. Securities: Such officer or officers as from time to time shall be designated by the Board of Directors shall have power to control and direct the disposition of any bonds or other securities or property of the Corporation deposited in the custody of any trust company, bank or other custodian.

ARTICLE X

Fiscal Year

Section 1. The fiscal year of the Corporation shall be the calendar year unless otherwise determined by resolution of the Board of Directors.

ARTICLE XI

Miscellaneous

Section 1. Salaries: No salary or other compensation for services shall be paid to any director or officer of the Corporation for services rendered as such officer unless and until the same shall have been authorized in writing or by affirmative vote, taken at a duly held meeting of shareholders, by shareholders owning at least a majority of the then outstanding shares of the Corporation.

RENT ROLL AS OF 3/2/80
15 WEST 10th STREET

APT.#	LEASE EXPIRATION DATE	RENT
2A	---	-------
3A	4/80	$332.66
4A	8/80	$362.28
5A	7/81	$388.86
6A	---	-------
7A	5/81	$356.78
8A	7/80	$363.48
9A	5/80	$336.35
10A	4/80	$323.54
11A	4/82	$423.15
12A	9/80	$453.53
PHA	4/81	$516.07
1B	10/80	$650.00
2B	---	-------
3B	12/81	$411.68
4B	3/81	$306.62
5B	4/81	$356.56
6B	4/81	$320.85
7B	4/81	$354.65
8B	5/82	$374.33
9B	10/80	$374.33
10B	5/82	$392.88
11B	10/80	$569.35
12B	5/82	$640.00
PHB	4/82	$705.25
1C	9/82	$619.38
2C	3/80	$555.00
3C	9/81	$521.40
4C	3/80	$549.13
5C	9/80	$589.70
6C	5/80	$512.21
7C	9/80	$532.88
8C	10/81	$618.45
9C	8/81	$775.00
10C	9/81	$660.94
11C	10/81	$623.14
12C	1/81	$575.00
PHC	10/80	$580.48
2D	7/81	$354.17
3D	3/80	$365.00
4D	---	-------
5D	9/80	$463.29
6D	5/80	$388.43
7D	9/82	$491.05
8D	9/82	$369.50
9D	4/82	$450.65
10D	9/80	$390.00
11D	6/82	$405.00
12D	8/80	$345.00
1E	9/81	$591.25
2E	8/80	$762.16
3E	11/81	$657.54
4E	7/80	$729.93
5E	9/80	$624.79
6E	7/82	$747.50
7E	4/82	$626.70
8E	5/82	$620.45
9E	9/82	$792.58
10E	3/80	$705.25
11E	4/80	$402.92

(Con't'd)

RENT ROLL AS OF 3/1/80
15 WEST 12th STREET

APT. #	LEASE EXPIRATION DATE	RENT
12E	9/80	$316.09
1F	5/79	$541.15
2F	9/80	$374.16
3F	4/80	$339.42
4F	2/83	$406.87
5F	8/81	$358.40
6F	9/80	$364.93
7F	9/80	$314.12
8F	4/82	$356.97
9F	8/82	$393.05
10F	7/82	$392.64
1G	9/80	$325.00
2G	1/83	$419.75
3G	7/80	$363.48
4G	4/81	$322.06
5G	4/82	$357.40
6G	9/81	$379.75
7G	4/80	$280.75
8G	5/80	$350.08
9G	9/81	$415.04
10G	9/82	$301.03
	8/83	$140.00