
TENTH AMENDMENT

TO

OFFERING PLAN OF

COOPERATIVE CONVERSION OF

PREMISES KNOWN AS

**121-123 East 88th Street
New York, New York**

Dated: August 6, 1992

File No. C850134

THIS AMENDMENT MODIFIES AND SUPPLEMENTS THE TERMS OF THE ORIGINAL OFFERING PLAN DATED JANUARY 2, 1986 AND THE NINE PRIOR AMENDMENTS THERETO, AND SHOULD BE READ IN CONJUNCTION WITH SAID PLAN AND PRIOR AMENDMENTS.

121-123 East 88th Street
New York, New York

Holder of Unsold Shares:
Aval Company

Apartment Corporation:
121-123 East 88th Street Apartments, Inc.

**TENTH AMENDMENT TO OFFERING PLAN
OF COOPERATIVE OWNERSHIP**

This amendment modifies and supplements the terms of the offering plan dated January 2, 1986 and the nine prior amendments thereto and should be read in conjunction with said offering plan and prior amendments. The offering plan and prior amendments are hereinafter collectively called the "Plan".

The terms of this Tenth Amendment are as follows:

1. **List of Unsold Apartments**

A list of Unsold Apartments together with the share allocation of each is set forth as Exhibit A hereto. The current price for all Unsold Apartments is negotiable and subject to change in accordance with the terms of the Plan. The Unsold Apartments are owned by the Holder of Unsold Shares free and clear and are not pledged as collateral to secure any debt.

2. **Monthly Maintenance Charges and Monthly Rental Receipts for Unsold Apartments**

Set forth as Exhibit B hereto is a chart which lists the aggregate number of occupied Unsold Apartments, vacant Unsold Apartments and total Unsold Apartments, including, for each category, the number Unsold Shares, the monthly maintenance charges payable and approximately monthly rents receivable, all as of July 1, 1992. The aggregate monthly maintenance charges for the Unsold Apartments is \$8,142.09. The aggregate monthly rental income for the Unsold Apartments is \$8,606.46.

3. **Other Financial Obligations of the Holder of Unsold Shares Under the Plan**

Except for the payment of maintenance charges on the Unsold Apartments, the Holder of Unsold Shares has no remaining financial obligations to the Apartment Corporation under the Plan.

4. Sources of Payment for Financial Obligations by Holder of Unsold Shares

The Holder of Unsold Shares is paying its financial obligations to the Apartment Corporation from a combination of rental receipts, reserves from the sale of Unsold Apartments and its other capital reserves. As of July 1, 1992, the Holder of Unsold Shares was current on all its financial obligations to the Apartment Corporation and has been current for the 12 months preceding the filing of this Amendment.

5. Status of Financial Obligations Under Offering Plans In Which the Holder of Unsold Shares' Principals Own More Than Ten Percent of the Shares or Units

Set forth as Exhibit C hereto is a list of other buildings subject to offering plans in which the Holder of Unsold Shares' respective principals are also principals in a sponsoring entity which owns more than 10% of the shares or units. Copies of the offering plans for these buildings are on file with the Department of Law and are available for public inspection. The respective sponsors of each of the other offerings listed on Exhibit C are current on their financial obligations to the cooperative, condominium or homeowners association, as the case may be.

6. Board of Directors

The current members of the Board of Directors are:

Diane Kelder and Jeffrey R. Grayzel, both elected by the tenant-shareholders; Ed Cohen, Kamran Hakim and Mirtha Aguirre, all elected by the Holder of Unsold Shares. The Holder of Unsold Shares will lose control of the Board of Directors at the next annual election.

7. 1991 Financial Statement and 1992 Budget

Set forth as Exhibit D hereto is a copy of the 1991 certified financial statement for the Apartment Corporation prepared by Yohalem Gillman & Company and the 1992 proposed budget.

8. Escrow Account

The disclosure contained in this amendment replaces and supercedes the former section of the Plan dealing with the placing of downpayments in escrow. All downpayments being held in escrow under contracts of sale from the Holder of Unsold Shares will be placed in or transferred to an account in conformity with the disclosure contained in this amendment.

The Holder of Unsold Shares will comply with the escrow and trust fund requirements of General Business Law Sections 352-e(2-b) and 352-h and the Attorney General's regulations promulgated pursuant thereto.

Any provision of any contract or agreement, whether oral or in writing, by which a purchaser purports to waive or indemnify any obligation of the escrow agent holding trust funds is absolutely void.

The provisions of the Attorney General's regulations concerning escrow/trust funds shall prevail over any conflicting or inconsistent provision in the Offering Plan or in a contract of sale. Purchasers shall not be obligated to pay any legal or other expense of the Holder of Unsold Shares 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 will be placed, within five business days after the contract of sale is signed by all necessary parties, in a segregated special escrow account of Snow Becker Krauss P.C., the escrow agent, whose address is 605 Third Avenue, New York, New York and whose telephone number is (212) 687-3860. The signatories on this account authorized to withdraw funds are Marc J. Luxemberg and Mark Borten, members of Snow Becker Krauss P.C. and Cindy S. Birnbaum, an attorney employed by the firm.

The name of the account is Aval Company IOLA Escrow Account, located in Chase Manhattan Bank at 60 East 42nd Street, New York, New York. This bank is covered by federal bank deposit insurance to a maximum of \$100,000 per individual deposit.

The account will be an interest-bearing IOLA account. Pursuant to New York State law, the interest income is deposited into an Interest On Lawyers Account Fund which New York State uses to provide additional funds for civil legal services programs and programs for the administration of justice. As of July 1, 1992, the interest rate on the escrow account was two (2%) percent. In no event will a purchaser be entitled to the interest income earned on this IOLA account.

All instruments shall be made payable to or endorsed to the order of Aval Company IOLA Escrow Account.

Within ten business days after tender of the deposit submitted with the contract of sale, the escrow agent will notify the purchaser that such funds have been deposited into the escrow account and will provide the account number. If the purchaser does not receive notice of such deposit within fifteen business days after tender of the deposit, the purchaser may cancel the contract of sale and rescind so long as the right to rescind is exercised within ninety days after tender of the deposit. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were timely deposited and requisite notice was timely mailed to the purchaser in conformity with the Attorney General's regulations.

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

- (i) a writing signed by both Holder of Unsold Shares and purchaser; or
- (ii) a determination of the Attorney General pursuant to the dispute resolution procedures contained in the Attorney General's regulations; or
- (iii) judgment or order of a court of competent jurisdiction.

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

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

- (i) a purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan or an amendment to the Plan; or
- (ii) a purchaser who timely cancels the Contract of Sale in accordance with its terms (i.e. mortgage contingency provisions).

Purchasers and the escrow agent may apply to the Attorney General in the event of a dispute for a determination on the disposition of the downpayment. The Holder of Unsold Shares must avail itself of this procedure if there is a dispute which needs to be resolved. A form for this purpose is attached as Exhibit E 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 Holder of Unsold Shares, the purchaser and the escrow agent shall abide by any interim directive issued by the Attorney General.

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

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

9. Contract of Sale for Unsold Apartments

The form of contract of sale for the Unsold Apartments is set forth as Exhibit G hereto. The terms of the contract of sale are negotiable to the extent permitted by law and the regulations of the Department of Law. The Holder of Unsold Shares may, but is not obligated to, make any individual contract of sale subject to the purchaser receiving a commitment from a lending institution for financing.

10. Effective Period for Using Plan is Extended

The Plan may be used for twelve (12) months from the date this Amendment is duly accepted for filing and thereafter said period is to be extended by a further amendment to the Plan.

11. Incorporation of Plan

The Plan, as modified and supplemented hereby, is incorporated herein by reference with the same effect as if set forth at length.

11. Definitions

All terms used in this Tenth Amendment not otherwise defined herein shall have the same meaning ascribed to them in the Plan.

12. No Material Changes

Except as set forth in this Tenth Amendment, there have been no material changes in the Plan.

Dated: New York, New York
August 6, 1992

Holder of Unsold Shares:
Aval Company

Apartment Corporation:
121-123 East 88th Street Apartments,

Inc.

(2964C)

EXHIBIT C

**Other Offering Plans in Which the Holder of Unsold Shares'
Principals are Also Principals in a Sponsoring Entity
which Owns More Than 10% of the Units or Shares**

Offering Plan of Cooperative or
Condominium Ownership of Premises

Holder of Unsold Shares' Principals

6485/6495 Broadway
Bronx, New York

Edward Cohen

531 East 88th Street
New York, New York

Kamran Hakim

(2964C)

EXHIBIT A

AVAL COMPANY
 Unsold Units - 121/123 E. 88th Street Apts., Inc.

	<u>Number of Shares</u>	<u>Monthly Maintenance</u>
<u>121 East 88th Street</u>		
1A	250	\$ 376.25
1B	310	466.55
1C	230	346.15
2B	315	474.08
2C	330	496.65
3C	325	489.13
4B	305	459.03
4C	320	481.60
<u>123 East 88th Street</u>		
1C	315	474.08
2A	300	451.50
2B	305	459.03
3A	295	443.98
3B	300	451.50
3C	315	474.08
4A	290	436.45
4C	310	466.55
5B	290	436.45
5C	305	459.03
		<u>\$8,142.09</u>

(2791C)

EXHIBIT B

**Unsold Apartments
Financial Obligation Chart
as of July 1, 1992**

	<u>Occupied</u>	<u>Vacant</u>	<u>Total</u>
Unsold Apartments:	18	0	18
Unsold Shares:	5,410	0	5,410
Monthly Maintenance Charges Payable:	\$8,142.09	\$0	\$8,142.09
Approximated Rental Income Receivable:	\$8,606.46	\$0	\$8,606.46
Net Monthly Income (Loss):	\$464.37	\$0	\$464.37

(2964C)

121-123 East 88th Street Apartments, Inc.

PROPOSED BUDGET

1992

MAINTENANCE INCOME:

8760 Shares @ \$18.06 per share

158,206

EXPENSES:

Real Estate Taxes	\$44,000
Insurance	6,000
Water & Sewer	7,000
Gas & Electric	16,000
Management	6,600
Mortgage payments	49,500
Repairs, Supplies & Contracts	14,600
Legal & Audit	7,000
Franchise Taxes	1,500
Labor & Related costs	6,000

TOTAL EXPENSES

158,200

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EXHIBIT D

121-123 EAST 88TH STREET
APARTMENTS, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 1991 AND 1990

YOHALEM GILLMAN & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

477 MADISON AVENUE, NEW YORK, NY 10022

(212) 371-2100

Report of Independent Certified Public Accountants

Shareholders

121-123 East 88th Street Apartments, Inc.

We have audited the accompanying balance sheets of 121-123 East 88th Street Apartments, Inc. as of December 31, 1991 and 1990 and the related statements of loss and accumulated deficit and cash flows for the years then ended. These financial statements are the responsibility of the Corporation'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 121-123 East 88th Street Apartments, Inc. 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.

Yohalem Gillman & Company

New York, New York
March 13, 1992

121-123 EAST 88TH STREET APARTMENTS, INC.

BALANCE SHEETS
DECEMBER 31, 1991 AND 1990

ASSETS

	<u>1991</u>	<u>1990</u>
Property, at cost		
Land	\$ 277,937	\$ 277,937
Building and improvements	<u>627,406</u>	<u>627,406</u>
	905,343	905,343
Less accumulated depreciation	<u>172,073</u>	<u>134,171</u>
	<u>733,270</u>	<u>771,172</u>
Other assets		
Cash and cash equivalents	19,262	14,926
Maintenance receivable	16,058	9,558
Escrow deposits	3,630	6,721
Prepaid expenses	15,953	14,039
Security deposits and other assets	--	3,370
Due from sponsor	<u>496</u>	<u>496</u>
	<u>55,399</u>	<u>49,110</u>
	<u>\$ 788,669</u>	<u>\$ 820,282</u>

LIABILITIES AND SHAREHOLDERS' EQUITY

Mortgage note payable	\$ <u>550,000</u>	\$ <u>550,000</u>
Other liabilities		
Accounts payable and accrued expenses	<u>3,958</u>	<u>2,394</u>
Shareholders' equity		
Common stock, \$1 par value; 8,760 shares authorized, issued and outstanding	8,760	8,760
Additional paid-in capital	349,510	349,510
Accumulated deficit	<u>(123,559)</u>	<u>(90,382)</u>
Total shareholders' equity	<u>234,711</u>	<u>267,888</u>
	<u>\$ 788,669</u>	<u>\$ 820,282</u>

See accompanying notes.

121-123 EAST 88TH STREET APARTMENTS, INC.
 STATEMENTS OF LOSS AND ACCUMULATED DEFICIT
 YEARS ENDED DECEMBER 31, 1991 AND 1990

	<u>1991</u>	<u>1990</u>
Revenue		
Maintenance income from tenant/shareholders	\$ 154,789	\$ 146,116
Special assessment	<u>4,380</u>	<u>4,380</u>
	<u>159,169</u>	<u>150,496</u>
 Costs and expenses		
Fixed costs and other charges	105,118	97,635
Operating	34,838	32,147
General and administrative	<u>17,123</u>	<u>15,283</u>
	<u>157,079</u>	<u>145,065</u>
 Income before depreciation	2,090	5,431
 Depreciation	<u>37,902</u>	<u>37,841</u>
 Loss from operations before other income	(35,812)	(32,410)
 Other income	<u>2,635</u>	<u>1,105</u>
 Net loss	(33,177)	(31,305)
 Accumulated deficit - beginning of year	<u>(90,382)</u>	<u>(59,077)</u>
 Accumulated deficit - end of year	<u>\$ (123,559)</u>	<u>\$ (90,382)</u>

See accompanying notes.

121-123 EAST 88TH STREET APARTMENTS, INC.
 STATEMENTS OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 1991 AND 1990

	<u>1991</u>	<u>1990</u>
Cash flows from operating activities		
Net loss	\$ (33,177)	\$ (31,305)
Adjustments to reconcile net loss to net cash provided by operating activities		
Depreciation	37,902	37,841
Increase in maintenance receivable	(6,500)	(2,053)
Decrease in escrow deposits	3,091	12,216
Increase in prepaid expenses	(1,914)	(8,578)
Increase in due from sponsor	--	(496)
Increase (decrease) in accounts payable and accrued expenses	1,564	(3,557)
Decrease in due to sponsor	--	(4,038)
Decrease in security deposits and other assets	<u>3,370</u>	<u>159</u>
	<u>37,513</u>	<u>31,494</u>
Net cash provided by operating activities	<u>4,336</u>	<u>189</u>
 Cash flows from investing activities		
Additions to property	<u>--</u>	<u>(9,200)</u>
Increase (decrease) in cash and cash equivalents	4,336	(9,011)
Cash and cash equivalents - beginning of year	<u>14,926</u>	<u>23,937</u>
Cash and cash equivalents - end of year	<u>\$ 19,262</u>	<u>\$ 14,926</u>
 Supplemental Disclosure of Cash Flow Information		
Cash paid during the year for		
Interest	\$ 49,500	\$ 49,500
Income taxes	1,060	2,313

See accompanying notes.

121-123 EAST 88TH STREET APARTMENTS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1991 AND 1990

Note 1 - Organization

121-123 East 88th Street Apartments, Inc. commenced operations as a cooperative housing corporation in March 1986. The Corporation owns and operates the building located at 121-123 East 88th Street, New York, New York. The building consists of 29 residential apartments of which 18 are currently owned by the sponsor.

Note 2 - Summary of Significant Accounting Policies

Property and Depreciation

Property is recorded and carried at cost less an appropriate allowance for depreciation. Property transferred to the Corporation was recorded at the transferor's adjusted basis in accordance with Section 351 of the Internal Revenue Code (IRC). Expenditures for betterments and renewals are capitalized. Expenditures for repairs and maintenance are charged to expense as incurred. Upon retirement or disposition of depreciable property, the cost and related accumulated depreciation are removed from the accounts and any gain or loss is recognized in income. Depreciation is computed by the straight-line method over the useful life of the property.

Income Taxes

The Corporation is subject to federal income tax on income derived from non-tenant/shareholder sources under IRC Section 277.

The Internal Revenue Service permits net operating losses which have not been applied to be carried forward to future years for the purpose of reducing taxes on those years. The Corporation has net operating loss carryforwards of approximately \$123,000, which expire through the year 2006.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Corporation considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Transfer Fees

The Corporation receives an \$8 per share special transfer fee for each apartment resold and such amounts are treated as capital contributions to the reserve fund.

121-123 EAST 88TH STREET APARTMENTS, INC.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 1991 AND 1990

Note 3 - Escrow Deposits

Under the terms of the mortgage, the Corporation is required to deposit each month with the mortgagee an amount equal to 1/12th of the annual real estate taxes and water and sewer charges. The Corporation is currently depositing \$3,821 monthly.

Note 4 - Mortgage Note Payable

The mortgage note of \$550,000 is payable to the sponsor and provides for monthly payments, interest only, at the rate of 9 percent per annum through June 30, 1992. Commencing July 1, 1992, the annual interest rate shall increase to the greater of 9 percent or 2-1/2 percentage points above the then Federal Home Loan Bank five-year advance rate. The entire unpaid principal balance is due on June 9, 1997.

Note 5 - Related Party Transactions

For the years ended December 31, 1991 and 1990, an affiliate of the sponsor was retained by the Corporation to manage the building and was paid management fees of \$5,400 and \$3,000, respectively. Fixed costs and other charges include \$49,500 during both 1991 and 1990 for interest paid to the sponsor.

At December 31, 1991 and 1990, maintenance receivable attributable to the sponsor was \$16,014 and \$8,872, respectively. For the years ended December 31, 1991 and 1990, maintenance income attributable to the sponsor was \$96,081 and \$90,693, respectively.

Note 6 - Future Major Repairs and Replacements

The Co-op board (the Board) has not conducted a study to determine the remaining useful lives of the components of common property and current estimates of major repairs and replacements that may be required in the future.

During November 1990, a special assessment billing of \$1 per share was levied by the Board. This assessment, which will be used for improvements and repairs to the building, was billed in two equal installments, one in December 1990 and one in January 1991. The sponsor's portion of this special assessment was \$2,719 for both years.

When replacement funds are needed to meet future needs for major repairs and replacements, the Board has the right to increase regular assessments, pass additional special assessments, or delay major repairs and replacements until needed funds are available. The effect on future assessments has not been determined at this time.

YOHALEM GILLMAN & COMPANY

Report of Independent Certified Public Accountants
on Supplemental Information

Shareholders
121-123 East 88th Street Apartments, Inc.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole of 121-123 East 88th Street Apartments, Inc. for the years ended December 31, 1991 and 1990 which are presented in the preceding section of this report. The supplemental information presented hereinafter is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the audit procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Yohalem Gillman & Company

New York, New York
March 13, 1992

121-123 EAST 88TH STREET APARTMENTS, INC.
 SUPPORTING SCHEDULES
 YEARS ENDED DECEMBER 31, 1991 AND 1990

	<u>1991</u>	<u>1990</u>
Fixed costs and charges		
Interest	\$ 49,500	\$ 49,500
Real estate taxes	42,537	36,606
Water and sewer	6,954	6,366
Insurance	<u>6,127</u>	<u>5,163</u>
Total	<u>\$ 105,118</u>	<u>\$ 97,635</u>
Operating expenses		
Fuel and utilities	\$ 14,248	\$ 15,857
Payroll taxes and fringes	5,594	4,306
Supplies	3,114	478
Repairs and maintenance	<u>11,882</u>	<u>11,506</u>
Total	<u>\$ 34,838</u>	<u>\$ 32,147</u>
General and administrative		
Professional fees	\$ 9,297	\$ 8,214
Management fees	5,400	3,000
State and local taxes	1,596	2,271
Miscellaneous	<u>830</u>	<u>1,798</u>
Total	<u>\$ 17,123</u>	<u>\$ 15,283</u>

EXHIBIT E

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

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

Re: _____
Address of Building or
Name of Project

File Number: _____

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

1. Name _____
of Applicant

2. Address _____
of Applicant

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

4. This is an application for
[] return of downpayment.
[] forfeiture of downpayment.
[] other: _____

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

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

[] other: _____

7. Name and Address
of Sponsor: _____

8. Name and Address
of Escrow Agent: _____

9. If downpayments are maintained in an escrow account:
(a) Name of account _____
(b) Name and address
of bank _____
(c) Account number (if known) _____
(d) Initial interest rate (if known) _____

10. If downpayments have been secured by bonds:
(a) Name and address of
bond issuer or surety: _____

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

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

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

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

12. Plan information:

(a) Date of filing of plan: _____

(b) Plan
 has been declared effective. Approximate date: _____

has not been declared effective.

(c) If effective, the plan

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

has not closed.

don't know.

(d) Downpayments are secured by

escrow account.

bonds.

letter of credit.

13. Contract information:

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

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

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

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

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

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

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

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

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

Signature: _____ Date: _____

Name (Printed): _____

Telephone: (Home) _____ (Business) _____

Mailing Address: _____

EXHIBIT F

Agreement made this 24th day of July, 1992, between Aval Company ("HOLDER OF UNSOLD SHARES"), the holder of unsold shares under the offering plan and Snow Becker Krauss P.C. ("ESCROW AGENT"), the escrow agent.

WHEREAS, Aval Company is the holder of unsold shares under an offering plan to convert to cooperative ownership the premises located at 121-123 East 88th Street, New York, New York; and

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

WHEREAS, the HOLDER OF UNSOLD SHARES desires that ESCROW AGENT act as escrow agent for deposits and payments by purchasers, 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 The HOLDER OF UNSOLD SHARES and ESCROW AGENT hereby establish an escrow account with ESCROW AGENT for the purpose of holding deposits or payments made by purchasers. The escrow account has been opened with Chase Manhattan Bank at its branch located at 60 East 42nd Street, New York, New York.

The account number is 195-1-128378.

1.2 The name of the account is Aval Company IOLA Escrow Account.

1.3 One of the following signatures of attorneys employed with Escrow Agent shall be required to draw funds from the escrow account: Marc J. Luxemburg, Cindy Birnbaum or Mark Borten.

1.4 The escrow account shall be an interest-bearing IOLA account established pursuant to Judiciary Law Section 497, as disclosed in the offering plan.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1 All funds received from prospective purchasers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited in the escrow account. All instruments to be deposited into the escrow account shall be made payable to, or endorsed by the purchaser to the order of Aval Company IOLA Escrow Account. 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 promptly, but in no event more than five business days following receipt of such instrument by ESCROW AGENT. In the event of such return of funds, the instrument shall be deemed not to have been delivered to ESCROW Agent pursuant to the terms of this Agreement.

- 2.2 Within ten (10) business days after tender of the deposit submitted with the contract of sale, ESCROW AGENT shall notify the purchaser of the deposit of such funds in the bank indicated in the offering plan and provide the account number. If the purchaser does not receive notification of such deposit within fifteen (15) business days after tender of the deposit, the purchaser may cancel the contract of sale 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 these regulations and requisite notice was timely mailed to the purchaser.

3. RELEASE OF FUNDS.

- 3.1 ESCROW AGENT shall not release the escrowed funds of a defaulting purchaser until after the time period for the purchaser to cure a default under the contract of sale has expired.
- 3.2 ESCROW AGENT shall continue to hold the funds in escrow until otherwise directed in (a) a writing signed by both the Holder of Unsold Shares and purchaser or (b) a determination of the Attorney General or (c) a judgment or order of a court of competent jurisdiction or until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds.
- 3.3 HOLDER OF UNSOLD SHARES shall not object to the release of the escrowed funds to (a) a purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan or an amendment to the Plan or (b) or a purchaser who timely cancels the contract of sale in accordance with its terms (i.e. mortgage contingency provisions).
- 3.4 If there is no written agreement between the parties to release the escrowed funds, ESCROW AGENT shall not pay the funds to the HOLDER OF UNSOLD SHARES until ESCROW AGENT has given the purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to the HOLDER OF UNSOLD SHARES unless the purchaser has made application to the Department of Law pursuant to the dispute resolution provisions contained in the Attorney General's regulations and has so notified ESCROW AGENT in accordance with such provisions.

4. RECORDKEEPING

- 4.1 ESCROW AGENT shall maintain all records concerning the escrow account for seven years after release of the funds.
- 4.2 Upon the dissolution of a law firm which was ESCROW AGENT, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.

10. ESCROW AGENT'S COMPENSATION.

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

11. SEVERABILITY.

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

12. ENTIRE AGREEMENT.

12.1 This Agreement, read together with GBL Section 352-e(2-b) and the Attorney General's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

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

ESCROW AGENT

SNOW BECKER KRAUSS P.C.

By: /5/
Marc J. Luxemburg

HOLDER OF UNSOLD SHARES

Aval Company

By: /5/