This Offering Plan has been amended. See inside front cover.

OFFERING PLAN

A Plan to Convert to Cooperative Ownership
Premises Known As

THE MIDTOWN

109-23 71st Road
Forest Hills, New York

Total Cash Amount of Offering (52 Apartments, 6,168 Shares)	$3,700,800
Mortgage Indebtedness	$ 825,000
Total Purchase Price	$4,525,800
Less Estimated Reserve Fund to be Retained by the Apartment Corporation	$ 25,000*
Net Purchase Price	$4,500,800

*Subject to reduction for closing adjustments. See "Reserve Fund" Page 53.

APARTMENT CORPORATION WHOSE SHARES ARE OFFERED
10923 Owners Corp.
c/o Hyman Muss & Sons Management Co.
118-35 Queens Boulevard
Forest Hills, New York 11375

SPONSOR
MID-FOREST CO.
118-35 Queens Boulevard
Forest Hills, NY 11375

SELLING AGENT
J. I. Sopher Management Co., Inc.
425 East 61st Street
New York, NY 10021

The approximate date of the first offering of this plan is December 15, 1982. This Offering Plan may not be used after December 15, 1983.

SEE PAGE (iv) FOR SPECIAL RISKS TO PURCHASERS.

THE PRICE FOR THESE APARTMENTS MAY BE CHANGED FROM TIME TO TIME DURING THIS OFFERING, SO THAT PRIOR OR SUBSEQUENT PURCHASERS MAY PAY OR MAY HAVE PAID LESS OR MORE THAN THE SUBSCRIBERS FOR SIMILAR APARTMENTS. THE EFFECT OF THIS IS SET FORTH ON PAGE 10.

THIS PLAN IS PRESENTED PURSUANT TO SECTION 352-eeee OF THE GENERAL BUSINESS LAW AND SECTION 61 OF THE RENT STABILIZATION LAW. IF ALL REQUIREMENTS ARE MET, NON-PURCHASING TENANTS (OTHER THAN ELIGIBLE SENIOR CITIZENS AND ELIGIBLE DISABLED PERSONS WILL BE EVICTED). SEE PAGE 30 OF THIS PLAN.

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

TWENTY-FOURTH AMENDMENT TO OFFERING PLAN
A PLAN TO CONVERT TO COOPERATIVE OWNERSHIP
PREMISES AT 109-23 71ST ROAD, FOREST HILLS, NEW YORK

The Offering Plan to convert to cooperative Ownership premises at 109-23 71st Road, Forest Hills, New York dated December 15, 1982 as amended by First Amendment dated April 21, 1983, Second Amendment dated June 23, 1983, Third Amendment dated October 18, 1983, Fourth Amendment dated January 23, 1984, Fifth Amendment dated February 23, 1984, Sixth Amendment dated May 15, 1984, Seventh Amendment dated November 8, 1984, Eighth Amendment dated March 11, 1985, Ninth Amendment dated September 10, 1985, Tenth Amendment dated March 11, 1986, Eleventh Amendment dated September 15, 1986, Twelfth Amendment dated March 5, 1987, Thirteenth Amendment dated May 5, 1987, Fourteenth Amendment dated May 13, 1988, Fifteenth Amendment dated May 1, 1989, Sixteenth Amendment dated May 24, 1990, Seventeenth Amendment dated April 29, 1991, Eighteenth Amendment dated October 17, 1991, Nineteenth Amendment dated July 31, 1992, Twentieth Amendment dated July 15, 1993, Twenty-First Amendment dated July 25, 1994, Twenty-Second Amendment dated August 3, 1995 and Twenty-Third Amendment dated July 15, 1996.

1. A copy of the Certified Financial Statement of The Midtown for the period from January 1, 1996 through December 31, 1996 is annexed hereto as Exhibit "A".

2. A copy of the Projected Budget of The Midtown for the period from May 1, 1997 through April 30, 1998 is annexed hereto as Exhibit "B".

3. The aggregate monthly common charges for all units owned by Sponsor is $9,268.97.

4. The aggregate monthly rents received from tenants of all Units owned by Sponsor is currently $13,693.19. A Certified Rent Roll is attached as Exhibit "C".

5. The Sponsor has no financial obligations to the cooperative which will become due within 12 months.

6. The Sponsor is current on all financial obligations under the Offering Plan, including, but not limited to, maintenance charges, reserve payments, assessments, and payments for repairs or improvements, if any, in the Plan.

7. A list of all other condominiums, cooperatives or homeowners associations in which the Sponsor owns more than ten (10%) percent of the Units is attached hereto as Exhibit "D".

8. The Sponsor is current in its financial obligations to other cooperatives, condominiums or home owners associations in which it owns Shares or Units.

9. The current Board is as follows:

Janet Ger - President
John Busch - Vice President
Nelly Aisenberg - Treasurer
Shilla Patel - Secretary
Mark Wiesenfeld

10. This Plan may be used for twelve (12) months from the date this Amendment is duly accepted for filing; and thereafter, said date is to be extended in a further Amendment to be filed.

Other than as set forth above, there are no material changes which require an Amendment to the Offering Plan.

MID-FOREST CO.

By: _____
Joshua L. Muss, Partner

Dated: June 20, 1997

109-23 OWNERS CORP.

REPORT

AS OF DECEMBER 31, 1996

EXHIBIT A

Reich & Reich CPA, PC.

Reich & Reich CPA, PC
420 Jericho Turnpike
Jericho, New York 11753

516 - 932-7600
Fax 516 - 932-0381

rry Reich, CPA

ert Reich, CPA
(1961-1995)

Board of Directors
109-23 Owners Corp.

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying balance sheets of 109-23 Owners Corp. as of December 31, 1996 and 1995, and the related statements of operations, accumulated deficit, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of 109-23 Owners Corp. as of December 31, 1996 and 1995, and the results of its operations and its cash flows for the years then ended, in conformity with generally accepted accounting principles.

REICH & REICH, C.P.A., P.C.
March 6, 1997

109-23 OWNERS CORP.
BALANCE SHEETS
DECEMBER 31,

	1996	1995
ASSETS		
Cash - Operating Account	$ 26,465	$ 80,519
Cash - Money Market	17,540	17,110
U.S. Treasury Bills	93,839	49,412
Accounts Receivable	11,051	849
Interest Receivable	521	562
Prepaid Expenses and Taxes	26,816	27,711
Unamortized Mortgage Costs	5,576	7,735
	181,808	183,898
PROPERTY AND EQUIPMENT		
Land	405,762	405,762
Building and Improvements	2,535,795	2,408,794
Building Equipment	83,950	83,950
	3,025,507	2,898,506
Less: Accumulated Depreciation	923,456	846,512
	2,102,051	2,051,994
TOTAL ASSETS	$2,283,859	$2,235,892

LIABILITIES AND SHAREHOLDERS' EQUITY

LIABILITIES		
Accounts Payable and Accrued Expenses	$ 27,206	$ 12,736
Tenants' Security Payable	2,726	2,726
Mortgage Payable	700,000	700,000
Prepaid Maintenance Charges	1,517	1,407
	731,449	716,869
SHAREHOLDERS' EQUITY		
Capital Stock		
Authorized 6,168 Shares, $1 Par Value		
Issued and Outstanding 6,168 Shares	6,168	6,168
Capital in Excess of Par Value	2,031,259	2,031,259
Accumulated Deficit	(485,017)	(518,404)
	1,552,410	1,519,023
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$2,283,859	$2,235,892

See Notes to Financial Statements.

Reich & Reich CPA, P(

109-23 OWNERS CORP.
STATEMENTS OF OPERATIONS
YEARS ENDED DECEMBER 31,

	1996	1995
MAINTENANCE AND OTHER INCOME	$244,227	$244,227
Apartment Carrying Charges	32,543	32,083
Parking Charges	4,500	4,950
Air Conditioning Charges	35,376	35,376
Professional Apartment Rental	3,059	2,879
Miscellaneous Income	2,717	3,062
Interest Income	42,294	-0-
Real Estate Tax Refund		
TOTAL INCOME	$364,716	$322,577
OPERATING EXPENSES		
Salaries	$ -0-	$ 19,207
Payroll Taxes and Union Benefits	-0-	6,558
Heating - Gas and Oil	20,185	16,100
Electricity	13,975	14,383
Water and Sewer	8,932	7,725
Insurance	14,975	19,179
Maintenance Supplies	1,668	1,692
Management Fees	8,300	8,300
Elevator Maintenance	6,117	5,916
Repairs - Boiler	1,716	-0-
Plastering and Masonry	-0-	-0-
Repairs - Other	6,803	6,491
License and Permits	414	1,313
Miscellaneous Administrative Expenses	1,849	1,905
Professional Fees	12,288	2,808
State Franchise and City Corporation Tax	1,347	1,372
Cleaning Contract	9,526	1,945
TOTAL OPERATING EXPENSES	108,095	114,894
FIXED AND OTHER CHARGES		
Real Estate Taxes	83,756	86,050
Interest on Mortgage	60,375	60,375
TOTAL FIXED AND OTHER CHARGES	144,131	146,425
TOTAL OPERATING EXPENSES AND OTHER CHARGES	252,226	261,319
INCOME BEFORE DEPRECIATION AND AMORTIZATION	112,490	61,258
DEPRECIATION AND AMORTIZATION	79,103	78,157
NET INCOME (LOSS)	$ 33,387	$(16,899)

See Notes to Financial Statements.

Reich & Reich CPA, PC.

109-23 OWNERS CORP.
STATEMENT OF ACCUMULATED DEFICIT
YEARS ENDED DECEMBER 31,

	1996	1995
Accumulated Deficit - Beginning of Period	$(518,404)	$(501,505)
Add: Net Income (Loss) for the Year Ended December 31,	33,387	$ (16,899)
ACCUMULATED DEFICIT DECEMBER 31,	$(485,017)	$(518,404)

See Notes to Financial Statements.

Reich & Reich CPA, P

109-23 OWNERS CORP.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31,

	1996	1995
CASH AND CASH EQUIVALENTS CONSIST OF:		
Cash Operating Account	$ 26,465	$ 80,519
Cash Money Market	17,540	17,110
	$ 44,005	$ 97,629
SUPPLEMENTAL DISCLOSURES		
Income Taxes Paid	0	0
Interest Paid	$ 60,375	$ 60,375

Reich & Reich CPA, PC

109-23 OWNERS CORP.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31,

	1996	1995
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Profit (Loss)	$ 33,387	$ (16,899)
Adjustments to reconcile net profit (loss) to net cash provided by operating activities:		
Depreciation and Amortization	79,103	78,157
Changes in Assets and Liabilities:		
Accounts Receivable	(10,202)	362
Interest Receivable	41	483
Prepaid Expenses & Taxes	895	(1,782)
Accounts Payable and Accrued Expenses	14,470	(3,460)
Prepaid Maintenance Charges	110	(3,290)
Taxes Payable	-0-	(249)
Net Cash Provided by Operating Activities	117,804	53,322
CASH FLOWS FROM INVESTING ACTIVITIES:		
Increase in U.S. Treasury Bills	(44,428)	(487)
Purchase of Building Improvement	(127,000)	-0-
Net Cash (Used) in Investing Activities	(171,428)	(487)
CASH FLOWS FROM FINANCING ACTIVITIES:	-0-	-0-
Net Increase (Decrease) in Cash and Cash Equivalents	(53,624)	52,835
Cash and Cash Equivalents at Beginning of Year	97,629	44,794
Cash and Cash Equivalents at End of Year	$ 44,005	$ 97,629

See Notes to Financial Statements.

Reich & Reich CPA, PC

109-23 OWNERS CORP.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1996

NOTE 1 ORGANIZATION AND PROPERTY ACQUISITION

109-23 Owners Corp. (the Corporation) was incorporated on March 19, 1982 for the purpose of operating as a cooperative housing corporation under the Business Corporation Law of the State of New York. The Corporation is authorized to issue 6,168 shares of common stock, with a par value of $1 per share. The Corporation had no operations prior to the date the property was purchased.

On April 30, 1984, the Corporation purchased the property, encompassing an apartment building (52 residential and 1 commercial unit) and the land upon which it was erected, from Mid Forest Company, a New York partnership which was sponsor of an offering plan to convert the property to cooperative housing ownership. The cost of the property was $2,851,168, paid for with monies received from the sale of 1,547 shares of capital stock, the assumption of a purchase money wraparound mortgage of $825,000 and the issuance of 4,621 shares to the sponsor valued at $1,433,840 ($300 a share). In accordance with the terms of the offering plan (including all amendments thereto), a total of 6,168 shares were issued to purchasers of apartments and to the sponsor for the unsold apartments.

The primary purpose of the Corporation is to manage the operations and maintain the common elements of the property the Corporation owns.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The land, buildings and improvements are stated at cost (see Note 1). Depreciation is calculated on the straight-line method.

The useful lives are:

Building	35 Years
Building Improvements and Equipment	19-28 Years

B. Maintenance, repairs and routine replacements are charged to operations as incurred. Replacements which improve and extend the lives of the properties are capitalized.

C. Mortgage costs are amortized on a straight-line basis over the life of the mortgage.

D. For the purposes of the Statement of Cash Flows, the Corporation considers all highly liquid debt instruments purchased with maturity of three months or less to be cash equivalents.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. The carrying amounts of the assets and liabilities of the Company approximate fair value because of prevailing interest rates for similar types of receivables and payables.

F. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

NOTE 3 MORTGAGE

The mortgage is payable to Jamaica Savings Bank and secured by the land and building. It matures on August 1, 1999 and requires monthly payments of interest only of $5,031.25 the rate of 8-5/8% per year.

NOTE 4 INCOME AND FRANCHISE TAXES

The Corporation is subject to Federal, State and City income taxes on its net income. It is also subject to State and City taxes on its "Capital Base".

The Corporation has a net operating loss carryforward of approximately $481,000 which will start expiring in 1999.

NOTE 5 RELATED PARTY TRANSACTIONS

A. Stock Ownership - The property was acquired from Mid Forest Company (Mid Forest) as described in Note 1. At December 31, 1996 and 1995, Mid Forest owned 2,809 of the 6,168 outstanding shares.

B. Apartment Carrying Charges - Included in apartment carrying charges is $111,227 for the years ended December 31, 1996 and 1995 from Mid Forest for the charges related to the shares that it owns.

C. Management Fees - The Corporation has entered into a Management Agreement with Hyman Muss & Sons Management Corporation, an affiliate of the Sponsor, pursuant to terms set forth in the Offering Plan at an annual fee of $8,300.

NOTES TO FINANCIAL STATEMENTS (continued)

NOTE 6 FUTURE MAJOR REPAIRS AND REPLACEMENTS (Unaudited)

The Board of Directors conducted a study to estimate the remaining useful lives and replacement costs of the components of common property. The table included in the unaudited Supplementary Information on Future Major Repairs and Replacements is based on the study.

The Corporation's governing documents do not require that funds be accumulated for future major repairs and replacements. When those funds are needed the Corporation may use the Reserve Fund, borrow funds, increase maintenance charges, or make a special assessment. The Board does not feel it prudent to raise maintenance charges due to the current economic climate.

Reich & Reich CPA, PC
420 Jericho Turnpike
Jericho, New York 11753

516 - 932-7600
Fax 516 - 932-0381

y Reich, CPA

ert Reich, CPA
1961-1995)

Board of Directors
109-23 Owners Corp.

The supplementary information on future major repairs and replacements is not a required part of the basic financial statements of 109-23 Owners Corp. but is supplementary information required by the American Institute of Certified Public Accountants. We have applied certain limited procedures, which consist principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

REICH & REICH, C.P.A., P.C.
March 4, 1997

109-23 OWNERS CORP.

SUPPLEMENTARY INFORMATION ON FUTURE
MAJOR REPAIRS AND REPLACEMENTS (UNAUDITED)

DECEMBER 31, 1996

The Board of Directors conducted a study to estimate the remaining useful lives and the replacement costs of the components of common property. Replacement costs are based on the estimated costs to repair or replace the common property components at this time. Estimated replacement costs do not take into account the effects of inflation between this date and the dates the components will require repair or replacement. The following table is based on the study and presents significant information about the components of the building, furniture and equipment.

	Estimated Remaining Useful Lives (Years)	Estimated Current Replacement Costs
Roof	6	$ 16,000
Exterior Walls	50	*
Heating System	9	40,000
Plumbing	17	50,000
Windows	27	80,000
Lobby Furnishings	6	5,000
Elevators	16	30,000
Intercom	7	10,000
Compactor	7	3,000

* Indefinitely with annual maintenance.

Reich & Reich CPA

10923 OWNERS CORP.
PROJECTED BUDGET
MAY 1 1997 - APR. 30 1998

INCOME

Apartment Carrying Charges	$	244,227
Garage Income		32,500
Air Conditioning Charges		4,500
Professional Unit Income		35,000
Laundry Income		3,000
Interest Income		2,500
TOTAL INCOME		$ 321,727

EXPENSES

Expenses

Salaries	$	-
Payroll Taxes & Union Benefits		-
Heating - Gas & Oil		22,000
Electricity		14,000
Water & Sewer		10,000
Insurance		19,000
Maintenance Supplies		3,000
Management Fees		8,300
Elevator Repairs & Maintenance		8,000
Repairs - Boiler		4,000
Plastering & Masonry		22,000
Repairs - Other		13,000
License & Permits		1,000
Miscellaneous Expense		3,000
Professional Fees		3,000
State Franchise & City Corporation Tax		1,400
Cleaning Contract		10,000
Waterproofing		32,027
	$	173,727

Fixed & Other Charges

Real Estate Tax Expense	$	87,000
Interest Expense		61,000
	$	148,000
TOTAL EXPENSES		$ 321,727

EXHIBIT B

Report Date: 06/19/97
Company: 01
Report Period: 06/97

Rent Roll
MUSS DEVELOPMENT ORGANIZATION
Sorted by Development / Tenant ID

Page: 1
Date: 06/19/97
Time: 11:36:53

Project:
Development: MI2 MID FOREST COMPANY
Building: 001 10923 OWNERS CORP.

Unit Last First	Sta	Type Ending Security Balance	Recuring Rents	Billing Code	Beginning Rent Balance	Tenant Billings Amount	Date		Tenant Payments Amount	Date		Ending Rent Balance	Code
002D 1 [redacted]	Cur	0 950.00	950.00	R RENT	0.00	950.00	06/01		950.00	06/02	C	0.00	R
		950.00	950.00	Tenant Total	0.00	950.00		*	950.00		*	0.00	*
Expires 05/31/98 TERM 1YR Occupy 06/01/93 Last Pay 06/02/97													
002G 1 [redacted]	Cur	0 681.14	681.14	R RENT	0.00	681.14	06/01		681.14	06/06	C	0.00	R
		681.14	681.14	Tenant Total	0.00	681.14		*	681.14		*	0.00	*
Expires 01/31/98 TERM 2YR Occupy 04/01/80 Last Pay 06/06/97													
002H 1 [redacted]	Cur	0 411.99	452.00	R RENT	0.00	452.00	06/01		452.00	06/03	C	0.00	R
		411.99	452.00	Tenant Total	0.00	452.00		*	452.00		*	0.00	*
Expires 09/30/98 TERM 2YR Occupy 10/01/90 Last Pay 06/03/97													
003A 1 [redacted]	Cur	0 438.17	438.17	R RENT	0.00	438.17	06/01		438.17	06/02	C	0.00	R
		438.17	438.17	Tenant Total	0.00	438.17		*	438.17		*	0.00	*
Expires 04/30/98 TERM 2YR Occupy 05/01/92 Last Pay 06/02/97													
003D 1 [redacted]	Cur	0 569.90		0 SECURITY	532.62	0.00			37.28	06/09	C		0
			532.62	R RENT	0.00	532.62	06/01		532.62	06/02	C	0.00	R
		569.90	532.62	Tenant Total	0.00	532.62		*	532.62		*	0.00	*
Expires 09/30/97 TERM 2YR Occupy 10/01/76 Last Pay 06/09/97													
003G 2 [redacted]	Cur	0 1250.00	1250.00	R RENT	0.00	1250.00	06/01		0.00			1250.00	R
		1250.00	1250.00	Tenant Total	0.00	1250.00		*	0.00		*	1250.00	*
Expires 10/31/97 TERM 1YR Occupy 11/01/96 Last Pay 05/07/97													
003J 1 [redacted]	Cur	0 428.90	428.90	R RENT	0.00	428.90	06/01		428.90	06/09	C	0.00	R
		428.90	428.90	Tenant Total	0.00	428.90		*	428.90		*	0.00	*
Expires 06/30/98 TERM 2YR Occupy 07/01/83 Last Pay 06/09/97													
004B 1 [redacted]	Cur	0 751.80	702.62	R RENT	0.00	702.62	06/01		702.62	06/06	C	0.00	R
		751.80	702.62	Tenant Total	0.00	702.62		*	702.62		*	0.00	*
Expires 07/31/97 TERM 2YR Occupy 08/01/65 Last Pay 06/06/97													
004F 1 [redacted]	Cur	0 362.41	326.10	R RENT	1800.38	326.10	06/01		0.00			2126.48	R
			0.00	S RENT CONC	352.56	0.00			0.00			352.56	S
		362.41	326.10	Tenant Total	2152.94	326.10		*	0.00		*	2479.04	*
Expires 02/28/97 TERM 1YR Occupy 03/01/86 Last Pay 05/06/97													
004G 1 [redacted]	Cur	0 534.79	534.82	R RENT	0.00	534.82	06/01		534.82	06/06	C	0.00	R
		534.79	534.82	Tenant Total	0.00	534.82		*	534.82		*	0.00	*
Expires 10/31/97 TERM 2YR Occupy 11/01/70 Last Pay 06/06/97													

EXHIBIT C

Rent Roll
MUSS DEVELOPMENT ORGANIZATION
Sorted by Development / Tenant ID

Project:
Development: MI2 MID FOREST COMPANY
Building: 001 10923 OWNERS CORP.

Unit Last First	Sta	Type	Ending Security Balance	Recuring Rents	Billing Code	Beginning Rent Balance	Tenant Billings Amount	Date		Tenant Payments Amount	Date		Ending Rent Balance	Code
005A 1 [redacted]	Cur	0	457.20	457.20	R RENT	0.00	457.20	06/01		457.20	06/02	C	0.00	R
			457.20	457.20	Tenant Total	0.00	457.20		*	457.20		*	0.00	*
Expires 10/31/97 TERM 2YR Occupy 11/01/68 Last Pay 06/02/97														
005E 1 [redacted]	Cur	0	950.00		0 SECURITY	925.00	0.00			25.00	06/17	C		0
				925.00	R RENT	-925.00	925.00	06/01		0.00			0.00	R
			950.00	925.00	Tenant Total	-925.00	925.00		*	0.00		*	0.00	*
Expires 06/30/97 TERM 1YR Occupy 07/01/94 Last Pay 06/17/97														
005F 1 [redacted]	Cur	0	389.59	389.59	R RENT	0.00	389.59	06/01		389.59	06/09	C	0.00	R
			389.59	389.59	Tenant Total	0.00	389.59		*	389.59		*	0.00	*
Expires 09/30/98 TERM 2YR Occupy 08/15/67 Last Pay 06/09/97														
005G 1 [redacted]	Cur	0	1300.00	1300.00	R RENT	1300.00	1300.00	06/01		0.00			2600.00	R
			1300.00	1300.00	Tenant Total	1300.00	1300.00		*	0.00		*	2600.00	*
Expires 04/30/97 TERM 1YR Occupy 05/01/94 Last Pay 05/16/97 Notice 06/05/97 Vacate 06/30/97														
005H 1 [redacted]	Cur	0	538.20	538.20	R RENT	0.00	538.20	06/01		538.20	06/03	C	0.00	R
			538.20	538.20	Tenant Total	0.00	538.20		*	538.20		*	0.00	*
Expires 01/31/98 TERM 2YR Occupy 02/01/77 Last Pay 06/03/97														
005J 1 [redacted]	Cur	0	545.65	545.65	R RENT	545.65	545.65	06/01		0.00			1091.30	R
			545.65	545.65	Tenant Total	545.65	545.65		*	0.00		*	1091.30	*
Expires 06/30/98 TERM 2YR Occupy 07/01/81 Last Pay 05/16/97														
006A 1 [redacted]	Cur	0	452.75	452.75	R RENT	0.00	452.75	06/01		452.75	06/02	C	0.00	R
			452.75	452.75	Tenant Total	0.00	452.75		*	452.75		*	0.00	*
Expires 03/31/98 TERM 2YR Occupy 03/15/66 Last Pay 06/02/97														
006C 4 [redacted]	Cur	0	925.00	925.00	R RENT	0.00	925.00	06/01		925.00	06/03	C	0.00	R
			925.00	925.00	Tenant Total	0.00	925.00		*	925.00		*	0.00	*
Expires 11/30/97 TERM 1YR Occupy 12/01/96 Last Pay 06/03/97														
006D 2 [redacted]	Cur	0	925.00	900.00	R RENT	-900.00	900.00	06/01		0.00			0.00	R
			925.00	900.00	Tenant Total	-900.00	900.00		*	0.00		*	0.00	*
Expires 01/31/97 TERM 1YR Occupy 02/15/95 Last Pay 05/29/97														
006F 1 [redacted]	Cur	0	596.32	596.32	R RENT	0.00	596.32	06/01		596.32	06/03	C	0.00	R
			596.32	596.32	Tenant Total	0.00	596.32		*	596.32		*	0.00	*
Expires 03/31/99 TERM 2YR Occupy 04/01/93 Last Pay 06/03/97														

Project:
Development: MI2 MID FOREST COMPANY
Building: 001 10923 OWNERS CORP.

Unit	Last	First	Sta	Type	Ending Security Balance	Recuring Rents	Billing Code	Beginning Rent Balance	Tenant Billings Amount	Date		Tenant Payments Amount	Date		Ending Rent Balance	Code
006J 1	[redacted]		Cur	0	463.80	463.80	R RENT	-463.80	463.80	06/01		463.80	06/02	C	-463.80	R
					463.80	463.80	Tenant Total	-463.80	463.80		*	463.80		*	-463.80	*
Expires 09/30/97 TERM 2YR																
Occupy 10/01/76																
Last Pay 06/02/97																
06GH 1	[redacted]		Cur	0	994.32	1051.34	R RENT	0.00	1051.34	06/01		1051.34	06/02	C	0.00	R
					994.32	1051.34	Tenant Total	0.00	1051.34		*	1051.34		*	0.00	*
Expires 09/30/98 TERM 2YR																
Occupy 10/01/84																
Last Pay 06/02/97																

Project :
Development : MI2 - MID FOREST COMPANY
Building : ALL

Description	Bal. Foward	Bal. Adj	Billings	Adjustments	Cash	NSF	Non Cash	End Balance	Pot %
R -RENT	1,357.23	0.00	14,841.22	0.00	9,594.47	0.00	0.00	6,603.98	100.00
S -RENT CONCESSION	352.56	0.00	0.00	0.00	0.00	0.00	0.00	352.56	0.00
Total Allownc/Rent	1,709.79	0.00	14,841.22	0.00	9,594.47	0.00	0.00	6,956.54	
Total Lost Rent		0.00	0.00		0.00	0.00	0.00	0.00	
Total Potential Rent			14,841.22						100.00
			Security Deposit Analysis						
0 -SECURITY	14,854.65	0.00			62.28	0.00	0.00	14,916.93	
Total Security	14,854.65	0.00			62.28	0.00	0.00	14,916.93	
Tot Rent & Security	16,564.44	0.00	14,841.22	0.00	9,656.75	0.00	0.00	21,873.47	

Description	Units	Percent
Occupied	22	100.00
Special Use	0	0.00
New Construction	0	0.00
Vacant	0	0.00
Total Units	22	100.00

Description	Units	Percent
Leases Pending	0	0.00
Total Occ & Pend	22	100.00
C/M Move Outs	1	4.55
Future Move Outs	0	0.00

Description	Units	Percent
Units Leased	19	86.36
Month to Month	0	0.00
Units Not Leased	3	13.64
C/M Leases Exp	1	4.55

****
Rent 9,594.47
Security 62.28
Misc Income 0.00
Total deposit 9,656.75
****

The foregoing is a true and accurate
Rent Roll as of June, 1997

MID-FOREST CO.

By: _____
Joshua L. Muss, Partner

Sworn to before me this
20th day of June, 1997

_____
Notary Public

CAROL COLODNER
Notary Public, State of New York
No. 41-4767538
Qualified in Queen County
Commission Expires February 28, 19 99

Dated: June 20, 1997

The names and addresses of any other Condominiums, Cooperatives or Home Owner's Associates in which the Sponsor or Holder of Unsold Shares or a principal of the Sponsor owns more than 10% of the Shares or Units:

Name	Addresses
The Forestal Condominium	109-33 71st Road Forest Hills, New York
Captain's Quarters Home Owners Assoc.	Bayview Avenue Staten Island, New York
The Stanton Condominium	41-40 Union Street Flushing, New York
Donner Gardens	33-15, 33-25, 33-35 81st Street and 33-16, 33-26, 82nd Street Jackson Heights, New York
Edgebrook Estates	759 Hillside Avenue North White Plains, New York

TWENTY-THIRD AMENDMENT TO OFFERING PLAN
A PLAN TO CONVERT TO COOPERATIVE OWNERSHIP
PREMISES AT 109-23 71ST ROAD, FOREST HILLS, NEW YORK

The Offering Plan to convert to cooperative Ownership premises at 109-23 71st Road, Forest Hills, New York dated December 15, 1982 as amended by First Amendment dated April 21, 1983, Second Amendment dated June 23, 1983, Third Amendment dated October 18, 1983, Fourth Amendment dated January 23, 1984, Fifth Amendment dated February 23, 1984, Sixth Amendment dated May 15, 1984, Seventh Amendment dated November 8, 1984, Eighth Amendment dated March 11, 1985, Ninth Amendment dated September 10, 1985, Tenth Amendment dated March 11, 1986, Eleventh Amendment dated September 15, 1986, Twelfth Amendment dated March 5, 1987, Thirteenth Amendment dated May 5, 1987, Fourteenth Amendment dated May 13, 1988, Fifteenth Amendment dated May 1, 1989, Sixteenth Amendment dated May 24, 1990, Seventeenth Amendment dated April 29, 1991, Eighteenth Amendment dated October 17, 1991, Nineteenth Amendment dated July 31, 1992, Twentieth Amendment dated July 15, 1993, Twenty-First Amendment dated July 25, 1994 and Twenty-Second Amendment dated August 3, 1995.

1. A copy of the Certified Financial Statement of The Midtown for the period from January 1, 1995 through December 31, 1995 is annexed hereto as Exhibit "A".

2. A copy of the Projected Budget of The Midtown for the period from May 1, 1995 through April 30, 1996 is annexed hereto as Exhibit "B".

3. The aggregate monthly common charges for all units owned by Sponsor is $9,196.74.

4. The aggregate monthly rents received from tenants of all Units owned by Sponsor is currently $13,403.37. A Certified Rent Roll is attached as Exhibit "C".

5. The Sponsor has no financial obligations to the cooperative which will become due within 12 months.

6. The Sponsor is current on all financial obligations under the Offering Plan, including, but not limited to, maintenance charges, reserve payments, assessments, and payments for repairs or improvements, if any, in the Plan.

7. A list of all other buildings in which the Sponsor owns more than ten (10%) percent of the Units is attached hereto as Exhibit "D".

8. The Sponsor is also current in its financial obligations in other cooperatives, condominiums or home owners associations in which it owns Shares or Units.

9. The current Board is as follows:

Janet Ger - President
John Busch - Vice President
Nelly Aisenberg - Treasurer
Shilla Patel - Secretary
Mark Wiesenfeld

10. This Plan may be used for twelve (12) months from the date this Amendment is duly accepted for filing; and thereafter, said date is to be extended in a further Amendment to be filed.

Other than as set forth above, there are no material changes which require an Amendment to the Offering Plan.

MID-FOREST CO.

By:_____
Joshua L. Muss, Partner

Dated: July 15, 1996

EXHIBIT A

109-23 OWNERS CORP.

REPORT

AS OF DECEMBER 31, 1995

Reich & Reich CPA, PC.

Reich & Reich CPA, PC
420 Jericho Turnpike
Jericho, New York 11753

516 - 932-7600
Fax 516 - 932-0381

Barry Reich, CPA

Albert Reich, CPA
(1961-1995)

Board of Directors
109-23 Owners Corp.

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying balance sheets of 109-23 Owners Corp. as of December 31, 1995 and 1994, and the related statements of operations, accumulated deficit, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of 109-23 Owners Corp. as of December 31, 1995 and 1994, and the results of its operations and its cash flows for the years then ended, in conformity with generally accepted accounting principles.

The supplementary information on future major repairs and replacements is not a required part of the basic financial statements of 109-23 Owners Corp. but is supplementary information required by the American Institute of Certified Public Accountants. We have applied certain limited procedures, which consist principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

REICH & REICH, C.P.A., P.C.
February 29, 1996

109-23 OWNERS CORP.
BALANCE SHEETS
DECEMBER 31,

	1995	1994
ASSETS		
Cash - Operating Account	$ 80,519	$ 28,155
Cash - Money Market	17,110	16,639
U.S. Treasury Bills	49,412	48,926
Accounts Receivable	849	1,209
Interest Receivable	562	1,045
Prepaid Expenses and Taxes	27,711	25,929
Unamortized Mortgage Costs	7,735	9,894
	183,898	131,797
PROPERTY AND EQUIPMENT		
Land	405,762	405,762
Building and Improvements	2,408,794	2,408,794
Building Equipment	83,950	83,950
	2,898,506	2,898,506
Less: Accumulated Depreciation	846,512	770,513
	2,051,994	2,127,993
TOTAL ASSETS	$2,235,892	$2,259,790

LIABILITIES AND SHAREHOLDERS' EQUITY

LIABILITIES		
Accounts Payable and Accrued Expenses	$ 12,736	$ 16,196
Tenants' Security Payable	2,726	2,726
Taxes Payable	-	249
Mortgage Payable	700,000	700,000
Prepaid Maintenance Charges	1,407	4,697
	716,869	723,868
SHAREHOLDERS' EQUITY		
Capital Stock		
Authorized 6,168 Shares, $1 Par Value		
Issued and Outstanding 6,168 Shares	6,168	6,168
Capital in Excess of Par Value	2,031,259	2,031,259
Accumulated Deficit	(518,404)	(501,505)
	1,519,023	1,535,922
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$2,235,892	$2,259,790

See Notes to Financial Statements.

Reich & Reich CPA, PC

109-23 OWNERS CORP.
STATEMENTS OF OPERATIONS
YEARS ENDED DECEMBER 31,

	1995	1994
MAINTENANCE AND OTHER INCOME		
Apartment Carrying Charges	$244,227	$241,248
Parking Charges	32,083	28,193
Air Conditioning Charges	4,950	4,820
Professional Apartment Rental	35,376	35,377
Miscellaneous Income	2,879	3,733
Interest Income	3,062	2,947
TOTAL INCOME	$322,577	$316,318
OPERATING EXPENSES		
Salaries	$ 19,207	$ 29,544
Payroll Taxes and Union Benefits	6,558	9,878
Heating - Gas and Oil	16,100	20,312
Electricity	14,383	12,768
Water and Sewer	7,725	9,776
Insurance	19,179	18,097
Maintenance Supplies	1,692	1,867
Management Fees	8,300	8,300
Elevator Maintenance	5,916	5,668
Repairs - Boiler	-	1,505
Plastering and Masonry	-	420
Repairs - Other	6,491	6,267
License and Permits	1,313	1,233
Miscellaneous Administrative Expenses	1,905	2,541
Professional Fees	2,808	6,045
State Franchise and City Corporation Tax	1,372	1,434
Cleaning Contract	1,945	-
TOTAL OPERATING EXPENSES	114,894	135,655
FIXED AND OTHER CHARGES		
Real Estate Taxes	86,050	90,339
Interest on Mortgage	60,375	68,031
TOTAL FIXED AND OTHER CHARGES	146,425	158,370
TOTAL OPERATING EXPENSES AND OTHER CHARGES	261,319	294,025
INCOME BEFORE DEPRECIATION AND AMORTIZATION	61,258	22,293
DEPRECIATION AND AMORTIZATION	78,157	77,491
NET LOSS	$(16,899)	$(55,198)

See Notes to Financial Statements.

Reich & Reich CPA, PC.

109-23 OWNERS CORP.
STATEMENT OF ACCUMULATED DEFICIT
YEARS ENDED DECEMBER 31,

	1995	1994
Accumulated Deficit - Beginning of Period	$(501,505)	$(446,307)
Add: Loss for the Year Ended December 31,	(16,899)	$ (55,198)
ACCUMULATED DEFICIT DECEMBER 31,	$(518,404)	$(501,505)

See Notes to Financial Statements.

Reich & Reich CPA, PC

109-23 OWNERS CORP.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31,

	1995	1994
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Loss	$ (16,899)	$ (55,198)
Adjustments to reconcile net (loss) to net cash provided by operating activities:		
Depreciation and Amortization	78,157	77,491
Changes in Assets and Liabilities:		
Decrease (Increase) in Accounts Receivable	362	1,150
Decrease (Increase) in Interest Receivable	483	(535)
Decrease (Increase) in Prepaid Expenses & Taxes	(1,782)	1,467
Increase (Decrease) in Accounts Payable and Accrued Expenses	(3,460)	(4,402)
Increase (Decrease) in Prepaid Maintenance Charges	(3,290)	4,697
Increase (Decrease) in Taxes Payable	(249)	(1,161)
Net Cash Provided by Operating Activities	53,322	23,509
CASH FLOWS FROM INVESTING ACTIVITIES:		
Redemption of U.S. Treasury Bills	146,916	217,457
Purchase of U.S. Treasury Bills	(147,403)	(176,929)
Purchase of Building Equipment	-	(71,500)
Net Cash (Used) in Investing Activities	(487)	(30,972)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Increase in Mortgage Costs	-	(10,793)
Net Cash (Used) in Financing Activities	-	(10,793)
Net Increase (Decrease) in Cash and Cash Equivalents	52,835	(18,256)
Cash and Cash Equivalents at Beginning of Year	44,794	63,050
Cash and Cash Equivalents at End of Year	$ 97,629	$ 44,794

See Notes to Financial Statements.

Reich & Reich CPA, PC

109-23 OWNERS CORP.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31,

	1995	1994
CASH AND CASH EQUIVALENTS CONSIST OF:		
Cash Operating Account	$ 80,519	$ 28,155
Cash Money Market	17,110	16,639
	$ 97,629	$ 44,794
SUPPLEMENTAL DISCLOSURES		
Income Taxes Paid	0	0
Interest Paid	$ 60,375	$ 68,031

109-23 OWNERS CORP.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1995

NOTE 1 ORGANIZATION AND PROPERTY ACQUISITION

109-23 Owners Corp. (the Corporation) was incorporated on March 19, 1982 for the purpose of operating as a cooperative housing corporation under the Business Corporation Law of the State of New York. The Corporation is authorized to issue 6,168 shares of common stock, with a par value of $1 per share. The Corporation had no operations prior to the date the property was purchased.

On April 30, 1984, the Corporation purchased the property, encompassing an apartment building (52 residential and 1 commercial unit) and the land upon which it was erected, from Mid Forest Company, a New York partnership which was sponsor of an offering plan to convert the property to cooperative housing ownership. The cost of the property was $2,851,168, paid for with monies received from the sale of 1,547 shares of capital stock, the assumption of a purchase money wraparound mortgage of $825,000 and the issuance of 4,621 shares to the sponsor valued at $1,433,840 ($300 a share). In accordance with the terms of the offering plan (including all amendments thereto), a total of 6,168 shares were issued to purchasers of apartments and to the sponsor for the unsold apartments.

The primary purpose of the Corporation is to manage the operations and maintain the common elements of the property the Corporation owns.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The land, buildings and improvements are stated at cost (see Note 1). Depreciation is calculated on the straight-line method.

The useful lives are:

Building	35 Years
Building Improvements and Equipment	19-28 Years

B. Maintenance, repairs and routine replacements are charged to operations as incurred. Replacements which improve and extend the lives of the properties are capitalized.

C. Mortgage costs are amortized on a straight-line basis over the life of the mortgage.

D. For the purposes of the Statement of Cash Flows, the Corporation considers all highly liquid debt instruments purchased with maturity of three months or less to be cash equivalents.

NOTE 3 MORTGAGE

The mortgage is payable to Jamaica Savings Bank and secured by the land and building. It matures on August 1, 1999 and requires monthly payments of interest only of $5,031.25 the rate of 8-5/8% per year.

NOTE 4 INCOME AND FRANCHISE TAXES

The Corporation is subject to Federal, State and City income taxes on its net income. It is also subject to State and City taxes on its "Capital Base".

The Corporation has a net operating loss carryforward of approximately $514,000 which will start expiring in 1999.

NOTE 5 RELATED PARTY TRANSACTIONS

A. Stock Ownership - The property was acquired from Mid Forest Company (Mid Forest) as described in Note 1. At December 31, 1995 and 1994, Mid Forest owned 2,809 of the 6,168 outstanding shares.

B. Apartment Carrying Charges - Included in apartment carrying charges is $111,227 and $109,893 for the years ended December 31, 1995 and 1994 from Mid Forest for the charges related to the shares that it owns.

C. Management Fees - The Corporation has entered into a Management Agreement with Hyman Muss & Sons Management Corporation, an affiliate of the Sponsor, pursuant to terms set forth in the Offering Plan at an annual fee of $8,300.

NOTE 6 FUTURE MAJOR REPAIRS AND REPLACEMENTS (Unaudited)

The Board of Directors conducted a study to estimate the remaining useful lives and replacement costs of the components of common property. The table included in the unaudited Supplementary Information on Future Major Repairs and Replacements is based on the study.

The Corporation's governing documents do not require that funds be accumulated for future major repairs and replacements. When those funds are needed the Corporation may use the Reserve Fund, borrow funds, increase maintenance charges, or make a special assessment. The Board does not feel it prudent to raise maintenance charges due to the current economic climate.

The Board of Directors conducted a study to estimate the remaining useful lives and the replacement costs of the components of the building, furniture and equipment. The following table is based on the study and presents significant information about the components of the building, furniture and equipment.

	Estimated Remaining Useful Lives (Years)	Estimated Current Replacement Costs
Roof	8	$ 16,000
Exterior Walls	50	*
Heating System	10	40,000
Plumbing	18	50,000
Windows	28	80,000
Lobby Furnishings	8	5,000
Elevators	18	30,000
Intercom	8	10,000
Compactor	8	3,000

* Indefinitely with annual maintenance.

EXHIBIT B

10923 OWNERS CORP.
PROJECTED BUDGET
MAY 1 1996 - APR. 30 1997

INCOME

Apartment Carrying Charges	$	244,200
Garage Income		32,000
Air Conditioning Charges		4,500
Professional Unit Income		35,000
Laundry Income		2,700
Interest Income		2,000
TOTAL INCOME	$	320,400

EXPENSES

Expenses

Salaries	$	-
Payroll Taxes & Union Benefits		-
Heating - Gas & Oil		18,000
Electricity		13,000
Water & Sewer		9,000
Insurance		19,000
Maintenance Supplies		2,000
Management Fees		8,300
Elevator Repairs & Maintenance		6,200
Repairs - Boiler		2,000
Plastering & Masonry		1,000
Repairs - Other		7,000
License & Permits		1,000
Miscellaneous Expense		3,000
Professional Fees		3,000
State Franchise & City Corporation Tax		1,400
Cleaning Contract		15,000
Waterproofing		57,500
	$	166,400

Fixed & Other Charges

Real Estate Tax Expense	$	93,000
Interest Expense		61,000
	$	154,000

TOTAL EXPENSES	$	320,400

EXHIBIT C

Company: 01 MUSS DEVELOPMENT ORGANIZATION
Development: MI2 MID FOREST COMPANY
Building: 001 10923 OWNERS CORP., 109-23 71ST ROAD

Rent Roll Detail
For Period 07/96

07-10-96
16:26:20

Unit	Tenant Name Last First	Sta	Type	Ending Security Balance	Recurring Rents	Billing Code	Beginning Rent Balance	Tenant Billings Amount	Date		Tenant Payments Amount	Date		Ending Rent Balance	Code
002D 1	[redacted]	Cur	0	925.00	925.00	R RENT	50.00	925.00	07/01		975.00	07/10	C	0.00	R
	Expires 05/31/97 Term 1YR Occupy 06/01/93 Last Pay 07/10/96														
				925.00	925.00	Tenant Total	50.00	925.00		*	975.00		*	0.00	*
002G 1	[redacted]	Cur	0	681.14	681.14	R RENT	0.00	681.14	07/01		681.14	07/08	C	0.00	R
	Expires 01/31/98 Term 2YR Occupy 04/01/80 Last Pay 07/08/96														
				681.14	681.14	Tenant Total	0.00	681.14		*	681.14		*	0.00	*
002H 1	[redacted]	Cur	0	411.99	422.43	R RENT	0.00	422.43	07/01		0.00			422.43	R
	Expires 09/30/96 Term 2YR Occupy 10/01/90 Last Pay 06/07/96														
				411.99	422.43	Tenant Total	0.00	422.43		*	0.00		*	422.43	*
003A 1	[redacted]	Cur	0	438.17	438.17	R RENT	0.00	438.17	07/01		438.17	07/02	C	0.00	R
	Expires 04/30/96 Term 2YR Occupy 05/01/92 Last Pay 07/02/96														
				438.17	438.17	Tenant Total	0.00	438.17		*	438.17		*	0.00	*
003D 1	[redacted]	Cur	0	532.62	532.62	R RENT	0.00	532.62	07/01		532.62	07/03	C	0.00	R
	Expires 09/30/97 Term 2YR Occupy 10/01/76 Last Pay 07/03/96														
				532.62	532.62	Tenant Total	0.00	532.62		*	532.62		*	0.00	*
003G	Vacancy Adjustment					V VACANCY		900.00							
003J 1	[redacted]	Cur	0	428.90	428.90	R RENT	0.00	428.90	07/01		428.90	07/09	C	0.00	R
	Expires 06/30/96 Term 2YR Occupy 07/01/83 Last Pay 07/09/96														
				428.90	428.90	Tenant Total	0.00	428.90		*	428.90		*	0.00	*
004B 1	[redacted]	Cur	0	702.62	702.62	R RENT	0.00	702.62	07/01		0.00			702.62	R
	Expires 07/31/97 Term 2YR Occupy 08/01/65 Last Pay 06/10/96														
				702.62	702.62	Tenant Total	0.00	702.62		*	0.00		*	702.62	*
004F 1	[redacted]	Cur	0	362.41	326.10	R RENT	460.69	326.10	07/01		204.31	07/09	C	582.48	R
	Expires 02/28/97 Term 1YR Occupy 03/01/86 Last Pay 07/09/96				-115.39	S RENT CONCE	-230.78	-115.39	07/01		0.00			-346.17	S
				362.41	210.71	Tenant Total	229.91	210.71		*	204.31		*	236.31	*

Unit	Tenant Name Last First	Sta	Type	Ending Security Balance	Recurring Rents	Billing Code	Beginning Rent Balance	Tenant Billings Amount	Date		Tenant Payments Amount	Date		Ending Rent Balance	Code
004G 1	[redacted]	Cur	0	534.79	534.82	R RENT	0.00	534.82	07/01		534.82	07/08	C	0.00	R
	Expires 10/31/97 Term 2YR														
	Occupy 11/01/70														
	Last Pay 07/08/96														
				534.79	534.82	Tenant Total	0.00	534.82		*	534.82		*	0.00	*
005A 1	[redacted]	Cur	0	457.20	457.20	R RENT	0.00	457.20	07/01		457.20	07/02	C	0.00	R
	Expires 10/31/97 Term 2YR														
	Occupy 11/01/68														
	Last Pay 07/02/96														
				457.20	457.20	Tenant Total	0.00	457.20		*	457.20		*	0.00	*
005E 1	[redacted]	Cur	0	925.00	925.00	R RENT	0.00	925.00	07/01		925.00	07/02	C	0.00	R
	Expires 06/30/96 Term 1YR														
	Occupy 07/01/94														
	Last Pay 07/02/96														
				925.00	925.00	Tenant Total	0.00	925.00		*	925.00		*	0.00	*
005F 1	[redacted]	Cur	0	378.67		0 SECURITY		0.00			14.57	07/01	C		0
	Expires 09/30/96 Term 2YR				364.10	R RENT	0.00	364.10	07/01		364.10	07/08	C	0.00	R
	Occupy 08/15/67														
	Last Pay 07/08/96														
				378.67	364.10	Tenant Total	0.00	364.10		*	364.10		*	0.00	*
005G 1	[redacted]	Cur	0	1,300.00	1,300.00	R RENT	1,300.00	1,300.00	07/01		700.00	07/08	C	1,300.00	R
	Expires 04/30/97 Term 1YR				0.00	R RENT		0.00			600.00	07/08	C		R
	Occupy 05/01/94														
	Last Pay 07/08/96														
				1,300.00	1,300.00	Tenant Total	1,300.00	1,300.00		*	1,300.00		*	1,300.00	*
005H 1	[redacted]	Cur	0	538.20	538.20	R RENT	0.00	538.20	07/01		538.20	07/03	C	0.00	R
	Expires 01/31/98 Term 2YR														
	Occupy 02/01/77														
	Last Pay 07/03/96														
				538.20	538.20	Tenant Total	0.00	538.20		*	538.20		*	0.00	*
005J 1	[redacted]	Cur	0	545.65	545.65	R RENT	524.66	545.65	07/01		0.00			1,070.31	R
	Expires 06/30/96 Term 2YR														
	Occupy 07/01/81														
	Last Pay 06/17/96														
				545.65	545.65	Tenant Total	524.66	545.65		*	0.00		*	1,070.31	*
006A 1	[redacted]	Cur	0	452.75	452.75	R RENT	0.00	452.75	07/01		452.75	07/09	C	0.00	R
	Expires 03/31/98 Term 2YR														
	Occupy 03/15/66														
	Last Pay 07/09/96														
				452.75	452.75	Tenant Total	0.00	452.75		*	452.75		*	0.00	*

Unit	Tenant Name Last First	Sta	Type	Ending Security Balance	Recurring Rents	Billing Code	Beginning Rent Balance	Tenant Billings Amount	Date		Tenant Payments Amount	Date		Ending Rent Balance	Code
006C 2	[redacted]	Old		0.00	900.00	R RENT	0.00	900.00	07/01		0.00			0.00	R
	Expires 06/30/96 Term 4MO				0.00	R RENT		-900.00	07/01		0.00				R
	Occupy 09/01/95														
	Last Pay 02/27/96														
	Notice 06/30/96														
	Vacate 06/30/96 Why	EL													
				0.00	900.00	Tenant Total	0.00	0.00		*	0.00		*	0.00	*
006C 3	[redacted]	Cur		0.00	925.00	R RENT	0.00	925.00	07/01		11,100.00	07/09	C	-10,175.00	R
	Expires 06/30/97 Term 1YR														
	Occupy 07/01/96														
	Last Pay 07/09/96														
				0.00	925.00	Tenant Total	0.00	925.00		*	11,100.00		*	-10,175.00	*
006D 2	[redacted]	Cur	0	900.00	900.00	R RENT	0.00	900.00	07/01		900.00	07/02	C	0.00	R
	Expires 01/31/96 Term 1YR														
	Occupy 02/15/95														
	Last Pay 07/02/96														
				900.00	900.00	Tenant Total	0.00	900.00		*	900.00		*	0.00	*
006F 1	[redacted]	Cur	0	557.31	557.31	R RENT	0.00	557.31	07/01		557.31	07/08	C	0.00	R
	Expires 03/31/97 Term 2YR														
	Occupy 04/01/93														
	Last Pay 07/08/96														
				557.31	557.31	Tenant Total	0.00	557.31		*	557.31		*	0.00	*
006J 1	[redacted]	Cur	0	463.80	463.80	R RENT	-463.80	463.80	07/01		463.80	07/03	C	-463.80	R
	Expires 09/30/97 Term 2YR														
	Occupy 10/01/76														
	Last Pay 07/03/96														
				463.80	463.80	Tenant Total	-463.80	463.80		*	463.80		*	-463.80	*
06GH 1	[redacted]	Cur	0	964.85	982.56	R RENT	0.00	982.56	07/01		982.56	07/01	C	0.00	R
	Expires 09/30/96 Term 2YR														
	Occupy 10/01/84														
	Last Pay 07/01/96														
				964.85	982.56	Tenant Total	0.00	982.56		*	982.56		*	0.00	*

Description	Bal.Forward	Adj	Billings	Bad Debts	Cash	NSF	Non Cash	End Balance	Pot %
R-RENT	1,871.55	0.00	13,403.37	0.00	21,835.88	0.00	0.00	-6,560.96	94.47
G-GARAGE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
C-COMMON CHARGES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D-DELINQUENCY FEE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
F-LEGAL FEE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
X-REPAIRS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
K-A/C PURCHASE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
L-LAUNDRY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
T-REAL ESTATE TAX	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Z-ADJUSTMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
I-INTEREST	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
O-OPERATING EXP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
M-LGL SERV OFFSET	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
E-ELECTRIC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
H-HVAC CHARGES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
P-OFFICE RENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
S-RENT CONCESSION	-230.78	0.00	-115.39	0.00	0.00	0.00	0.00	-346.17	-0.81
A-ALLOWANCE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Allownc/Rent	1,640.77	0.00	13,287.98	0.00	21,835.88	0.00	0.00	-6,907.13	
V-VACANCY			900.00						6.34
Total Lost Rent			900.00						
Total Potential Rent			14,187.98						100.00
Security Deposit Analysis									
O-SECURITY	12,486.50	0.00			14.57	0.00	0.00	12,501.07	
Total Security	12,486.50	0.00			14.57	0.00	0.00	12,501.07	
Misc Income					60.00	0.00			
Total Rent & Security			14,187.98	0.00	21,850.45	0.00	0.00		

Description	Units	Percent	Description	Units	Percent	Description	Units	Percent
Occupied	21	95.45	Leases Pending	0	0.00	Units Leased	16	72.73
Special Use	0	0.00	Total Occ & Pend	21	95.45	Month to Month	0	0.00
New Construction	0	0.00				Units Not Leased	6	27.27
Vacant	1	4.55	C/M Move Outs	0	0.00	C/M Leases Exp	0	0.00
Total Units	22	100.00	Future Move Outs	0	0.00			

*******Cash Deposited********	
*Rent	21,835.88*
*Security	14.57*
*Misc Income	60.00*
*Total Deposit	21,910.45*

********** THIS REPORT INCLUDES DATA FROM AN OPEN SESSION AND MAY NOT ACCURATELY REFLECT BALANCES **********

---------- END RENT ROLL LISTING FOR DEVELOPMENT ----------

---------- END OF REPORT ----------

The above is a true and accurate Rent Roll as of 7/1/96.

Mid-Forest Co.

By _____
Joshua L. Muss, Partner

Sworn to before me this 15th day of July, 1996

_____
Notary Public

CAROL COLODNER
Notary Public, State of New York
No. 41-4767538
Qualified in Queen County
Commission Expires February 28, 19 97

EXHIBIT D

Dated: July 15, 1996

The names and addresses of any other Condominiums, Cooperatives or Home Owner's Associates in which the Sponsor or Holder of Unsold Shares or a principal of the Sponsor owns more than 10% of the Shares or Units:

Name	Addresses
The Forestal Condominium	109-33 71st Road Forest Hills, New York
Captain's Quarters Home Owners Assoc.	Bayview Avenue Staten Island, New York
The Stanton Condominium	41-40 Union Street Flushing, New York
Donner Gardens Co.	33-15, 33-25, 33-35 81st Street and 33-16, 33-26, 82nd Street Jackson Heights, New York

EXHIBIT E

UNSOLD UNITS - MID-FOREST CO.
(MIDTOWN COOPERATIVE)
July 15, 1996

2D
2G
2H
3A
3D
3G
3J
4B
4F
4G
5A
5E
5F
5G
5H
5J
6A
6C
6D
6F
6J
6GH

TWENTY-SECOND AMENDMENT TO OFFERING PLAN
A PLAN TO CONVERT TO COOPERATIVE OWNERSHIP
PREMISES AT 109-23 71ST ROAD, FOREST HILLS, NEW YORK

The Offering Plan to convert to cooperative Ownership premises at 109-23 71st Road, Forest Hills, New York dated December 15, 1982 as amended by First Amendment dated April 21, 1983, Second Amendment dated June 23, 1983, Third Amendment dated October 18, 1983, Fourth Amendment dated January 23, 1984, Fifth Amendment dated February 23, 1984, Sixth Amendment dated May 15, 1984, Seventh Amendment dated November 8, 1984, Eighth Amendment dated March 11, 1985, Ninth Amendment dated September 10, 1985, Tenth Amendment dated March 11, 1986, Eleventh Amendment dated September 15, 1986, Twelfth Amendment dated March 5, 1987, Thirteenth Amendment dated May 5, 1987, Fourteenth Amendment dated May 13, 1988, Fifteenth Amendment dated May 1, 1989, Sixteenth Amendment dated May 24, 1990, Seventeenth Amendment dated April 29, 1991, Eighteenth Amendment dated October 17, 1991, Nineteenth Amendment dated July 31, 1992, Twentieth Amendment dated July 15, 1993 and Twenty-First Amendment dated July 25, 1994.

1. A copy of the Certified Financial Statement of The Midtown for the period from January 1, 1994 through December 31, 1994 is annexed hereto as Exhibit "A".

2. A copy of the Projected Budget of The Midtown for the period from May 1, 1994 through April 30, 1995 is annexed hereto as Exhibit "B".

3. The aggregate monthly common charges for all units owned by Sponsor is $9,196.74.

4. The aggregate monthly rents received from tenants of all Units owned by Sponsor is currently $13,793.08. A Certified Rent Roll is attached as Exhibit "C".

5. The Sponsor has no financial obligations to the cooperative which will become due within 12 months.

6. The unsold shares are subject to a first mortgage refinancing loan in the principal sum of $700,000.00 interest only at the rate of 8 5/8% per annum for a term of five (5) years to 10923 Owners Corp. covring the premises 109-23 71st Road, Forest Hills, New York, thereby extending and modifying the terms of a first mortgage made by Jamaica Savings Bank in the principal sum of $700,000.00 interest only at the rate of 10 1/2% per annum for a term of five (5) years dated July 12, 1989.

7. The Sponsor is current on all financial obligations under the Offering Plan, including, but not limited to, maintenance charges, reserve payments, assessments, and payments for repairs or improvements, if any, in the Plan.

8. A list of all other buildings in which the Sponsor owns more than ten (10%) percent of the Units is attached hereto as Exhibit "D".

9. The Sponsor is also current in its financial obligations in other cooperatives, condominiums or home owners associations in which it owns Shares or Units.

10. Annexed hereto as Exhibit "E" is a list of the Units owned by the Sponsor.

11. The current Board is as follows:

Janet Ger - President
John Busch - Vice President
Nelly Aisenberg - Treasurer
Shilla Patel - Secretary
Mark Wiesenfeld

12. This Plan may be used for twelve (12) months from the date this Amendment is duly accepted for filing; and thereafter, said date is to be extended in a further Amendment to be filed.

Other than as set forth above, there are no material changes which require an Amendment to the Offering Plan.

MID-FOREST CO.

By: _____
Joshua L. Muss, Partner

Dated: August 3, 1995

EXHIBIT A

109-23 OWNERS CORP.

REPORT

AS OF DECEMBER 31, 1994

Reich & Reich CPA, PC

Reich & Reich CPA, PC.

114 Old Country Road

Suite LL96

Mineola, N. Y. 11501

516 - 294-6777

516 - 294-6778

ilbert Reich CPA

.ry Reich CPA

Board of Directors
109-23 Owners Corp.

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying balance sheets of 109-23 Owners Corp. as of December 31, 1994 and 1993, and the related statements of operations, accumulated deficit, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of 109-23 Owners Corp. as of December 31, 1994 and 1993, and the results of its operations and its cash flows for the years then ended, in conformity with generally accepted accounting principles.

The supplementary information on future major repairs and replacements is not a required part of the basic financial statements of 109-23 Owners Corp. but is supplementary information required by the American Institute of Certified Public Accountants. We have applied certain limited procedures, which consist principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

REICH & REICH, C.P.A., P.C.
February 28, 1995

109-23 OWNERS CORP.
BALANCE SHEETS
DECEMBER 31,

	1994	1993
ASSETS		
Cash - Operating Account	$ 28,155	$ 46,779
Cash - Money Market	16,639	16,271
U.S. Treasury Bills	48,926	89,454
Accounts Receivable	1,209	2,359
Interest Receivable	1,045	510
Prepaid Expenses and Taxes	25,929	27,395
Unamortized Mortgage Costs	9,894	2,867
	131,797	185,635
PROPERTY AND EQUIPMENT		
Land	405,762	405,762
Building and Improvements	2,408,794	2,408,794
Building Equipment	83,950	12,450
	2,898,506	2,827,006
Less: Accumulated Depreciation	770,513	696,787
	2,127,993	2,130,219
TOTAL ASSETS	$2,259,790	$2,315,854

LIABILITIES AND SHAREHOLDERS' EQUITY

LIABILITIES		
Accounts Payable and Accrued Expenses	$ 16,196	$ 20,598
Tenants' Security Payable	2,726	2,726
Taxes Payable	249	1,410
Mortgage Payable	700,000	700,000
Prepaid Maintenance Charges	4,697	-0-
	723,868	724,734
SHAREHOLDERS' EQUITY		
Capital Stock		
Authorized 6,168 Shares, $1 Par Value		
Issued and Outstanding 6,168 Shares	6,168	6,168
Capital in Excess of Par Value	2,031,259	2,031,259
Accumulated Deficit	(501,505)	(446,307)
	1,535,922	1,591,120
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$2,259,790	$2,315,854

See Notes to Financial Statements.

Reich & Reich CPA, PC.

109-23 OWNERS CORP.
STATEMENTS OF OPERATIONS
YEARS ENDED DECEMBER 31,

	1994	1993
MAINTENANCE AND OTHER INCOME		
Apartment Carrying Charges	$241,248	$238,270
Parking Charges	28,193	25,339
Air Conditioning Charges	4,820	4,458
Professional Apartment Rental	35,377	34,697
Miscellaneous Income	3,733	3,801
Interest Income	2,947	2,541
TOTAL INCOME	$316,318	$309,106
OPERATING EXPENSES		
Salaries	$ 29,544	$ 28,914
Payroll Taxes and Union Benefits	9,878	9,250
Heating - Gas and Oil	20,312	23,016
Electricity	12,768	13,427
Water and Sewer	9,776	7,241
Insurance	18,097	17,900
Maintenance Supplies	1,867	2,113
Management Fees	8,300	8,300
Elevator Maintenance	5,668	5,799
Repairs - Boiler	1,505	1,841
Plastering and Masonry	420	38
Repairs - Other	6,267	10,655
License and Permits	1,233	625
Miscellaneous Administrative Expenses	2,541	2,165
Professional Fees	6,045	2,876
State Franchise and City Corporation Tax	1,434	1,509
TOTAL OPERATING EXPENSES	135,655	135,669
FIXED AND OTHER CHARGES		
Real Estate Taxes	90,339	91,410
Interest on Mortgage	68,031	73,500
TOTAL FIXED AND OTHER CHARGES	158,370	164,910
TOTAL OPERATING EXPENSES AND OTHER CHARGES	294,025	300,579
INCOME BEFORE DEPRECIATION AND AMORTIZATION	22,293	8,527
DEPRECIATION AND AMORTIZATION	77,491	78,315
NET LOSS	$(55,198)	$(69,788)

See Notes to Financial Statements.

Reich & Reich CPA, PC.

109-23 OWNERS CORP.
STATEMENT OF ACCUMULATED DEFICIT
YEARS ENDED DECEMBER 31,

	1994	1993
Accumulated Deficit - Beginning of Period	$(446,307)	$(376,519)
Add: Loss for the Year Ended December 31,	(55,198)	$ (69,788)
ACCUMULATED DEFICIT DECEMBER 31,	$(501,505)	$(446,307)

See Notes to Financial Statements.

Reich & Reich CPA, PC.

109-23 OWNERS CORP.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31,

	1994	1993
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Loss	$ (55,198)	$ (69,788)
Adjustments to reconcile net (loss) to net cash provided by operating activities:		
Depreciation and Amortization	77,491	78,315
Changes in Assets and Liabilities:		
Decrease (Increase) in Accounts Receivable	1,150	17,009
Decrease (Increase) in Interest Receivable	(535)	(33)
Decrease (Increase) in Prepaid Expenses & Taxes	1,467	(1,053)
Increase (Decrease) in Accounts Payable and Accrued Expenses	(4,402)	(4,328)
Increase in Prepaid Maintenance Charges	4,697	-
Increase (Decrease) in Taxes Payable	(1,161)	1,410
Net Cash (Used) Provided by Operating Activities	23,509	21,532
CASH FLOWS FROM INVESTING ACTIVITIES:		
Redemption of U.S. Treasury Bills	217,457	357,849
Purchase of U.S. Treasury Bills	(176,929)	(357,828)
Purchase of Building Equipment	(71,500)	-
Net Cash (Used) in Investing Activities	(30,972)	21
CASH FLOWS FROM FINANCING ACTIVITIES:		
Increase in Mortgage Costs	(10,793)	-
Net Increase (Decrease) in Cash and Cash Equivalents	(18,256)	21,553
Cash and Cash Equivalents at Beginning of Year	63,050	41,497
Cash and Cash Equivalents at End of Year	$ 44,794	$ 63,050

See Notes to Financial Statements.

Reich & Reich CPA, PC.

109-23 OWNERS CORP.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31,

	1994	1993
CASH AND CASH EQUIVALENTS CONSIST OF:		
Cash Operating Account	$ 28,155	$ 46,779
Cash Money Market	16,639	16,271
	$ 44,794	$ 63,050
SUPPLEMENTAL DISCLOSURES		
Income Taxes Paid	0	0
Interest Paid	$ 68,031	$ 73,500

Reich & Reich CPA, PC.

109-23 OWNERS CORP.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1994

NOTE 1 ORGANIZATION AND PROPERTY ACQUISITION

109-23 Owners Corp. (the Corporation) was incorporated on March 19, 1982 for the purpose of operating as a cooperative housing corporation under the Business Corporation Law of the State of New York. The Corporation is authorized to issue 6,168 shares of common stock, with a par value of $1 per share. The Corporation had no operations prior to the date the property was purchased.

On April 30, 1984, the Corporation purchased the property, encompassing an apartment building (52 residential and 1 commercial unit) and the land upon which it was erected, from Mid Forest Company, a New York partnership which was sponsor of an offering plan to convert the property to cooperative housing ownership. The cost of the property was $2,851,168, paid for with monies received from the sale of 1,547 shares of capital stock, the assumption of a purchase money wraparound mortgage of $825,000 and the issuance of 4,621 shares to the sponsor valued at $1,433,840 ($300 a share). In accordance with the terms of the offering plan (including all amendments thereto), a total of 6,168 shares were issued to purchasers of apartments and to the sponsor for the unsold apartments.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The land, buildings and improvements are stated at cost (see Note 1). Depreciation is calculated on the straight-line method.

The useful lives are:

Building	35 Years
Building Improvements and Equipment	19-28 Years

B. Maintenance, repairs and routine replacements are charged to operations as incurred. Replacements which improve and extend the lives of the properties are capitalized.

C. Mortgage costs are amortized on a straight-line basis over the life of the mortgage.

D. For the purposes of the Statement of Cash Flows, the Corporation considers all highly liquid debt instruments purchased with maturity of three months or less to be cash equivalents.

NOTE 3 MORTGAGE

The mortgage is payable to Jamaica Savings Bank and secured by the land and building. It matures on August 1, 1999 and requires monthly payments of interest only of $5,031.25 the rate of 8-5/8% per year.

NOTE 4 INCOME AND FRANCHISE TAXES

The Corporation is subject to Federal, State and City income taxes on its net income. It is also subject to State and City taxes on its "Capital Base".

The Corporation has a net operating loss carryforward of approximately $497,000 which will start expiring in 1999.

NOTE 5 RELATED PARTY TRANSACTIONS

A. Stock Ownership - The property was acquired from Mid Forest Company (Mid Forest) as described in Note 1. At December 31, 1994 and 1993, Mid Forest owned 2,809 of the 6,168 outstanding shares.

B. Apartment Carrying Charges - Included in apartment carrying charges is $109,893 and $111,991 for the years ended December 31, 1994 and 1993 from Mid Forest for the charges related to the shares that it owns.

C. Management Fees - The Corporation has entered into a Management Agreement with Hyman Muss & Sons Management Corporation, an affiliate of the Sponsor, pursuant to terms set forth in the Offering Plan at an annual fee of $8,300.

D. Repairs & Maintenance - An affiliate of the Sponsor performs certain repairs.

For the years ended December 31, 1994 and 1993, $1,232 and $1,248 was expended for such services.

NOTE 6 FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Board of Directors conducted a study to estimate the remaining useful lives and replacement costs of the components of common property. The table included in the unaudited Supplementary Information on Future Major Repairs and Replacements is based on the study.

The Corporation's governing documents do not require that funds be accumulated for future major repairs and replacements. When those funds are needed the Corporation may use the Reserve Fund, borrow funds, increase maintenance charges, or make a special assessment. The Board does not feel it prudent to raise maintenance charges due to the current economic climate.

The Board of Directors conducted a study to estimate the remaining useful lives and the replacement costs of the components of the building, furniture and equipment. The following table is based on the study and presents significant information about the components of the building, furniture and equipment.

	Estimated Remaining Useful Lives (Years)	Estimated Current Replacement Costs
Roof	10	$ 16,000
Exterior Walls	50	*
Heating System	10	40,000
Plumbing	20	50,000
Windows	30	80,000
Lobby Furnishings	10	5,000
Elevators	20	30,000
Intercom	10	10,000
Compactor	10	3,000

* Indefinitely with annual maintenance.

EHIBIT B

10923 OWNERS CORP.
PROJECTED BUDGET
MAY 1 1995 - APR. 31 1996

INCOME

Apartment Carrying Charges	$ 244,200	
Garage Income	35,000	
Laundry Income	2,700	
Professional Unit Income	35,000	
Air Conditioning Charges	4,500	
Interest Income	1,500	
TOTAL INCOME		$ 322,900

EXPENSES

Administrative

Telephone & Beeper	$ 1,000
Legal & Audit	3,000
Office Expense	100
Licenses & Permits	1,000
Dues & Fees	100
Management Fees	8,300
Miscellaneous Expenses	2,500
	$ 16,000

Repairs and Maintenance

Boiler Repairs & Maintenance	$ 1,000
Elevator Repairs & Maintenance	6,000
Compactor Repairs & Maintenance	1,000
Plumbing Repairs & Maintenance	1,000
Electrical Repairs & Maintenance	1,000
Roof Repairs & Waterproofing	1,000
Water Treatment	500
Glass Replacement	1,000
Equipment Repairs	2,000
Painting & Decorating Public Areas	1,000
Paint Supplies	1,000
Snow Supplies	100
Garden Supplies	1,000
Rubbish Removal	500
Janitorial Supplies	2,000
General Building Repairs & Maintenance	2,000
	$ 22,100

Payroll

Payroll	$ 31,000
Payroll Tax and Fringes	10,000
	$ 41,000

Utilities

Oil & Gas	$	23,000
Electricity		13,000
Water and Sewer		10,000
	$	46,000

Insurance

Insurance Expense	$	19,000

Real Estate Taxes

Real Estate Tax Expense	$	90,000

Interest On Mortgage

Interest Expense	$	60,400

Other Taxes

State Franchise	$	1,000
City Corporation		500
	$	1,500

Contingency Reserve

Contingency Reserve	$	26,900

TOTAL EXPENSES $ 322,900

RECAPITULATION

INCOME $ 322,900

EXPENSES

Administrative	$	16,000
Repairs and Maintenance		22,100
Payroll		41,000
Utilities		46,000
Insurance		19,000
Real Estate Taxes		90,000
Interest on Mortgage		60,400
Other Taxes		1,500
Contingency Reserve		26,900
		$ 322,900

EXHIBIT C

Company: 01 MUSS DEVELOPMENT ORGANIZATION
Development: MI2 MID FOREST COMPANY
Building: 001 10923 OWNERS CORP., 109-23 71ST ROAD

Rent Roll Detail
For Period 08/95

08-02-95
16:01:13

Unit	Tenant Name Last	First	Sta	Type	Ending Security Balance	Recurring Rents	Billing Code	Beginning Rent Balance	Tenant Billings Amount	Date		Tenant Payments Amount	Date		Ending Rent Balance	Code
02D 1	[redacted]		Cur	0	875.00	875.00	R RENT	-875.00	875.00	08/01		0.00			0.00	R
	Expires 05/31/95 Term 1YR															
	Occupy 06/01/93															
	Last Pay 07/31/95															
					875.00	875.00	Tenant Total	-875.00	875.00		*	0.00		*	0.00	*
02G 1	[redacted]		Cur	0	654.94	654.94	R RENT	0.00	654.94	08/01		0.00			654.94	R
	Expires 01/31/96 Term 2YR															
	Occupy 04/01/80															
	Last Pay 07/10/95															
					654.94	654.94	Tenant Total	0.00	654.94		*	0.00		*	654.94	*
02H 1	[redacted]		Cur	0	411.99	422.43	R RENT	0.00	422.43	08/01		422.43	08/02	C	0.00	R
	Expires 09/30/96 Term 2YR															
	Occupy 10/01/90															
	Last Pay 08/02/95															
					411.99	422.43	Tenant Total	0.00	422.43		*	422.43		*	0.00	*
03A 1	[redacted]		Cur	0	421.31	421.31	R RENT	0.00	421.31	08/01		421.31	08/01	C	0.00	R
	Expires 04/30/96 Term 2YR															
	Occupy 05/01/92															
	Last Pay 08/01/95															
					421.31	421.31	Tenant Total	0.00	421.31		*	421.31		*	0.00	*
03D 1	[redacted]		Cur	0	532.62	512.13	R RENT	0.00	512.13	08/01		512.13	08/02	C	0.00	R
	Expires 09/30/95 Term 2YR															
	Occupy 10/01/76															
	Last Pay 08/02/95															
					532.62	512.13	Tenant Total	0.00	512.13		*	512.13		*	0.00	*
03G 1	[redacted]		Cur	0	956.66	956.66	R RENT	0.00	956.66	08/01		0.00			956.66	R
	Expires 05/31/95 Term 1YR															
	Occupy 06/01/80															
	Last Pay 07/24/95															
					956.66	956.66	Tenant Total	0.00	956.66		*	0.00		*	956.66	*
03J 1	[redacted]		Cur	0	412.40	412.40	R RENT	0.00	412.40	08/01		412.40	08/02	C	0.00	R
	Expires 06/30/96 Term 2YR															
	Occupy 07/01/83															
	Last Pay 08/02/95															
					412.40	412.40	Tenant Total	0.00	412.40		*	412.40		*	0.00	*
04B 1	[redacted]		Cur	0	702.62	702.62	R RENT	0.00	702.62	08/01		0.00			702.62	R
	Expires 07/31/95 Term 2YR															
	Occupy 08/01/65															
	Last Pay 07/11/95															
					702.62	702.62	Tenant Total	0.00	702.62		*	0.00		*	702.62	*

Unit	Tenant Name Last	First	Sta	Type	Ending Security Balance	Recurring Rents	Billing Code	Beginning Rent Balance	Tenant Billings Amount	Date		Tenant Payments Amount	Date		Ending Rent Balance	Code
004F 1	[redacted]		Cur	0	362.41	319.70	R RENT	204.31	319.70	08/01		0.00			524.01	R
	Expires 02/29/96 Term 2YR					-115.39	A ALLOWANCE	0.00	-115.39	08/01		0.00			-115.39	A
	Occupy 03/01/86															
	Last Pay 07/05/95															
					362.41	204.31	Tenant Total	204.31	204.31		*	0.00		*	408.62	*
004G 1	[redacted]		Cur	0	534.79	514.25	R RENT	514.25	514.25	08/01		514.25	08/01	C	514.25	R
	Expires 10/31/95 Term 2YR															
	Occupy 11/01/70															
	Last Pay 08/01/95															
					534.79	514.25	Tenant Total	514.25	514.25		*	514.25		*	514.25	*
005A 1	[redacted]		Cur	0	457.20	439.61	R RENT	-439.61	439.61	08/01		0.00			0.00	R
	Expires 10/31/95 Term 2YR															
	Occupy 11/01/68															
	Last Pay 07/31/95															
					457.20	439.61	Tenant Total	-439.61	439.61		*	0.00		*	0.00	*
005E 1	[redacted]		Cur	0	900.00	900.00	R RENT	0.00	900.00	08/01		900.00	08/01	C	0.00	R
	Expires 06/30/95 Term 1YR															
	Occupy 07/01/94															
	Last Pay 08/01/95															
					900.00	900.00	Tenant Total	0.00	900.00		*	900.00		*	0.00	*
005F 1	[redacted]		Cur	0	364.10	364.10	R RENT	0.00	364.10	08/01		0.00			364.10	R
	Expires 09/30/96 Term 2YR															
	Occupy 08/15/67															
	Last Pay 07/10/95															
					364.10	364.10	Tenant Total	0.00	364.10		*	0.00		*	364.10	*
005G 1	[redacted]		Cur	0	1,250.00	1,250.00	R RENT	0.00	1,250.00	08/01		0.00			1,250.00	R
	Expires 04/30/96 Term 1YR															
	Occupy 05/01/94															
	Last Pay 07/24/95															
					1,250.00	1,250.00	Tenant Total	0.00	1,250.00		*	0.00		*	1,250.00	*
005H 1	[redacted]		Cur	0	517.50	517.50	R RENT	0.00	517.50	08/01		517.50	08/01	C	0.00	R
	Expires 01/31/96 Term 2YR															
	Occupy 02/01/77															
	Last Pay 08/01/95															
					517.50	517.50	Tenant Total	0.00	517.50		*	517.50		*	0.00	*
005J 1	[redacted]		Cur	0	524.66	524.66	R RENT	0.00	524.66	08/01		0.00			524.66	R
	Expires 06/30/96 Term 2YR															
	Occupy 07/01/81															
	Last Pay 07/25/95															
					524.66	524.66	Tenant Total	0.00	524.66		*	0.00		*	524.66	*

Unit	Tenant Name Last	First	Sta	Type	Ending Security Balance	Recurring Rents	Billing Code	Beginning Rent Balance	Tenant Billings Amount	Date		Tenant Payments Amount	Date		Ending Rent Balance	Code
06A	1 [redacted]		Cur	0	435.33	435.33	R RENT	-435.33	435.33	08/01		0.00			0.00	R
	Expires 03/31/96 Term 2YR															
	Occupy 03/15/66															
	Last Pay 07/31/95															
					435.33	435.33	Tenant Total	-435.33	435.33		*	0.00		*	0.00	*
006C	1 [redacted]		Cur		0.00	850.00	R RENT	-850.00	850.00	08/01		0.00			0.00	R
	Expires 08/31/95 Term 1YR															
	Occupy 09/01/94															
					0.00	850.00	Tenant Total	-850.00	850.00		*	0.00		*	0.00	*
06D	2 [redacted]		Cur	0	850.00	850.00	R RENT	0.00	850.00	08/01		850.00	08/02	C	0.00	R
	Expires 01/31/96 Term 1YR															
	Occupy 02/15/95															
	Last Pay 08/02/95															
					850.00	850.00	Tenant Total	0.00	850.00		*	850.00		*	0.00	*
06F	1 [redacted]		Cur	0	557.31	557.31	R RENT	0.00	557.31	08/01		0.00			557.31	R
	Expires 03/31/95 Term 2YR															
	Occupy 04/01/93															
	Last Pay 07/05/95															
					557.31	557.31	Tenant Total	0.00	557.31		*	0.00		*	557.31	*
006J	1 [redacted]		Cur	0	463.80	445.96	R RENT	0.00	445.96	08/01		445.96	08/01	C	0.00	R
	Expires 09/30/95 Term 2YR															
	Occupy 10/01/76															
	Last Pay 08/01/95															
					463.80	445.96	Tenant Total	0.00	445.96		*	445.96		*	0.00	*
06GH	1 [redacted]		Cur	0	958.27	982.56	R RENT	0.00	982.56	08/01		0.00			982.56	R
	Expires 09/30/96 Term 2YR															
	Occupy 10/01/84															
	Last Pay 07/05/95															
					958.27	982.56	Tenant Total	0.00	982.56		*	0.00		*	982.56	*

Description	Bal.Forward	Adj	Billings	Bad Debts	Cash	NSF	Non Cash	End Balance	Pot %
R-RENT	-1,881.38	0.00	13,908.47	0.00	4,995.98	0.00	0.00	7,031.11	100.84
GARAGE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
COMMON CHARGES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D-DELINQUENCY FEE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
F-LEGAL FEE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
REPAIRS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
LAUNDRY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
ADJUSTMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
I-INTEREST	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
M-LGL SERV OFFSET	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ELECTRIC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
HVAC CHARGES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
P-OFFICE RENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
S-RENT CONCESSION	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ALLOWANCE	0.00	0.00	-115.39	0.00	0.00	0.00	0.00	-115.39	-0.84
Total Allownc/Rent	-1,881.38	0.00	13,793.08	0.00	4,995.98	0.00	0.00	6,915.72	
VACANCY			0.00						0.00
Total Lost Rent			0.00						
Total Potential Rent			13,793.08						100.00
Security Deposit Analysis									
SECURITY	13,142.91	0.00			0.00	0.00	0.00	13,142.91	
Total Security	13,142.91	0.00			0.00	0.00	0.00	13,142.91	
Misc Income					0.00	0.00			
Total Rent & Security			13,793.08	0.00	4,995.98	0.00	0.00		

Description	Units	Percent	Description	Units	Percent	Description	Units	Percent
Occupied	22	100.00	Leases Pending	0	0.00	Units Leased	17	77.27
Special Use	0	0.00	Total Occ & Pend	22	100.00	Month to Month	0	0.00
New Construction	0	0.00				Units Not Leased	5	22.73
Vacant	0	0.00	C/M Move Outs	0	0.00	C/M Leases Exp	1	4.55
Total Units	22	100.00	Future Move Outs	0	0.00			

********Cash Deposited********	
*Rent	4,995.98*
*Security	0.00*
*Misc Income	0.00*
*Total Deposit	4,995.98*
**********	

END RENT ROLL LISTING FOR DEVELOPMENT

END OF REPORT

The above is a true and accurate
Rent Roll as of July 31, 1995

MID-FOREST CO.

By: _____
Joshua L. Muss, Partner

Sworn to before me this
7th day of August, 1995

_____
Notary Public

CAROL COLODNER
Notary Public, State of New York
No. 41-4767538
Qualified in Queens County
Commission Expires February 28, 1997

EXHIBIT D

Dated: August 3, 1995

The names and addresses of any other Condominiums, Cooperatives of Home Owner's Associates in which the Sponsor or Holder of Unsold Shares or a principal of the Sponsor owns more than 10% of the Shares or Units:

Name	Addresses
The Forestal Condominium	109-33 71st Road Forest Hills, New York
Captain's Quarters Home Owners Assoc.	Bayview Avenue Staten Island, New York
The Stanton Condominium	41-40 Union Street Flushing, New York
Donner Gardens Co.	33-15, 33-25, 33-35 81st Street and 33-16, 33-26, 82nd Street Jackson Heights, New York

EXHIBIT E

UNSOLD UNITS - MID-FOREST CO.
(MIDTOWN COOPERATIVE)
August 3, 1995

2D
2G
2H
3A
3D
3G
3J
4B
4F
4G
5A
5E
5F
5G
5H
5J
6A
6C
6D
6F
6J
6GH

TWENTY-FIRST AMENDMENT TO OFFERING PLAN
A PLAN TO CONVERT TO COOPERATIVE OWNERSHIP
PREMISES AT 109-23 71ST ROAD, FOREST HILLS, NEW YORK

The Offering Plan to convert to cooperative Ownership premises at 109-23 71st Road, Forest Hills, New York dated December 15, 1982 as amended by First Amendment dated April 21, 1983, Second Amendment dated June 23, 1983, Third Amendment dated October 18, 1983, Fourth Amendment dated January 23, 1984, Fifth Amendment dated February 23, 1984, Sixth Amendment dated May 15, 1984, Seventh Amendment dated November 8, 1984, Eighth Amendment dated March 11, 1985, Ninth Amendment dated September 10, 1985, Tenth Amendment dated March 11, 1986, Eleventh Amendment dated September 15, 1986, Twelfth Amendment dated March 5, 1987, Thirteenth Amendment dated May 5, 1987, Fourteenth Amendment dated May 13, 1988, Fifteenth Amendment dated May 1, 1989, Sixteenth Amendment dated May 24, 1990, Seventeenth Amendment dated April 29, 1991, Eighteenth Amendment dated October 17, 1991, Nineteenth Amendment dated July 31, 1992 and Twentieth Amendment dated July 15, 1993.

1. A copy of the Certified Financial Statement of The Midtown for the period from January 1, 1993 through December 31, 1993 is annexed hereto as Exhibit "A".

2. A copy of the Projected Budget of The Midtown for the period from May 1, 1994 through April 30, 1994 is annexed hereto as Exhibit "B".

3. The aggregate monthly common charges for all units owned by Sponsor is $9,196.74.

4. The aggregate monthly rents received from tenants of all Units owned by Sponsor is currently $12,822.85. A Certified Rent Roll is attached as Exhibit "C".

5. The Sponsor has no financial obligations to the cooperative which will become due within 12 months.

6. There are no unsold Shares that are subject to mortgage (construction or otherwise) or financing commitments.

7. The Sponsor is current on all financial obligations under the Offering Plan, including, but not limited to, maintenance charges, reserve payments, assessments, and payments for repairs or improvements, if any, in the Plan.

8. A list of all other buildings in which the Sponsor owns more than ten (10%) percent of the Units is attached hereto as Exhibit "D".

9. The Sponsor is also current in its financial obligations in other cooperatives, condominiums or home owners associations in which it owns Shares or Units.

10. Annexed hereto as Exhibit "E" is a list of the Units owned by the Sponsor.

11. The current Board is as follows:

Janet Ger - President
John Busch - Vice President
Nelly Aisenberg - Treasurer
Shilla Patel - Secretary
Mark Wiesenfeld

The term which Directors are to serve has been changed by unanimous vote at the Eleventh Annual Meeting which was held on June 15, 1994. The length of time a Director would serve is as follows: (i) the persons receiving the largest number of votes would serve 3-year terms; (ii) those receiving the next highest amount of votes would serve two-year terms; and those receiving the lowest number of votes, would only serve one year.

13. At the Eleventh Annual Meeting of the Shareholders held on June 15, 1994, a vote was taken and unanimously approved that a two and one half (2 1/2%) percent increase in maintenance charges be instituted effective July 1, 1994.

12. This Plan may be used for twelve (12) months from the date this Amendment is duly accepted for filing; and thereafter, said date is to be extended in a further Amendment to be filed.

Other than as set forth above, there are no material changes which require an Amendment to the Offering Plan.

MID-FOREST CO.

By: _____
Joshua L. Muss, Partner

Dated: July 25, 1994

EXHIBIT A

109-23 OWNERS CORP.

REPORT

AS OF DECEMBER 31, 1993

Reich & Reich CPA. PC.

Reich & Reich CPA, PC.

114 Old Country Road

Suite LL96

Mineola, N. Y. 11501

516 - 294-6777

516 - 294-6778

ert Reich CPA

y Reich CPA

Board of Directors
109-23 Owners Corp.

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying balance sheets of 109-23 Owners Corp. as of December 31, 1993 and 1992, and the related statements of operations, accumulated deficit, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of 109-23 Owners Corp. as of December 31, 1993 and 1992, and the results of its operations and its cash flows for the years then ended, in conformity with generally accepted accounting principles.

REICH & REICH, C.P.A., P.C.

March 2, 1994

109-23 OWNERS CORP.
BALANCE SHEETS
DECEMBER 31,

	1993	1992
ASSETS		
Cash - Operating Account	$ 46,779	$ 25,585
Cash - Money Market	16,271	15,912
U.S. Treasury Bills	89,454	89,475
Accounts Receivable	2,359	19,368
Interest Receivable	510	477
Prepaid Expenses and Taxes	27,395	26,342
Unamortized Mortgage Costs	2,867	7,782
	185,635	184,941
PROPERTY AND EQUIPMENT		
Land	405,762	405,762
Building and Improvements	2,408,794	2,408,794
Building Equipment	12,450	12,450
	2,827,006	2,827,006
Less: Accumulated Depreciation	696,787	623,387
	2,130,219	2,203,619
TOTAL ASSETS	$2,315,854	$2,388,560

LIABILITIES AND SHAREHOLDERS' EQUITY

LIABILITIES		
Accounts Payable and Accrued Expenses	$ 20,598	$ 24,926
Tenants' Security Payable	2,726	2,726
Taxes Payable	1,410	-
Mortgage Payable	700,000	700,000
	724,734	727,652
SHAREHOLDERS' EQUITY		
Capital Stock		
Authorized 6,168 Shares, $1 Par Value		
Issued and Outstanding 6,168 Shares	6,168	6,168
Capital in Excess of Par Value	2,031,259	2,031,259
Accumulated Deficit	(446,307)	(376,519)
	1,591,120	1,660,908
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$2,315,854	$2,388,560

See Notes to Financial Statements.

Reich & Reich CPA PC

109-23 OWNERS CORP.
STATEMENTS OF OPERATIONS
YEARS ENDED DECEMBER 31,

	1993	1992
MAINTENANCE AND OTHER INCOME		
Apartment Carrying Charges	$238,270	$238,270
Parking Charges	25,339	21,317
Air Conditioning Charges	4,458	4,320
Professional Apartment Rental	34,697	33,362
Miscellaneous Income	3,801	3,027
Interest Income	2,541	3,079
TOTAL INCOME	$309,106	$303,375
OPERATING EXPENSES		
Salaries	$ 28,914	$ 27,328
Payroll Taxes and Union Benefits	9,250	6,917
Heating - Gas and Oil	23,016	20,861
Electricity	13,427	11,665
Water and Sewer	7,241	12,525
Insurance	17,900	18,159
Maintenance Supplies	2,113	2,813
Management Fees	8,300	8,300
Elevator Maintenance	5,799	6,003
Repairs - Boiler	1,841	3,053
Plastering and Masonry	38	864
Repairs - Other	10,655	10,470
License and Permits	625	728
Miscellaneous Administrative Expenses	2,165	2,689
Professional Fees	2,876	2,620
State Franchise and City Corporation Tax	1,509	1,576
TOTAL OPERATING EXPENSES	135,669	136,571
FIXED AND OTHER CHARGES		
Real Estate Taxes	91,410	90,593
Interest on Mortgage	73,500	73,500
TOTAL FIXED AND OTHER CHARGES	164,910	164,093
TOTAL OPERATING EXPENSES AND OTHER CHARGES	300,579	300,664
INCOME BEFORE DEPRECIATION AND AMORTIZATION	8,527	2,711
DEPRECIATION AND AMORTIZATION	78,315	78,315
NET LOSS	$(69,788)	$(75,604)

See Notes to Financial Statements.

Reich & Reich CPA, PC.

109-23 OWNERS CORP.
STATEMENT OF ACCUMULATED DEFICIT
YEARS ENDED DECEMBER 31,

	1993	1992
Accumulated Deficit - Beginning of Period	$(376,519)	$(300,915)
Add: Loss for the Year Ended December 31,	(69,788)	$ (75,604)
ACCUMULATED DEFICIT DECEMBER 31,	$(446,307)	$(376,519)

See Notes to Financial Statements.

Reich & Reich CPA, PC.

109-23 OWNERS CORP.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31,

	1993	1992
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Loss	$ (69,788)	$ (75,604)
Adjustments to reconcile net (loss) to net cash provided by operating activities:		
Depreciation and Amortization	78,315	78,315
Changes in Assets and Liabilities:		
Decrease (Increase) in Accounts Receivable	17,009	(15,154)
Decrease (Increase) in Interest Receivable	(33)	279
Decrease (Increase) in Prepaid Expenses & Taxes	(1,053)	(206)
Increase (Decrease) in Accounts Payable and Accrued Expenses	(4,328)	(1,121)
Increase in Tenants' Security Payable	-	(50)
Increase (Decrease) in Taxes Payable	1,410	(1,483)
Net Cash (Used) Provided by Operating Activities	21,532	(15,024)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Redemption of U.S. Treasury Bills	357,849	137,108
Purchase of U.S. Treasury Bills	(357,828)	(158,273)
Net Cash (Used) in Investing Activities	21	(21,165)
CASH FLOWS FROM FINANCING ACTIVITIES:		
None	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	21,553	(36,189)
Cash and Cash Equivalents at Beginning of Year	41,497	77,686
Cash and Cash Equivalents at End of Year	$ 63,050	$ 41,497

See Notes to Financial Statements.

Reich & Reich CPA, PC

109-23 OWNERS CORP.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31,

	1993	1992
CASH AND CASH EQUIVALENTS CONSIST OF:		
Cash Operating Account	$ 46,779	$ 25,585
Cash Money Market	16,271	15,912
	$ 63,050	$ 41,497
SUPPLEMENTAL DISCLOSURES		
Income Taxes Paid	0	0
Interest Paid	$ 73,500	$ 73,500

109-23 OWNERS CORP.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1993

NOTE 1 ORGANIZATION AND PROPERTY ACQUISITION

109-23 Owners Corp. (the Corporation) was incorporated on March 19, 1982 for the purpose of operating as a cooperative housing corporation under the Business Corporation Law of the State of New York. The Corporation is authorized to issue 6,168 shares of common stock, with a par value of $1 per share. The Corporation had no operations prior to the date the property was purchased.

On April 30, 1984, the Corporation purchased the property, encompassing an apartment building and the land upon which it was erected, from Mid Forest Company, a New York partnership which was sponsor of an offering plan to convert the property to cooperative housing ownership. The cost of the property was $2,851,168, paid for with monies received from the sale of 1,547 shares of capital stock, the assumption of a purchase money wraparound mortgage of $825,000 and the issuance of 4,621 shares to the sponsor valued at $1,433,840 ($300 a share). In accordance with the terms of the offering plan (including all amendments thereto), a total of 6,168 shares were issued to purchasers of apartments and to the sponsor for the unsold apartments.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The land, buildings and improvements are stated at cost (see Note 1). Depreciation is calculated on the straight-line method.

The useful lives are:

Building	35 Years
Building Improvements and Equipment	19-28 Years

B. Maintenance, repairs and routine replacements are charged to operations as incurred. Replacements which improve and extend the lives of the properties are capitalized.

C. Mortgage costs are amortized on a straight-line basis over the life of the mortgage.

D. For the purposes of the Statement of Cash Flows, the Corporation considers all highly liquid debt instruments purchased with maturity of three months or less to be cash equivalents.

NOTE 3 MORTGAGE

The mortgage is payable to Jamaica Savings Bank and secured by the land and building. It matures on August 1, 1994 and requires monthly payments of interest only of $6,125 at the rate of 10 1/2% per year.

NOTE 4 INCOME AND FRANCHISE TAXES

The Corporation is subject to Federal, State and City income taxes on its net income. It is also subject to State and City taxes on its "Capital Base".

The Corporation has a net operating loss carryforward of approximately $446,000 which will start expiring in 1999.

NOTE 5 RELATED PARTY TRANSACTIONS

A. Stock Ownership - The property was acquired from Mid Forest Company (Mid Forest) as described in Note 1. At December 31, 1993 and 1992, Mid Forest owned 2,809 and 2,918 of the 6,168 outstanding shares.

B. Mortgage - Under the terms of the offering plan, the Corporation executed a $825,000 purchase money wraparound mortgage in favor of Mid Forest. This mortgage wrapped around a $436,207 mortgage to Roosevelt Savings Bank. Both matured on July 1, 1989. At that time, since the corporation had been in full compliance with its mortgage agreement, the corporation paid the sponsor $683,004 to satisfy the $825,000 obligation. This adjustment of $141,966 was treated as an adjustment in the basis of the property.

C. Apartment Carrying Charges - Included in apartment carrying charges of $238,270 is $111,991 and $112,693 for the years ended December 31, 1993 and 1992 from Mid Forest for the charges related to the shares that it owns.

NOTE 5 RELATED PARTY TRANSACTIONS (Continued)

D. Management Fees - The Corporation has entered into a Management Agreement with Hyman Muss & Sons Management Corporation, an affiliate of the Sponsor, pursuant to terms set forth in the Offering Plan at an annual fee of $8,300.

E. Repairs & Maintenance - An affiliate of the Sponsor performs certain repairs.

For the years ended December 31, 1993 and 1992, $1,248 and $3,292 was expended for such services.

NOTE 6 FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Board of Directors conducted a study to estimate the remaining useful lives and replacement costs of the components of common property. The table included in the unaudited Supplementary Information on Future Major Repairs and Replacements is based on the study.

The Corporation's governing documents do not require that funds be accumulated for future major repairs and replacements. When those funds are needed the Corporation may use the Reserve Fund, borrow funds, increase maintenance charges, or make a special assessment. The Board does not feel it prudent to raise maintenance charges due to the current economic climate.

109-23 OWNERS CORP.
SUPPLEMENTARY INFORMATION ON FUTURE MAJOR REPAIRS AND REPLACEMENTS
DECEMBER 31, 1993

(UNAUDITED)

The Board of Directors conducted a study to estimate the remaining useful lives and the replacement costs of the components of the building, furniture and equipment. The following table is based on the study and presents significant information about the components of the building, furniture and equipment.

	Estimated Remaining Useful Lives (Years)	Estimated Current Replacement Costs
Roof	10	$ 16,000
Exterior Walls	50	*
Heating System	10	40,000
Plumbing	20	50,000
Windows	30	80,000
Lobby Furnishings	10	5,000
Elevators	20	30,000
Intercom	10	10,000
Compactor	10	3,000

* Indefinitely with annual maintenance.

Reich & Reich CPA PC

EXHIBIT B

10923 OWNERS CORP.
PROJECTED BUDGET
MAY 1, 1994 - APRIL 30, 1995

INCOME

Apartment Carrying Charges	$244,227	
Garage Income	26,000	
Laundry Income	2,700	
Professional Unit Income	34,000	
Air Conditioning Charges	4,400	
Interest Income	2,573	
TOTAL INCOME:		$313,900

EXPENSES

Administrative

Telephone & Beeper	$1,000
Legal and Audit	3,000
Office Expense	100
Licenses and Permits	1,000
Dues & Fees	100
Management Fee	8,300
Miscellaneous Expenses	1,500
	$15,000

Repairs and Maintenance

Boiler Repairs & Maintenance	$3,000
Elevator Repairs & Maintenance	6,000
Compactor Repairs & Maintenance	500
Plumbing Repairs and Maintenance	1,000
Electrical Repairs and Maintenance	800
Roof Repairs and Waterproofing	1,000
Water Treatment	300
Glass Replacement	800
Equipment Repairs	2,000
Painting and Decorating Public Areas	1,000
Paint Supplies	500
Snow Supplies	100
Garden Supplies	1,000
Rubbish Removal	500
Janitorial Supplies	2,000
General Building Repairs and Maintenance	2,000
	$22,500

Payroll		
Payroll	$29,800	
Payroll Tax and Fringes	10,000	
	$39,800	
Utilities		
Oil & Gas	$25,000	
Electricity	13,000	
Water and Sewer	12,300	
	$50,300	
Insurance		
Insurance Expense	$18,200	
Real Estate Taxes		
Real Estate Tax Expense	$93,000	
Interest on Mortgage		
Interest Expense	$73,500	
Other Taxes		
State Franchise	$1,000	
City Corporation	600	
	$1,600	
TOTAL EXPENSES:		$313,900

RECAPITULATION

INCOME		$313,900
EXPENSES		
Administrative	$15,000	
Repairs and Maintenance	22,500	
Payroll	39,800	
Utilities	50,300	
Insurance	18,200	
Real Estate Taxes	93,000	
Interest	73,500	
Other Taxes	1,600	
		$313,900

EXHIBIT C

109-23 71ST RD
FOREST HILLS NY 11375
CUST = 8800 BLDG = 080

MID FOREST

RUN DATE - 07/14/94

STATUS AS OF 06/30/94

TEN.	APT.	TENANT	CURRENT RENT	ARREARS	PREP. PAY	TOTAL DUE	RENT PAID	PAID TO	NO. OF MO.	NEW RENT	LEASE EXP.	SECURITY
022	2D	[redacted]	850.00	0.00		850.00	850.00	06/03		0.00	05/95	850.00
026	2G		654.94	0.00		654.94	654.94	06/07		0.00	01/96	654.94
030	2H		406.18	0.00		406.18	406.18	06/07		0.00	09/94	411.99
034	3A		421.31	0.00		421.31	421.31	06/03		0.00	04/96	421.31
040	3D		512.13	0.00		512.13	512.13	06/03		0.00	09/95	512.13
047	3G		937.90	0.00		937.90	937.90	06/21		0.00	05/95	937.90
050	3J		392.76	0.00		392.76	392.76	06/07		0.00	06/96	412.40
054	4B		675.59	0.00		675.59	675.59	06/10		0.00	07/95	675.59
062	4F		319.70	249.97	(100.17) PP	469.50	204.31	06/10		265.19	02/96	369.41
064	4G		514.25	514.25		1,028.50	514.25 514.25	06/03 06/20		0.00	10/95	514.25
070	5A		439.61	0.00		439.61	439.61	06/03		0.00	[redacted]	439.61
078N	5E		OCC. 7/94	0.00		0.00	875.00	06/22		(875.00)	[redacted]	875.00
078	5E	VACANT	369.27	0.00	(369.27) VP	0.00				0.00	[redacted]	
080	5F		350.10	0.00		350.10	350.10	06/20		0.00	09/94	350.10
082	5G		1,200.00	0.00		1,200.00	1,200.00	06/07		0.00	04/95	1,200.00
084	5H		517.50	0.00		517.50	517.50	06/06		0.00	01/96	517.50
086	5J		499.68	0.00		499.68	499.68	06/20		0.00	06/96	524.66
088	6A		435.33	0.00		435.33	435.33	06/07		0.00	03/96	435.33
099	6F		535.87	0.00		535.87	535.87	06/20		0.00	03/95	535.87
100	6GH		944.77	0.00		944.77	944.77	06/06		0.00	09/94	951.27
102	6J		445.96	0.00		445.96	445.96	06/06		0.00	09/95	445.96
104	6C	VACANT	900.00	0.00	(900.00) VP	0.00				0.00		
106	6D	[redacted]	500.00	0.00		500.00	500.00	06/10		0.00	[redacted]	
00022			12,822.85	764.22 764.22	(1,369.44)	12,217.63	12,827.44			265.19 (875.00)	[redacted]	[redacted]

ARREARS
PREPAID

The foregoing is a true and accurate Rent Roll as of June 30, 1994

MID-FOREST CO.

By: [signature]

Sworn to before me
this 15th day of July, 1994

[signature]
Notary Public

EXHIBIT D

Dated: July 20. 1994

The names and addresses of any other Condominiums, Cooperatives of Home Owner's Associates in which the Sponsor or Holder of Unsold Shares or a principal of the Sponsor owns more than 10% of the Shares or Units:

Name	Addresses
The Forestal Condominium	109-33 71st Road Forest Hills, New York
Captain's Quarters Home Owners Assoc.	Bayview Avenue Staten Island, New York
The Stanton Condominium	41-40 Union Street
81st-82nd Street Owners Inc.	33-15, 33-25, 33-35 81st Street and 33-16, 33-26, 82nd Street Jackson Heights, New York Flushing, New York

EXHIBIT E

MID-FOREST CO. (The Midtown)
COMMON CHARGES 7/1/94

UNIT	MAINTENANCE	SHARES
2-D	$332.24	101
2-G	521.35	158
2-H	356.36	108
3-A	359.66	109
3-D	356.66	102
3-G	527.95	160
3-J	290.37	88
4-B	626.93	190
4-F	316.77	96
4-G	534.54	162
5-A	366.26	111
5-E	349.76	106
5-F	263.94	80
5-G	646.73	196
5-H	366.26	111
5-J	296.96	90
6-A	369.56	112
6-C	232.37	98
6-D	353.06	107
6-F	323.37	98
6-GH	1,105.38	335
6-J	300.26	91
TOTALS		
22	9,196.74	2,809

AMENDMENT FILING FORM

(Cooperative, Condominiums, H.O.A.'s, Timeshares, etc.)

RE: THE MIDTOWN - 109-23 71st Road, Forest Hills, New York
(Address of Premises and/or Name of Project)

File No: C820103 Plan Filing Date: December 15, 1982
Sponsor: Mid-Forest Co.
c/o Attorney's Name: Michael F. Seidenwar, Esq.
Law Firm: Muss & Muss
Address: 118-35 Queens Boulevard, Forest Hills, New York 11375

Check whichever are applicable:

(X) Cooperative
( ) Condominium
( ) H.O.A.
( ) Timeshare

( ) Commercial Only
( ) New Construction
( ) Rehab
( ) Vacant
( ) Loft

( ) Conversion
( ) Eviction
( ) Non-Eviction, since Filing Date
( ) Non-Eviction, since Am. No. ___
( ) Non-Eviction, by this Am.

( ) Post-closing amendment has been filed including all requirements of regulations (e.g. 13NYCRR 18.5(f), 18.3(aa)(1) and (4) for coops).

(X) Certified financial statements of income and expense have been provided for the calendar/~~fiscal~~ year Jan. 1, 19 93 to Dec. 31, 19 93.

(X) The last budget contained in the Offering Plan or any subsequent amendment is for the ~~calendar~~/fiscal year commencing May 1, , 19 94

( ) Check if this is a price change only amendment (e.g. 13 NYCRR 18.5(d)(1) for coops).

The primary purposes of this amendment are as follows:

Twenty-first Amendment

( ) Continued on attached sheet.

I (We hereby certify under penalty of perjury that the offering plan for the subject premises as amended by the proposed amendment complies with Article 23-A of the General Business Law and the applicable regulations promulgated by the Department of Law.

Dated:

July 25, 19 94

SPONSOR: MID-FOREST CO.

By:

PRINT NAME AND TITLE: Joshua L. Muss, Partner

OTHER SIGNATORIES:

IN CAPACITY OF
(XX) principal(s) of sponsor
( ) holder(s) of Unsold Shares or Unsold Units

Sworn to before me this
25th day of July, 19 94

Notary Public

CAROL COLODNER
Notary Public, State of New York
No. 41-4767538
Qualified in Queens County
Commission Expires February 28, 19 95

TWENTIETH AMENDMENT TO OFFERING PLAN
A PLAN TO CONVERT TO COOPERATIVE OWNERSHIP
PREMISES AT 109-23 71ST ROAD, FOREST HILLS, NEW YORK

The Offering Plan to convert to cooperative Ownership premises at 109-23 71st Road, Forest Hills, New York dated December 15, 1982 as amended by First Amendment dated April 21, 1983, Second Amendment dated June 23, 1983, Third Amendment dated October 18, 1983, Fourth Amendment dated January 23, 1984, Fifth Amendment dated February 23, 1984, Sixth Amendment dated May 15, 1984, Seventh Amendment dated November 8, 1984, Eighth Amendment dated March 11, 1985, Ninth Amendment dated September 10, 1985, Tenth Amendment dated March 11, 1986, Eleventh Amendment dated September 15, 1986, Twelfth Amendment dated March 5, 1987, Thirteenth Amendment dated May 5, 1987, Fourteenth Amendment dated May 13, 1988, Fifteenth Amendment dated May 1, 1989, Sixteenth Amendment dated May 24, 1990, Seventeenth Amendment dated April 29, 1991, Eighteenth Amendment dated October 17, 1991 and Nineteenth Amendment dated July 31, 1992.

1. A copy of the Certified Financial Statement of The Midtown for the period from January 1, 1992 through December 31, 1992 is annexed hereto as Exhibit "A".

2. A copy of the Projected Budget of The Midtown for the period from May 1, 1993 through April 30, 1993 is annexed hereto as Exhibit "B".

3. The aggregate monthly maintenance or common charges received is $13,299.45.

4. The aggregate monthly rents received from tenants of all Units owned by Sponsor is currently $12,255.14. A Certified Rent Roll is attached as Exhibit "C".

5. The Sponsor has no financial obligations to the cooperative which will become due within 12 months.

6. There are no unsold Shares that are subject to mortgage (construction or otherwise) or financing commitments.

7. The Sponsor is current on all financial obligations under the Offering Plan, including, but not limited to, maintenance charges, reserve payments, assessments, and payments for repairs or improvements, if any, in the Plan.

8. A list of all other buildings in which the Sponsor owns more than ten (10%) percent of the Units is attached hereto as Exhibit "D".

9. The Sponsor is also current in its financial obligations in other cooperatives, condominiums or home owners associations in which it owns Shares or Units.

10. Annexed hereto as Exhibit "E" is a list of the Units owned by the Sponsor.

11. The current Board is as follows:

Janet Ger - President
John Busch - Vice President
Nelly Aisenberg - Treasurer
Shilla Patel - Secretary
Mark Wiesenfeld

12. Other than as set forth above, there are no material changes which require an Amendment to the Offering Plan.

13. This Plan may be used for twelve (12) months from the date this Amendment is duly accepted for filing; and thereafter, said date is to be extended in a further Amendment to be filed.

MID-FOREST CO.

By: _____
Joshua L. Muss, Partner

Dated: July 15, 1993

EXHIBIT A

109-23 OWNERS CORP.

REPORT

AS OF DECEMBER 31, 1992

Reich & Reich CPA, PC

Reich & Reich CPA, PC.

114 Old Country Road

Suite LL96

Mineola, N. Y. 11501

516 - 294-6777

516 - 294-6778

Gilbert Reich CPA

Barry Reich CPA

Board of Directors
109-23 Owners Corp.

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying balance sheets of 109-23 Owners Corp. as of December 31, 1992 and 1991, and the related statements of operations, accumulated deficit, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of 109-23 Owners Corp. as of December 31, 1992 and 1991, and the results of its operations and its cash flows for the years then ended, in conformity with generally accepted accounting principles.

REICH & REICH, C.P.A., P.C.

February 26, 1993

109-23 OWNERS CORP.
BALANCE SHEETS
DECEMBER 31,

	1992	1991
ASSETS		
Cash - Operating Account	$ 25,585	$ 62,220
Cash - Money Market	15,912	15,466
U.S. Treasury Bills	89,475	68,311
Accounts Receivable	19,368	4,214
Interest Receivable	477	756
Prepaid Expenses and Taxes	26,342	26,136
Unamortized Mortgage Costs	7,782	12,696
	184,941	189,799
PROPERTY AND EQUIPMENT		
Land	405,762	405,762
Building and Improvements	2,408,794	2,408,794
Building Equipment	12,450	12,450
	2,827,006	2,827,006
Less: Accumulated Depreciation	623,387	549,987
	2,203,619	2,277,019
TOTAL ASSETS	$2,388,560	$2,466,818
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES		
Accounts Payable and Accrued Expenses	$ 24,926	$ 26,047
Tenants' Security Payable	2,726	2,776
Taxes Payable	-	1,483
Mortgage Payable	700,000	700,000
	727,652	730,306
SHAREHOLDERS' EQUITY		
Capital Stock		
Authorized 6,168 Shares, $1 Par Value		
Issued and Outstanding 6,168 Shares	6,168	6,168
Capital in Excess of Par Value	2,031,259	2,031,259
Accumulated Deficit	(376,519)	(300,915)
	1,660,908	1,736,512
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$2,388,560	$2,466,818

See Notes to Financial Statements.

Reich & Reich CPA, PC

109-23 OWNERS CORP.
STATEMENTS OF OPERATIONS
YEARS ENDED DECEMBER 31,

	1992	1991
MAINTENANCE AND OTHER INCOME		
Apartment Carrying Charges	$238,270	$238,270
Parking Charges	21,317	21,441
Air Conditioning Charges	4,320	4,670
Professional Apartment Rental	33,362	32,079
Miscellaneous Income	3,027	3,099
Interest Income	3,079	10,715
TOTAL INCOME	$303,375	$310,274
OPERATING EXPENSES		
Salaries	$ 27,328	$ 27,051
Payroll Taxes and Union Benefits	6,917	6,810
Heating - Gas and Oil	20,861	25,124
Electricity	11,665	13,078
Water and Sewer	12,525	21,781
Insurance	18,159	17,941
Maintenance Supplies	2,813	3,219
Management Fees	8,300	8,300
Elevator Maintenance	6,003	5,771
Repairs - Boiler	3,053	1,823
Plastering and Masonry	864	289
Repairs - Other	10,470	6,217
License and Permits	728	1,021
Miscellaneous Administrative Expenses	2,689	2,316
Professional Fees	2,620	2,570
State Franchise and City Corporation Tax	1,576	1,640
TOTAL OPERATING EXPENSES	136,571	144,951
FIXED AND OTHER CHARGES		
Real Estate Taxes	90,593	80,354
Interest on Mortgage	73,500	73,500
TOTAL FIXED AND OTHER CHARGES	164,093	153,854
TOTAL OPERATING EXPENSES AND OTHER CHARGES	300,664	298,805
INCOME BEFORE DEPRECIATION AND AMORTIZATION	2,711	11,469
DEPRECIATION AND AMORTIZATION	78,315	75,179
NET LOSS	$(75,604)	$(63,710)

See Notes to Financial Statements.

Daich & Daich CPA D

109-23 OWNERS CORP.
STATEMENT OF ACCUMULATED DEFICIT
YEARS ENDED DECEMBER 31,

	1992	1991
Accumulated Deficit - Beginning of Period	$(300,915)	$(237,205)
ADD: Loss for the Year Ended December 31,	(75,604)	$ (63,710)
ACCUMULATED DEFICIT DECEMBER 31,	$(376,519)	$(300,915)

See Notes to Financial Statements.

Reich & Reich CPA. P

109-23 OWNERS CORP.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31,

	1992	1991
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Loss	$ (75,604)	$ (63,710)
Adjustments to reconcile net (loss) to net cash provided by operating activities:		
Depreciation and Amortization	78,315	75,179
Changes in Assets and Liabilities:		
Decrease (Increase) in Accounts Receivable	(15,154)	(2,349)
Decrease (Increase) in Interest Receivable	279	(756)
Decrease (Increase) in Prepaid Expenses & Taxes	(206)	13,968
Increase (Decrease) in Accounts Payable and Accrued Expenses	(1,121)	6,630
Increase in Tenants' Security Payable	(50)	105
Increase (Decrease) in Taxes Payable	(1,483)	1,013
Net Cash (Used) Provided by Operating Activities	(15,024)	30,080
CASH FLOWS FROM INVESTING ACTIVITIES:		
Redemption of U.S. Treasury Bills	137,108	-
Purchase of U.S. Treasury Bills	(158,273)	(68,311)
Payments for Building Improvements	-	(98,569)
Net Cash (Used) in Investing Activities	(21,165)	(166,880)
CASH FLOWS FROM FINANCING ACTIVITIES:		
None	-	-
Net Increase (decrease) in Cash and Cash Equivalents	(36,189)	(136,800)
Cash and Cash Equivalents at Beginning of Year	77,686	214,486
Cash and Cash Equivalents at End of Year	$ 41,497	$ 77,686

See Notes to Financial Statements.

Reich & Reich CPA, PC

109-23 OWNERS CORP.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1992

NOTE 1 ORGANIZATION AND PROPERTY ACQUISITION

109-23 Owners Corp. (the Corporation) was incorporated on March 19, 1982 for the purpose of operating as a cooperative housing corporation under the Business Corporation Law of the State of New York. The Corporation is authorized to issue 6,168 shares of common stock, with a par value of $1 per share. The Corporation had no operations prior to the date the property was purchased.

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The useful lives are:

Building	35 Years
Building Improvements and Equipment	19-28 Years

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C. Mortgage costs are amortized on a straight-line basis over the life of the mortgage.

Reich & Reich CPA PC

NOTES TO FINANCIAL STATEMENTS (continued)

NOTE 3 MORTGAGE

The mortgage is payable to Jamaica Savings Bank and secured by the land and building. It matures on August 1, 1994 and requires monthly payments of interest only of $6,125 at the rate of 10 1/2% per year.

NOTE 4 INCOME AND FRANCHISE TAXES

The Corporation is subject to Federal, State and City income taxes on its net income. It is also subject to State and City taxes on its "Capital Base".

The Corporation has a net operating loss carryforward of approximately $376,520 which will start expiring in 1999.

NOTE 5 RESERVE CASH FUNDS

Pursuant to the terms of the offering plan, the sponsor paid to the Corporation $25,000 as a Reserve Fund. Approximately $5,000 of the Reserve Fund was absorbed by closing adjustments as expressly permitted under the Offering Plan and the balance of $20,000 was deposited in a Certificate of Deposit. During 1991 the balance in the Reserve Fund was used for window replacement.

NOTE 6 RELATED PARTY TRANSACTIONS

A. Stock Ownership - The property was acquired from Mid Forest Company (Mid Forest) as described in Note 1. At December 31, 1992 and 1991, Mid Forest owned 2,918 and 3,082 of the 6,168 outstanding shares.

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D. Management Fees - The Corporation has entered into a Management Agreement with Hyman Muss & Sons Management Corporation, an affiliate of the Sponsor, pursuant to terms set forth in the Offering Plan at an annual fee of $8,300.

E. Repairs & Maintenance - An affiliate of the Sponsor performs certain repairs. For 1992 $3,292 was expended for such services.

NOTE 7 STATEMENT OF CASH FLOWS

For the purposes of the Statement of Cash Flows, the Corporation considers all highly liquid debt instruments purchased with maturity of three months or less to be cash equivalents.

For the years ended December 31, 1992 and 1991 the Corporation made cash payments of $73,500 for interest and $-0- for income taxes.

NOTE 8 FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Board of Directors conducted a study to estimate the remaining useful lives and replacement costs of the components of common property. The table included in the unaudited Supplementary Information on Future Major Repairs and Replacements is based on the study.

The Corporation's governing documents do not require that funds be accumulated for future major repairs and replacements. When those funds are needed the Corporation may use the Reserve Fund, borrow funds, increase maintenance charges, or make a special assessment. The Board does not feel it prudent to raise maintenance charges due to the current economic climate.

109-23 OWNERS CORP.
SUPPLEMENTARY INFORMATION ON FUTURE MAJOR REPAIRS AND REPLACEMENTS
DECEMBER 31, 1992

(UNAUDITED)

The Board of Directors conducted a study to estimate the remaining useful lives and the replacement costs of the components of the building, furniture and equipment. The following table is based on the study and presents significant information about the components of the building, furniture and equipment.

	Estimated Remaining Useful Lives (Years)	Estimated Current Replacement Costs
Roof	10	$ 16,000
Exterior Walls	50	*
Heating System	10	40,000
Plumbing	20	50,000
Windows	30	80,000
Lobby Furnishings	10	5,000
Elevators	20	30,000
Intercom	10	10,000
Compactor	10	3,000
		$ 234,000

* Indefinitely with annual maintenance.

Reich & Reich CPA PC

EXHIBIT B

10923 OWNERS CORP.
PROJECTED BUDGET
MAY 1, 1993 - APRIL 30, 1994

INCOME		
Apartment Carrying Charges	$238,270	
Garage Income	27,030	
Laundry Income	2,700	
Professional Unit Income	34,000	
Air Conditioning Charges	4,400	
Interest Income	3,000	
TOTAL INCOME:		$309,400
EXPENSES		
Administrative		
Telephone & Beeper	$1,000	
Legal and Audit	2,700	
Office Expense	500	
Licenses and Permits	1,000	
Dues & Fees	100	
Management Fee	8,300	
Miscellaneous Expenses	1,400	
	$15,000	
Repairs and Maintenance		
Boiler Repairs & Maintenance	$4,000	
Elevator Repairs & Maintenance	5,800	
Compactor Repairs & Maintenance	200	
Plumbing Repairs and Maintenance	1,000	
Electrical Repairs and Maintenance	500	
Roof Repairs and Waterproofing	1,000	
Water Treatment	300	
Glass Replacement	500	
Equipment Repairs	1,000	
Painting and Decorating Public Areas	3,600	
Paint Supplies	500	
Snow Supplies	100	
Garden Supplies	1,000	
Rubbish Removal	500	
Janitorial Supplies	2,000	
General Building Repairs and Maintenance	2,000	
	$24,000	

Payroll		
Payroll	$28,300	
Payroll Tax and Fringes	7,400	
	$35,700	
Utilities		
Oil & Gas	$24,200	
Electricity	12,000	
Water and Sewer	13,000	
	$49,200	
Insurance		
Insurance Expense	$19,000	
Real Estate Taxes		
Real Estate Tax Expense	$91,000	
Interest on Mortgage		
Interest Expense	$73,500	
Other Taxes		
State Franchise	$1,000	
City Corporation	1,000	
	$2,000	
TOTAL EXPENSES:		$309,400

RECAPITULATION

INCOME		$309,400
EXPENSES		
Administrative	$15,000	
Repairs and Maintenance	24,000	
Payroll	35,700	
Utilities	49,200	
Insurance	19,000	
Real Estate Taxes	91,000	
Interest	73,500	
Other Taxes	2,000	
		$309,400

109 23 71ST RD
FOREST HILLS NY 11375
CUST = 8800 BLDG = 080

MID FOREST

OPENING REGISTER OF 06/01/93

RUN DATE 07/02/93 PAGE 31

TEN.	APT.	TENANT	CURRENT RENT	ARREARS	SPEC.CHGS.	TOTAL DUE	PAID	MO-DA	NEW-BAL.	LEASE EXP.	SECURITY	APT SIZ
022	2D	[redacted]	800.00	800.00-						05/94	800.00	•
028	2G		623.75			623.75	623.75	06/07		06/94	623.75	•
030	2H		406.18			406.18	406.18	06/07		09/94	406.18	•
034	3A		401.25			401.25	401.25	06/07		04/94	401.25	•
040	3D		487.74			487.74	487.74	06/03		*04/95	512.13	•
047	3G		910.58			910.58	910.58	06/15		05/94	910.58	•
049	3H		348.99		348.99- B*					/		•
050	3J		342.76			342.76	342.76	06/07		06/94	342.76	•
054	4B		643.42			643.42	643.42	06/16		*07/93	643.42	•
062	4E		304.48			304.48	204.31	06/11		06/94	304.48	•
064	4G		484.76	484.76	100.17- R*	471.52				10/93	484.76	•
							484.76	06/01				
							484.76	06/30				
070	5A		418.68			418.68	418.68	06/04		10/93	418.68	•
078	5E		364.27		364.27- B*					/		•
080	5F		350.10			350.10	350.10	06/11		04/94	355.10	•
082	5G	** VACANT	621.60		621.60- V*					/		•
084	5H	[redacted]	442.86			442.86	442.86	06/08		06/94	442.86	•
086	5J		449.68			449.68	449.68	06/07		06/94	449.68	•
088	6A		414.60			414.60	414.60	06/01		03/94	414.60	•
099	6F		535.87			535.87	535.87	06/03		01/95	535.87	•
100	6GH		944.77			944.77	944.77	06/03		04/94	956.27	•
102	6J		398.80			943.12	398.80	06/07	544.32	*07/93	424.72	•
104	6C		900.00		544.32 R					11/93	900.00	•
106	6D	[redacted]	500.00	500.00		900.00	900.00	06/11		MO/MO		•
						1000.00	1000.00	06/04				
00023			12255.14	789.76	895.71-	11549.19	11004.87		544.32		10484.04	
				989.76					544.32			
				300.00-								

** ARREARS
** PREPAID

BLDG # 080

The foregoing is a true and accurate Rent Roll as of June 30, 1993

MID-FOREST CO.

By: _____
Joshua L. Muss, Partner

Sworn to before me this 15th day of July, 1993

_____
Notary Public

CAROL COLODNER
Notary Public, State of New York
No. 41-47[illegible]538
Qualified in Q[illegible] County
Commission Expire[illegible] ary 28, 19[illegible]

OPENING REGISTER OF ...

…975
…G = 080

	CURRENT RENT	ARREARS	SPEC.CHGS.	TOTAL DUE	PAID	MO-DA	NEW-BAL.	LEASE EXP.	SECURITY	AP… SI…
…TENANT										

…GE DESCRIPTION	RECURRING CHARGE TOTALS	TEMPORARY CHARGE TOTALS	COMBINED CHARGE TOTALS
A ADVERTISING	718.26-		718.26-
B ALLOWANCE			
C CLOSET			
D OPERATING ESC.			
E R/E TAX ESCAL			
F FUEL			
G GARAGE			
H OUT DOOR SPACE			
I INTEREST			
J OFF-HRS A.C.			
K LABOR			
L ELECTRICITY			
M MAINTENANCE			
N CLEANING			
O DOOR OPENER			
P LEGAL			
Q METRO ELECTRIC	100.17-	544.32	444.15
R RENT			
S REFUSE			
T TELEPHONE			
U DELINQUENCY FEE	621.60-		621.60-
V VACANCY ADJUSTMENT			
W WATER			
X REPAIRS			
Y INSURANCE			
Z ADJUSTMENT			

BLDG # 080

EXHIBIT D

Dated: July 15, 1993

The names and addresses of any other Condominiums, Cooperatives of Home Owner's Associates in which the Sponsor or Holder of Unsold Shares or a principal of the Sponsor owns more than 10% of the Shares or Units:

Name	Addresses
The Forestal Condominium	109-33 71st Road Forest Hills, New York
Captain's Quarters Home Owners Assoc.	Bayview Avenue Staten Island, New York
The Stanton Condominium	41-40 Union Street Flushing, New York
Donner Gardens Co.	33-15, 33-25, 33-35 81st Street and 33-16, 33-26, 82nd Street Jackson Heights, New York

EXHIBIT E

10923 OWNERS CORP.

UNSOLD UNITS

2D	5A
2G	5E
2H	5F
	5G
3A	5H
3D	5J
3G	
3H	6A
3J	6C
	6D
4B	6F
4F	6GH
4G	6J

NINETEENTH AMENDMENT TO OFFERING PLAN
A PLAN TO CONVERT TO COOPERATIVE OWNERSHIP
PREMISES AT 109-23 71st ROAD, FOREST HILLS, NEW YORK

The Offering Plan to convert to cooperative Ownership premises at 109-23 71st Road, Forest Hills, New York dated December 15, 1982 as amended by First Amendment dated April 21, 1983, Second Amendment dated June 23 1983, Third Amendment dated October 18, 1983, Fourth Amendment dated January 23, 1984, Fifth Amendment dated February 23, 1984, Sixth Amendment dated May 15, 1984, Seventh Amendment dated November 8, 1984, Eighth Amendment dated March 11, 1986, Ninth Amendment dated September 10, 1985, Tenth Amendment dated March 11, 1986, Eleventh Amendment dated September 15, 1986, Twelfth Amendment dated March 5, 1987, Thirteenth Amendment dated May 5, 1987, Fourteenth Amendment dated May 13, 1988, Fifteenth Amendment dated May 1, 1989, Sixteenth Amendment dated May 24, 1990, Seventeenth Amendment dated April 29, 1991 and Eighteenth Amendment dated October 17, 1991.

1. A copy of the Certified Financial Statement of The Midtown for the period from January 1, 1991 through December 31, 1991 is annexed hereto as Exhibit "A".

2. A copy of the Projected Budget of The Midtown for the period from May 1, 1992 through April 30, 1993 is annexed hereto as Exhibit "B".

3. The aggregate monthly maintenance or common charges for Units owned by the Sponsor is $9,391.05.

4. The aggregate monthly rents received from tenants of all Units owned by the Sponsor is $11,529.35. A current certified rent roll is attached hereto as Exhibit "C".

5. The Sponsor has no financial obligations to the cooperative which will become due within 12 months.

6. There are no unsold Shares that are subject to mortgage (construction or otherwise) or financing commitments.

7. The Sponsor is current on all financial obligations under the Offering Plan, including, but not limited to, maintenance charges, reserve payments, assessments, and payments for repairs or improvements, if any, in the Plan.

8. A list of all other buildings in which the Sponsor owns more than ten (10%) percent of the Units is attached hereto as Exhibit "D".

9. The Sponsor is also current in its financial obligations in other cooperatives, condominiums or home owners associations in which it owns Shares or Units.

10. Annexed hereto as Exhibit "E" is a list of the Units owned by the Sponsor.

11. The current Board is as follows:

Janet Ger - President
John Busch - Vice President, Sponsor Representative
Janet Rauseo - Secretary
Nellie Eisenberg - Treasurer
Lucille Pfaff - Member in good standing

12. Escrow Account:

The disclosure contained in this Paragraph replaces and supersedes the Section of the Plan dealing with the placing of downpayments in escrow. After April 27, 1992, all downpayments being held in escrow will be placed in an account in conformity with the disclosure contained in this Amendment.

The Sponsor 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.

Any provision of any contract or agreement, whether oral or in writing, by which a purchaser or subscriber 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.

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 (5) business days after the Agreement is signed by all necessary parties, in a segregated special escrow account of Harriette G. Zelman, Esq., the Escrow Agent, whose address is 118-35 Queens Boulevard, Forest Hills, New York 11375 and whose telephone number is (718) 268-9330. The sole signatory on this account authorized to withdraw funds is Harriette G. Zelman. The name of the account is "Harriette G. Zelman, Attorney Escrow Account for Mid-Forest Co./The Midtown", located in the Chase Manhattan Bank, N.A., 104-17 Queens Boulevard, Forest Hills, New York 11375. This bank is covered by federal bank deposit insurance to a maximum of $100,000.00 per individual deposit.

The escrow account shall be an Interest-On-Lawyer-Account ("IOLA"). Pursuant to Judiciary Law, Section 497, all interest earned in the IOLA account will be paid to the State of New York.

All instruments shall be made payable to or endorsed to the order of Harriette G. Zelman, as escrow agent, and shall be accepted subject to collection.

Within ten (10) business days after tender of the deposit submitted with the purchase or subscription agreement, the escrow agent will notify the purchaser or subscriber that such funds have been deposited into the escrow account. If the purchaser or subscriber does not receive notice of such deposit within fifteen (15) business days after tender of the deposit, the purchaser or subscriber may cancel the purchase and rescind so long as the right to rescind is exercised within ninety (90) 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 or subscriber in conformity with the Attorney General's regulations.

Purchasers should not that the deposit by the escrow agent of the Purchaser's downpayment into the escrow account shall not be deemed acceptance of the Purchase Agreement. The Purchase Agreement shall only be deemed accepted when countersigned by the Sponsor or his authorized agent.

The escrow agent will hold funds in escrow until otherwise directed in:

(i) a writing signed by both Sponsor and purchaser; Sponsor and/or the Escrow Agent may require a Purchaser to execute a writing authorizing release of the funds by the Escrow Agent as a condition of closing. Authorization of the release of funds at closing in the Purchase Agreement will be deemed such a writing; 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.

The Escrow Agent will also be permitted to release the escrow funds if:

(i) the Escrow Agent is changed pursuant to the terms of the Escrow Agreement in connection with a transfer of funds to the new escrow agent; or

(ii) funds which were deposited prior to the acceptance of the contract are returned to the purchaser because of rejection of the contract by the Sponsor; or

(iii) until released in accordance with the next paragraph.

If there is no written agreement between the parties to release the escrowed funds, the escrow agent will not pay the funds to the Sponsor until the escrow agent has given the purchaser written notice of not fewer than ten (10) business days. Notice shall be deemed given five (5) days after the date of mailing to the Purchaser at the address set forth in the Purchase Agreement. Thereafter, the funds may be paid to the Sponsor unless the purchaser or subscriber 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.

The Sponsor will not object to the release of the escrowed funds to:

(i) a purchaser who timely rescinds in accordance with an offer or rescission contained in the Plan or an Amendment to the Plan;

(ii) all purchasers after an Amendment abandoning the Plan is accepted for filing by the Department of Law.

Purchasers, subscribers 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 Sponsor <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 "F" to this Amendment. The party applying for a determination must send all other parties a copy of the application.

Pending the determination of the Attorney General to grant or deny the application, the Sponsor, the purchaser or subscriber and the escrow agent shall abide by an interim directive issued by the Attorney General.

Attached to this Amendment as Exhibit "G" is a copy of the Escrow Agreement between the Sponsor and the escrow agent which incorporates the terms of the Attorney General's regulations.

The Purchase Agreement shall be deemed amended to incorporate the provisions of this Paragraph 10.

The escrow agent will maintain all records concerning the escrow account for seven (7) years after the release of funds.

13. This Plan may be used for twelve (12) months from the date this Amendment is duly accepted for filing; and thereafter, said date is to be extended in a further Amendment to be filed.

14. Other than as set forth above, there are no material changes which require an Amendment to the Offering Plan.

MID-FOREST CO.

By: _____
Joshua L. Muss, Partner

Dated: July 31, 1992

EXHIBIT A

109-23 OWNERS CORP.

REPORT

AS OF DECEMBER 31, 1991

Reich & Reich CPA, PC.

Reich & Reich CPA, PC.

114 Old Country Road

Suite LL96

Mineola, N. Y. 11501

516 - 294-6777

516 - 294-6778

t Reich CPA

y Reich CPA

Board of Directors
109-23 Owners Corp.

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying balance sheets of 109-23 Owners Corp. as of December 31, 1991 and 1990, and the related statements of operations, accumulated deficit, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of 109-23 Owners Corp. as of December 31, 1991 and 1990, and the results of its operations and its cash flows for the years then ended, in conformity with generally accepted accounting principles.

REICH & REICH, C.P.A., P.C.

February 26, 1992

109-23 OWNERS CORP.
BALANCE SHEETS
DECEMBER 31,

	1991	1990
ASSETS		
Cash - Operating Account	$ 62,220	$ 28,397
Cash - Money Market	15,466	153,688
Certificates of Deposit - Reserve Fund	-	32,401
U.S. Treasury Bills	68,311	-
Accounts Receivable	4,214	1,865
Interest Receivable	756	-
Prepaid Expenses and Taxes	26,136	40,104
Unamortized Mortgage Costs	12,696	17,611
	189,799	274,066
PROPERTY AND EQUIPMENT		
Land	405,762	405,762
Building and Improvements	2,408,794	2,310,225
Building Equipment	12,450	12,450
	2,827,006	2,728,437
Less: Accumulated Depreciation	549,987	479,723
	2,277,019	2,248,714
TOTAL ASSETS	$2,466,818	$2,522,780

LIABILITIES AND SHAREHOLDERS' EQUITY

LIABILITIES		
Accounts Payable and Accrued Expenses	$ 26,047	$ 19,417
Tenants' Security Payable	2,776	2,671
Taxes Payable	1,483	470
Mortgage Payable	700,000	700,000
	730,306	722,558
SHAREHOLDERS' EQUITY		
Capital Stock		
Authorized 6,168 Shares, $1 Par Value		
Issued and Outstanding 6,168 Shares	6,168	6,168
Capital in Excess of Par Value	2,031,259	2,031,259
Accumulated Deficit	(300,915)	(237,205)
	1,736,512	1,800,222
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$2,466,818	$2,522,780

See Notes to Financial Statements.

Reich & Reich CPA, PC.

109-23 OWNERS CORP.
STATEMENTS OF OPERATIONS
YEARS ENDED DECEMBER 31,

	1991	1990
MAINTENANCE AND OTHER INCOME	$238,270	$238,270
Apartment Carrying Charges	21,441	21,020
Parking Charges	4,670	4,841
Air Conditioning Charges	32,079	31,450
Professional Apartment Rental	3,099	2,700
Miscellaneous Income	10,715	11,024
Interest Income		
TOTAL INCOME	$310,274	$309,305
OPERATING EXPENSES		
Salaries	$ 27,051	$ 25,307
Payroll Taxes and Union Benefits	6,810	6,256
Heating - Gas and Oil	25,124	31,669
Electricity	13,078	13,233
Water and Sewer	21,781	9,185
Insurance	17,941	17,123
Maintenance Supplies	3,219	1,483
Management Fees	8,300	8,300
Elevator Maintenance	5,771	5,487
Repairs - Boiler	1,823	2,860
Plastering and Masonry	289	-
Repairs - Other	6,217	5,442
License and Permits	1,021	1,693
Miscellaneous Administrative Expenses	2,316	2,791
Professional Fees	2,570	3,282
State Franchise and City Corporation Tax	1,640	2,120
TOTAL OPERATING EXPENSES	144,951	136,231
FIXED AND OTHER CHARGES		
Real Estate Taxes	80,354	70,264
Interest on Mortgage	73,500	73,500
TOTAL FIXED AND OTHER CHARGES	153,854	143,764
TOTAL OPERATING EXPENSES AND OTHER CHARGES	298,805	279,995
INCOME BEFORE DEPRECIATION AND AMORTIZATION	11,469	29,310
DEPRECIATION AND AMORTIZATION	75,179	74,731
NET LOSS	$(63,710)	$(45,421)

See Notes to Financial Statements.

Reich & Reich CPA, PC.

109-23 OWNERS CORP.
STATEMENT OF ACCUMULATED DEFICIT
YEARS ENDED DECEMBER 31,

	1991	1990
Accumulated Deficit - Beginning of Period	$(237,205)	$(191,784)
ADD: Loss for the Year Ended December 31,	(63,710)	$ (45,421)
ACCUMULATED DEFICIT DECEMBER 31,	$(300,915)	$(237,205)

See Notes to Financial Statements.

Reich & Reich CPA, PC.

109-23 OWNERS CORP.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31,

	1991	1990
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Loss	$ (63,710)	$ (45,421)
Adjustments to reconcile net (loss) to net cash provided by operating activities:		
Depreciation and Amortization	75,179	74,731
Changes in Assets and Liabilities:		
Decrease (Increase) in Accounts Receivable	(2,349)	1,498
Decrease (Increase) in Interest Receivable	(756)	-
Decrease (Increase) in Prepaid Expenses & Taxes	13,968	205
Increase (Decrease) in Accounts Payable and Accrued Expenses	6,630	(4,769)
Increase in Tenants' Security Payable	105	-
Increase (Decrease) in Taxes Payable	1,013	34
Net Cash Provided by Operating Activities	30,080	26,278
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of U.S. Treasury Bills	(68,311)	-
Payments for Building Improvements	(98,569)	-
Net Cash (Used) in Investing Activities	(166,880)	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
None	-	-
Net Increase (decrease) in Cash and Cash Equivalents	(136,800)	26,278
Cash and Cash Equivalents at Beginning of Year	214,486	188,208
Cash and Cash Equivalents at End of Year	$ 77,686	$ 214,486

See Notes to Financial Statements.

Reich & Reich CPA, P

109-23 OWNERS CORP.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1991

NOTE 1 ORGANIZATION AND PROPERTY ACQUISITION

109-23 Owners Corp. (the Corporation) was incorporated on March 19, 1982 for the purpose of operating as a cooperative housing corporation under the Business Corporation Law of the State of New York. The Corporation is authorized to issue 6,168 shares of common stock, with a par value of $1 per share. The Corporation had no operations prior to the date the property was purchased.

On April 30, 1984, the Corporation purchased the property, encompassing an apartment building and the land upon which it was erected, from Mid Forest Company, a New York partnership which was sponsor of an offering plan to convert the property to cooperative housing ownership. The cost of the property was $2,851,168, paid for with monies received from the sale of 1,547 shares of capital stock, the assumption of a purchase money wraparound mortgage of $825,000 and the issuance of 4,621 shares to the sponsor valued at $1,433,840 ($300 a share). In accordance with the terms of the offering plan (including all amendments thereto), a total of 6,168 shares were issued to purchasers of apartments and to the sponsor for the unsold apartments.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The land, buildings and improvements are stated at cost (see Note 1). Depreciation is calculated on the straight-line method.

The useful lives are:

Building	35 Years
Building Improvements and Equipment	19-28 Years

B. Maintenance, repairs and routine replacements are charged to operations as incurred. Replacements which improve and extend the lives of the properties are capitalized.

C. Mortgage costs are amortized on a straight-line basis over the life of the mortgage.

NOTES TO FINANCIAL STATEMENTS (continued)

NOTE 3 MORTGAGE

The mortgage is payable to Jamaica Savings Bank and secured by the land and building. It matures on August 1, 1994 and requires monthly payments of interest only of $6,125 at the rate of 10 1/2% per year.

NOTE 4 INCOME AND FRANCHISE TAXES

The Corporation is subject to Federal, State and City income taxes on its net income. It is also subject to State and City taxes on its "Capital Base".

The Corporation has a net operating loss carryforward of approximately $301,000 which will start expiring in 1999.

NOTE 5 RESERVE CASH FUNDS

Pursuant to the terms of the offering plan, the sponsor paid to the Corporation $25,000 as a Reserve Fund. Approximately $5,000 of the Reserve Fund was absorbed by closing adjustments as expressly permitted under the Offering Plan and the balance of $20,000 was deposited in a Certificate of Deposit. The balance in the fund as of the Balance Sheet dates, including interest were $-0- and $32,401 respectively. During 1991 the balance in the Reserve Fund was used for window replacement.

NOTE 6 RELATED PARTY TRANSACTIONS

A. Stock Ownership - The property was acquired from Mid Forest Company (Mid Forest) as described in Note 1. At December 31, 1991 and 1990, Mid Forest owned 2,918 and 3,082 of the 6,168 outstanding shares.

B. Mortgage - Under the terms of the offering plan, the Corporation executed a $825,000 purchase money wraparound mortgage in favor of Mid Forest. This mortgage wrapped around a $436,207 mortgage to Roosevelt Savings Bank. Both matured on July 1, 1989. At that time, since the corporation had been in full compliance with its mortgage agreement, the corporation paid the sponsor $683,004 to satisfy the $825,000 obligation. This adjustment of $141,966 was treated as an adjustment in the basis of the property.

C. Apartment Carrying Charges - Included in apartment carrying charges of $238,270 is $122,937 and $123,463 for the years ended December 31, 1991 and 1990 from Mid Forest for the charges related to the shares that it owns.

D. Management Fees - The Corporation has entered into a Management Agreement with Hyman Muss & Sons Management Corporation, an affiliate of the Sponsor, pursuant to terms set forth in the Offering Plan at an annual fee of $8,300.

NOTE 7 STATEMENT OF CASH FLOWS

For the purposes of the Statement of Cash Flows, the Corporation considers all highly liquid debt instruments purchased with maturity of three months or less to be cash equivalents.

For the years ended December 31, 1991 and 1990 the Corporation made cash payments of $73,500 for interest and $-0- for income taxes.

EXHIBIT A

109-23 OWNERS CORP.

REPORT

AS OF DECEMBER 31, 1991

Reich & Reich CPA, PC.

Reich & Reich CPA, PC.

114 Old Country Road

Suite LL96

Mineola, N. Y. 11501

516 - 294-6777

516 - 294-6778

Reich CPA

Reich CPA

Board of Directors
109-23 Owners Corp.

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying balance sheets of 109-23 Owners Corp. as of December 31, 1991 and 1990, and the related statements of operations, accumulated deficit, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of 109-23 Owners Corp. as of December 31, 1991 and 1990, and the results of its operations and its cash flows for the years then ended, in conformity with generally accepted accounting principles.

REICH & REICH, C.P.A., P.C.

February 26, 1992

109-23 OWNERS CORP.
BALANCE SHEETS
DECEMBER 31,

	1991	1990
ASSETS		
Cash - Operating Account	$ 62,220	$ 28,397
Cash - Money Market	15,466	153,688
Certificates of Deposit - Reserve Fund	-	32,401
U.S. Treasury Bills	68,311	-
Accounts Receivable	4,214	1,865
Interest Receivable	756	-
Prepaid Expenses and Taxes	26,136	40,104
Unamortized Mortgage Costs	12,696	17,611
	189,799	274,066
PROPERTY AND EQUIPMENT		
Land	405,762	405,762
Building and Improvements	2,408,794	2,310,225
Building Equipment	12,450	12,450
	2,827,006	2,728,437
Less: Accumulated Depreciation	549,987	479,723
	2,277,019	2,248,714
TOTAL ASSETS	$2,466,818	$2,522,780

LIABILITIES AND SHAREHOLDERS' EQUITY

LIABILITIES		
Accounts Payable and Accrued Expenses	$ 26,047	$ 19,417
Tenants' Security Payable	2,776	2,671
Taxes Payable	1,483	470
Mortgage Payable	700,000	700,000
	730,306	722,558
SHAREHOLDERS' EQUITY		
Capital Stock		
Authorized 6,168 Shares, $1 Par Value		
Issued and Outstanding 6,168 Shares	6,168	6,168
Capital in Excess of Par Value	2,031,259	2,031,259
Accumulated Deficit	(300,915)	(237,205)
	1,736,512	1,800,222
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$2,466,818	$2,522,780

See Notes to Financial Statements.

Reich & Reich CPA, PC.

109-23 OWNERS CORP.
STATEMENTS OF OPERATIONS
YEARS ENDED DECEMBER 31,

	1991	1990
MAINTENANCE AND OTHER INCOME	$238,270	$238,270
Apartment Carrying Charges	21,441	21,020
Parking Charges	4,670	4,841
Air Conditioning Charges	32,079	31,450
Professional Apartment Rental	3,099	2,700
Miscellaneous Income	10,715	11,024
Interest Income		
TOTAL INCOME	$310,274	$309,305
OPERATING EXPENSES		
Salaries	$ 27,051	$ 25,307
Payroll Taxes and Union Benefits	6,810	6,256
Heating - Gas and Oil	25,124	31,669
Electricity	13,078	13,233
Water and Sewer	21,781	9,185
Insurance	17,941	17,123
Maintenance Supplies	3,219	1,483
Management Fees	8,300	8,300
Elevator Maintenance	5,771	5,487
Repairs - Boiler	1,823	2,860
Plastering and Masonry	289	-
Repairs - Other	6,217	5,442
License and Permits	1,021	1,693
Miscellaneous Administrative Expenses	2,316	2,791
Professional Fees	2,570	3,282
State Franchise and City Corporation Tax	1,640	2,120
TOTAL OPERATING EXPENSES	144,951	136,231
FIXED AND OTHER CHARGES		
Real Estate Taxes	80,354	70,264
Interest on Mortgage	73,500	73,500
TOTAL FIXED AND OTHER CHARGES	153,854	143,764
TOTAL OPERATING EXPENSES AND OTHER CHARGES	298,805	279,995
INCOME BEFORE DEPRECIATION AND AMORTIZATION	11,469	29,310
DEPRECIATION AND AMORTIZATION	75,179	74,731
NET LOSS	$(63,710)	$(45,421)

See Notes to Financial Statements.

Reich & Reich CPA, PC.

109-23 OWNERS CORP.
STATEMENT OF ACCUMULATED DEFICIT
YEARS ENDED DECEMBER 31,

	1991	1990
Accumulated Deficit - Beginning of Period	$(237,205)	$(191,784)
ADD: Loss for the Year Ended December 31,	(63,710)	$ (45,421)
ACCUMULATED DEFICIT DECEMBER 31,	$(300,915)	$(237,205)

See Notes to Financial Statements.

Reich & Reich CPA, PC

109-23 OWNERS CORP.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31,

	1991	1990
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Loss	$ (63,710)	$ (45,421)
Adjustments to reconcile net (loss) to net cash provided by operating activities:		
Depreciation and Amortization	75,179	74,731
Changes in Assets and Liabilities:		
Decrease (Increase) in Accounts Receivable	(2,349)	1,498
Decrease (Increase) in Interest Receivable	(756)	-
Decrease (Increase) in Prepaid Expenses & Taxes	13,968	205
Increase (Decrease) in Accounts Payable and Accrued Expenses	6,630	(4,769)
Increase in Tenants' Security Payable	105	-
Increase (Decrease) in Taxes Payable	1,013	34
Net Cash Provided by Operating Activities	30,080	26,278
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of U.S. Treasury Bills	(68,311)	-
Payments for Building Improvements	(98,569)	-
Net Cash (Used) in Investing Activities	(166,880)	-
CASH FLOWS FROM FINANCING ACTIVITIES:	-	-
None		
Net Increase (decrease) in Cash and Cash Equivalents	(136,800)	26,278
Cash and Cash Equivalents at Beginning of Year	214,486	188,208
Cash and Cash Equivalents at End of Year	$ 77,686	$ 214,486

See Notes to Financial Statements.

Reich & Reich CPA, P

109-23 OWNERS CORP.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1991

NOTE 1 ORGANIZATION AND PROPERTY ACQUISITION

109-23 Owners Corp. (the Corporation) was incorporated on March 19, 1982 for the purpose of operating as a cooperative housing corporation under the Business Corporation Law of the State of New York. The Corporation is authorized to issue 6,168 shares of common stock, with a par value of $1 per share. The Corporation had no operations prior to the date the property was purchased.

On April 30, 1984, the Corporation purchased the property, encompassing an apartment building and the land upon which it was erected, from Mid Forest Company, a New York partnership which was sponsor of an offering plan to convert the property to cooperative housing ownership. The cost of the property was $2,851,168, paid for with monies received from the sale of 1,547 shares of capital stock, the assumption of a purchase money wraparound mortgage of $825,000 and the issuance of 4,621 shares to the sponsor valued at $1,433,840 ($300 a share). In accordance with the terms of the offering plan (including all amendments thereto), a total of 6,168 shares were issued to purchasers of apartments and to the sponsor for the unsold apartments.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The land, buildings and improvements are stated at cost (see Note 1). Depreciation is calculated on the straight-line method.

The useful lives are:

Building	35 Years
Building Improvements and Equipment	19-28 Years

B. Maintenance, repairs and routine replacements are charged to operations as incurred. Replacements which improve and extend the lives of the properties are capitalized.

C. Mortgage costs are amortized on a straight-line basis over the life of the mortgage.

NOTES TO FINANCIAL STATEMENTS (continued)

NOTE 3 MORTGAGE

The mortgage is payable to Jamaica Savings Bank and secured by the land and building. It matures on August 1, 1994 and requires monthly payments of interest only of $6,125 at the rate of 10 1/2% per year.

NOTE 4 INCOME AND FRANCHISE TAXES

The Corporation is subject to Federal, State and City income taxes on its net income. It is also subject to State and City taxes on its "Capital Base".

The Corporation has a net operating loss carryforward of approximately $301,000 which will start expiring in 1999.

NOTE 5 RESERVE CASH FUNDS

Pursuant to the terms of the offering plan, the sponsor paid to the Corporation $25,000 as a Reserve Fund. Approximately $5,000 of the Reserve Fund was absorbed by closing adjustments as expressly permitted under the Offering Plan and the balance of $20,000 was deposited in a Certificate of Deposit. The balance in the fund as of the Balance Sheet dates, including interest were $-0- and $32,401 respectively. During 1991 the balance in the Reserve Fund was used for window replacement.

NOTE 6 RELATED PARTY TRANSACTIONS

A. Stock Ownership - The property was acquired from Mid Forest Company (Mid Forest) as described in Note 1. At December 31, 1991 and 1990, Mid Forest owned 2,918 and 3,082 of the 6,168 outstanding shares.

B. Mortgage - Under the terms of the offering plan, the Corporation executed a $825,000 purchase money wraparound mortgage in favor of Mid Forest. This mortgage wrapped around a $436,207 mortgage to Roosevelt Savings Bank. Both matured on July 1, 1989. At that time, since the corporation had been in full compliance with its mortgage agreement, the corporation paid the sponsor $683,004 to satisfy the $825,000 obligation. This adjustment of $141,966 was treated as an adjustment in the basis of the property.

C. Apartment Carrying Charges - Included in apartment carrying charges of $238,270 is $122,937 and $123,463 for the years ended December 31, 1991 and 1990 from Mid Forest for the charges related to the shares that it owns.

D. Management Fees - The Corporation has entered into a Management Agreement with Hyman Muss & Sons Management Corporation, an affiliate of the Sponsor, pursuant to terms set forth in the Offering Plan at an annual fee of $8,300.

NOTE 7 STATEMENT OF CASH FLOWS

For the purposes of the Statement of Cash Flows, the Corporation considers all highly liquid debt instruments purchased with maturity of three months or less to be cash equivalents.

For the years ended December 31, 1991 and 1990 the Corporation made cash payments of $73,500 for interest and $-0- for income taxes.

EXHIBIT B

10923 OWNERS CORP.
PROJECTED BUDGET
MAY 1, 1992 - APRIL 30, 1993

INCOME		
Apartment Carrying Charges	$ 238,270	
Garage Income	21,200	
Laundry Income	2,700	
Professional Unit Income	33,330	
Air Conditioning Charges	4,800	
Interest Income	4,000	
TOTAL INCOME:		$ 304,300
EXPENSES		
Administrative		
Telephone & Beeper	$ 1,000	
Legal and Audit	2,700	
Office Expense	500	
Licenses and permits	1,000	
Dues and Fees	100	
Management Fee	8,300	
Miscellaneous Expenses	1,500	
	$ 15,100	
Repairs and Maintenance		
Boiler Repairs and Maintenance	2,200	
Elevator Repairs and Maintenance	5,900	
Compactor Repairs and Maintenance	100	
Plumbing Repairs and Maintenance	1,000	
Electrical Repairs and Maintenance	500	
Roof Repairs and Waterproofing	500	
Water Treatment	300	
Glass Replacement	500	
Equipment Repairs	800	
Painting and Decorating Public Areas	500	
Paint Supplies	500	
Snow Supplies	100	
Garden Supplies	1,000	
Rubbish Removal	-0-	
Janitorial Supplies	3,000	
General Building Repairs and Maintenance	2,000	
	$ 18,900	

Payroll

Payroll	$ 28,500
Payroll tax and fringes	7,300
	$ 35,800

Utilities

Oil & Gas	$ 28,000
Electricity	14,000
Water and Sewer	13,000
	$ 55,000

Insurance

Insurance Expense	$ 19,000

Real Estate Taxes

Real Estate Tax Expense	$ 85,000

Interest on Mortgage

Interest Expense	$ 73,500

Other Taxes

State franchise	$ 1,000
City corporation	1,000
	$ 2,000

RECAPITULATION

INCOME		$ 304,300
EXPENSES		
Administrative	$ 15,100	
Repairs & Maintenance	18,900	
Payroll	35,800	
Utilities	55,000	
Insurance	19,000	
Real Estate Taxes	85,000	
Interest	73,500	
Taxes	2,000	
TOTAL EXPENSES		$ 304,300

EXHIBIT B

10923 OWNERS CORP.
PROJECTED BUDGET
MAY 1, 1992 - APRIL 30, 1993

INCOME		
Apartment Carrying Charges	$ 238,270	
Garage Income	21,200	
Laundry Income	2,700	
Professional Unit Income	33,330	
Air Conditioning Charges	4,800	
Interest Income	4,000	
TOTAL INCOME:		$ 304,300
EXPENSES		
Administrative		
Telephone & Beeper	$ 1,000	
Legal and Audit	2,700	
Office Expense	500	
Licenses and permits	1,000	
Dues and Fees	100	
Management Fee	8,300	
Miscellaneous Expenses	1,500	
	$ 15,100	
Repairs and Maintenance		
Boiler Repairs and Maintenance	2,200	
Elevator Repairs and Maintenance	5,900	
Compactor Repairs and Maintenance	100	
Plumbing Repairs and Maintenance	1,000	
Electrical Repairs and Maintenance	500	
Roof Repairs and Waterproofing	500	
Water Treatment	300	
Glass Replacement	500	
Equipment Repairs	800	
Painting and Decorating Public Areas	500	
Paint Supplies	500	
Snow Supplies	100	
Garden Supplies	1,000	
Rubbish Removal	-0-	
Janitorial Supplies	3,000	
General Building Repairs and Maintenance	2,000	
	$ 18,900	

Payroll

Payroll	$ 28,500
Payroll tax and fringes	7,300
	$ 35,800

Utilities

Oil & Gas	$ 28,000
Electricity	14,000
Water and Sewer	13,000
	$ 55,000

Insurance

Insurance Expense	$ 19,000

Real Estate Taxes

Real Estate Tax Expense	$ 85,000

Interest on Mortgage

Interest Expense	$ 73,500

Other Taxes

State franchise	$ 1,000
City corporation	1,000
	$ 2,000

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INCOME		$ 304,300
EXPENSES		
Administrative	$ 15,100	
Repairs & Maintenance	18,900	
Payroll	35,800	
Utilities	55,000	
Insurance	19,000	
Real Estate Taxes	85,000	
Interest	73,500	
Taxes	2,000	
TOTAL EXPENSES		$ 304,300

EXHIBIT C

109 23 71ST RD
FOREST HILLS NY 11375
CUST = 6800 BLDG = 080

MID FOREST

STATUS AS OF 06/24/92

RUN DATE 06/24/92 PAGE 34

EXHIBIT C

TEN.	APT.	TENANT	CURRENT RENT	ARREARS	SPEC.CHGS.	TOTAL DUE	PAID	MO-DA	NEW-BAL.	LEASE EXP.	SECURITY	APT SIZ
022	2D	** VACANT	311.72		311.72- V*					/		.
028	2G	[redacted]	623.75			623.75	623.75	06/04		01/92	623.75	.
030	2H		386.64			386.64	386.64	06/15		00/99	386.64	.
034	3A		401.25			401.25	401.25	06/09		04/94	401.25	.
040	3D		487.74			487.74	487.74	06/04		09/93	487.74	.
047	3G		884.06	884.06		1768.12			1766.12	05/93	884.06	.
049	3H		348.99		348.99- B*					/		.
050	3J		368.79			368.79	368.79	06/08		06/92	368.79	.
054	4E		643.42			643.42	643.42	06/09		07/91	643.42	.
062	4F		304.48			204.31	204.31	06/08		02/94	304.48	.
064	4G	[redacted]			100.17- R*							.
070	5A		489.76			489.76			489.76	10/93	459.87	.
078	5E		416.68			416.68	416.68	06/03		10/93	393.13	.
080	5F	** VACANT	369.27		369.27- V*					/		.
082	5G	[redacted]	333.43			333.43	333.43	06/15		09/92	333.43	.
084	5H		621.60			621.60	621.60	06/09		08/92	621.60	.
086	5J		492.86			492.86	492.86	06/04		01/92	492.86	.
088	6A		469.18			469.18	469.18	06/15		06/92	469.18	.
099	6F		414.60			414.60	414.60	06/04		03/94	414.60	.
100	6GH		510.35			510.35	510.35	06/09		03/93	510.35	.
102	6J		899.78			899.78	899.78	06/24		09/92	899.78	.
104	6C		398.60			398.60	398.60	06/08		09/91	398.60	.
106	6D		850.00			850.00	850.00	06/08		11/92	850.00	.
			500.00			500.00	500.00	06/09		12/92		.
00023			11529.35	884.06	1130.15-	11283.26	9025.38		2257.88		9943.93	
		** ARREARS		884.06					2257.88			
		** PREPAID										

BLDG # 080

The above is a true and accurate Rent Roll as of 6/24/92

MID FOREST CO.

By: [signature]
Joshua L. Muse, Partner

Sworn to before me this 31st day of July, 1992

[signature]
Notary Public

CAROL COLODNER
Notary Public, State of New York
No. 41-4767538
Qualified in Queens County
Commission Expires February 28, 1993

EXHIBIT D

The names and addresses of any other Condominiums, Cooperatives or Home Owners Associations in which the Sponsor or Holder of Unsold Shares or a principal of the Sponsor owns more than 10% of the Shares or Units.

Name	Address
The Stanton Condominium	41-40 Union Street Flushing, New York
The Forestal Condominium	109-33 71st Road Forest Hills, New York
Captain's Quarters Home Owner's Association, Inc.	Bayview Avenue Staten Island, New York
Donner Gardens	33-15, 33-25, 33-35 81st Street and 33-16, 33-26 82nd Street, Jackson Heights, New York

EXHIBIT D

The names and addresses of any other Condominiums, Cooperatives or Home Owners Associations in which the Sponsor or Holder of Unsold Shares or a principal of the Sponsor owns more than 10% of the Shares or Units.

Name	Address
The Stanton Condominium	41-40 Union Street Flushing, New York
The Forestal Condominium	109-33 71st Road Forest Hills, New York
Captain's Quarters Home Owner's Association, Inc.	Bayview Avenue Staten Island, New York
Donner Gardens	33-15, 33-25, 33-35 81st Street and 33-16, 33-26 82nd Street, Jackson Heights, New York

EXHIBIT E

10923 OWNERS CORP.

UNSOLD UNITS

2D
2G
2H

3A
3D
3G
3H
3J

4B
4F
4G

5A
5E
5F
5G
5H
5J

6A
6C
6D
6F
6GH
6J

EXHIBIT E

10923 OWNERS CORP.

UNSOLD UNITS

2D	5A
2G	5E
2H	5F
	5G
3A	5H
3D	5J
3G	
3H	6A
3J	6C
	6D
4B	6F
4F	6GH
4G	6J

EXHIBIT F

ETF-1

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).

EXHIBIT "D"

2/6/02

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 G

ESCROW AGREEMENT

AGREEMENT made this day of MAY , 1992, between MID FOREST CO. ("SPONSOR") as Sponsor of the offering plan for 109 23 OWNERS CORP. and HARRIETTE G. ZELMAN, 118-35 QUEENS BOULEVARD, FOREST HILLS, New York, ("ESCROW AGENT") AS ESCROW AGENT.

WHEREAS MID FOREST CO. , is the SPONSOR of an offering plan to convert/~~to develop~~ to cooperative/ ~~condominium/home owner association~~ (strike out inapplicable provisions), the premises located at 109-23 71st Road, Forest Hills, N.Y. 113 which premises are known as THE MIDTOWN ; and

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

WHEREAS, SPONSOR 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 consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT

1.1 SPONSOR and ESCROW AGENT hereby establish an escrow account with ESCROW AGENT for the purpose of holding deposits or payments made by purchasers or subscribers. The escrow account has been opened with THE CHASE MANHATTAN BANK, N.A. (depository bank) at its branch located at 104-17 QUEENS BLVD., FOREST HILLS New York. The account number is [redacted]

1.2 The name of the account is " HARRIETTE G.ZELMAN ATTORNEY ESCROW ACCOUNT MID FOREST CO./ ~~ESCROW ACCOUNT~~. THE MIDTOWN "

1.3 ~~A member of the~~ ESCROW AGENT is the sole signatory on the account.

~~Deposits~~ The escrow account shall be an interest bearing account as disclosed in the offering plan or an amendment thereto.

1.5 The escrow account is~~/is not (cross out inapplicable provision)~~ an Interest-on-Lawyer-Account ("IOLA") account 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 shall be made payable to, or endorsed by the purchaser or subscriber to the order of HARRIETTE G. ZELMAN , as escrow agent for MID FOREST CO./THE MIDTOWN 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 (5) 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 SPONSOR shall deliver to the escrow agent all deposits submitted pursuant to a subscription or purchase agreement, within three (3) business days after tender of the

deposit by a prospective purchaser to the SPONSOR or any agent engaged by the SPONSOR, along with the form of tender of deposit attached hereto as Exhibit A to this Escrow Agreement, executed by the SPONSOR.

2.3 Within ten (10) business days after tender of the deposit submitted with the subscription or purchase agreement, the ESCROW AGENT shall notify the purchaser of the deposit of such funds in the bank indicated in the offering plan or amendment thereto, 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 the tender of the deposit, the purchaser may cancel the subscription or purchase agreement and rescind within ninety (90) 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 the escrow regulations promulgated by the Attorney General 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 deposited by a defaulting purchaser until after consummation

of the plan as defined in the Attorney General's regulations. Consummation of the plan shall not relieve SPONSOR 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 SPONSOR and purchaser or (b) a determination of the Attorney General or (c) a judgment or order of a court of competent jurisdiction or (d) until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds.

3.3 SPONSOR 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 SPONSOR until ESCROW AGENT has given the purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to SPONSOR unless the purchaser has made an 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.

3.5 ESCROW AGENT shall disburse the purchaser's deposit(s) escrowed under this Escrow Agreement within twenty (20) business days after the escrowed funds are permitted to be released in accordance with this Agreement.

4. RECORDKEEPING

4.1 ESCROW AGENT shall maintain all records concerning the escrow account for seven (7) years after release of the funds.

4.2 Upon the dissolution of a law firm which was the 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.

5.3 No disbursement need or will be made by ESCROW AGENT until the deposit has actually and finally cleared ESCROW AGENT's account.

5.4 ESCROW AGENT shall only be responsible for monies actually received and cleared, and monies earned thereon, if any.

5.5 ESCROW AGENT may act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine, may assume the validity and accuracy of any statements or assertions contained in such writing or instrument; and may assume that any person purporting to give any writing, notice, advice or instruction in connection with the provisions hereof has been duly authorized to do so.

5.6 ESCROW AGENT undertakes to perform only such duties as are expressly set forth in this Agreement and the Escrow Regulations promulgated by the New York State Attorney General's Office, and no implied duties or obligations shall be read into this Agreement against ESCROW AGENT.

6. RESPONSIBILITIES OF SPONSOR

6.1 SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall within three (3) business days of receipt of all deposits and payments deliver to ESCROW AGENT all such deposits and payments received by them prior to closing of an individual transaction.

6.2 SPONSOR agrees that it shall not interfere with ESCROW AGENT's performance of its fiduciary duties and compliance with the Attorney General's regulations.

7. INDEMNIFICATION

7.1 ESCROW AGENT shall not be liable for SPONSOR's failure to tender the purchasers' funds to ESCROW AGENT within three (3) business days, for any mistakes of fact or errors of judgment, or for any acts or omissions of any kind unless caused by its willful misconduct or gross negligence, and SPONSOR agrees to indemnify and hold ESCROW AGENT harmless

from any claims, demands, causes of action, liability, damages, judgments, including the cost of defending any action against it together with any reasonable attorneys' fees incurred therewith and/or reasonable value of services rendered by ESCROW AGENT's litigation attorneys representing ESCROW AGENT pro se, in connection with ESCROW AGENT's undertaking pursuant to the terms and conditions of this Escrow Agreement, unless such act or omission is a result of the willful misconduct or gross negligence of ESCROW AGENT.

7.2 ESCROW AGENT shall not be liable in any manner for the sufficiency or correctness as to form, manner or execution, or validity of any written instructions delivered to it, nor as to the identity, authority, or rights of any person executing the same.

7.3 The duties of ESCROW AGENT shall be limited to the safekeeping of the deposits and for disbursements of same in accordance with the written instructions described in this Agreement.

8. TERMINATION OF AGREEMENT

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

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

(b) The resignation of ESCROW AGENT upon giving notice to SPONSOR 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.

(d) ESCROW AGENT shall have no responsibility to verify qualifications of any successor escrow agent.

8.2 Upon termination of the duties of ESCROW AGENT as described in Paragraph 8.1 above, ESCROW AGENT shall deliver any and all funds held by it in escrow and any and all contracts or documents maintained by ESCROW AGENT to the new escrow agent designated in the duly filed amendment related thereto.

8.3 Upon delivery of all funds held by the ESCROW AGENT to the new escrow agent pursuant to 8.2 supra, this Agreement shall be terminated and the ESCROW AGENT shall be released from all liability hereunder.

8.4 Upon ESCROW AGENT disbursing the deposit of an individual purchaser in accordance with the provisions of this Agreement, the escrow obligation's shall terminate as regards said purchaser's deposit, and ESCROW AGENT shall thereafter be released of all liability in connection with said purchaser.

9. MISCELLANEOUS

9.1 In the event of a good faith disagreement about the interpretation of this Agreement, or about the rights and obligations, or the propriety, of any action contemplated by ESCROW AGENT hereunder, ESCROW AGENT may, at its sole discretion, retain purchasers's deposits and payments in escrow and apply to the Attorney General for a determination on the disposition of the down payment or file an action and deposit any applicable funds in court to resolve said disagreement. ESCROW AGENT shall be indemnified by SPONSOR for all costs, including reasonable attorneys' fees or reasonable value of services rendered by ESCROW AGENT's litigation attorneys representing ESCROW AGENT pro se, in

connection with the aforesaid action. No such action shall be filed where the ESCROW AGENT's required course of action is clearly dictated within this Agreement.

10. SUCCESSORS AND ASSIGNS

10.1 This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their successors and assigns.

11. GOVERNING LAW

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

12. ESCROW AGENT'S COMPENSATION

12.1 SPONSOR agrees that ESCROW AGENT's compensation, if any, 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.

13. SEVERABILITY

13.1 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.

14. ENTIRE AGREEMENT

14.1 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.

15. NOTICES

15.1 Any notice required to be given or given hereunder shall be given by depositing such notice in a post-paid wrapper, in an official depository under the exclusive care and custody of the United States Postal Service within New York State, or by Express Mail, Federal Express or similar overnight courier, facsimile transmission, messenger service (with proper receipt therefor), addressed to the party at the address hereinabove set forth with a copy of any such notice by regular mail to the attorney for such pary as follows:

IF TO ESCROW AGENT:

IF TO SPONSOR:

Any notice may be given by the attorney for a party and shall have the same force as if given by the party. Either party may, by notice, change the address at which notices are to be given hereunder.

16. CAPTIONS AND HEADINGS

16.1 The captions and headings used in this Agreement are intended for convenience and reference only and shall not imply or convey any additional meanings to the contents of the respective provisions.

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

ESCROW AGENT:

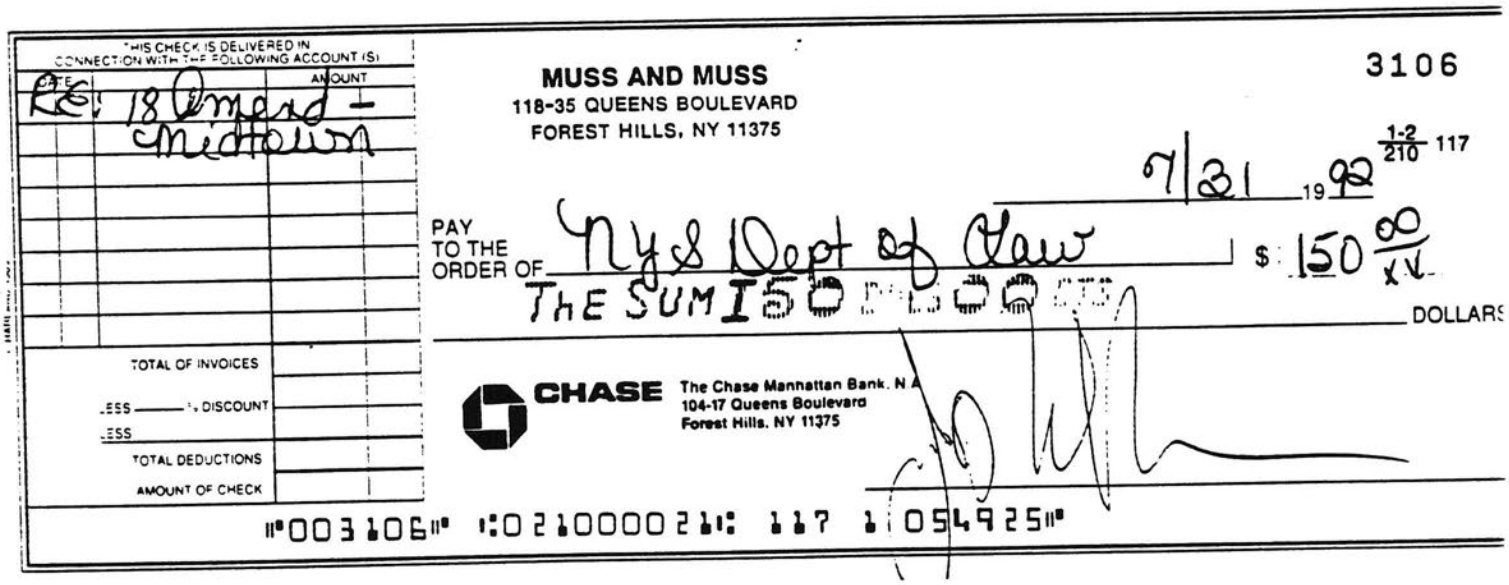
By: _____
HARRIETTE G. ZELMAN

SPONSOR:

_____
MID FOREST CO.

By: _____

JOSHUA L. MUSS, PARTNER
Print Name & Title



THIS CHECK IS DELIVERED IN CONNECTION WITH THE FOLLOWING ACCOUNT (S)

DATE		AMOUNT
Re: 18 Oxford - Midtown		

TOTAL OF INVOICES

LESS ____ % DISCOUNT

LESS

TOTAL DEDUCTIONS

AMOUNT OF CHECK

MUSS AND MUSS
118-35 QUEENS BOULEVARD
FOREST HILLS, NY 11375

3106

1-2 / 210 117

7/21 19 92

PAY TO THE ORDER OF Nys Dept of Law $ 150 00/xx

THE SUM 150 [illegible] DOLLARS

CHASE The Chase Manhattan Bank, N.A.
104-17 Queens Boulevard
Forest Hills, NY 11375

⑈003106⑈ ⑆021000021⑆ 117 ⑆054925⑈

AMENDMENT FILING FORM

(Cooperative, Condominiums, H.O.A.'s, Timeshares, etc.)

RE: THE MIDTOWN
(Address of Premises and/or Name of Project)

File No: C820103 Plan Filing Date: December 15, 1982
Sponsor: Mid-Forest Co.
c/o Attorney's Name: Michael F. Seidenwar, Esq.
Law Firm: Muss & Muss
Address: 118-35 Queens Blvd., Forest Hills, New York 11375

Check whichever are applicable:

(X) Cooperative	( ) Commercial Only	( ) Conversion
( ) Condominium	( ) New Construction	( ) Eviction
( ) H.O.A.	( ) Rehab	( ) Non-Eviction, since Filing Da
( ) Timeshare	( ) Vacant	( ) Non-Eviction, since Am. No.__
	( ) Loft	( ) Non-Eviction, by this Am.

( ) Post-closing amendment has been filed including all requirements of regulatic (e.g. 13NYCRR 18.5(f), 18.3(aa)(1) and (4) for coops).
( ) Certified financial statements of income and expense have been provided for t calendar/fiscal year _____, 19__ to _____, 19__.
( ) The last budget contained in the Offering Plan or any subsequent amendment is f the calendar/fiscal year commencing _____, 19__.
( ) Check if this is a price change only amendment (e.g. 13 NYCRR 18.5(d)(1) for coops

The primary purposes of this amendment are as follows:

I. ESCROW AND TRUST FUND REGULATIONS
II. NINETEENTH AMENDMENT

( ) Continued on attached sheet.

I (We hereby certify under penalty of perjury that the offering plan for the subje premises as amended by the proposed amendment complies with Article 23-A of the Genera Business Law and the applicable regulations promulgated by the Department of Law

Dated: July 31, 19 92

SPONSOR: MID-FOREST CO.
By:
PRINT NAME AND TITLE: Joshua L. Muss, Partner
OTHER SIGNATORIES:

IN CAPACITY OF
(X) principal(s) of sponsor
( ) holder(s) of Unsold Shares or Unsold Units

Sworn to before me this
31st day of July, 19 92
Carol Colodner
Notary Public

CAROL COLODNER
Notary Public, State of New York
No. 41-4767538
Qualified in Queens County
Commission Expires February 28, 19 93

ESCROW AGREEMENT

AGREEMENT made this day of MAY , 1992, between MID FOREST CO. ("SPONSOR") as Sponsor of the offering plan for 109 23 OWNERS CORP. and HARRIETTE G. ZELMAN, 118-35 QUEENS BOULEVARD, FOREST HILLS, New York, ("ESCROW AGENT") AS ESCROW AGENT.

WHEREAS MID FOREST CO. , is the SPONSOR of an offering plan to convert/~~to develop~~ to cooperative/ ~~condominium/home owner association~~ (strike out inapplicable provisions), the premises located at 109-23 71st Road, Forest Hills, N.Y. 1137 which premises are known as THE MIDTOWN ; and

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

WHEREAS, SPONSOR 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 consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT

1.1 SPONSOR and ESCROW AGENT hereby establish an escrow account with ESCROW AGENT for the purpose of holding deposits or payments made by purchasers or subscribers. The escrow account has been opened with THE CHASE MANHATTAN BANK, N.A. (depository bank) at its branch located at 104-17 QUEENS BLVD., FOREST HILLS New York. The account number is [redacted]

1.2 The name of the account is " HARRIETTE G.ZELMAN ATTORNEY ESCROW ACCOUNT MID FOREST CO./ ~~ESCROW ACCOUNT~~. THE MIDTOWN "

1.3 ~~A member or members of the~~ ESCROW AGENT is/are the sole signatory on the account.

~~1.4 The escrow account shall be an interest bearing account as disclosed in the offering plan or an amendment thereto.~~

1.5 The escrow account is~~/is not (cross out inapplicable provision)~~ an Interest-on-Lawyer-Account ("IOLA") account 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 shall be made payable to, or endorsed by the purchaser or subscriber to the order of HARRIETTE G. ZELMAN , as escrow agent for MID FOREST CO./THE MIDTOWN 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 (5) 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 SPONSOR shall deliver to the escrow agent all deposits submitted pursuant to a subscription or purchase agreement, within three (3) business days after tender of the

deposit by a prospective purchaser to the SPONSOR or any agent engaged by the SPONSOR, along with the form of tender of deposit attached hereto as Exhibit A to this Escrow Agreement, executed by the SPONSOR.

2.3 Within ten (10) business days after tender of the deposit submitted with the subscription or purchase agreement, the ESCROW AGENT shall notify the purchaser of the deposit of such funds in the bank indicated in the offering plan or amendment thereto, 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 the tender of the deposit, the purchaser may cancel the subscription or purchase agreement and rescind within ninety (90) 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 the escrow regulations promulgated by the Attorney General 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 deposited by a defaulting purchaser until after consummation

of the plan as defined in the Attorney General's regulations. Consummation of the plan shall not relieve SPONSOR 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 SPONSOR and purchaser or (b) a determination of the Attorney General or (c) a judgment or order of a court of competent jurisdiction or (d) until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds.

3.3 SPONSOR 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 SPONSOR until ESCROW AGENT has given the purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to SPONSOR unless the purchaser has made an 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.

3.5 ESCROW AGENT shall disburse the purchaser's deposit(s) escrowed under this Escrow Agreement within twenty (20) business days after the escrowed funds are permitted to be released in accordance with this Agreement.

4. RECORDKEEPING

4.1 ESCROW AGENT shall maintain all records concerning the escrow account for seven (7) years after release of the funds.

4.2 Upon the dissolution of a law firm which was the 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.

5.3 No disbursement need or will be made by ESCROW AGENT until the deposit has actually and finally cleared ESCROW AGENT's account.

5.4 ESCROW AGENT shall only be responsible for monies actually received and cleared, and monies earned thereon, if any.

5.5 ESCROW AGENT may act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine, may assume the validity and accuracy of any statements or assertions contained in such writing or instrument; and may assume that any person purporting to give any writing, notice, advice or instruction in connection with the provisions hereof has been duly authorized to do so.

5.6 ESCROW AGENT undertakes to perform only such duties as are expressly set forth in this Agreement and the Escrow Regulations promulgated by the New York State Attorney General's Office, and no implied duties or obligations shall be read into this Agreement against ESCROW AGENT.

6. RESPONSIBILITIES OF SPONSOR

6.1 SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall within three (3) business days of receipt of all deposits and payments deliver to ESCROW AGENT all such deposits and payments received by them prior to closing of an individual transaction.

6.2 SPONSOR agrees that it shall not interfere with ESCROW AGENT's performance of its fiduciary duties and compliance with the Attorney General's regulations.

7. INDEMNIFICATION

7.1 ESCROW AGENT shall not be liable for SPONSOR's failure to tender the purchasers' funds to ESCROW AGENT within three (3) business days, for any mistakes of fact or errors of judgment, or for any acts or omissions of any kind unless caused by its willful misconduct or gross negligence, and SPONSOR agrees to indemnify and hold ESCROW AGENT harmless

from any claims, demands, causes of action, liability, damages, judgments, including the cost of defending any action against it together with any reasonable attorneys' fees incurred therewith and/or reasonable value of services rendered by ESCROW AGENT's litigation attorneys representing ESCROW AGENT pro se, in connection with ESCROW AGENT's undertaking pursuant to the terms and conditions of this Escrow Agreement, unless such act or omission is a result of the willful misconduct or gross negligence of ESCROW AGENT.

7.2 ESCROW AGENT shall not be liable in any manner for the sufficiency or correctness as to form, manner or execution, or validity of any written instructions delivered to it, nor as to the identity, authority, or rights of any person executing the same.

7.3 The duties of ESCROW AGENT shall be limited to the safekeeping of the deposits and for disbursements of same in accordance with the written instructions described in this Agreement.

8. TERMINATION OF AGREEMENT

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

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

(b) The resignation of ESCROW AGENT upon giving notice to SPONSOR 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.

(d) ESCROW AGENT shall have no responsibility to verify qualifications of any successor escrow agent.

8.2 Upon termination of the duties of ESCROW AGENT as described in Paragraph 8.1 above, ESCROW AGENT shall deliver any and all funds held by it in escrow and any and all contracts or documents maintained by ESCROW AGENT to the new escrow agent designated in the duly filed amendment related thereto.

8.3 Upon delivery of all funds held by the ESCROW AGENT to the new escrow agent pursuant to 8.2 supra, this Agreement shall be terminated and the ESCROW AGENT shall be released from all liability hereunder.

8.4 Upon ESCROW AGENT disbursing the deposit of an individual purchaser in accordance with the provisions of this Agreement, the escrow obligation's shall terminate as regards said purchaser's deposit, and ESCROW AGENT shall thereafter be released of all liability in connection with said purchaser.

9. MISCELLANEOUS

9.1 In the event of a good faith disagreement about the interpretation of this Agreement, or about the rights and obligations, or the propriety, of any action contemplated by ESCROW AGENT hereunder, ESCROW AGENT may, at its sole discretion, retain purchasers's deposits and payments in escrow and apply to the Attorney General for a determination on the disposition of the down payment or file an action and deposit any applicable funds in court to resolve said disagreement. ESCROW AGENT shall be indemnified by SPONSOR for all costs, including reasonable attorneys' fees or reasonable value of services rendered by ESCROW AGENT's litigation attorneys representing ESCROW AGENT pro se, in

connection with the aforesaid action. No such action shall be filed where the ESCROW AGENT's required course of action is clearly dictated within this Agreement.

10. SUCCESSORS AND ASSIGNS

10.1 This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their successors and assigns.

11. GOVERNING LAW

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

12. ESCROW AGENT'S COMPENSATION

12.1 SPONSOR agrees that ESCROW AGENT's compensation, if any, 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.

13. SEVERABILITY

13.1 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.

14. ENTIRE AGREEMENT

14.1 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.

15. NOTICES

15.1 Any notice required to be given or given hereunder shall be given by depositing such notice in a post-paid wrapper, in an official depository under the exclusive care and custody of the United States Postal Service within New York State, or by Express Mail, Federal Express or similar overnight courier, facsimile transmission, messenger service (with proper receipt therefor), addressed to the party at the address hereinabove set forth with a copy of any such notice by regular mail to the attorney for such pary as follows:

IF TO ESCROW AGENT:

IF TO SPONSOR:

Any notice may be given by the attorney for a party and shall have the same force as if given by the party. Either party may, by notice, change the address at which notices are to be given hereunder.

16. CAPTIONS AND HEADINGS

16.1 The captions and headings used in this Agreement are intended for convenience and reference only and shall not imply or convey any additional meanings to the contents of the respective provisions.

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

ESCROW AGENT:

By: _____
HARRIETTE G. ZELMAN

SPONSOR:

_____
MID FOREST CO.

By: _____

JOSHUA L. MUSS, PARTNER
Print Name & Title

EIGHTEENTH AMENDMENT TO OFFERING PLAN
A PLAN TO CONVERT TO COOPERATIVE OWNERSHIP
PREMISES AT 109-23 71st ROAD, FOREST HILLS, NEW YORK

The Offering Plan to convert to cooperative ownership premises at 109-23 71st Road, Forest Hills, New York dated December 15, 1982 as amended by First Amendment dated April 21, 1983, Second Amendment dated June 23, 1983, Third Amendment dated October 18, 1983, Fourth Amendment dated January 23, 1984, Fifth Amendment dated February 23, 1984, Sixth Amendment dated May 15, 1984, Seventh Amendment dated November 8, 1984, Eighth Amendment dated March 11, 1986, Ninth Amendment dated September 10, 1985, Tenth Amendment dated March 11, 1986, Eleventh Amendment dated September 15, 1986, Twelfth Amendment dated March 5, 1987, Thirteenth Amendment dated May 5, 1987, Fourteenth Amendment dated May 13, 1988, Fifteenth Amendment dated May 1, 1989, Sixteenth Amendment dated May 24, 1990 and the Seventeenth Amendment dated April 29, 1991 is hereby further amended as follows:

I. NEW LAW

On July 23, 1991 the General Business Law of the State of New York was amended to add a new Section 352-e(2-d), a copy of which is annexed hereto as Exhibit A. Pursuant to said law if a "non-occupying owner", as defined below (which includes a Sponsor or Holder of Unsold Shares), fails to make payments due on such shares or units owned by the non-occupying owner, including but not limited to maintenance payments, common charges or late fees, within thirty (30) days after they are due, upon notice, in accordance with said statute as outlined below, all rental payments from the non-purchasing tenant residing in such apartment or unit shall be directly payable to the Apartment Corporation or Condominium Association. The Sponsor shall provide each non-purchasing tenant with irrevocable notice of the provisions of this subdivision.

Pursuant to said statute, if maintenance payments, common charges or other fees due from the non-occupying owner have not been paid in full, the Cooperative Corporation Board of Directors or Condominium Board of Managers shall provide written notice within forty-five (45) days after the earliest due date to the non-purchasing tenant and the non-occupying owner providing that, commencing immediately thereafter and until such time as all payments are made current, all rental payments due are to be made payable to the Cooperative Corporation or Condomminium Association at the address listed on the notice.

Where a majority of the Board of Directors or Managers has been elected by and from among the shareholders or Unit Owners who are in occupancy, the Board may elect not to require that rental payments be made payable to the Cooperative Corporation or Condominium Association.

At such time as payments from the non-occupying owner are once again current, notice of such fact shall be given within three (3) business days to the non-purchasing tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner.

A non-occupying owner who disputes the Corporation's or Association's right to receive rental payments pursuant to the law shall be entitled to present facts supporting its position at the next scheduled meeting of the Board of Directors or Board of Managers, which must be held within thirty (30) days.

Payment by a non-purchasing tenant to the Cooperative Corporation or Condominium Association made in accordance with the statute shall relieve the non-purchasing tenant from the obligation to pay that rent to the non-occupying owner.

Pursuant to the statute, a "non-occupying owner" shall mean the owner of shares in a Cooperative Corporation who does not reside in the apartment assigned to its shares, when the apartment is occupied by a non-purchasing tenant; or the owner of a unit in a Condominium who does not reside in the unit, when the unit is occupied by a non-purchasing tenant.

Other than as set forth above, there are no material changes which require an Amendment to the Offering Plan.

MID-FOREST CO.

By:_____
Hyman Muss, Partner

Dated: October 17, 1991

STATE OF NEW YORK

~~3608--A~~ Chapter 594, Laws 1991 Cal. No. 650

1991-1992 Regular Sessions

IN ASSEMBLY

~~March 26, 1991~~ effective July 23, 1991

Introduced by M. of A. ZALESKI, GRANNIS, MAYERSOHN, CLARK, SILVER -- Multi-Sponsored by -- M. of A. BOYLAND, CATAPANO, COOK, CROWLEY, DANIELS, DAVIS, HARENBERG, HIKIND, HILLMAN, JOHN, KAUFMAN, MORELLE, NOLAN, RAMIREZ, SANDERS, WEISENBERG -- (at request of the Department of Law) -- read once and referred to the Committee on Housing -- reported from committee, advanced to a third reading, amended and ordered reprinted, retaining its place on the order of third reading

AN ACT to amend the general business law, in relation to real estate syndication offerings

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Section 352-e of the general business law is amended by adding a new subdivision 2-d to read as follows:

2-d. (a) "Non-occupying owner" shall mean the owner of shares in a cooperative corporation who does not reside in the apartment assigned to its shares, when the apartment is occupied by a non-purchasing tenant; or the owner of a unit in a condominium who does not reside in the unit, when the unit is occupied by a non-purchasing tenant. "Non-purchasing tenant" shall have the same meaning as that term is defined in paragraph (e) of subdivision one of sections three hundred fifty-two-eee and three hundred fifty-two-eeee of this chapter.

(b) The attorney general shall also refuse to issue a letter stating that the offering has been filed, or in the case of a plan already accepted for filing, shall refuse to accept an amendment to the plan unless the offering statement, prospectus, plan or amendment provides that when a non-occupying owner fails to make all payments due on such shares or units, including but not limited to maintenance payments, common charges, assessments or late fees, within thirty days after they are

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [ ] is old law to be omitted.

LBD01612-04-1

due, upon notice in accordance with paragraph (c) of this subdivision, all rental payments from the non-purchasing tenant residing in such apartment or unit shall be directly payable to the apartment corporation or condominium association. The offeror shall provide each non-purchasing tenant with irrevocable notice of the provisions of this subdivision.

(c) If maintenance payments, common charges or other fees due from the non-occupying owner have not been paid in full, the cooperative corporation board of directors or condominium board of managers shall provide written notice within forty-five days after the earliest due date to the non-purchasing tenant and the non-occupying owner providing that, commencing immediately and until such time as payments are made current, all rental payments due are to be made payable to the cooperative corporation or condominium association at the address listed on the notice. Where a majority of the board of directors or managers has been elected by and from among the shareholders or unit owners who are in occupancy, the board may elect not to require that rental payments be made payable to the cooperative corporation or condominium association. At such time as payments from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the non-purchasing tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner. A non-occupying owner who disputes the corporation's or association's right to receive rental payments pursuant to this section shall be entitled to present facts supporting its position at the next scheduled meeting of the board of directors or board of managers, which must be held within thirty days.

(d) Nothing in this subdivision shall limit any rights existing under any other law.

(e) Payment by a non-purchasing tenant to the cooperative corporation or condominium association made in accordance with this subdivision shall relieve that non-purchasing tenant from the obligation to pay that rent to the non-occupying owner.

§ 2. This act shall take effect immediately and shall apply to all offering plans not yet accepted for filing and to all plans already accepted for filing except those plans where all of the shares or units have been sold.

SEVENTEENTH AMENDMENT TO OFFERING PLAN
A PLAN TO CONVERT TO COOPERATIVE OWNERSHIP
PREMISES AT 109-23 71st ROAD, FOREST HILLS, NEW YORK

The Offering Plan to convert to cooperative ownership premises at 109-23 71st Road, Forest Hills, New York dated December 15, 1982 as amended by First Amendment dated April 21, 1983, Second Amendment dated June 23, 1983, Third Amendment dated October 18, 1983, Fourth Amendment dated January 23, 1984, Fifth Amendment dated February 23, 1984, Sixth Amendment dated May 15, 1984, Seventh Amendment dated November 8, 1984, Eighth Amendment dated March 11, 1986, Ninth Amendment dated September 10, 1985, Tenth Amendment dated March 11, 1986, Eleventh Amendment dated September 15, 1986, Twelfth Amendment dated March 5, 1987, Thirteenth Amendment dated May 5, 1987, Fourteenth Amendment dated May 13, 1988, Fifteenth Amendment dated May 1, 1989 and Sixteenth Amendment dated May 24, 1990 is hereby further amended as follows:

1. A copy of the Certified Financial Statement of The Midtown for the period from January 1, 1990 through December 31, 1990 is annexed hereto as Exhibit "A".

2. A copy of the Projected Budget of The Midtown for the period from May 1, 1991 through April 30, 1992 is annexed hereto as Exhibit "B".

3. The aggregate monthly maintenance charges for all Units owned by the Sponsor is $9,919.00.

4. The aggregate monthly rents received from tenants of all Units owned by the Sponsor is $9,449.00. A current certified rent roll is attached hereto as Exhibit "C".

5. The Sponsor has no financial obligations to the cooperative which will become due within 12 months.

6. There are no unsold Shares that are subject to mortgage (construction or otherwise) or financing commitments.

7. The Sponsor is current on all financial obligations under the Offering Plan, including, but not limited to, maintenance charges, reserve payments, assessments, and payments for repairs or improvements, if any, in the Plan.

8. A list of all other buildings in which the Sponsor owns more than ten (10%) percent of the Units is attached hereto as Exhibit "D".

9. The Sponsor is also current in its financial obligations in other cooperatives, condominiums or home owners associations in which it owns Shares or Units.

10. Annexed hereto as Exhibit "E" is a list of the Shares owned by the Sponsor.

11. The current Board is as follows:

Hyman Muss - President, Sponsor Representative
John Busch - Vice President, Sponsor Representative
Estelle Segal - Secretary, Sponsor Representative
Janet Ger - Treasurer, Tenant/Shareholder
Hiro Okamoto - Tenant/Shareholder

12. This Plan may be used for one (1) year from the date this Amendment is duly accepted for filing and thereafter said date is to be extended in a further amendment to be filed.

13. Other than as set forth above, there are no material changes which require an amendment to the Offering Plan.

MID-FOREST CO.
Sponsor-Holder of
Unsold Shares

By: Hyman Muss
Hyman Muss, Partner

Dated: April 29, 1991

EXHIBIT A

109-23 OWNERS CORP.

REPORT

AS OF DECEMBER 31, 1990

Reich & Reich CPA, PC.

Reich & Reich CPA, PC.
114 Old Country Road
Suite LL96
Mineola, N. Y. 11501

516 - 294-6777
516 - 294-6778

Gilbert Reich CPA
Barry Reich CPA

Board of Directors
109-23 Owners Corp.

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying balance sheets of 109-23 Owners Corp. as of December 31, 1990 and 1989, and the related statements of operations, accumulated deficit, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of 109-23 Owners Corp. as of December 31, 1990 and 1989, and the results of its operations and its cash flows for the years then ended, in conformity with generally accepted accounting principles.

REICH & REICH, C.P.A., P.C.

February 26, 1991

109-23 OWNERS CORP.
BALANCE SHEETS
DECEMBER 31,

	1990	1989
ASSETS		
Cash - Operating Account	$ 28,397	$ 33,143
Cash - Money Market	153,688	124,984
Certificates of Deposit - Reserve Fund	32,401	30,081
Receivables	1,865	3,363
Prepaid Expenses and Taxes	40,104	40,309
Unamortized Mortgage Costs	17,611	22,526
	274,066	254,406
PROPERTY AND EQUIPMENT		
Land	405,762	405,762
Building and Improvements	2,310,225	2,310,225
Building Equipment	12,450	12,450
	2,728,437	2,728,437
Less: Accumulated Depreciation	479,723	409,906
	2,248,714	2,318,531
TOTAL ASSETS	$2,522,780	$2,572,937

LIABILITIES AND SHAREHOLDERS' EQUITY

LIABILITIES		
Accounts Payable and Accrued Expenses	$ 19,600	$ 24,369
Tenants' Security Payable	2,671	2,671
Taxes Payable	287	254
Mortgage Payable	700,000	700,000
	722,558	727,294
SHAREHOLDERS' EQUITY		
Capital Stock		
Authorized 6,168 Shares, $1 Par Value		
Issued and Outstanding 6,168 Shares	6,168	6,168
Capital in Excess of Par Value	2,031,259	2,031,259
Accumulated Deficit	(237,205)	(191,784)
	1,800,222	1,845,643
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$2,522,780	$2,572,937

See Notes to Financial Statements.

Reich & Reich CPA, PC.

109-23 OWNERS CORP.
STATEMENTS OF OPERATIONS
YEARS ENDED DECEMBER 31,

	1990	1989
MAINTENANCE AND OTHER INCOME		
Apartment Carrying Charges	$238,270	$238,270
Parking Charges	21,020	21,189
Air Conditioning Charges	4,841	4,060
Professional Apartment Rental	31,450	31,450
Miscellaneous Income	2,700	2,700
Interest Income	11,024	11,882
TOTAL INCOME	$309,305	$309,551
OPERATING EXPENSES		
Salaries	$ 25,307	$ 24,360
Payroll Taxes and Union Benefits	6,256	4,971
Heating - Gas and Oil	31,669	36,550
Electricity	13,233	12,461
Water and Sewer	9,185	9,820
Insurance	17,123	16,601
Maintenance Supplies	1,483	1,972
Management Fees	8,300	8,300
Elevator Maintenance	5,487	5,245
Repairs - Boiler	2,860	3,372
Plastering and Masonry	-	840
Repairs - Other	5,442	11,431
License and Permits	1,693	648
Miscellaneous Administrative Expenses	2,791	2,277
Professional Expense	3,282	2,224
State Franchise and City Corporation Tax	2,120	1,619
TOTAL OPERATING EXPENSES	$136,231	$142,691
FIXED AND OTHER CHARGES		
Real Estate Taxes	70,264	65,382
Interest on Mortgage	73,500	69,716
TOTAL FIXED AND OTHER CHARGES	143,764	135,098
TOTAL OPERATING EXPENSES AND OTHER CHARGES	279,995	277,789
INCOME BEFORE DEPRECIATION AND AMORTIZATION	29,310	31,762
DEPRECIATION AND AMORTIZATION	74,731	71,939
NET LOSS	$(45,421)	$(40,177)

See Notes to Financial Statements.

Reich & Reich CPA, PC.

109-23 OWNERS CORP.
STATEMENT OF ACCUMULATED DEFICIT
YEARS ENDED DECEMBER 31,

	1990	1989
Accumulated Deficit - Beginning of Period	$(191,784)	$(151,607)
ADD: Loss for the Year Ended December 31,	(45,421)	$ (40,177)
ACCUMULATED DEFICIT DECEMBER 31,	$(237,205)	$(191,784)

See Notes to Financial Statements.

Reich & Reich CPA, PC.

109-23 OWNERS CORP.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31,

	1990	1989
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Loss	$ (45,421)	$ (40,177)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and Amortization	74,731	71,939
Changes in Assets and Liabilities:		
Decrease (Increase) in Receivables	1,498	(1,716)
Decrease (Increase) in Prepaid Expenses & Taxes	205	(34,697)
Increase (Decrease) in Accounts Payable and Accrued Expenses	(4,769)	(10,370)
Increase in Tenants' Security Payable	-	-
Increase (Decrease) in Taxes Payable	34	142
Net Cash Provided by (Used in) Operating Activities	26,278	(14,879)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for Building Improvements		8,200
Net Cash Used in Investing Activities	-	(8,200)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from Mortgage		700,000
Payments on Mortgage		(683,004)
Mortgage Costs	-	(24,575)
Net Cash Used in Financing Activities	-	(7,579)
Net Increase in Cash and Cash Equivalents	26,278	(30,658)
Cash and Cash Equivalents at Beginning of Year	188,208	218,866
Cash and Cash Equivalents at End of Year	$ 214,486	$ 188,208

See Notes to Financial Statements.

Reich & Reich CPA, PC.

109-23 OWNERS CORP.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1990

NOTE 1 ORGANIZATION AND PROPERTY ACQUISITION

109-23 Owners Corp. (the Corporation) was incorporated on March 19, 1982 for the purpose of operating as a cooperative housing corporation under the Business Corporation Law of the State of New York. The Corporation is authorized to issue 6,168 shares of common stock, with a par value of $1 per share. The Corporation had no operations prior to the date the property was purchased.

On April 30, 1984, the Corporation purchased the property, encompassing an apartment building and the land upon which it was erected, from Mid Forest Company, a New York partnership which was sponsor of an offering plan to convert the property to cooperative housing ownership. The cost of the property was $2,851,168, paid for with monies received from the sale of 1,547 shares of capital stock, the assumption of a purchase money wraparound mortgage of $825,000 and the issuance of 4,621 shares to the sponsor valued at $1,433,840 ($300 a share). In accordance with the terms of the offering plan (including all amendments thereto), a total of 6,168 shares were issued to purchasers of apartments and to the sponsor for the unsold apartments.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The land, buildings and improvements are stated at cost (see Note 1). Depreciation is calculated on the straight-line method.

The useful lives are:

Building	35 Years
Building Improvements and Equipment	19-28 Years

B. Maintenance, repairs and routine replacements are charged to operations as incurred. Replacements which improve and extend the lives of the properties are capitalized.

C. Mortgage costs are amortized on a straight-line basis over the life of the mortgage.

NOTES TO FINANCIAL STATEMENTS (continued)

NOTE 3 MORTGAGE

The mortgage is payable to Jamaica Savings Bank and secured by the land and building. It matures on August 1, 1994 and requires monthly payments of interest only of $6,125 at the rate of 10 1/2% per year.

NOTE 4 INCOME AND FRANCHISE TAXES

The Corporation is subject to Federal, State and City income taxes on its net income. It is also subject to State and City taxes on its "Capital Base".

The Corporation has a net operating loss carryforward of approximately $237,000 which will start expiring in 1999.

NOTE 5 RESERVE CASH FUNDS

Pursuant to the terms of the offering plan, the sponsor paid to the Corporation $25,000 as a Reserve Fund. Approximately $5,000 of the Reserve Fund was absorbed by closing adjustments as expressly permitted under the Offering Plan and the balance of $20,000 was deposited in a Certificate of Deposit. The balance in the fund as of the Balance Sheet dates, including interest were $32,401, and $30,081 respectively.

NOTE 6 RELATED PARTY TRANSACTIONS

A. Stock Ownership - The property was acquired from Mid Forest Company (Mid Forest) as described in Note 1. At December 31, 1990 and 1989, Mid Forest owned 3,062 and 3,106 of the 6,168 outstanding shares.

B. Mortgage - Under the terms of the offering plan, the Corporation executed a $825,000 purchase money wraparound mortgage in favor of Mid Forest. This mortgage wrapped around a $436,207 mortgage to Roosevelt Savings Bank. Both matured on July 1, 1989. At that time, since the corporation had been in full compliance with its mortgage agreement, the corporation paid the sponsor $683,004 to satisfy the $825,000 obligation. This adjustment of $141,966 was treated as an adjustment in the basis of the property.

C. Apartment Carrying Charges - Included in apartment carrying charges of $238,270 is $123,463 and $126,246 for the years ended December 31, 1990 and 1989 from Mid Forest for the charges related to the shares that it owns.

D. Management Fees - The Corporation has entered into a Management Agreement with Hyman Muss & Sons Management Corporation, an affiliate of the Sponsor, pursuant to terms set forth in the Offering Plan at an annual fee of $8,300.

EXHIBIT B

10923 OWNERS CORP.
PROJECTED BUDGET
MAY 1, 1991 - APRIL 30, 1992

INCOME		
Apartment Carrying Charges	$ 238,270	
Garage Income	21,200	
Laundry Income	2,700	
Professional Unit Income	31,530	
Air Conditioning Charges	5,000	
Interest Income	11,000	
TOTAL INCOME:		$ 309,700
EXPENSES		
Administrative		
Telephone & Beeper	$ 2,000	
Legal and Audit	4,000	
Office Expense	500	
Licenses and permits	2,000	
Dues and Fees	100	
Management Fee	8,300	
Miscellaneous Expenses	2,000	
	$ 18,900	
Repairs and Maintenance		
Boiler Repairs and Maintenance	3,000	
Elevator Repairs and Maintenance	5,800	
Compactor Repairs and Maintenance	200	
Plumbing Repairs and Maintenance	1,000	
Electrical Repairs and Maintenance	500	
Roof Repairs and Waterproofing	1,000	
Water Treatment	300	
Glass Replacement	500	
Equipment Repairs	1,000	
Painting and Decorating Public Areas	4,600	
Paint Supplies	500	
Snow Supplies	100	
Garden Supplies	1,000	
Rubbish Removal	500	
Janitorial Supplies	2,000	
General Building Repairs and Maintenance	4,000	
	$ 26,000	

Payroll

Payroll	$ 26,100
Payroll tax and fringes	6,500
	$ 32,600

Utilities

Oil & Gas	$ 39,000
Electricity	14,500
Water and Sewer	11,000
	$ 64,500

Insurance

Insurance Expense	$ 18,000

Real Estate Taxes

Real Estate Tax Expense	$ 74,000

Interest on Mortgage

Interest Expense	$ 73,500

Other Taxes

State franchise	$ 1,100
City corporation	1,100
	$ 2,200

RECAPITULATION

INCOME		$ 309,700
EXPENSES		
Administrative	$ 18,900	
Repairs & Maintenance	26,000	
Payroll	32,600	
Utilities	64,500	
Insurance	18,000	
Real Estate Taxes	74,000	
Interest	73,500	
Taxes	2,200	
TOTAL EXPENSES		$ 309,700

DOME
PROPERTY MANAGEMENT

1855 VICTORY BOULEVARD
STATEN ISLAND, NEW YORK 10314-3577

STEVEN MOTELSON RAM CREA
PRESIDENT

(718) 720-2500
FAX (718) 273-1664

April 29, 1991

New York State Department of Law
120 Broadway
New York, New York 10271
Attn: Real Estate Financing Bureau

RE: 10923 OWNERS CORP.

STATE OF NEW YORK)
COUNTY OF RICHMOND) SS:

The undersigned certifies as follows:

The sponsor of the Cooperative Offering Plan for the captioned property retained our firm to review Schedules B and B1 and accompanying notes as updated containing projection of income and expenses for the year of Cooperative operation commencing May 1, 1991.

Our experience in this field includes management of approximately 20 Cooperatives, Condominiums and Homeowner Associations in New Yor City. Mr. Motelson a licensed Real Estate Broker in the State of New York, has managed Condominiums, Cooperative Developments and Rental Property for the past twenty eight (28) years.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 21 insofar as they are applicable to Schedule B and B1.

We have reviewed the Schedules and investigated the facts set forth in the Schedules and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in Schedules B and B1 appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of cooperative operation.

We certify that the Schedules:

(i) sets forth in detail the projected income and expenses for the first year of cooperative operation;

(ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of cooperative operation;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and

(vii) does not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth, or (c made no reasonable effort to ascertain the truth. (d) did not have knowledge concerning the representation or statements made.

We further certify that we are not owned or controlled by and have no beneficial interest in the sponsor and that our compensation for preparing this Certification is not contingent on the conversion of the property to a cooperative or on the profitability of price of the offering. We understand that a copy of this certification is intended to be incorporated into the offering plan so that prospective purchasers may rely on it.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

DOME PROPERTY MANAGEMENT, INC.

Steven Motelson
President

STATE OF NEW YORK)
COUNTY OF RICHMOND)

Sworn to before me this 29 day of April 1991.

LYNN A. ROGERS
Commissioner of Deeds
City of New York - 5-715
Certificate File in Manhattan County
Commission Expires May 1, 1993

MID FOREST CO.

109 22 71ST ROAD (MIDTOWN)
FOREST HILLS NY 11375
CUST = AAOO BLDG = DAO

STATUS A

TEN.	APT.	TENANT	CURRENT RENT	ARREA
022	2D	[redacted]	311.72	2140.
028	2G		565.62	
030	2H		386.84	
034	3A		376.76	
040	3D		457.97	
047	3G		826.22	1653.
049	3H	** VACANT	345.99	
050	3J	[redacted]	362.79	
054	4B		601.33	
062	4F		285.90	
064	4G		459.87	459.
070	5A		393.13	
072	5B	** VACANT	594.89	
078	5E	[redacted]	369.27	
080	5F		333.43	
082	5G		594.83	
084	5H		462.78	
086	5J		469.18	
088	6A		389.30	
091	6C	** VACANT	366.16	
096	6D	** VACANT	452.49	
098	6F	[redacted]	476.96	
100	6GH		899.78	
102	6J		398.80	
00024		TOTAL GROSS RENT	11210.27	4254.
		** ARREARS LESS: VACANCIES (0)	(176.73)	4254.
		** PREPAID		

BLDG # DAO
AGGREGATE MONTHLY RENTS RECEIVED FROM TENANTS OF ALL UNITS OWNED BY THE SPONSOR - MIDTOWN → $ 9448.54

EXHIBIT D

The names and addresses of any other Condominiums, Cooperatives or Home Owners Associations in which the Sponsor or Holder of Unsold Shares or a principal of the Sponsor owns more than 10% of the Shares or Units.

Name	Address
The Stanton Condominium	41-40 Union Street Flushing, New York
The Forestal Condominium	109-33 71st Road Forest Hills, New York
Captain's Quarters Home Owner's Association, Inc.	Bayview Avenue Staten Island, New York
...er Gardens	33-15, 33-25, 33-35 81st Street and 33-16, 33-26 82nd Street, Jackson Heights, New York

EXHIBIT E

Unit
2D
2G
2H
3A
3D
3G
3H
3J
4B
4F
4G
5A
5B
5E
5F
5G
5H
5J
6A
6C
6D
6F
6GH
6J

SIXTEENTH AMENDMENT TO OFFERING PLAN
A PLAN TO CONVERT TO COOPERATIVE OWNERSHIP
PREMISES AT 109-23 71st ROAD, FOREST HILLS, NEW YORK

The Offering Plan to convert to cooperative ownership premises at 109-23 71st Road, Forest Hills, New York dated December 15, 1982 as amended by First Amendment dated April 21, 1983, Second Amendment dated June 23, 1983, Third Amendment dated October 18, 1983, Fourth Amendment dated January 23, 1984, Fifth Amendment dated February 23, 1984, Sixth Amendment dated May 15, 1984, Seventh Amendment dated November 8, 1984, Eighth Amendment dated March 11, 1986, Ninth Amendment dated September 10, 1985, Tenth Amendment dated March 11, 1986, Eleventh Amendment dated September 15, 1986, Twelfth Amendment dated March 5, 1987, Thirteenth Amendment dated May 5, 1987, Fourteenth Amendment dated May 13, 1988 and Fifteenth Amendment dated May 1, 1989 is hereby further amended as follows:

1. A copy of the Certified Financial Statement of The Midtown for the period from January 1, 1989 through December 31, 1989 is annexed hereto as Exhibit A.

2. A copy of the Projected Budget of The Midtown for the period from May 1, 1990 through April 30, 1991 is annexed hereto as Exhibit B.

3. The aggregate monthly maintenance charges for all Units owned by the Sponsor is $10,520.50.

4. The aggregate monthly rents received from tenants of all Units owned by the Sponsor is $11,598.49. A current certified rent roll is attached hereto as Exhibit C.

5. The Sponsor has no financial obligations to the cooperative which will become due within 12 months.

6. There are no unsold Shares that are subject to mortgage (construction or otherwise) or financing commitments.

7. The Sponsor is current on all financial obligations under the Offering Plan, including, but not limited to, maintenance charges, reserve payments, assessments, and payments for repairs or improvements, if any, in the Plan.

8. A list of all other buildings in which the Sponsor owns more than ten (10%) percent of the Units is attached hereto as Exhibit D.

9. The Sponsor is also current in its financial obligations in other cooperatives, condominiums or home owners associations in which it owns Shares or Units.

10. Annexed hereto as Exhibit E is a list of the Shares owned by the Sponsor.

11. The current Board is as follows:

Hyman Muss - President, Sponsor Representative
John Busch - Vice President, Sponsor Representative
Estelle Segal - Secretary, Sponsor Representative
Janet Ger - Treasurer, Tenant/Shareholder
Hiro Okamoto - Tenant/Shareholder

12. This Plan may be used for one (1) year from the date this Amendment is duly accepted for filing and thereafter said date is to be extended in a further amendment to be filed.

13. Other than as set forth above, there are no material changes which require an amendment to the Offering Plan.

MID-FOREST CO.
Sponsor-Holder of
Unsold Shares

By: Hyman Muss
Hyman Muss, Partner

Dated: May 24, 1990

EXHIBIT A

109-23 OWNERS CORP.

REPORT

AS OF DECEMBER 31, 1989

Reich & Reich CPA, P

Reich & Reich CPA, PC.

114 Old Country Road

Suite LL96

Mineola, N. Y. 11501

516 - 294-6777

516 - 294-6778

Gilbert Reich CPA

Barry Reich CPA

Board of Directors
109-23 Owners Corp.

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying balance sheets of 109-23 Owners Corp. as of December 31, 1989 and 1988, and the related statements of operations, accumulated deficit, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of 109-23 Owners Corp. as of December 31, 1989 and 1988, and the results of its operations and its cash flows for the years then ended, in conformity with generally accepted accounting principles.

REICH & REICH, C.P.A., P.C.

February 23, 1990

109-23 OWNERS CORP.
BALANCE SHEETS
DECEMBER 31,

	1989	1988
ASSETS		
Cash - Operating Account	$ 33,143	$ 45,683
Cash - Money Market	124,984	145,512
Certificates of Deposit - Reserve Fund	30,081	27,671
Receivables	3,363	1,647
Prepaid Expenses and Taxes	40,309	5,612
Unamortized Mortgage Costs	22,526	-
	254,406	226,125
PROPERTY AND EQUIPMENT		
Land	405,762	427,061
Building and Improvements	2,310,225	2,430,922
Building Equipment	12,450	4,250
	2,728,437	2,862,233
Less: Accumulated Depreciation	409,906	340,016
	2,318,531	2,522,217
TOTAL ASSETS	$2,572,937	$2,748,342

LIABILITIES AND SHAREHOLDERS' EQUITY

LIABILITIES		
Accounts Payable and Accrued Expenses	$ 24,369	$ 34,739
Tenants' Security Payable	2,671	2,671
Taxes Payable	254	112
Mortgage Payable	700,000	825,000
	727,294	862,522
SHAREHOLDERS' EQUITY		
Capital Stock		
Authorized 6,168 Shares, $1 Par Value		
Issued and Outstanding 6,168 Shares	6,168	6,168
Capital in Excess of Par Value	2,031,259	2,031,259
Accumulated Deficit	(191,784)	(151,607)
	1,845,643	1,885,820
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$2,572,937	$2,748,342

See Notes to Financial Statements.

Reich & Reich CPA PC

109-23 OWNERS CORP.
STATEMENTS OF OPERATIONS
YEARS ENDED DECEMBER 31,

	1989	1988
MAINTENANCE AND OTHER INCOME	$238,270	$238,270
Apartment Carrying Charges	21,189	21,016
Parking Charges	4,060	4,208
Air Conditioning Charges	31,450	28,829
Professional Apartment Rental	2,700	2,584
Miscellaneous Income	11,882	8,046
Interest Income		
TOTAL INCOME	$309,551	$302,953
OPERATING EXPENSES	$ 24,360	$ 22,447
Salaries	4,971	4,674
Payroll Taxes and Union Benefits	36,550	28,785
Heating - Gas and Oil	12,461	11,391
Electricity	9,820	13,296
Water and Sewer	16,601	18,145
Insurance	1,972	2,243
Maintenance Supplies	8,300	8,300
Management Fees	5,245	4,927
Elevator Maintenance	3,372	4,803
Repairs - Boiler	840	-
Plastering and Masonry	11,431	11,266
Repairs - Other	648	1,244
License and Permits	2,277	1,765
Miscellaneous Administrative Expenses	2,224	1,940
Professional Expense	1,619	1,654
State Franchise and City Corporation Tax		
TOTAL OPERATING EXPENSES	$142,691	$136,880
FIXED AND OTHER CHARGES	65,382	59,931
Real Estate Taxes	69,716	70,125
Interest on Mortgage		
TOTAL FIXED AND OTHER CHARGES	135,098	130,056
TOTAL OPERATING EXPENSES AND OTHER CHARGES	277,789	266,936
INCOME BEFORE DEPRECIATION	31,762	36,017
DEPRECIATION AND AMORTIZATION	71,939	73,139
NET LOSS	$(40,177)	$(37,122)

See Notes to Financial Statements.

Reich & Reich CPA, PC

109-23 OWNERS CORP.
STATEMENT OF ACCUMULATED DEFICIT
YEARS ENDED DECEMBER 31,

	1989	1988
Accumulated Deficit - Beginning of Period	$(151,607)	$(114,485)
ADD: Loss for the Year Ended December 31,	(40,177)	$ (37,122)
ACCUMULATED DEFICIT DECEMBER 31,	$(191,784)	$(151,607)

See Notes to Financial Statements.

Reich & Reich CPA, P

109-23 OWNERS CORP.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31,

	1989	1988
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Loss	$ (40,177)	$ (37,122)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and Amortization	71,939	73,139
Changes in Assets and Liabilities:		
Decrease (Increase) in Receivables	(1,716)	7,878
Decrease (Increase) in Prepaid Expenses & Taxes	(34,697)	1,837
Increase (Decrease) in Accounts Payable and Accrued Expenses	(10,370)	4,025
Increase in Tenants' Security Payable	-	437
Increase (Decrease) in Taxes Payable	142	(64)
Net Cash Provided by (Used in) Operating Activities	(14,879)	50,130
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for Building Improvements	8,200	-
Net Cash Used in Investing Activities	(8,200)	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from Mortgage	700,000	-
Payments on Mortgage	(683,004)	-
Mortgage Costs	(24,575)	-
Net Cash Used in Financing Activities	(7,579)	-
Net Increase in Cash and Cash Equivalents	(30,658)	50,130
Cash and Cash Equivalents at Beginning of Year	218,866	168,736
Cash and Cash Equivalents at End of Year	$ 188,208	$ 218,866

See Notes to Financial Statements.

Reich & Reich CPA, P

109-23 OWNERS CORP.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1989

NOTE 1 ORGANIZATION AND PROPERTY ACQUISITION

109-23 Owners Corp. (the Corporation) was incorporated on March 19, 1982 for the purpose of operating as a cooperative housing corporation under the Business Corporation Law of the State of New York. The Corporation is authorized to issue 6,168 shares of common stock, with a par value of $1 per share. The Corporation had no operations prior to the date the property was purchased.

On April 30, 1984, the Corporation purchased the property, encompassing an apartment building and the land upon which it was erected, from Mid Forest Company, a New York partnership which was sponsor of an offering plan to convert the property to cooperative housing ownership. The cost of the property was $2,851,168, paid for with monies received from the sale of 1,547 shares of capital stock, the assumption of a purchase money wraparound mortgage of $825,000 and the issuance of 4,621 shares to the sponsor valued at $1,433,840 ($300 a share). In accordance with the terms of the offering plan (including all amendments thereto), a total of 6,168 shares were issued to purchasers of apartments and to the sponsor for the unsold apartments.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The land, buildings and improvements are stated at cost (see Note 1). Depreciation is calculated on the straight-line method.

The useful lives are:

Building	35 Years
Building Improvements and Equipment	19-28 Years

B. Maintenance, repairs and routine replacements are charged to operations as incurred. Replacements which improve and extend the lives of the properties are capitalized.

C. Mortgage placement costs are amortized on a straight-line basis over the life of the mortgage.

Reich & Reich CPA, PC

NOTES TO FINANCIAL STATEMENTS (continued)

NOTE 3 MORTGAGE

The mortgage is payable to Jamaica Savings Bank. The mortgage matures on August 1, 1994 and requires monthly payments of interest only of $6,125 at the rate of 10 1/2% per year.

NOTE 4 INCOME AND FRANCHISE TAXES

The Corporation is subject to Federal, State and City income taxes on its net income. It is also subject to State and City taxes on its "Capital Base".

The Corporation has a net operating loss carryforward of approximately $191,000 which will start expiring in 1999.

NOTE 5 RESERVE CASH FUNDS

Pursuant to the terms of the offering plan, the sponsor paid to the Corporation $25,000 as a Reserve Fund. Approximately $5,000 of the Reserve Fund was absorbed by closing adjustments as expressly permitted under the Offering Plan and the balance of $20,000 was deposited in a Certificate of Deposit. The balance in the fund as of the Balance Sheet dates, including interest were $30,081, and $27,671 respectively.

NOTE 6 RELATED PARTY TRANSACTIONS

A. Stock Ownership - The property was acquired from Mid Forest Company (Mid Forest) as described in Note 1. At December 31, 1988 and 1989, Mid Forest owned 3,268 of the 6,168 outstanding shares.

B. Mortgage - Under the terms of the offering plan, the Corporation executed a $825,000 purchase money wraparound mortgage in favor of Mid Forest. This mortgage wrapped around a $436,207 mortgage to Roosevelt Savings Bank. Both matured on July 1, 1989. At that time, since the corporation had been in full compliance with its mortgage agreement, the corporation paid the sponsor $683,004 to satisfy the $825,000 obligation. This adjustment of $141,966 was treated as an adjustment in the basis of the property.

C. Apartment Carrying Charges - Included in apartment carrying charges of $238,270 is $126,246 for the years ended December 31, 1989 and 1988 from Mid Forest for the charges related to the shares that it owns.

D. Management Fees - The Corporation has entered into a Management Agreement with Hyman Muss & Sons Management Corporation, an affiliate of the Sponsor, pursuant to terms set forth in the Offering Plan at an annual fee of $8,300.

EXHIBIT B

10923 OWNERS CORP.
PROJECTED BUDGET
MAY 1, 1990 - APRIL 30, 1991

INCOME

Apartment Carrying Charges	$ 238,270	
Garage Income	21,200	
Laundry Income	2,700	
Professional Unit Income	31,450	
Air Conditioning Charges	4,000	
Interest Income	11,380	
TOTAL INCOME:		$ 309,000

EXPENSES

Administrative

Telephone & Beeper	$ 1,800	
Legal and Audit	2,400	
Office Expense	500	
Licenses and permits	1,000	
Dues and Fees	200	
Management Fee	8,300	
Miscellaneous Expenses	1,000	
	$ 15,200	

Repairs and Maintenance

Boiler Repairs and Maintenance	3,500	
Elevator Repairs and Maintenance	5,600	
Incinerator Repairs and Maintenance	-0-	
Plumbing Repairs and Maintenance	1,000	
Electrical Repairs and Maintenance	500	
Roof Repairs and Waterproofing	2,000	
Water Treatment	200	
Glass Replacement	500	
Equipment Repairs	1,000	
Painting and Decorating Public Areas	1,000	
Paint Supplies	500	
Snow Supplies	200	
Garden Supplies	2,000	
Rubbish Removal	500	
Janitorial Supplies	3,000	
General Building Repairs and Maintenance	5,600	
	$ 27,100	

Payroll

Payroll	$ 26,800
Payroll tax and fringes	5,400
	$ 32,200

Utilities

Oil	$ 47,000
Gas	2,000
Electricity	12,000
Water and Sewer	10,000
	$ 71,000

Insurance

Insurance Expense	$ 18,000

Real Estate Taxes

Real Estate Tax Expense	$ 70,000

Interest on Mortgage

Interest Expense	$ 73,500

Other Taxes

State franchise	$ 1,000
City corporation	1,000
	$ 2,000

RECAPITULATION

INCOME		$ 309,000
EXPENSES		
Administrative	$ 15,200	
Repairs & Maintenance	27,100	
Payroll	32,200	
Utilities	71,000	
Insurance	18,000	
Real Estate Taxes	70,000	
Interest	73,500	
Taxes	2,000	
TOTAL EXPENSES		$ 309,000

MID FOREST CO. EXHIBIT C

109 23 71ST ROAD
FOREST HILLS NY 11375
COST = 8800 BLDG = 080

STATUS AS OF 05/10/90

N.	APT.	TENANT	CURRENT RENT	ARREARS	SPEC.CHGS.	TOTAL DU
122	2D	[redacted]	311.72	539.73	133.81- R*	717.
8	2G		585.68			585.
0	2H		361.53			361.
134	3A		376.76			376.
0	3D		457.97			457.
7	3G		826.22			826.
49	3H	** VACANT	348.99		348.99- V*	
150	3J		338.34			338.
4	4B	[redacted]	601.33			601.
2	4F		285.90		81.59- R*	204.
4	4G	[redacted]	459.87	.02-		459.
9	4J	** VACANT	298.59		298.59- V*	
270	5A	J SKORKA	393.13			393.
272	5B	[redacted]	594.09			594.
74	5C	VACANT	319.97		319.97- V*	
278	5E		345.11			345.
280	5F	[redacted]	311.62			311.
82	5G		563.82			563.
84	5H		462.78			462.
286	5J		430.44			430
288	6A		389.30			389
291	6C	** VACANT	366.16		366.16- V*	
296	6D	** VACANT	452.49		452.49- V*	
299	6F	[redacted]	476.96			476
300	6GH		840.92			840
302	6J		398.80			398
00026			11598.49	539.71	2001.60-	10136
		** ARREARS		539.73		
		** PREPAID		.02-		

BLDG # 080

EXHIBIT D

Name and address of any other Condominiums, cooperatives or home owners association in which the Sponsor or Holder of Unsold Shares or a principal of the Sponsor owns more than 10% of the shares or units.

NAME	ADDRESS
The Stanton Condominium	41-40 Union Street Flushing, New York
The Forestal Condominium	109-33 71st Road Forest Hills, New York
The Midtown	109-23 71st Road Forest Hills, New York
Captain's Quarters Home Owner's Association, Inc.	Bayview Avenue Staten Island, New York
Donner Gardens	33-15, 33-25, 33-35 81st Street and 33-16, 33-26 82nd Street Jackson Heights, New York

EXHIBIT E

Unit

2D
2G
2H
3A
3D
3G
3H
3J
4B
4F
4G
5A
5B
5C
5E
5F
5G
5H
5J
6A
6C
6D
6F
6GH
6J

FIFTEENTH AMENDMENT TO OFFERING PLAN
A PLAN TO CONVERT TO COOPERATIVE OWNERSHIP
PREMISES AT 109-23 71st ROAD, FOREST HILLS, NEW YORK

The Offering Plan to convert to cooperative ownership premises at 109-23 71st Road, Forest Hills, New York dated December 15, 1982 as amended by First Amendment dated April 21, 1983, Second Amendment dated June 23, 1983, Third Amendment dated October 18, 1983, Fourth Amendment dated January 23, 1984, Fifth Amendment dated February 23, 1984, Sixth Amendment dated May 15, 1984, Seventh Amendment dated November 8, 1984, Eighth Amendment dated March 11, 1986, Ninth Amendment dated September 10, 1985, Tenth Amendment dated March 11, 1986, Eleventh Amendment dated September 15, 1986, Twelfth Amendment dated March 5, 1987, Thirteenth Amendment dated May 5, 1987 and Fourteenth Amendment dated May 13, 1988 is hereby further amended as follows:

1. A copy of the Certified Financial Statement of The Midtown for the period from January 1, 1988 through December 31, 1988 is annexed hereto as Exhibit A;

2. A copy of the Projected Budget of The Midtown for the period from January 1, 1989 through December 31, 1989 is annexed hereto as Exhibit B;

3. Annexed hereto as Exhibit C is a list of the unsold shares. The Sponsor is no longer in control of the Board.

4. This Plan may be used for one (1) year from the date this Amendment is duly accepted for filing and thereafter said date is to be extended in a further amendment to be filed; and

5. Other than as set forth above, there are no material changes which require an amendment to the Offering Plan.

MID-FOREST CO.
Sponsor-Holder of
Unsold Units

By: _____
Hyman Muss, Partner

Dated: May 1, 1989

EXHIBIT A

109-23 OWNERS CORP.

REPORT

AS OF DECEMBER 31, 1988

Reich & Reich CPA. PC.

Reich & Reich CPA, PC.

114 Old Country Road

Suite LL96

Mineola, N. Y. 11501

516 - 294-6777

516 - 294-6778

Gilbert Reich CPA

Larry Reich CPA

Board of Directors
109-23 Owners Corp.

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying balance sheets of 109-23 Owners Corp. as of December 31, 1988 and 1987, and the related statements of operations, retained earnings, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of 109-23 Owners Corp. as of December 31, 1988 and 1987, and the results of its operations and its cash flows for the years then ended, in conformity with generally accepted accounting principles.

REICH & REICH, C.P.A., P.C.

February 16, 1989

109-23 OWNERS CORP.
BALANCE SHEETS
DECEMBER 31,

	1988	1987
Cash - Operating Account	$ 45,683	$ 3,599
Cash - Money Market	145,512	139,243
Certificates of Deposit - Reserve Fund	27,671	25,894
Receivables	1,647	9,525
Prepaid Expenses and Taxes	5,612	7,449
	226,125	185,710
PROPERTY AND EQUIPMENT		
Land	427,061	427,061
Building and Improvements	2,430,922	2,430,922
Building Equipment	4,250	4,250
	2,862,233	2,862,233
Less: Accumulated Depreciation	340,016	266,877
	2,522,217	2,595,356
TOTAL ASSETS	$2,748,342	$2,781,066

LIABILITIES AND SHAREHOLDERS' EQUITY

LIABILITIES		
Accounts Payable and Accrued Expenses	34,739	30,714
Tenants' Security Payable	2,671	2,234
Taxes Payable	112	176
Mortgage Payable	825,000	825,000
	862,522	858,124
SHAREHOLDERS' EQUITY		
Capital Stock		
Authorized 6,168 Shares, $1 Par Value		
Issued and Outstanding 6,168 Shares	6,168	6,168
Capital in Excess of Par Value	2,031,259	2,031,259
Accumulated Deficit	(151,607)	(114,485)
	1,885,820	1,922,942
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$2,748,342	$2,781,066

See Notes to Financial Statements.

Reich & Reich CPA PC

109-23 OWNERS CORP.
STATEMENTS OF OPERATIONS
YEARS ENDED DECEMBER 31,

	1988	1987
MAINTENANCE AND OTHER INCOME	$238,270	$238,270
Apartment Carrying Charges	21,016	20,632
Parking Charges	4,208	3,810
Air Conditioning Charges	28,829	26,208
Professional Apartment Rental	2,584	2,496
Miscellaneous Income	8,046	6,285
Interest Income		
TOTAL INCOME	$302,953	$297,701
OPERATING EXPENSES	$ 22,447	$ 21,609
Salaries	4,674	4,461
Payroll Taxes and Union Benefits	28,785	32,155
Heating - Gas and Oil	11,391	10,123
Electricity	13,296	6,493
Water and Sewer	18,145	20,852
Insurance	2,243	2,389
Maintenance Supplies	8,300	8,300
Management Fees	4,927	4,197
Elevator Maintenance	4,803	1,666
Repairs - Boiler	-	225
Plastering and Masonry	11,266	12,277
Repairs - Other	1,244	712
License and Permits	1,765	2,209
Miscellaneous Administrative Expenses	1,940	1,600
Professional Expense	1,654	2,014
State Franchise and City Corporation Tax		
TOTAL OPERATING EXPENSES	$136,880	$131,282
FIXED AND OTHER CHARGES	59,931	56,502
Real Estate Taxes	70,125	70,125
Interest on Mortgage		
TOTAL FIXED AND OTHER CHARGES	130,056	126,627
TOTAL OPERATING EXPENSES AND OTHER CHARGES	266,936	257,909
INCOME BEFORE DEPRECIATION	36,017	39,792
DEPRECIATION	73,139	72,936
NET (LOSS)	$(37,122)	$(33,144)

See Notes to Financial Statements.

Reich & Reich CPA, PC.

109-23 OWNERS CORP.
STATEMENT OF ACCUMULATED DEFICIT
YEARS ENDED DECEMBER 31,

	1988	1987
Accumulated Deficit - Beginning of Period	$(114,485)	$ (81,341)
ADD: Loss for the Year Ended December 31,	(37,122)	$ (33,144)
ACCUMULATED DEFICIT DECEMBER 31,	$(151,607)	$(114,485)

See Notes to Financial Statements.

Reich & Reich CPA. PC.

109-23 OWNERS CORP.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31,

	1988	1987
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Loss	$ (37,122)	$ (33,144)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	73,139	72,936
Changes in Assets and Liabilities:		
Decrease (Increase) in Receivables	7,878	(9,525)
Decrease (Increase) in Prepaid Expenses & Taxes	1,837	2,927
Increase in Accounts Payable and Accrued Expenses	4,025	3,522
Increase in Tenants' Security Payable	437	-
Increase (Decrease) in Taxes Payable	(64)	(1,075)
Net Cash Provided by Operating Activities	50,130	35,641
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for Building Improvements	-	(6,020)
Payments for Building Equipment	-	(4,250)
Net Cash Used in Investing Activities	-	(10,270)
CASH FLOWS FROM FINANCING ACTIVITIES:		
None		
Net Increase in Cash and Cash Equivalents	50,130	25,371
Cash and Cash Equivalents at Beginning of Year	168,736	143,365
Cash and Cash Equivalents at End of Year	$ 218,866	$ 168,736

See Notes to Financial Statements.

Reich & Reich CPA PC

109-23 OWNERS CORP.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1988

NOTE 1 ORGANIZATION AND PROPERTY ACQUISITION

109-23 Owners Corp. (the Corporation) was incorporated on March 19, 1982 for the purpose of operating as a cooperative housing corporation under the Business Corporation Law of the State of New York. The Corporation is authorized to issue 6,168 shares of common stock, with a par value of $1 per share. The Corporation had no operations prior to the date the property was purchased.

On April 30, 1984, the Corporation purchased the property, encompassing an apartment building and the land upon which it was erected, from Mid Forest Company, a New York partnership which was sponsor of an offering plan to convert the property to cooperative housing ownership. The cost of the property was $2,851,168, paid for with monies received from the sale of 1,547 shares of capital stock, the assumption of a purchase money wraparound mortgage of $825,000 and the issuance of 4,621 shares to the sponsor valued at $1,433,840 ($300 a share). In accordance with the terms of the offering plan (including all amendments thereto), a total of 6,168 shares were issued to purchasers of apartments and to the sponsor for the unsold apartments.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The land, buildings and improvements are stated at cost (see Note 1). Depreciation is calculated on the straight-line method.

The useful lives are:

Building	35 Years
Building Improvements and Equipment	19-28 Years

B. Maintenance, repairs and routine replacements are charged to operations as incurred. Replacements which improve and extend the lives of the properties are capitalized.

Daich & Daich CPA PC

NOTE 3 INCOME AND FRANCHISE TAXES

The Corporation is subject to Federal, State and City income taxes on its net income. It is also subject to State and City taxes on its "Capital Base".

The Corporation has a net operating loss carryforward of approximately $151,000 which will start expiring in 1999.

NOTE 4 RESERVE CASH FUNDS

Pursuant to the terms of the offering plan, the sponsor paid to the Corporation $25,000 as a Reserve Fund. Approximately $5,000 of the Reserve Fund was absorbed by closing adjustments as expressly permitted under the Offering Plan and the balance of $20,000 was deposited in a Certificate of Deposit. The balance in the fund as of the Balance Sheet dates, including interest were $27,671, and $25,894 respectively.

NOTE 5 RELATED PARTY TRANSACTIONS

A. Stock Ownership - The property was acquired from Mid Forest Company (Mid Forest) as described in Note 1. At December 31, 1987 and 1988, Mid Forest owned 3,268 of the 6,168 outstanding shares.

B. Mortgage Payable - Under the terms of the Offering Plan, the Corporation executed a $825,000 purchase money wraparound mortgage in favor of Mid Forest. This mortgage matures July 1, 1989 and requires quarterly payments of interest only of $17,531 at the rate of 8-1/2% per year. This mortgage wraps around a $436,207 mortgage to Roosevelt Savings Bank, maturing on July 1, 1989, with quarterly carrying charges of $14,375, including interest at 8-1/2% per year.

C. Apartment Carrying Charges - Included in apartment carrying charges of $238,270 are $126,246 and $128,379 for the years ended December 31, 1988 and 1987 respectively, from Mid Forest for the charges related to the shares that it owns.

D. Management Fees - The Corporation has entered into a Management Agreement with Hyman Muss & Sons Management Corporation, an affiliate of the Sponsor, pursuant to terms set forth in the Offering Plan at an annual fee of $8,300.

EXHIBIT B

10923 OWNERS CORP.
PROJECTED BUDGET
MAY 1, 1989 - APRIL 30, 1990

INCOME		
Apartment Carrying Charges	$ 238,270	
Garage Income	21,000	
Laundry Income	2,700	
Professional Unit Income	28,800	
Air Conditioning Charges	4,000	
Interest Income	8,000	
TOTAL INCOME:		$ 302,770
EXPENSES		
Administrative		
Telephone	$ 500	
Legal and Audit	2,000	
Office Expense	500	
Licenses and Permits	1,200	
Dues and Fees	500	
Management Fee	8,300	
Miscellaneous Expenses	2,200	
	$ 15,200	
Repairs and Maintenance		
Boiler Repairs and Maintenance	2,000	
Elevator Repairs and Maintenance	5,200	
Incinerator Repairs and Maintenance	1,000	
Plumbing Repairs and Maintenance	1,000	
Electrical Repairs and Maintenance	500	
Roof Repairs and Waterproofing	1,500	
Water Treatment	100	
Glass Replacement	500	
Equipment Repairs	500	
Painting and Decorating Public Areas	1,000	
Paint Supplies	1,000	
Snow Supplies	200	
Garden Supplies	1,000	
Rubbish Removal	500	
Janitorial Supplies	2,400	
General Building Repairs and Maintenance	6,000	
	$ 24,400	

Payroll

Payroll	$ 24,600
Payroll tax and fringes	5,200
	$ 29,800

Utilities

Oil	$ 48,000
Gas	3,000
Electricity	12,000
Water and Sewer	7,000
	$ 70,000

Insurance

Insurance Expense	$ 19,000

Real Estate Taxes

Real Estate Tax Expense	$ 63,000

Interest on Mortgage

Interest Expense	$ 79,370

Other Taxes

State franchise	$ 1,000
City corporation	1,000
	$ 2,000

RECAPITULATION

INCOME		$ 302,770
EXPENSES		
Administrative	$ 15,200	
Repairs and Maintenance	$ 24,400	
Payroll	$ 29,800	
Utilities	$ 70,000	
Insurance	$ 19,000	
Real Estate Taxes	$ 63,000	
Interest	$ 79,370	
Taxes	$ 2,000	
TOTAL EXPENSES		$ 302,770

EXHIBIT C

The following apartments are unsold at The Midtown:

Apartment	Shares
4J	89
6C	98
6D	107

FOURTEENTH AMENDMENT TO OFFERING PLAN
A PLAN TO CONVERT TO COOPERATIVE OWNERSHIP REMISES
AT 109-23 71ST ROAD, FOREST HILLS, NEW YORK

The Offering Plan to convert to cooperative ownership remises at 109-23 71st Road, Forest Hills, New York dated December 15, 1982 as amended by First Amendment dated April 21, 1983, Second Amendment dated June 23, 1983, Third Amendment dated October 18, 1983, Fourth Amendment dated January 23, 1984, Fifth Amendment dated February 23, 1984, Sixth Amendment dated May 15, 1984, Seventh Amendment dated November 8, 1984, Eighth Amendment dated March 11, 1986, Ninth Amendment dated September 10, 1985, Tenth Amendment dated March 11, 1986, Eleventh Amendment dated September 15, 1986, Twelfth Amendment dated March 5, 1987 and Thirteenth Amendment dated May 5, 1987 is hereby further amended as follows:

1. A copy of the Certified Financial Statement of The Midtown for the period from January 1, 1987 through December 31, 1987 is annexed hereto as Exhibit A;

2. A copy of the Projected Budget of The Midtown for the period from January 1, 1988 through December 31, 1988 is annexed hereto as Exhibit B;

3. This Plan may be used for one (1) year from the date this Amendment is duly accepted for filing and thereafter said date is to be extended in a further amendment to be filed; and

4. Other than as set forth above, there are no material changes which require an amendment to the Offering Plan.

MID-FOREST CO.
Sponsor/Holder of
Unsold Units

BY: _____
Hyman Muss, Partner

DATED: May 13, 1988

109-23 OWNERS CORP.

REPORT

AS OF DECEMBER 31, 1987

EXHIBIT "A"

Reich & Reich CPA, PC.

Reich & Reich CPA, PC.

114 Old Country Road

Suite LL96

Mineola, N. Y. 11501

516 - 294-6777

516 - 294-6778

Gilbert Reich CPA

Barry Reich CPA

TO THE SHAREHOLDERS OF 109-23 OWNERS CORP.

We have examined the Balance Sheets of 109-23 Owners Corp. as of December 31, 1987 and 1986 and the related Statements of Operations, Accumulated Deficit, and Changes in Financial Position for the years 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 financial statements referred to above present fairly the financial position of 109-23 Owners Corp. as of December 31, 1987 and 1986 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 basis consistent with that of the preceding year.

REICH & REICH, C.P.A., P.C.

February 26, 1988

GR:sm

109-23 OWNERS CORP.
BALANCE SHEET
DECEMBER 31,

	1986	1987
ASSETS		
Cash - Operating Account	$ 14,512	$ 3,599
Cash - Money Market	104,426	139,243
Certificates of Deposit - Reserve Fund	24,427	25,894
Miscellaneous Receivable	-	9,525
Prepaid Expenses and Taxes	10,376	7,449
	153,741	185,710
PROPERTY AND EQUIPMENT		
Land	427,061	427,061
Building and Improvements	2,424,902	2,430,922
Building Equipment	-	4,250
	2,851,963	2,862,233
Less: Accumulated Depreciation	193,941	266,877
	2,658,022	2,595,356
TOTAL ASSETS	$2,811,763	$2,781,066
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES		
Accounts Payable and Accrued Expenses	27,192	30,714
Tenants' Security Payable	2,234	2,234
Taxes Payable	1,251	176
Mortgage Payable	825,000	825,000
	855,677	858,124
SHAREHOLDERS' EQUITY		
Capital Stock		
Authorized 6,168 Shares, $1 Par Value		
Issued and Outstanding 6,168 Shares	6,168	6,168
Capital in Excess of Par Value	2,031,259	2,031,259
Accumulated Deficit	(81,341)	(114,485)
	1,956,086	1,922,942
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$2,811,763	$2,781,066

See Notes to Financial Statements.

Reich & Reich CPA, PC.

109-23 OWNERS CORP.
STATEMENTS OF OPERATIONS
YEARS ENDED DECEMBER 31,

	1986	1987
MAINTENANCE AND OTHER INCOME		
Apartment Carrying Charges	$238,270	$238,270
Parking Charges	20,558	20,632
Air Conditioning Charges	3,160	3,810
Professional Apartment Rentals	26,208	26,208
Miscellaneous Income	2,496	2,496
Interest Income	4,938	6,285
TOTAL INCOME	$295,630	$297,701
OPERATING EXPENSES		
Salaries	$ 21,237	$ 21,609
Payroll Taxes and Union Benefits	4,552	4,461
Heating - Gas and Oil	35,041	32,155
Electricity	10,552	10,123
Water and Sewer	6,798	6,493
Insurance	18,431	20,852
Maintenance Supplies	2,215	2,389
Management Fees	8,300	8,300
Elevator Maintenance	4,529	4,197
Repairs - Boiler	952	1,666
Plastering and Masonry	6,310	225
Repairs - Other	5,873	12,277
License and Permits	1,015	712
Miscellaneous Administrative Expenses	2,919	2,209
Professional Expense	1,800	1,600
State Franchise and City Corporation Tax	2,428	2,014
TOTAL OPERATING EXPENSES	$132,952	$131,282
FIXED AND OTHER CHARGES		
Real Estate Taxes	54,201	56,502
Interest on Mortgage	70,125	70,125
TOTAL FIXED AND OTHER CHARGES	124,326	126,627
TOTAL OPERATING EXPENSES AND OTHER CHARGES	257,278	257,909
INCOME BEFORE DEPRECIATION	38,352	39,792
DEPRECIATION	72,735	72,936
NET (LOSS)	$(34,383)	$(33,144)

See Notes to Financial Statements.

Reich & Reich CPA, PC.

109-23 OWNERS CORP.
STATEMENT OF ACCUMULATED DEFICIT
YEARS ENDED DECEMBER 31,

	1986	1987
Accumulated Deficit - Beginning of Period	$(46,958)	$ (81,341)
ADD: Loss for the Year Ended December 31,	(34,383)	$ (33,144)
ACCUMULATED DEFICIT DECEMBER 31,	$(81,341)	$(114,485)

See Notes to Financial Statements.

Reich & Reich CPA, PC

109-23 OWNERS CORP.
STATEMENT OF CHANGES IN FINANCIAL POSITION
YEARS ENDED DECEMBER 31,

	1986	1987
FUNDS PROVIDED BY:		
Income Before Depreciation	$ 38,352	$ 39,792
Decrease in Accounts Receivable	531	-
Decrease in Prepaid Expenses and Taxes	-	2,927
Increase in Accounts Payable and Accrued Expenses	-	3,522
	$ 38,883	46,241
FUNDS USED FOR:		
Increase in Certificate of Deposit	1,602	1,467
Purchase of Building Improvement	795	6,020
Purchase of Building Equipment	-	4,250
Decrease in Accounts Payable and Accrued Expense	13,182	-
Increase in Prepaid Expenses and Taxes	1,676	-
Decrease in Taxes Payable	-	1,075
Increase in Miscellaneous Receivable	-	9,525
	$ 17,255	$ 22,337
INCREASE IN CASH	21,628	23,904
CASH - January 1,	97,310	118,938
CASH - December 31,	$118,938	$142,842

See Notes to Financial Statements.

Reich & Reich CPA, PC.

109-23 OWNERS CORP.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1987

NOTE 1 ORGANIZATION AND PROPERTY ACQUISITION

109-23 Owners Corp. (the Corporation) was incorporated on March 19, 1982 for the purpose of operating as a cooperative housing corporation under the Business Corporation Law of the State of New York. The Corporation is authorized to issue 6,168 shares of common stock, with a par value of $1 per share. The Corporation had no operations prior to the date the property was purchased.

On April 30, 1984, the Corporation purchased the property, encompassing an apartment building and the land upon which it was erected, from Mid Forest Company, a New York partnership which was sponsor of an offering plan to convert the property to cooperative housing ownership. The cost of the property was $2,851,168, paid for with monies received from the sale of 1,547 shares of capital stock, the assumption of a purchase money wraparound mortgage of $825,000 and the issuance of 4,621 shares to the sponsor valued at $1,433,840 ($300 a share). In accordance with the terms of the offering plan (including all amendments thereto), a total of 6,168 shares were issued to purchasers of apartments and to the sponsor for the unsold apartments.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The land, buildings and improvements are stated at cost (see Note 1). Depreciation is calculated on the straight-line method.

The useful lives are:

Building	35 Years
Building Improvements and Equipment	19-28 Years

B. Maintenance, repairs and routine replacements are charged to operations as incurred. Replacements which improve and extend the lives of the properties are capitalized.

Reich & Reich CPA, PC

NOTE 3 INCOME AND FRANCHISE TAXES

The Corporation is subject to Federal, State and City income taxes on its net income. It is also subject to State and City taxes on its "Capital Basis".

The Corporation has a net operating loss carryforward of $114,485 which will start expiring in 1999.

NOTE 4 RESERVE CASH FUNDS

Pursuant to the terms of the offering plan, the sponsor paid to the Corporation $25,000 as a Reserve Fund. Approximately $5,000 of the Reserve Fund was absorbed by closing adjustments as expressly permitted under the Offering Plan and the balance of $20,000 was deposited in a Certificate of Deposit. The balance in the fund as of the Balance Sheet dates, including interest were $24,427, and $25,894 respectively.

NOTE 5 RELATED PARTY TRANSACTIONS

A. Stock Ownership - The property was acquired from Mid Forest Company (Mid Forest) as described in Note 1. At December 31, 1986 and 1987, Mid Forest owned 3,375 and 3,268 respectively of the 6,168 outstanding shares.

B. Mortgage Payable - Under the terms of the Offering Plan, the Corporation executed a $825,000 purchase money wraparound mortgage in favor of Mid Forest. This mortgage matures July 1, 1989 and requires quarterly payments of interest only of $17,531 at the rate of 8-1/2% per year. This mortgage wraps around a $436,207 mortgage to Roosevelt Savings Bank, maturing on July 1, 1989, with quarterly carrying charges of $14,375, including interest at 8-1/2% per year.

C. Apartment Carrying Charges - Included in apartment carrying charges of $238,270 are $136,534 and $128,379 from Mid Forest for the charges related to the shares that it owns.

D. Management Fees - The Corporation has entered into a Management Agreement with Hyman Muss & Sons Management Corporation, an affiliate of the Sponsor, pursuant to terms set forth in the Offering Plan at an annual fee of $8,300.

10923 OWNERS CORP.
PROJECTED BUDGET
MAY 1, 1988 - APRIL 30, 1989

INCOME		
Apartment Carrying Charges	$ 238,270	
Garage Income	21,000	
Laundry Income	1,000	
Professional Unit Income	26,730	
Air Conditioning Charges	3,000	
Interest Income	6,000	
TOTAL INCOME:		$ 296,000
EXPENSES		
Administrative		
Telephone	$ 500	
Legal and Audit	2,400	
Office Expense	1,000	
Licenses and permits	1,500	
Dues and Fees	2,000	
Management Fee	8,300	
Miscellaneous Expenses	1,300	
	$ 17,000	
Repairs and Maintenance		
Boiler Repairs and Maintenance	3,500	
Elevator Repairs and Maintenance	4,900	
Incinerator Repairs and Maintenance	1,000	
Plumbing Repairs and Maintenance	2,000	
Electrical Repairs and Maintenance	500	
Roof Repairs and Waterproofing	2,000	
Water Treatment	100	
Glass Replacement	500	
Equipment Repairs	1,000	
Painting and Decorating Public Areas	2,500	
Paint Supplies	800	
Snow Supplies	200	
Garden Supplies	2,500	
Rubbish Removal	500	
Janitorial Supplies	4,000	
General Building Repairs and Maintenance	4,775	
	$ 30,775	

EXHIBIT "B"

Payroll

Payroll	$ 23,800
Payroll tax and fringes	2,500
Union Expense	2,500
	$ 28,800

Utilities

Oil	$ 48,000
Gas	3,000
Electricity	10,800
Water and Sewer	7,000
	$ 68,800

Insurance

Insurance Expense	$ 21,000

Real Estate Taxes

Real Estate Tax Expense	$ 57,000

Interest on Mortgage

Interest Expense	$ 70,125

Other Taxes

State franchise	$ 1,350
City corporation	1,150
	$ 2,500

TOTAL EXPENSES:	$ 296,000

RECAPITULATION

INCOME		$ 296,000
EXPENSES		
Administrative	$ 17,000	
Repairs & Maintenance	30,775	
Payroll	28,800	
Utilities	68,800	
Insurance	21,000	
Real Estate Taxes	57,000	
Interest	70,125	
Taxes	2,500	
		$ 296,000

THIRTEENTH AMENDMENT TO OFFERING PLAN
A PLAN TO CONVERT TO COOPERATIVE OWNERSHIP PREMISES
AT 109-23 71ST ROAD, FOREST HILLS, NEW YORK

The Offering Plan to convert to cooperative ownership premises at 109-23 71st Road, Forest Hills, New York dated December 15, 1982 as amended by First Amendment dated April 21, 1983, Second Amendment dated June 23, 1983, Third Amendment dated October 18, 1983, Fourth Amendment dated January 23, 1984, Fifth Amendment dated February 23, 1984, Sixth Amendment dated May 15, 1984, Seventh Amendment dated November 8, 1984, Eighth Amendment dated June 11, 1985, Ninth Amendment dated September 10, 1985, Tenth Amendment dated March 11, 1986, Eleventh Amendment dated September 15, 1986 and Twelfth Amendment dated March 5, 1987 is hereby further amended as follows:

I. REPORT ON ASBESTOS CONTAINING MATERIALS.

A. The Regulation. This amendment is presented pursuant to the provisions of 13 NYCRR 18.7(aa), a regulation promulgated by the Department of Law on August 8, 1986.

B. Asbestos Statement. Sponsor and/or Holder of Unsold Shares has performed such tests as are necessary to determine whether Asbestos Containing Materil ("ACM") is present in insulating or fireproofing material anywhere in the Building.

C. Asbestos Report. Annexed hereto and made a part of this amendment as Exhibit A is a copy of the Asbestos Report prepared by National Laboratories, Inc., (the "Consultant"), 27-14 39th Avenue, Long Island City, New York for this building pursuant to the aforementioned Regulation.

Pursuant to said report the Consultant determined that the ACM that was found in the building did not constitute a potential source of airborne asbestos fibers and recommended that all areas that contain ACM should be inspected on a regular basis to ascertain its soundness. In addition, a special operations and maintenance program for ACM left in the building is attached as Exhibit B.

D. Right to Postpone Closings. All Purchasers who elected to delay their closings until disclosure of the Asbestos Report shall now have 30 days from the date of presentation of this Thirteenth Amendment to close on their Apartment.

II. Extension of Plan. This Plan may be used for one (1) year from the date this Amendment is duly accepted for filing and thereafter said date is to be extended in a further amendment to be filed.

Other than as set forth above, there are no material changes which require an amendment to the Offering Plan.

MID-FOREST CO.
Sponsor/Holder of
Unsold Shares

By _____
Hyman Muss, Partner

DATED: May 5, 1987

TWELFTH AMENDMENT TO OFFERING PLAN
A PLAN TO CONVERT TO COOPERATIVE OWNERSHIP PREMISES
AT 109-23 71ST ROAD, FOREST HILLS, NEW YORK

The Offering Plan to convert to cooperative ownership premises at 109-23 71st Road, Forest Hills, New York dated December 15, 1982 as amended by First Amendment dated April 21, 1983, Second Amendment dated June 23, 1983, Third Amendment dated October 18, 1983, Fourth Amendment dated January 23, 1984, Fifth Amendment dated February 23, 1984, Sixth Amendment dated May 15, 1984, Seventh Amendment dated November 8, 1984, Eighth Amendment dated June 11, 1985, Ninth Amendment dated September 10, 1985, Tenth Amendment dated March 11, 1986 and Eleventh Amendment dated September 15, 1986 is hereby further amended as follows:

I. New York City Real Property Transfer Tax. The Contract of Sale for unsold shares contained in the Sixth Amendment dated May 15, 1984 is amended to include the following rider:

> "Purchaser agrees that he shall pay to the Commissioner of Finance any New York City Real Property Transfer Tax due on the sale of the shares and transfer of the Proprietary Lease to Purchaser."

II. Extension of Plan. This Plan may be used for six (6) months from the date this Amendment is duly accepted for filing and thereafter said date is to be extended in a further amendment to be filed.

Other than as set forth above, there are no material changes which require an amendment to the Offering Plan.

MID-FOREST CO.
Sponsor/Holder of
Unsold Shares

By _____
HYMAN MUSS, Partner

DATED: March 5, 1987

ELEVENTH AMENDMENT TO OFFERING PLAN

A PLAN TO CONVERT TO COOPERATIVE OWNERSHIP PREMISES

AT 109-23 71ST ROAD, FOREST HILLS, NEW YORK

The Offering Plan to convert to cooperative ownership premises at 109-23 71st Road, Forest Hills, New York dated December 15, 1982 as amended by First Amendment dated April 21, 1983, Second Amendment dated June 23, 1983, Third Amendment dated October 18, 1983, Fourth Amendment dated January 23, 1984, Fifth Amendment dated February 23, 1984, Sixth Amendment dated May 15, 1984, Seventh Amendment dated November 8, 1984, Eighth Amendment dated June 11, 1985, Ninth Amendment dated September 10, 1985 and Tenth Amendment dated March 11, 1986, is hereby further amended as follows:

I. Pursuant to Part 18.7(aa) of the Regulations of the Department of Law promulgated on August 8, 1986, which is applicable to all buildings being converted to cooperative ownership, the Sponsor is required to perform such tests as are necessary to determine whether any Asbestos Containing Material (ACM) is present in insulating or fireproofing material anywhere in the buildings. In the event that ACM is present, Sponsor will cause to be prepared a report on the asbestos in the building (the "Asbestos Report") containing the qualifications of the person preparing the report, a detailed inventory of the ACM in each apartment and other areas of the property, and whether the ACM presents any immediate health or safety hazard. The Asbestos Report must also contain recommendations for handling each and every item of ACM, how the recommendations should be implemented, and a recommended protocol for the future handling and maintenance of asbestos which will remain in the building, whether encapsulated, enclosed or left undisturbed.

The Plan will be amended prior to February 8, 1987 to include a statement as to whether ACM is present, and if so, include an Asbestos Report. The Sponsor presently controls the Board of Directors of the Apartment Corporation and if Sponsor is still in control at the time the Asbestos Report is issued Sponsor will cause the Apartment Corporation to comply expeditiously with the recommendations contained in the Report. The cost of such compliance shall be borne by the Apartment Corporation. In the event Sponsor is not in control at the time the Asbestos Report is issued, the Board of Directors must determine what action, if any, to take with regard to the recommendations included in the Report. If the Board decides to comply with the Reports' recommendations, if any, the cost of such compliance shall be borne by the Apartment Corporation. In either case it will be the responsibility of the Apartment Corporation to monitor and maintain any ACM which remains in the Building.

Purchasers in good standing not presently in default are hereby advised that pursuant to Section 18.7(aa) they may, by advising Sponsor in writing within fifteen (15) days of the date of presentation of this Amendment, elect not to close on their Apartments until thirty (30) days of the date of presentation of a subsequent amendment containing the Asbestos Report has been presented to them.

II. EXTENSION OF PLAN

This Plan may be used for six (6) months from the date this Amendment is duly accepted for filing and thereafter said date is to be extended in a further amendment to be filed.

Other than as set forth above there are no material changes which require an amendment to the Offering Plan.

MID-FOREST CO.
Sponsor/Holder of Unsold Shares

By:_____
HYMAN MUSS, Partner

Dated: September 15, 1986

TENTH AMENDMENT TO OFFERING PLAN

A PLAN TO CONVERT TO COOPERATIVE OWNERSHIP PREMISES

AT 109-23 71ST ROAD, FOREST HILLS, NEW YORK

The Offering Plan to convert to cooperative ownership premises at 109-23 71st Road, Forest Hills, New York dated December 15, 1982 as amended by First Amendment dated April 21, 1983, Second Amendment dated June 23, 1983, Third Amendment dated October 18, 1983, Fourth Amendment dated January 23, 1984, Fifth Amendment dated February 23, 1984, Sixth Amendment dated May 15,1984, Seventh Amendment dated November 8, 1984, Eighth Amendment dated June 11, 1985 and Ninth Amendment dated September 10, 1985 is hereby further amended as follows:

1. Mid-Forest Co. as holder of unsold shares, has sold the following vacant apartments to bonafide purchasers: 7H and 4D.

2. A copy of the certified financial statement of the cooperative corporation for the period ending December 31, 1985 is annexed hereto as Exhibit A.

3. Effective immediately, the Total Cash Payment to all purchasers is increased to $950 per share.

4. Except as set forth herein, there have been no further material changes in the terms and conditions of this Plan.

MID-FOREST CO.
Holder of Unsold Shares

By:_____
Hyman Muss, Partner

March 11,1986

EXHIBIT "A"

109-23 OWNERS CORP.

REPORT

AS OF DECEMBER 31, 1985

Reich & Reich CPA, PC.

Reich & Reich CPA, PC.

114 Old Country Road

Suite LL96

Mineola, N. Y. 11501

516 - 294-6777

516 - 294-6778

Reich CPA

eich CPA

TO THE SHAREHOLDERS OF 109-23 OWNERS CORP.

We have examined the Balance Sheet of 109-23 Owners Corp. as of December 31, 1985 and the related Statements of Operations, Accumulated Deficit, and Changes in Financial 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 financial statements referred to above present fairly the financial position of 109-23 Owners Corp. as of December 31, 1985 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 basis consistent with that of the preceding year.

REICH & REICH, C.P.A., P.C.

February 18, 1986

GR/jf

109-23 OWNERS CORP.
BALANCE SHEET
DECEMBER 31, 1985

ASSETS	
Cash - Operating Account	$ 31,220
Cash - Money Market Account	66,090
Certificates of Deposit - Reserve Fund	22,825
Accounts Receivable - Due from Co-operators	531
Prepaid Expenses	8,699
	129,365
PROPERTY AND EQUIPMENT AT COST	
Land	427,061
Building	2,424,107
	2,851,168
Less: Accumulated Depreciation	(121,205)
	2,729,963
TOTAL ASSETS	2,859,328
LIABILITIES	
Accounts Payable and Accrued Expense	39,160
Tenants' Security Payable	2,234
Taxes Payable	2,465
Mortgage Payable	825,000
	868,859
SHAREHOLDERS' EQUITY	
Capital Stock	
Authorized - 6,168 Shares, $1 Par Value	6,168
Issued and Outstanding - 6,168 Shares	2,031,259
Capital in Excess of Par Value	(46,958)
Accumulated Deficit	1,990,469
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,859,328

See attached nots to Financial Statements.

Reich & Reich CPA, P(

109-23 OWNERS CORP.
STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 1985

MAINTENANCE AND OTHER INCOME			
Apartment Carrying Charges		$238,270	
Parking Charges		18,091	
Air Conditioning Charges		2,280	
Professional Apartment Rentals		24,024	
Miscellaneous Income		2,834	
Interest Income		2,800	
TOTAL INCOME			$288,299
OPERATING EXPENSES			
Salaries	$10,676		
Payroll Taxes and Union Benefits	4,380		
Heating - Gas and Oil	41,041		
Electricity	9,178		
Water and Sewer	6,522		
Insurance	12,143		
Maintenance Supplies	5,041		
Rubbish Removal	444		
Management Fees	8,300		
Elevator Maintenance	4,235		
Repairs - Boiler	2,078		
Repairs - Other	5,724		
License and Permits	1,887		
Miscellaneous Administrative Expenses	1,796		
Professional Expense	1,100		
State Franchise and City Corporation Tax	2,465		
TOTAL OPERATING EXPENSES		$126,010	
FIXED AND OTHER CHARGES			
Real Estate Taxes	52,979		
Interest on Mortgage	70,125		
TOTAL FIXED AND OTHER CHARGES		123,104	
TOTAL OPERATING EXPENSES AND OTHER CHARGES			$249,114
INCOME BEFORE DEPRECIATION			39,185
DEPRECIATION			72,723
NET (LOSS)			($ 33,538)

See attached notes to Financial Statements.

Reich & Reich CPA, PC.

109-23 OWNERS CORP.
STATEMENT OF ACCUMULATED DEFICIT
YEAR ENDED DECEMBER 31, 1985

Accumulated Deficit Janaury 1, 1985	(13,420)
ADD: Loss for the Year Ended December 31, 1985	(33,538)
Accumulated Deficit December 31, 1985	(46,958)

See attached notes to Financial Statements.

Reich & Reich CPA, PC

109-23 OWNERS CORP.
STATEMENT OF CHANGES IN FINANCIAL POSITION
YEAR ENDED DECEMBER 31, 1985

FUNDS PROVIDED BY:	
Income Before Depreciation	$39,185
Increase in Accounts Payable and Accrued Expense	11,888
Increase in Tenant's Security Payable	389
Increase in Taxes Payable	1,228
Decrease in Accounts Receivable	1,307
	$53,997
FUNDS USED FOR:	
Decrease in Notes Payable	7,410
Increase in Prepaid Expenses	3,903
Increase in Reserve Fund	1,711
	$13,024
INCREASE IN CASH	40,973
CASH - January 1, 1985	56,337
CASH - December 31, 1985	97,310

See attached notes to Financial Statements.

Reich & Reich CPA PC

109-23 OWNERS CORP.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1985

NOTE 1 ORGANIZATION AND PROPERTY ACQUISITION

109-23 Owners Corp. (the Corporation) was incorporated on March 19, 1982 for the purpose of operating as a cooperative housing corporation under the Business Corporation Law of the State of New York. The Corporation is authorized to issue 6,168 shares of common stock, with a par value of $1 per share. The Corporation had no operations prior to the date the property was purchased.

On April 30, 1984, the Corporation purchased the property, encompassing an apartment building and the land upon which it was erected, from Mid Forest Company, a New York partnership which was sponsor of an offering plan to convert the property to cooperative housing ownership. The cost of the property was $2,851,168, paid for with monies received from the sale of 1,547 shares of capital stock, the assumption of a purchase money wraparound mortgage of $825,000 and the issuance of 4,621 shares to the sponsor valued at $1,433,840 ($300 a share). In accordance with the terms of the offering plan (including all amendments thereto), a total of 6,168 shares were issued to purchasers of apartments and to the sponsor for the unsold apartments.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The land, buildings and improvements are stated at cost (see Note 1). Depreciation is calculated on the straight line method over a thirty-five year life.

B. Maintenance, repairs and routine replacements are charged to operations as incurred. Replacements which improve and extend the lives of the properties are capitalized.

NOTES TO FINANCIAL STATEMENTS (continued)

NOTE 3 INCOME AND FRANCHISE TAXES

The Corporation is subject to federal income taxes on its net income.

NOTE 4 RESERVE CASH FUNDS

Pursuant to the terms of the offering plan, the sponsor paid to the Corporation $25,000 as a Reserve Fund. Approximately $5,000 of the Reserve Fund was absorbed by closing adjustments as expressly permitted under the Offering Plan and the balance of $20,000 was deposited in a money market account and a cetificate of deposit. The balance in the fund as of the Balance Sheet date, including interest, was $22,875.

NOTE 5 RELATED PARTY TRANSACTIONS

A. Stock Ownership - The property was acquired from Mid Forest Company (Mid Forest) as described in Note 1. At December 31, 1985, Mid Forest owned 3,624 of the 6,168 outstanding shares.

B. Mortgage Payable - Under the terms of the Offering Plan, the Corporation executed a $825,000 purchase money wraparound mortgage in favor of Mid Forest. This mortgage matures July 1, 1989 and requires quarterly payments of interest only of $17,531 at the rate of 8-1/2% per year. This mortgage wraps around a $436,207 mortgage to Roosevelt Savings Bank, maturing on July 1, 1989, with quarterly carrying charges of $14,375, including interest at 8-1/2% per year.

C. Apartment Carrying Charges - Included in apartment carrying charges of $238,270 is $149,064 from Mid Forest for the charges related to the shares that it owns.

D. Management Fees - The Corporation has entered into a Management Agreement with Hyman Muss & Sons Management Corporation, an affiliate of the Sponsor, pursuant to terms set forth in the Offering Plan at an annual fee of $8,300.

NINTH AMENDMENT TO OFFERING PLAN

A PLAN TO CONVERT TO COOPERATIVE OWNERSHIP PREMISES

AT 109-23 71ST ROAD, FOREST HILLS, NEW YORK

The Offering Plan to convert to cooperative ownership premises at 109-23 71st Road, Forest Hills, New York dated December 15, 1982, as amended by First Amendment dated April 21, 1983, Second Amendment dated June 23, 2983, Third Amendment dated October 18, 1983, Fourth Amendment dated January 23, 1984, Fifth Amendment dated February 23, 1984, Sixth Amendment dated may 15, 1984, Seventh Amendment dated November 8, 1984 and Eighth Amendment dated June 11, 1985 is hereby further amended as follows:

1. Effective immediately, the Total Cash Payment to all purchasers is increased to $750.00 per share.

2. Except as set forth herein, there have been no material changes in the terms and conditions of this Plan.

MID-FOREST CO.
(Holder of Unsold Shares)

BY: _____

HYMAN MUSS

DATED: September 10, 1985

EIGHTH AMENDMENT TO OFFERING PLAN

A PLAN TO CONVERT TO COOPERATIVE OWNERSHIP PREMISES

AT 109-23 71ST ROAD, FOREST HILLS, NEW YORK

The Offering Plan to convert to cooperative ownership premises at 109-23 71st Road, Forest Hills, New York dated December 15, 1982, as amended by First Amendment dated April 21, 1983, Second Amendment dated June 23, 1983, Third Amendment dated October 18, 1983, Fourth Amendment dated January 23, 1984, Fifth Amendment dated February 23, 1984, Sixth Amendment dated May 15, 1984, and Seventh Amendment dated November 8, 1984, is hereby further amended as follows:

1. Mid-Forest Co., as Holder of Unsold Shares, has sold the following vacant apartments to bona fide purchasers: 1B, 3B and 4E.

2. A copy of the certified financial statements of the cooperative corporation for the period ending December 31, 1984 is annexed as Exhibit "A".

3. A copy of the projected budget for the cooperative corporation for the period May 1, 1985 - April 30, 1986 is annexed as Exhibit "B".

4. To clarify a statement in the Plan and conform with the practice of the cooperative corporation, apartment gas charges are individually metered and are not being billed as part of the cooperative maintenance charges.

5. This Plan may be used for six (6) months from the date this Amendment is accepted for filing and thereafter said date is to be extended in a further Amendment to be filed.

Except as set forth herein, there have been no material changes in the terms and conditions of this Plan.

MID-FOREST CO.
(Holder of Unsold Shares)

By _____
HYMAN MUSS

DATED: June 11, 1985

EXHIBIT A

Reich & Reich CPA, PC.

114 Old Country Road

Suite LL96

Mineola, N. Y. 11501

516 - 294-6777

516 - 294-6778

Gilbert Reich CPA

Barry Reich CPA

TO THE STOCKHOLDERS OF 109-23 OWNERS CORPORATION

We have examined the Balance Sheet of 109-23 Owners Corporation as of December 31, 1984 and the related Statements of Operations and Changes in Financial Position for the period from April 30, 1984, to December 31, 1984. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the Financial Statements referred to above present fairly the financial position of 109-23 Owners Corporation as of December 31, 1984 and the results of its operations and changes in financial position for the period from April 30, 1984 to December 31, 1984, in conformity with generally accepted accounting principles.

Respectfully submitted,

REICH & REICH, C.P.A., P.C.

February 7, 1985

109-23 OWNERS CORPORATION
BALANCE SHEET
DECEMBER 31, 1984

ASSETS	
Cash - Operating Account	$ 56,337
Cash - Reserve Fund	21,114
Accounts Receivable - Due from Sponsor	967
Accounts Receivable - Due from Co-operators	871
Prepaid Expenses	4,796
	84,085
PROPERTY AND EQUIPMENT AT COST	
Land	427,061
Building	2,424,107
	2,851,168
Less: Accumulated Depreciation	(48,482)
	2,802,686
TOTAL ASSETS	$2,886,771
LIABILITIES	
Accounts Payable and Accrued Expense	$ 27,272
Notes Payable and Accrued Interest	7,410
Mortgage Payable	825,000
Tenants' Security Payable	1,845
Taxes Payable	1,237
	862,764
SHAREHOLDERS' EQUITY	
Capital Stock	
Authorized - 6,168 Shares, $1 Par Value Per Share	
Issued and Outstanding - 6,168 Shares	6,168
Capital in Excess of Par Value	2,031,259
Accumulated Deficit	(13,420)
	2,024,007
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$2,886,771

See attached notes to Financial Statements.

Reich & Reich CPA, PC

109-23 OWNERS CORPORATION
STATEMENT OF OPERATIONS
FROM APRIL 30, 1984 TO DECEMBER 31, 1984

AINTENANCE AND OTHER INCOME			
Apartment Carrying Charges		$158,846	
Parking Charges		11,775	
Air Conditioning Charges		975	
Professional Apartment Rentals		14,560	
Laundry Income		624	
Interest Income		1,531	
TOTAL INCOME			$188,311
PERATING EXPENSES			
Salaries	$12,113		
Payroll Taxes and Union Benefits	2,008		
Heating - Gas and Oil	21,266		
Electricity	8,561		
Water and Sewer	4,204		
Insurance	3,115		
Maintenance Supplies	3,903		
Rubbish Removal	433		
Management Fees	5,533		
Elevator Maintenance	2,693		
Repairs - Boiler	1,500		
Repairs - Other	852		
License and Permits	336		
Miscellaneous Administrative Expenses	1,096		
Professional Expense	1,700		
State Franchise and City Corporation Tax	1,237		
TOTAL OPERATING EXPENSES		70,550	
FIXED AND OTHER CHARGES			
Real Estate Taxes	34,948		
Interest on Mortgage	46,945		
Interest on Notes Issued for Closing Expense	806		
TOTAL FIXED AND OTHER CHARGES		82,699	
TOTAL OPERATING EXPENSES AND OTHER CHARGES			153,249
INCOME BEFORE DEPRECIATION			35,062
DEPRECIATION			(48,482
NET (LOSS)			($ 13,420

See attached notes to Financial Statements.

Reich & Reich CPA, PC

109-23 OWNERS CORPORATION
STATEMENT OF CHANGES IN FINANCIAL POSITION
FROM APRIL 30, 1984 TO DECEMBER 31, 1984

FUNDS PROVIDED BY	
Income Before Depreciation	$ 35,062
Cash Payments for Subscriptions to Capital Stock	603,587
Mortgage Assumed on Purchase of Property from Sponsor	825,000
Shares of Stock Issued to Sponsor for Unsold Apartments	1,433,840
Notes Issued in Payment of Closing Adjustments for	
Prepaid Real Estate Taxes	
Tax Escrow Title and Recording Charges	
Minor Expense Adjustments	16,543
Accounts Payable and Accrued Expenses	27,272
Accrued Interest on Sponsor Notes	516
Tenants' Security	1,845
Taxes Payable	1,237
	2,944,902
FUNDS USED FOR	
Purchase of Property	2,851,167
Reserve Funds Deposited in Money Market Account and Dividends Earned	21,114
Receivables and Prepaid Expenses	6,634
Payment of Notes Issued to Sponsor	9,650
	2,888,565
CASH AT END	$ 56,337

See attached notes to Financial Statements.

Reich & Reich CPA, PC.

109-23 OWNERS CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1984

NOTE 1 ORGANIZATION AND PROPERTY ACQUISITION

109-23 Owners Corporation (the Corporation) was incorporated on March 19, 1982 for the purpose of operating as a cooperative housing corporation under the Business Corporation Law of the State of New York. The Corporation is authorized to issue 6,168 shares of common stock, with a par value of $1 per share. The Corporation had no operations prior to the date the property was purchased.

On April 30, 1984, the Corporation purchased the property, encompassing an apartment building and the land upon which it was erected, from Mid Forest Company, a New York partnership which was sponsor of an offering plan to convert the property to cooperative housing ownership. The cost of the property was $2,851,168, paid for with monies received from the sale of 1,547 shares of capital stock, the assumption of a purchase money wraparound mortgage of $825,000 and the issuance of 4,621 shares to the sponsor valued at $1,433,840 ($300 a share). In accordance with the terms of the offering plan (including all amendments thereto), a total of 6,168 shares were issued to purchasers of apartments and to the sponsor for the unsold apartments.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The land, buildings and improvements are stated at cost (see Note 1). Depreciation is calculated on the straight line method over a thirty-five year life.

B. Maintenance, repairs and routine replacements are charged to operations as incurred. Replacements which improve and extend the lives of the properties are capitalized.

NOTE 3 INCOME AND FRANCHISE TAXES

The Corporation is subject to federal income taxes on its net income.

NOTE 4 RESERVE CASH FUNDS

Pursuant to the terms of the offering plan, the sponsor paid to the Corporation $ 25,000 as a Reserve Fund. Approximately $5,000 of the Reserve Fund was absorbed by closing adjustments as expressly permitted under the Offering Plan and the balance of $20,000 was deposited in a money market account. The balance in the fund as of the Balance Sheet date, including interest, was $21,114.

NOTE 5 RELATED PARTY TRANSACTIONS

A. Stock Ownership - The property was acquired from Mid Forest Company (Mid Forest) as described in Note 1. At December 31, 1984, Mid Forest owned 4,003 of the 6,168 outstanding shares.

B. Notes Payable - Under the terms of the Offering Plan, the Corporation executed in favor of Mid Forest a series of 12 promissory notes payable in equal monthly installments over a one-year period aggregating $16,543 plus interest at 9% a year. These series notes represent the net closing adjustments due to Mid Forest after deducting the $5,000 paid from the Reserve Fund. At December 31, 1984 the outstanding notes payable were $6,893 and the accrued interest payable was $806.

C. Mortgage Payable - Under the terms of the Offering Plan, the Corporation executed a $825,000 purchase money wrap-around mortgage in favor of Mid Forest. This mortgage matures July 1, 1989 and requires quarterly payments of interest only of $17,531 at the rate of 8-1/2% per year. This mortgage wraps around a $436,207 mortgage to Roosevelt Savings Bank, maturing on July 1, 1989, with quarterly carrying charges of $14,375, including interest at 8-1/2% per year.

NOTES TO FINANCIAL STATEMENTS (continued)

D. Apartment Carrying Charges - Included in apartment carrying charges of $158,846 is $109,220 from Mid Forest for the charges related to the shares that it owns.

At December 31, 1984 Mid Forest owed the Corporation $967 for garage fees less the expenses paid by Mid Forest on behalf of the Corporation.

E. Management Fees - The Corporation has entered into a Management Agreement with Hyman Muss & Sons Management Corporation, an affiliate of the Sponsor, pursuant to terms set forth in the Offering Plan at an annual fee of $8,300.

EXHIBIT B

10923 OWNERS CORP.
PROJECTED BUDGET
MAY 1, 1985 - APRIL 30, 1986

INCOME

Apartment Carrying Charges	$ 238,270	
Garage Income	20,600	
Laundry Income	1,000	
Professional Unit Income	23,000	
Air Conditioning Charges	2,600	
Interest Income	4,000	
TOTAL INCOME:		$ 289,470

EXPENSES

Administrative

Telephone	$ 500
Legal and Audit	2,400
Office Expense	2500
Licenses and permits	500
Dues and Fees	2500
Management Fee	8,300
Miscellaneous Expenses	1,000
	$ 13,200

Repairs and Maintenance

Boiler Contract	$ 850
Boiler Repairs	5,000
Elevator Contract	4,200
Elevator Repairs	500
Incinerator Repairs and Maintenance	500
Plumbing Repairs and Maintenance	2,000
Electrical Repairs and Maintenance	500
Roof Repairs and Waterproofing	1,000
Water Treatment	350
Glass Replacement	500
Equipment Repairs	500
Painting and Decorating Public Areas	500
Paint Supplies	1000
Snow Supplies	200
Garden Supplies	5000
Rubbish Removal	1,000
Janitorial Supplies	2,000
General Building Repairs and Maintenance	2,000
	$ 17,700

Payroll

Payroll	$ 19,000
Payroll tax and fringes	5,500
	$ 24,500

Utilities

Oil	$ 59,000
Gas	1,500
Electricity	10,800
Water and Sewer	4,500
	$ 75,800

Insurance

Insurance Expense	$ 15,000

Real Estate Taxes

Real Estate Tax Expense	$ 54,000

Interest on Mortgage

Interest Expense	$ 70,124

Other Taxes

State franchise	$ 570
City corporation	670
	$ 1,240

Reserve Fund

Reserve Fund expense	$ 17,906

TOTAL EXPENSES: $ 289,470

RECAPITULATION

INCOME	$ 289,470
EXPENSES	
Administrative	$ 13,200
Repairs & Maintenance	17,700
Payroll	24,500
Utilities	75,800
Insurance	15,000
Real Estate Taxes	54,000
Interest	70,124
Taxes	1,240
Reserves	17,906
	$ 289,470

SEVENTH AMENDMENT TO OFFERING PLAN

A PLAN TO CONVERT TO COOPERATIVE OWNERSHIP PREMISES

AT 109-23 71st ROAD, FOREST HILLS, NEW YORK

The Offering Plan to convert to cooperative Ownership premises at 109-23 71st Road, Forest Hills, New York dated December 15, 1982, as amended by First Amendment dated April 21, 1983, Second Amendment dated June 23, 1983, Third Amendment dated October 18, 1983, Fourth Amendment dated January 23, 1984, Fifth Amendment dated February 23, 1984 and Sixth Amendment dated May 15, 1984, is hereby further amended as follows:

1. Effectively immediately, the Total Cash Payment to all purchasers is increased to $600.00 per share.

2. This Plan may be used for six (6) months from the date this Amendment is accepted for filing and thereafter said date is to be extended in a further Amendment to be filed.

Except as set forth herein, there have been no material changes in the terms and conditions of this Plan.

MID-FOREST CO.
(Holder of Unsold Shares)

By_____
HYMAN MUSS

DATED: November 8, 1984

SIXTH AMENDMENT TO OFFERING PLAN

A PLAN TO CONVERT TO COOPERATIVE OWNERSHIP PREMISES

AT 109-23 71st ROAD, FOREST HILLS, NEW YORK

The Offering Plan to convert to Cooperative Ownership premises at 109-23 71st Road, Forest Hills, New York dated December 15, 1982, as amended by First Amendment dated April 21, 1983, Second Amendment dated June 23, 1983, Third Amendment dated October 18, 1983, Fourth Amendment dated January 23, 1984 and Fifth Amendment dated February 23, 1984, is hereby further amended as follows;

1. The Closing

On April 30, 1984 Sponsor transferred title to the premises in exchange for (i) 4,370 shares of the Apartment Corporation (constituting all "Unsold Shares"), (ii) the Apartment Corporation's note in the principal sum of $825,000, secured by a purchase money wraparound mortgage lien against the property and (iii) $578,587 representing the net proceeds realized from the shares then sold.

At the closing, Subscription Agreements were in effect for 17 apartments, constituting approximately 33% of all apartments being offered for sale. Of this number, Subscription Agreements were consumated for 14 apartments.

2. Unsold Apartments

In accordance with the Plan, all Unsold Shares have been acquired by the Sponsor. Set forth in Exhibit "A" is a list of all Unsold Apartments.

Appended to this Agreement as Exhibit "B" is the form of Contract of Sale to be used for reselling the Unsold Shares.

The Apartment Corporation is not a party to the resale of any block of Unsold Shares and makes no representations, warranties

or promises of any kind whatsoever to any prospective purchaser of a block of Unsold Shares.

3. Increase in Total Cash Payment

Effective immediately, the Total Cash Payment to all purchasers is increased to $495.00 per share.

4. Financing Arrangements For Purchasers

The provisions in the Plan relating to Sponsor financing, as set forth in detail in the First Amendment, are hereby deleted and shall not be applicable to purchasers of shares from the holder of Unsold Shares. Unless the purchaser elects to purchase on an all cash basis, the Contract of Sale for any Unsold Shares shall be conditioned upon the purchaser obtaining a commitment from an institutional lender within forty-five days of the date of the contract to lend not more than 80% of the purchase price at the then prevailing rate. In the event such a commitment is not so issued, the purchaser shall be entitled to a refund of his contract down payment. For further details as to the rights and obligations of the respective parties in this connection, see paragraph 21 of the Contract of Sale annexed hereto as Exhibit "B".

5. Extension of Effective Period

This Plan may be used for six (6) months from the date this Amendment is accepted for filing and thereafter said date is to be extended in a further Amendment to be filed.

Except as set forth herein, there have been no material changes in the terms and conditions of this Plan.

MID-FOREST CO.
(Holder of Unsold Shares)

Dated: May , 1984

By_____

FIFTH AMENDMENT TO OFFERING PLAN

A PLAN TO CONVERT TO COOPERATIVE OWNERSHIP PREMISES

AT 109-23 71st ROAD, FOREST HILLS, NEW YORK

The Offering Plan to convert to Cooperative Ownership premises at 109-23 71st Road, Forest Hills, New York dated December 15, 1982, as amended by First Amendment dated April 21, 1983, Second Amendment dated June 23, 1983, Third Amendment dated October 18, 1983, and Fourth Amendment dated January 23, 1984 is hereby further amended as follows:

1. Plan Declared Effective

In accordance with the terms of the Plan as amended and Section 352-eeee at the General Business Law, the Sponsor declared the Plan effective on February 23, 1984, as a "Non-Eviction Plan" by written notice to all tenants and purchasers. Annexed hereto is an affidavit of the Sponsor in support of declaring the Plan effective, which reflects that Sponsor has accepted subscription agreements from bona fide tenants in occupancy or bona fide purchasers who have represented that they intend that they or one or more members of their immediate families will occupy the dwelling unit when it becomes vacant for 13 of the 52 dwelling units in the Building (25%).

2. Certificate of Occupancy

Sponsor has, at Sponsor's own cost and expense, converted the following apartments previously used exclusively for professional purposes so as to permit residential occupancy therein. Sponsor has obtained a revised Certificate of Occupancy for the buildings reflecting such conversion. A copy of the revised Certificate of Occupancy is available for inspection at the offices of Sponsor. The apartments converted are: 1A, 1B, 1C, 1D, 1F, 1G, 1H, 2A, 2F, 2J.

3. Thirty Day Exclusive Period

Each tenant in occupancy on the date the Plan was accepted for filing will be granted the exclusive right for a period of thirty (30) days following the date of the presentation of this Fifth Amendment (and not thereafter) to purchase the shares allocated to his apartment for a Total Cash Payment of $300.00 per share. Upon the expiration of the said 30 day exclusive period, the Total Cash Payment to tenants in occupancy as aforedescribed shall automatically, and without the necessity of filing another amendment, increase to $382.50 per share.

4. Except as set forth herein, there have been no material charges in the terms and conditions of this offering.

MID-FOREST CO.

By: _____
Joshua L. Muss

Dated: February 23, 1984

EXHIBIT "1"

NAME	UNIT	DATE OF SUBSCRIPTION AGREEMENT	DATE OF ACTUAL OR ANTICIPATED OCCUPANCY
[redacted]	1A	11/17/83	1/1/84
	1C	10/25/83	1/1/84
	1D	6/8/83	7/1/83
	1F	7/13/83	9/1/83
	1H	1/28/84	2/1/84
	2A	6/28/83	7/1/83
	2E	11/15/83	1/1/84
	2J	6/28/83	7/1/83
	4A	6/30/83	10/1/83
	5D	11/22/83	1/1/84
	6B	11/8/83	3/1/84
	2F	2/22/84	5/1/84
	3E	2/19/84	8/1/81*

*tenant-in-occupancy

EXHIBIT A

N O T I C E

Date: February 23, 1984

TO: TENANTS AND PURCHASERS
109-23 71st ROAD
FOREST HILLS, NEW YORK

RE: Offering Plan to Convert to Cooperative Ownership
Premises at 109-23 71st Road, Forest Hills, N.Y. ("Plan ")

Please be advised that the Plan is hereby declared effective as a "Non-Eviction Plan" in accordance with the requirements of Section 352-eeee of the General Business Law. A non-purchasing tenant may NOT be evicted from his or her apartment on account of the Declaration of Effectiveness of the Plan. The Plan will be amended shortly to reflect that it has so been declared effective. As soon as this amendment is accepted for filing, it will be served upon all purchasers and tenants. You will be notified shortly of the date designated by Sponsor as the closing date.

Very truly yours,

MID-FOREST CO., Sponsor

AFFIDAVIT IN SUPPORT OF DECLARING THE PLAN OF COOPERATIVE OWNERSHIP EFFECTIVE

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

JOSHUA L. MUSS, being duly sworn, deposes and says:

1. He is a partner of MID-FOREST CO., the Sponsor under that certain Offering Plan to conversion for cooperative ownership of premises 109-23 71st Road, Forest Hills, New York (herein referred to as the "Plan"), and is authorized to made the following statements.

2. The Plan was accepted for filing by the Atttorney General of the State of New York on December 17, 1982 and was amended on April 21, 1983 (First Amendment), June 23, 1983 (Second Amendment), October 18, 1983 (Third Amendment), and on January 23, 1984 (Fourth Amendment).

3. The Plan was presented to tenants in occupancy on January 18, 1983.

4. The Plan as amended provides that pursuant to Section 352-eeee of the General Business Law, it may not be declared effective as a "Non-Eviction Plan" until written subscription agreements have been executed and delivered for at least 15% of all dwelling units in the building by bona fide tenants in occupancy or bona fide purchasers who represent that they indend that they or one or more members of their immediate families will occupy the unit when it becomes vacant.

5. On February 23, 1984, the Plan was declared effective as a "Non-Eviction Plan" by written notice delivered to all then existing purchasers and tenants of the building. A copy of the notice is annexed hereto as Exhibit A.

6. The Sponsor hereby represents that thirteen (13) of the fifty-two (52) dwelling units in the building, i.e. 25% of all dwelling units, have been sold to bona fide tenants in occupancy or bona fide purchasers in accordance with Section 352-eeee of the General Business Law. The total number of dwelling units (52) is arrived at as follows: there were 42 rent stabilized apartments (including 3 vacant apartments) at the date the Plan was accepted for filing; added to that are the ten (10) apartments Sponsor has converted from professional to residential use, viz., Apts. 1A, 1B, 1C, 1D, 1F, 1G, 1H, 2A, 2F, 2J. The total is 52. One (1) of the purchasers was a tenant in occupancy on the date the plan was accepted for filing. Annexed to this affidavit as Exhibit 1 is a schedule listing (i) all subscribers who are being counted to meet the minimum 15% requirement, (ii) the identity of the units sold; (iii) the date of each subscription agreement; and (iv) the date of occupancy of the apartment if it was vacant on the date the Plan was accepted for filing.

7. The Sponsor further represents that all subscribers being counted for the purposes of declaring the Plan effective (i) are bona fide purchasers, (ii) are not purchasing as an accomodation to, or for the account or benefit of the Sponsor or principals of the Sponsor, and (iii) have duly executed subscription agreements and have paid the full down payment as required under the Plan as amended.

8. The Sponsor further represents that no subscriber counted for purposes of declaring the Plan effective is the Sponsor or the Selling Agent, or is a principal of the Sponsor or Selling Agent, or is related to the Sponsor or Selling Agent or to any principal of the Sponsor or Selling Agent by blood, marriage or adoption or as a business associate, employee, shareholder or limited partner.

9. I hereby submit this Affidavit to the Attorney General in connection with that certain Fifth Amendment indicating that any false statement or material omission may subject me to civil or criminal prosecution.

MID-FOREST CO.

By:_____
Joshua L. Muss

Sworn to before me this
23rd day of February, 1984

_____
Notary Public

CONDOMINIUM/COOPERATIVE APARTMENT OFFERING QUESTIONNAIRE

Name:_____ Home Phone_____

Home Address:_____ Bus. Phone_____

Note: If you have agreed to purchase more than one apartment unit, please supply the following information for each unit. Attach a separate sheet if more space is required to respond to any request for information.

1. Identify the apartment unit you have agreed to purchase at the premises.

2. State whether you intend to occupy the apartment unit you have agreed to purhcase, or whether a member of your family intends to occupy the unit.

3. Is the unit you have agreed to purchase occupied by a tenant? Yes___ No___

If the unit is occupied, supply the following information:

(i) Name of tenant:

(ii) Age of tenant:

(iii) Current rent being paid:

(iv) When you expect the unit to become vacant:

If you do not have any of the foregoing information, please so indicate.

4. Are you or have you ever been employed as a real estate broker? Yes___ No___

If yes, give pertinent details.

5. Do you own, or are you a principal in any corporation or partnership which owns any other interest in a condiminium or cooperative apartment corporation? Yes___ No___

If yes, give pertinent details, including the nature of the interest, the address of the property and whether it is occupied.

6. Have you ever signed an agreement to purchase any other cooperative apartment or condominium unit? Yes___ No___

If yes, give pertinent details, including the address of the property, the date of the agreement and whether it was consumated, and whether you represented that you or a family member intended to reside in the apartment.

Supply the following information if you personnally intend to reside in the apartment unit you have agreed to purchase at the premises:

(i) Your age:

(ii) Your occupation:

(iii) Name and address of present employer and length of time you have been employed there:

(iv) Your present home address and length of time at that address:

(v) A brief description of your present home, including number of bedrooms and bathrooms, and whether it is owned or rented:

8. Supply the following information if you did not respond to No. 7 and a member of your family intends to occupy the apartmetn unit you have agreed to purchase at the premises:

(i) His/her name and relationship to you:

(ii) His/her age:

(iii) His/her occupation:

(iv) Name and address of his/her present employer and length of time he/she has been employed there:

(v) His/her present home address and length of time at that address:

(vi) Briefly describe his/her present home, including number of bedrooms and bathrooms, and whether it is owned or rented:

(vii) Describe the basis of your belief that your family member intends to reside in the apartment:

9. If the apartment unit you have agreed to purchase is occupied by a tenant, has the sponsor explained to you the obligations and responsibilities of being a landlord in New York City?
Yes___ No___

10. Please supply any other information or comments which may be pertinent to the Attorney General's inquiry.

_____
Signature

Sworn to before me this
day of 1984

_____
Notary Public

FOURTH AMENDMENT TO OFFERING PLAN

A PLAN TO CONVERT TO COOPERATIVE OWNERSHIP

PREMIES AT 109-23 71st ROAD, FOREST HILLS, NEW YORK

The Offering Plan to convert to Cooperative Ownership premises 109-23 71st Road, Forest Hills, New York dated December 15, 1982 as amended by First Amendment dated April 21, 1983, Second Amendment dated June 23, 1983 and Third Amendment dated Octiber 18, 1983, is hereby further amended as follows:

1. Tenant Discount - Each tenant in occupancy on the date the Plan was accepted for filing shall have the exclusive right for a period of thirty (30) days following the date of the presentation of this Amendment ot purchase the shares allocated to his apartment for a Total Cash Payment of $300.00 per share. Upon the expiration of the foregoing thirty (30) day exclusive period, the Total Cash Payment to tenants in occupancy as afore described shall automatically and without the necessity of filing another amendment, increase to $382.50 per share.

2. Except as set forth herein, there have been no material changes in the terms and conditions of this Offering.

MID-FOREST CO.

By: Hyman Muss
Hyman Muss

Dated: January 23, 1984

THIRD AMENDMENT TO OFFERING PLAN

A PLAN TO CONVERT TO COOPERATIVE OWNERSHIP

PREMISES AT 109-23 71st ROAD, FOREST HILLS, NEW YORK

The Offering Plan to convert to Cooperative Ownership premises 109-23 71st Road, Forest Hills, New York dated December 15, 1982 as amended by First Amendment dated April 21, 1983 and Second Amendmen dated June 23, 1983 is hereby further amended as follows:

1. Effective immediately the Total Cash Payment to non-tenant purchasers is reduced to $450.00 per share.

2. Except as set forth herein, there have been no material changes in the terms and conditions of this Offering.

MID-FOREST CO.

By: _____
Hyman Muss

Dated: October 18, 1983

lation 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. In determining comparability, consideration shall be given to such factors as building services, level of maintenance and operating expenses;

(c) This Plan may not be amended at any time to provide that it shall be an "Eviction Plan";

(d) The Plan may not be declared effective until written purchase agreements have been executed and delivered for at least fifteen percent (15%) of all dwelling units in the Building by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family will occupy the unit when it becomes vacant. As to tenants in occupancy on the date the Plan was accepted for filing, the purchase agreements shall be executed and delivered without discriminatory repurchase agreements or other discriminatory inducements.

(e) After the issuance of the letter from the attorney general stating that the Plan has been filed, the Sponsor will, on the thirtieth, sixtieth, eighty-eighth and ninetieth day after such date and at least once every thirty days until the Plan is declared effective or is abandoned, as the case may be, and on the second day before the expiration of any exclusive purchase period provided in a substantial amendment to the Plan, (1) file with the attorney general a written statement, under oath, setting forth the percentage of the dwelling units in the Building subscribed for by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family occupy the dwelling unit when it becomes

vacant as of the date of such statement and, (2) before noon on the day such statement is filed post a copy of such statement in a prominent place accessible to all tenants in the Building.

2. DESIGNATION OF MANAGING AGENT

The purchaser of shares allocated to an apartment occupied by a non-purchasing tenant shall designate the Apartment Corporation's managing agent or its successors to provide to the purchasing and non-purchasing tenant all services and facilities required by law on a non-discriminatory basis. The purchaser of an occupied apartment is required to maintain on deposit with the managing agent an amount equal to two (2) months' maintenance charges for his apartment, which sum may be used by the managing agent to provide such services to the non-purchasing tenant. Such sum shall be held by the managing agent until used to provide such services or paid to purchaser after he no longer owns the apartment. The funds shall be held in an interest bearing account (with interest payable to purchaser if and when the monies are returned to him or to the Apartment Corporation if the funds are used by the managing agent). The requirements of this paragraph shall not be applicable to the holders of Unsold Shares.

3. Part I of the Offering Plan is further amended as follows:

(a) Schedule A - To correct an error in share allocations with respect to apartments 1F and 1G, Schedule A is amended as follows:

Apt. No.	Number of Rms. & Baths	No.of Shares	Total Cash Paymt. to Non-Tenants at $600 per share	Approx. Amt. of Mtg. applica. to each apt. $133.75486	Estimated First Year's Maint. charges @$38.63 per share	Estimated Monthly Maint. charges for the 1st yr.	Estimated Fir Year's Income Tax Deduction @$14.41 per share
1F	Studio	74	$44,400	$9,897.86	$2,858.62	$238.22	$1,066.34
1G	3 Bed 2 Bth	175	$105,000	$23,407.10	$6,760.25	$563.35	$2,521.75

The letter of reasonable relationship to be delivered by the Selling Agent at the Closing will reflect its approval of the foregoing changes.

(b) Summary of Terms of Proprietary Lease (pp. 45-46). The following sentence is added to paragraph (d) on page 46:

> "The Lessee may use the apartment for any home occupation use permitted under applicable zoning law, building code or other rules and regulations of governmental authorities having jurisdiction."

(c) Apartment Corporation (pp.47-48).

(i) The paragraph beginning on the bottom of page 47 and continuing on the top of page 48 is deleted and the following is substituted therefore:

> "Commencing with the annual meeting of shareholders which will be held after the earlier of (x) the fifth anniversary of the Closing Date or (y) after the sale of fifty percent (50%) of the shares offered under the Plan, holders of Unsold Shares will, if necessary, cast their votes so that shareholders other than holders of Unsold Shares shall constitute a majority of the Board of Directors."

(ii) In the first full paragraph on page 48, the references to "second anniversary" are hereby amended to "fifth anniversary".

4. Part II of the Offering Plan is amended as follows:

(a) Subscription Agreement (pp. 68-75).

The statement of good faith purchase on page 75 of the Subscription Agreement is deleted and the page 75 annexed is substi-

tuted in lieu thereof.

(b) Proprietary Lease (pp. 129-164).

(i) Article 1(c) - Second Paragraph - The references to "second anniversary" or "third anniversary" are amended to "fifth anniversary".

(ii) Article 14 - The following sentence is added:

> "Notwithstanding the foregoing, (a) Lessee may use the apartment for any home occupation use permitted under applicable zoning law, building code or other rules and regulations of governmental authorities having jurisdiction and (b) Lessee who is a holder of a block of Unsold Shares (as defined in this Lease) shall have the right to use the apartment as a model or an office (or both) in connection with the sale or rental of apartments to which the Unsold Shares are allocated or for any other lawful purpose."

(iii) Article 21 - The following sentence is added at the end of paragraph (a):

> "Anthing contained herein or in subparagraph (b) hereinbelow to the contrary notwithstanding, the written consent of the Lessor shall not be required for any of the foregoing alterations, enclosures, additions made by, or the removal of any additions, improvements of fixtures from the apartment by a holder of Unsold Shares provided the holder does not permanently encroach upon any public area and complies with any applicable provisions of local law."

(iv) Article 31 - The following paragraph (j) is added:

"(j) If the Lessee shall be in default in the payment of any note or the terms, covenants and conditions of any loan security agreement secured by a pledge of this lease and the shares allocated to the apartment."

(v) Article 47 and 48 - The following new Articles 47 and 48 are added to the Proprietary Lease:

Rights of a Secured Party

"47. Where the provisions of Paragraph 17(b) are deemed inapplicable, the following provisions shall apply with respect to rights of secured parties:

(a) The Lessor agrees that it shall give to any holder of a security interest in the shares of the Lessor specified in the recitals of this lease or mortgagee of this lease who so requests (any such holder being hereinafter referred to as a "Secured Party"), a copy of any notice of default which the Lessor gives to the Lessee pursuant to the terms of this lease, and if the Lessee shall fail to cure the default specified in such notice within the time and in the manner provided for in this lease, then the Secured Party shall have an additional period of time, equal to the time originally given to the Lessee, to cure said default for the account of the Lessee or to cause same to be cured, and the Lessor will not act upon said default unless and until the time in which the Secured Party may cure said default or cause same to be cured as aforesaid, shall have elapsed, and the default shall not have been cured.

(b) If this lease is terminated by the Lessor as provided in Paragraphs 31 or 35 of this lease, or by agreement with the Lessee, (1) the Lessor promptly shall give notice of such termination to the Secured Party and (2) upon request of the Secured Party made within thirty (30) days of the giving of such notice the Lessor (i) shall commence and prosecute a summary dispossess proceeding at the Secured Party's sole expense to obtain possession of the apartment, and (ii) shall, within sixty (60) days of its receipt of the aforesaid request by the Secured Party, reissue the aforementioned shares to, and shall enter into a new proprietary lease for the apartment with, any individual nominee of the individual so designated by the Secured Party, all without the consent of the Directors or the shareholders to which reference is made in Paragraphs 16(a) (vi) and 32(c) but the consent only of the Lessor's then managing agent which shall not be unreasonably withheld or delayed provided, however, that the Lessor shall have received payment, on behalf of the Lessee, of all rent, additional rent and other sums owed by the Lessee to the Lessor under this lease for the period ending on the date of reissuance of the aforementioned shares of the Lessor including, without limitation, sums owed under Paragraphs 32(a) and (c) of this lease; the individual designated by the Secured Party (if and as long as such individual by himself or a member of his family does not actually occupy the apartment) shall have all of the rights provided for in Paragraphs 15, 16, 21 and 38 of this lease as if he were a holder of Unsold Shares and, accordingly, no surplus shall be payable by the Lessor to the Lessee as otherwise provided in Paragraph 32(c).

(c) (i) If the Lessee has defaulted under a leasehold mortgage or security agreement with a Secured Party relating to the financing of the purchase of the shares allocated to the apartment, the Lessor shall transfer the shares to an individual in accordance with part (iii) if all of the conditions set forth in part (ii) have occurred.

(ii) The conditions after which the Lessor shall transfer the shares allocated to the apartment in accordance with part (iii) are as follows:

(1) the Secured Party shall notify the Lessor of the default;

(2) the prospective individual transferee shall be entitled to own the shares and execute the proprietary lease under the applicable leasehold mortgage or security agreement and under part (iii) of this subsection (c);

(3) the Secured Party shall give Lessor and Lessee at least five (5) days written notice of the transfer of the shares to the designated individual;

48. If Lessee is the Tenant-shareholder of an apartment subject to the lease of a nonpurchasing tenant in occupancy on the date that title to the Building was transferred to Lessor, the following shall apply: Obligations of Non-Occupant Lessee

(a) Lessee will be required to pay to the Apartment Corporation the maintenance charges for that Apartment whether those charges are greater or less than the rent payable or received by the Lessee from the tenant in occupancy. By reason of the terms of the Lease, the Rent Stabilization Law of New York ("RSL"), the Amended Code of the Rent Stabilization Association of New York ("Code") and New York State General Business Law Section 352-eeee ("Section 352-eeee"), Lessee also will be responsible for the due performance of all of the obligations of the landlord under the lease, statutory tenancy or other tenancy of the tenant which are not the obligations of the Lessor, including obligations to maintain, repair and replace plumbing fixtures, the refrigerator, range, lighting fixtures and other equipment in the Apartment, and to paint the Apartment as provided in the lease with the tenant, or required by any applicable law, the RSL, Code or Section 352-eeee, as the case may be. Unless Lessee designates to Lessor in writing another person residing in New York City as Lessee's agent, Lessee hereby designates the Managing Agent of the Property as Lessee's agent to perform such services at Lessee's expense. Lessor shall have the right to bill Lessee for the cost of performing the services (including parts at Lessor's cost; labor of the person performing the service, at Lessor's cost (if appropriate), or the charge of an independent contractor performing the service; plus a reasonable administrative fee for the Managing Agent). Notwithstanding the above, the Managing Agent shall not perform any service (except in emergencies) without Lessee's prior written consent if the estimated cost of performing the service exceeds $250.00. Lessee shall also be required to maintain on deposit with the Managing Agent an amount equal to two (2) months' maintenance charges for the Apartment, which sum may be used by the Managing Agent to provide the services described above to the tenant in occupancy. Such sum shall be held by the Managing Agent (in an interest bearing account) until used to provide such services or paid to Lessee after he no longer owns the Apartment. The foregoing deposit requirement shall not be applicable to holders of Unsold Shares.

(b) Lessor shall have the right to bill Lessee for its allocable share of Rent Stabilization Association dues, if required.

(c) By-Laws (pp. 165-178) -

(i) Article III - Section 2 - The second full paragraph on p. 168 is deleted and the following substituted in lieu thereof:

> "Commencing with the annual meeting of shareholders which will be held after the earlier of (x) the fifth anniversary of the Closing Date or (y) after the sale of fifty percent (50%) of the shares offered under the Plan, holders of Unsold Shares will, if necessary, cast their votes so that shareholders other than holders of Unsold Shares shall constitute a majority of the Board of Directors."

(ii) In the third full paragraph on page 168, the first two lines are deleted and replaced by the following:

> "Until more than seventy-five percent (75%) of the shares of the Corporation are held by persons other than holders of Unsold Shares, or the fifth anniversary of the consummation of the Plan, whichever is sooner, the Board of Directors will not, without the consent"

4. Any purchaser who has executed a Subscription Agreement prior to the date of this Amendment shall have the right to be exercised by written notice to Sponsor within thirty (30) days of the presentation of this Amendment (time being of the essence), to rescind his Subscription Agreement and to receive a refund of his downpayment.

5. Except as set forth herein, there have been no material changes in the terms and conditions of this Offering.

MID-FOREST CO.

By: Hyman Muss
Hyman Muss, Partner

Dated: June 23, 1983

STATEMENT OF GOOD FAITH PURCHASE

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

The undersigned verifies that the above purchase has been made in good faith pursuant to the terms set forth in the Plan without fraud or duress, and with no discriminatory repurchase agreement or other discriminatory inducement and that the undersigned represents that he intends that one or more members of his immediate family will occupy the apartment when it becomes vacant.

_____

_____
Purchaser(s)

Subscribed and sworn to before

me this day of 19 .

_____
Notary Public

_____

FIRST AMENDMENT TO OFFERING PLAN

A PLAN TO CONVERT TO COOPERATIVE OWNERSHIP PREMISES

AT 109-23 71st ROAD, FOREST HILLS, NEW YORK

The Offering Plan to convert to Cooperative Ownership premises at 109-23 71st Road, Forest Hills, New York dated December 15, 1982 is hereby amended as follows:

1. Sponsor Financing

Sponsor is offering the following financing to each purchaser who purchases the shares allocated to an apartment subsequent to the date this First Amendment is presented:

(i) The maximum amount financed shall not exceed seventy-five (75%) percent of the Total Cash Payment.

(ii) The loan shall be for a term of five (5) years.

(iii) The interest rate for the loan shall be ten (10%) percent per annum.

(iv) Interest only will be payable monthly during the term of the loan (no amortization will be required).

(v) The loan may be prepaid in full at any time or in part from time to time (in multiples of $1000) 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.

(vi) If any interest payment is overdue for more than ten (10) days, then borrower shall pay a late charge of two (2) cents on each dollar so overdue.

(vii) The granting of a loan by Sponsor to non-tenants

in occupancy is subject to credit approval of the purchaser by Sponsor and a purchaser will be obligated to complete and submit a credit application to Sponsor. Non-tenant purchasers shall pay to the Selling Agent a fee of $50.00 for a credit check.

(viii) The borrower shall pay Sponsor's attorney a fee of $300 for their services in preparing the loan documents.

(ix) Upon any transfer or conveyance of the shares and proprietary lease, the entire principal amount of the loan and accrued interest shall immediately become due and payable.

(x) All purchasers who purchase shares allocated to an apartment without availing themselves of the foregoing Sponsor financing will receive a five (5%) percent reduction in the Total Cash Payment set forth in Schedule A of the Offering Plan.

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. Interest begins to accrue from the closing of the apartment to which the pledged shares are allocated (i.e., the date the Note is executed). At the time the purchaser submits a Subscription Agreement for an apartment, he must simultaneously

notify Sponsor in writing whether he wishes to obtain such financing and, if so, the amount to be financed, failing which it will be conclusively presumed that said 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 purchaser), failing which the 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 foregoing financing is contingent upon the purchaser timely paying the unfinanced portion of his purchase price and otherwise performing all other obligations under his Lease and Subscription Agreement.

2. The body of the Offering Plan is amended as follows:

(a) Cover Page - The Cover Page of the Plan is amended to read as follows:

"This Offering Plan may not be used after December 15, 1983 unless amended or extended."

(b) Schedule A, Page 4 - Apartment 1A-B is amended to read as follows:

Apt. No.	Number of Rms. & Baths	No. of Shares	Total Cash Paymt. to Non-Tenants at $600 per share	Approx. Amt.of Mtg. applica. to ea. apt. $133.75486	Estimated First Year's Maint. charges @$38.63 per sh.	Estimated Monthly Maint. charges for the 1st yr.	Estimated First Year's Income Tax Deduction @$14.41 per share
* 1A	1BED 1 BTH	107	$64,200	$14,311.77	$4,133.41	$344.45	$1541.87
* 1B	2BED 2 BTH	165	$99,000	$22,069.55	$6,373.95	$531.16	$2377.65

*Sponsor will obtain, at its own cost and expense, an amended Certificate of Occupancy and will perform all work to effect the subdivision of Apartment 1A-B into separate Apartments 1A and 1B.

(c) Right to Change Prices (pages 10-11) - The following paragraph is added at the end of this Section:

"The prices set forth in Schedule A are negotiable. Unless it would constitute a prohibited discriminatory inducement, the Apartment Corporation or Sponsor may enter into an agreement with an individual purchaser to sell one or more units at prices lower than those set forth in Schedule A without filing an amendment."

(d) Schedule B (pages 14-21) - Footnote 12 is amended to reflect the fact that pursuant to the Management Agreement the management fee will be the greater of (x) $8300 per annum or (y) 3% of the Apartment Corporation's gross receipts.

(e) Professional Tenants (page 31) - Sponsor has served the professional month-to-month tenants in each of apartments 1A-B, 2A, 1C, 1D, 1G, 1H and 2J with a thirty (30) day termination notice and will commence summary holdover proceedings against any such tenant failing to voluntarily vacate his unit by May 31, 1983.

(f) Building Service Contract (page 61) - The Sponsor discloses that it has entered into a union contract with Local 32B-32J covering the Midtown and the adjoining building owned by the Sponsor known as the Forestal. The contract is scheduled to expire April 20, 1985. The revised porter's wages are already reflected in Schedule B.

(g) Identity of Parties (page 63) - Sponsor discloses that the proposed plan to convert 759 Hillside Avenue, North White Plains, New York to cooperative status has been accepted for filing. In addition, Sponsor has submitted a proposed plan to convert 109-33 71st Road, Forest Hills, New York to a condominium.

3. The Sponsor discloses the pendency of the following CAB actions against Sponsor: CAB Docket No. 67524/P relating to a complaint by the tenant of Apartment 6J of a leaking faucet in the kitchen sink. Sponsor in his answer has stated that it has made the necessary repairs.

4. Miscellaneous

(a) The name of the Selling Agent is changed to "J.I.Sopher & Co., Inc."

(b) The office address of the Sponsor is changed to "118-35 Queens Boulevard, Forest Hills, New York 11375."

5. Thirty Day Exclusive Period - Each tenant in occupancy 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 First Amendment (and not thereafter) to purchase such shares on the amended terms reflected herein.

6. Except as set forth herein, there have been no material changes in the terms and conditions of this Offering.

MID-FOREST CO.

By:_____
Hyman Muss, Partner

Dated: April ,1983

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SPECIAL RISKS OF THIS OFFERING

1. Under this Plan, each purchaser is responsible to arrange for his own financing. The Subscription Agreement is not conditioned upon a purchaser securing satisfactory financing, which is the sole responsibility of each purchaser. Accordingly, each purchaser should inquire about the amount, terms, costs, availability and purchaser's eligibility for financing with the lender of purchaser's preference before signing and returning the Subscription Agreement in order to avoid the risk of losing his down payment. No representation is made as to the amount, terms, conditions or availability of such financing.

2. The Property will be acquired by the Apartment Corporation subject to an existing first mortgage held by the Roosevelt Savings Bank (the "Existing Mortgage") in the approximate principal amount of $460,152.00 as of the estimated closing date of July 1, 1983. In addition, the Apartment Corporation will execute at the closing a so-called "wrap-around" mortgage in the principal amount of $825,000 (which will include the then-outstanding balance on the Existing Mortgage). Both the wrap-around mortgage and the Existing Mortgage will mature on July 1, 1989. It is expected that the combined outstanding principal balances on both mortgages on such date will be $683,004.00. If, in the unlikely event this amount is not refinanced by the Apartment Corporation at that time, each shareholder may be assessed approximately $110.73 for each share allocated to his apartment. See "Terms of the Mortgage," page 41, for a complete discussion of the wrap-around mortgage and the Existing Mortgage.

/SEE INSTRUCTION SHEET ON REVERSE BEFORE COMPLETING THIS FORM/

Date the Offering was accepted by the Department of Law for filing:

_____

Return this form to sponsor by:_____
(to be filled in by sponsor)

SENIOR CITIZEN ELECTION NOT TO PURCHASE
(New York City)

NAME:_____

ADDRESS:_____APT. #_____

I elect not to purchase my apartment pursuant to the offering pla for conversion of the building to a cooperative or condominium.

I certify that I am eligible to remain in my apartment as a non-purchasing senior citizen on the basis of the following:

1. I am a tenant of the apartment listed above.

2. I was 62 years of age or older on the date the Department of Law accepted the offering plan for filing.

I understand that this election not to purchase does not preclude me from purchasing my apartment at a later date. I affirm that the above statements are true to the best of my knowledge and understanding.

SIGNED:_____

Sworn to before me this
day of_____, 19__

_____
NOTARY PUBLIC

Received and signed by sponsor or agent, and a copy given to tenant.
Sponsor/Agent:_____Date:_____

Form SH-1(Rev.7/82)

INSTRUCTIONS FOR COMPLETING SENIOR CITIZEN ELECTION FORM

/NOTE THE TWO DATES MARKED ON THE TOP OF THE FORM/

The "date the Department of Law accepted the plan for filing" is the date upon which you must be 62 years of age or older in order to qualify as a non-purchasing senior citizen.

The second date is the latest date you may return this form to the sponsor to be an eligible non-purchasing tenant. The date is required by law to be 60 days after the date the offering plan was given to the tenants.

These dates should be filled in by the sponsor.

WARNING: FAILURE TO RETURN THIS FORM TO THE SPONSOR BY THE DATE SPECIFIED COULD ULTIMATELY RESULT IN YOUR BEING EVICTED!

-Who is considered a tenant?

A tenant for purposes of this form is a person who has signed a lease, the husband or wife of a person who has signed a lease, or anyone else legally and permanently living in the apartment.

-Be sure to have the form notarized.

THE SPONSOR MAY DISPUTE YOUR ELIGIBILITY

The law allows the sponsor to dispute your eligibility as a non-purchasing senior citizen. In order to do so, the sponsor must apply to the Department of Law for an eligibility determination within 30 days receipt of the election form. In the case of a dispute, the Department o Law has 30 days to determine your eligibility. If your eligibility is disputed, you will be notified by the Department of Law and given the opportunity to defend your eligibility.

/SEE INSTRUCTION SHEET ON REVERSE BEFORE COMPLETING THIS FORM/

Date the Offering was accepted by the Department of Law for filing: _____

Return this form to sponsor by: _____
(to be filled in by sponsor)

DISABLED PERSON ELECTION NOT TO PURCHASE
(New York City)

NAME: _____

ADDRESS: _____ APT. # _____

I elect not to purchase my apartment pursuant to the offering plan for conversion of the building to a cooperative or condominium.

I certify that I am eligible to remain in my apartment as a non-purchasing disabled person on the basis of the following:

1. I am a tenant of the apartment listed above.

2. I have an impairment which results from anatomical, physiological or psychological conditions (other than an addiction to alcohol, gambling, or any controlled substance) which (1) is demonstrable by medically acceptable clinical and laboratory diagnostic techniques, and (2) is expected to be permanent and (3) prevents me from engaging in any substantial gainful employment.

I understand that this election does not preclude me from purchasing my apartment at a later date. I affirm that the above statements are true to the best of my knowledge and understanding.

SIGNED: _____

Sworn to before me this
day of _____, 19__

_____
NOTARY PUBLIC

Received and signed by sponsor or agent, and a copy given to tenant.
Sponsor/Agent: _____ Date: _____

Form SH-2(Rev.7/82)

INSTRUCTIONS FOR COMPLETING DISABLED PERSON ELECTION FORM

/NOTE THE TWO DATES MARKED ON THE TOP OF THE FORM/

This election to be exempt from eviction as a non-purchasing disabled person must be returned to the sponsor not later than 60 days after the offering plan is given to the tenants, which is usually immediately after the "date the Department of Law accepts the plan for filing." However, if the disability first occurs after the 60 days have passed, then this election may be made at any time until the point when th sponsor has accepted a written agreement to purchase the apartment from a bona fide purchaser.

These dates should be filled in by the sponsor.

WARNING: FAILURE TO RETURN THIS FORM TO THE SPONSOR BY THE DATE SPECIFIED COULD ULTIMATELY RESULT IN YOUR BEING EVICTED!

-Who is considered a tenant?

A tenant for purposes of this form is a person who has signed a lease, the husband or wife of a person who has signed a lease, or anyone else legally and permanently living in the apartment.

-Be sure to have the form notarized.

THE SPONSOR MAY DISPUTE YOUR ELIGIBILITY

The law allows the sponsor to dispute your eligibility as a non-purchasing disabled person. In order to do so, the sponsor must appl to the Department of Law for an eligibility determination within 30 days c receipt of the election form. In the case of a dispute, the Department of Law has 30 days to determine your eligibility. If your eligibility is disputed, you will be notified by the Department of Law and given the opportunity to defend your eligibility.

OFFERING PLAN

THE MIDTOWN
109-23 71st Road
Forest Hills, New York

PART I

INTRODUCTION

This offering is made only to individuals over the age of 18 years and not to corporations, partnerships, trusts, foreign governments or persons acting on behalf of such entities.

The purchaser of a cooperative apartment buys shares of the corporation (the Apartment Corporation) which owns the building in which his apartment is located. 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 which will conduct the affairs of the Apartment Corporation and supervise the operation of the building. As a lessee, he will pay as rent (customarily called maintenance charges) a proportionate maintenance of the building and creation of such reserve for contingencies as the Board of Directors may deem proper.

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

Purchasers are directed to the opinion of counsel on page 28 of Part I of the Plan and Counsel's Income Tax Opinion Letter in Part II for a discussion of possible tax deductions and the conditions applicable thereto.

The agreement to purchase the Apartment Corporation's shares is called a Subscription Agreement and may be found in Part II of the Plan.

A summary of the principal provisions of the proprietary lease may be found in Part I at page 45. A copy of the entire lease is set forth in Part II of this Plan.

The Apartment Corporation's By-Laws governing operation of the Apartment Corporation are also contained in Part II of the Plan.

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.

In addition to the above, the interest (if any) paid by purchasers on Institutional Financing is also deductible for income tax purposes.

The cooperative plan encompasses the land and building known as "Midtown," located at 109-23 71st Road, Forest Hills, New York. The building and the land on which it is erected is sometimes hereinafter referred to as the "Property."

The Sponsors of this Offering Plan are the partners of Mid-Forest Co. (Hyman Muss, Ruth Muss, Stanley H. Muss, Joshua L. Muss, and Hyman Muss and Ruth Muss as Trustees for Jacquelin Eve Muss, Joseph Isaac Muss, Robin Sheryl Muss, Jason Andrew Muss, Jonathan Marc Muss, Alyssa Michele Muss and Michal Joseph Muss), hereinafter referred to as "Sponsor," a New York partnership with an office at 108-18 Queens Boulevard, Forest Hills, New York 11375. The Midtown was constructed in 1950 by the Sponsor and the Sponsor has owned and operated the building since that time.

There are a total of 44 residential apartments in the Midtown (including the penthouse). Apartments 1A-B, 2A, 1C, 1D, 1F, 2F, 1G, 1H and 2J are presently used exclusively as professional apartments. The Sponsor agrees that prior, and as a condition to the conveyance of title to the Apartment Corporation, the Sponsor will obtain, at its own cost and expense, an amended Certificate of Occupancy permitting residential use of these apartments. In accordance with the foregoing, Sponsor will offer these units for sale as residential units. Sponsor further agrees that at closing, the Building will be in compliance with the Certificate of Occupancy, as same may be amended by Sponsor. There is a professional apartment located in the basement to which no shares have been allocated. It is not offered for sale but will be owned by the Apartment Corporation as set forth on page 15. The Apartment Corporation will receive the rental income from this apartment. See Schedule B, page 15. Apartment 2B is occupied by the superintendent and is not being offered for sale but will be owned by the Apartment Corporation, which will pay the expenses of maintaining it. Apartments 2E, 3C and 4A are vacant.

All residential apartments being offered for sale are rent stabilized. The applicable section of the New York City Rent Stabilization Code is summarized in Part I beginning at page and printed in full in Part II beginning at page 29. The applicable provisions of Section 352eeee of the General Business Law are summarized in Part I beginning at page 29 and the section is printed in full in Part II beginning at page 126. These laws grant certain rights and privileges to tenants whether or not they wish to purchase.

This Plan will be amended when applicable regulations pursuant to new Section 352-eeee of the General Business Law are promulgated.

This Plan is an eviction plan. If the requirements of the above laws are met, non-purchasing tenants (except eligible senior citizens and eligible disabled persons) will be subject to eviction. If the applicable law changes, the Sponsor will amend the Plan to report the changes.

SUBJECT TO THE FOREGOING RELATING TO THE CONVERSION OF PROFESSIONAL APARTMENTS TO RESIDENTIAL USE, THE PROPERTY AND APARTMENTS ARE BEING OFFERED IN THEIR CURRENT "AS IS" CONDITION BUT SPONSOR WILL CURE VIOLATIONS OF RECORD AGAINST THE BUILDING AS OF THE CLOSING DATE. STARTING AT PAGE 78 IN PART II OF THE PLAN THERE IS A DETAILED DESCRIPTION OF THE PRESENT CONDITION OF THE PROPERTY AND ITS EQUIPMENT 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.

J.I. Sopher & Co., Inc.

Real Estate

425 East 61st Street, New York, N.Y. 10021/212-466-7000

THE MIDTOWN
109-23 71ST ROAD
FOREST HILLS, NEW YORK

PURCHASE PRICE AND OTHER FINANCIAL DETAILS
FOR FIRST YEAR OF COOPERATIVE OPERATION**

Apt. No. (1)	Number of Rooms and Baths (2)	No. of Shares	Total Cash Payment to Non-Tenants at $600.00 Per Share (3)	Total Cash Payment to Tenants at $450.00 Per Share (3)	Approximate Amount of Mortgage Applicable to Each Apartment $133.75486 Per Share (4)	Estimated First Year's Maint-enance Charges at $38.63 Per Share (5)	Estimated Monthly Maint-enance Charges for the 1st Year (5)	Estimated First Year's Income Tax Deduction at $14.41 Per Share (6)
1A*	4 BED, 3 BTH	272	$163,200	$163,200	$36,381.32	$10,507.36	$875.61	$3,919.52
2A*	1 BED, 1 BTH	108	$64,800	$64,800	$14,445.52	$4,172.04	$347.67	$1,556.28
3A	1 BED, 1 BTH	109	$65,400	$49,050	$14,579.28	$4,210.67	$350.89	$1,570.69
4A	1 BED, 1 BTH	110	$66,000	$49,500	$14,713.03	$4,249.30	$354.11	$1,585.10
5A	1 BED, 1 BTH	111	$66,600	$49,950	$14,846.79	$4,287.93	$357.33	$1,599.51
6A	1 BED, 1 BTH	112	$67,200	$50,400	$14,980.54	$4,326.56	$360.55	$1,613.92
	TOTAL	822	$493,200	$410,700	$109,946.48	$31,753.86	$2,646.16	$11,845.02
1B	~~SEE 1A~~	0	$0	$0	$0.00	$0.00	$0.00	$0.00
2B	SUPER	0	$0	$0	$0.00	$0.00	$0.00	$0.00
3B	3 BED, 2 BTH	186	$111,600	$83,700	$24,878.40	$7,185.18	$598.76	$2,680.26
4B	3 BED, 2 BTH	190	$114,000	$85,500	$25,413.42	$7,339.70	$611.64	$2,737.90
5B	2 BED, 2 BTH	164	$98,400	$73,800	$21,935.80	$6,335.32	$527.94	$2,363.24
6B	2 BED, 2 BTH	166	$99,600	$74,700	$22,203.31	$6,412.58	$534.38	$2,392.06
	TOTAL	706	$423,600	$317,700	$94,430.93	$27,272.78	$2,272.72	$10,173.46

* No tenant discount
**See Page 10 for conditions applicable to these prices

230 Main Street, Fort Lee, N. J. 07024/201-461-8200

J.I. SOPHER & CO., INC.
REAL ESTATE
425 EAST 61ST STREET, NEW YORK, N.Y. 10021/212-486-7000

THE MIDTOWN
109-23 71ST ROAD
FOREST HILLS, NEW YORK

PURCHASE PRICE AND OTHER FINANCIAL DETAILS
FOR FIRST YEAR OF COOPERATIVE OPERATION**

Apt. No. (1)	Number of Rooms and Baths (2)	No. of Shares	Total Cash Payment to Non-Tenants at $600.00 Per Share (3)	Total Cash Payment to Tenants at $450.00 Per Share (3)	Approximate Amount of Mortgage Applicable to Each Apartment $133.75486 Per Share (4)	Estimated First Year's Maintenance Charges at $38.63 Per Share (5)	Estimated Monthly Maintenance Charges for the 1st Year (5)	Estimated First Year's Income Tax Deduction at $14.41 Per Share (6)
1C*	1 BED, 1 BTH	93	$55,800	$55,800	$12,439.20	$3,592.59	$299.38	$1,340.13
2C	STUDIO 1½	75	$45,000	$33,750	$10,031.61	$2,897.25	$241.44	$1,080.75
3C	STUDIO	76	$45,600	$34,200	$10,165.37	$2,935.88	$244.66	$1,095.16
4C	STUDIO	79	$47,400	$35,550	$10,566.63	$3,051.77	$254.31	$1,138.39
5C	1 BED, 1 BTH	97	$58,200	$43,650	$12,974.22	$3,747.11	$312.26	$1,297.77
6C	1 BED, 1 BTH	98	$58,800	$44,100	$13,107.98	$3,785.74	$315.48	$1,412.18
	TOTAL	518	$310,800	$247,050	$69,285.01	$20,010.34	$1,667.53	$7,464.38
1D*	1 BED, 1 BTH	100	$60,000	$60,000	$13,375.49	$3,863.00	$321.92	$1,441.00
2D	1 BED, 1 BTH	101	$60,600	$45,450	$13,509.24	$3,901.63	$325.14	$1,455.41
3D	1 BED, 1 BTH	102	$61,200	$45,900	$13,643.00	$3,940.26	$328.35	$1,469.82
4D	1 BED, 1 BTH	105	$63,000	$47,250	$14,044.26	$4,056.15	$338.01	$1,513.05
5D	1 BED, 1 BTH	106	$63,600	$47,700	$14,178.02	$4,094.78	$341.23	$1,527.46
6D	1 BED, 1 BTH	107	$64,200	$48,150	$14,311.77	$4,133.41	$344.45	$1,541.87
	TOTAL	621	$372,600	$294,450	$83,061.78	$23,989.23	$1,999.10	$8,948.61

* No tenant discount
**See page 10 for conditions applicable to these prices

SCHEDULE A

230 MAIN STREET, FORT LEE, N. J. 07024 / 201-461-8200

J.I. Sopher & Co., Inc.

Real Estate

425 East 61st Street, New York, N.Y. 10021/212-486-7000

THE MIDTOWN
109-23 71ST ROAD
FOREST HILLS, NEW YORK

PURCHASE PRICE AND OTHER FINANCIAL DETAILS
FOR FIRST YEAR OF COOPERATIVE OPERATION**

Apt. No. (1)	Number of Rooms and Baths (2)	No. of Shares	Total Cash Payment to Non-Tenants at $600.00 Per Share (3)	Total Cash Payment to Tenants at $450.00 Per Share (3)	Approximate Amount of Mortgage Applicable to Each Apartment $133.75486 Per Share (4)	Estimated First Year's Maintenance Charges at $38.63 Per Share (5)	Estimated Monthly Maintenance Charges for the 1st Year (5)	Estimated First Year's Income Tax Deduction at $14.41 Per Share (6)
1E	1 BED, 1 BTH	100	$60,000	$45,000	$13,375.49	$3,863.00	$321.92	$1,441.00
2E	1 BED, 1 BTH	101	$60,600	$45,450	$13,509.24	$3,901.63	$325.14	$1,455.41
3E	1 BED, 1 BTH	102	$61,200	$45,900	$13,643.00	$3,940.26	$328.35	$1,469.82
4E	1 BED, 1 BTH	105	$63,000	$47,250	$14,044.26	$4,056.15	$338.01	$1,513.05
5E	1 BED, 1 BTH	106	$63,600	$47,700	$14,178.02	$4,094.78	$341.23	$1,527.46
6E	1 BED, 1 BTH	107	$64,200	$48,150	$14,311.77	$4,133.41	$344.45	$1,541.87
	TOTAL	621	$372,600	$279,450	$83,061.78	$23,989.23	$1,999.10	$8,948.61
	0 BED							
1F*	~~1 BED,~~ 1 BTH	93	$55,800	$55,800	$12,439.20	$3,592.59	$299.38	$1,340.13
2F*	1 BED, 1 BTH	94	$56,400	$56,400	$12,572.96	$3,631.22	$302.60	$1,354.54
3F	1 BED, 1 BTH	95	$57,000	$42,750	$12,706.71	$3,669.85	$305.82	$1,368.95
4F	1 BED, 1 BTH	96	$57,600	$43,200	$12,840.47	$3,708.48	$309.04	$1,383.36
5F	STUDIO	80	$48,000	$36,000	$10,700.39	$3,090.40	$257.53	$1,152.80
6F	1 BED, 1 BTH	98	$58,800	$44,100	$13,107.98	$3,785.74	$315.48	$1,412.18
	TOTAL	556	$333,600	$278,250	$74,367.71	$21,478.28	$1,789.85	$8,011.96
	3 BED							
1G*	~~2 BED,~~ 2 BTH	156	$93,600	$93,600	$20,865.76	$6,026.28	$502.19	$2,247.96
2G	2 BED, 2 BTH	158	$94,800	$71,100	$21,133.27	$6,103.54	$508.63	$2,276.78
3G	2 BED, 2 BTH	160	$96,000	$72,000	$21,400.78	$6,180.80	$515.07	$2,305.60
4G	2 BED, 2 BTH	162	$97,200	$72,900	$21,668.29	$6,258.06	$521.50	$2,334.42
5G	3 BED, 2 BTH	196	$117,600	$88,200	$26,215.95	$7,571.48	$630.96	$2,824.36
6G	4 BED, 3 BTH	335	$201,000	$150,750	$44,807.88	$12,941.05	$1,078.42	$4,827.35
	TOTAL	1167	$700,200	$548,550	$156,091.93	$45,081.21	$3,756.77	$16,816.47

* No tenant discount
**See page 10 for conditions applicable to these prices

J.I. SOPHER & CO., INC.
REAL ESTATE
425 EAST 61ST STREET, NEW YORK, N.Y. 10021/212-486-7000

THE MIDTOWN
109-23 71ST ROAD
FOREST HILLS, NEW YORK

PURCHASE PRICE AND OTHER FINANCIAL DETAILS
FOR FIRST YEAR OF COOPERATIVE OPERATION**

Apt. No. (1)	Number of Rooms and Baths (2)	No. of Shares	Total Cash Payment to Non-Tenants at $600.00 Per Share (3)	Total Cash Payment to Tenants at $450.00 Per Share (3)	Approximate Amount of Mortgage Applicable to Each Apartment $133.75486 Per Share (4)	Estimated First Year's Maint-enance Charges at $38.63 Per Share (5)	Estimated Monthly Maint-enance Charges for the 1st Year (5)	Estimated First Year's Income Tax Deduction at $14.41 Per Share (6)
1H *	1 BED, 1 BTH	107	$64,200	$64,200	$14,311.77	$4,133.41	$344.45	$1,541.87
2H	1 BED, 1 BTH	108	$64,800	$48,600	$14,445.52	$4,172.04	$347.67	$1,556.28
3H	1 BED, 1 BTH	109	$65,400	$49,050	$14,579.28	$4,210.67	$350.89	$1,570.69
4H	1 BED, 1 BTH	110	$66,000	$49,500	$14,713.03	$4,249.30	$354.11	$1,585.10
5H	1 BED, 1 BTH	111	$66,600	$49,950	$14,846.79	$4,287.93	$357.33	$1,599.51
6H	SEE 6G	0	$0	$0	$0.00	$0.00	$0.00	$0.00
	TOTAL	545	$327,000	$261,300	$72,896.39	$21,053.35	$1,754.45	$7,853.45
B/J	PROFESSIONAL	0	$0	$0	$0.00	$0.00	$0.00	$0.00
2J	1 BED, 1 BTH	87	$52,200	$52,200	$11,636.67	$3,360.81	$280.07	$1,253.67
3J	1 BED, 1 BTH	88	$52,800	$39,600	$11,770.43	$3,399.44	$283.29	$1,268.08
4J	1 BED, 1 BTH	89	$53,400	$40,050	$11,904.18	$3,438.07	$286.51	$1,282.49
5J	1 BED, 1 BTH	90	$54,000	$40,500	$12,037.94	$3,476.70	$289.72	$1,296.90
6J	1 BED, 1 BTH	91	$54,600	$40,950	$12,171.69	$3,515.33	$292.94	$1,311.31
	TOTAL	445	$267,000	$200,250	$59,520.91	$17,190.35	$1,432.53	$6,412.45
PH	1 BED, 1 BTH	167	$100,200	$75,150	$22,337.06	$6,451.21	$537.60	$2,406.47
	TOTAL	167	$100,200	$75,150	$22,337.06	$6,451.21	$537.60	$2,406.47
	TOTALS	6,168	$3,700,800	$2,942,100	$824,999.98	$238,269.84	$19,855.81	$88,880.88

* No tenant discount
**See page 10 for conditions applicable to these prices

230 MAIN STREET, FORT LEE, N. J. 07024/201-461-8200

FOOTNOTES TO SCHEDULE A

(1) All apartments (exept for 1A-B, 2A, 1C, 1D, 1F, 2F, 1G ,1H and 2J) are subject to the Rent Stabilization Law and Code.

(2) Any floor plan or sketch shown to a prospective purchaser is only an approximation of the dimensions and layout of a typical apartment. The actual layout of an apartment may have been altered. Accordingly, each apartment should be inspected prior to purchase to determine its actual dimensions, layout and physical condition.

(3) The Total Cash Payment consists of a cash purchase price of $1.00 per share and an additional cash payment, as a contribution to the Apartment Corporation's capital, of $449.00 per share for existing residential tenants, and $599.00 per share for non-tenants. Each residential tenant has the exclusive right for a period of ninety (90) days from the date of presentation of this Plan to purchase the shares allocated to his apartment for a Total Cash Payment of $450.00 per share. After the expiration of such ninety day period, such reduced Total Cash Payment is not being offered and the Total Cash Payment for all tenants who thereafter purchase shall automatically be increased to $600.00 per share. The Total Cash Payment may be changed from time to time, without prior amendment to the Plan, except that prior to the Closing Date the Total Cash Payment to a tenant in occupancy at the time this Plan is accepted for filing may only be increased by duly filed amendment to the Plan. The Plan will be amended to reflect (i) a general price change affecting a group, line or other category of apartments (as opposed to an isolated price change) or (ii) a higher price to be advertised in a newspaper or other media.

(4) Tenant-shareholders will have no personal liability to the mortgage for payment of the Apartment Corporation's mortgage indebtedness. Interest and amortization payments to be made by the Apartment Corporation are included in the estimated monthly maintenance charges. The amount of mortgage indebtedness shown in this column will be reduced as monthly amortization payments are made and is predicated on the mortgage being in the reduced principal amount of $825,000.00 which represents the unpaid principal balance on July 1, 1983 (the projected Closing Date), assuming all intervening amortization payments are made.

(5) Estimated maintenance charges include the cost of gas to all apartments and gas and electricity to the public areas and the superintendent's apartment only. In addition, each tenant-shareholder will be responsible for the cost of interior repairs in, and the maintenance, painting and decoration of, his apartment (including, without limitation, the equipment and appliances contained therein) as well as the cost of any insurance he may desire to obtain covering (i) his furniture, belongings, equipment and other personal property and (ii) liability to others for personal injury or property damage as a result of occurrences in his apartment.

These estimates were prepared for the first year of cooperative operation, assuming same will commence on or about July 1, 1983.

(6) The first year's tax deduction is estimated at approximately $14.41 per share, which is equivalent to approximately 37.3% of the first year's estimated maintenance charges. The estimated tax deduction is based upon the full twelve (12) months's operation commencing July 1, 1983 and is predicated in part on the estimated real estate taxes and mortgage interest shown in the "Schedule of Projected Receipts and Expenses for First Year of Cooperative Operation". The estimated tax deductions do not include additional amounts entitled to be deducted on account of any interest paid by those purchasers who have financed the purchase of their respective apartments. The amount of any tax deductions will vary in later years because of changes in the amount of (i) real estate taxes assessed against the Apartment Corporation's Property and (ii) interest on the Apartment Corporation's mortgage indebtedness (as the refinanced first mortgage is repaid, the amount of each constant monthly installment paid in reduction of principal increases while that portion applied to interest decreases).

RIGHT TO CHANGE PRICES

The Apartment Corporation, at the direction of the Sponsor, reserves the right at any time to change the additional cash payment required for the shares allocated to some or all of the apartments shown on the foregoing schedule, or the number of shares allocated thereto. No such change, however, will be made in respect of any apartment for which a Subscription Agreement shall have been approved or which will vary the total number of authorized shares.

The Total Cash Payment payable by tenants shall not be increased during the first ninety (90) days after the presentation of this Plan. After the expiration of such ninety (90) day period, the Total Cash Payment to each tenant may be changed from time to time, without prior notice or amendment to the Plan, except that prior to the Closing Date the Total Cash Payment to a tenant for his apartment may only be increased by a duly filed amendment to this Plan. Changes in Total Cash Payments to non-tenants may be made without prior notice and without amendment to the Plan. However, the Plan will be amended to reflect (i) a general price change affecting a line or other category of aparments (as opposed to an isolated price change) or (ii) a higher price to be advertised in a newspaper or other media.

In the event of a change in the Total Cash Payment of one or more apartments, the purchaser of an apartment 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 this Plan, nor affect the Total Cash Payment stated in any Subscription Agreement then in effect.

J.I. Sopher & Co., Inc. (the Selling Agent) has advised the Apartment Corporation that, in its opinion, the price of the shares allocated to each apartment in the building, as set forth in the foregoing schedule, bears a reasonable relationship to the fair market value of the portion of the Apartment Corporation's equity in the Property attributable to such apartment, as determined on the date of presentation of the Plan. See page 12. The Selling Agent will not approve a change in such price prior to the date on which the Apartment Corporation acquires title to the Property (the "Closing Date") unless, in its opinion, the aforementioned reasonable relationship, as determined on the date the change is made is preserved.

If there shall be any change in the aggregate Total Cash Payment for shares allocated to all apartments then, under the terms of the Contract of Sale described on page 54, when the shares are sold, if and to the extent that such aggregate Payment is increased, the Sponsor will receive the benefit thereby; if and to the extent that such Payment is decreased, the Sponsor will bear the loss resulting from such decrease.

J.I. SOPHER & CO., INC.
REAL ESTATE
425 EAST 61ST STREET, NEW YORK, N.Y. 10021/212-486-7000

LETTER OF REASONABLE RELATIONSHIP

March 15, 1982

Mid-Forest Co.
Muss Development Company
108-18 Queens Boulevard
Forest Hills, New York

Re: The Midtown
109-23 71st Road
Forest Hills, New York

Gentlemen:

The undersigned has prepared the allocation of shares, Total Cash Payment for each apartment and other estimates contained in the schedule entitled "Purchase Price and Other Financial Details for Each Apartment" to be included in the above referenced Plan.

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

We are aware that under the Plan you will have the right to change the Total Cash Payments of apartments from time to time, provided no such change will be made without first obtaining our written opinion that such reasonable relationship test is preserved. As a result of such changes, the purchaser of an apartment may pay more or less than the purchaser of a comparable apartment having the same number of shares. It is our opinion that such reasonable relationship will be maintained notwithstanding that comparable apartments, with the same number of shares allocated to each, are sold for different Total Cash Payments in accordance with the foregoing. It is our further opinion that such reasonable relationship exists even though blocks of shares may be sold to rent stabilized tenants of the Building for Total Cash Payments lower than that paid by non-tenants, as provided in the aforesaid schedule.

Cont'd.....

230 MAIN STREET, FORT LEE, N. J. 07024/201-461-8200

J.I. SOPHER & CO., INC.

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

Very truly yours,

J. I. SOPHER & CO., INC.

J. I. Sopher
President

J.I. SOPHER & CO., INC.
REAL ESTATE
425 EAST 61ST STREET, NEW YORK, N.Y. 10021/212-486-7000

THE MIDTOWN
109-23 71ST ROAD
FOREST HILLS, NEW YORK

SCHEDULE OF PROJECTED RECEIPTS AND EXPENSES
FOR FIRST YEAR OF COOPERATIVE OPERATION

ESTIMATED RECEIPTS	
Annual Rent (Maintenance Charges) (Note 1)	$238,270
Garage and Parking Income (Note 2)	20,000
Laundry Income (Note 3)	1,000
Professional Income (Note 4)	16,800
TOTAL ESTIMATED RECEIPTS (Notes 5 and 16)	$276,070
ESTIMATED EXPENSES	
Operating Expenses:	
Labor and Related Expenses (Note 6)	$ 23,700
Fuel (Note 7)	67,300
Utilities (Note 8)	9,800
Water and Sewer (Note 9)	4,500
Telephone (Note 10)	500
Building Maintenance and Repairs (Note 10)	8,300
Building Supplies (Note 10)	9,497
Insurance (Note 11)	9,600
Legal and Audit	2,200
Management (Note 12)	8,300
Real Estate Taxes (Note 13)	50,926
State and City Corporate Franchise Taxes	3,700
Reserve for Contingencies (Note 14)	7,622
TOTAL ESTIMATED OPERATING EXPENSES	$205,945
Mortgage Indebtedness (Note 15)	70,125
TOTAL ESTIMATED EXPENSES (Note 16)	$276,070

1. Annual Rent (Budget - $238,270)

Based on 6,168 shares at $38.63 per share.

2. Garage Income (Budget - $20,000)

The garage income is based on twenty-five (25) spaces being rented at the current posted rate of $66.60 per month. Subject to the rights under applicable law of non-purchasing stabilized tenants to continue renting their garage spaces after the Closing Date, it is anticipated that the Apartment Corporation will rent the garage to shareholders on a month-to-month basis. Spaces that are not rented to shareholders will be rented to outsiders.

3. Laundry Income (Budget - $1,000)

At the Closing, it is anticipated that the Apartment Corporation will enter into a lease for the laundry room with Metered Appliances Co., Inc., 57-10 38th Avenue, Woodside, New York 11377, providing for payment to the Apartment Corporation of 60% of receipts with a guaranteed minimum of $1,000.00 per annum.

4. Professional Income (Budget - $16,800)

The current rents and status of professional income is as follows:

Name of Tenant	Lease Expiration Date	Apt. No.	Monthly Rental	Annual Rental
R. Stuart and I. Wasserberg	June 30, 1983	B-J	$1,400.00	$16,800.00

5. Total Estimated Receipts (Budget - $276,070)

This does not include any interest income that may be received by the Apartment Corporation from the Working Capital Fund to be retained at title closing. It is expected that all or part of the Working Capital Fund will be expended during the first or subsequent years of operation. Accordingly, this income cannot be determined with exactitude and may be inconsequential. For this reason, and for the further reason that interest income does not reflect normally anticipated income from operations, neither has been included in the estimated receipts for the first year of cooperative operation.

6. Labor and Related Expenses (Budget - $23,700)

The building staff consists of one (1) porter who is not a union member. The current weekly salary of the porter is $253.88 which is under the current union contract requirements. At Closing, it is anticipated that a union contract will be signed with Local 32B-J, Service Employees International Union, AFL-CIO. The wage rate as of April 20, 1982, which is the expiration date of the above-mentioned contract, is $267.53. An inflationary factor of 9½% for each year has been added to the base salary of $267.53 for the purposes of this budget for the first year of cooperative operation.

The superintendent for the Midtown and the Forestal resides in Apt. 2B at the Midtown. At the Closing, the Sponsor, as owner of the Forestal, will enter into an agreement with the Apartment Corporation providing for the payment by the owner of the Forestal of the superintendent's wages in exchange for the super residing in the Midtown. The Agreement will provide that it will be binding upon the successors and assigns of the respective parties thereto. Since the Midtown and the Forestal are adjacent to each other, and more particularly within one hundred feet, one superintendent can service both buildings, which is in accordance with City Ordinances.

Labor charges include payroll taxes, unemployment insurance, hospitalization, uniforms, vacation and holiday pay, and workmen's compensation.

7. Fuel (Budget - $67,300)

The building uses No. 6 fuel oil for heat and hot water. The budgeted item is based on a projected consumption of approximately 56,115 gallons and an estimated cost of approximately $1.20 per gallon, including sales tax. The approximate cost per gallon of No. 6 oil for the current heating season, including sales tax, is as follows:

1981:	January - $1.05;	February - $0.94;	March - $1.06;
	April - $1.04;	May - $1.04;	June - $0.95;
	July - $0.87;	August - $0;	September - $0.87;
	October - $0.87;	November - $0.88;	December - $0.91

The consumption and cost of oil for the past three years was as follows:

Calendar Year	Consumption In Gallons	Cost (Including Sales Tax)
1979	55,961	$33,943
1980	58,021	49,945
1981	54,362	54,308

In view of the current energy situation, it is not possible to predict whether the budgeted figure will reflect the actual cost to be incurred during the first year of cooperative operation, which will vary with the level of consumption and the fuel rate. Consumption will be affected by the severity of the weather and conservation measures (such as staggering hours of heating, lowering the temperature of the hot water, etc.) if any, adopted by the Board of Directors.

In view of the earlier decision by the Organization of Petroleum Exporting Countries ("O.P.E.C.") to raise the cost of oil and surcharges imposed by various member nations of O.P.E.C., it is likely that the cost of oil will increase, although it is not possible to forecast with certainty the actual amount of such increase. It is believed that the projected figure should be sufficient to cover any reasonable increase in the cost of oil resulting from the foregoing during the first year of cooperative operation. However, no budget item is warranted.

8. Utilities (Budget - $9,800)

This item includes the cost of cooking gas to all apartments and gas and electricity to the public areas in the building and the superintendent's apartment only. The apartments are individually metered for electricity. The budget item is predicated on an estimated increase of 15% over the current base cost of $.12499 per KWH for electricity and $.958 per cu. ft. for gas. It is anticipated that the consumption in kilowatt hours and cubic feet for the first year of cooperative operation will be the same as for the service period December 15, 1980 through December 15, 1981 for gas and from January 7, 1981 through January 7, 1982 for electricity. The total consumption for this service period is 53,806 KWH for electricity and 445 cu. ft. for gas. An estimated increase of 20% over the base fuel adjustment cost of $701.01 for electricity and $3.74 for gas for the above mentioned service period has also been included in the budgeted amount. Sales tax has been added at the

rate of 8% for electricity and 4% for gas and excess profits tax at the rate of ¼ of 1% amounting to $705.81 and $22.68, respectively, on the total estimated base cost of $9,070.04 for electricity and gas for the first year of cooperative operation.

The cost of these utilities for the past three years was as follows:

Calendar Year	Cost
1979	6,916
1980	7,210
1981	8,604

In view of the current energy situation, it is not possible to predict whether the budgeted figure will reflect the actual cost to be incurred during the first year of condominium operation, which will vary with the level of consumption and the cost of electricity. Electricity is generated by the utility company by means of fuel oil as the primary energy source. Based on the O.P.E.C. decision to raise the cost of oil and surcharges imposed by member nations of O.P.E.C., it is expected that the cost of oil used to generate electricity will increase in the near future. As a result, it is likely that electric rates will increase, although it is not possible to forecast the amount of such increase. It is believed that the projected figure should be sufficient to cover any reasonable increase in the cost of electricity resulting from the foregoing during the first year of cooperative operation. However, no budget item is warranted.

9. Water (Budget - $4,500)

The budget amount is predicated on the continuance of water charges for the past year. The water charges for the last three years were as follows:

Calendar Year	Cost
1979	$1,687
1980	4,237
1981	4,484

10. Telephone (Budget - $500)
Building Maintenance and Repairs (Budget - $8,300)
Building Supplies (Budget - $9,497)

The budgeted figure for these items in based on normal maintenance and repairs and includes various supplies (such as cleaning supplies and materials, lubricants, bulbs, public fixtures, general and hardware supplies) and painting of public halls and common areas. Tenant-shareholders, however, will be responsible for the cost of interior repairs in, and decoration and painting of, their respective apartments, including appliances. The cost for the following service contracts (exclusive of sales tax) is also included in the budgeted item:

Contractor	Nature of Service	Annual Cost	Expiration Date
Otis Elevator Co. 305 W. Grand Avenue Montvale, New Jersey	Elevator Maintenance	$2,934.36	Month-to-Month
Pay Television of Greater New York, Inc. 32-04 31st Avenue L.I.C., N.Y. 11106	Master TV Antenna; Pay TV	$ 160.00 (1)	Three years
Consolidated Water Conditioning Corp. 360 West 11th Street New York, N.Y.	Chemical Treatment of Water	$ 305.28 (1)	Month-to-Month

(1) Current contracts are for the Midtown and the Forestal. The annual cost above has been allocated on the basis of 50% of the total cost. At Closing, it is anticipated that these contracts will be in effect for each building individually.

11. Insurance (Budget - $9,600)

The following insurance will be in effect on the Closing Date:

Items Covered	Coverage Amount Limits	Approximate Annual Premium
Special Multi Peril: Building Fire, extended coverage and all-risk	$1,455,000	
Rents (100% co-insurance)	274,000	
Bodily Injury and Property Damage - Comprehensive General Liability	1,000,000	$7,460
Water Damage - Legal Liability		
Officers and Directors Liability	1,000,000	550
Boiler and Machinery	100,000	165
Fidelity Bond (including Managing Agent)	100,000	600
Umbrella Liability	3,000,000	825

In recent years, premiums for insurance (especially fire and liability) have increased inordinately. It is not possible to predict whether future premiums will continue to escalate at the same inordinate rate or will level off. The projected premium contemplates a relatively moderate rise in the current rate. The budget provides for an increase of approximately 10% above the current insurance estimate of $8,722.00 as of November 25, 1981. Although the projection is believed to be reasonable, no budget item is warranted.

Special Note: If the Building is insured for less than the aggregate amount paid by all tenant-shareholders for their respective shares plus the outstanding amount of any mortgage indebtedness on the Property less the value of Land as vacant, then in the event of a total loss and a subsequent liquidation of the Apartment Corporation, the funds available to tenant-shareholders on such liquidation might be less than an amount of their investment. The first year's budget contemplates casualty insurance in the amount of $1,455,000 which is less than the estimated total cash offering and mortgage indebtedness. In future years, the amount of insurance should be reviewed periodically and adjusted to safeguard the investment of tenant-shareholders in the Apartment Corporation.

12. Management Fee (Budget - $8,300)

At or prior to the Closing Date, the Apartment Corporation will enter into a Management Agreement with Hyman Muss & Sons for a term of three (3) years providing for a fee of three (3%) of gross receipts annually. The Agreement will be automatically renewed from year to year thereafter, unless terminated by either party upon sixty (60) days prior written notice. The Managing Agent may receive additional compensation as a result of commission from placing insurance and fees from tenant-shareholders other than the holders of Unsold Shares) who resell their apartments in connection with the processing of such sales. Reference should be made to the Management Agreement for details of these and other important features of the Management

13. Real Estate Taxes (Budget - $50,926)

The budgeted figure is based on the current assessed valuation for the 1982/83 tax year of $569,000 and a tax rate of $8.95 per $100.00 of assessed valaution. The assessed valuation of the property, tax rate and real estate taxes for the most recent three fiscal years were as follows:

Tax Year	Assessed Valuation	Tax Rate Per $100.00 of Assessed Valuation	Real Estate Taxes
1981/82	$565,000	$8.95	$50,600
1980/81	545,000	8.75 (7/1 - 12/31/80)	23,844
		8.95 (1/1 - 6/30/81)	24,398
1979/80	545,000	8.75	47,687

On December 3, 1981, a new Section 581 was added to the Real Property Tax Law. This section provides that real property owned or leased by a cooperative corporation shall be assessed at a sum not exceeding the assessment which would be placed on such parcel were the property not owned or leased by the cooperative corporation. No representation or warranty is made that the current assessed valuation of the Building will not be changed in the future.

14. Reserve for Contingencies (Budget - $7,622)

This item is to provide a fund for possible expenses not included in the budget or possible increases in one or more items of operating expense above the amounts projected. The budget may be modified from time to time prior to the commencement of, or during, cooperative operation to add new items of expense or increase one or more items of operating expense. The funds for such modifications may be provided by decreasing the Reserve for Contingencies or by decreasing one or more items of expense, or both. The Reserve for Contingencies does not include a reserve for capital replacements or repairs, for which no provision is made under this budget.

15. Mortgage Indebtedness (Budget - $70,125)

On the Closing Date, the Property will be encumbered by a wraparound purchase money second mortgage ("Wraparound Mortgage") to be held by the Sponsor in the principal amount of $825,000.00. The Wraparound Mortgage will be payable on the first day of the month in constant equal quarterly payments of $17,531.25, applied to interest only at the approximate rate of 3.81% on the principal balance of $364,848.00 and at the rate of 8½% on the principal balance of $460,152.00 (existing first mortgage); the remainder of the payment to be applied to reduction in principal.

The Wraparound Mortgage will mature on July 1, 1989, at which time the approximate sum of $683,004.00 will be due with accrued interest, if all regular installments shall have been paid.

The Property will also be acquired by the Apartment Corporation subject to the existing first mortgage held by Roosevelt Savings Bank, in the approximate principal amount of $460,152.00 as of the estimated Closing Date of July 1, 1983.

See "Mortgage Indebtedness" for a complete discussion of the Wraparound Mortgage and the First Mortgage.

16. Total Estimated Receipts and Expenses (Budget - $276,070)

The projections set forth in this budget assume that the first year of cooperative operation will begin on or about July 1, 1983.

NOTE: At closing, the Sponsor-Seller and the Apartment Corporation will adjust items of income and expense in accordance with the period that each owns the Property. Assuming the net closing adjustments are in favor of the Sponsor-Seller, same will be paid at closing by the Apartment Corporation from its Working Capital Fund to the extent of not more than $5,000 and any balance owing shall be paid in twelve (12) equal consecutive monthly installments, commencing on the first day of the third calendar month subsequent to the closing, pursuant to negotiable series notes bearing 9% interest. In such case, although such notes are not directly included in this budget, payment of the notes represents, in effect, payment of certain expenses reflected in this budget that have been prepaid by Sponsor-Seller. See "Contract of Sale" (paragraphs 5 and 6) and "Working Capital Fund" for further discussion.

IN THE OPINION OF THE SELLING AGENT, THE PROJECTED RECEIPTS ARE ADEQUATE TO MEET THE ESTIMATED EXPENSES FOR THE APARTMENT CORPORATION'S FIRST YEAR OF OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE FISCAL YEAR COMMENCING JULY 1, 1983. THE FOREGOING SCHEDULE, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE BY ANYONE THAT THE ANNUAL RENT (MAINTENANCE CHARGES) OR EXPENSES FOR THE FIRST OR ANY SUBSEQUENT YEAR OF OPERATION OF THE BUILDINGS BY THE APARTMENT CORPORATION WILL BE AS SET FORTH IN SAID SCHEDULE, AND IT IS LIKELY THAT THE ACTUAL ANNUAL RENT (MAINTENANCE CHARGES) OR EXPENSES WILL VARY FROM THE AMOUNTS SHOWN IN THE SCHEDULE.

THE SPONSOR-SELLER HAS RESERVED THE RIGHT TO MODIFY, RENEW AND REPLACE EXISTING SERVICE, MAINTENANCE, EMPLOYMENT, CONCESSIONAIRE AND OTHER AGREEMENTS AND INSURANCE POLICIES, AND TO ENTER INTO NEW AGREEMENTS AND POLICIES THAT WILL BE BINDING ON THE APARTMENT CORPORATION ON THE CLOSING DATE. HOWEVER, IN NO EVENT WILL ANY SERVICE OR MAINTENANCE CONTRACT BE MADE WHICH WOULD MATERIALLY INCREASE THE FIRST YEAR'S ESTIMATED MAINTENANCE CHARGES. PROVIDED FURTHER, HOWEVER, SUCH AGREEMENTS WILL NOT BE FOR A TERM EXPIRING MORE THAN TWO (2) YEARS FROM THE CLOSING DATE.

J.I. SOPHER & CO., INC.
REAL ESTATE
425 EAST 61ST STREET, NEW YORK, N.Y. 10021/212-486-7000

LETTER OF ADEQUACY

March 15, 1982

Mid-Forest Co.
Muss Development Company
108-18 Queens Boulevard
Forest Hills, New York

Re: The Midtown
109-23 71st Road
Forest Hills, New York

Gentlemen:

The undersigned has prepared the Schedule of Projected Receipts and Expenses for the First Year of Cooperative Operation for inclusion in the above-referenced Plan.

In our opinion, the estimates contained in said Schedule are reasonable and adequate, under existing circumstances, and the estimated receipts shown therein will be sufficient to meet the normal anticipated operating expenses for the first year of operation. However, because of the possibility of unforeseeable changes in the economy, increases or decreases in expenses of operation, the current energy situation and related government restrictions or preemptions, shortages of materials or labor and other circumstances beyond your control or the control of Mid-Forest Co. (the Sponsor-Seller under the Plan) or the undersigned, this opinion and said estimates are not intended and should not be taken, as representations, guarantees or warranties of any kind whatsoever, or as any assurance that the actual expenses or income of your corporation for the first year or any subsequent period of operation of the Building by your Corporation 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 likely increase in the future.

This opinion is based on the analysis of the figures furnished by the Sponsor-Seller which include a two -year prior operating history of the premises, on our own knowledge of existing conditions and on our experience in the management of residential apartment buildings.

Cont'd.....

230 MAIN STREET, FORT LEE, N. J. 07024/201-461-8200

J.I. SOPHER & CO., INC.

The undersigned is a licensed real estate brokerage and management firm that has been engaged in the real estate business for over ten years. We are not owned or controlled by and have no beneficial interest in the Sponsor-Seller or the Property.

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

Very truly yours,

J. I. SOPHER & CO., INC.

J. I. Sopher
President

FRIEDMAN ALPREN & GREEN
CERTIFIED PUBLIC ACCOUNTANTS
1700 BROADWAY
NEW YORK, N. Y. 10019
(212) 582-1600

HYMAN MUSS & SONS MANAGEMENT CO.
108-18 Queens Boulevard
Forest Hills, N.Y. 11375

We have examined the statements of revenues and specified expense for the property located at 109-23 71st Road, Forest Hills, N.Y. for the years ended December 31, 1981, 1980 and 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 statements referred to above present fairly the information contained therein with respect to the subject property for the years ended December 31, 1981, 1980 and 1979 in conformity with generally accepted accounting principles consistently applied.

Friedman, Alpren & Green

DATED: March 1, 1982

109-23 71st ROAD
FOREST HILLS, NEW YORK

STATEMENT OF REVENUES AND SPECIFIED EXPENSES

FOR THE YEARS ENDED DECEMBER 31, 1981, 1980 AND 1979

	1981	1980	1979
REVENUES			
Rents - Apartments (net of vacancies)	$220,188	$203,354	$186,505
Rents - Garage spaces	11,711	9,723	9,425
	231,899	213,077	195,930
SPECIFIED EXPENSES			
Administrative	7,107	5,789	9,517
Operating	81,462	75,613	54,215
Maintenance	15,781	14,675	11,971
Taxes and insurance	56,142	56,822	55,210
	160,492	152,899	130,913
EXCESS OF REVENUES OVER SPECIFIED EXPENSES	$ 71,407	$ 60,178	$ 65,017

See accompanying notes to this report.

109-23 71st ROAD
FOREST HILLS, NEW YORK

SCHEDULE OF SPECIFIED EXPENSES

FOR THE YEARS ENDED DECEMBER 31, 1981, 1980 AND 1979

	1981	1980	1979
ADMINISTRATIVE			
Management fees	$ 4,305	$ 3,360	$ 6,300
Telephone	513	432	397
Dues and subscriptions	250	250	227
Accounting	677	628	561
Office expenses	1,362	1,119	2,032
	7,107	5,789	9,517
OPERATING			
Payroll	10,653	11,400	10,527
Payroll taxes	1,251	1,696	1,462
Union expense	1,067	1,575	1,234
Fuel	54,308	49,116	32,025
Electricity and gas	8,604	7,210	6,916
Water charges	4,484	4,237	1,687
Permits	777	376	364
Miscellaneous	318	3	-
	81,462	75,613	54,215
MAINTENANCE			
Supplies	6,962	6,502	5,532
General building repairs	4,767	3,071	3,497
Elevator maintenance	3,028	2,922	2,514
Boiler maintenance	699	2,180	428
Roofing	325	-	-
	15,781	14,675	11,971
TAXES AND INSURANCE			
Real estate taxes	49,672	48,234	47,469
Insurance	6,470	8,588	7,741
	$ 56,142	$ 56,822	$ 55,210

See accompanying notes to this report.

109-23 71st ROAD
FOREST HILLS, NEW YORK

NOTES TO STATEMENTS OF REVENUES AND SPECIFIED EXPENSES

FOR THE YEARS ENDED DECEMBER 31, 1981, 1980 AND 1979

Note 1 - Certain items of income and expense, not applicable to the operation of this property as a cooperative housing corporation, have been excluded These items include:

(A) Interest earned on investments.

(B) Depreciation of building, building improvements and equipment.

(C) Interest on mortgage loans and amortization of mortgage placement expenses.

(D) Apartment upkeep costs of a type which will be the responsibility of the tenant-shareholders, including, but not limited to interior repairs to apartments for the general maintenance of appliances, painting and floor scraping.

2- Rents from apartments are net of the apartment reserved for the use of the superintendent. Management estimates the current rental value of this apartment at approximately $4,800 per annum.

INCOME TAX DEDUCTIONS

The Plan has been designed to give to the lessees under the Proprietary Leases the benefit of the income tax deductions allowed to Tenant-Shareholders of cooperative housing corporations under the present provisions of Section 216 of the Internal Revenue Code of 1954. The Apartment Corporation has been advised by its counsel, Muss & Muss, that, if the Apartment Corporation acquires title to the Property pursuant to the terms of the Plan, the Apartment Corporation, on the Closing Date, will under present law, be a cooperative housing corporation, notwithstanding that more than twenty (20%) per cent of the shares allocated to Apartments may be sold to Sponsor or Purchasers produced by the Sponsor in the manner indicated under the caption "Unsold Shares," and that, as long as at least eighty (80%) per cent of the income of the Apartment Corporation consists of rent received from qualified Tenant-Shareholders, such shareholders will be entitled under present law to deduct from their gross income their proportionate shares of real estate taxes and mortgage interest paid by the Apartment Corporation. The Sponsor has estimated that for the first year of cooperative ownership, the amount shown on Schedule A will be the amount deductible. Counsel has not passed upon the computation of the amount of estimated income tax deduction applicable to each Apartment as set forth in Schedule A. The actual amount of any deduction may increase or decrease as the amount of real estate taxes or mortgage interest paid by the Apartment Corporation changes. The exact amount of any tax saving to each individual will depend upon his income tax bracket.

The opinion of Counsel is not a guarantee; it is based upon existing rules of law applied to the facts and documents referred to above. No assurances can be given that the tax laws upon which Counsel base its opinion will not change. In no event will the Sponsor, the Sponsor's Counsel, the Apartment Corporation, Counsel to the Apartment Corporation, the Selling Agent or any other person be liable in the Apartment Corporation ceases to meet the requirements of the Internal Revenue Code of 1954, as amended, or the New York State tax law, as amended, if there are changes in the facts on which counsel relied in issuing this opinion, or if there are changes in the applicable statutes, regulations, decisional law or Internal Revenue Service rulings on which Counsel relied.

Counsel's Income Tax Opinion is set forth in full in Part II of this Plan.

RIGHTS OF TENANTS IN POSSESSION

The following discussion of the rights of rent stabilized tenants is based upon the laws now in effect. If these laws expire or are modified or repealed during the Offering, the Plan will be amended to incorporate the changes in the law.

Stabilized Tenants

As of the date of the presentation of this Plán, all of the apartments in the building (except Apartments 1A-B,2A,1C,1D, 1F,2F,1G, 1H and 2J) are subject to the New York City Rent Stabilization Law of 1969 and the Code adopted pursuant thereto. In accordance with Section 61 of the Code and the provisions of Section 352-eeee of the General Business Law, copies of which appear, respectively in Part II of this Plan on pages 122 and 126:*

(a) Each tenant in occupancy of a rent stabilized apartment and each lessee of record of a vacant or subleased rent stabilized apartment at the date the attorney general accepts this Plan for filing shall have the exclusive right for a period of 90 days after the date of presentation to purchase the shares allocated thereto at the price set forth beginning at page 4 .

Upon the expiration of the 90-day period the tenant's exclusive right to purchase will terminate. The Apartment Corporation will have the right to offer to sell the shares to the tenants or to others at such changed prices as it may then fix for them, subject to the right of first refusal set forth below.

(b) The Plan will not be declared effective unless and until fifty-one (51%) percent of bona fide tenants in occupancy of all dwelling units in the building on the date the Plan is accepted for filing by the Attorney General, in accordance with paragraph 4 of Section 61 of the Code and Section 352-eeee of the General Business Law, have agreed to purchase shares entitling them to proprietary leases for their dwelling units with no discriminatory repurchase agreement or other discriminatory inducement.**

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*Sections of the General Business Law have been amended which supersede and outdate certain provisions of the code. This summary reflects the provisions of both the General Business Law and the Rent Stabilization Law, as amended, and those provisions of the code which are still applicable.

** For exclusions from the base for computing the 51% requirement, see "Senior Citizens' Special Rights" and "Disabled Persons' Special Rights," below.

(c) The Selling Agent will notify the stabilized tenants when the fifty-one (51%) percent requirement has been met.

(d) After the expiration of the 90-day exclusive right to purchase set forth in subparagraph (a) above, a tenant in occupancy of a stabilized apartment at the date the Attorney General accepts the Plan for filing who has not purchased or waived in writing his right to purchase, will have the exclusive right for an additional period of six (6) months from said expiration date to purchase the share allocated to his apartment on the same terms and conditions as contained in an executed contract to purchase made with a bona fide purchaser (i.e., a person buying for actual personal or family occupancy). The tenant will have fifteen (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. The notification shall contain a copy of the executed contract of sale and information as to the identity of the purchaser.

(e) A non-purchasing tenant in occupancy of a 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) without any increase in his rent, except as specified in his existing lease and as permitted under applicable laws, until the latest of the following dates:

(i) The date which is three (3) years after the date on which the Plan is declared effective; or

(ii) The expiration date of his lease.

Thereafter, he may be removed by the owner of the building or the purchaser of the shares allocated to his apartment.

(f) A subtenant will have no right to purchase unless approved by the tenant of record.

(g) If the Plan has not been declared effective within fifteen (15) months from the date of issue of the letter by the Attorney General stating that the Plan has been accepted for filing, it will be deemed abandoned, and if the Plan is so abandoned, the Sponsor will offer to any tenant of a stabilized apartment whose lease has theretofore expried, a renewal lease in compliance with the provisions of the New York City Rent Stabilization Law and Code. In the event of such abandonment, no new Plan for the conversion of the building shall be submitted to the Attorney General for at least twelve (12) months after such abandonment.

Professional Tenants

Apartments 1A-B, 2A, 1C, 1D, 1F, 2F, 1G, 1H and 2F are presently used exclusively for professional purposes. The Sponsor agrees that prior, and as a condition to the conveyance of title to the Apartment Corporation, the Sponsor will obtain, at its own cost and expense, an amended Certificate of Occupancy permitting residential use of these apartments.

The apartments are presently subject to valid and existing leases which are scheduled to expire as follows:

Apartment	Lease Expiration Date
1A-B	Month-to-Month
2A	January 31, 1983
1C	December 31, 1982
1D	Month-to-Month
1F	August 31, 1983
2F	December 31, 1983
1G	Month-to-Month
1H	Month-to-Month

Sponsor agrees that if the Plan is declared effective in accordance with its terms, Sponsor will (i) not execute renewal leases for any of the foregoing leases upon the expiration thereof nor enter into new leases with the professional tenants in occupancy; and (ii) move as expediously as possible to obtain possession of these apartments and fulfill its obligations set forth in the paragraph above. Sponsor may, however, at its sole option permit the professional tenants to remain in occupancy as month-to-month tenants upon the expiration of their leases.

Management, Services and Facilities

All dwelling units occupied by non-purchasing tenants will be managed by the same managing agent who manages all other dwelling units in the building. Such managing agent will provide to non-purchasing tenants all services and facilities required by law on a non-discriminatory basis. Sponsor guarantees the obligation of the managing agent to provide all such services and facilities until such time as Sponsor surrenders control of the board of directors.

Non-Interruption of Services

It shall be unlawful for any person to engage in any course of conduct, including, but not limited to, interruption or discontinuance of essential services, which substantially interferes with or disturbs the comfort, repose, peace or quiet of any tenant in his use or occupancy of his dwelling unit or the facilities related thereto. 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 apartment or from proceeding with the plan of conversion; provided that nothing contained herein shall be deemed to preclude the tenant from applying on his own behalf for similar relief.

Statements of Percentage of Purchasing Tenants

Between the issuance of the letter of the Attorney General stating that the Plan has been filed and the date the Plan becomes effective or is abandoned, as the case may be, the Sponsor will, on the 30th, 60th, 88th and 90th days after the presentation of the Plan and every thirty (30) days thereafter and on the second day before the expiration of any exclusive purchase period provided in a substantial amendment to the Plan (1) file with the Attorney General a written statement under oath, setting forth the percentage of 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 (2) before noon on the day such statement is filed, post a copy of such statement in a prominent place accessible to all tenants in the Building.

EFFECTIVE DATE OF THE PLAN AND CLOSING DATE

The following provisions will determine whether, and when, the Plan will be declared effective;

1. The Plan may be declared effective if, within fifteen (15) months from the date of issue of the letter by the Attorney General stating that the Plan has been accepted for filing, the requirement for purchase by fifty-one (51%) percent of bona fide tenants in occupancy of all dwelling units in the Building on the date the Plan is accepted for filing by the Attorney General, in accordance with Paragraph 4 of Section 61 of the Rent Stabilization Code and Section 352-eeee of the General Business Law, has been met. Sponsor agrees that Subscription Agreements executed for Apts. 1A-B, 2A, 1C, 1D, 1F, 2F, 1G, 1H or 2J shall not be counted towards the 51% requirement unless on the date of such inclusion the Certificate of Occupancy permits residential occupancy of such unit. If the Plan is consummated after such a declaration of effectiveness, non-purchasing rent stabilized tenants (other than eligible senior citizens and eligible disabled persons) will be subject to eviction.

2. The Plan must be declared effective if eighty (80%) percent of all tenants have signed Subscription Agreements, and if the fifty-one (51%) percent requirement set forth in Paragraph 1 above has been met.

The Plan will be declared effective by written notice to all purchasers and to all tenants in the Building. Within forty-eight (48) hours, an amendment of this Plan will be filed incorporating the declaration of effectiveness. Sponsor will not close title to the Property, or consummate further sales of apartments in the Building until the amendment is accepted for filing.

After the Plan has been declared effective, title to the Property will close on a date (the "Closing Date") to be fixed by the Sponsor, which shall not be less than fifteen (15) days nor more than one hundred eighty (180) days thereafter, unless the Closing is adjourned for reasonable cause, or the Plan has been abandoned.

If the Plan has not been declared effective, it will be deemed abandoned and all monies will be returned in full without interest (unless interest is earned on the subscription amount) to the purchasers.

The Sponsor may at its option declare the Plan abandoned for any reason whatsoever before it is declared effective or before the eighty (80%) per cent quota referred to above has been reached. Once the Plan has been declared effective, the Sponsor may, at its option, declare the Plan abandoned 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 monies in excess of Fifteen Thousand ($15,000) Dollars 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 and/or, after presentation of the Plan the Sponsor has received written work orders from a mortgagee or insurance carrier, and the reasonable aggregate cost (as estimated by Sponsor) of the work necessary to cure such violations and to comply with such work orders would exceed the sum of Fifteen Thousand ($15,000) Dollars; or

(c) The building has been damaged by fire or other casualty and the cost of repairs would exceed Twenty-Five Thousand ($25,000) Dollars; or

(d) Any portion of the property has been taken by condemnation or eminent domain.

If there is a defect which renders title umarketable, Sponsor will file an amendment to the Plan disclosing such defect and offering subscribers who are not in default the right to rescind within thirty (30) days after presentation of the amendment to the Plan, provided, however, that Sponsor will not close title with the Apartment Corporation unless, after giving affect to subscribers who rescind in accordance with this paragraph, Sponsor still satisfies the fifty-one (51%) percent requirement of paragraph (1) on page 32.

On the Closing Date, each purchaser will become obligated for the payment of maintenance charges under his proprietary lease, whether or not he has taken possession of the apartment.

Certificates for the share 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.

SPONSOR'S RIGHT TO CHANGE TO NON-EVICTION PLAN

If the requirements of Section 61 of the Rent Stabilization Code and Section 352-eeee of the General Business Law are not complied with and the Plan is not declared effective, it may be amended to a non-eviction plan which may be declared effective if, within fifteen (15) months from the date of issue of the letter of the Attorney General stating that the Plan has been accepted for filing, written purchase agreements have been executed and delivered for at least fifteen (15%) percent of all dwelling units in the building by bona fide tenants in occupancy who represent that they intend that they or one or more members of their immediate family to occupy the dwelling unit when it becomes vacant. As to tenants in occupancy on the date the letter was issued by the Attorney General accepting the Plan for filing, the purchase agreement shall be executed and delivered without discriminatory repurchase agreements or other discriminatory inducements. IN THAT EVENT, NON-PURCHASING TENANTS CANNOT BE EVICTED FOR FAILURE TO PURCHASE OR FOR ANY OTHER REASON APPLICABLE TO THE DECLARATION OF EFFECTIVENESS OF THE PLAN.

OBLIGATIONS OF PURCHASERS OF OCCUPIED APARTMENTS

If the shares allocated to an apartment are purchased by someone other than the tenant of the apartment, the tenant will become the tenant of the purchaser on the Closing Date and the purchaser will become his landlord.

A purchaser who acquires the shares allocated to an apartment occupied by a tenant will be required to pay the Apartment Corporation the maintenance charges for the apartment, whether such maintenance charges are greater or less than the rent received from the tenant in occupancy. The purchaser will also be responsible for the performance of all of the obligations of the landlord under the lease with, or tenancy of, the tenant, under the Rent Stabilization Code, or any other legal requirement.

A purchaser of the shares allocated to an apartment of which he is not in possession will obtain the Proprietary Lease for the apartment subject (a) to the lease for the apartment in effect on the date of Closing of Title, (b) to any existing occupancy of the apartment, (c) to the right of any existing tenant (who has not purchased the shares allocated to his apartment) to remain in possession of the apartment in accordance with the Rent Stabilization Law of 1969 and the Rent Stabilization Code ("Rent Laws") and Section 352-eeee of the General Business Law and (d) to all other rights of any existing tenant under the Rent Laws.

Prospective purchasers of occupied apartments are urged to examine the lease, if any, covering the apartment, and to consult an attorney regarding the rights and obligations of a purchaser of the apartment. Purchasers of occupied apartments are further advised that they may be required to join the Rent Stabilization Association of the City of New York.

The purchaser will receive the unapplied portion of any security held by the Sponsor which must be held by the purchaser, in trust, in accordance with Section 7-103 of the General Obligations Law.

The Plan may be amended to conform to any amendments of the Rent Laws.

OBTAINING POSSESSION OF OCCUPIED APARTMENTS

Eviction Plan

If the Plan has been consummated as an Eviction Plan after satisfying the requirements of Section 61 of the Rent Stabilization Code and Section 352-eeee of the General Business Law, a purchaser of an occupied stabilized apartment who desires possession will, at his own cost, have to take the steps necessary to obtain possession. This will require the institution of a summary proceeding in court after the latest date on which the following occur: the date which is three (3) years after the date on which the Plan is declared effective or the expiration of the tenant's lease. In a summary proceeding, the judge has the discretionary power to grant a stay of eviction for a period not exceeding six (6) months. There is no assurance that the judge will grant a full six (6) months' stay. No representation is made as to the length of time which may be required to obtain possession of any apartment or as to cost of doing so.

Non-Eviction Plan

If the requirements of Section 61 of the Rent Stabilization Code and Section 352-eeee of the General Business Law with respect to an eviction plan are not complied with and the Plan is declared effective on a non-eviction basis, then non-purchasing stabilized tenants cannot be evicted, under the present law, except for a violation of the terms of the tenancy.

SENIOR CITIZENS' SPECIAL RIGHTS

Pursuant to Section 352eeee of the General Business Law, eviction proceedings will not be commenced against eligible senior citizens. Eligible senior citizens are tenants who (1) are 62 years of age or older on the date this Plan is accepted for filing (and their spouses on such date), and (2) have elected within sixty (60) days of such date, on forms promulgated by the Attorney General and presented to them by the Sponsor, to become non-purchasing tenants. The form of Election for Eligible Senior Citizens is reproduced at page (v) . Such election will not preclude them from subsequently purchasing pursuant to the provisions of the Plan.

A Sponsor, who disputes the election by a person to be an eligible senior citizen, must apply to the Attorney General, within thirty (30) days of the receipt of that person's election form, for a determination of the person's eligibility. Within thirty (30) days thereafter, the Attorney General must issue his determination, which, in the absence of fraud, is reviewable only by a proceeding in the Supreme Court brought under Article Seventy-Eight of the Civil Practice Law and Rules, and commenced within thirty (30) days of the determination.

The rentals of eligible senior citizens 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 increases beyond ordinary rentals for comparable apartments during the period of their occupancy. They may be evicted for non-payment of rent or a breach of other obligations of their tenancy. For further details, Section

352eeee of the General Business Law, which is reproduced in Part II of the Plan, should be referred to.

Eligible senior citizens who reside in dwelling units subject to government regulation as to rentals and continued occupancy shall continue to be subject thereto.

The rights granted under this Plan to eligible senior citizens may not be abrogated or reduced regardless of any expiration of or amendment to Section 352eeee of the General Business Law.

Non-purchasing tenants of rent stabilized apartments who qualify for continued occupancy as eligible senior citizens under Section 352eeee shall not be included in the base for computing the fifty-one (51%) per cent requirement under the Rent Stabilization Code and Section 352-eeee of the General Business Law.

DISABLED PERSONS' SPECIAL RIGHTS

Pursuant to Section 352-eeee of the General Business Law, eviction proceedings will not be commenced against eligible disabled persons. Eligible disabled persons are tenants who (1) have an impairment which (a) results from anatomical, physiological or psychological abnormalities (other than addiction to alcohol, gambling or any controlled substance), (b) is demonstrable by medically acceptable clinical and laboratory diagnostic techniques, (c) is expected to be permanent,and (d)prevents the tenant from engaging in any substantial gainful employment on the date the Plan is accepted for filing (and their spouses on such date); and (2) have elected within sixty (60) days of such date, on forms promulgated by the Attorney General and presented to them by the Sponsor, to become non-purchasing tenants, provided, however, that if the disability first occurs after acceptance of the plan for filing, then such election may be made within sixty (60) days following the onset of such disability unless during the period subsequent to sixty (60) days following the acceptance of the Plan for filing but prior to such election, Sponsor accepts a written agreement to purchase the apartment from a bona fide purchaser. The Form of Election for Eligible Disabled Persons is reproduced at page (vi). Such election will not preclude them from subsequently purchasing pursuant to the provisions of the Plan.

A Sponsor, who disputes the election by a person to be an eligible handicapped person, may apply to the Attorney General, within thirty (30) days of the receipt of that person's election form, for a determination of the person's eligibility. Within thirty (30) days thereafter, the Attorney General must issue his determination, which, in the absence of fraud, is

renewable only by a proceeding in the Supreme Court under Article Seventy-Eight of the Civil Practice Law and Rules, and commenced within thirty (30) days of the determination.

The rentals of eligible disabled persons who live in dwelling units which are not subject to government regulation as to rental and continued occupancy or which cease to be so regulated after the Plan has become effective will not be subject to unconscionable increases beyond ordinary rentals for comparable apartments during the period of their occupancy. They may be evicted for non-payment of rent or a breach of other obligations of their tenancy. For further details, Section 352-eeee of the General Business Law, which is reproduced in Part II of this Plan, should be referred to.

Eligible disabled persons who reside in dwelling units subject to government regulation as to rentals and continued occupancy shall continue to be subject thereto.

The rights granted under this Plan to eligible disabled persons may not be abrogated or reduced regardless of any expiration of or amendment to Section 352-eeee of the General Business Law.

Non-purchasing tenants of stabilized apartments who qualify for continued occupancy as eligible disabled persons under Section 352-eeee shall not be included in the base for computing the fifty-one (51%) percent requirement under the Rent Stabilization Code and Section 352-eeee of the General Business Law.

PROCEDURE TO PURCHASE

Upon the expiration of 72 hours after receipt of a copy of this Plan, a person desiring to purchase shares of the Apartment Corporation will be required to execute a Subscription Agreement in the form contained in Part II of this Plan beginning at page and to return it to the Selling Agent at the address set forth on the cover of this Plan, together with a check for $1 per share multiplied by the total number of shares allocated to that apartment, but in no event less than $1,000, drawn to the order of "10923 OWNERS COPR.-SUBSCRIPTION ACCOUNT." THE SUBSCRIPTION AGREEMENT IS NOT CONDITIONED UPON A PURCHASER SECURING SATISFACTORY FINANCING, WHICH IS THE SOLE RESPONSIBILITY OF EACH PURCHASER. If a purchaser signs a Subscription Agreement and fails to pay the balance of the Total Cash Payment by reason of his inability to secure satisfactory financing, or for any other reason, the Subscription

Agreement may be cancelled by the Apartment Corporation and the down payment retained by it as liquidated damages.

There is no restriction on the percentage of the Total Cash Payment which a purchaser may borrow. However, no representation is made that a purchaser will be able to borrow to finance his purchase or, if he can, as to the amount, or terms, of the loan which may be obtained. At the request of a lender, the Apartment Corporation will execute a form Recognition Agreement being used by banks in New York City.

The failure of a tenant to pay all rent and other charges, if any, due to the Sponsor prior to the Closing Date shall constitute a substantial default under the Subscription Agreement, which will entitle the Apartment Corporation to cancel it.

TRUST FUND

All monies received by Sponsor directly or through Sponsor's agents, employees or escrow agent, will be held in trust in a non-interest bearing account at The Chase Manhattan Bank, N.A., 104-17 Queens Boulevard, Forest Hills, New York, entitled "10923 OWNERS CORP. - Subscription Account" or similar name until actually employed in connection with the consummation of the Plan as herein described. Such monies will be used only in connection with the closing of title. The signature of Michael F. Seidenwar, Esq., a member of the firm of Muss & Muss shall be required to release such funds.

If insufficient funds are raised through the offering to effectuate 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 for any reason whatsoever, then such monies, without interest, unless interest is received on the Subscription Account shall be fully returned to the purchasers. The amounts paid by the purchasers will be handled in accordance with the provisions of Sections 352-e2(b) and 352-h of the New York General Business Law.

FINANCIAL FEATURES

The basic financial features of this Plan are as follows:

(A)

Total Cash Amount of Offering	$3,700,800
Mortgage Indebtedness	$ 825,000
Total Purchase Price	$4,525,800
Less Reserve Fund to be Retained by Apartment Corporation	$ 25,000
Net Purchase Price to Sponsor	$4,500,800

(B)

The proceeds received from the shares sold under the Plan will be used in the following order of priority: (i) to pay the costs and expenses of this offering, as hereinafter set forth, (ii) to provide the Apartment Corporation's working capital (to be applied as explained below under "Reserve Fund"), and (iii) to pay Sponsor the cash portion of the Total Purchase Price of the Property.

Under the Contract of Sale, the Apartment Corporation is to pay to Sponsor the sum of $3,700,800 as the cash portion of the Total Purchase Price of the Property (hereinafter called the "Cash Price"), subject to the following adjustments:

(a) The Cash Price shall be reduced by an amount equal to all costs and expenses incurred by the Apartment Corporation on or prior to the Closing Date in connection with the promulgation and consummation of this Plan (hereinafter collectively called "Offering Expenses"), including, but not limited to, selling expenses and commissions; the net cost of a fee title insurance policy in the amount of the total consideration paid to Sponsor for the Property; printing, advertising and organizational costs; legal fees and disbursements; governmental filing fees; revenue stamps to be affixed to the deed; New York City Real Property Transfer Tax; recording charges; and amounts reimbursed Sponsor for expenses incurred by it in behalf

of the Apartment Corporation. Except for such reimbursement, Sponsor will not be the recipient of any of the foregoing expenditures. The Offering Expenses do not include customary items of closing adjustments to be apportioned between Sponsor and the Apartment Corporation as discussed more fully below under the section entitled "Contract of Sale."

Certain of the Offering Expenses, either by law or custom, are the primary obligation of the Sponsor; however, under the Plan, the payment of these obligations has been assumed by the Apartment Corporation. The Apartment Corporation's liability to pay the Offering Expenses is limited to the proceeds realized on this offering in excess of the $25,000 to be retained as its Reserve Fund. In the event any Offering Expenses have not been paid by the Closing Date, Sponsor shall pay same and will fully indemnify the Apartment Corporation for any liability in connection with same.

(b) The Cash Price is subject to increases or decreases if changes are made in the Total Cash Payment required for the shares offered under the Plan (see "Right to Change Prices," page 10).

(c) The Cash Price will be increased by a sum equal to all monies (inclusive of interest) forfeited by defaulting purchasers under the Subscription Agreement.

The Cash Price, as adjusted in accordance with the foregoing, will be paid to Sponsor at closing by good certified check of the Apartment Corporation of by official cashier's check.

TERMS OF THE MORTGAGE

The Property will be conveyed subject to an existing consolidated first mortgage held by Roosevelt Savings Bank in the original principal amount of $575,000 which was reduced to approximately $477,633 after the payment of interest and amortization which became due on July 1, 1982 (the "Existing Mortgage"). The Existing Mortgage provides for constant quarterly payments of $14,375 to be applied first to the payment of interest at the rate of eight-and-one-half (8-1/2%) per cent per annum and the balance in reduction of principal. The Existing Mortgage matures on July 1, 1989.

At the Closing, the Apartment Corporation will execute and deliver to the Sponsor a so-called "wrap-around" mortgage in the principal amount of $825,000. This principal amount will include the then outstanding principal balance on the Existing Mortgage. The wrap-around mortgage will provide for quarterly payments of interest only, at the rate of eight-and-one-half (8-1/2%) per cent per annum payable to the holder in consecutive equal quarterly installments of $17,531.25 until maturity when the entire unpaid principal and interest shall be due and payable. The mortgage will be mature on July 1, 1989.

Under the provisions of the wrap-around mortgage, the holder of the wrap-around mortgage will be obligated to apply the quarterly mortgage payments it receives, first to the quarterly payments due on the Existing Mortgage so that the Apartment Corporation will only be required to make quarterly payments under the terms of the wrap-around mortgage. If the holder of the wrap-around mortgage defaults in its obligation to pay and discharge the Existing Mortgage obligations beyond the applicable grace period and after due notification to the holder, the Apartment Corporation may cure any and all such defaults so as to protect its equity in the Property. If the default by the holder of the wrap-around mortgage is not cured within the applicable grace period, the interest of the holder in the wrap-around mortgage shall cease and the wrap-around mortgage note and the obligations evidenced thereby shall be of no force or effect.

The holder of the wrap-around mortgage shall have the right, at any time, and from time to time, to refinance the Existing Mortgage and/or the wrap-around mortgage provided (i) that the holder of the wrap-around mortgage is not then in default of its obligations under the terms of the wrap-around mortgage and (ii) that the Existing Mortgage as refinanced does not require constant quarterly payments thereunder exceeding the payment then required under the wrap-around mortgage, or, if any portion of the wrap-around mortgage has been prepaid, the then aggregate constant quarterly payment due under any new or modified underlying mortgage does not exceed the then constant quarterly payments due to the holder of the wrap-around mortgage.

The holder of the wrap-around mortgage will have the right to assign the wrap-around mortgage in its entirety or to assign it and take back a junior participation in the same or to subordinate its interest to a new first mortgage to be executed by the Apartment Corporation when the Existing Mortgage matures. The Apartment Corporation will be required to execute all documents necessary to implement this provision.

The holder of the wrap-around mortgage will have the obligation to refinance or otherwise satisfy the Existing Mortgage upon the maturity thereof. However, since the maturity date of

the Existing Mortgage is the same as that of the wrap-around mortgage, as a practical matter the Apartment Corporation will refinance or satisfy the wrap-around mortgage and the holder of the wrap-around mortgage will use a portion of the proceeds received thereby to satisfy the Existing Mortgage.

The Sponsor will make all interest and amortization payments becoming due prior to the Closing Date, without any requirement of the Apartment Corporation to adjust any amortization payments made prior to the Closing Date.

Tenant-shareholders will not be personally liable to the holder of the wrap-around mortgage to pay the quarterly installments due thereunder or its unpaid principal at maturity. TO PRESERVE ITS EQUITY IN THE PROPERTY, THE APARTMENT CORPORATION MUST REFINANCE OR EXTEND THE WRAP-AROUND MORTGAGE AT ITS MATURITY. Cooperative ownership of real property does not preclude refinancing of a mortgage or the extension of the existing mortgage. The availability, terms and cost of such refinancing or extension will, however, vary from time to time depending upon then existing market conditions, the credit worthiness of the borrower, the financial and physical condition of the Property and other factors. At maturity the principal balance of the wrap-around mortgage and the Existing Mortgage will fall due. It is expected that the outstanding balance on such date will be $683,004.00. If, in the unlikely event the Apartment Corporation is unable to arrange such refinancing or extension, or if the terms thereof are considered unfavorable, and assuming it could not obtain an interim loan and had no other funds available, then it would be necessary to assess each tenant-shareholder approximately $110.74 per share in order to pay the principal indebtedness then due.

As long as one or more of the principals of Sponsor hold or own all or any part of the wrap-around mortgage, such holder(s) or owner(s), collectively, shall have the right to designate one director of the Apartment Corporation and a provision to that effect is incorporated into the By-Laws of the Apartment Corporation.

FINANCING ARRANGEMENTS AVAILABLE TO PURCHASER

Commercial and savings banks, as well as savings and loan associations, may make loans up to ninety (90%) per cent of the cash purchase price to help purchasers finance the purchase of their apartments. Each institution has its own lending policies and credit requirements and each institution will make loans for this purpose if the Apartment Corporation enters into an agreement pursuant to which the institution obtains special rights in respect of the shares and proprietary lease taken as collateral security for the loan. The form of proprietary lease permits loans by institutions to purchasers. Such loans are usually secured by a security interest in the shares owned by the purchaser as well as a mortgage on the Proprietary Lease and any personal property affixed to the apartment.

Interest payable on institutional financing is tax deductible and is in addition to the estimated income tax deduction set forth in Schedule A.

Each purchaser has the right to secure financing of the cash portion of the purchase price from any source of his own choosing. Persons interested in making financial arrangements with any commercial bank, savings bank or savings and loan association should communicate with the lenders of their preference or with the Selling Agent, who will assist them in securing and processing their loan. The Selling Agent will not charge a fee for this service.

No representation or warranty is made except as herein provided that institutional financing will be available to anyone who subscribes to shares of the Apartment Corporation under the Plan or as to the terms and conditions upon which it might be available.

THE SUBSCRIPTION AGREEMENT IS NOT CONDITIONED UPON A PURCHASER SECURING SATISFACTORY FINANCING, WHICH IS THE SOLE RESPONSIBILITY OF EACH PURCHASER. ACCORDINGLY, PURCHASERS SHOULD FINALIZE THEIR FINANCING ARRANGEMENTS BEFORE SIGNING AND RETURNING THE SUBSCRIPTION AGREEMENT IN ORDER TO AVOID THE RISK OF LOSING THEIR DOWN PAYMENTS.

INTERIM LEASES

The Sponsor reserves the right to enter into leases for apartments in the Building that are vacant on the date of the presentation of the Plan or which become vacant after such date.

The rent paid for any such apartment will not exceed the maximum permitted by law and the Regulations, or any other applicable laws, regulations or rules, if any. No portion of the rental paid under such lease will be credited toward the apartment's Total Cash Payment.

The existence of the Interim Lease will be specifically conditioned upon full performance of the purchaser's obligations under the Subscription Agreement. Any breach of the obligations under the Subscription Agreement will be considered a material breach of the Interim Lease and will cause a default thereof. Similarly, a failure to fully perform the obligations under the Interim Lease will be considered a default under the Subscription

Agreement. Rent payable pursuant to an Interim Lease will not be applied to payments required pursuant to the Subscription Agreement.

The Interim Lease shall be prepared on the standard form of apartment lease currently in use by the Sponsor and will terminate in all events on the Closing Date.

It should be noted that until the Apartment Corporation acquires title to the property, tenants of apartments in the Building will not be able to claim the income tax deductions described in the Plan. Such deductions may become available only (a) when and if the Plan is declared effective and there is a closing under the Plan, and (b) when and if the conditions set forth in Counsel's Tax Opinion have been met, and then only for a period subsequent to the Closing Date.

PROPRIETARY LEASE: SUMMARY OF PRINCIPAL TERMS

The proprietary lease will be for a term ending September 30, 2050, but may be extended by vote of the shareholders. As a lessee, every shareholder of the Apartment Corporation will be obligated to pay the maintenance charges for his apartment as fixed by the Board of Directors.

Except for certain special rights and obligations of the holders of Unsold Shares, which are described below in the section entitled "Unsold Shares," he will also have the following rights and obligations:

(a) If he is not in default he may cancel his lease and surrender his shares to the Apartment Corporation (without receiving any compensation) effective as of September 30, after the third anniversary of the consummation of this Plan or as of any September 30 thereafter, on at least six (6) 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.

(b) He will have the right to sell his shares and assign his proprietary lease, or 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 sixty-five (65%) per cent of the Apartment Corporation's outstanding shares. Consent may be arbitrarily denied.

(c) He will be responsible for the cost of interior repairs and decorating and maintenance and replacement of fixtures, equipment and applicances in his apartment and insurance not carried by the Apartment Corporation.

(d) The apartments can only be used for residential purposes except with the consent of the Apartment Corporation. If a rent stabilized tenant also has the right to engage in professional activities in his apartment and he purchases the shares allocated to the apartment, at Closing the Apartment Corporation will, in accordance with the provisions of Paragraph 14 of the proprietary lease, deliver to him its written consent to the continuation of such use in his apartment while he owns his shares and is not in default under his proprietary lease, unless and until any governmental agency or department having jurisdiction requires the discontinuance of such use. If such a governmental agency or department requires the discontinuance of such use, the tenant will be required to discontinue the use forthwith and to pay any expense which may be involved in changing the apartment for residential use. No representation is made as to whether or not any such existing uses are in accordance with law. In order to obtain such a consent, a purchaser will be required to produce a lease or any other proof which may be required by the Apartment Corporation confirming the right to such use.

(e) Shares (and proprietary leases) may be mortgages or pledged to secure loans upon compliance with

the provisions of the proprietary lease and with limitations on the amount of loans and such other conditions which may be imposed by the Board of Directors of the Apartment Corporation.

The rights of a lessee may be limited by the rights of a lender with which his shares and proprietary lease have been pledged.

A variation of a lease may be authorized by lessees owning at least two-thirds (2/3) of the Apartment Corporation's outstanding shares. With certain limitations, the form of all leases may be changed by the approval of lessees owning at least seventy-five (75%) per cent of the Apartment Corporation's outstanding shares.

The form of proprietary lease is printed in full beginning at page 129 in Part II.

APARTMENT CORPORATION

The Apartment Corporation was formed under the Business Corporation Law of the State of New York on March 19, 1982. It is authorized to issue 6,168 shares of the par value of $1.00 each.

The By-Laws require not less than three (3) nor more than seven (7) directors. The present officers and directors of the Apartment Corporation are Michael F. Seidenwar and Barbara Steiner. They will resign in favor of directors to be elected by the shareholders at a meeting to be held approximately thirty (30) days after the Closing Date. Each shareholder will be entitled to one (1) vote for each share held. The new Board of Directors will elect new officers.

So long as holders of Unsold Shares (see "Unsold Shares" below) continue to own five (5%) per cent or more of the shares of the Apartment Corporation, but less than a sufficient number of shares to elect a director, they will have the right to designate one (1) director. In the event Sponsor and/or the holders of Unsold Shares cease to own five (5%) percent of the shares of the Apartment Corporation, but Sponsor, or any of its principals, continues to own or hold all or any part of the wrap-around mortgage, they will have the right to designate one (1) director.

Commencing with the annual meeting of shareholders which will be held after the second anniversary of the Closing Date,

holders of Unsold Shares will, if necessary, cast their votes so that shareholders other than holders of Unsold Shares shall constitute a majority of the Board of Directors.

Until more than seventy-five (75%) per cent of the shares of the Corporation are held by persons other than holders of Unsold Shares, or the second anniversary of the consummation of the Plan, whichever is sooner, the Board of Directors will not, without the consent of the holders of Unsold Shares, engage any employees in addition to those provided for in Schedule B set forth on page of the Plan; provide equipment or services in excess of those provided for in Schedule B, except as required by law; increase the annual management fee, building insurance, accounting fee or fidelity bond; refinance or increase the mortgage prepay any [illegible] or amortization on the mortgage or make [illegible] (except as otherwise provided in the Plan); [illegible] the Reserve for Contingencies set forth in Schedule B; or [illegible] a reserve, working capital or operating fund, [illegible] designated for any purpose whatsoever; sell or lease the [illegible] make any assessment for capital improvements, whether so [illegible] leases of the Corporation or not; spend any sums, [illegible] unless necessary to protect the [illegible] of the occupants of the Building, other than those [illegible] Thereafter, as long as twenty-five (25%) per [illegible] of the Apartment Corporation are Unsold [illegible] capital improvements shall be made, [illegible] Reserve Fund is exhausted. The immediately preceding sentence will not be applicable after the second (2nd) anniversary of the Closing Date.

The Apartment Corporation will have a lien on each shares [illegible] to secure payment of maintenance charges and other [illegible] of the lessee.

UNSOLD SHARES

[illegible], all Unsold Shares shall be purchased by [illegible] more financially responsible natural persons [illegible] or some combination of the foregoing. It is [illegible] that all Unsold Shares shall be purchased [illegible], in which case Sponsor represents and agrees to sell [illegible] to one or more financially responsible natural persons [illegible] the third anniversary of the Closing Date, [illegible] remaining Unsold Shares held by it.

The purchasers of Unsold Shares, whether they be Sponsor [illegible] produced by Sponsor, are herein collectively [illegible] "holders of Unsold Shares" or "purchasers of Unsold Shares."

The Unsold Shares shall be purchased for not less than the lowest Total Cash Payment offered to tenants of the respective apartments to which the Unsold Shares are allocated or for their then fair market value as established by an independent appraiser.

Each purchaser of a block of Unsold Shares shall enter into a Proprietary Lease covering the Unsold Apartment to which such block of Unsold Shares is allocated. In addition, except for Sponsor, all other purchasers of Unsold Shares will represent in writing to the Apartment Corporation at the time of acquisition that he is purchasing same for his own account (beneficial and of record) and not as nominee of Sponsor or any corporation, joint venture, partnership, trust or estate. If more than one person purchases the Unsold Shares, each will further represent in writing to the Apartment Corporation that he will not share jointly with other purchasers of Unsold Shares the profits or losses resulting from the ownership or sale of his blocks of Unsold Shares. In addition, except for the Unsold Shares purchased by Sponsor, each block of Unsold Shares shall be issued to not more than one natural person, although such natural person may own more than one block of Unsold Shares.

The Unsold Shares include shares subscribed to, but not fully paid, at closing. The unpaid balance of the Total Cash Payment for each block of these subscribed shares will be paid on the Closing Date by a holder of Unsold Shares to whom the Apartment Corporation will assign its rights to receive such unpaid monies from the subscriber. Upon payment of the balance due to the holder of Unsold Shares, he will transfer the certificate for the shares and related Proprietary Lease to the subscriber.

In addition to the Apartment Corporation's lien on each block of shares (including the Unsold Shares) to secure the payment of rent, Sponsor has agreed that if any holder of Unsold Shares fails to pay rent (i.e., maintenance charges) or to fulfil his other obligations under his Proprietary Lease after the expiration of any applicable grace period, Sponsor will become liable to make such payment and perform such obligation. No bond or other security has been furnished by the Sponsor to secure this undertaking and the Sponsor's ability to perform will depend solely upon its financial condition if and when called upon. Sponsor's liability for the defaulted obligations of each holder of Unsold Shares under the Proprietary Lease will terminate if and when the latter ceases to have the rights granted to a holder of Unsold Shares by Article 38 of the Proprietary Lease or exercises the right to terminate the Proprietary Lease under the "escape clause" on the terms and conditions previously mentioned (see "Proprietary Lease"

above) or the Apartment Corporation no longer owns fee title to the Property.

Each holder of Unsold Shares shall have the right, freely and without charge, to sublet his Unsold Apartments to such person and on such terms and conditions as he deems desirable and shall also have the right, freely and without charge, to sell such Unsold Shares and transfer the appurtenant Proprietary Lease to any individual third party, provided the consent only of the then managing agent of the Building is first obtained with respect to said subletting or sale and transfer, which consent shall not be unreasonably withheld. The consent of the Apartment Corporation or its shareholders shall not be required with respect to any such subletting, sale or transfer. The Apartment Corporation will enter into an agreement (commonly known as a "Recognition Agreement") with any lender designated by a purchaser of Unsold Shares who agrees to extend financing to said purchaser of Unsold Shares or to a person to whom a block of Unsold Shares is to be resold, without charge to such purchaser of Unsold Shares, the person buying such block of Unsold Shares or the proposed lender. The Recognition Agreement shall be in the form required by the lender. At closing, the Apartment Corporation will enter into an agreement with each holder of Unsold Shares confirming the foregoing rights and benefits.

The Unsold Shares shall retain their character as such until same are purchased, and the apartment to which the same relate is occupied, by a purchaser for bona fide occupancy (by himself or a member of his family) or the holder of Unsold Shares (or a member of his family) becomes a bona fide occupant of the apartment.

The Apartment Corporation will be required to furnish to rent stabilized tenants of apartments to which Unsold Shares are allocated all services to which they are entitled under the Stabilization Code, or amendments thereto, or similar legislation, except services which the holder of Unsold Shares is required to furnish by his Proprietary Lease. Schedule B includes the estimated cost of such services to be furnished by the Apartment Corporation.

A holder of Unsold Shares will not have the right to cancel his lease and surrender his shares, which other shareholders will have, until five (5) years after the execution of the lease. Any time thereafter a holder of Unsold Shares will have the right to cancel his lease and surrender his shares if at least eighty-give (85%) per cent of the apartments offered for sale in this

Plan are then owned by persons other than holders of Unsold Shares and if he pays to the Apartment Corporation a sum determined by multiplying the monthly maintenance in effect when the lease is cancelled by 24.

SPONSOR'S RIGHTS AND OBLIGATIONS

The Sponsor reserves the following rights and agrees to perform the following obligations and, notwithstanding anything to the contrary contained in the Plan, these rights and obligations shall survive the closing of title:

1. The right to use an Apartment which may become vacant as a sales office or model apartment. This right may continue as long as there are any holders of Unsold Shares. However, no more than three Apartments may be so used.

2. The Sponsor represents that during the period in which the holders of Unsold Shares may be entitled to elect a majority of the Board of Directors, the Board of Directors shall assure that the Apartment Corporation provides all services and facilities required by law to non-purchasing tenants on a non-discriminatory basis. Thereafter, the Apartment Corporation shall be responsible to so provide such services and facilities.

3. In order to meet the possible varying demands for number and type of Apartments or to meet particular requirements of prospective purchasers or for any other reason, the Sponsor reserves the right at any time prior to closing of title by duly filed amendment to the Plan to (A) change the size, layout and/or number of Apartments; (B) subdivide one or more Apartments into separate Apartments; (C) combine separate Apartments into one or more Apartments; and (D) change the size or internal partitioning of any Apartment (by altering the boundary walls or internal partitioning of such Apartment or otherwise); provided only that the consent of all governmental authorities having jurisdiction is first obtained (if such approval is required by law). In no event will any such change or combination result in a permanent encroachment of the public areas of the buildings without a duly filed amendment or adversely affect any tenant's interest except by duly filed amendment to this Plan. If the size of an apartment is changed either as a result of any subdivision, combination, alteration of boundary walls or internal partitioning or otherwise, or if the layout of the

Apartment is changed, the number of shares allocated to such Apartments may be increased or decreased accordingly; however, no such reallocation of shares will have the effect of increasing or decreasing the total number of shares previously allocated to the affected Apartments nor shall any shares bp reallocated unless there has first been obtained an opinion of a licensed real estate broker familiar with cooperativer offerings of this kind that the aforesaid "reasonable relationship", as determined on the date that the change is made, has been preserved. Any reallocation of shares will vary the estimated maintenance charges for the Apartment or Apartments affected thereby and the allocable portion of mortgage and estimated amount deductible for income tax purposes, from the amounts set forth in Schedule A. No such change, however, in any event will affect the proportion or amount of maintenance charges, proportion of mortgage or amounts estimated to be deductible for income tax purposes in respect of any Apartment which was not the subject of such change.

After the closing of title, the holders of Unsold Shares will have the same rights as the Sponsor to change the size (either as a result of subdivision, combination, alteration of boundary walls or internal partitioning or otherwise) and/or layout of any Apartment owned by them or any of them, and to reallocate shares in connection with such change, provided that the total number of shares reallocated to all Apartments which are the subject of such changes will not vary and provided such changes are disclosed in a duly filed amendment to the Plan as set forth above. In addition, such holders of Unsold Shares may resell the Apartments held by them for any price establised by them, and they may change such price from time to time without obtaining the approval of any other person. Such price changes may be made in the same manner as price changes made by Sponsor. See page 10 for details.

4. Notwithstanding the foregoing, the total issued shares of the Apartment Corporation may be increased by duly filed amendment in the event (A) an existing Apartment is enlarged by using space in the Building to which no shares of the Apartment Corporation were previously allocated or are presently allocated on the date of such enlargement; or (B) such space is converted into a new residential Apartment. No such increase in shares, however, will occur unless an opinion has first been obtained from a licensed real estate broker familiar with cooperative offerings of this kind, that said "reasonable relationship", as determined as of the date when the new shares are to be issued, is maintained. An increase

in the total number of shares issued will result in reducing the proportion that the number of shares owned by each shareholder bears to the total number of shares outstanding (with a concommitant decrease in the amount of the estimated deduction for income tax purposes available to each shareholder, if any) but may not result in reducing the maintenance charges payable by each shareholder unless the Board of Directors shall so determine. Such shares will be issued from the heretofore authorized but unissued shares of the Apartment Corporation.

5. The Sponsor or otherholders of unsold shares allocated to apartments will be obligated to fulfill all their obligations under the Proprietary Lease and required by law regardless of whether an apartment is rented, vacant or used as a model.

RESERVE FUND

On the Closing Date, from the amount of cash raised by this offering, the Apartment Corporation will retain a reserve fund of $25,000 adjusted as follows:

(1) There will be added to the Reserve Fund the amount of the net closing adjustments, if payable to the Apartment Corporation.

(2) There will be deducted from the Reserve Fund:

(a) net closing adjustments, but not more than $5,000, if payable to Sponsor (see page 59);

(b) a sum equal to any monies received by the Apartment Corporation as liquidated damages from purchasers who have defaulted in the performance of their Subscription Agreements; and

(c) any sums (but not more than $5,000) Sponsor expends prior to Closing to perform work (see Sponsor's Statement of Present Building Condition in Part II of this Plan).

The Reserve Fund may be held for working capital and for repairs and improvements and other appropriate corporate purposes

as determined by the Board of Directors to be elected by the tenant-shareholders after Closing.

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

The Sponsor has contracted in writing to sell all the partnership interests in the Property to the Apartment Corporation. The contract (Agreement) provides as follows:

(a) The Apartment Corporation will acquire all of the partnership interests in the Property free and clear of all liens and encumbrances subject, however, to the following:

1. Zoning regulations and ordinances of the City, town or village in which the Property lies which are not violated by the existing structure(s) or its proposed use under this Plan.

2. Consents by the Sponsor or any former owner of the Property for the erection of any structure or structures on, under or above any street or streets on which said Property may abut. Sponsor warrants and represents that it has not transferred, sold or conveyed the air rights, if any, appurtenant to the Property.

3. Encroachments of stoops, areas, cellar steps, trim and cornices, if any, upon any street or highway.

4. State of facts shown on a survey made by Meyer, Horacell and Schoppe dated November 27, 1950, redated August 24, 1951, and subject to any state of facts the said survey brought down to date will show, provided any change since the redating of the survey does not render title unmarketable.

5. Covenants, restrictions, easements, consents and agreements of record, provided they do not prohibit the erection or maintenance of the structure now on the premises.

6. Leases in effect on the Closing Date. (Sponsor will have the right to renew any lease which expires prior to Closing or to enter into new leases for vacant space. Such leases will comply with applicable legal requirements, if any.)

7. Rights of tenants or persons in possession.

8. Lien of Street Vault charges, if any.

9. Service and union contracts and insurance policies which may be in effect on the Closing Date. (Sponsor will have the right to renew, extend or replace contracts and policies which expire prior to the Closing Date.)

10. Rights of public utility companies to install, replace, repair and maintain equipment.

11. The Mortgages. See page 41.

12. UCC filings in connection with the Mortgages.

13. Rights of any governmental authority to license or require the removal of any vaults, areas, coal chutes, oil lines and other projections that may be beyond the building line, and to impose license fees or charges therefor, if any.

14. The contents of the Description of Building and Statement of its Condition in Part II of this Plan.

15. Covenants and Restrictions in Liber 1610 cp 403, and in Liber 5187 cp. 558 as modified by Liber 5187 cp 553; which Restrictions as modified are not violated by the existing improvements.

16. Water Agreement in Liber 1543 cp 469 (affects streets).

17. Lease security recital in Reel 752 pg. 872 (relating to maintaining tenant security deposits with the Roosevelt Savings Bank).

Notwithstanding the foregoing, the Apartment Corporation is required to accept title to the Property provided that the Title Company agrees to insure fee title in the Apartment Corporation subject only to the provisions of the Agreement and the standard printed exceptions contained in the standard form of title insurance policy then used by said Company.

(b) The Apartment Corporation will accept the Building, the improvements and all fixtures, furniture and other articles of personal property covered by the Agreement in their condition on the Closing Date, there being no obligation on the part of the Sponsor to make repairs or improvements except as provided in the Plan.

(c) The Sponsor has agreed that the Building will be maintained, repaired, cared for and operated in substantially the same condition and manner as they were on the date of the presentation of the Plan, subject to strikes, lockouts, labor difficulties, acts of God, fire or other casualty, storm, riots, insurrection, inability to obtain materials, equipment or labor, governmental restrictions or any other acts over which the Sponsor is reasonably unable to exercise control. If the Sponsor is prevented from so maintaining the Building for any of these reasons other than fire or other casualty, the Sponsor will make any repairs subsequent to the Closing Date that it was obligated to make prior to such Date. In the event that all or any substantial portion of the Building is damaged or destroyed by fire or other casualty prior to the Closing Date, the Sponsor may elect to terminate the Agreement. If the Sponsor does not so elect, or if less than a substantial portion of the Building is damaged or destroyed, the Agreement will automatically terminate within ninety (90) days of such damage or destruction, unless the Sponsor causes the Building to be repaired or restored to the reasonable satisfaction of the Selling Agent, or agrees to provide the Apartment Corporation with funds sufficient to restore same.

(d) In the event of condemnation, the provisions of Section 5-1311 of the General Obligations Law of the State of New York shall apply.

(e) On the Closing Date, the Sponsor will furnish the Apartment Corporation with a letter executed by the holder of the Existing Mortgage on the property, setting forth the outstanding balance of the mortgage.

(f) The Sponsor will, without expense to the Apartment Corporation, cure or cause to be cured any violations of record (except violations caused by acts or omissions of Tenants) against

the Building on the Closing Date and all work orders of insurance carriers made on or prior to such date, or will add the amount of the cost, as determined by the Selling Agent, of curing any such violations and/or work orders to the Reserve Fund, provided that the Apartment Corporation will agree in writing to cure said violations and will indemnify the Sponsor from all claims arising from or relating to said violations of record. The Sponsor, however, will not be required to spend more than $15,000 to cure such violations.

(g) The Sponsor shall deliver a Bargain and Sale Deed (with covenants against grantor's acts) so as to convey to the Apartment Corporation the fee simple of the Property, free of all encumbrances except as provided in the Agreement.

(h) The Sale includes all fixtures and articles of personal property owned by the Sponsor and 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. If a non-purchasing tenant vacates his apartment and removes a refrigerator or range 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 date of presentation of the Plan.

(i) The Contract of Sale provides that the following items shall be apportioned between the Sponsor and the Apartment Corporation as of the date preceding the Closing Date: (1) Rents as and when collected; (2) Real estate taxes, sewer rents, water charges and vault charges (if any) on the basis of the fiscal year for which assessed; (3) Wages and payroll expenses, including holiday and vacation pay accruals; (4) Building Service Welfare and Building Employees' Pension Fund contributions; (5) Payments and receipts under service and concession contracts; (6) Cost of fuel on hand and utility charges, including applicable sales taxes; (7) Deposits with utility companies and fees for assignable permits and licenses; (8) Realty Advisory Board charges, if any; (9) Premiums on existing insurance policies or renewals of those expiring prior to the closing; (10) Escrow funds held by the holders of mortgage(s) on the Property subject to which the Apartment Corporation will take title; and (11) Interest on the Existing Mortgage. The Apartment Corporation shall also reimburse the Sponsor for building supplies and spare parts and equipment at the Sponsor's cost.

(j) The Sponsor reserves the right to remove tenants who fail to honor their obligations
their leases or tenancies, as the case may be, and to rent or hold vacant any apartments and other space vacant on the date of presentation of the Plan or that becomes vacant thereafter (with or without the Sponsor's consent); any new lease to provide for the payment of no more than the maximum rent permissible by law, if any such law is applicable.

(k) The Apartment Corporation will assume the obligations of the Sponsor for all union, service and concession contracts in existence on the Closing Date, as the same may be renewed or extended and such substitute contracts as may be in force on the Closing Date, from and after the Closing Date.

(l) The Sponsor and the Apartment Corporation each agrees to comply with all obligations on its part to be complied with as provided in the Plan. In the case of conflict between the terms and provisions of the Agreement and those of the Plan, the terms and provisions of the Plan will prevail.

(m) On the Closing Date, the Apartment Corporation will purchase title insurance insuring its fee title to the Property. The cost of such title insurance will be paid by the Apartment Corporation.

(n) On the Closing Date, the Sponsor will comply with its obligations in respect of Unsold Shares as described on page of the Plan and will deliver to the Apartment Corporation an agreement by each Individual produced by it to hold any proceeds of Subscription Agreements made under the Plan by persons who have not paid all sums due thereunder, the shares allocated to the apartments referred to in such Subscription Agreements and all appurtenant Proprietary Leases, subject to the rights, if any, of such persons.

(o) In the event that (1) the Plan is abandoned or for any reason is not declared effective within the time proscribed in the Plan, or (2) title does not close in accordance with the terms of the Agreement because the Sponsor is unable to convey good and marketable title to the Property in accordance with the terms of the Agreement, the Apartment Corporation will comply with its obligations under the Plan relating to the refund of payments made by persons who have executed Subscription Agreements, the Agreement will be deemed cancelled and of no further force and effect and

neither party will have any rights, claims or demands against the other except that the Sponsor will be obligated to pay any and all expenses incurred by the Apartment Corporation up to the date of such cancellation for which the Sponsor is responsible under the provisions of the Agreement or which the Apartment Corporation would have had the right to deduct from the cash portion of the consideration payable under the Agreement had a sale been consummated.

(p) The security deposit, if any, together with accrued interest, of a residential tenant who purchases will be refunded to him after the Closing Date if he is not in default under his lease or tenancy. The security deposit, together with accrued interest, of a non-purchasing tenant who is not in default under this lease or tenancy will be transferred after the Closing Date to the purchaser of the shares allocated to the Apartment.

(q) If Sponsor certifies as to any violations of record, that they have been complied with, such certification shall be accepted, except that Sponsor will proceed to have them discharged of record.

If the net Closing Adjustments are in favor of the Apartment Corporation, the amount thereof will be paid or allowed to the Apartment Corporation at Closing. See Reserve Fund, page 53. If the net Closing Adjustments are in favor of the Sponsor and payment of the same would reduce the Reserve Fund below $20,000, then the Apartment Corporation will pay the Sponsor at the Closing, on account of the net adjustments, the amount by which the Reserve Fund exceeds $20,000, and the payment of any balance owing shall be deferred and paid to Sponsor in twelve (12) equal consecutive monthly installments, commencing three (3) months after the Closing Date, with interest at the rate of nine (9%) per cent per annum (pursuant to negotiable serial promissory notes to be executed by the Apartment Corporation and delivered to Sponsor at closing of title, if requested by Sponsor, with each note containing a provision permitting acceleration of the maturity date in the event of a default under any other note, and each note allowing prepayment at any time in full, without penalty). This provision will survive the Closing.

If proceedings are pending for the reduction of real estate taxes for the tax year in which Closing occurs, the Apartment Corpoartion will continue such proceedings with the attorney previously employed by Sponsor. The requisite disbursements will be shared by the Sponsor and the Apartment Corporation on the basis of the portions of the tax year each held title to

the premises. If the taxes are reduced, the cost of such proceedings and the refund will be apportioned on the same basis. This provision will survive the closing of title.

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

MANAGEMENT AGREEMENT AND OTHER CONTRACTUAL ARRANGEMENTS

The following is a brief description of the various agreements and contractual arrangements which the Apartment Corporation will assume as of the Closing Date. Copies of each of these written agreements are available for inspection at the office of the Selling Agent during reasonable business hours.

Management Agreement

A written Management Agreement for a term of three (3) years to become effective on the date of closing will be entered into by the Apartment Corporation with Hyman Muss & Sons, 108-18 Queens Boulevard, Forest Hills, New York 11375. The Managing Agent will receive an annual fee of the greater of $8,300 or three (3%) per cent of gross receipts, payable in monthly installments. See the Projected Schedule of Expenses in Schedule B. 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. The Managing Agent is an affiliated entity of Sponsor.

The Managing Agent will perform the following services among others:

1. hire employees at the expense of the Apartment Corporation, supervise and discharge employees and maintain payroll records;

2. cause to be made ordinary repairs and alterations;

3. contract, with the authorization of the Apartment Corporation, for services for the Building, such as electricity, gas, and exterminator service;

4. check and pay bills for services, work and supplies;

5. bill and collect proprietary rents and other income;

6. cause to be prepared and filed the necessary forms for unemployments insurnce, withholding and social security taxes and other forms relating to employment of building employees and maintenance and operation of the Buildings;

7. render monthly statements of receipts and disbursements;

8. be responsible for preparation of and submit annually to the Board of Directors an operating budget setting forth the anticipated income and expenses for the ensuing year;

9. send notices, prepare agendas and attend directors' and shareholders' meetings, and record and keep the minutes of such meetings.

All apartments of non-purchasing tenants ahall be managed by the same managing agent who manages all other apartments in the buildings and such managing agent shall provide to non-purchasing tenants all services and facilities required by law on a non-discriminatory basis.

After the second anniversary date of this agreement, the Apartment Corporation may terminate the agreement on not less than sixty (60) days written notice to the Managing Agent.

The Apartment Corporation is not obliged to employ the Managing Agent to supervise the repairs recommended in the Description of the Building and Statement of Its Condition.

Building Service Contract

There is no union contract for building employees at the current time. However, the amount of compensation and fringe benefits which the Sponsor has been paying the building employees are at union scale. The labor expenses projected in Schedule B are at union scale.

Elevator Maintenance

There presently exists a contract for elevator maintenance with Otis Elevator Co., 305 W. Grand Avenue, Montvale, New

Jersey. Under the terms of the contract, Otis is responsible for regular maintenance of the elevators as well as performance of emergency service. The basic cost of this service is $244.53 per month, payable in advance monthly. There are annual adjustments in this cost to reflect increases or decreases in straight time hourly rates for elevator mechanics. This cost has been reflected in Schedule B. The agreement is on a month-to-month basis.

Laundry

An agreement will be executed on or prior to the Closing Date with Metered Appliances, 57-10 38th Avenue, Woodside, New York, who will pay the Apartment Corporation sixty (60%) per cent of receipts with a guaranteed minimum of $1,000 per annum for the laundry concession. Metered Appliances will repair, maintain and make all replacements. The contract will be for three (3) years.

Master Antenna

Sponsor has entered into a three (3) year contract with Pay Television of Greater New York, Inc. ("Pay T.V."), 32-04 31st Avenue, Long Island City, New York 11106, which provides, inter alia, for the servicing of the master antenna system of the Midtown and the adjoining building owned by Sponsor (the Forrestal). The annual charges for such servicing is $312, which sum is to be credited against any sums due owner by Pay T.V. Owner is to receive five (5%) per cent of the annual receipts collected by Pay T.V. from the two buildings. Since the receipts cannot be estimated at this time, they have not been included as income in Schedule B.

Water

There is an agreement with Consolidated Water Conditioning Corp., 360 West 11th Street, New York, New York for chemical treatment of water, at $50.88 per month.

SPONSOR'S PROFIT

The Sponsor expects to make a profit from the sale of shares of the Apartment Corporation. The exact amount cannot be determined because of such variable factors as the uncertainty of future market conditions and the length of time required to sell these shares.

IDENTITY OF THE PARTIES

Sponsor

The Sponsors are the partners of Mid-Forest Co., a New York partnership, with an office at 108-18 Queens Boulevard, Forest Hills, New York 11375. The current partners include: Hyman Muss, Ruth Muss, Stanley H. Muss, Joshua L. Muss, and Hyman and Ruth Muss as Trustees for Jacquelin Eve Muss, Joseph Isaac Muss, Robin Sheryl Muss, Jason Andrew Muss, Jonathan Marc Muss, Alyssa Michele Muss and Michael Joseph Muss. Sponsor was the original builder of the Midtown and has owned and operated same since that time. Hyman Muss, with over forty (40) years in the building business and Stanley H.Muss and Joshua L. Muss with over fifteen (15) years in the building business, have been active real estate developers in Queens, Westchester and Staten Island.

The Musses and their families have constructed thousands of single- and two-family homes, low- and high-rise homes, shopping centers and office buildings.

One or more principals of Sponsor has been a principal in the Woodbrooke Estates Condominium located at Charleston Avenue and Hampton Place, Staten Island, New York and in the proposed offering to convert 759 Hillside Avenue, North White Plains, New York to cooperative status.

Selling Agent

The firm of J.I. Sopher & Co., 425 East 61st Street, New York, New York 10021 is the Selling Agent. The firm is duly licensed under the laws of the State of New York as a real estate broker and as a broker-dealer in securities. The firm's principals are thoroughly experienced with cooperative housing in New York and have been in the brokerage business for the past twenty (20) years.

In 1979 (based upon a complaint filed in 1975 that Selling Agent had racially discriminated in the rental of residential buildings, which complaint Selling Agent denied), the United States Attorney for the Southern District of New York and Selling Agent entered into a Consent Judgment whereby Selling Agent (without admitting any violations) affirmatively agreed that its officers, agents, rental agents and employees would not discriminate on the basis of race, color, religion, sex and national origin. Said Judgment was amended in 1982 to provide for new reporting procedures. A copy of the Consent Judgment is available for inspection at the office of the Selling Agent

In March, 1982, the Attorney General of the State of New York brought a civil action against the Selling Agent alleging that the Selling Agent improperly collected rental commission while acting as managing agent of certain rental buildings. The Selling Agent has contested this action.

Attorneys

The firm of Muss & Muss, 108-18 Queens Boulevard, Forest Hills, New York 11375, has been engaged by the Sponsor regarding all aspects of this Plan. Muss & Muss is an affiliated entity of Sponsor.

Engineer

The engineer, Charles B. Ferris Associates, has examined the physical condition of the Building and has rendered its report thereof as set forth in Part II. The engineer has no financial interest in the property, the Sponsor, the Apartment Corporation, the Selling Agent or any other party interested in this transaction, except for its fee for services rendered in connection with such report.

DOCUMENTS TO BE RECEIVED PERIODICALLY BY 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 an independent certified public accountant, employed by the Apartment Corporation, within three (3) months after the end of each calendar year.

B. An annual audited financial statement prepared by an independent certified public accountant, employed by the Apartment Corporation, to be received within three (3) months after the end of each fiscal year.

C. Notice of the holding of an annual shareholders' meeting for the purpose of electing a Board of Directors to be received not less than ten (10) nor more than forty (40) days prior to the meeting.

The aforesaid dates may be changed later pursuant to the By-Laws.

DOCUMENTS ON FILE

In accordance with Section 352-e(9) of the General Business Law, copies of this Offering Plan and all exhibits of documents referred to herein shall be available for inspection by prospective purchasers and by any person who shall have purchased securities offered by this Plan or shall have participated in the offering of such securities, at the office of the Selling Agent, and shall remain available for such inspection for a period of six (6) 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 Subscription Agreement, Proprietary Lease, House Rules, and By-Laws.

Except as set forth below, there are no lawsuits or other proceedings now pending, or any judgments outstanding, either against the Sponsor or the Apartment Corporation or any person or persons which might become a lien against the Property or which might materially affect this offering:

Sponsor is the subject of an expulsion order issued by the New York City Conciliation and Appeals Board ("CAB") covering the adjoining building owned by Sponsor called the Forestal. Sponsor has commenced an Article 78 proceeding challenging the CAB action and the Court, on application of the CAB, has remanded the case back to the CAB for reconsideration. Sponsor has been advised by its counsel that it fully expects that the CAB in its final determination will reinstate Sponsor as a member in good standing in the Rent Stabilization Association of the City of New York. In connection with this matter, Sponsor entered into a Consent Judgment with the State of New York whereby Sponsor (without admitting any violations) agreed to desist from engaging in any acts in violation of Article 23-A of the General Business Law.

This Plan is offered only to persons over eighteen (18) years of age.

In accordance with the provisions of the Law of the State of New York, the Sponsor represents that the Sponsor, the Selling Agent, and the Managing Agent will not discriminate against any person because of his or her race, creed, color, sex, 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 the first presentation of the Offering Plan, neither the Sponsor nor the Selling Agent, or any representative, or agent thereof, has raised funds or made any preliminary offering or binding agreement to or with tenants, sub-tenants, 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.

The Plan may be amended at any time and from time to time provided that, if the amendment is a material and substantial modification of the Plan which adversely affects Purchasers of shares, then anyone who has theretofore executed a Subscription Agreement shall be given not less than thirty(30) days after a copy of the duly filed amendment is mailed or otherwise delivered to them by written notice to the Sponsor and Selling Agent to cancel the Subscription Agreement and to obtain a refund, in full, of the down payment made therewith. No person has been authorized to make any representation which is not expressly contained herein. This Plan may not be changed or modified orally.

MID-FOREST CO.

By: s/ Hyman Muss
Sponsor

Dated: December 15, 1982

CERTIFICATION OF SPONSOR AND SPONSOR'S PRINCIPALS PURSUANT TO SEC. 17.1(n)(2) 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

Attention: Real Estate Financing Bureau

Re: THE MIDTOWN
109-23 71st Road
Forest Hills, New York

The undersigned certify as follows:

We are the sponsor and the principals of sponsor of the offering to convert the subject property to cooperative ownership.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Attorney General in Part 17 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for making this certification. We jointly and severally certify that the offering plan does, and that all documents submitted herafter by us which amend or supplement the offering plan will:

(1) set forth the detailed terms of the transaction and be complete, current and accurate;

(2) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(3) not omit any material fact;

(4) not contain any untrue statement of a material fact;

(5) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(6) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing conditions;

(7) not contain any representation or statement which is false, where I/we: (i) knew the truth; (ii) with reasonable effort could have known the truth; (iii) made no reasonable effort to ascertain the truth; or (iv) did not have knowledge concerning the representations or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

MID-FOREST CO.
Name of Sponsor

By: _____

Partner
Title or Position

SPONSOR'S PRINCIPALS:

_____
HYMAN MUSS

_____
RUTH MUSS

_____
STANLEY H. MUSS

_____
JOSHUA L. MUSS

_____
HYMAN and/or RUTH MUSS, in trust for JONATHAN MARC MUSS, ALYSSA MICHELE MUSS, MICHAEL JOSEPH MUSS, JACQUELINE EVE MUSS, JOSEPH ISAAC MUSS, ROBIN SHERYL MUSS, JASON ANDREW MUSS

Sworn to before me this
... day of 1982.

_____
Notary Public

MICHAEL I. SEIDMAN
Notary Public, State of New York
No. 03-4677045
Qualified in Bronx County
Commission Expires March 30, 1984

OFFERING PLAN

THE MIDTOWN
109-23 71st Road
Forest Hills, New York

PART II

SUBSCRIPTION AGREEMENT

Premises: 109-23 71st Road, Forest Hills, New York

Offeror (the Apartment Corporation): 10923 OWNERS CORP.

Information for non-tenant purchasers:

1. Existing lease expires: _____

2. Monthly tenancy ( )

3. Rent under existing lease or tenancy: $_____ per month

Purchaser(s): _____

_____

Apartment: _____

Number of Shares: _____

Total Cash Payment: $_____

Down Payment (herewith): $_____
($1.00 per share; $1000 minimum)

Balance: $_____

1. As Purchaser, I have received and read the Offering Plan (the Plan) with respect to the above premises, consisting of Part I and Part II thereof, dated , 1982, at least three (3) business days prior to my signing of this agreement.

2. I hereby agree to purchase the above-stated number of shares of 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.

3. Herewith is my check for the amount of the above-stated Down Payment. I agree that, if and after the Plan becomes effective, as herein provided, I will pay the above-stated Balance as follows:

(i) an amount equal to the difference between ten (10%) per cent of the Total Cash Payment and the Down Payment paid herewith within ten (10) days after written notice that the Plan has been declared effective; and

(ii) the Balance of the Total Cash Payment within thirty (30) days after written notice and demand by the Selling Agent or the Apartment Corporation. The notice

shall state the closing date which shall be no later than sixty (60) days from the date of such notice.

Such payments will be by personal certified check or official check drawn on a New York bank to the order of "10923 OWNERS CORP. - Subscription Account" and delivered to the Selling Agent.

If I am financing my purchase, I will, within the time specified above for payment of the Balance, deliver to the Selling Agent the commitment of a lending institution for a loan together with a check for the difference between the Balance and the amount of the loan, and the amount of the loan will be paid to the Apartment Corporation at Closing.

If the written notice and demand for payment of the Balance has been sent, I will pay the Total Cash Payment in full when I execute this Subscription Agreement.

I will sign the proprietary lease for said apartment promptly upon presentation to me in the form contained in Part II of the Offering Plan and my failure to do so shall constitute a default under this agreement.

The Selling Agent will give me prompt written notice thereof when the Plan either becomes effective or is abandoned.

If I obtain a loan for any part of the Balance to be secured by my shares and Lease, then I will pay a fee of $150 to the attorney specified by the Apartment Corporation for his services in preparing and/or reviewing documents to be executed by the Apartment Corporation in connection with my loan and pledge and attendance and services at the Closing of my loan.

If as a result of my failure to comply with any provision of the Plan or of this Subscription Agreement I do not consummate the purchase of my shares on the date on which title to the premises is conveyed to the Apartment Corporation, or if my lender requires me to close at a place other than the one at which title is conveyed to the Apartment Corporation, I will pay an additional fee of $150 to the attorney designated by the Apartment Corporation.

4. 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 the Selling Agent or the Apartment Corporation, shall be the date when the

the Apartment Corporation 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.

5. The following provisions are applicable only if, at the time of signing this Subscription Agreement, the Apartment is occupied by, or under lease to, one other than Purchaser (as indicated on the first page of this Subscription Agreement):

A. I understand that I am purchasing the Apartment subject to the rights of the existing tenant or occupant of same, as explained more fully in the Plan under the section entitled "Rights of Present Tenants." I acknowledge having carefully reviewed the Plan and understand that so long as the tenant or occupant continues to pay the required rent and complies with his other lease or tenancy obligations, such tenant or occupant will have the right to remin in possession of the Apartment until certain minimum statutory periods have elapsed (as explained in the Plan), but in no event before his lease (if any) expires. Thereafter, if the tenant or occupant fails to voluntarily remove from the Apartment, I realize that I shall be required to obtain possession at my own expense, which may entail the institution of summary disposses proceedings. In addition, I understand that if the tenant or occupant is an "Eligible Senior Citizen" or an "Eligible Disabled Person," as defined in Section 352-eeee of the General Business Law ("GBL"), then under existing law so long as such tenant or occupant continues to use the Apartment as his primary residence, to pay the required rent and comply with his lease or tenancy obligations, such tenant or occupant will have the right to remain in possession of the Apartment and when his lease and each renewal thereof expires and to obtain a one, two or three year renewal lease (at the tenant's option) at an increased rental determined in accordance with the Code. If the tenant's lease is cancelled for non-payment of rent or other grounds permitted by said Code, I realize that I shall be required to obtain possession at my own expense, which may entail the institution of summary dispossess proceedings. I further acknowledge having read and thoroughly understood the section of the Plan entitled "Obtaining Possession of Apartments: Rights and Duties of Non-Occupant

Purchasers," which summarizes various of my rights and duties, and the procedures I must follow, in order to gain possession of the Apartment. I also acknowledge that no representation or statement has been made (and if made, I know same are unauthorized and have not relied thereon) as to the length of time that may elapse before I gain possession of the Apartment or that I, in fact, will obtain possession of the Apartment.

B. I further understand, as explained in the Plan, that if the tenant or occupant has not vacated the Apartment by the Closing Date, I will assume the rights and obligations of Sponsor as the landlord of such tenant or occupant, including the right to collect rent (whether the same be greater or less than the proprietary rent established from time to time under the Lease) and the obligation to repair, maintain and paint the Apartment (including its equipment and appliances) for the benefit of the existing tenant or occupant.

6. All monies received by the Sponsor through Sponsor's agents or employees will be held in trust until actually employed in connection with the consummation of the transaction. All such monies will be deposited by the Selling Agent in Chase Manhattan Bank, N.A., 104-17 Queens Boulevard, Forest Hills, New York, and will be held in trust in a non-interest bearing escrow or special account under the name of "10923 OWNERS CORP. - Subscription Account," or similar name. 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 without interest, unless interest is received on the Subscription Account.

7. My signing of this Subscription Agreement shall constitute my acceptance of said apartment in the condition in which it shall be at the time of closing, including the existing kitchen, bathroom and other appliances, fixtures, equipment, air conditioning units and installations which are owned by Sponsor.

If the apartment becomes uninhabitable prior to the Closing Date due to fire or for other causes (unless the damage was caused by me), then I will have the option, to be exercised in writing prior to the Closing Date, of cancelling this agreement and obtaining a prompt refund of any payments I have made, without interest, or of consummating the purchase, without any reduction in the Total Cash Payment. If I elect to consummate the purchase, I shall be entitled to any net proceeds received by the Sponsor for the damage to the apartment.

8. 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.

9. The Plan may be abandoned by the Sponsor at any time prior to its being declared effective and shall be abandoned and deemed abandoned if it has not been declared effective within the time prescribed by the Plan.

The Plan may also be abandoned by the Sponsor after it has been declared effective under the circumstances described in the section entitled "Effective Date of the Plan and Closing Date" in Part I of the Plan.

10. 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, 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 monies paid by me hereunder, without interest, unless interest is received on the subscription account, and, upon such repayment no party shall have any claim against any other party or person, the Sponsor, or the Selling Agent, and all parties shall be released from all obligations hereunder.

11. Title shall be transferred to the Apartment Corporation not earlier than fifteen (15) days nor later than one hundred eighty (180) days after the Plan has been declared effective, unless the closing of title is adjourned, or the Plan has been abandoned.

12. I agree that if I shall fail to pay the Balance of the Total Cash Payment when due, as herein provided, the Apartment Corporation may elect to cancel this agreement by written notice to me, by registered or certified mail, and at the expiration of fifteen (15) days after the date of mailing thereof (unless I shall have theretofore paid the Balance in full) said notice shall be effective and this agreement shall be deemed cancelled and all rights of the parties thereunder shall terminate except that the amount of all my payments shall be paid over to the Apartment Corporation as liquidated damages. In the event of such cancellation, the Apartment Corporation shall have the right to sell said shares and proprietary lease to another purchaser as though this agreement had never been made.

Liquidated damages shall not exceed ten (10%) of the Total Cash Payment.

13. If I have entered into an Interim Lease pursuant to the Plan, then a default under that lease will constitute a substantial default under this Subscription Agreement.

14. 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 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.

This agreement is not conditioned on my obtaining a loan from a bank or any other source.

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

16. If this offer is for a stabilized apartment not occupied by me, and, if within the ninety (90) day exclusive period or match-offer period granted to the tenant thereof under the Plan or any amendment thereto, the shares allocated to the apartment are purchased by such tenant, this agreement shall be deemed cancelled, and, within forty-five (45) days after the occurrence of such event, the Selling Agent shall refund to me, all monies paid by me; and upon such repayment, neither I, the Sponsor, the Apartment Corporation, the Selling Agent nor any other person who participated in the preparation or presentation of the Plan, shall have any liability or obligation to any party 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 adminstrative or judicial interpretation thereof, then if said tenant shall purchase, this agreement shall be deemed cancelled and the foregoing provisions of this paragraph 16 shall apply.

17. If I was not a tenant when the Plan was presented to the tenants in occupancy, 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 a fully signed copy thereof shall have been delivered or mailed to

me. If this agreement shall not be accepted within forty (40) days of the date hereof by the delivery or mailing 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.

18. I represent that I am a person over twenty-one (21) 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.

19. Notices hereunder shall be delivered or mailed as follows: to me, at the address stated below, and to the Selling Agent and to the Apartment Corporation, at the Selling Agent's office.

Dated: _____

_____
(Purchaser(s) sign here)

Address: _____

_____

Apartment No. _____

Approved and Accepted:

10923 OWNERS CORP.

By: _____, President

RENT STABILIZED APARTMENT

STATEMENT OF GOOD FAITH PURCHASE

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

The undersigned verifies that the above purchase has been made in good faith pursuant to the terms set forth in the Plan without fraud or duress, nd with no discriminatory repurchase agreement or other discriminatory inducement (and for the personal occupancy of the undersigned).*

_____

_____
Purchaser(s)

Subscribed and sworn to before
me this day of 19 .

_____
Notary Public

_____

*Delete if inapplicable.

SPONSOR'S STATEMENT OF PRESENT BUILDING CONDITION

The Sponsor makes the following representations of the description and condition of the land and building:

The Sponsor employed Charles B. Ferris, C.E., P.C., an independent engineer, to prepare the following Description of Building and Statement of Its Condition ("Description and Statement").

Sponsor does not know of any defect or need for major repairs to the Building except as set forth in the Description and Statement. To the best of Sponsor's knowledge the following description accurately states the condition of the Building and its equipment (other than equipment in the apartments, as to which Sponsor makes no representation). Any claim based on the Sponsor's representations with respect to the description and condition of the land and building shall be made and enforced only by the Apartment Corporation and not by a tenant-shareholder individually except that this limitation shall not be applicable so long as Sponsor controls the Apartment Corporation.

The Property is offered in its current condition. Neither the Sponsor nor the Apartment Corporation will have any obligation to make any repairs or improvements prior to Closing except as set forth in this Plan. 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, reasonable wear and tear excepted. If Sponsor cannot so maintain and operate the Building, as a result of strikes, acts of God, lockouts, labor difficulties, riots, insurrection, inability to obtain materials, equipment or labor, governmental restrictions, damage by fire or the elements or any other contingencies which Sponsor cannot reasonably control, Sponsor will perform, promptly after such condition ceases, any work which it was required to do prior to the Closing Date.

Subject to Sponsor's right to abandon the Plan in accordance with the terms thereof, Sponsor will cure or cause to be cured all violations of record against the Property as of the Closing Date (except violations caused by the acts or omissions of tenants in occupancy, or violations required to be remedied by tenants under local law), and will comply with any written work orders

from a mortgagee or insurance carrier, received by Sponsor prior to the Closing Date. However, if the reasonable aggregate cost (as estimated by Sponsor) of curing violations of record and/or of complying with work orders from a mortgagee or insurance carrier would exceed the sum of $15,000,Sponsor will have no obligation to perform the same, and may abandon the Plan, even after it has been declared effective.

Sponsor will have the option of providing the Apartment Corporation at Closing with funds to cover the cost of its obligations, under the Plan, to cure violations or perform work. The cost of curing such violations and performing such work will be determined by the firm which prepared the Description and Statement, and that determination will be binding and conclusive on the Sponsor, the Apartment Corporation, and all tenant-shareholders.

Notwithstanding anything herein to the contrary, Sponsor agrees that prior to Closing, it will perform, at its own cost and expense, recommendations 17 and 20 set forth in the Description and Statement.

Sponsor further agrees that it will arrange to have an updated boiler inspection by the New York City Department of Buildings prior to closing.

INSPECTION REPORT

THE MIDTOWN

109-23 71ST ROAD

FOREST HILLS, N.Y.

Rev. 9/20/82

AUGUST 31, 1981

CHARLES B. FERRIS ASSOCIATES
Architects --- Engineers
320 East 54th Street
New York, N.Y. 10022

CHARLES B. FERRIS ASSOCIATES

Architects --- Engineers

INSPECTION REPORT

Prepared By:	Charles B. Ferris, C.E.,P.E. and Staff	
Address:	109-23 71st Road, Forest Hills, N.Y.	
Block No:	2224	Lot No: 48
Zoning No:	R7-1	
New Bldg. No:	6744/50	Year Built: ca 1950
Certificate of Occupancy No:	80544	Dated: 3/31/52
Classification of Occupancy:	Class "A", Multiple Dwelling	
Classification of Construction:	Class III, Non-fireproof	
Alterations:	2778/51, 518/64 and 36 /73. At the time of investigation, information regarding these alterations was not available at the New York City Department of Buildings (Borough of Queens).	

SITE

Location:

The property (Block No: 2224, Lot No: 48) is located on the North side of 71st Road, between 110th Street and Queens Boulevard, in the Borough of Queens, City of New York. It is bounded on the South by 71st Road, on the North by an adjacent multiple dwelling, on the east by an adjacent multiple dwelling and on the west by a commercial lot.

109-23 71ST ROAD, FOREST HILLS, N.Y.

INSPECTION REPORT

SITE - (Cont'd)

Size:

Beginning at a point which is 91.36 feet East of the Northeast corner of the intersection of 71st Road and Queens Boulevard, thence in a Northerly direction a distance of 100.0 feet, thence in an Easterly direction a distance of 150.0 feet, thence in a Southerly direction a distance of 100.0 feet, thence in a Westerly direction a distance of 150.0 feet to the point of beginning, containing approximately 15,000 square feet or approximately 0.344 of an acre.

Street:

There is one (1) street (71st Road) adjacent to this site, owned and maintained by the City of New York, paved with asphaltic macadam and terminating at the poured concrete curbing.

Street lighting is by one (1) high intensity lamp projected by a standard aluminum arm and stanchion. Drainage is by way of one (1) catch basin located near the intersection of 71st Road and Queens Boulevard.

Drive:

There is one (1) drive located on the Southwest section of the site. This drive is an exit/entrance drive composed of poured concrete with a concrete drop curb which gives access to and from the garage. There are concrete curbs on both sides of the drive and a painted metal railing on the East side, embedded in the curbing.

INSPECTION REPORT

SITE

Drive: - (Cont'd)

At the time of inspection, the concrete curbing was chipped, deteriorated and in poor condition.

It is recommended that the deteriorated curbing be replaced.

Off-Street Parking Areas:

There are no surface off-street parking areas on this site. There is one (1) single level garage located on the cellar level of the building. The garage has a posted capacity of twenty-five (25) cars and is operated under license number 365804. It is unattended and is open twenty-four (24) hours a day. All parking spaces are reserved for tenants only. For further details about the garage, refer to "GARAGES AND PARKING AREAS" later in this report.

UTILITIES

Water:

Potable water service is supplied to this site from a New York City water main located in the bed of 71st Road.

Storm Sewers:

Storm sewage is discharged by gravity with a branch-type system through roof and site drains, into a New York City combination sewer in the bed of 71st Road.

UTILITIES - (Cont'd)

Sanitary Sewers:

Sanitary sewage is discharged by gravity through extra heavy cast iron piping and the house trap into a New York City combination sewer in the bed of 71st Road.

Gas:

Gas service is supplied to this building by the Brooklyn Union Gas Company. The service enters the building in the meter room in the cellar. Tenants are individually metered for gas service.

Electric:

Electric service is supplied to this building by the Consolidated Edison Company of New York. The service enters the building through the main meter room in the cellar. The tenants are individually metered for this service.

SUB-SOIL CONDITIONS

At the time of inspection, there were no observable problems relating to adverse sub-soil conditions.

NUMBER OF BUILDINGS AND USE

There is one (1) Class "A", Multiple Dwelling on this site. The Multiple Dwelling contains one (1)

NUMBER OF BUILDINGS AND USE - (Cont'd)

cellar and six (6) residential floors. There is a single level garage on the cellar level.

SIDEWALKS AND RAMPS

There is one (1) New York City owned and building maintained sidewalk adjacent to the South elevation, which is paved with poured concrete.

At the time of inspection, the sidewalk was in reasonably good condition.

LANDSCAPING AND ENCLOSURES

Landscaping on this site is ample and attractive.

Along the street bordering the South side of the property are planted a total of two (2) overstory, deciduous Norway Maple trees (Acer platanoides). These trees are located in planting strips between the sidewalk and the curb.

A wide variety of trees and shrubs are planted along the South elevation of the property. Predominant deciduous and coniferous species include (among other species) Yew (Taxus spp.) Arborvitae (Thuja occidentalis) and Privet (Ligustrum spp.). All are planted in a grass lawn.

BUILDING HEIGHT

The total height of this building is 67'-4", according to Certificate of Occupancy #80544, dated 3/31/52.

109-23 71ST ROAD, FOREST HILLS, N.Y.

INSPECTION REPORT

OCCUPANCY

There are thirty-nine (39) Class "A" Multiple Dwelling residential apartments and ten (10) professional offices. There are a total of one hundred five (105) residential rooms according to the New York City Building Department Room count method. The total as determined by the New York Real Estate Board may be higher as it gives one half (1/2) credit to spaces such as foyers, alcoves and kitchenettes (less than 59 square feet).

At the time of inspection, the current Certificate of Occupancy made no mention of the professional offices on the second (2nd) floor.

It is recommended that a new Certificate of Occupancy be applied for to comply with the existing occupancy and use of the building.

VIOLATIONS

An Official Search for any open violations at the building has been requested from the Building Department of the Borough of Queens. A copy of this search is attached as an addendum to this report.

STRUCTURAL SYSTEM

This building is of Class III, non-fireproof construction. The foundation walls and footings are concrete and reinforced concrete. The girders and columns are steel. The floor/ceiling assemblies are composed of wood joists commonly spaced at sixteen (16) inches on center. The exterior facades

STRUCTURAL SYSTEM - (Cont'd)

are composed of eight (8) inch red brick masonry.

At the time of inspection, the building appeared to be structurally sound.

EXTERIOR OF BUILDING

All elevations of the building are generally similar. The building is finished with red brick in a common bond from the cellar level and above. The garage exterior walls are finished with a concrete surface. There are two (2) recessed stacks of metal fire escapes on the South elevation and two (2) protruding stacks of metal fire escapes on the North elevation.

At the time of inspection, the West side garage exterior wall had several cracks and missing pieces of concrete finish.

It is recommended that the West exterior wall of the garage be grouted and repaired as necessary. The remaining exterior walls were in reasonably satisfactory condition at the time of inspection.

Windows:

The windows are metal frame combination fixed casement windows, of various sizes, in groupings of one. The sub sills are concrete throughout.

At the time of inspection, several interior sills appeared to be in poor condition.

It is recommended that all interior sills be investigated and repairs be made as necessary.

109-23 71ST ROAD, FOREST HILLS, NY

INSPECTION REPORT

PARAPETS AND COPINGS

The parapet walls are of brick masonry construction with concrete copings along the south, east and west elevations and terra cotta copings along the north elevation. The interior parapets are parged with a waterproofing material. The parapets terminate at the base with copper cap and base flashing which is also covered with waterproofing material. At the time of inspection, the parapets and copings were in satisfactory condition.

CHIMNEYS AND CAPS

There are two (2) chimney stacks on this building. Both chimneys are of red brick construction with concrete caps. The chimneys are located in two (2) of the three (3) bulkhead structures on the roof. The east bulkhead structure houses the incinerator stack and the west bulkhead structure houses the boiler stack. The incinerator stack is equipped with a spark arrestor situated above the cap. At the time of inspection, the boiler satck was in satisfactory condition. The incinerator stack was in fair condition. It is recommended that the upper portion of the incinerator stack be scraped and pointed and that the joints between the cap sections be adequately pointed.

BALCONIES AND TERRACES

There are no balconies on this building. However, there is one (1) terrace on this building. This terrace is located on the southeast corner of the roof and serves one (1) penthouse apartment. The surface of this terrace is concrete and is enclosed with masonry construction parapet walls with

BALCONIES AND TERRACE (Cont'd)

concrete and terrac cotta copings. There is one (1) flat surface drain on this terrace.

At the time of inspection, the terrace was in satisfactory condition.

TENANT ENTRANCE

The tenant entrance is located on the south elevation. Access to the tenant entrance is by way of a poured concrete walk followed by two (2) concrete steps and a platform leading to the tenant entrance doors. There is a painted plaster marquee with aluminum trim and three (3) ceiling mounted incandescent fixtures. There is a painted metal railing embedded in the steps and platform. There are two (2) plate glass doors and three (3) plate glass sidelites on both the east and west sides of the tenant entrance doors. There are plate glass transoms above the tenant entrance doors and sidelites.

Vestibule:

The vestibule has a terrazzo floor with metal dividing strips and a center mat. The walls are marble and the ceiling is painted plaster. There is a new intercom system and tenant directory on the west wall and one (1) heating unit on the east wall. There are two (2) aluminum framed doors, which are self-closing, buzzer activated, with a fixed plate transom above and fixed plate sidelites on each side of the door, which give access to the lobby.

At the time of inspection, the heating unit was in poor condition.

TENANT ENTRANCE (Cont'd)

Vestibule: (Cont'd)

It is recommended that the heating unit be repaired.

Lobby:

The lobby floor is terrazzo with metal dividing strips, the walls are wallpapered and the ceiling is painted plaster with five (5) high hat incandescent lighting fixtures. There are two (2) artificial planter boxes, one (1) on each side of the lobby. There are two (2) vinyl couches, four (4) wood end tables and four (4) table lamps.

At the time of inspection, there was torn wallpaper on the walls.

It is recommended that all ripped wallpaper areas be replaced.

Mailboxes:

The mailboxes are located in the first (1st) floor corridor wings. The mailboxes are metal, wall recessed double bank type in each corridor wing. The mailboxes are manufactured by Auth. There is one (1) wall mounted fluorescent lighting fixture above each bank of mailboxes.

INSPECTION REPORT

SERVICE ENTRANCE

There is one (1) service entrance in this building. This service entrance is located on the South elevation and gives access to the cellar corridor. The service entrance is approached by a poured concrete walk followed by concrete steps with a metal pole rail. There is a concrete retaining wall with concrete copings and a metal railing embedded in the copings. At the base of the steps is a concrete landing with one (1) flat surface drain and a wood door with four (4) glass panels which provides access to the cellar corridor.

At the time of inspection, the concrete retaining wall and steps had several cracks.

It is recommended that all cracks be repaired as necessary.

ROOF AND ROOF STRUCTURES

The roof is reached by way of the open stairwells in each of the respective wing bulkhead structures. There are two (2) kalamein doors in each bulkhead structure. The roof is composed of a built-up membrane roofing with a cap sheet finish and terminates in a copper cap and base flashing at the parapet walls and bulkhead structures.

At the time of inspection, the roof was in reasonably satisfactory condition.

ROOF AND ROOF STRUCTURES - (Cont'd)

Drains:

There are three (3) flat surface drains with metal screen covers on this roof.

Bulkhead Structures:

There are three (3) bulkhead structures, two (2) of which serve the East and West wings respectively. These two (2) bulkhead structures house the terminating open stairwells, chimney stacks and the East wing bulkhead structure also houses a penthouse apartment. The other bulkhead structure houses the elevator machinery room. The bulkhead structures are composed of red brick masonry with casement type windows, copper cap and base flashing and metal scuppers and leaders.

Metal Work:

There are eleven (11) soil line vent stacks and five (5) metal wind driven ventilators. There is one (1) set of metal stairs consisting of five (5) treads, railing and landing leading to the elevator machinery room of the bulkhead structure. There is one (1) kalamein door, with no lock or handle, which provides access to the elevator machinery room, and kalamein doors leading to the stairwell bulkheads.

At the time of inspection, the tops of the wind driven ventilators were deteriorated.

ROOF AND ROOF STRUCURES

Metal Work: - (Cont'd)

It is recommended that a new lock and handle be installed on the door to the elevator machinery room, and all deteriorated wind driven ventilators be replaced. Also, the kalamein doors should be wire brushed and painted with two (2) coats of rust inhibitive paint.

Skylights:

There is one (1) metal framed wire glass skylight on the roof of each of the East and West wing bulkhead structures. There is also a protective metal screen over the exterior of the skylights.

Garage Roof:

There is one (1) garage roof on this property, located along the North elevation. This garage roof is approached by a service corridor located along the East elevation. This service corridor is approached by concrete steps with nine (9) risers and a metal pole handrail and terminates at the garage roof surface by way of concrete steps with sixteen (16) treads. There were several cracks in both sets of steps. The service corridor surface and ceiling are concrete and the walls are masonry and concrete. There is one (1) flat surface drain and two (2) incandescent lighting fixtures, which are ceiling mounted.

It is recommended that all cracks in the concrete steps be repaired.

INSPECTION REPORT

ROOF AND ROOF STRUCTURES

Garage Roof: (Cont'd)

The roof surface is composed of built up roofing with a cap sheet terminating at the building with copper base and cap flashing and surrounding metal fencing. There are three (3) flat surface drains on this garage roof.

At the time of inspection, the enclosing metal fencing was in satisfactory condition.

At the time of inspection, the garage roof was in reasonably satisfactory condition.

FIRE ESCAPES

There are four (4) stacks of metal fire escapes on this building. Two (2) of the four (4) stacks are recessed and located on the East and West sides of the South elevation and the other two (2) stacks are protruded, and located on the East and West sides of the North elevation. The following chart indicates the location, traveling floors, drop ladder and lines of apartments for each fire escapes:

Number	Elevation	Lines of Apartments	Floors Covered	Drop ladder
1	South	"G" & "H"	6th-2nd	From 2nd floor to landscaping area

INSPECTION REPORT

FIRE ESCAPES - (Cont'd)

Number	Elevation	Lines of Apartments	Floors Covered	Drop ladder
2	South	"A" & "B"	6th-2nd	From 2nd floor to landscaping area
3	North	"C" & "D"	6th-3rd	From 3rd floor to garage roof
4	North	"E" & "F"	6th-3rd	From 3rd floor to garage roof

YARDS AND COURTS

There are no yards and courts per se on this property. The grounds in general have been described under the topic "LANDSCAPING AND ENCLOSURES".

INTERIOR STAIRS

There are two (2) open stairwells in the building. Both stairwells are similar and serve the East and West wings of the building. The first floor of each wing is approached by four (4) terrazzo treaded steps from the lobby level. Both open stairwells run from the first floor to the roof. The stairwells are composed of metal pan construction stairs with terrazzo treads, metal balusters and a wood handrail. The landings are terrazzo, the walls are wallpapered and the ceilings are painted plaster.

At the time of inspection, there were several areas of peeled wallpaper due to previous leakage conditions.

INTERIOR STAIRS - (Cont'd)

It is recommended that all peeling wallpaper be replaced.

INTERIOR DOORS AND FRAMES

The apartment entrance doors are kalamein doors set in pressed steel bucks. It is recommended that the steel bucks be wire brushed and painted, as necessary. The doors have interviewers and the bucks have bells.

The interior apartment doors are wood set in steel bucks.

Interior Public Corridors:

Each interior public corridor is composed of a terrazzo floor and base, wallpapered walls and painted plaster ceiling. The lighting is by four (4) fluorescent fixtures which are ceiling mounted. There are two (2) metal frame casement windows and two (2) duplex receptacles. There is one (1) kalamein door which divides the East and West wing corridors.

At the time of inspection, there were several areas of peeling wallpaper. The lighting was inadequate near the open stairwells.

It is recommended that all peeling wallpaper be replaced. Also, additional lighting fixtures should be installed where necessary.

109-23 71ST ROAD, FOREST HILLS, N.Y.

INSPECTION REPORT

ELEVATORS

There is one (1) passenger elevator in the building, manufactured by the Otis Elevator Company with a two thousand (2,000) pound or thirteen (13) person capacity.

The cab is automatic, push button operated with automatic sliding doors with a view glass. This cab runs from the lobby to the sixth (6th) floor. The floor of the cab is vinyl tile with a black base, the walls are textured metal with a metal handrail and the ceiling is a drop ceiling with a plastic egg crate finish. There is one (1) mechanical fan and several recessed fluorescent lighting fixtures which are ceiling mounted.

At the time of inspection, the Inspection Certificate was posted in the elevator machine room, and dated 8/19/82. Also, portions of the textured metal elevator cab walls were in poor condition. It is recommended that an Inspection Certificate be posted in the cab and portions of the walls be repaired or replaced as necessary.

The elevator machinery room is located in its respective roof bulkhead structure. The elevator machinery room consists of a concrete floor and ceiling and masonry walls. Illumination is by way of an incandescent lighting fixture which is ceiling mounted and by operable fenestration.

The motor generator set is rated 7.5 HP, 1200 RPM, 208 V, 3 PH, 60 cycles and 26.5 A.

At the time of inspection, the elevator and elevator machinery appeared to be in reasonably good operating condition.

INSPECTION REPORT

LAUNDRY ROOMS

There is one (1) laundry room located in the cellar of this building. There is a kalamein door set in a steel buck at the entrance of the laundry room. The floor and ceiling are painted concrete and the walls are painted masonry. Illumination is by one (1) fluorescent lighting fixture which is ceiling mounted. There are two (2) Speed Queen washers operated at seventy-five cents (75¢) per load and one (1) Huebsch Originator dryer operated at fifty cents (50¢) per load, which is ventilated by flexible tubes through the wall. Drainage is by way of one (1) flat surface drain. There is one (1) double basin slop sink, one (1) service table and one (1) chair inside the laundry room. There is a water closet located in the Northwest corner of the laundry room, accessible by a wood door, which contains a ceramic tile floor and base, concrete walls and ceiling, one (1) vitreous china flushometer water closet and one (1) incandescent lighting fixture.

It is recommended that the walls and ceiling be scraped and repainted.

The washers and dryers are owned and maintained by the management.

REFUSE DISPOSAL

This building employs one (1) incinerator for refuse disposal located in the incinerator room in the cellar. This refuse disposal system utilizes refuse closets and chutes located on each floor. The chutes open into a Kernerator Incorporated manufactured incinerator.

There is one (1) refuse disposal closet on each floor located in the West wing corridor. The closet

REFUSE DISPOSAL (Cont'd)

is accessible by way of a kalamein door, which is self-closing and set in a steel buck. The refuse closet floors are terrazzo and the walls and ceilings are painted concrete. There is one (1) wall mounted incandescent lighting fixture, one (1) iron enamel sink and one (1) incinerator chute in each closet.

At the time of inspection, the refuse disposal closets were in good condition and the incinerator was in acceptable operating condition.

The incinerator room is composed of a concrete floor and ceiling, masonry walls and lighting is by way of two (2) incandescent lighting fixtures which are ceiling mounted. The Kernerator manufactured incinerator had no specification information available at the time of inspection.

The refuse is placed on the sidewalk in metal cans and picked up twice a week by the New York City Department of Sanitation.

PLUMBING AND DRAINAGE

Water Supply:

Potable water service is supplied to this site from a cast iron New York City water main located in the bed of 71st Road. The service enters the building through a water pressure tank located in the cellar and is distributed throughout by brass piping. There is one (1) water pump which aids in distribution of the water.

It is recommended that the leakage conditions observed at the time of inspection, relating to the water pressure tank and water pump should be investigated as to cause and repaired as necessary. The piping was in reasonably satisfactory condition at the time of inspection. Leaks are repaired and piping replaced by the building staff, as the necessity occurs.

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PLUMBING AND DRAINAGE - (Cont'd)

Storm Sewers:

Storm sewage is discharged by gravity with a branch-type system through roof and site drains, into a New York City combination sewer in the bed of 71st Road. At the time of inspection, the sewage piping was in satisfactory condition.

Sanitary Sewers:

Sanitary sewage is discharged by gravity through an extra heavy cast iron pipe and the house trap into a New York City combination sewer in the bed of 71st Road. At the time of inspection, the sewage piping was in satifactory condition.

Fire Protection System:

The fire protection system in this building is limited to the sprinkler system in the garage and a fire extinguisher at the entrance of the boiler room.

There are no hoses or hose racks in this building. However, there is a siamese connection for the sprinkler system at the exterior Southeast elevation of the building. (Standpipe is not required by Code).

HEATING

The heating system consists of one (1) National Radiator Corp., size CA 6000, 3 pass compact type, steel firetube, low pressure steam boiler, rated at 15,180 square feet of steam radiation, equivalent to 3,643,000 BTU per hour.

HEATING - (Cont'd)

The heating system is a one pipe steam gravity return type. Apartment radiation is finned convectors in recessed enclosures. The steam leader includes a main shut off valve. Returns enter the boiler through a Hartford loop connection. A small Federal Duplex condensate unit collects condensate from low piping and discharges condensate to the boiler. An integral level switch in the receiving tank starts and stops the pumps.

Domestic hot water is supplied by a submerged coil in the boiler. A Holby mixing valve controls water temperature to the building. A return circulation system and a B & G recirculating pump recirculates the domestic hot water.

Heat is controlled by a Fuel Watchman Co., Weather control which cycles the burner according to changes in outdoor temperature. Heat and hot water were reported as adequate at the time of inspection.

The boiler is fired by an S.T. Johnson natural draft horizontal rotary oil burner, Size 150 1/2 - 30 AUH, rated at 45 GPH, using #6 fuel oil. The burner installation includes a Honeywell Model #4127 electronic flame failure relay, a motorized sequence draft control, a Cleveland Model CDR, approved below waterline preheater and a Heat Timer Smoke alarm. The burner is mounted on a windbox in accordance with the Department of Air Resources regulations. The burner is set for 30 GPH according to the Department of Air Resource Certificate. Fresh air for combustion is supplied by a fixed louver.

The oil burner pit is protected by a recently replaced sump pump.

The fuel oil tank is of 5,000 gallon capacity, buried

HEATING - (Cont'd)

underground. A Petrometer fuel oil gauge measures the tank contents. The gauge was not operating at the time of inspection. The tank level is measured by a calibrated stick.

No current boiler leakage was noted. The insulation on the left side showed some deterioration and should be repaired. The boiler tubes were dirty and in need of cleaning. The combustion chamber was in good condition.

A Department of Air Resources Certificate, with an expiration date of 4/2/85, was mounted on the wall. The Fuel Oil Permit posted showed an expiration date of 9/82. The last Insurance Company inspection was on 11/13/79, and the last New York City Department of Buildings inspection was on 4/26/77.

The boiler room is located in the cellar of this building and is accessible by way of a kalamein door. There are metal steps with four (4) treads, railing and landing which terminate at the surface of the boiler room. The boiler room consists of a concrete floor, masonry walls and a painted plaster ceiling. Drainage is by way of one (1) flat surface drain and ventilation is by operable fenestration through two (2) metal frame casement windows. Illumination is by way of three (3) incandescent lighting fixtures which are ceiling mounted.

VENTILATION

All exterior spaces such as living rooms, bedrooms, are ventilated by way of operable fenestration. Interior spaces such as kitchens, bathrooms, corridors, and the elevator shafts are mechanically ventilated. The garage is ventilated by way of a mechanical exhaust fan.

109-23 71ST ROAD, FOREST HILLS, N.Y.

INSPECTION REPORT

AIR CONDITIONING

There is no central air conditioning system in this building. The air conditioning in the building is by tenant owned and maintained window air conditioning units. These window units should be installed only with the permission of the management to prevent possible overloading of apartment circuits and wiring.

GAS SUPPLY

Gas is supplied to the building by the Brooklyn Union Gas Company, from a gas main in the bed of 71st Road. Tenants are individually metered for this service. At the time of inspection, the gas piping was in satisfactory condition.

PEST CONTROL

This building is exterminated monthly by the building staff.

ELECTRICAL

Electrical service is provided to this building by the Consolidated Edison Company of New York.

Although the total amperage entering the building is unknown, the service enters a house main panel rated at 600 amp, 240 AC volts and 4 phase and distributed into four (4) distribution panels.

The electrical system appeared adequate for the present loading and is in reasonably good condition. The meter room is located in the cellar. The meter room consists of a concrete floor and ceiling, masonry

ELECTRICAL - (Cont'd)

walls and one (1) wall mounted incandescent lighting fixture. Tenants are individually metered for their use of electricity.

Adequacy of Service:

Typical apartments may have the following lighting and convenience receptacle schedule:

Foyer:	Usually illuminated by one (1) ceiling mounted incandescent lighting fixture. There is one (1) duplex convenience receptacle.
Living Room:	Usually illuminated by floor or table fixtures. There are three (3) duplex convenience receptacles.
Bedroom:	Ceiling mounted incandescent fixture, three (3) duplex convenience receptacles.
Bathroom:	Wall mounted incandescent fixture, one (1) simplex convenience receptacle.
Kitchen:	Ceiling mounted incandescent fixture, two (2) duplex convenience receptacles.

Each apartment is also equipped with an intercom unit which is connected with the vestibule's intercom system. All ceiling and wall fixtures are switch controlled. Each apartment is equipped with a master TV antenna receptacle and an air conditioning receptacle, located in all living rooms and bedrooms. Each apartment is supplied with a circuit breaker panel box. A typical three (3) bedroom apartment may have two (2) 30 amp switches and one (1) 15 amp switch.

109-23 71ST ROAD, FOREST HILLS, N.Y.

INSPECTION REPORT

GARAGES AND PARKING AREAS

There is one (1) single level garage in this building which is approached from the drive located on the Southwest elevation through an automatically operated wooden overhead door, with a metal trench type drain at the base. The trench drain was filled with debris at the time of inspection, and should be throughly cleaned and maintained.

The garage is managed by The Mid-Forest Company under license number 365804.

The garage has a concrete floor and ceiling, and concrete block walls. Illumination is by way of ceiling mounted fluorescent fixtures, ventilation is by way of three (3) exhaust fans and drainage is by way of flat surface drains. Fire protection is by means of an automatic sprinkler system.

At the time of inspection, there were several minor cracks (probably due to settlement) in the concrete ceiling and the existing fluorescent lighting appeared adequate.

It is recommended that the cracks in the ceiling be pointed and additional lighting fixtures be installed.

RECREATIONAL FACILITIES

There are no recreational facilities on this site.

ADDITIONAL ITEMS

Department of Air Resources Certificate of Operation

For Boiler: Expiration date: 4/2/85
For Incinerator: Expiration date: 3/10/85

INSPECTION REPORT

ADDITIONAL ITEMS - (Cont'd)

Commercial Union Assurance Company: 4/27/75

City of New York

Last Inspection of the boiler: 4/26/77
Last H.D.A. inspection: 5/5/82
Last Inspection of Elevator: 8/19/82 (posted in machinery room)

Fire Department:

Boiler Certificate of Fitness:	Expires 6/30/83
Standpipe Certification:	Expires 10/31/83
Sprinkler Certification:	Expires 10/31/83
Fuel Oil Storage Permit:	Expires 9/82

CONCLUSION

If the completion of items, maintenance and repair work detailed in the body of this report is promptly performed, and a continuing adequate protective maintenance program is implemented thereafter, it can be assumed that the building is in reasonably good condition.

109-23 71ST ROAD, FOREST HILLS, N.Y.

INSPECTION REPORT

TYPICAL APARTMENTS 1 BEDROOM 2 ROOMS

LINE "A" 3RD-6TH FLOOR -4-APARTMENTS-2-ROOMS EACH
LINE "D" 2ND-6TH FLOOR -5-APARTMENTS-2-ROOMS EACH
LINE "E" 1ST-6TH FLOOR -6-APARTMENTS-2-ROOMS EACH
LINE "H" 2ND-5TH FLOOR -4-APARTMENTS-2-ROOMS EACH
LINE "J" 3RD-6TH FLOOR -4-APARTMENTS-2-ROOMS EACH**

ROOM	FLOOR	BASE	WALLS	WAINSCOT	CEILING
Foyer	Wood Strip	Wood	Plaster*	---	Plaster*
Living Room	Wood Strip	Wood	Plaster*	---	Plaster*
Alcove	Wood Strip	Wood	Plaster*	---	Plaster*
Bedroom	Wood Strip	Wood	Plaster*	---	Plaster*
Bathroom	Ceramic Tile	Ceramic Tile	Plaster*	Ceramic Tile	Plaster*
Kitchen-ette	Vinyl Tile	Wood	Plaster*	---	Plaster*

KITCHEN EQUIPMENT:

Range: Slattery/Welbilt, four (4) burner gas, oven below.

Refrigerator: General Electric/Kelvinator

Sink: Double basin, iron enamel.

Cabinets: Wood wall and base hung.

INSPECTION REPORT

TYPICAL APARTMENT — 1 BEDROOM 2 ROOMS - (Cont'd)

BATHROOM FIXTURES:

Bathtub:	Iron enamel with wall shower
Lavatory:	Wall mounted type, iron enameled
Water Closet:	Vitreous china, flushometer, Trent manufacture
Additional Equipment:	Built-in hamper and clothes rack

NOTE:

* All plastered surfaces are painted or wallpapered.

** The "J" line apartments are unique in that they have an emergency access door leading to the public corridor.

At the time of inspection, there were cracks in some apartment bathrooms, foyers and living rooms walls and ceilings. These cracks have probably been caused, at least in part, by vibrations created by the nearby subway system. Further investigation may prove necessary in the future. It is recommended that the cracks and repaired as necessary.

108-19 71ST ROAD, FOREST HILLS, N.Y.

INSPECTION REPORT

TYPICAL APARTMENTS 1 BEDROOM 3 ROOMS

LINE "C" 2ND-5TH FLOOR-4-APARTMENTS-3-ROOMS EACH
LINE "F" 5TH & 6TH FLOOR-2-APARTMENTS-3-ROOMS EACH
LINE "B" 6TH FLOOR-1-APARTMENT-3-ROOMS

ROOM	FLOOR	BASE	WALLS	WAINSCOT	CEILING
Foyer	Wood Strip	Wood	Plaster*	---	Plaster*
Living Room	Wood Strip	Wood	Plaster*	---	Plaster*
Dining Alcove	Wood Strip	Wood	Plaster*	---	Plaster*
Bedroom	Wood Strip	Wood	Plaster*	---	Plaster*
Bathroom	Ceramic Tile	Ceramic Tile	Plaster*	Ceramic Tile	Plaster*
Kitchen	Vinyl Tile	Wood	Plaster*	---	Plaster*

KITCHEN EQUIPMENT:

Range:	Slattery/Welbilt, four (4) burner gas, oven below
Refrigerator:	General Electric/Kelvinator
Sink:	Double basin, iron enamel
Cabinets:	Wood wall and base hung

INSPECTION REPORT

TYPICAL APARTMENTS — 1 BEDROOM 3 ROOMS - (Cont'd)

BATHROOM FIXTURES:

Bathtub:	Iron enamel with wall shower
Lavatory:	Wall mounted, enameled iron
Water Closet:	Vitreous china, flushometer Trent manufacture
Additional Equipment:	Built-in hamper and clothes rack

NOTE:

* All plastered surfaces are painted or wallpapered.

At the time of inspection, there were cracks in some apartment bathrooms, foyers and living rooms walls and ceilings. These cracks have probably been caused, at least in part, by vibrations created by the nearby subway system. Further investigation may prove necessary in the future. It is recommended that the cracks and repaired as necessary.

109-23 71ST ROAD, FOREST HILLS, N.Y.

INSPECTION REPORT

TYPICAL APARTMENTS 2 BEDROOMS 4 ROOMS

LINE "F" 2ND-5TH FLOOR-4-APARTMENTS-4-ROOMS EACH
LINE "G" 5TH FLOOR-1-APARTMENT-4 ROOMS
LINE "F" 3RD-4TH FLOOR-2-APARTMENTS-4-ROOMS EACH
LINE "C" 6TH FLOOR-1-APARTMENT-4-ROOMS

ROOM	FLOOR	BASE	WALLS	WAINSCOT	CEILING
Foyer	Wood Strip	Wood	Plaster*	---	Plaster*
Living Room	Wood Strip	Wood	Plaster*	---	Plaster*
Dining Alcoves	Wood Strip	Wood	Plaster*	---	Plaster*
Bedroom #1	Wood Strip	Wood	Plaster*	---	Plaster*
Bedroom #2	Wood Strip	Wood	Plaster*	---	Plaster*
Bathroom #1	Ceramic Tile	Ceramic Tile	Plaster*	Ceramic Tile	Plaster*
Bathroom #2	Ceramic Tile	Ceramic Tile	Plaster*	Ceramic Tile	Plaster*
Kitchen	Vinyl Tile	Wood	Plaster*	---	Plaster*

KITCHEN EQUIPMENT:

Range: Slattery/Welbilt, four (4) burner gas, oven below

Refrigerator: General Electric/Kelvinator

109-21 71ST ROAD, FOREST HILLS, N.Y.

INSPECTION REPORT

TYPICAL APARTMENTS 2 BEDROOMS 4 ROOMS

KITCHEN EQUIPMENT: - (Cont'd)

Sink:	Double basin, iron enamel
Cabinets:	Wood wall and base hung

BATHROOM FIXTURES:

Bathtub:	Iron enamel with wall shower
Lavatory:	Cantilever type, iron enamel
Water Closet:	Vitreous china, flushometer, Trent manufacture
Stall Shower:	Stall shower with sliding glass doors (2nd bathroom only)
Additional Equipment:	Built-in hamper and clothes rack

NOTE:

* All plastered surfaces are painted or wallpapered.

At the time of inspection, there were cracks in some apartment bathrooms, foyers and living rooms walls and ceilings. These cracks have probably been caused, at least in part, by vibrations created by the nearby subway system. Further investigation may prove necessary in the future. It is recommended that the cracks and repaired as necessary.

109-23 71ST ROAD, FOREST HILLS, N.Y.

INSPECTION REPORT

TYPICAL APARTMENTS 3 BEDROOMS 6 ROOMS

LINE "G" 6TH FLOOR-1-APARTMENT-6-ROOMS

ROOM	FLOOR	BASE	WALLS	WAINSCOT	CEILING
Foyer	Wood Strip	Wood	Plaster*	---	Plaster*
Living Room	Wood Strip	Wood	Plaster*	---	Plaster*
Dining Alcove	Wood Strip	Wood	Plaster*	---	Plaster*
Bedroom #1	Wood Strip	Wood	Plaster*	---	Plaster*
Bedroom #2	Wood Strip	Wood	Plaster*	---	Plaster*
Bedroom #3	Wood Strip	Wood	Plaster*	---	Plaster*
Bathroom #1	Ceramic Tile	Ceramic Tile	Plaster*	Ceramic Tile	Plaster*
Bathroom #2	Ceramic Tile	Ceramic Tile	Plaster*	Ceramic Tile	Plaster*
Kitchen	Vinyl Tile	Wood	Plaster*	---	Plaster*

KITCHEN EQUIPMENT:

Range: Slattery/Welbilt, four (4) burner gas, oven below

Refrigerator: General Electric/Kelvinator

INSPECTION REPORT

TYPICAL APARTMENTS 3 BEDROOMS 6 ROOMS

KITCHEN EQUIPMENT: - (Cont'd)

Sink:	Double basin, iron enamel
Cabinets:	Wood wall and base hung

BATHROOM FIXTURES:

Bathtub:	Iron enamel with wall shower
Lavatory:	Cantilever type, enamel iron
Water Closet:	Vitreous china, flushometer, Trent manufacture
Stall Shower:	Stall shower with sliding glass doors (in 2nd bathroom only)
Additional Equipment:	Built-in hamper and clothes rack

NOTE:

* All plastered surfaces are painted or wallpapered.

At the time of inspection, there were cracks in some apartment bathrooms, foyers and living rooms walls and ceilings. These cracks have probably been caused, at least in part, by vibrations created by the nearby subway system. Further investigation may prove necessary in the future. It is recommended that the cracks and repaired as necessary.

109-23 71ST ROAD, FOREST HILLS, N.Y.

INSPECTION REPORT

SPACES OTHER THAN APARTMENTS

CELLAR

ROOM	WALLS	FLOOR	CEILING
Boiler	Masonry	Concrete*	Plaster*
Meter Room	Masonry	Concrete	Concrete
Laundry Room	Masonry	Concrete	Concrete*
Incinerator Room	Masonry	Concrete	Concrete
Workshop	Masonry Partition	Vinyl Tile	Concrete*
Storage Room	Masonry Partition	Concrete	Concrete
Corridor	Concrete*	Concrete*	Concrete*

1ST THROUGH 6TH

Corridors	Wallpaper	Terrazzo	Plaster*
Incinerator Rooms	Concrete*	Terrazzo	Concrete*

NOTE:

* Concrete and plaster surfaces are painted.

109-23 71ST ROAD, FOREST HILLS, NY

INSPECTION REPORT

SUMMARY OF RECOMMENDATIONS

MASONRY/CONCRETE

1. The chipped and deteriorated concrete curbing along the drive to the garage should be replaced.

2. The garage exterior wall should be grouted and re-parged where necessary.

3. The soffit of the tenant entrance should be repaired.

4. Repair all cracks in the concrete retaining wall and steps leading to the service entrance.

5. Scrape and point the upper portion of the incinerator stack, along with the joints between the cap sections.

6. Repair all cracks in the steps leading to the garage roof.

7. Point all cracks in the garage ceiling.

PAINTING

8. Wire brush and paint the interior doors and frames as necessary.

INSPECTION REPORT

SUMMARY OF RECOMMENDATIONS

PAINTING (Cont'd)

9. Wire brush and paint the roof-top Kalamein doors with two (2) coats of rust inhibitive paint.

10. Scrape and paint chipped painted areas in the interior public corridors.

11. Scrape and paint the laundry room walls and ceiling.

MISCELLANEOUS

12. Repair vestibule's heating unit.

13. Replace all torn wallpaper in the lobby.

14. Replace all peeling wallpaper in the interior stairwells.

15. Replace all peeling wallpaper in the interior public corridors above lobby floor.

16. Install a new locking mechanism on the Kalamein door leading to the elevator machinery room.

INSPECTION REPORT

SUMMARY OF RECOMMENDATIONS

MISCELLANEOUS (Cont'd)

17. Repair all deteriorated wind-driven ventilators.

18. Install additional lighting fixtures in the interior public corridors.

19. Repair or replace portions of the interior elevator walls.

20. Investigate and repair the leakage condition of the water pressure tank and water pump.

21. Clean and maintain the trench drain at the base of the garage door. Install additional lighting fixtures in the garages as necessary. (20 fixtures)

22. All interior wood window sills should be investigated and repaired as necessary.

23. A New Certificate of Occupancy should be filed for to comply with the use of the building.

24. Elevator Inspection Certificate should be made available in the elevator cab.

THE CITY OF NEW YORK
DEPARTMENT OF BUILDINGS

BRIBERY IS A CRIME. A PERSON WHO GIVES OR OFFERS A BRIBE TO ANY EMPLOYEE OF THE CITY OF NEW YORK OR AN EMPLOYEE WHO TAKES OR SOLICITS A BRIBE IS GUILTY OF A FELONY PUNISHABLE BY IMPRISONMENT FOR UP TO SEVEN (7) YEARS OR A FINE OR BOTH.
PENAL LAW, SECTION 200.00 AND 200.10

MANHATTAN
Municipal Building
New York, N.Y. 10007
566-2490

BRONX
1932 Arthur Avenue
Bronx, N.Y. 10457
583-5520 Ext. 23

BROOKLYN
Municipal Building
Brooklyn, N.Y. 11201
643-7814

QUEENS
120-55 Queens Blvd.
Kew Gardens, N.Y. 11415
520-3417

STATEN ISLAND
Borough Hall
St. George, N.Y. 10301
390-5193

Third Street Co
33-35 81 St
Jackson Hts NY 11372
Att: Lyman Bliss

You are hereby notified that there exists a violation with respect to the elevator in the subject premises in that the elevator is not being maintained in good working order pursuant to Sections C26-105.1 and 105.2, R.S. 18.1 and Sections 900 and 1000 of the Adminstrative Code.

You are hereby directed to remove this violation pursuant to Section C26-86.5, Subd. D and/or Section 643a-80 of Chapter 26 of the Adminstrative Code.

Indicated below are defective, worn or poorly maintained parts of the elevator(s).

All inquiries and reference to this violation should be directed to the Elevator Division in the respective Borough. (See above)

Remedy: Correct this violation within ten days or you may be summoned to appear in the Criminal Court.

Manhattan — Queens — Bronx — Brooklyn

Jeremiah J. Walsh
COMMISSIONER

BOROUGH SUPERINTENDENTS

Location: 34-23 71 Road
Boro Queens
No. of Stories 6
Block 2224
Lot 48
Violation Number: Date 4/26/78 Type E No. 2 Area C Badge
Complaint No.
M.D.

REPAIR	RENEW	ELEVATOR(S) IN VIOLATION		ITEMS	REPAIR	RENEW	RE-SHACKLE	ADJUST	ELEVATOR(S) IN VIOLATION		ITEMS	PROVIDE	REPAIR	RENEW	CLEAN	ELEVATOR(S) IN VIOLATION
			13	HOISTWAY DOORS						25	INTERLOCK					
			14	CAR GATE						26	CAR MIRROR					
		Provide	15	LOCK STOPS						27	CERTIFICATE FRAME					
			16	DOOR OPERATOR						28	SELECTOR					
			17	BRAKE						29	MAIN MACHINE					
			18	CAR DOOR						30	HALL BUTTONS					
			19	COMP CABLES						31	GUIDE SHOES					
			20	DRUM HOIST CABLES						32	CAR BUTTON PANEL					
			21	HOIST CABLES						33	ACCESS					
			22	GOVERNOR CABLE						34	SHAFT PIT					
			23	CAR CWT CABLES						35	MOTOR ROOM					
			24	DRUM CWT CABLES						36	SAFETY TEST 2 YR /5 YR					

ADDITIONAL ITEMS IN VIOLATION: (3) RS 18.1 Rule 110.11-204.2 Pass. F2182

Filed by:

-118-

5-3-78

IDENTIFICATION DATE	INITIALS	BADGE NO

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

AHM FORM 1026 REV. 1/78 PART C 1" JOB 8209121B1

10-28-75 A
LIST PRD FT HERE

PAGE 1

PREMISES	BORO	AREA	BLOCK	LOT	CLASS	REG. NO.	DATE ISSUED
109-23 71 ROAD	QNS	422	02224	0004	HAEA	417034	JUL 26, 1981

PRESENT STATUS OF PREMISES	LAST INSPECTED	STYS	APTS	B ROOMS	OTHER	CMS	NAME AND ADDRESS OF AGENT
AFTER DISMISSAL REQUEST	8-22-81	006	0053	000	03	7	MORGAN, ALEX 109-23 71 RD FLUSHING, N.Y. 11375

TYPE OF INSPECTION	REASON

DATE REPORTED	STY	INSP REPT 1ST	INSP REPT 2ND	ITEM	ORDER	SECTION OR COMPLAINT NO.	VIOLATION DESCRIPTION
							*** PUBLIC PARTS INSPECTION DIRECTED ***
7-26-80				R	651		NOTE- THIS BUILDING REFERRED TO RENT CONTROL VIA MACHINE LISTING DATED 7/26/80 - INCLUDING ALL EXISTING ITEMS. ISSUED. PRV RPT 07/26/80
4-04-75	JS			90	539 B		D26-10.01, 10.05 ADM CODE AND DEPT. RULES AND REGULATIONS. REMOVE THE ENCUMBRANCE OBSTRUCTING EGRESS FROM FIRE ESCAPES FRONT WEST STACK 5TH STY BALCONY AIR CONDITIONNER. ISSUED 09/06/75 PRV RPT 05/28/80
8-11-75	JK			93	564 A		D26-10.01 ADM CODE PROVIDE ELECTRICITY 4TH STY APT 4G FRONT WEST EAST AND REAR EAST ROOM OUTLETS. ISSUED 09/06/75 PRV RPT 10/24/79
8-05-76	JK			101	509 A		D26-10.01 ADM CODE PROPERLY SECURE THE LOOSE WALL COVERING AT LAST STAIR 6 STY TO SULKHEAD. ISSUED 08/31/76 PRV RPT 05/28/80
8-05-76	JK			103	530 b		D26-10.01, 10.05 ADM CODE ARRANGE AND MAKE SELF-CLOSING THE DOORS FIRE DOORS SEPERATING EAST & WEST WINGS 4 & 6 STY PUBLIC HALLS. ISSUED 08/31/76 PRV RPT 05/28/80

HOUSE NO	STREET CODE	SUB DIST		PAGE CONTINUED ON
109-23	19044	9422	N	1

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

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

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

OWNERSHIP:

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

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

E XAMINER		
DATE	INITIALS	BADGE NO

LIST OF PENDING VIOLATIONS

THE CITY OF NEW YORK

Department of Housing Preservation and Development

Office of Rent and Housing Maintenance

RMH FORM 1036 REV. 1/76 PART C 135 M 8200128111

10-26-75 A

LST PUB PI HRSP

PAGE

PREMISES	BORO	AREA	BLOCK	LOT	CLASS	REG. NO.	DATE ISSUED
109-23 71 ROAD	QNS	422	02.24	0048	MAEA	417634	JUL 06, 1921

PRESENT STATUS OF PREMISES	LAST INSPECTED	STY'S	APTS.	B ROOMS	OTHER	CHS	NAME AND ADDRESS OF AGENT
							MORGAN, ALEX
ILLEGAL DISMISSAL REQUEST	6-22-81	006	0053	0000	00	7	109-23 71 RD
TYPE OF INSPECTION	REASON						FLUSHING, N.Y. 1137

DATE REPORTED	STY	INSP RPT 1ST	INSP RPT 2ND	ITEM	ORDER	SECTION OR COMPLAINT NO.	VIOLATION DESCRIPTION
10-5-76	A	A		104	536 B	D26-10.01, 10.05 ADM CODE	ARRANGE AND MAKE SELF-CLOSING THE DOORS INCINERATOR HOPPER DOORS ALL STY PUBLIC HALLS. ISSUED 08/31/76 PRV RPT 06/05/80
10-5-76	A	A		105	55E A	D26-12.01 ADM CODE	PAINT WITH LIGHT COLORED PAINT TO THE SATISFACTION OF THIS DEPARTMENT CEILING CRACKS PEELING 2 3 4 6 STY P H. ISSUED 08/31/76 PRV RPT 05/28/80
				000			
11-2-76	A	A		107	50E B	D26-10.01 ADM CODE	REPAIR THE BROKEN OR DEFECTIVE PLASTERED SURFACES AND PAINT IN A UNIFORM COLOR CEILING OF CLOSET PENTHOUSE APT 6C 6 STY. ISSUED 08/31/76 PRV RPT 10/24/75
11-2-76	A			108	50S A	D26-10.01 ADM CODE	REPLACE WITH NEW THE BROKEN OR DEFECTIVE GLASS PANES OF CASEMENT WINDOWS ALL ROOMS STY APT 6C. ISSUED 08/31/76 PRV RPT 05/28/80
10-5-79	A			110	50E A	D26-10.01 ADM CODE	REPAIR THE BROKEN OR DEFECTIVE PLASTERED SURFACES AND PAINT IN A UNIFORM COLOR WINDOW JAMBS ALL RMS 6 STY APT 6C. ISSUED 02/20/79 PRV RPT 02/05/79

06-23	19640	9426			PAGE
BK HOUSE NO	STREET CODE	SC-B DIST			CONTINUED ON

AN ASTERISK (*) FOLLOWING AN ORDER NUMBER DENOTES A RENT IMPAIRING VIOLATION

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

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

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

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PLICATION DATE	INITIALS	PAGE NO

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

12-28-79 A	
LIST PER RE INSP	

PREMISES	BORO	AREA	BLOCK	LOT	CLASS	REG. NO.	DATE ESTIFIED
35-4 71 ROAD	QNS	622	02224	0042	MAEA	417034	11 DEC 1981

PRESENT STATUS OF PREMISES	LAST INSPECTED	STYS	APTS.	B ROOMS	OTHER	CMS
17 ITEM LIS/LSAL REQUEST	6-22-81	004	0054	0030	000	7

TYPE OF INSPECTION	REASON

NAME AND ADDRESS OF AGENT
MORGAN, ALEX
108-23 71 RD
FLUSHING, N.Y. 11375

DATE REPORTED	STY	INSP REPT 1ST	INSP REPT 2ND	ITEM	ORDER	SECTION OR COMPLAINT NO.	VIOLATION DESCRIPTION
6-22-79	3C			111	510 B	D26-10.01 ADM CODE	ABATE THE NUISANCE CONSISTING OF WATER PENETRATION AT WINDOWS ALL RMS 6 STY APT 4A. ISSUED 02/20/79 PRV RPT 02/05/79
6-22-79	3C			112	692 A	D26-26.05 ADM CODE	PROVIDE A LOCK AND KEY TO THE ENTRANCE DOOR OF DWELLING UNIT AND, IF A CL A MULTIPLE DWELLING, ALSO 6 STY APT 6B CHAIN DOOR (OMIT) ISSUED 02/20/79 PRV RPT 02/05/79
6-22-79	3C			113	556 A	D26-12.01 ADM CODE	PAINT WITH LIGHT COLORED PAINT TO THE SATISFACTION OF THIS DEPARTMENT WINDOW SILLS ALL RMS 4 STY APT 4A. ISSUED 02/20/79 PRV RPT 10/24/79
6-22-79	3C			114	501 A	D26-10.01 ADM CODE	PROPERLY REPAIR THE BRAKE OR OPERATIVE SO AS TO MAKE OPERABLE FIRE ESCAPE WINDOW FRONT SOUTH RM 4 STY APT 4A. ISSUED 02/20/79 PRV RPT 10/24/79
				DDD			
6-22-79	3C			115	505 A	D26-10.01 ADM CODE	PROPERLY SECURE THE LOOSE GAS FIXTURE FRONT NORTH RM 4 STY APT 4A. ISSUED 02/20/79 PRV RPT 10/24/79

HOUSE NO	STREET CODE	SUB DIST		PAGE
35-23	15044	5422	A 1	CONTINUED ON

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

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

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

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CERTIFICATION DATE	INITIALS	BADGE NO

LIST OF PENDING VIOLATIONS

THE CITY OF NEW YORK

Department of Housing Preservation and Development

Office of Rent and Housing Maintenance

PROGRAM USE ONLY
10-28-79 A
LIST RUN FOR DATE

PAGE

PREMISES	BORO	AREA	BLOCK	LOT	CLASS	REG. NO.	DATE ISSUED
195-23 71 ROAD	QNS	422	02224	0044	HMFA	417644	JUL 06, 19

PRESENT STATUS OF PREMISES	LAST INSPECTED	STYS	APTS	B ROOMS	OTHER	CRS
AIT ING VIOLATION REQUEST	6-22-81	000	0054	0000	000	7

TYPE OF INSPECTION	REASON

NAME AND ADDRESS OF AGENT

MORGAN, ALEX
195-23 71 RD
FLUSHING, N.Y. 1137

DATE REPORTED	STY	INSP REPT 1ST	INSP REPT 2ND	ITEM	ORDER	SECTION OR COMPLAINT NO.	VIOLATION DESCRIPTION
2-29-79	4			11c	5v1 A	026-10.01 ADM CODE PROPERLY REPAIR THE BROKEN OR DEFECTIVE SU AS TO MAKE OPERABLE WINDOW S&H KITCHEN 4 STY APT 4A. ISSUED 02/26/79 PRV RPT 10/24/78	
2-29-79	4			11?	5v1 A	026-10.01 ADM CODE REPAIR THE BROKEN OR DEFECTIVE PLASTERED SURFACES AND PAINT IN A UNIFORM COLOR WALL UNDER SINK 4 STY APT 4A. ISSUED 02/26/79 PRV RPT 10/24/78	
2-29-79	4			11E	5v1 A	026-10.01 ADM CODE REPAIR THE BROKEN OR DEFECTIVE PLASTERED SURFACES AND PAINT IN A UNIFORM COLOR WALL BATHRM 4 STY APT 4A. ISSUED 02/26/79 PRV RPT 10/24/78	
11-24-78	4			119	5v1 A	026-10.01, 10.05 ADM CODE REMOVE DEVICE PREVENTING DOOR FROM BEING SELF-CLOSING TYPE DOORS AT PUB HALL ALL STYS. ISSUED 11/26/78 PRV RPT 05/28/78	
11-24-78	4			12C	5v4 A	026-10.01 ADM CODE PROVIDE DOOR & EYE OR SLIDE BOLT AT DOOR PUB HALL BULKHEAD TO ROOF. ISSUED 11/26/78 PRV RPT 05/28/78	

195-23 HOUSE NO	15040 STREET CODE	5622 SCB DIST	A	1	PAGE CONTINUED ON

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

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

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

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CERTIFICATION DATE	INITIALS	CHECK BOX

LIST OF PENDING VIOLATIONS

THE CITY OF NEW YORK

Department of Housing Preservation and Development

Office of Rent and Housing Maintenance

11-24-75 A

PAGE

REMISES	BORO	AREA	BLOCK	LOT	CLASS	REG. NO.	DATE ISSUED
169-23 71 ROAD	QNS	422	07226	0062	MAEA	417634	00 00, 1941

PRESENT STATUS OF PREMISES	LAST INSPECTED	STY'S	APTS	B ROOMS	OTHER	CHG
ALL CAN DISMISSAL REQUEST	A-22-81	000	0003	0.00	00	P

TYPE OF INSPECTION	REASON

NAME AND ADDRESS OF AGENT

MORGAN, ALEX
169-23 71 RD
FLUSHING, N.Y. 1157

DATE REPORTED	STY	INSP REPT 1ST	INSP REPT 2ND	ITEM	ORDER	SECTION OR COMPLAINT NO.	VIOLATION DESCRIPTION
11-24-75	00			121	508 S	D26-10.01 ADM CODE	REPAIR THE BROKEN OR DEFECTIVE PLASTERED SURFACES AND PAINT IN A UNIFORM COLOR CLG & STY PUB HALL. ISSUED 11/26/79 PRV RPT 05/26/80
				CDC			
11-24-75	AA			122	683 E	D26-19.09 ADM CODE	PROVIDE ADEQUATE LIGHT OF NOT LESS THAN 60 WATTS INCANDESCENT OR EQUIVALENT ILLUMINATION PUB HALL ALL STYS. ISSUED 11/26/79 PRV RPT 06/05/80
5-28-80	YY			123	502 U	D26-10.01 ADM CODE	PROPERLY REPAIR WITH SIMILAR MATERIAL THE BROKEN OR DEFECTIVE CONCRETE TREAD 2 UP FROM BOTTOM ENTRANCE TO BLDG. ISSUED 07/21/80 PRV RPT 05/20/80
5-28-80	PP			124	552 L	D26-11.01, 11.03, 11.05 ADM CODE	REMOVE THE ACCUMULATION OF REFUSE AND/OR RUBBISH AND MAINTAIN I. A CLEAN CONDITION INC AT REAR NORTHWEST. ISSUED 07/21/80 PRV RPT 05/28/80
5-28-80	PP			125	561 A	D26-12.05 ADM CODE AND DEPT. RULES AND REGULATIONS.	SCRAPE AND REMOVE RUST SCALES AND PAINT WITH 2 COATS OF PAINT FIRE ESCAPES ALL BALCONIES NORTHWEST & SOUTHWEST FIRE ESCAPES. ISSUED 07/21/80 PRV RPT 05/28/80

FROM HOUSE NO	STREET CODE	SUB DIST			PAGE CONTINUED ON
169-23	1534	9422	N	1	

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

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I 9 NO ACCESS
D DEFECT LETTER ISSUED
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N NOT COMPLIED WITH
P VIOLATION PREVIOUSLY REPORTED
V VIOLATION REPORTED
W WAIVED TO SUPERVISOR

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DATE	INITIALS	BADGE NO

LIST OF PENDING VIOLATIONS

THE CITY OF NEW YORK

Department of Housing Preservation and Development

Office of Rent and Housing Maintenance

10-28-75 A

LST PUB PT HISP

PAGE

PREMISES	BORO	AREA	BLOCK	LOT	CLASS	REG. NO.	DATE ISSUED
109-23 71 ROAD	QNS	422	02224	0048	HALA	417634	JUL 16, 1975

PRESENT STATUS OF PREMISES	LAST INSPECTED	STY'S	APTS	B ROOMS	OTHER	CRS
411 REV DISMISSAL REQUEST	6-22-81	000	0054	00000	00	7

TYPE OF INSPECTION	REASON

NAME AND ADDRESS OF: AGENT

MORGAN, ALEX

109-23 71 RD

FLUSHING, N.Y. 11375

DATE REPORTED	ST	INSP REPT 1ST	INSP REPT 2ND	ITEM	ORDER	SECTION OR COMPLAINT NO.	VIOLATION DESCRIPTION
5-28-80	NV			126	483 A		62 M/D LAW FLARE-ANGLE TELEVISION AND/OR RADIO ANTENNA TO BE AT LEAST 10 FEET ABOVE ROOF AND NOT ATTACHED TO ANY FIRE ESCAPE OR SOIL OR VENT LINE ROOF CENTER NORTHERN ST. ISSUED 07/21/80 PRV RPT 05/28/80
5-28-80	NV			127	510 B		D26-10.01 ADM CODE & 309 M/D LAW ABATE THE NUISANCE CONSISTING OF EXPOSED ELEC WIRES AT VENTILATOR ROOF SOUTHEAST CORNER. ISSUED 07/21/80 PRV RPT 05/28/80
5-28-80	YV			120	510 B		D26-10.01 ADM CODE & 309 M/D LAW ABATE THE NUISANCE CONSISTING OF SHRUBS AT BOTTOM OF DRIPLADDER FRONT NORTH FIRE ESCAPE. ISSUED 07/21/80 PRV RPT 05/28/80
				000			
5-28-80	NV			125	510 A		D26-10.01 ADM CODE PROPERLY REPAIR THE BROKEN OR DEFECTIVE LOCK ASSEMBLY OF DOOR VESTIBULE TO 1 STY REAR HALL. ISSUED 07/21/80 PRV RPT 05/28/80

BBL HOUSE NO	STREET CODE	SEC & DIST			PAGE
4081-23	15040	4422	A	1	CONTINUED ON

AN ASTERISK (*) FOLLOWING AN ORDER NUMBER DENOTES A RENT IMPAIRING VIOLATION

(ABSTRACT OF SECTION 302A, MULTIPLE DWELLING LAW "A FIRE HAZARD OR A SERIOUS THREAT TO LIFE, HEALTH AND SAFETY OF OCCUPANTS IN UNCORRECTED SIX (6) MONTHS AFTER THE ISSUANCE OF VIOLATION NOTICE, THE OWNER MAY NOT RECOVER RENT")

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

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

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VERIFICATION DATE	INITIALS	BADGE NO

LIST OF PENDING VIOLATIONS

THE CITY OF NEW YORK

Department of Housing Preservation and Development

Office of Rent and Housing Maintenance

10-28-75 A

LST PUB FT REV

PREMISES	BORO	AREA	BLOCK	LOT	CLASS	REG. NO.	DATE ISSUED
109-23 71 ROAD	QNS	422	07124	0048	MA/A	417636	JUL 16, 1951

PRESENT STATUS OF PREMISES	LAST INSPECTED	STY'S	APTS	B ROOMS	OTHER	CRS
AWAITING MISSISSAL REQUEST	6-22-81	006	0053	0030	007	

TYPE OF INSPECTION	REASON

NAME AND ADDRESS OF AGENT

MORGAN, ALEX

109-23 71 RD

FLUSHING, N.Y. 113

DATE REPORTED	STY	INSP REPT 1ST	INSP REPT 2ND	ITEM	ORDER	SECTION OR COMPLAINT NO.	VIOLATION DESCRIPTION
5-28-80	nr			130	536 B	D26-10.01, 10.05 ADM CODE	ARRANGE AND MAKE SELF-CLOSING THE DOORS BULKHEAD PUB HALL TO ROOF NORTH SECTION. ISSUED 07/21/80 PRV RPT 05/28/80
5-28-80	06			131	506 A	D26-10.01 ADM CODE	REPLACE WITH NEW THE MISSING HANDLES OF CASEMENT WINDOWS 6 STY PUB HALL NORTH SECTION. ISSUED 07/21/80 PRV RPT 05/28/80
5-28-80	06			132	508 B	D26-10.01 ADM CODE	REPAIR THE BROKEN OR DEFECTIVE PLASTERED SURFACES AND PAINT IN A UNIFORM COLOR WALLS & CLGS AT CENTER RM 6 STY APT 6S. ISSUED 07/21/80 PRV RPT 05/28/80
5-28-80	06			133	507 B	D26-10.01 ADM CODE	REPAIR THE ROOF SO THAT IT WILL NOT LEAK OVER ALL RMS 6 STY APT 6S. ISSUED 07/21/80 PRV RPT 05/28/80
5-28-80	nr			134	506 A	D26-10.01 ADM CODE	REPLACE WITH NEW THE MISSING EXTERIOR DOOR HANDLE AT BULKHEAD DOOR TO ROOF NORTH WING. ISSUED 07/21/80 PRV RPT 05/28/80

PREM HOUSE NO	STREET CODE	SUB DIST	N	PAGE CONTINUED ON
109-23	10140	9422		

AN ASTERISK (*) FOLLOWING AN ORDER NUMBER DENOTES A RENT IMPAIRING VIOLATION

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

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

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

OWNERSHIP:

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

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DATE	INITIALS	BADGE NO

LIST OF PENDING VIOLATIONS

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

RMH FORM 1036 REV. 1/78 PART C

10-28-75 A
LST PUB PT INSP

PAGE

PREMISES	BORO	AREA	BLOCK	LOT	CLASS	REG. NO.	DATE ISSUED
109-23 71 ROAD	QNS	422	02264	0068	MAEA	417634	JUL 06, 1951

PRESENT STATUS OF PREMISES	LAST INSPECTED	STY'S	APTS	B ROOMS	OTHER	CRS
11 UNS DISMISSAL REQUEST	6-22-81	000	0053	0016	001	7

TYPE OF INSPECTION	REASON

NAME AND ADDRESS OF: AGENT
KURGAN, ALEX
109-23 71 RD
FLUSHING, N.Y. 11375

DATE PORTED	STY	INSP REPT 1ST	INSP REPT 2ND	ITEM	ORDER	SECTION OR COMPLAINT NO.	VIOLATION DESCRIPTION
-28-8..	1E			135	652 A	D26-20.05 ADM CODE	PROVIDE A LOCK AND KEY TO THE ENTRANCE DOOR OF DWELLING UNIT AND, IF A CL A MULTIPLE DWELLING, ALSO DOOR GUARD CHAIN ON FRONT ENTRANCE DOOR 1C & STY APT 6G. ISSUED 07/21/80 PRV RPT 05/28/80
				000			
-28-8..	F2			136	539 B	D26-10.01, 10.05 ADM CODE AND DEPT. RULES AND REGULATIONS.	REMOVE THE ENCUMBRANCE OBSTRUCTING EGRESS FROM FIRE ESCAPES AIR CONDITIONER FLOWER POTS 2 STY BALCONY NORTH FRONT FIRE ESCAPE. ISSUED 07/21/80 PRV RPT 05/28/80
-28-8..	PK			137	501 E	D26-10.01 ADM CODE	PROPERLY REPAIR THE BROKEN OR DEFECTIVE BRICKWORK OF WALL AT PENTHOUSE ROOF NORTHEAST. ISSUED 07/21/80 PRV RPT 05/28/80
-28-8..	F2			138	539 B	D26-10.01, 10.05 ADM CODE AND DEPT. RULES AND REGULATIONS.	REMOVE THE ENCUMBRANCE OBSTRUCTING EGRESS FROM FIRE ESCAPES METAL PAN AT 3 STY BALCONY FRONT SOUTH FIRE ESCAPE. ISSUED 07/21/80 PRV RPT 05/28/80

109-23	1504	0422	N	1	PAGE
HOUSE NO	STREET CODE	SEC & DIST			CONTINUED ON

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

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

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IDENTIFICATION		
DATE	INITIALS	BADGE NO

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

HMM FORM 103A REV. 1/78 PART C

12-28-79 A
LST PUB PT HPD

PAGE

PREMISES	BORO	AREA	BLOCK	LOT	CLASS	REG. NO.	DATE ISSUED
169-23 71 ROAD	QNS	422	07224	0008	MAEA	417634	JUL 26, 1961

PRESENT STATUS OF PREMISES	LAST INSPECTED	STYS	APTS	B ROOMS	OTHER	CDS
AWAITING DISMISSAL REQUEST	6-22-81	004	0053	0000	00	7

TYPE OF INSPECTION

REASON

NAME AND ADDRESS OF AGENT
NURGAN, ALEX
169-23 71 RD
FLUSHING, N.Y. 11371

DATE REPORTED	STY	INSP REPT 1ST	INSP REPT 2ND	ITEM	ORDER	SECTION OR COMPLAINT NO.	VIOLATION DESCRIPTION
6-05-81	AA			139	50C A	D26-10.01 ADM CODE	REPLACE WITH NEW THE MISSING HANDLES OF CASEMENT WINDOWS AT ALL STYS PUB HALLS. ISSUED 07/21/80 PRV RPT 06/05/80
6-05-81	03			140	50C A	D26-12.01 ADM CODE	PAINT WITH LIGHT COLORED PAINT T. THE SATISFACTION OF THIS DEPARTMENT CLG 3 STY PUB HALL SOUTH WING. ISSUED 07/21/80 PRV RPT 06/05/80
6-05-81	CC			141	502 B	D26-10.01 ADM CODE	PROPERLY REPAIR WITH SIMILAR MATERIAL THE BROKEN OR DEFECTIVE CEMENT PLASTER CLG AT LAUNDRY RM CELLAR. ISSUED 07/21/80 PRV RPT 06/05/80
6-05-81	YY			142 DUE	502 B	D26-10.01 ADM CODE	PROPERLY REPAIR WITH SIMILAR MATERIAL THE BROKEN OR DEFECTIVE METAL GUARD RAILING TOP FRONT NORTH FIRE PASSAGE. ISSUED 07/21/80 PRV RPT 06/05/80
6-05-81	YY			143	50C A	D26-10.01 ADM CODE	PROVIDE A SUITABLE STRAINER FOR THE DRAIN FRONT NORTH FIRE PASSAGE. ISSUED 07/21/80 PRV RPT 06/05/80

169-23	15140	4424	N	1	PAGE 1
BBK HOUSE NO	STREET CODE	SCD DIST			CONTINUED ON

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

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

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EXPLANATION		
DATE	INITIALS	BADGE NO

LIST OF PENDING VIOLATIONS

THE CITY OF NEW YORK

Department of Housing Preservation and Development

Office of Rent and Housing Maintenance

HHH FORM 1030 REV. 1/78 PART C

10-28-79 A

LST PUB PT RUN

PREMISES	BORO	AREA	BLOCK	LOT	CLASS	REG. NO.	DATE ISSUED
109-23 71 ROAD	QNS	422	02224	0046	MAEA	417634	JUL 06, 1961

PRESENT STATUS OF PREMISES	LAST INSPECTED	STYS	APTS	B ROOMS	OTHER	CBS
AWAITING DISMISSAL REQUEST	6-22-81	0004	0053	00000	001	7

TYPE OF INSPECTION	REASON

NAME AND ADDRESS OF: AGENT

MORGAN, ALEX

109-23 71 RD

FLUSHING, N.Y. 1137[illegible]

DATE REPORTED	STY	INSP REPT 1ST	INSP REPT 2ND	ITEM	ORDER	SECTION OR COMPLAINT NO.	VIOLATION DESCRIPTION
5-05-80	Y	Y		144	561 A		D26-12.03 ADM CODE AND DEPT. RULES AND REGULATIONS. SCRAPE AND REMOVE RUST SCALES AND PAINT WITH 2 COATS OF PAINT METAL RAILING AT NORTHEAST YARD. ISSUED 07/21/80 PRV RPT 06/05/80
5-05-80	Y	Y		145	552 B		D26-11.01, 11.03, 11.05 ADM CODE REMOVE THE ACCUMULATION OF REFUSE AND/OR RUBBISH AND MAINTAIN IN A CLEAN CONDITION THE AT REAR YARD OVER GARAGE. ISSUED 07/21/80 PRV. RPT 06/05/80
5-05-80	Y			146	555 B		D26-10.01, 10.05 ADM CODE AND DEPT. RULES AND REGULATIONS. REMOVE THE ENCUMBRANCE OBSTRUCTING EGRESS FROM FIRE ESCAPES HOUSEHOLD ITEMS 2 3 4 5 STYS BALCONIES REAR SOUTH FIRE ESCAPE. ISSUED 07/21/80 PRV RPT 06/05/80
5-05-80	Y	Y		147	502 B		D26-10.01 ADM CODE PROPERLY REPAIR WITH SIMILAR MATERIAL THE BROKEN OR DEFECTIVE METAL TOP RAIL OF GUARD RAIL TO CELLAR FRONT NORTH CENTER OF BLDG. ISSUED 07/21/80 PRV RPT 06/05/80
5-05-80	J	B		148	556 A		D26-12.01 ADM CODE PAINT WITH LIGHT COLORED PAINT TO THE SATISFACTION OF THIS DEPARTMENT CLG 3 & 4 STY PUB HALL NORTH WING. ISSUED 07/21/80 PRV RPT 06/05/80

109-23	[illegible]	5424	A	1	PAGE 1[illegible]
BBK HOUSE NO	STREET CODE	SCD DIST			CONTINUED ON

AN ASTERISK (*) FOLLOWING AN ORDER NUMBER DENOTES A RENT IMPAIRING VIOLATION

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

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VERIFICATION

DATE	INITIALS	BADGE NO

LIST OF PENDING VIOLATIONS

THE CITY OF NEW YORK

Department of Housing Preservation and Development

Office of Rent and Housing Maintenance

CPO 06

AHM FORM 1036 REV. 1/78 PART C

10-26-79 A

LST PUB PT HSY

PREMISES	BORO	AREA	BLOCK	LOT	CLASS	REG. NO.	DATE ISSUED
109-23 71 ROAD	QNS	422	02224	0046	MAEA	617636	JUL 07, 1981

PRESENT STATUS OF PREMISES	LAST INSPECTED	STY'S	APTS	B'DGMS	OTHER	CMS
AWAITING DISMISSAL REQUEST	6-22-81	006	0053	0000	000	7

TYPE OF INSPECTION	REASON

NAME AND ADDRESS OF AGENT

MORGAN, ALEX
109-23 71 RD
FLUSHING, N.Y. 1137

DATE REPORTED	STY	INSP REPT 1ST	INSP REPT 2ND	ITEM	ORDER	SECTION OR COMPLAINT NO.	VIOLATION DESCRIPTION
6-05-81	01			149	505 A	D26-10.01	ADM CODE REPLACE WITH NEW THE BROKEN OR DEFECTIVE LATCH ASSEMBLY OF INCINERATOR CLOSET 1 & 5 STY PUB HALLS. ISSUED 07/21/80 PRV RPT 06/05/80
				DDC			
6-05-81	03			150	505 B	D26-10.01	ADM CODE REPLACE WITH NEW THE BROKEN OR DEFECTIVE HOPPER CHUTE INCINERATOR CLOSET 3 STY PUB HALL. ISSUED 07/21/80 PRV RPT 06/05/80
6-05-81	02			151	505 B	D26-10.01	ADM CODE REPLACE WITH NEW THE BROKEN OR DEFECTIVE BOTTOM METAL PLATE OF HOPPER CHUTE INCINERATOR CLOSET 2 STY PUB HALL. ISSUED 07/21/80 PRV RPT 06/05/80
6-05-81	01			152	502 B	D26-10.01	ADM CODE PROPERLY REPAIR WITH SIMILAR MATERIAL THE BROKEN OR DEFECTIVE PLASTER CLG AT LIGHT FIXTURE 1 STY PUB HALL NORTH WING. ISSUED 07/21/80 PRV RPT 06/05/80
6-05-81	01			153	455 B	300, 301, 302, M/D LAW	FILE PLANS AND DETAIL, A CERTIFICATE OF OCCUPANCY TO LEGALIZE THE FOLLOWING ALTERATION OR RESTORE PREMISES TO PRIOR LEGAL CONDITION 6 STY APT 6G & PENTHOUSE NOT USED IN CONJUNCTION CONVERTED TO SEPARATE APTS. ISSUED 07/21/80 PRV RPT 06/05/80

PUBLIC HOUSE NO	STREET CODE	SUB DIST		
1 9-2 3	15149	9422	N	1

PAGE 1 CONTINUED ON

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

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CLASSIFICATION		
DATE	HOTELS.	BADGE NO.

LIST OF PENDING VIOLATIONS

THE CITY OF NEW YORK

Department of Housing Preservation and Development

Office of Rent and Housing Maintenance

RMH FORM 1036 REV. 1/78 PART C (eff. 8/31/81)

10-28-75 A

LST PUB PT REV

PAGE 12

PREMISES	BORO	AREA	BLOCK	LOT	CLASS	REG. NO.	DATE ISSUED
109-24 71 ROAD	QNS	427	02224	0068	MAEA	417634	JUL 06, 1981

PRESENT STATUS OF PREMISES	LAST INSPECTED	STY'S	APTS	B ROOMS	OTHER	CRS	NAME AND ADDRESS OF AGENT
AITING DISMISSAL REQUEST	6-22-81	006	0054	0000	00	7	MORGAN, ALEX 109-23 71 RD FLUSHING, N.Y. 11375

TYPE OF INSPECTION	REASON

DATE REPORTED	SIT	INSP REPT 1ST	INSP REPT 2ND	ITEM	ORDER	SECTION OR COMPLAINT NO.	VIOLATION DESCRIPTION
2-01-80	YN			154	667 C	D26-17.03 ADM CODE	FILE WITH THIS DEPARTMENT AN INSPECTION REPORT OF THE CENTRAL HEATING PLANT AND HOT WATER SYSTEM FOR THE CURRENT YEAR. ISSUED 12/24/80 PRV RPT 12/01/80
6-22-81	YY			155	561 A	D26-10.01 ADM CODE	PROPERLY REPAIR THE BROKEN OR DEFECTIVE MORTAR JOINTS AT STONE STEPS FRONT ENTRANCE TO BLDG. ISSUED 07/06/81 PRV RPT 06/22/81
DATE TO CERT		10/29/81					LAST ITEM NUMBER 155

109-23	1[illegible]	9422	N 55	1	
HOUSE NO	STREET CODE	SEQ NO			CONTINUED ON

AN ASTERISK (*) FOLLOWING AN ORDER NUMBER DENOTES A RENT IMPAIRING VIOLATION

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

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CERTIFICATION OF SPONSOR'S ENGINEER OR ARCHITECT PURSUANT OF SEC. 17.1(n) (3) 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, N.Y. 10047

Attention: Real Estate Financing Bureau

Re: "THE MIDTOWN"
109-23 71ST ROAD

FOREST HILLS, N.Y.

Name and Address of Property

The undersigned, (an engineer licensed to practice as a professional engineer in New York State), certifies as follows:

The Sponsor-Seller of the offering to convert the captioned property to a cooperative retained our firm to prepare a report disclosing the condition of the Property (the "Report"). I, or my engineers, under my supervision, visually inspected the Property on/or about 9/14/82 and prepared the Report dated 9/20/82, a copy of which is intended to be incorporated into the Offering Plan so that tenants and prospective purchasers may rely on the Report.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Attorney General in Part 17 insofar as they are applicable to this Report.

We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it and conducted the visual inspection referred to above with due diligence in order to form a basis for this certification. We certify that the Report and all documents prepared by us disclose all the material facts which were then discernible from a visual inspection of the Property. This certification is made for the benefit of all parties to whom this offer is made. We certify that the Report and all documents prepared by us based on our visual inspection.

(i) set forth in narrative form the physical condition of the entire Property and are current and accurate as of the date of inspection;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the physical condition of the Property;

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment, or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where we: (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.

We further certify that we are not owned or controlled by and have no beneficial interest in the Sponsor-Seller and that our compensation for preparing this Report is not contingent on the conversion of the Property to a cooperative or on the profitability or price of the offering.

This certification is not intended as a guaranty or warranty of the physical condition of the Property.

CHARLES B. FERRIS ASSOCIATES
Name of Firm

By: [signature] 10/4

PRINCIPAL PARTNER
Title or Position

Sworn to before me
this 4TH day of
October 1982

[signature]
Notary Public

SHIRLEY J. STEPPINS
Notary Public, State of New York
No. 4701653
Qualified in Westchester County
Commission Expires March 30, 1984

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 cooperative 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 subleased apartment will be included; sub-tenants will have no right to purchase unless approved by the tenant of record and only then would purchases by sub-tenants be included; purchases of apartments leased to a Corporation or Partnership will be included if purchased by an individual 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 for 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 executed 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 lease expires after the period during which he otherwise has the right to remain in possession, as hereinabove 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 lease 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 the 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 this 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.

Section 352-eeee of the General Business Law

§ 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 offering statement or prospectus submitted to the department of law pursuant to section three hundred fifty-two-e of this article for the conversion of a building or group of buildings or development from residential rental status to cooperative or condominium ownership or other form of cooperative interest in realty, other than an offering statement or prospectus for such conversion pursuant to article two, eight or eleven of the private housing finance law.

(b) "Non-eviction plan". A plan which may not be declared effective until written purchase agreements have been executed and delivered for at least fifteen percent of all dwelling units in the building or group of buildings or development by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family intend to occupy the unit when it becomes vacant. As to tenants who were in occupancy on the date a letter was issued by the attorney general accepting the plan for filing, the purchase agreement shall be executed and delivered pursuant to an offering made in good faith without fraud and discriminatory repurchase agreements or other discriminatory inducements.

(c) "Eviction plan". A plan which, pursuant to the provisions of this section, can result in the eviction of a non-purchasing tenant by reason of the tenant failing to purchase pursuant thereto, and which may not be declared effective until at least fifty-one percent of the bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the attorney general (excluding, for the purposes of determining the number of bona fide tenants in occupancy on such date, eligible senior citizens and eligible disabled persons) shall have executed and delivered written agreements to purchase under the plan pursuant to an offering made in good faith without fraud and with no discriminatory repurchase agreements or other discriminatory inducements.

(d) "Purchaser under the plan". A person who owns the shares allocated to a dwelling unit or who owns such dwelling unit itself.

(e) "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.

(f) "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, 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 purchasing the dwelling unit on the terms then offered to tenants in occupancy.

(g) "Eligible disabled persons". Non-purchasing tenants who have an impairment which results from anatomical, physiological or psychological conditions, 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 substantial gainful employment on the date the attorney general has accepted the plan for filing, and the spouses of any such tenants on such date, 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, however, that if the disability first occurs after acceptance of the plan for filing, then such election may be made within sixty days following the onset of such disability unless during the period subsequent to sixty days following the acceptance of the plan for filing but prior to such election, the offeror accepts a written agreement to purchase the apartment from a bona fide purchaser; and provided further that such election shall not preclude any such tenant from subsequently purchasing the dwelling unit or the shares allocated thereto on the terms then offered to tenants in occupancy.

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 chapter has been filed whenever it appears that the offering statement or prospectus offers for sale residential cooperative apartments or condominium units pursuant to a plan unless:

(a) The plan provides that it will be deemed abandoned, void and of no effect if it does not become effective within fifteen months from the date of issue of the letter of the attorney general stating that the offering statement or prospectus has been accepted for filing and, in the event of such abandonment, no new plan for the conversion of such building or group of buildings or development shall be submitted to the attorney general for at least twelve months after such abandonment.

(b) The plan provides either that it is an eviction plan or that it is a non-eviction plan.

(c) The plan provides, if it is a non-eviction plan, as follows:

(i) The plan may not be declared effective until written purchase agreements have been executed and delivered for at least fifteen percent of all dwelling units in the building or group of buildings or development subscribed for by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family occupy the dwelling unit when it becomes vacant. As to tenants who were in occupancy on the date a letter was issued by the attorney general accepting the plan for filing, the purchase agreement shall be executed and delivered pursuant to an offering made without discriminatory repurchase agreements or other discriminatory inducements.

(ii) No eviction proceedings will be commenced at any time against non-purchasing tenants for failure to purchase or any other reason applicable to expiration of tenancy; provided that such proceedings may be commenced for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the owner or a similar breach by the non-purchasing tenant of his obligations to the owner of the dwelling unit or the shares allocated thereto; and provided further that an owner of a unit or of the shares allocated thereto may not commence an action to recover possession of a dwelling unit from a non-purchasing tenant on the grounds that he seeks the dwelling unit for the use and occupancy of himself or his family.

(iii) Non-purchasing tenants who reside in dwelling units subject to government regulation as to rentals and continued occupancy prior to the conversion of the building or group of buildings or development to cooperative or condominium ownership shall continue to be subject thereto.

(iv) The rentals of non-purchasing tenants who reside in dwelling units not subject to government regulation as to rentals and continued occupancy and non-purchasing tenants 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 been accepted for filing by the attorney general shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments during the period of their occupancy. In determining comparability, consideration shall be given to such factors as building services, level of maintenance and operating expenses.

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

(vi) The rights granted under the plan to purchasers under the plan and to non-purchasing tenants may not be abrogated or reduced notwithstanding any expiration of, or amendment to, this section.

(vii) After the 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, on the thirtieth, sixtieth, eighty-eighth and ninetieth day after such date and at least once every thirty days until the plan is declared effective or is abandoned, as the case may be, and on the second day before the expiration of any exclusive purchase period provided in a substantial amendment to the plan, (1) file with the attorney general a written statement, under oath, setting forth the percentage of the dwelling units in the building or group of buildings or development subscribed for by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family occupy the dwelling unit when it becomes vacant as of the date of such statement and, (2) 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.

(d) The plan provides, if it is an eviction plan, as follows:

(i) The plan may not be declared effective unless at least fifty-one percent of the bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the attorney general (excluding, for the purposes of determining the number of bona fide tenants in occupancy on such date, eligible senior citizens and eligible disabled persons) shall have executed and delivered written agreements to purchase under the plan pursuant to an offering made in good faith without fraud and with no discriminatory repurchase agreements or other discriminatory inducements.

(ii) No eviction proceedings will be commenced against a non-purchasing tenant for failure to purchase or any other reason applicable to expiration of tenancy until the later to occur of (1) the date which is the expiration date provided in such non-purchasing tenant's lease or rental agreement, and (2) the date which is three years after the date on which the plan is declared effective. Non-purchasing tenants who reside in dwelling units subject to government regulation as to rentals and continued occupancy prior to conversion shall continue to be subject thereto during the period of occupancy provided in this paragraph. Thereafter, if a tenant has not purchased, he may be removed by the owner of the dwelling unit or the shares allocated to such dwelling unit.

(iii) No eviction proceedings will be commenced, except as hereinafter provided, at any time against either eligible senior citizens or eligible disabled persons. The rentals of eligible senior citizens and eligible disabled persons who reside in dwelling units not subject to government regulation as to rentals and continued occupancy and eligible senior citizens and eligible disabled 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 been accepted for filing shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments during the period of their occupancy considering, in determining comparability, such factors as building services, level of maintenance and operating expenses; provided that such proceedings may be commenced against such tenants for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the owner or a similar breach by the tenant of his obligations to the owner of the dwelling unit or the shares allocated thereto.

(iv) Eligible senior citizens and eligible disabled persons who reside in dwelling units subject to government regulation as to rentals and continued occupancy shall continue to be subject thereto.

(v) The rights granted under the plan to eligible senior citizens and eligible disabled persons may not be abrogated or reduced notwithstanding any expiration of, or amendment to, this section.

(vi) Any offeror who disputes the election by a person to be an eligible senior citizen or an eligible disabled person must apply to the attorney general within thirty days after 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, issue his determination of eligibility. The foregoing shall, in the absence of fraud, be the sole method for determining a dispute as to whether a person is an eligible senior citizen or an eligible disabled 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 proceeding must be commenced within thirty days after such determination by the attorney general becomes final.

(vii) After the 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 accepted for filing, the offeror shall, on the thirtieth, sixtieth, eighty-eighth and ninetieth days after such date and at least once every thirty days until the plan is declared effective or abandoned, as the case may be, and on the second day before the expiration of any exclusive purchase period provided in a substantial amendment to the plan, (1) file with the attorney general a written statement, under oath, setting forth the percentage of bona fide tenants in

occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the attorney general who have executed and delivered written agreements to purchase under the plan as of the date of such statement, and (2) 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.

(viii) If the plan is amended before it is declared effective to provide that it shall be a non-eviction plan, any person who has agreed to purchase under the plan prior to such amendment shall have a period of thirty days after receiving written notice of such amendment to revoke his agreement to purchase under the plan.

(ix) The tenants in occupancy on the date the attorney general accepts the plan for filing shall have the exclusive right to purchase their dwelling units or the shares allocated thereto for ninety days after the plan is accepted for filing by the attorney general, during which time a tenant's dwelling unit shall not be shown to a third party unless he has, in writing, waived his right to purchase; subsequent to the expiration of such ninety day period, a tenant in occupancy of a dwelling unit who has not purchased shall be given the exclusive right for an additional period of six months from said expiration date to purchase said dwelling unit or the shares allocated thereto on the same terms and conditions as are contained in an executed contract to purchase said dwelling unit or shares entered into by a bona fide purchaser, such exclusive right to be exercisable within fifteen days from the date of mailing by registered mail of notice of the execution of a contract of sale together with a copy of said executed contract to said tenant.

(e) 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 to the department of law. "Excessive" shall mean a vacancy rate in excess of the greater of (i) ten percent and (ii) a percentage that is double the normal average vacancy rate for the building or group of buildings or development for two years prior to the January preceding the date the offering statement or prospectus was first submitted to the department of law.

(f) The attorney general finds that, following the submission of the offering statement or prospectus to the department of law, each tenant in the building or group of buildings or development was provided with a written notice stating that such offering statement or prospectus has been submitted to the department of law for filing. Such notice shall be accompanied by a copy of the offering statement or prospectus and a statement that the statements submitted pursuant

to subparagraph (vii) of paragraph (c) or subparagraph (vii) of paragraph (d) of this subdivision, whichever is applicable, 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 also be accompanied by a statement that tenants or their representatives may physically inspect the premises at any time subsequent to the submission of the plan to the department of law, during normal business hours, upon written request made by them to the offeror, provided such representatives are registered architects or professional engineers licensed to practice in the state of New York. Such notice shall be sent to each tenant in occupancy on the date the plan is first submitted to the department of law.

3. 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 development. 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 obligation of the managing agent to provide all such services and facilities until such time as the offeror surrenders control to the board of directors or board of managers.

4. It shall be unlawful for any person to engage in any course of conduct, including, but not limited to, interruption or discontinuance of essential services, which substantially interferes with or disturbs the comfort, repose, peace or quiet of any tenant in his use or occupancy of his dwelling unit or the facilities related thereto. 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 or from proceeding with the plan of conversion; provided that nothing contained herein shall be deemed to preclude the tenant from applying on his own behalf for similar relief.

5. Any local legislative body may adopt local laws and any agency, officer or public body may prescribe rules and regulations 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 in the event that any such local law, rule or regulation shall be inconsistent with the provisions of this section, the provisions of this section shall control.

6. 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.

7. The provisions of this section shall only be applicable in the city of New York.

APARTMENT:
SHARES:

Lessor,

TO

Lessee.

PROPRIETARY LEASE

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PROPRIETARY LEASE

PROPRIETARY LEASE made as of , 19 , by and between , having an office at New York, hereinafter called the Lessor, and

hereinafter called the Lessee.

WHEREAS, the Lessor is the owner, pursuant to an Offering Plan to convert to Cooperative Ownership (the "Offering Plan") of the land and the building erected thereon in the Borough of Manhattan, New York City, known as and by the street number 201 East 66th Street, New York, New York, hereinafter called the building; 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 designated below;

Demised Premises

Term

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 , 19 , (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.

Rent (Maintenance) How Fixed

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 Lessee 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 (herinafter 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.

Accompanying Shares to Be Specified in Proprietary Leases

(b) In every proprietary lease heretofore executed by the Lessor there has been specified, and in every proprietary lease hereafter executed by it there 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.

Until more than seventy-five (75%) percent of the shares of the Lessor are held by persons other than holders of Unsold Shares, or the second anniversary of the consummation of the Plan, whichever is sooner, the Board of Directors will not, without the consent of the holders of Unsold Shares, engage any employees in addition to those provided for in Schedule B set forth on page of the Plan; provide equipment or services in excess of those provided for in Schedule B, except as required by law; increase the annual management fee, building insurance, accounting fee or fidelity bond; refinance or increase the mortgage, prepay any interest or amortization on the mortgage or make a new mortgage (except as otherwise provided in the Plan); increase the Reserve for Contingencies set forth in Schedule B; or establish or accrue a reserve, working capital or operating fund, however designated for any purpose whatsoever; sell or lease the building; make any assessment for capital improvements, whether so designated on the books of the Lessor or not; spend any sums, for any purposes whatsoever, unless necessary to protect the health or safety of the occupants of the Building, other than those listed in Schedule B. Thereafter, as long as twenty-five (25%) percent or less of the shares of the Lessor are Unsold Shares, no assessment for capital improvements shall be made, unless the Reserve Fund is exhausted. The immediately preceding sentence will not be applicable after the third (3rd) anniversary of the Closing Date.

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.

(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". Paid-in Surplus

(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. Failure to Fix Cash Requirements

2. The Lessor shall at his 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 responsibilty 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, Damage to Apartment or Building

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.

Rent Abatement

(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 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 derémination 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

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.

Annual Report

6. Each proprietary lease shall be in the form of this lease, unless a variation of any lease is authorized by lessees owning at lease 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 75% 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 right to cancel the lease under the conditions set forth in Paragraph 35 be eliminated or impaired 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.

Changes in Terms and Conditions of Proprietary Leases

7. If the apartment includes a yard, terrace, balcony, or a portion of the roof adjoining a penthouse, the Lessee shall have and enjoy the exclusive use of the yard, 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 yard, 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 to access thereto for such installations and for the repair thereof. The Lessee shall keep the yard, 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 yard, terraces, balconies, or roof of the building without the prior written approval of the Lessor. No cooking shall be permitted in or on any yards, 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.

Penthouses, Terraces and Balconies

Where a terrace is located directly above a part of another apartment, there shall be no use on the terrace of bicycles, skates, playground or similar equipment. The Lessee of the apartment to which the terraces are appurtenant shall cover the terrace with "indoor-outdoor" carpeting or "astro-turf", or a similar material, within 10 days after entering into occupancy of the apartment, and he shall maintain the same and replace it when necessary.

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 installment 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 non-observance or violation of House Rules by any other lessee or person.

Use of Premises

14. The Lessee shall not, without 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.

Subletting

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 not proscribed by law or for no reason, to a subletting.

Assignment

16. (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

(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, except as provided in Paragraph 38 in this lease; 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 in 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 not proscribed by law 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.

Mortgage and/or Secured Interest in Shares and Lease

17. (a) The giving of a mortgage on and/or secured interest in this lease (and the appurtenant capital shares of the Lessor) to a lender shall not be a violation of this lease if (1) the same is given pursuant to provisions of the Offering Plan under which the Lessor acquired title to the building; or (2) the lender agrees that he shall not be entitled to have the shares transferred of record on the books of the Lessor, nor to vote such shares, nor to occupy or permit the occupancy by others of the apartment, nor to sell or tansfer such shares or this lease, without first obtaining the consent of the Lessor in accordance with and after complying with all of the provisions of Paragraph 14, 15 or 16, as the case may be; or (3) a written agreement is executed in accordance with the provisions of subparagraph (b) below.

(b) If the lender is a commercial bank or savings bank, a savings and loan association, trust company, or other recognized lending institution (hereinafter referred to as the Institutional Lender) the Lessor will, in connection with such borrowing, enter into an agreement with the Institutional Lender providing for the pledge of this lease (and the appurtenant shares of the Lessor) as security for the loan. The agreement shall be on the terms contained in a form of Recognition Agreement then being used by banks in New York City, and may contain such other provisions as the Institutional Lender and the Lessor, in their discretion, may agree to for the protection of their respective interests.

(c) No loan may exceed the maximum fixed by the Board of Directors of Lessor.

(d) The acceptance by Lessor of payments by a lender on account of rent or additional rent shall not constitute a waiver of any provisions of this Paragraph 17.

Repairs by the Lessee

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.

Odors and Noises

(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.

Equipment and Appliances

(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.

Rules and Regulations and Requirements of Mortgage

(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 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 purposes 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.

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. Mechanic's Lien

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 Waivers

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 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 certified mail, return receipt requested: 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 expenses (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 (i) 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 re-possess 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 Paragraph 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;

Lessee's 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 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; Termination of All Proprietary Leases

(h) If the building shall be destroyed or damaged and the shareholders shall decide not to repair or rebuild as provided in Paragraph 4; Destruction of Building

(i) If at any time the building or a substantial portion thereof shall be taken by condemnation proceedings. Condemnation

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 (f) 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 Lessor's Rights After Lessee's Default

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 (f) inclusive of Paragraph 31, the Lessee shall surrender to the Lessor the certificate for the shares of the Lessor 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 dispossessed by judgment or warrant of any court or judge. The word "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 (f) inclusive of Paragraph 31, 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 Plan 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.

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 payable 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.

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.

Disposition 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.

Unsold Shares

38. (a) The term "Unsold Shares" means and has exclusive reference to the shares of the Lessor which were issued to the Lessor's grantor(s) or purchasers produced by the Lessor's grantor(s) pursuant to the Offering Plan or Contract of Sale under which the Lessor acquired title to the building; and, all shares which are Unsold Shares retain their character as such (regardless of transfer) until (1) such shares become the property of a purchaser for bona fide occupancy (by himself or a member of his family) of the apartment to which such shares are allocated, or (2) the holder of such shares (or a member of his family) becomes a bona fide occupant of the apartment. This Paragraph 38 shall become inoperative as to this lease upon the occurrence of either of said events with respect to the Unsold Shares held by the Lessee named herein or his assignee.

Subletting Apartment and Assignment of Lease

(b) Neither the subletting of the apartment nor the assignment of this lease, by the Lessee who is the holder of the block of Unsold Shares allocated thereto, shall require the consent of the Directors or shareholders, as provided in Paragraphs 15 and 16.

Change in Form of Lease

(c) Without the Lessee's consent, no change in the form, terms or conditions of this proprietary lease, as permitted by Paragraph 6, shall (1) affect the rights of the Lessee who is the holder of the Unsold Shares accompanying this lease to sublet the apartment or to assign this lease, as provided in this paragraph, or (2) eliminate or modify any rights, privileges or obligations of such Lessee.

(d) The provisions of Paragraph 35 are not applicable to a Lessee who is the holder of the Unsold Shares accompanying this lease. However, on or after the fifth anniversary of the execution of this lease, if the Lessee is a holder of Unsold Shares

he may cancel this lease and surrender the appurtenant shares if at least 85% of the apartments in the building which are subject to proprietary leases are then owned by persons other than holders of Unsold Shares and if he pays to the Lessor a sum determined by multiplying the monthly maintenance in effect under this lease when the notice of cancellation is given by 24.

(e) No sum for legal or other expenses referred to in Paragraph 16(a)(iv) of this lease shall be due from a holder of Unsold Shares in connection with an assignment and transfer of such shares (and of this lease) or sublet of the apartment so long as the Unsold Shares retain their character as such.

(f) Anything contained in this lease to the contrary notwithstanding, the Lessor may not impose any limit on a loan which may be obtained by a purchaser from a holder of Unsold Shares.

Upon request, Lessor will promptly execute and deliver to a bank or other lender, a form of Recognition Agreement then being used by banks in New York City.

(g) If a holder of Unsold Shares is required, or desires, to file an application or other document with any agency administering any type of rent control (including the present rent stabilization law, or any amendments to such law or similar legislation), the Lessor shall cooperate in all respects, including the furnishing of information and access to and/or copies of all books, records and documents reasonably required in connection therewith, and the filing by, and in the name of, the Lessor of documents required to be filed by it in connection therewith. The holder of Unsold Shares will pay to the Lessor any expenses it incurs in complying with the foregoing.

(h) The Lessor shall furnish to the tenants of apartments to which Unsold Shares are allocated all services to which they are entitled under the Rent Regulations or Stabilization Code, or amendments thereto, or similar legislation, except services which the holder of Unsold Shares is required to furnish by his Proprietary Lease.

(i) If any provision of the Offering Plan grants any additional rights or privileges to holders of Unsold Shares, those provisions shall be deemed to be incorporated in this Lease and the holders of Unsold Shares shall be entitled to those rights and privileges as if those provisions were expressly set forth in this Lease.

(j) If there are any inconsistencies between this lease and the Offering Plan with respect to the rights, privileges or obligations of holders of Unsold Shares, the provisions of the Offering Plan shall control.

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.

Foreclosure—Receiver of Rents

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.

To Whom Covenants Apply

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 damages resulting from any act or omission of the parties in any way connected with this lease or the apartment.

Waiver of Trial by Jury

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.

Lessor's Additional Remedies

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

Lessee More Than One Person

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.

By _____
President
Secretary

_____ (L.S.)

_____ (L.S.)
Lessee.

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 ; 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 and shall not be permitted on the roof unless accompanied by a responsible adult.

(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 ex-

pressly 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 at the service entrance of the building and through the service elevator to the apartments when such elevator is in operation.

(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 naphathalene, 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 on 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.

BY-LAWS

OF

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 , N.Y. pursuant to an Offering Plan to Convert said premises to Cooperative Ownership (the "Offering Plan") dated

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 before the 1st day of May 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 to do so 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:* Except as provided in Article III, Section 2, 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.

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 as 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 five (5). 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.

*As long as one or more of the principals of Sponsor or the holder of Unsold Shares, as defined in the Offering Plan, continue to own five (5%) percent or more of the Shares of the Corporation, they will have the right to designate one (1) Director. In the event Sponsor and/or the holders of Unsold Shares cease to own at least 5% of the Shares, but continue to hold or own all or part of the wrap-around mortgage, such holder(s) or owner(s), collectively, shall have the right to designate one director of the Corporation.

So long as holders of Unsold Shares, as defined in the Offering Plan, continue to own five per cent or more of the shares of the Corporation, but less than a sufficient number of shares to elect a Director, they will have the right jointly to designate one Director.

Commencing with the annual meeting of shareholders which will be held after the second anniversary of the Closing Date, holders of Unsold Shares shall, if necessary, cast their votes so that shareholders other than holders of Unsold Shares shall constitute a majority of the Board of Directors.

Until more than 75% of the shares of the Corporation are held by persons other than holders of Unsold Shares, the Board of Directors will not, without the consent of the holders of Unsold Shares, increase the number, or change the type, of employees provided for in Schedule B of the Offering Plan; provide equipment or services in excess of those provided for in Schedule B, except as required by law; increase the annual management fee, building insurance, accounting fee or fidelity bond; refinance or increase the mortgage(s); prepay any interest or amortization on the mortgage(s); make a new mortgage; increase the reserve for contingencies set forth in Schedule B; sell or lease the building; make any assessment for capital improvements, whether so designated on the books of the Corporation or not; spend any sums, for any purposes whatsoever, other than those listed in Schedule B; or authorize any expenditure at a meeting unless directors designated by the holders of Unsold Shares have been notified of the meeting in accordance with the provisions of the by-laws.

If there are any inconsistencies between these By-laws and the Offering Plan with respect to the rights of holders of Unsold Shares, the provisions of the Offering Plan shall control.

If any provision of the Offering Plan grants any additional rights or privileges to holders of Unsold Shares, those provisions shall be deemed to be incorporated in these By-laws and the holders of Unsold Shares shall be entitled to those rights and privileges as if those provisions were expressly set forth in these By-Laws.

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 Directors shall 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 with 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 times 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 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

other officers need be a member of the Board of Directors or a shareholder or the spouse of a shareholder. One person 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 from 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 the president 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 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 or 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.

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.

No person to whom the interest of a lessee or shareholder shall pass by law, shall be entitled to assign any lease, transfer any shares, 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 or sublet. No fee or service fee shall be fixed for payment by a holder of Unsold Shares.

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— A: (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 any 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.

Holders of Unsold Shares, and purchasers from them, shall have the rights set forth in the Offering Plan to change, subdivide or combine apartments.

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 connection 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 agreements 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 issued to such defaulting shareholder, and thereupon 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 stating substantially that:

> The rights of any holder hereof are subject to the provisions of the By-Laws of the Corporation, and to all the terms, covenants and conditions of the

proprietary lease of the person in whose name the share certificate is issued, which limits and restricts the title and rights of any transferee of the share certificate. The shares represented by the 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 Corporation.

The directors of the Corporation may refuse to consent to the transfer of the shares represented by the certificate until any indebtedness of the shareholder to the Corporation is paid. The Corporation, by the terms of the By-laws and proprietary lease, has a first lien on the shares represented by the 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 Corporation 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 or 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 the 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/Accounting Practices

Section 1. The fiscal year of the Corporation shall be the calendar year unless otherwise determined by resolution of the Board of Directors.

Section 2. The Corporation shall maintain its records on the basis of the accrual method of accounting until such time as the Board of Directors may otherwise determine.

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.

ARTICLE XII

Amendments

Section 1. These By-laws may be amended, enlarged or diminished either (a) at any shareholders' meeting by a vote of shareholders owning two-thirds of the amount of the outstanding shares, represented in person or by proxy, provided that the proposed amendment or the substance thereof shall have been inserted in the notice of meeting or that all of the shareholders be present in person or by proxy, or (b) at any meeting of the Board of Directors by a majority vote, provided that the proposed amendment or the substance thereof shall have been inserted in the notice of meeting or that all of the Directors are present in person, except that the Directors may not repeal a By-law amendment adopted by the shareholders as provided above.

No change in the By-laws shall eliminate or change any rights, privileges or obligations of holders of Unsold Shares as set forth in the Offering Plan, the Proprietary Lease or these By-laws.

ARTICLE XIII

Inconsistencies with Offering Plan

Section 1. If there are any inconsistencies between any provision of the Offering Plan and of these By-Laws, then the provision of Plan shall govern.

MUSS & MUSS
ATTORNEYS AT LAW
118-35 Queens Boulevard
Forest Hills, New York 11375

(212) 263-3800

March 23, 1982

Mid-Forest Co.
108-18 Queens Boulevard
Forest Hills, New York 11375

Re: Offering Plan of Cooperative Organization
for 109-23 71st Road, Forest Hills, New York

Gentlemen:

You have requested our opinion as to whether 10923 Owners Corp. (hereinafter the "Apartment Corporation"), organized under the laws of the State of New York on March , 1982, pursuant to an Offering Plan to Convert to Cooperative Ownership Premises at 109-23 71st Road, Forest Hills, New York (hereinafter the "Plan"), dated , promulgated by you (hereinafter the "Sponsor"), will qualify as a cooperative housing corporation for federal, New York State and New York City income tax purposes after consummation of the Plan. You have advised us of your intention to incorporate our opinion in the Plan.

We are familiar with the Certificate of Incorporation and By-Laws of the Apartment Corporation, the Plan and the Contract of Sale dated March , 1982, under which the Sponsor agreed to sell to the Apartment Corporation all of its right, title and interest in the Property (as that term is used in the Plan).

J.I. Sopher & Co., Inc., a corporation engaged in the management of residential property in the New York City area, has given its opinion that the price of the block of shares allocated to each apartment in the Building (as that term is used in the Plan) is not less than an amount that bears a reasonable relationship to the portion of the value of the Apartment Corporation's equity in the Property attributable to such apartment, as determined on the date of presentation of

the Plan. It is assumed that on the date the Plan is consummated, J.I. Sopher & Co., Inc. will deliver an opinion that the price of the block of shares allocated to each apartment in the Building is not less than an amount that bears a reasonable relationship to the portion of the value of the Apartment Corporation's equity in the Property attributable to such apartment, as determined on the date the Plan is consummated. The Plan provides that there will be no change in the price of any block of shares unless, in the opinion of a real estate agent or broker, the reasonable relationship of the price, as determined on the date the change is made, is preserved.

Pursuant to the By-Laws of the Apartment Corporation, each shareholder will be entitled to occupy an apartment for residential purposes by reason of his ownership of stock in the Apartment Corporation. The shares in the Apartment Corporation which have not been purchased and paid for by the date of closing will be purchased by the Sponsor or an individual designee of the Sponsor which will have the right to possess and will enter into proprietary leases for the apartments for which such shares are allocated.

The Apartment Corporation can only qualify as a cooperative housing corporation if it meets certain requirements. One of these requirements is that the Apartment Corporation derive eighty (80%) per cent or more of its gross income for the taxable year from tenant-stockholders. A "tenant-Stockholder" is generally defined as an individual, who is a shareholder in the Apartment Corporation and whose shares are fully paid-up in an amount not less than an amount bearing a reasonable relationship to the portion of the value of the Apartment Corporation's equity in the Property which is attributable to the apartment which such individual is entitled to occupy.

J.I. Sopher & Co., Inc. has given its further opinion that at least eighty (80%) per cent of the gross income of the Apartment Corporation during the first year of cooperative ownership will be derived from tenant-shareholders.

All parties purchasing shares in the Apartment Corporation, other than Unsold Shares (as that term is defined in the Plan), will be required to execute a Subscription

Agreement. In the Subscription Agreement, a purchaser must represent and warrant that he is a "person" and is purchasing the shares for his personal occupancy. If in fact the purchaser, in violation of his warranty, is really purchasing the shares on behalf of an entity that is not an individual (for example, a corporation), then such purchaser may not qualify as a tenant-stockholder.

Under an exception to the general definition, a sponsor under a cooperative housing corporation offering plan, even if not an individual, will still be treated as a "tenant-stockholder" for a three-year period from the date of purchase of any stock of the Apartment Corporation. Therefore, the Sponsor should initially qualify as a tenant-stockholder as to any Unsold Shares of the Apartment Corporation purchased on the date of closing. Under the Plan, any Unsold Shares acquired by the Sponsor on the date of closing must be transferred to individuals within three (3) years following the Sponsor's date of acquisition of the Unsold Shares.

Since the Sponsor should qualify as a tenant-stockholder with respect to all Unsold Shares held by it for three (3) years beginning on the date of closing, any rental payments, with respect to the apartments allocated to the Unsold Shares, received by the Apartment Corporation from the Sponsor during the three-year period should qualify as income from tenant-stockholders. Any rental payments received by the Apartment Corporation from the Sponsor after the three-year period will not qualify as income from tenant-stockholders. However, as stated above, the Sponsor is required under the Plan to transfer all Unsold Shares to individuals within three (3) years following the date of closing.

The Apartment Corporation will take title to the Property subject to a certain unexpired office lease on the basement level of the Building. Rental income received by the Apartment Corporation under this lease will not qualify as gross income derived from tenant-stockholders. However, based upon the estimate of income and expenses set forth in the Plan for the first year of operation as a cooperative housing corporation (which estimate we have not independently verified), and on the aforementioned opinion of J.I. Sopher & Co., Inc., we believe that the eighty (80%) per cent test will be met for the first year of cooperative ownership.

If the Apartment Corporation is to qualify as a cooperative housing corporation, each stockholder of the Apartment Corporation, solely by reason of his stock ownership, must be entitled to occupy, for dwelling purposes, an apartment in the Building. Section 216(b)(1)(B) of the Internal Revenue Code of 1954, as amended (the "Code"). The stockholder need not actually occupy the apartment, and need only have a right to occupy the premises as against the Apartment Corporation. Treas. Reg. § 1.216-1(d)(2). As previously explained, pursuant to the By-Laws of the Apartment Corporation, each stockholder will be entitled to occupy an apartment for residential purposes by reason of his ownership of stock in the Apartment Corporation. It should be noted that, under New York law, a purchaser of an occupied apartment (as that term is used in the Plan) may not be entitled to immediate occupancy of the aprtment to which his shares have been allocated. Nevertheless, stockholders of occupied apartments will have the right to occupy their apartments as against the Apartment Corporation, and therefore we believe that the requirement that all stockholders be entitled to occupy their apartments for dwelling purposes will be met. Cf. Rev. Rul. 66-341, 1966-2 C.B. 101; Rev. Rul. 80-299, 1980-45 IRB 5.

On the basis of our examination, the above discussion, and the opinions of J.I. Sopher & Co., Inc. set forth above (and without passing on the validity and without independent investigation thereof), it is our opinion that under present laws and regulations:

In any taxable year in which eighty (80%) per cent or more of the gross income of the Apartment Corporation is derived from tenant-stockholders, the Apartment Corporation will qualify as a cooperative housing corporation for such year within the meaning of Section 216 of the Code, and each tenant-stockholder will be entitled to deduct for federal, New York State and New York City income tax purposes, his proportionate share of

(1) real estate taxes allowable as a deduction to the Apartment Corporation which are incurred by the Apartment Corporation (before the close of the taxable year of such tenant-stockholder) on the Property; and

(2) interest allowable as a deduction to the Apartment Corporation which is incurred by the Apartment Corporation (before the close of the taxable year of such tenant-stockholder) on mortgages which encumber the Property and which were incurred to acquire, maintain or improve the Property

to the extent that such tenant-stockholder has paid during his taxable year to the Apartment Corporation amounts representing such proportionate shares of taxes and interest incurred by the Apartment Corporation. We would note that if such deductions for real estate taxes and interest, when added to other itemized deductions (with certain exceptions), exceed certain prescribed limitations of the tenant-stockholder's adjusted gross income, such excess constitutes a tax preference item that is subject to a minimum tax for federal, state and city income tax purposes.

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

Very truly yours,

MUSS & MUSS

By: _____
Michael F. Seidenwar