

October 3, 2012

TRANSACTION MEMO

Re: The Purchase of 538 East 89th Street

This letter is to serve as a memorandum formally outlining the terms and conditions upon which the owner(s) of the above referenced premises are prepared to send out a contract to you. Please bear in mind that no offer shall be deemed "acceptable" unless and until such time as a contract of sale is executed, the contract deposit is received, and a countersigned copy of the contract is returned to you. Notwithstanding this fact, below is a summary of the terms and conditions upon which a contract will be sent out:

Price & Terms:	<input type="checkbox"/> \$5,850,000
Additional Terms:	<input type="checkbox"/> All due diligence to be performed prior to contract signing <input type="checkbox"/> Buyer to assume existing mortgage (1% assumption fee)
Contract Deposit:	<input type="checkbox"/> \$10% at Contract Signing
Contract Execution:	<input type="checkbox"/> ASAP
Closing Period:	<input type="checkbox"/> To take place end of December 2012
Brokerage Fee:	<input type="checkbox"/> Seller to pay brokerage fee to Marcus & Millichap per separate agreement

Purchaser	Seller	Broker
Claude Simon (separate entity to be formed)	Hugh Smyser (separate entities per property)	Peter Von Der Ahe First Vice President Investments Phone: 212.430.5114 Email:pvonderahe@mmreis.com
Attorney for Purchaser	Attorney for Seller	Scott Edelstein Vice President Investments Phone: 212.430.5137 Email:sedelstein@mmreis.com
Darryl Vernon Vernon & Ginsburg 261 Madison Avenue New York, NY 10016-2303 Phone: 212.949.7300 Fax: 212.697.4432 Email: dvernon@vernonginsburg.com	Stanley Kupfer, Esq. 5422 16th Avenue 1st Floor Brooklyn, NY 11204 Phone: 718.435.1001 Mobile: 347.231.4162 Email:skupfer@usa.net	

If you have any questions about this memorandum, please contact us.

Respectfully,
Peter Von Der Ahe