

THE C O O P E R A T I V E P L A N

LINDENWOOD GARDENS COOPERATIVE, INC.

c/o FCH COMPANY, INC.
155-04 81st Street
Howard Beach, Queens 14, New York

OFFERING STATEMENT

Amount of offering \$335,680.00
Mortgage amount \$4,280,000.00
Total Purchase Price \$4,400,000.00

Approximate date of proposed first offering is April 1, 1967.

Sponsor - Foundation for Cooperative Housing
Wallace J. Campbell, President
1012 - 14th Street, N. W.
Washington, D. C. 20005

Sales Agent: FCH Company, Inc.
322 Main Street
Stamford, Connecticut

Sales Office: 155 - 04 81st Street
Howard Beach, Queens 14, New York

This prospectus is valid for a period of 7 months from initial date of offering.

THE FILING OF THIS PLAN WITH THE DEPARTMENT OF LAW OF THE STATE OF NEW YORK DOES NOT CONSTITUTE APPROVAL OF THE ISSUE OR THE SALE THEREOF BY THE DEPARTMENT OF LAW OR THE ATTORNEY GENERAL OF THE STATE OF NEW YORK. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL. THIS OFFERING IS AVAILABLE ONLY TO BONA FIDE RESIDENTS OF THE STATE OF NEW YORK OVER THE AGE OF TWENTY-ONE YEARS.

IMPORTANT FACTORS TO BE CONSIDERED BY PROSPECTIVE PURCHASERS OF STOCK

Prospective purchasers of stock should carefully consider the following:

1. Each existing occupant of the units of the development shall have a period of thirty (30) days from the date of this offering to elect to purchase stock attributable to his apartment and thereby become a member of the Corporation. In the event of the refusal or failure of said occupant to subscribe to the stock attributable to this apartment as aforesaid and upon the sale of said stock attributable to the said apartment being made to another, the said occupant shall be given an additional period of thirty (30) days to vacate his apartment after closing of title.

2. The subscription agreement which you will execute must be accompanied by a \$100 deposit and a non-refundable processing fee of \$7.50. Said subscription agreement may be terminated within five (5) days after signing the same if you notify the Corporation in writing that you wish to withdraw from the agreement. In such event, the amounts paid thereunder will be returned to you, except for the processing fee of \$7.50 and all your rights and liabilities under the subscription agreement shall cease and terminate. However, your right to withdraw from the subscription agreement will expire unless exercised within such five-day period. Further, if the corporation has not acquired title to the project from the Federal Housing Commissioner within one (1) year from the date of execution of your subscription agreement, you shall then have the right to withdraw from said agreement and obtain a refund of the moneys paid thereunder except for the processing fee at any time thereafter.

3. A subscriber's acceptability for membership shall be approved by the Corporation within thirty (30) days from the date of the subscription agreement, subject to further approval by the Federal Housing Administration which will pass upon the subscriber's credit.

4. If applications for 80% of the dwelling units have not been procured together with sufficient occupancy for the Corporation to meet its obligations within the effective period of the Contract of Sale and Purchase by the Corporation and the FHA or any extension thereof, then all amounts paid upon the execution of subscription agreements by all applicants will be returned to the applicants.

5. A subscriber may sell his subscription agreement provided a purchaser satisfactory to the FHA and the Corporation is obtained. There is no obligation on the part of the sales agent to find a purchaser for a subscriber and if it should undertake to do so, its first obligation is to sell stock allocated to "unsold" apartment units. The selling agent will be entitled to a fee for any services rendered to a subscriber upon such resale.

6. After acquisition of title to the project by the Corporation, all moneys received by the Corporation will be committed to the purchase of the project and none will be available to repurchase stock. There is no obligation on the part of the corporation to repurchase stock although it has the option to do so.

In the event a member elects to leave the development, he shall notify the Corporation in writing of such intention, and the Corporation shall have the right, but not the obligation, to purchase the stock of said member in an amount to be determined by the Corporation, representing the transfer value of said stock,

less any amounts due by the member to the Corporation under the occupancy agreement, and less the cost or estimated cost of all deferred maintenance, painting, redecorating, floor finishing, and such other repairs and replacements as are deemed necessary by the Corporation to place the dwelling unit in suitable condition for the incoming tenant. In the event the Corporation waives its right to purchase the said stock or fails to exercise its option to purchase within thirty (30) days after said written notification, the member may sell his stock for any price to any person who has been duly approved by the Corporation as a member and occupant. If said member requests the Corporation to assist him in finding a purchaser, and the Corporation agrees to perform this service, the Corporation shall be entitled to charge the member such fee as it deems reasonable for this service. See Article III, Section 8(b), (c), and (d) of the By-Laws.

7. The maintenance charge for each apartment is estimated and subscribers will be bound to pay the charges set by the board of directors at the time they take possession of their apartment or as thereafter increased or decreased.

8. After receipt of the Information Bulletin, subscribers will be deemed to have read said Bulletin whether or not they have done so.

LINDENWOOD GARDENS COOPERATIVE, INC.

CONTENTS

Address	Page
Amendment to Certificate of Incorporation	34-35
Attorneys	8
Budget	28-29
By-Laws	36-46
Cancellation Rights	67
Capital Stock	34
Carrying Charges	15-26
Certificate of Incorporation	30-33
Contract of Sale and Purchase	68
Cooperative Agency Agreement	55
Corporate Regulations	63
Default by Members	62
Directors	42
Federal Housing Administration	5
Fiscal Reports	46
Improvement Fund	6
Income Tax Deductions and Real Estate Taxes	30
Information Bulletin	1
Management Agent	10
Meeting of Members	41
Membership	37
Occupancy Agreement	59
Officers	44
Patronage Refunds	60
Regulatory Agreements	47
Rights of Members upon surrender of Occupancy Agreement and Stock	40
Sales Agent	8
Subscription Agreement	66
Transfer from Development	39

INFORMATION BULLETIN

To Applicants For Membership

In Lindenwood Gardens Cooperative, Inc.

FHA Project Nos. 012-30241/42/43

1. INTRODUCTION

A subscription for membership in a housing cooperative is more than an application for a place to live. It leads to your participation in the cooperative ownership and operation of a housing project. This bulletin is intended to provide general information concerning the above cooperative which will be found useful when read in conjunction with the Certificate of Incorporation, Regulatory Agreement, By-Laws, Occupancy Agreement, Subscription Agreement, Cooperative Agency Agreement and Contract of Sale and Purchase, attached hereto and made a part hereof.

The Subscription Agreement is the document in which you apply for membership in the cooperative; the Occupancy Agreement describes the terms and conditions under which you will occupy one of the dwelling units therein; the Certificate of Incorporation and By-Laws set forth the authority and methods of operation of the cooperative; and the Regulatory Agreement is the agreement by the cooperative to be regulated and restricted in certain aspects by the FHA as provided by law; the Cooperative Agency Agreement provides that the FCH Company, Inc. for the considerations and under the terms recited therein, shall furnish the cooperative with certain necessary services in the organization and development of the cooperative program; and the Contract of Sale and Purchase sets forth the terms and conditions under which the FHA will sell the project to the Cooperative and, in addition, provides for the management of the project by FCH Company, Inc. during the period of the cooperative sales program. It is strongly urged that you read these documents.

2. COOPERATIVE METHOD OF OPERATION

The cooperative has been incorporated under the Cooperative Corporations Law of the State of New York as a nonprofit cooperative housing corporation for the purpose of acquiring, owning, and operating a housing project consisting of 23 two-story walk-up, garden row-type apartment buildings containing in all 312 individual family dwelling units inclusive of 3 units for resident employees of the Cooperative. The permanent occupancy of these apartments will be restricted to members of the Cooperative and the 3 resident employees as aforestated. If your subscription is accepted by the cooperative and approved as to credit by the FHA, you will become a member of the cooperative. The cooperative will deliver to you the stock certificate representing your interest in the cooperative not later than the time of acquisition of title to the project by the Cooperative, provided your cash equity investment has been paid in full in accordance with the terms of the Subscription Agreement. Each member of the cooperative, regardless of the dollar amount of his investment, will have one vote, which will be exercised after acquisition of title to the project by the corporation. Upon payment of the subscription price in full, the shares of stock will be fully paid and non-assessable.

The affairs of the corporation will be conducted by a Board of Directors elected by the membership as provided in the By-Laws. Until their successors have been elected, the Board of Directors will consist of the following named individuals:

Winslow Carlton

Chairman of the Board, Group Health Insurance, Inc.; President National Social Welfare Assembly; President, Henry Street Settlement; Chairman of the Board, Foundation for Cooperative Housing and Chairman of the Board of FCH Company, Inc.

S. F. Boden

President, Middle Income Housing Corporation; Executive Director, the Fund for Urban Improvement.

John O. Walker

Formerly General Manager, Greenbelt Homes, Inc., Greenbelt, Maryland; Past Vice President, National Association of Housing Cooperatives.

John D. Lange

Executive Director, National Association of Housing and Redevelopment Officials, Washington, D. C.

Dwight D. Townsend

Washington Director, The Cooperative League of the U. S. A.; formerly Assistant to the Commissioner of FHA for Cooperative Housing; Chairman of the Board, National Association of Housing Cooperatives.

The first annual membership meeting will be held within 60 days after acquisition of title to the project by the corporation (or such later date as may be established by resolution of the Board of Directors of the corporation with the approval of the Federal Housing Administration).

One of the most important functions the members will be called upon from time to time to perform is the selection of qualified Directors. The cooperative functions through its Board of Directors, which acts on behalf of the members. The Board performs important duties such as engaging a management agent acceptable to the mortgagee and to the FHA for the operation of the project; establishing eligibility standards for admission to membership, determining the degree and type of maintenance and services; promulgating rules and regulations pertaining to use and occupancy of the premises; and adopting an operating budget subject to the approval of the FHA which must reflect carrying charges adequate to meet the costs of operation. Thus the voting right means that the member participates through his elected representatives in the management of the project's affairs. Each member should bear in mind that the management agent takes its assignments from the President of the Board of Directors, speaking for the Board, and not from individual members. A cooperative that harbors irresponsible factions which are at odds creates an undesirable image. Property values could be adversely affected in a project known for its irresponsible actions. The elected Board of Directors should receive the full support of all the members. Full support does not preclude constructive criticism. If necessary, any Board member who is not properly fulfilling his duties may be removed by a vote of the members as prescribed in the By-Laws.

3. SUBSCRIPTION FUNDS

The funds provided by your subscription and the subscription of other members will constitute the equity investment and are intended to furnish the cost of acquiring the housing project over and above the mortgage proceeds and to provide working capital funds in the amount of 1% of the purchase price as required by the FHA. (See page 4 for use of monies received above subscription funds.)

The amount paid by an applicant for stock subscription will be deposited in a special non-interest bearing account to be established solely for such purpose under the name of FCH Company, Inc., Special Account, as escrowee for the subscribers to membership in Lindenwood Gardens Cooperative, Inc., Bankers Trust Company, 1107 Broadway, New York, New York, and handled in accordance with the provisions of the Subscription Agreement and By-Laws and in accordance with the provisions of Section 352(h) of the General Business Law of the State of New York. The Sponsor will hold all monies received by it, directly or through its agents, employees or escrow agents, in trust, until actually employed in connection with the consummation of the Plan as herein described. In the event that insufficient funds are raised through the offering or otherwise to effectuate the purchase of the property and 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 corporation on or prior to February 28, 1968, for any reason whatsoever, then such monies shall be fully returned, without interest to the purchasers. Such funds will not be deposited with or otherwise be under the control or responsibility of the FHA. The subscription funds in said Special Account shall be subject to withdrawal or transfer to the account of the Corporation only upon certification of the President and Secretary of the Corporation to the above-named bank, that:

- (a) The Subscription Agreement of a named applicant has been terminated pursuant to its terms and such withdrawal is required to repay the amount paid by him under such agreement; or
- (b) Applicants for 80% of the dwelling units have been procured within the effective period of the FHA Contract of Sale and Purchase, or any extension thereof and/or there is not sufficient other occupancy for the corporation to meet its obligations, and such withdrawal is required to repay to the applicants the amounts paid by them without interest; or
- (c) Applicants for such percentage of dwelling units have signed Subscription Agreements, have been approved as to their credit by the FHA and have paid the subscription price in full. If these requirements have been met and the mortgage loan has been scheduled for closing with the approval of the FHA, at the acquisition of title to the project by the corporation, the entire amount of the funds in the subscription escrow account may be transferred to the corporation, at which time the corporation shall issue and deliver stock certificates to all members.

If insufficient funds are raised to complete this offer or if the offering is not completed for any reason, you will have your subscription funds returned to you in accordance with subparagraph (b) above. If the offering plan is completed in accordance with subparagraph (c) above, subscription funds will be disbursed at the closing for acquisition of title to the project by the corporation for the purchase by the corporation of the project and for other corporate purposes.

If to induce it to hold the mortgage closing for acquisition of title by the corporation, the FHA requires a loan to the Cooperative Corporation without interest of the difference between the amount of subscription funds collected as of the date of said closing and any percentage of the total equity requirement directed by the FHA, FCH Company, Inc. agrees to make such a loan in an amount not exceeding \$67,136.00 subject to the terms and conditions contained in the Cooperative Agency Agreement. (See page 57)

4. FINANCING THE COOPERATIVE HOUSING PROJECT

Under its Contract of Purchase and Sale, the Federal Housing Administration will convey the project to the corporation for the sum of \$4,400,000.00 upon the following terms: \$120,000.00 in cash (see below) and take the corporation's mortgage note in the amount of \$4,280,000.00 secured by a mortgage on the project. The note will be on a level amortization basis over a term of 480 payments (40 years) and will bear interest at the rate of 5-1/4% per annum (plus a service charge to FHA of 1/2 of 1% per annum).

The funds provided by your subscriptions and those of other members will constitute the equity investment and are intended to furnish:

(a) The cash downpayment of	\$120,000.00
(b) All costs of the selling program and cooperative acquisition including staff, legal services, printing, publicity advertising commonly referred to as "Legal and Organization Expense" and "Marketing Expense" equal to the usual 3% of the sales price as established by FHA.	132,000.00
(c) Prepayment and deposit for Hazard Insurance covering a 13-month period; tax deposit; title and other closing costs	39,680.00
(d) Working capital reserve for the cooperative equal to 1% of the purchase price	<u>44,000.00</u>
Total	\$335,680.00

These funds will be disbursed at the time of acquisition of title to the project by the corporation. (See page 6 of this Information Bulletin for use of the Capital Improvement Fund of \$166,280.00.)

5. FUNCTION OF FHA IN CONNECTION WITH THIS PROJECT

The Federal Housing Administration currently owns the project. It has agreed to sell the project to the cooperative on terms and conditions set forth in its Contract of Sale and Purchase dated August 11, 1966. The Cooperative Corporation has agreed, pursuant to that contract to enter into a Regulatory Agreement with FHA. A copy of this Agreement is attached to and made a part of this offering statement. The restrictions and regulations by the FHA are customary in and usual in projects of this nature. Some of the pertinent provisions of the Regulatory Agreement are summarized below:

A. The Cooperative Corporation shall collect and maintain a Reserve Fund for Replacements in the amount of \$850.16 monthly. Such fund is for the purpose of effecting replacements of structural elements and mechanical equipment of the project and for any other purposes that may be agreed to in writing by the FHA.

B. The Cooperative Corporation shall establish and maintain a general operating reserve by allocation and payment thereto monthly a sum equal to three per cent (3%) of the monthly amount otherwise chargeable to stockholders pursuant to their Occupancy Agreements. This fund will accumulate until there is in the general operating reserve account an amount equal to twenty-five percent (25%) of the current annual amount otherwise chargeable to members pursuant to their Occupancy Agreements.

C. The Cooperative Corporation shall not incur liabilities which will exceed in the aggregate at any time \$42,800.00 other than the mortgage indebtedness.

D. The Cooperative Corporation shall not fail to provide for the Management of the project in a manner approved by the FHA and the mortgagee.

E. The Cooperative Corporation may not assign, sell or transfer any real or personal property except as permitted by the terms of the mortgage, without the prior approval of the FHA nor may it remodel, demolish or reconstruct the premises or permit the use of the project for any purpose other than that approved by the FHA.

F. The Cooperative Corporation may not permit the occupancy of any apartment except by stockholders and possibly subtenants of stockholders of the corporation.

G. The FHA will establish the number of subscription agreements which must be received before this plan may become effective, and must approve a schedule of maintenance charges for the apartments.

6. PROJECT DEVELOPMENT

There are two (2) funds which will be available to the Cooperative Corporation for upgrading and improving the Project:

(a) Special Escrow Account. For the first two years following acquisition of title, an amount equal to the principal payment and FHA Service Charge will be paid into a Special Escrow Account for deferred repairs and replacements rather than to the FHA for reduction of the principal amount of the mortgage. The estimated total amount of these deposits will be approximately \$110,000.00 over the two-year period. FHA has authorized the establishment of the Special Escrow Account to make needed minor repairs, replacements and renewal of landscaping. After the Cooperative has acquired title, its Board of Directors, in consultation with its Managing Agent, will confirm the specific items to be repaired and upgraded. The Board of Directors will establish a program for the repairs and improvements phased to coincide with receipts of deposits into the Special Escrow Account. Of the approximately \$110,000.00 to be deposited to the Special Escrow Account, approximately \$82,000.00 will be spent in the repair program. At the end of the two-year period, the balance remaining in the Special Escrow Account, approximately \$28,000.00, will be held available for contingencies and for deposit into the Reserve Fund for Replacements. Since the Project is seven years old, these funds are required in the Reserve Fund for Replacements to meet the costs of future replacements which will occur at an earlier date than would be true on a newly constructed project.

The repairs, exclusive of the repainting costs described in paragraph(b) hereof, will, on the basis of management's present estimate, include the following:

Painting of Entrances and Hallways	\$8,000.00
Landscaping	7,500.00
Repair to walks and curbs	5,000.00
Boiler repairs	20,000.00
Community rooms	10,000.00

Final decisions on these and other repairs will rest with the Board of Directors after title acquisition as above stated.

(b) Re-painting of Dwelling Units. Re-painting of dwelling units is the responsibility of the individual member. Since the project has been substantially occupied for a number of years, the Cooperative Corporation, in an effort to equalize the redecorating conditions of each of the dwelling units, has developed the following plan to assist members in the repainting of their individual dwelling units. Based upon the date when the dwelling unit was last decorated by the FHA, the Cooperative Corporation will reimburse individual members for a portion of the funds which they expend in re-painting their own units. The following is a table of the allowances which the corporation will pay to all members, whether present occupants or not.

Date Dwelling Unit Painted (in whole or in part): Between -	Allowance Per Type Dwelling Unit			
	<u>1 BR- 1 Bath</u>	<u>2 BR- 1 Bath</u>	<u>3 BR - 1 Bath</u>	<u>3 BR - 2 Baths</u>
Jan.1,1966 and title acquisition date	\$ 0	\$ 0	\$ 0	\$ 0
Jan.1,1965 and Dec. 31, 1965	38	45	58	63
Jan.1,1964 and Dec. 31, 1964	77	90	117	127
Any time prior to Dec. 31, 1963	115	135	175	190

Painting records will be available at management office.

The payment of the allowances to individual members shall be conditioned upon the following:

- 1) Written notice by the member to the cooperative of intention to repaint the dwelling unit, which notice shall be given within 60 days from date of move-in.
- 2) Delivery to the member by the Cooperative of minimum painting standards established by the Board of Directors;
- 3) The actual re-painting of the unit in compliance with at least the minimum standards established by the Board of Directors;
- 4) Inspection and acceptance of the painting by the cooperative.

The funds for the allowances will be provided from the Special Escrow account listed in paragraph (a) above. It is estimated by Management that based on the existing painting schedule the sum of \$16,350 would be expended if there was full utilization of these re-painting allowances. A total of 191 apartments would receive no credit since the records show they were painted after January 1966. A total of 19 apartments would receive 1/3rd credit and 102 apartments would receive full credit.

(c) Appliances and Interior Improvements

Present tenants, upon subscription to membership will have the option to purchase appliances and interior improvements as listed below. All other subscribers to stock will be required to purchase the below described appliances and interior improvements. The below listed cash requirements shall be deemed included in the "transfer value" of the stock as defined in Article III, Section 8, subd. (d) of the by-laws of the corporation. These items and their respective cash requirements are as follows:

<u>Type Dwelling Unit</u>	<u>Cash Requirements for Appliances & Improvements</u>	<u>Appliances & Improvements to be Installed with Additional Cash Payments</u>
1-Bedroom, 1-Bath	\$300.00	New kitchen cabinets with stainless steel sink
2-Bedroom, 1-Bath	480.00	New kitchen cabinets with stainless steel sink; new 14-cu. ft. two-door GE refrigerator
3-Bedroom, 1-Bath	590.00	New kitchen cabinets with stainless steel sink; new 14-cu. two-door GE refrigerator; new gas range
3-Bedroom, 2-Bath	850.00	New kitchen cabinets with stainless steel sink; new 14-cu. ft. two-door GE refrigerator; new gas range; new GE dishwasher and new vinyl asbestos tile in kitchen

7. GENERAL ADVISORS TO THE COOPERATIVE

Cooperative Advisors: The Cooperative has signed a Cooperative Agency Agreement with FCH Company, Inc., 322 Main Street, Stamford, Connecticut, a subsidiary of the nonprofit Foundation for Cooperative Housing. This agreement provides that the FCH Company, Inc., for the considerations and under the terms recited therein, shall furnish the cooperative with certain necessary services in the organization and development of the cooperative program.

Independent Legal Counsel: Krooth & Altman, 1001 Fifteenth Street, N. W., Washington, D. C. 20005, will act as general counsel for the cooperative. Krooth & Altman has retained the firm of Schiff and Friedman, 405 Park Avenue, New York, New York, to act as its local counsel.

8. LOCATION OF THE PROJECT

Lindenwood is located between 155th Avenue, 79th Street, 81st Street, 156th Avenue and Shore Parkway, Howard Beach, Queens County, New York. The area surrounding the project has shown and is continuing to show substantial residential growth in varying types of housing including one and two-family houses in the \$25,000.00 to \$40,000.00 price range, high-rise condominium apartments, a proposed New York City housing development and both high-rise and garden type cooperative apartment units with housing accommodations for approximately 1200 families.

TRANSPORTATION:

The 8th Avenue line of the IND Subway from Euclid Avenue, Brooklyn to Rockaway, via the Rockaway division of the Long Island Railroad. The Aqueduct Station, part of said system, is about 8/10 miles from the Lindenwood site. Running time from the Aqueduct Station to the Broadway-Nassau Station at Fulton Street will be 33 minutes; to 42nd Street, 45 minutes.

The Green Bus Line, route Q21A from Rockaway, has various stops in the Lindenwood area and also has a stop at Cross Bay Boulevard and South Conduit Avenue. This terminates at the Euclid Avenue Station of the IND Subway and the running time is five to seven minutes.

The Green Bus Line, route Q21, Woodhaven Boulevard to Rockaway, connects with the 8th Avenue and 6th Avenue IND Subways, at Queens Boulevard, Woodhaven Station, running time 26 minutes. The bus stops at the Project and at Cross Bay Boulevard and North Conduit Avenue. The bus may be taken to Jamaica Avenue Elevated at Woodhaven Boulevard.

CHURCHES AND HOUSES OF WORSHIP

ROMAN CATHOLIC:

Our Lady of Grace, 159th Avenue and 100th Street,

Church of the Nativity, 92 Street and Rockaway Boulevard,

JEWISH:

Ozone Park Jewish Center, 107 Avenue and Woodhaven Boulevard.
Howard Beach Jewish Center, 96-01 165 Avenue.

PROTESTANT:

Christ Lutheran, 101 Avenue and 86 Street.
Community Methodist, 103 Avenue and 97 Street.
Epiphany Episcopal, 103 Avenue and 103 Street.
Woodhaven First Presbyterian, 101 Avenue and 94 Street.
St. Barnabas Lutheran, 159-19 98 Street.

SCHOOLS:

Public

P. S. 232, 83 Street and 84 Street, between 153 Avenue and 155 Avenue.
Sixth grade students attend P. S. 63, 90-15 Sutter Avenue, Ozone Park,
approximately one mile from the site. Free New York City bus transportation
will be available for these students.

Robert H. Goddard Jr. High School No. 202, N. Conduit Avenue, between
Albert Avenue and 149 Avenue, under construction.

John Adams High School, 101-01 Rockaway Boulevard, Ozone Park, approximately
1 1/2 miles from site.

Parochial

Our Lady of Grace, 159th Avenue and 100th Street.

Church of the Nativity, 92 Street and Rockaway Boulevard.

No representation is made with respect to the admission requirements
or tuition of parochial schools.

SHOPPING CENTERS:

The Lindenwood Shopping Center at 84 Street and 153 Avenue at the
site. Complete shopping facilities south of Belt Parkway, at Cross Bay Boule-
vard, three blocks from site.

PARKS AND PLAYGROUNDS:

North Conduit Avenue and Woodhaven Boulevard
Spring Creek Park.

HOSPITALS:

Beth El Hospital, Linden Boulevard and Rockaway Parkway
Peninsula General Hospital, 51-15 Beach Channel Drive
Jamaica Hospital, 89th Avenue and Van Wick Expressway
Howard Beach Hospital, Shore Parkway and Cross Bay Boulevard, acquired by
the State of New York for Narcotics Control Commission, to be used for
rehabilitation center, although no final plans for such center have been
formulated to date and no representations are herewith made concerning
this conversion.

St. Johns Queens Hospital, 90-02 Queens Boulevard

9. DESCRIPTION OF STRUCTURES

A. Lindenwood, Section No. 10
Ozone Park, Queens County, New York
Project No. 012-30241-INV

8-2 story, walk-up, garden, row type buildings containing 95 rental
living units and one janitor's apartment, row type garages for 22
cars and on-site parking for 73 cars plus all grounds and appurtenances
thereto.

- B. Lindenwood, Section No. 11
Ozone Park, Queens County, New York
Project No. 012-30242-INV

8-2 story, walk-up, garden, row type buildings containing 119 rental living units and one janitor's apartment, row type garages for 35 cars and on-site parking for 85 cars plus all grounds and appurtenances thereto.

- C. Lindenwood, Section No. 12
Ozone Park, Queens County, New York
Project No. 012-30243-INV

7-2 story, walk-up, garden, row type buildings containing 95 rental living units and one janitor's apartment, row type garages for 15 cars and on-site parking for 81 cars plus all grounds and appurtenances thereto.

10. OWNERSHIP OF REAL ESTATE

The Corporation will own a fee simple estate in the land and structures comprising the project, subject to mortgage as hereinabove mentioned. Inasmuch as this is a Cooperative Corporation, the title to the property will be held by the corporation and not by the individuals who are members of the corporation.

The construction of the buildings was commenced in 1959. In 1962, the three sections comprising the project were conveyed to the Federal Housing Commissioner by the State of New York prior to substantial occupancy.

11. MANAGEMENT

The right to select the managing agent of the cooperative is vested in the Board of Directors of the corporation subject to the approval of the FHA. The corporation has retained the FCH Company, Inc., 322 Main Street, Stamford, Connecticut, to act as managing agent. (FCH Company, Inc. will act as managing agent for the FHA until title to the project has been acquired by the corporation.) At or before acquisition of title, the corporation will enter into a management agreement with FCH Company, Inc. in a form and for a fee to be approved by FHA. The term of the management contract will expire not later than one (1) year from the date of acquisition of title to the project by the corporation. (See Management Agreement available at the Sales Office.)

The services to be performed by the managing agent are to be set forth in detail in the model form of management agreement provided by the FHA. A provision thereof prohibits the assignment of such agreement. The agreement may be cancelled by mutual consent or as a result of an act of insolvency by one of the parties. The agreement may be cancelled by the FHA with or without cause on 30 days' notice.

Under the management agreement, the managing agent has the obligation to hire, pay and discharge all managerial personnel, coordinate the move-in schedule, handle service and maintenance requests, collect all rents, cause the buildings to be maintained in accordance with the standards established by the owner, make contracts for the purchase of fuel, supplies, etc. subject to the approval of

the owner, maintain comprehensive records and render monthly statements, prepare annual budgets, maintain waiting lists of members, and perform such other duties as are customarily performed in the management of properties. The managing agent will have representatives attending stockholder and Board of Directors meetings of the cooperative without additional compensation. These services to be performed by the managing agent are set forth in greater detail in the model form of management agreement of the FHA.

The FCH Company, Inc. will be bonded to the Cooperative Corporation in an amount satisfactory to said corporation, in no event to be less than \$47,726.00, which amount is equivalent to the total of one (1) month's income from carrying charges received by the corporation, and the said FHA model form of management agreement requires that the agent continue to be so bonded.

12. FCH Company, Inc., the Management Agent retained by the cooperative, has made a study of the foregoing projections and has submitted its written opinion to the effect that the estimated carrying charges set forth in schedule attached hereto will be adequate to meet all expenses for the first year of operation based on costs reasonably foreseeable as of October 17, 1966, the date of its opinion.

Column 5 of said schedule does not represent any money to be paid to the cooperative. It represents an estimate of the monthly amount a member will need to pay to maintain his own unit in proper state of repair and includes estimates for monthly payment of individually billed housing expense items including decorating and repairs to appliances.

The amount required to maintain his unit depends to a degree upon the care and attention given by the member to his unit.

Repair and Replacement of the kitchen range, refrigerator and dishwasher is the responsibility of the individual member.

The carrying charges include an estimate for annual real estate taxes in the amount of \$142,250.00, or approximately 25% of the total carrying charges. This estimate is based upon the current tax rate on the estimated assessed valuation, both of which are subject to change.

Carrying charges are estimated on the basis of full occupancy. Vacancies creating a loss of rental income may require an increase in such charges although the allocation of funds to a general operating reserve as explained below could well obviate the need for any such increase. An increase may also be necessary in cases where taxes are raised, the costs of utilities furnished by the cooperative are increased or where supplies and labor costs rise. The cooperative will operate on a nonprofit basis and will collect monthly carrying charges in an amount sufficient to meet all operating costs including payments on its mortgage. The cost of amortizing the mortgage will normally remain constant since the payments to principal and interest have been computed in equal monthly installments covering the full term of the mortgage.

Part of the monthly carrying charge payment is deposited by the Cooperative in the Reserve Fund for Replacements for the purpose of defraying at least in part the cost of replacement, when it becomes necessary, of structural components and mechanical equipment except refrigerators and stoves and dishwashers.

Three per cent of the monthly carrying charge payment is deposited in another reserve known as the General Operating Reserve, which is intended to be available for unforeseen contingencies, to finance resales of memberships, or to cover vacancies.

By paying the monthly carrying charges promptly as they become due, the member will save the penalty for the late payment of his charges which will otherwise be assessed against him.

You will be given a thirty (30) day notice when your unit is available for occupancy on a cooperative basis.

Each existing occupant of the units of the development shall have a period of thirty (30) days from the date of this offering to elect to purchase stock attributable to his apartment and thereby become a member of the Corporation. In the event of the refusal or failure of said occupant to subscribe to the stock attributable to this apartment as aforesaid and upon the sale of said stock attributable to the said apartment being made to another, the said occupant shall be given an additional period of thirty (30) days to vacate his apartment after closing of title.

13. INCOME TAXES

Krooth & Altman, counsel to the Cooperative Corporation, joined by Schiff and Friedman, their local counsel, advise that in their opinion, the Cooperative Corporation will be a qualified corporation under federal, state and city tax laws so long as the annual income from rental tenants does not exceed 20% of the gross income of the corporation. Under these statutes in their present form, qualified stockholders will be entitled for their own personal income tax purposes to deduct from their gross income their proportionate share of real estate taxes and mortgage interest paid or incurred by the Cooperative Corporation. The actual amount of tax savings will depend upon the income tax bracket of the individual stockholder.

Under these statutes a qualified cooperative corporation whose stockholders will be entitled to such tax savings is one deriving at least 80% of its gross income for the taxable year from its tenant stockholders. Although FHA requires that only 70% of the dwelling units be subscribed (plus such sufficient other occupancy to meet obligations) before title can pass, the Cooperative Corporation requires that at least 80% of the dwelling units be subscribed by stockholders. The budget of the managing agent anticipates that the income from rental and other incidental sources will not exceed 20% of the gross income of the Corporation, but if it should exceed such percentage the income tax benefits would be lost.

Under these statutes a qualified stockholder entitled to the income tax deductions is one who has paid an amount for his stock bearing a reasonable relationship to the portion of the market value, as of the date of the original issuance of the stock, of the corporation's equity in the land and buildings which is attributable to the apartment which such tenant-stockholder is entitled to occupy. The managing and sales agent, FCH Company, Inc., advises the Cooperative Corporation that in its opinion the prices for the stock allocated to the apartments do bear the requisite reasonable relationship.

Should real estate taxes decrease or increase the proportionate amount of such taxes which qualified stockholders may deduct will also vary. Since the amount of interest paid by the Corporation will decrease during the term of the mortgage, the tax deduction of stockholders for proportionate amounts of such interest will decrease accordingly.

The Cooperative Corporation will submit to stockholders annual financial reports including a balance-sheet and profit and loss statement certified by an independent certified public accountant to be retained by the Cooperative Corporation, as well as an annual statement of the amount of interest and real estate taxes apportioned to each apartment for the purposes of deductions on the Federal and State income tax returns of such tenant-stockholder.

A subscriber who sells his present home or cooperative apartment to become a stockholder in this Lindenwood Gardens Cooperative, Inc. may be able to defer the tax, if any, on such a sale. A stockholder who later moves from the development and sells his shares of stock, subject to the provisions of the laws, and derives a profit from such sale, may have to pay an income tax on such sale. Each subscriber is cautioned to consult his own Attorney or Accountant as to his personal income tax ramifications of such transactions.

No representations or warranties are made that the United States Treasury Department will allow the aforementioned deductions or that the tax laws or regulations will not change so as to disallow such deductions in whole or in part. None of the Cooperative Corporation's officers and directors, counsel for the Cooperative Corporation, its local counsel, the sponsor, counsel for the sponsor, and the Sales Agent and Managing Agent will in any event be liable if for any reason it shall be determined that the Cooperative Corporation does not meet or at any future time ceases to meet the requirements of Section 216 of the Internal Revenue Code of 1954 or any amendments thereof.

14. RIGHT OF APPLICANT TO WITHDRAW AFTER SIGNING SUBSCRIPTION AGREEMENT

For a period of five (5) days after signing the Subscription Agreement, an applicant may withdraw and obtain a return of his deposit, provided he notifies the cooperative in writing to this effect. (See Subscription Agreement.) A subscriber's acceptability for membership shall be approved by the corporation within thirty (30) days from the date of the subscription agreement, subject to further approval by the FHA which will pass on the subscriber's credit.

15. MEMBER'S SUBSCRIPTION SUBJECT TO ACCEPTANCE BY CORPORATION AND CREDIT APPROVAL BY FHA

Your membership is not assured unless and until your application and subscription have been accepted by the cooperative and approved as to credit by the FHA. (See Subscription Agreement.)

16. TRANSFERS FROM THE PROJECT

If, after taking occupancy you wish to move from the project, you may sell your interest, giving the cooperative the first option to purchase your membership and Occupancy Agreement in accordance with the terms of the By-Laws. If the cooperative fails to exercise its option, you may sell your membership and right of occupancy to a purchaser approved by the cooperative. A more detailed and authoritative statement of this procedure will be found in the By-Laws (see Article III, Section 8 of By-Laws). Where the sale is accomplished by a member, a certificate in form approved by the FHA as to the price paid shall be executed by the seller and purchaser and delivered to the cooperative.

17. THIS BULLETIN IS THE ONLY INFORMATIONAL LITERATURE WHICH HAS BEEN APPROVED BY THE FHA

The other documents listed in paragraph 1, above, have also been approved as to form by the FHA. However, these forms of documents, until the cooperative acquires title to the project, are subject to change to reflect policies and requirements adopted or approved by the FHA. The FHA has not examined nor approved any advertising or other informational material in connection with this project.

18. ADDITIONAL INFORMATION

It is hereby represented that neither the Sponsor, the Cooperative Corporation, its selling agent, nor its nominees will refuse to sell or offer or will otherwise discriminate against any person or persons by reason of their race, religion, color or place of national origin in the sale or transfer of stock or leases of the apartments described in this Plan.

There are no existing lawsuits or any proceedings against the Cooperative Corporation, the Sponsor Corporation, the General Contractor or the Sales and Managing Agent, or any other person or firm which could materially affect the development or this offering except for the litigation described in the footnote on page 26 "Schedule of Down Payments and Monthly Carrying Charges for Each Type Dwelling Unit" attached hereto. Litigation is pending in the Supreme Court of the State of New York to determine the responsibility for the maintenance and operation of a privately installed pumping station and storm sewers which originally serviced a housing development in Queens. Lindenwood Gardens Cooperative, Inc. continues to use the pumping station for sewer service. The City of New York, which is currently maintaining the facilities, claims that the liability for the upkeep expenses is that of the developer; who, in turn, claims that the expenses of such upkeep should be borne by FHA since FHA is now owner of part of the development. If the court's determination is that the property owner is responsible for the expenses of maintenance and operation of the pumping station facilities, the Cooperative will assume liability for the operating and maintenance expenses of this fully automatic plant after the cut-off date as provided in the contract of sale and purchase. In no event, however, is there any obligation on the part of the cooperative to take over or assume the costs of said litigation.

This Plan does not omit any material fact or contain any untrue statement of a material fact. No person has been authorized to make any representation which is not expressly contained herein. This Plan may not be changed or modified orally. There are no material inconsistencies in this Plan with any documents filed in connection therewith.

In this Bulletin the Cooperative Corporation has endeavored to summarize pertinent facts concerning its undertaking. The Sales Agent is authorized to give only such information as is contained within this Plan. For any such information please feel free to communicate with:

FCH Company, Inc.
322 Main Street
Stamford, Connecticut

Dated: New York, New York

LINDENWOOD GARDENS COOPERATIVE, INC.

By 
Winslow Carlton, President

Schedule of Downpayments and Monthly Charges for Each Type Dwelling Unit
 (Charges Shown Are Estimates Based on Full Occupancy and Are Subject to Change.)

Location	Type Dwelling Unit	No. of Shares of Stock per Unit	3 Stock and Down Payments		c Additional Cash for Capital Im- provement Fund*	Est. Monthly Carrying Chg. to be Paid to Cooperative Per Unit	Est. Monthly Personal Bene- fit Expense/Unit	Est. Total Monthly Housing Expense/Unit
			a Member's Total	b Cash Downpayment per Unit (incl. 1% Working Capital)				
155-45	81st St (U) 1 Bedroom	83	\$ 830.00	\$ 300.00	\$ 300.00	\$ 129.00	\$ 4.75	\$ 133.75
"	" (L) 1 Bedroom	83	830.00	300.00	300.00	130.00	4.75	134.75
155-43	81st St. (U) 1 Bedroom	83	830.00	300.00	300.00	129.00	4.75	133.75
"	" (L) 1 Bedroom	83	830.00	300.00	300.00	130.00	4.75	134.75
155-15	81st St. (U) 1 Bedroom	83	830.00	300.00	300.00	129.00	4.75	133.75
"	" (L) 1 Bedroom	83	830.00	300.00	300.00	130.00	4.75	134.75
155-17	81st St. (U) 1 Bedroom	83	830.00	300.00	300.00	129.00	4.75	133.75
"	" (L) 1 Bedroom	83	830.00	300.00	300.00	130.00	4.75	134.75
82-02	155th Ave. (U) 1 Bedroom	83	830.00	300.00	300.00	129.00	4.75	133.75
"	" (L) 1 Bedroom	83	830.00	300.00	300.00	130.00	4.75	134.75
82-04	155th Ave. (U) 1 Bedroom	83	830.00	300.00	300.00	129.00	4.75	133.75
"	" (L) 1 Bedroom	83	830.00	300.00	300.00	130.00	4.75	134.75
80-30	155th Ave. (U) 1 Bedroom	83	830.00	300.00	300.00	129.00	4.75	133.75
"	" (L) 1 Bedroom	83	830.00	300.00	300.00	130.00	4.75	134.75
80-32	155th Ave. (U) 1 Bedroom	83	830.00	300.00	300.00	129.00	4.75	133.75
"	" (L) 1 Bedroom	83	830.00	300.00	300.00	130.00	4.75	134.75
80-16	155th Ave. (U) 1 Bedroom	83	830.00	300.00	300.00	129.00	4.75	133.75
"	" (L) 1 Bedroom	83	830.00	300.00	300.00	130.00	4.75	134.75
80-18	155th Ave. (U) 1 Bedroom	83	830.00	300.00	300.00	129.00	4.75	133.75
"	" (L) 1 Bedroom	83	830.00	300.00	300.00	130.00	4.75	134.75
80-22	156th Ave (U) 1 Bedroom	83	830.00	300.00	300.00	129.00	4.75	133.75
"	" (L) 1 Bedroom	83	830.00	300.00	300.00	130.00	4.75	134.75

(U) is second floor apartment
 (L) is first floor apartment
 *Optional to present occupants. In the event not all occupants exercise the option, the total of Column C will be reduced accordingly.
 ** See note at end of Schedule.

Location	Type Unit	No. of Shares of Stock per Unit	stock and down payments		Additional Cash for Capital Im- provement Fund *	Est. Monthly Carrying Chg. to be Paid to Cooperative Per Unit	Est. Monthly Personal Bene- fit Expense/Unit	Est. Total Monthly Housing Expense/Unit
			a	b				
80-21 156 Ave. (U) 1	Bedroom	83	\$ 830.00	\$ 300.00	\$ 129.00	\$ 4.75	\$ 133.75	
" " (L) 1	Bedroom	83	830.00	300.00	130.00	4.75	134.75	
79-05 156 Ave (U) 1	Bedroom	83	830.00	300.00	129.00	4.75	133.75	
" " (L) 1	Bedroom	83	830.00	300.00	130.00	4.75	134.75	
79-03 156 Ave (U) 1	Bedroom	83	830.00	300.00	129.00	4.75	133.75	
" " (L) 1	Bedroom	83	830.00	300.00	130.00	4.75	134.75	
79-04 155 Ave (U) 1	Bedroom	83	830.00	300.00	129.00	4.75	133.75	
" " (L) 1	Bedroom	83	830.00	300.00	130.00	4.75	134.75	
79-06 155 Ave (U) 1	Bedroom	83	830.00	300.00	129.00	4.75	133.75	
" " (L) 1	Bedroom	83	830.00	300.00	130.00	4.75	134.75	
79-10 155 Ave (U) 1	Bedroom	83	830.00	300.00	129.00	4.75	133.75	
" " (L) 1	Bedroom	83	830.00	300.00	130.00	4.75	134.75	
79-12 155 Ave (U) 1	Bedroom	83	830.00	300.00	129.00	4.75	133.75	
" " (L) 1	Bedroom	83	830.00	300.00	130.00	4.75	134.75	
80-10 155 Ave (U) 1	Bedroom	83	830.00	300.00	129.00	4.75	133.75	
" " (L) 1	Bedroom	83	830.00	300.00	130.00	4.75	134.75	
80-12 155 Ave (U) 1	Bedroom	83	830.00	300.00	129.00	4.75	133.75	
" " (L) 1	Bedroom	83	830.00	300.00	130.00	4.75	134.75	
156-07 80 St. (U) 1	Bedroom	83	830.00	300.00	129.00	4.75	133.75	
" " (L) 1	Bedroom	83	830.00	300.00	130.00	4.75	134.75	
156-03 80 St. (U) 1	Bedroom	83	830.00	300.00	129.00	4.75	133.75	
" " (L) 1	Bedroom	83	830.00	300.00	130.00	4.75	134.75	
80-73 Shore Pkwy (U) 1	Bedroom	83	830.00	300.00	129.00	4.75	133.75	
" " (L) 1	Bedroom	83	830.00	300.00	130.00	4.75	134.75	
80-71 Shore Pkwy (U) 1	Bedroom	83	830.00	300.00	129.00	4.75	133.75	
" " (L) 1	Bedroom	83	830.00	300.00	130.00	4.75	134.75	

STOCK AND DOWN PAYMENTS

Location	Type Unit	No. of Shares of Stock per Unit	Member's Total Cash Downpayment per Unit (incl. 1% Working Capital)	Additional Cash for Capital Im- provement Fund *	Est. Monthly Carrying Chg. to be Paid to Cooperative Per Unit	Est. Monthly Personal Bene- fit Expense/Unit	Est. Total Monthly Housing Expense/Unit	4**		5		6**	
								\$	\$	\$	\$	\$	\$
156-41 80	St. (U) 1	83	830.00	300.00	129.00	\$ 4.75	133.75						
" "	(L) 1	83	830.00	300.00	130.00	4.75	134.75						
156-39 80	St. (U) 1	83	830.00	300.00	129.00	4.75	133.75						
" "	(L) 1	83	830.00	300.00	130.00	4.75	134.75						
156-33 80	St. (U) 1	83	830.00	300.00	129.00	4.75	133.75						
" "	(L) 1	83	830.00	300.00	130.00	4.75	134.75						
156-29 80	St. (U) 1	83	830.00	300.00	129.00	4.75	133.75						
" "	(L) 1	83	830.00	300.00	130.00	4.75	134.75						
156-15 80	St. (U) 1	83	830.00	300.00	129.00	4.75	133.75						
" "	(L) 1	83	830.00	300.00	130.00	4.75	134.75						
156-11 80	St. (U) 1	83	830.00	300.00	129.00	4.75	134.75						
" "	(L) 1	83	830.00	300.00	130.00	4.75	133.75						
81-11 156	St. (L) 2	96	960.00	300.00	148.00	5.50	153.50						
" "	(U) 2	96	960.00	300.00	149.00	5.50	154.50						
81-09 156	St. (L) 2	96	960.00	300.00	148.00	5.50	153.50						
" "	(U) 2	96	960.00	300.00	151.00	5.50	156.50						
81-05 156	St. (L) 2	96	960.00	300.00	150.00	5.50	155.50						
" "	(U) 2	96	960.00	300.00	151.00	5.50	156.50						
81-03 156	St. (L) 2	96	960.00	300.00	150.00	5.50	155.50						
" "	(U) 2	96	960.00	300.00	151.00	5.50	156.50						
155-41 81	St. (L) 2	96	960.00	300.00	150.00	5.50	155.50						
" "	(U) 2	96	960.00	300.00	151.00	5.50	156.50						
155-39 81	St. (L) 2	96	960.00	300.00	150.00	5.50	155.50						
" "	(U) 2	96	960.00	300.00	151.00	5.50	156.50						
155-29 81	St. (L) 2	96	960.00	300.00	149.00	5.50	154.50						
" "	(U) 2	96	960.00	300.00	148.00	5.50	153.50						
155-31 81	St. (L) 2	96	960.00	300.00	149.00	5.50	154.50						
" "	(U) 2	96	960.00	300.00	148.00	5.50	153.50						

IV
STOCK AND DOWN PAYMENTS^a

Location	Type Unit	No. of Shares of Stock per Unit	Member's Total Cash Downpayment per Unit (incl. 1% Working Capital)	Additional Cash for Capital Im- provement Fund *	4** Est. Monthly Carrying Chg. to be Paid to Cooperative Per Unit	5 Est. Monthly Personal Bene- fit Expense/Unit	6** Est. Total Monthly Housing Expense/Unit	
								\$
155-19	81 St. (L)	2	96	960.00	\$ 480.00	\$ 151.00	\$ 5.50	\$ 156.50
"	" (U)	2	96	960.00	480.00	150.00	5.50	155.50
155-21	81 St. (L)	2	96	960.00	480.00	151.00	5.50	156.50
"	" (U)	2	96	960.00	480.00	150.00	5.50	155.50
81-14	155 St. (L)	2	96	960.00	480.00	149.00	5.50	154.50
"	" (U)	2	96	960.00	480.00	148.00	5.50	153.50
81-12	155 St. (L)	2	96	960.00	480.00	149.00	5.50	154.50
"	" (U)	2	96	960.00	480.00	148.00	5.50	153.50
81-06	155 St. (L)	2	96	960.00	480.00	149.00	5.50	154.50
"	" (U)	2	96	960.00	480.00	151.00	5.50	156.50
81-04	155 St. (L)	2	96	960.00	480.00	150.00	5.50	155.50
"	" (U)	2	96	960.00	480.00	149.00	5.50	154.50
82-16	155 St. (L)	2	96	960.00	480.00	148.00	5.50	153.50
"	" (U)	2	96	960.00	480.00	148.00	5.50	153.50
155-04	81 St. (L)	2	96	960.00	480.00	151.00	5.50	156.50
"	" (U)	2	96	960.00	480.00	151.00	5.50	156.50
155-06	81 St. (L)	2	96	960.00	480.00	151.00	5.50	156.50
"	" (U)	2	96	960.00	480.00	150.00	5.50	155.50
155-48	81 St. (L)	2	96	960.00	480.00	151.00	5.50	156.50
"	" (U)	2	96	960.00	480.00	150.00	5.50	155.50
155-50	81 St. (L)	2	96	960.00	480.00	150.00	5.50	155.50
"	" (U)	2	96	960.00	480.00	151.00	5.50	156.50
80-11	156 Ave. (L)	2	96	960.00	480.00	150.00	5.50	155.50
"	" (U)	2	96	960.00	480.00	150.00	5.50	155.50
80-09	156 Ave. (L)	2	96	960.00	480.00	151.00	5.50	156.50
"	" (U)	2	96	960.00	480.00	150.00	5.50	155.50
80-01	156 Ave. (L)	2	96	960.00	480.00	149.00	5.50	154.50
"	" (U)	2	96	960.00	480.00	148.00	5.50	153.50

Superintendent's Apartment

STOCK AND DOWN PAYMENTS

Location	Type Unit	No. of Shares of Stock per Unit	Member's Total Cash Downpayment per Unit (incl. 1% Working Capital	Additional Cash for Capital Im- provement Fund *	Est. Monthly Chg. to be Paid to Cooperative Per Unit	Est. Monthly Personnel Bone- fit Expense/Unit	Est. Total Monthly Housing Expense/Unit	4**			5			6**		
								a	b	c	a	b	c	a	b	c
79-25 156 Ave. (L)	2 Bedroom	96	\$ 960.00	\$ 480.00	\$ 151.00	5.50	\$ 156.50									
" " 156 Ave. (L)	2 Bedroom	96	960.00	480.00	150.00	5.50	155.50									
79-17 156 Ave. (L)	2 Bedroom	96	960.00	480.00	151.00	5.50	156.50									
" " 156 Ave. (L)	2 Bedroom	96	960.00	480.00	150.00	5.50	155.50									
79-15 156 Ave. (L)	2 Bedroom	96	960.00	480.00	151.00	5.50	156.50									
" " 156 Ave. (L)	2 Bedroom	96	960.00	480.00	150.00	5.50	155.50									
155-51 79 St. (L)	2 Bedroom	96	960.00	480.00	151.00	5.50	156.50									
" " 79 St. (L)	2 Bedroom	96	960.00	480.00	150.00	5.50	155.50									
155-49 79 St. (L)	2 Bedroom	96	960.00	480.00	151.00	5.50	156.50									
" " 79 St. (L)	2 Bedroom	96	960.00	480.00	150.00	5.50	155.50									
155-05 79 St. (L)	2 Bedroom	96	960.00	480.00	149.00	5.50	154.50									
" " 79 St. (L)	2 Bedroom	96	960.00	480.00	148.00	5.50	153.50									
155-03 79 St. (L)	2 Bedroom	96	960.00	480.00	149.00	5.50	154.50									
" " 79 St. (L)	2 Bedroom	96	960.00	480.00	148.00	5.50	153.50									
79-14 155 Ave. (L)	2 Bedroom	96	960.00	480.00	151.00	5.50	156.50									
" " 155 Ave. (L)	2 Bedroom	96	960.00	480.00	150.00	5.50	155.50									
79-16 155 Ave. (L)	2 Bedroom	96	960.00	480.00	147.00	5.50	152.50									
" " 155 Ave. (L)	2 Bedroom	96	960.00	480.00	146.00	5.50	151.50									
79-20 155 Ave. (L)	2 Bedroom	96	960.00	480.00	149.00	5.50	154.50									
" " 155 Ave. (L)	2 Bedroom	96	960.00	480.00	148.00	5.50	153.50									
80-02 155 Ave. (L)	2 Bedroom	96	960.00	480.00	149.00	5.50	154.50									
" " 155 Ave. (L)	2 Bedroom	96	960.00	480.00	148.00	5.50	153.50									
80-06 155 Ave. (L)	2 Bedroom	96	960.00	480.00	151.00	5.50	156.50									
" " 155 Ave. (L)	2 Bedroom	96	960.00	480.00	150.00	5.50	155.50									
80-08 155 Ave. (L)	2 Bedroom	96	960.00	480.00	151.00	5.50	156.50									
" " 155 Ave. (L)	2 Bedroom	96	960.00	480.00	149.00	5.50	154.50									
82-18 155 Ave. (L)	2 Bedroom	96	960.00	480.00	148.00	5.50	153.50									
" " 155 Ave. (L)	2 Bedroom	96	960.00	480.00	148.00	5.50	153.50									

Location	Type Unit	No. of Shares of Stock per Unit	Member's Total Cash Downpayment per Unit (incl. 1% Working Capital)	Additional Cash for Capital Improvement Fund *	Est. Monthly Carrying Chg. to be Paid to Cooperative Per Unit	Est. Monthly Personnel Bene- fit Expense/Unit	Est. Total Monthly Housing Expense/Unit
80-10	156 Ave. (L) 2 Bedroom	96	\$ 960.00	480.00	\$ 149.00	5.50	\$ 154.50
"	" (U) 2 Bedroom	96	960.00	480.00	148.00	5.50	153.50
80-12	156 Ave. (L) 2 Bedroom	96	960.00	480.00	149.00	5.50	154.50
"	" (U) 2 Bedroom	96	960.00	480.00	148.00	5.50	153.50
80-40	156 Ave. (L) 2 Bedroom	96	960.00	480.00	149.00	5.50	154.50
"	" (U) 2 Bedroom	96	960.00	480.00	148.00	5.50	153.50
81-44	156 Ave. (L) 2 Bedroom	96	960.00	480.00	149.00	5.50	154.50
"	" (U) 2 Bedroom	96	960.00	480.00	148.00	5.50	153.50
80-63	Shore Pkwy (L) 2 Bedroom	96	960.00	480.00	149.00	5.50	154.50
"	" (U) 2 Bedroom	96	960.00	480.00	148.00	5.50	153.50
80-59	Shore Pkwy (L) 2 Bedroom	96	960.00	480.00	149.00	5.50	154.50
"	" (U) 2 Bedroom	96	960.00	480.00	148.00	5.50	153.50
80-43	Shore Pkwy (L) 2 Bedroom	96	960.00	480.00	151.00	5.50	156.50
"	" (U) 2 Bedroom	96	960.00	480.00	147.00	5.50	152.50
80-41	Shore Pkwy (L) 2 Bedroom	96	960.00	480.00	149.00	5.50	154.50
"	" (U) 2 Bedroom	96	960.00	480.00	151.00	5.50	156.50
80-35	Shore Pkwy (L) 2 Bedroom	96	960.00	480.00	150.00	5.50	155.50
"	" (U) 2 Bedroom	96	960.00	480.00	151.00	5.50	156.50
80-33	Shore Pkwy (L) 2 Bedroom	96	960.00	480.00	151.00	5.50	156.50
"	" (U) 2 Bedroom	96	960.00	480.00	149.00	5.50	154.50
80-19	Shore Pkwy (L) 2 Bedroom	96	960.00	480.00	148.00	5.50	153.50
"	" (U) 2 Bedroom	96	960.00	480.00	149.00	5.50	154.50
80-15	Shore Pkwy (L) 2 Bedroom	96	960.00	480.00	148.00	5.50	153.50
"	" (U) 2 Bedroom	96	960.00	480.00	151.00	5.50	156.50
156-27	80 St. (L) 2 Bedroom	96	960.00	480.00	150.00	5.50	155.50
"	" (U) 2 Bedroom	96	960.00	480.00	151.00	5.50	156.50
156-25	80 St. (L) 2 Bedroom	96	960.00	480.00	150.00	5.50	155.50
"	" (U) 2 Bedroom	96	960.00	480.00	150.00	5.50	155.50
156-19	80 St. (L) 2 Bedroom	96	960.00	480.00	147.00	5.50	152.50
"	" (U) 2 Bedroom	96	960.00	480.00	146.00	5.50	151.50

VII

STOCK AND DOWN PAYMENTS

Location	Type Unit	No. of Shares of Stock per Unit	Member's Total Cash Downpayment per Unit (incl. 1% Working Capital)	Additional Cash for Capital Im- provement Fund *	4** Est. Monthly Carrying Chg. to be Paid to Cooperative Per Unit	5 Est. Monthly Personnel Bene- fit Expense/Unit	6** Est. Total Monthly Housing Expense/Unit
156-17 80 St.	(L) 2 Bedroom	96	\$ 960.00	\$ 480.00	\$ 151.00	5.50	\$ 156.50
" "	(U) 2 Bedroom	96	960.00	480.00	150.00	5.50	155.50
155-25 81 St.	(U) 3 BR. 1 Bath	103	1,030.00	590.00	176.00	6.50	182.50
" "	(L) 3 BR. 1 Bath	103	1,030.00	590.00	177.00	6.50	183.50
155-35 81 St.	(U) 3 BR. 1 Bath	103	1,030.00	590.00	174.00	6.50	180.50
" "	(L) 3 BR. 1 Bath	103	1,030.00	590.00	175.00	6.50	181.50
82-14 155 Ave.	(U) 3 BR. 1 Bath	103	1,030.00	590.00	174.00	6.50	180.50
" "	(L) 3 BR. 1 Bath	103	1,030.00	590.00	175.00	6.50	181.50
82-20 155 Ave.	(U) 3 BR. 1 Bath	103	1,030.00	590.00	176.00	6.50	182.50
" "	(L) 3 BR. 1 Bath	103	1,030.00	590.00	177.00	6.50	183.50
80-06 156 Ave.	(U) 3 BR. 1 Bath	103	1,030.00	590.00	176.00	6.50	182.50
" "	(L) 3 BR. 1 Bath	103	1,030.00	590.00	177.00	6.50	183.50
80-16 156 Ave.	(U) 3 BR. 1 Bath	103	1,030.00	590.00	176.00	6.50	182.50
" "	(L) 3 BR. 1 Bath	103	1,030.00	590.00	177.00	6.50	183.50
81-36 156 Ave.	(U) 3 BR. 1 Bath	103	1,030.00	590.00	176.00	6.50	181.50
" "	(L) 3 BR. 1 Bath	103	1,030.00	590.00	177.00	6.50	182.50
81-48 156 Ave.	(U) 3 BR. 1 Bath	103	1,030.00	590.00	176.00	6.50	181.50
" "	(L) 3 BR. 1 Bath	103	1,030.00	590.00	177.00	6.50	182.50
81-15 156 Ave.	(U) 3 BR. 1 Bath	103	1,030.00	590.00	159.00	6.50	165.50
" "	(L) 3 BR. 1 Bath	103	1,030.00	590.00	160.00	6.50	166.50
81-07 156 Ave.	(U) 3 BR. 1 Bath	103	1,030.00	590.00	159.00	6.50	165.50
" "	(L) 3 BR. 1 Bath	103	1,030.00	590.00	160.00	6.50	166.50
155-51 81 St.	(U) 3 BR. 1 Bath	103	1,030.00	590.00	159.00	6.50	165.50
" "	(L) 3 BR. 1 Bath	103	1,030.00	590.00	160.00	6.50	166.50
155-49 81 St.	(U) 3 BR. 1 Bath	103	1,030.00	590.00	159.00	6.50	165.50
" "	(L) 3 BR. 1 Bath	103	1,030.00	590.00	160.00	6.50	166.50
155-27 81 St.	(U) 3 BR. 1 Bath	103	1,030.00	590.00	159.00	6.50	165.50
" "	(L) 3 BR. 1 Bath	103	1,030.00	590.00	160.00	6.50	166.50

STOCK AND DOWN PAYMENTS

Location	Type Unit	No. of Shares of Stock per Unit	Member's Total		Additional Cash for Capital Im- provement Fund *	Est. Monthly Carrying Chg. to be Paid to Cooperative Per Unit	Est. Monthly Personnel Bene- fit Expense/Unit	Est. Total Monthly Housing Expense/Unit
			Cash Downpayment per Unit (incl. 1% Working Capital)	b				
155-33	81St. (U)3	BR.1Bath 103	\$ 1,030.00		\$ 590.00	\$ 155.00	6.50	\$ 161.50
"	" (L)3	BR.1Bath 103	1,030.00		590.00	156.00	6.50	162.50
155-07	81St. (U)3	BR.1Bath 103	1,030.00		590.00	159.00	6.50	165.50
"	" (L)3	BR.1Bath 103	1,030.00		590.00	160.00	6.50	166.50
155-09	81St. (U)3	BR.1Bath 103	1,030.00		590.00	159.00	6.50	165.50
"	" (L)3	BR.1Bath 103	1,030.00		590.00	160.00	6.50	166.50
81-16	155Ave (U)3	BR.1Bath 103	1,030.00		590.00	159.00	6.50	165.50
"	" (L)3	BR.1Bath 103	1,030.00		590.00	160.00	6.50	166.50
81-10	155Ave (U)3	BR.1Bath 103	1,030.00		590.00	157.00	6.50	163.50
"	" (L)3	BR.1Bath 103	1,030.00		590.00	158.00	6.50	164.50
82-10	155Ave (U)3	BR.1Bath 103	1,030.00		590.00	159.00	6.50	165.50
"	" (L)3	BR.1Bath 103	1,030.00		590.00	160.00	6.50	166.50
82-12	155Ave (U)3	BR.1Bath 103	1,030.00		590.00	155.00	6.50	161.50
"	" (L)3	BR.1Bath 103	1,030.00		590.00	156.00	6.50	162.50
82-22	155Ave (U)3	BR.1Bath 103	1,030.00		590.00	157.00	6.50	163.50
"	" (L)3	BR.1Bath 103	1,030.00		590.00	158.00	6.50	164.50
82-24	155Ave (U)3	BR.1Bath 103	1,030.00		590.00	159.00	6.50	165.50
"	" (L)3	BR.1Bath 103	1,030.00		590.00	160.00	6.50	166.50
81-12	156Ave (U)3	BR.1Bath 103	1,030.00		590.00	157.00	6.50	163.50
"	" (L)3	BR.1Bath 103	1,030.00		590.00	158.00	6.50	164.50
81-16	156Ave (U)3	BR.1Bath 103	1,030.00		590.00	157.00	6.50	163.50
"	" (L)3	BR.1Bath 103	1,030.00		590.00	158.00	6.50	164.50
80-65	ShorePkwy (U)3	BR.1Bath 103	1,030.00		590.00	158.00	6.50	164.50
"	" (L)3	BR.1Bath 103	1,030.00		590.00	159.00	6.50	165.50
80-57	ShorePkwy (U)3	BR.1Bath 103	1,030.00		590.00	160.00	6.50	166.50
"	" (L)3	BR.1Bath 103	1,030.00		590.00	159.00	6.50	165.50
80-51	ShorePkwy (U)3	BR.1Bath 103	1,030.00		590.00	159.00	6.50	165.50
"	" (L)3	BR.1Bath 103	1,030.00		590.00	160.00	6.50	166.50

1	2	3	4**	5	6**		
Location	Type Unit	Stock and Down Payments a No. of Shares of Stock per Unit	Member's Total b Cash Downpayment per Unit (incl. 1% Working Capital)	c Additional Cash for Capital Im- provement Fund *	Est. Monthly Carrying Chg. to be Paid to Cooperative Per Unit	Est. Monthly Personal Bene- fit Expense/Unit	Est. Total Monthly Housing Expense/Unit
80-47 Shore Pkwy	(U) 3 BR.1Bath	103	\$ 1,030.00	\$ 590.00	\$ 159.00	6.50	\$ 165.50
" "	(L) 3 BR.1Bath	103	1,030.00	590.00	160.00	6.50	166.50
80-31 Shore Pkwy	(U) 3 BR.1Bath	103	1,030.00	590.00	159.00	6.50	165.50
" "	(L) 3 BR.1Bath	103	1,030.00	590.00	160.00	6.50	166.50
80-27 Shore Pkwy	(U) 3 BR.1Bath	103	1,030.00	590.00	159.00	6.50	165.50
" "	(L) 3 BR.1Bath	103	1,030.00	590.00	160.00	6.50	166.50
80-23 Shore Pkwy	(U) 3 BR.1Bath	103	1,030.00	590.00	159.00	6.50	165.50
" "	(L) 3 BR.1 Bath	103	1,030.00	590.00	160.00	6.50	166.50
80-11 Shore Pkwy	(U) 3 BR.1Bath	103	1,030.00	590.00	159.00	6.50	165.50
" "	(L) 3 BR.1Bath	103	1,030.00	590.00	160.00	6.50	166.50
156-23 80 St.	(U) 3 BR.1Bath	103	1,030.00	590.00	157.00	6.50	163.50
" "	(L) 3 BR.1Bath	103	1,030.00	590.00	158.00	6.50	164.50
156-21 80 St.	(U) 3 BR.1Bath	103	1,030.00	590.00	155.00	6.50	161.50
" "	(L) 3 BR.1Bath	103	1,030.00	590.00	156.00	6.50	162.50
155-24 81 St.	(U) 3 BR.1Bath	103	1,030.00	590.00	159.00	6.50	165.50
" "	(L) 3 BR.1Bath	103	1,030.00	590.00	160.00	6.50	166.50
155-26 81 St.	(U) 3 BR.1Bath	103	1,030.00	590.00	159.00	6.50	165.50
" "	(L) 3 BR.1Bath	103	1,030.00	590.00	160.00	6.50	166.50
155-32 81 St.	(U) 3 BR.1Bath	103	1,030.00	590.00	159.00	6.50	165.50
" "	(L) 3 BR.1Bath	103	1,030.00	590.00	160.00	6.50	166.50
155-34 81 St.	(U) 3 BR.1Bath	103	1,030.00	590.00	160.00	6.50	166.50
" "	(L) 3 BR.1Bath	103	1,030.00	590.00	159.00	6.50	166.50
80-17 156 Ave.	(U) 3 BR.1Bath	103	1,030.00	590.00	160.00	6.50	165.50
" "	(L) 3 BR.1Bath	103	1,030.00	590.00	160.00	6.50	166.50
80-15 156 Ave.	(U) 3 BR.1Bath	103	1,030.00	590.00	159.00	6.50	165.50
" "	(L) 3 BR.1Bath	103	1,030.00	590.00	160.00	6.50	166.50

X

1	2	3	4**	5	6**		
Location	Type Unit	Stock and Down Payments a No. of Shares of Stock per Unit	Member's Total b Cash Downpayment per Unit (Incl. 1% Working Capital)	Additional c Cash for Capital Im- provement Fund *	Est. Monthly Carrying Chg. to be Paid to Cooperative Per Unit	Est. Monthly Personal Bene- fit Expense/Unit	Est. Total Monthly Housing Expense/Unit
80-03 156 Ave.	(U)3 BR.1Bath	103	\$ 1,030.00	\$ 590.00	155.00	6.50	\$ 161.50
" "	(L)3 BR.1Bath	103	1,030.00	590.00	156.00	6.50	162.50
79-23 156 Ave.	(U)3 BR.1Bath	103	1,030.00	590.00	159.00	6.50	165.50
" "	(L)3 BR.1Bath	103	1,030.00	590.00	160.00	6.50	166.50
79-11 156 Ave.	(U)3 BR.1Bath	103	1,030.00	590.00	159.00	6.50	165.50
" "	(L)3 BR.1Bath	103	1,030.00	590.00	160.00	6.50	166.50
79-09 156 Ave.	(U)3 BR.1Bath	103	1,030.00	590.00	159.00	6.50	165.50
" "	(L)3 BR.1Bath	103	1,030.00	590.00	160.00	6.50	166.50
155-33 79 St.	(U)3 BR.1Bath	103	1,030.00	590.00	159.00	6.50	165.50
" "	(L)3 BR.1Bath	103	1,030.00	590.00	160.00	6.50	166.50
155-31 79 St.	(U)3 BR.1Bath	103	1,030.00	590.00	159.00	6.50	165.50
" "	(L)3 BR.1Bath	103	1,030.00	590.00	160.00	6.50	166.50
155-25 79 St.	(U)3 BR.1Bath	103	1,030.00	590.00	159.00	6.50	165.50
" "	(L)3 BR.1Bath	103	1,030.00	590.00	160.00	6.50	166.50
79-18 155 Ave.	(U)3 BR.1Bath	103	1,030.00	590.00	155.00	6.50	161.50
" "	(L)3 BR.1Bath	103	1,030.00	590.00	156.00	6.50	162.50
80-04 155 Ave.	(U)3 BR.1Bath	103	1,030.00	590.00	159.00	6.50	165.50
" "	(L)3 BR.1Bath	103	1,030.00	590.00	160.00	6.50	166.50
155-23 79 St.	(U)3 BR.1Bath	103	1,030.00	590.00	159.00	6.50	165.50
" "	(L)3 BR.1Bath	103	1,030.00	590.00	160.00	6.50	166.50
155-23 81 St.	(U)3 BR.2Bath	179	1,790.00	850.00	182.00	6.50	188.50
" "	(L)3 BR.2Bath	179	1,790.00	850.00	183.00	6.50	189.50
155-37 81 St.	(U)3 BR.2Bath	179	1,790.00	850.00	182.00	6.50	188.50
" "	(L)3 BR.2Bath	179	1,790.00	850.00	183.00	6.50	189.50
82-06 155 Ave.	(U)3 BR.2Bath	179	1,790.00	850.00	182.00	6.50	188.50
" "	(L)3 BR.2Bath	179	1,790.00	850.00	183.00	6.50	189.50

STOCK AND DOWN PAYMENTS ^{X1}

Location	Type Unit	No. of Shares per Unit	Member's Total Cash Downpayment per Unit (incl. 1% Working Capital)	Additional Cash for Capital Im- provement Fund *	Est. Monthly Carrying Chg. to be Paid to Cooperative Per Unit	Est. Monthly Personal Bene- fit Expense/Unit	Est. Total Monthly Housing Expense/Unit
82-08 155 Ave.	(U)3 BR.2Bath	179	\$ 1,790.00	\$ 850.00	182.00	6.50	\$ 188.50
" " "	(L)3 BR.2Bath	179	1,790.00	850.00	183.00	6.50	189.50
82-26 155 Ave.	(U)3 BR.2Bath	179	1,790.00	850.00	182.00	6.50	188.50
" " "	(L)3 BR.2Bath	179	1,790.00	850.00	183.00	6.50	189.50
82-28 155 Ave.	(U)3 BR.2Bath	179	1,790.00	850.00	182.00	6.50	188.50
" " "	(L)3 BR.2Bath	179	1,790.00	850.00	183.00	6.50	189.50
155-14 81 St.	(U)3 BR.2Bath	179	1,790.00	850.00	180.00	6.50	186.50
" " "	(L)3 BR.2Bath	179	1,790.00	850.00	181.00	6.50	187.50
155-16 81 St.	(U)3 BR.2Bath	179	1,790.00	850.00	180.00	6.50	186.50
" " "	(L)3 BR.2Bath	179	1,790.00	850.00	181.00	6.50	187.50
155-40 81 St.	(U)3 BR.2Bath	179	1,790.00	850.00	180.00	6.50	186.50
" " "	(L)3 BR.2Bath	179	1,790.00	850.00	181.00	6.50	187.50
155-42 81 St.	(U)3 BR.2Bath	179	1,790.00	850.00	180.00	6.50	186.50
" " "	(L)3 BR.2Bath	179	1,790.00	850.00	181.00	6.50	187.50
80-07 156 Ave.	(U)3 BR.2Bath	179	1,790.00	850.00	182.00	6.50	188.50
" " "	(L)3 BR.2Bath	179	1,790.00	850.00	183.00	6.50	189.50
80-05 156 Ave.	(U)3 BR.2Bath	179	1,790.00	850.00	178.00	6.50	184.50
" " "	(L)3 BR.2Bath	179	1,790.00	850.00	179.00	6.50	185.50
79-21 156 Ave.	(U)3 BR.2Bath	179	1,790.00	850.00	182.00	6.50	188.50
" " "	(L)3 BR.2Bath	179	1,790.00	850.00	183.00	6.50	189.50
79-19 156 Ave.	(U)3 BR.2Bath	179	1,790.00	850.00	182.00	6.50	188.50
" " "	(L)3 BR.2Bath	179	1,790.00	850.00	183.00	6.50	189.50
155-41 79 St.	(U)3 BR.2Bath	179	1,790.00	850.00	180.00	6.50	186.50
" " "	(L)3 BR.2Bath	179	1,790.00	850.00	181.00	6.50	187.50
155-39 79 St.	(U)3 BR.2Bath	179	1,790.00	850.00	180.00	6.50	186.50
" " "	(L)3 BR.2Bath	179	1,790.00	850.00	181.00	6.50	187.50

1	2	3	4**	5	6**		
Location	Type	Stock and Down Payments a No. of Shares per Unit	Member's Total b Cash Downpayment per Unit (incl. 1% Working Capital)	Additional c Cash for Capital Im- provement Fund *	Est. Monthly Carrying Chg. to be Paid to Cooperative Per Unit	Est. Monthly Personal Bene- fit Expense/Unit	Est. Total Monthly Housing Expense/Unit
155-17 79 St.(U)3 BR.2Bath	(L)3 BR.2Bath	179	\$ 1,790.00	\$ 850.00	\$ 180.00	6.50	\$ 186.50
" " (L)3 BR.2Bath	(L)3 BR.2Bath	179	1,790.00	850.00	181.00	6.50	187.50
155-15 79 St.(U)3 BR.2Bath	(L)3 BR.2Bath	179	1,790.00	850.00	180.00	6.50	186.50
" " (L)3 BR.2Bath	(L)3 BR.2Bath	179	1,790.00	850.00	181.00	6.50	187.50
81-04 156 Ave(U)3 BR.2Bath	(L)3 BR.2Bath	179	1,790.00	850.00	182.00	6.50	188.50
" " (L)3BR.2Bath	(L)3BR.2Bath	179	1,790.00	850.00	183.00	6.50	189.50
81-08 156 Ave(U)3 BR.2Bath	(L)3 BR.2Bath	179	1,790.00	850.00	182.00	6.50	188.50
" " (L)3 BR.2Bath	(L)3 BR.2Bath	179	1,790.00	850.00	183.00	6.50	189.50
81-20 156 Ave(U)3 BR.2Bath	(L)3 BR.2Bath	179	1,790.00	850.00	182.00	6.50	188.50
" " (L)3 BR.2Bath	(L)3 BR.2Bath	179	1,790.00	850.00	183.00	6.50	189.50
81-24 156 Ave(U)3 BR.2Bath	(L)3 BR.2Bath	179	1,790.00	850.00	182.00	6.50	188.50
" " (L)3 BR.2Bath	(L)3 BR.2Bath	179	1,790.00	850.00	183.00	6.50	189.50
80-39 Shore Pkwy(U)3BR.2Bath	(L)3 BR.2Bath	179	1,790.00	850.00	178.00	6.50	184.50
" " (L)3 BR.2Bath	(L)3 BR.2Bath	179	1,790.00	850.00	179.00	6.50	185.50
80-37 Shore Pkwy(U)3BR.2Bath	(L)3 BR.2Bath	179	1,790.00	850.00	180.00	6.50	186.50
" " (L)3 BR.2Bath	(L)3 BR.2Bath	179	1,790.00	850.00	181.00	6.50	187.50

312 Apartments including three for superintendent's 33,568 \$335,680 \$166,280 \$47,726

(U) is second floor apartment
(L) is first floor apartment

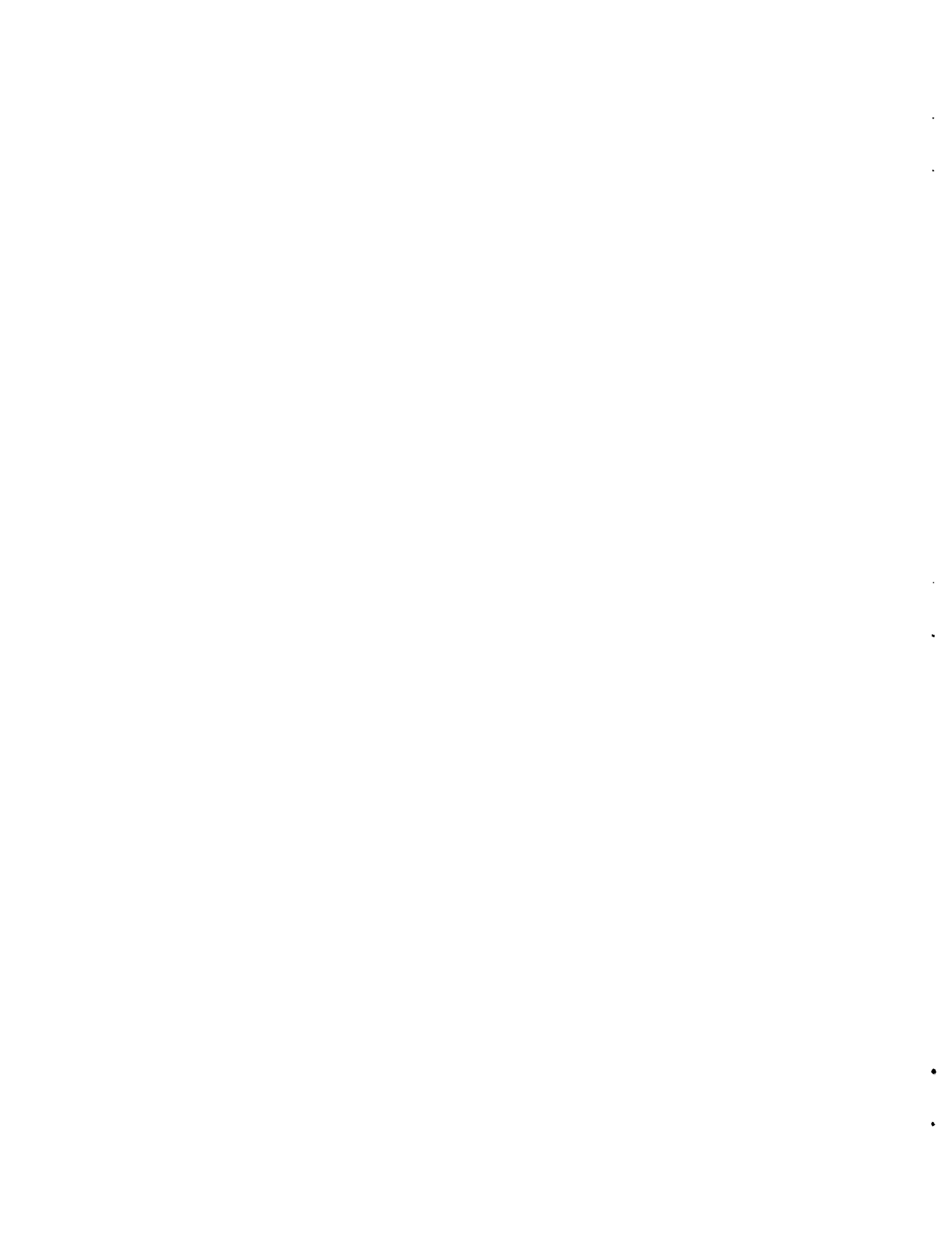
*Optional to present occupants. In the event not all occupants exercise the option, the total of Column C will be reduced accordingly

**Litigation is pending in the Supreme Court of the State of New York to determine the responsibility for the maintenance and operation of a privately installed pumping station and storm sewers which originally serviced

-continued next page

**cont.

a housing development in Queens. Lindenwood Gardens Cooperative, Inc. continues to use the pumping station for sewer service. The City of New York, which is currently maintaining the facilities, claims that the liability for the upkeep expenses is that of the developer; who, in turn, claims that the expenses of such upkeep should be borne by FHA since FHA is now owner of part of the development. If the court's determination is that the property owner is responsible for the expenses of maintenance and operation of the pumping station facilities, the Cooperative will assume liability for the operating and maintenance expenses of this fully automatic plant after the cut-off date as provided in the contract of sale and purchase. In no event, however, is there any obligation on the part of the cooperative to take over or assume the costs of said litigation.



FEDERAL HOUSING ADMINISTRATION

**MODEL FORM OF OPERATING BUDGET AND
SCHEDULE OF CARRYING CHARGES**

(Instructions for the preparation of this form are contained in Appendices IV-3 and IV-10 of the Cooperative Housing Insurance and Servicing Handbook and in the Uniform System of Accounts For Cooperative Housing Projects, FHA Form No. 3262.)

FHA Project Number

012-30241/42/43

Name and Address of Project

LINDENWOOD GARDENS APARTMENTS
HOWARD BEACH, QUEENS, NEW YORK

Budget Covering Period:

Date of First Amortization Payment

From _____ To _____

EXPENSES	ACCOUNT NO.	COL. 1	COL. 2	FOR FHA USE
Management Fees	6320	15,000		
Manager's Apartment Rent	6330			
Office Salaries	6310			
Office Expenses	6311			
Legal Expense	6340)			
Audit Expense	6350)	3,500		
Telephone and Telegraph Expenses	6360	500		
Selling Expense	6200			
Vacancy and Collection Losses	6370			
Miscellaneous	6390	500		
TOTAL ADMINISTRATIVE EXPENSE		19,500		
Fuel	6420	25,000	24,715	
Electricity	6450	29,000	28,143	
Gas	6452	4,400	4,384	
Water and Sewer	6451	9,800 (1)	6,514	
Engineer's Payroll	6421			
Security Expense	6422			
Janitor's Payroll	6430	36,000		
Janitor's Supplies	6431	800		
Exterminating	6462	600		
Engineer or Janitor's Apartment	6421/6430			
Garage or Parking Area	6480			
Rubbish Removal	6470			
Miscellaneous		550		
TOTAL OPERATING EXPENSE		106,150		
Decorating Expense	6560	4,000		
Grounds Expense	6520	1,250		
Heating and Air Conditioning Maintenance	6510)			
Plumbing Maintenance	6511)			
Electrical Maintenance	6512)			
Elevator Maintenance	6550)			
Maintenance Equipment Repairs	6580)	600		
Miscellaneous Maintenance and Repairs	6590)	4,500		
Employees Uniforms		300		
TOTAL MAINTENANCE EXPENSE		10,650		
Real Estate Taxes	6710	142,250 (2)	132,354	
Employer's Payroll Taxes in Item 6430	6711			
Miscellaneous Taxes (N.Y. State Franchise Tax)	6719)	1,200		
Property Insurance	6720)			
Public Liability Insurance	6722)	9,000		
Workmen's Compensation Insurance	6721)			
Fidelity Bonds	6723			
Miscellaneous Taxes N. Y. City Franchise Tax	6729	1,200		
Employees Benefits		1,200		
TOTAL TAXES AND INSURANCE		154,850		
Ground Rent	6730			
Interest on Mortgage of \$4,280,000 at 5 1/4%	6820	224,700		
FHA Mortgage Insurance Premium Service Charge	6850	21,400		
TOTAL FINANCIAL EXPENSE		246,100		
TOTAL EXPENSES		537,250		

	ACCOUNT NO.	COL. 1	COL. 2	FOR FHA USE
TOTAL EXPENSE (CARRIED FORWARD)		537,250		
Replacement Reserve	1320	10,200		
Mortgage Principal (Paid-In Surplus)	2320/3241	31,586		
General Operating Reserve	1365	17,000		
Project Equipment	1470			
Improvements to Fixed Assets	1400			
TOTAL CONTRIBUTION TO CAPITAL BY MEMBERS		58,786		
TOTAL ANNUAL BUDGET NEEDED		596,036		
INCOME				
Carrying Charges (Dwelling Unit Income)	5110	572,712		
Commercial Space Rental	5130			
Garage Income & Parking	5120	9,400 (3)		
Interest Income	5410	5,400		
Laundry, Vending, Etc.		6,500		
Resale Fees, Service Charges, etc.		3,600		
TOTAL INCOME		597,612		
STATUS OF RESERVE ACCOUNTS				
	Surplus	1,576		
Cumulative Replacement Reserve Required to Date				
Replacement Reserve Presently on Deposit	1320			
Cumulative General Operating Reserve Required to Date				
General Operating Reserve Presently on Deposit	1365			
Painting Reserve Presently on Deposit	3230			

SCHEDULE OF CARRYING CHARGES

No. of Units	Description of Unit	Monthly Carrying Charge Per Unit	Total Annual Carrying Chg. For Units of This Type
NOTE: S	SEE ATTACHED SCHEDULE OF MONTHLY CARRYING CHARGES		
	Column (1) contains budget for cooperative proposed by FCH Company, Inc. Figures are based on Column (2) data plus budget experience of nearby Lindenwood Garden Apartment Cooperatives.		
	Column (2) contains figures set forth in FHA Prospectus and Invitation to Bid advertised on June 20, 1965.		
	(1) Based on 1966 billing.		
	(2) Based on tax year 1967/68: assessed valuation totals \$2,845,000.		
	(3) Based on 60% of potential income as stated in FHA Offering of June 20, 1965. This figure also reflects actual monthly receipts.		
TOTALS			

Brief Explanation of Managing Agent's Plan of Operation:

FCH Company, Inc. will provide a manager and staff backed up by senior officials who will attend all regular board and membership meetings and make recommendations and assist in cooperative education, as necessary. FCH is currently managing more than 50 cooperatives insured under Sections 213 and 221(d)(3).

Prepared By: FCH COMPANY, INC.
Managing Agent

Date October 17, 1966

Approved:

Approved:

/s/ Richard J. Mase
 Title Richard J. Mase, Asst. Secretary
(On Behalf of Cooperative)

Date October 17, 1966

Approved:

Chief of Operations, FHA Insuring Office

Director, FHA Insuring Office

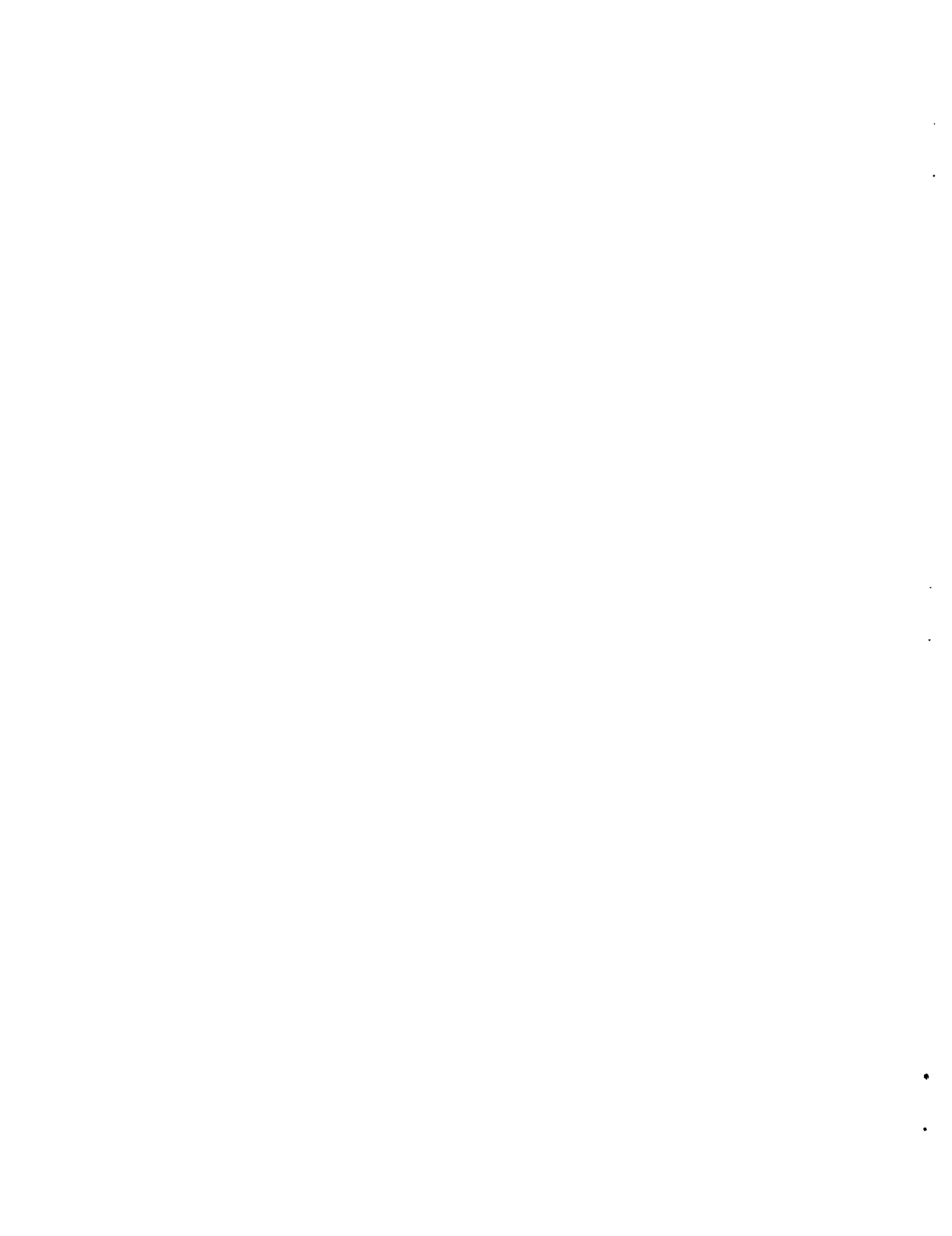
Date _____

Date _____

SCHEDULE "A" TO FORM 3240

SCHEDULE OF CARRYING CHARGES

<u>No. of Units</u>	<u>Description of Unit/No. of Rooms</u>	<u>Monthly Carrying Chg. per Unit</u>	<u>Total Monthly Carrying Chg. for Units This Type</u>	<u>Annual Total</u>
30	1 BR-1 Bath 4½	\$129.00	\$3,870.00	
30	1 BR " 4½	130.00	3,900.00	
2	2 BR " 5	146.00	292.00	
3	2 BR " 5	147.00	441.00	
22	2 BR " 5	148.00	3,256.00	
21	2 BR " 5	149.00	3,129.00	
27	2 BR " 5	150.00	4,050.00	
26	2 BR " 5	151.00	3,926.00	
5	3 BR " 6	155.00	775.00	
5	3 BR " 6	156.00	780.00	
5	3 BR " 6	157.00	785.00	
5	3 BR " 6	158.00	790.00	
32	3 BR " 6	159.00	5,088.00	
32	3 BR " 6	160.00	5,120.00	
2	3 BR " 6½	174.00	348.00	
2	3 BR " 6½	175.00	350.00	
6	3 BR " 6½	176.00	1,056.00	
6	3 BR " 6½	177.00	1,062.00	
2	3 BR-2 Baths 7	178.00	356.00	
2	3 BR " 7	179.00	358.00	
9	3 BR " 7	180.00	1,620.00	
9	3 BR " 7	181.00	1,629.00	
13	3 BR " 7	182.00	2,366.00	
13	3 BR " 7	183.00	2,379.00	
<u>309 + 3</u>				
Rent Free Units for Employees			\$47,726.00 x 12	\$572,712.00



CERTIFICATE OF INCORPORATION

LINDENWOOD GARDENS COOPERATIVE, INC.

Pursuant to Article 2 of the
Cooperative Corporations Law

FIRST: This is to certify that we, Winslow Carlton, S. F. Boden, John D. Lange, Dwight D. Townsend and John O. Walker, all being of full legal age, at least two-thirds of us citizens of the United States and at least one of us being a resident of the State of New York, do, under and by virtue of the laws of the State of New York, associate ourselves with the intention of forming a corporation to provide housing on a non-profit cooperative basis under the conditions hereinafter set forth.

SECOND: The name of the corporation is: Lindenwood Gardens Cooperative, Inc. The corporation shall commence business with the filing of this certificate, and have perpetual existence. The principal office of the corporation will be located in the County of Queens, City and State of New York.

THIRD: The purpose for which the corporation is formed, and the business and the objects to be carried on and promoted by it, are as follows:

(a) To provide housing on a cooperative basis, in the manner and for the purposes provided for in Section 213 of Title II of the National Housing Act, as amended;

(b) To purchase from the Federal Housing Commissioner, maintain, improve and operate a housing project designated as

FHA Project Numbers: 012-30241
012-30242
012-30243

Present Name: Lindenwood Apartments

Location: New York, Queens, New York,
and to buy, own, sell, convey, assign, mortgage or lease any real estate and any personal property necessary to the operation of the housing project;

(c) To borrow money and issue evidence of indebtedness in furtherance of any or all of the objects of its business; to secure the same by mortgage, pledge or other lien;

(d) To enter into any kind of activity, and to perform and carry out contracts of any kind necessary to, or in connection with, or incidental to the accomplishment of the purposes of the corporation; and

(e) To make patronage refunds to members, stockholders, occupants of dwelling units or others as provided by the by-laws and/or occupancy agreements.

FOURTH: Notwithstanding any other provisions contained herein, the corporation formed hereby is authorized to enter into a contract (Regulatory Agreement) with the Federal Housing Commissioner and shall be bound by the terms thereof to enable the Commissioner to carry out the provisions of the National Housing Act, as amended. Upon execution, the contract (Regulatory Agreement) shall be binding upon the corporation, its successors and assigns, so long as a mortgage is outstanding, unpaid, and held by the Federal Housing Commissioner.

FIFTH: The corporation shall have an odd number of directors, not less than five nor more than nine, as fixed by the by-laws, who shall be elected by the stockholders of the corporation from among themselves and who shall serve until their successors are elected and qualified.

SIXTH: By-laws of the corporation may be adopted by the stockholders, who may change them at their pleasure so long as they do not conflict with the provisions of this certificate, or of the Regulatory Agreement.

SEVENTH: The total number of shares that may be issued by the corporation is 50,196, all of which are to have a par value of \$10.00 and all of such shares shall be common stock.

EIGHTH: The names and post office addresses of the directors of the corporation until the first annual meeting of the stockholders or until earlier duly replaced are:

Winslow Carlton	221 Park Avenue South, New York 3, N.Y.
S. F. Boden	217 Park Row, New York 3, N. Y.
John D. Lange	1413 K Street, N. W., Washington, D. C. 20005
Dwight D. Townsend	1012 - 14th Street, N. W., Washington, D. C. 20005
John O. Walker	3200 Circle Hill Road, Alexandria, Virginia

NINTH: At least one of the persons named as aforesaid as a director is a citizen of the United States and a resident of the State of New York.

Signed by the incorporators this 18th day of November, 1966.

s/ Winslow Carlton

Winslow Carlton

221 Park Avenue South, New York 3, N. Y.

s/ S. F. Boden

S. F. Boden

217 Park Row, New York 3, N. Y.

s/ John D. Lange

John D. Lange

1413 K Street, N. W., Washington, D. C. 20005

s/ Dwight D. Townsend

Dwight D. Townsend

1012 - 14th Street, N. W., Washington, D. C. 20005

s/ John O. Walker

John O. Walker

3200 Circle Hill Road, Alexandria, Virginia

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

On this 18th day of November, 1966, before me personally appeared WINSLOW CARLTON, to me known to be the person described in and who executed the foregoing Certificate of Incorporation; and he thereupon acknowledged to me that he executed the same.

s/ Samuel R. Friedman

Notary Public, State of New York
No. 60-1328900

Qualified in Westchester County
Commission Expires March 30, 1967

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

On this 18th day of November, 1966, before me personally appeared S. F. BODEN, to me known to be the person described in and who executed the foregoing Certificate of Incorporation; and he thereupon acknowledged to me that he executed the same.

s/ Samuel R. Friedman

Notary Public, State of New York
No. 60-1328900

Qualified in Westchester County
Commission Expires March 30, 1967

DISTRICT OF COLUMBIA)
) ss:
UNITED STATES OF AMERICA)

On this 17th day of November, 1966, before me personally came JOHN D. LANGE, DWIGHT D. TOWNSEND, and JOHN O. WALKER, to me known to be the persons described in and who executed the foregoing Certificate of Incorporation; and they thereupon severally acknowledged to me that they executed the same.

/s/ Clara M. Maranucci
Clara M. Maranucci,
Notary Public in and for
the District of Columbia
My Commission Expires April 14, 1971

CERTIFICATE OF AMENDMENT
of the
CERTIFICATE OF INCORPORATION

of

LINDENWOOD GARDENS COOPERATIVE, INC.

Pursuant to Article Two of the Cooperative Corporations Law of the State of New York, Winslow Carlton and S. F. Boden, being respectively the president and the secretary of Lindenwood Gardens Cooperative, Inc., a corporation existing and subject to the provisions of the Cooperative Corporations Law of the State of New York, do hereby certify as follows:

- (1) The Certificate of Incorporation of the said corporation was filed in the office of the Secretary of State on the 23rd day of November, 1966.
- (2) The Certificate of Incorporation is hereby amended as authorized in Section 12 of Article 2 of the Cooperative Corporations Law to effect a reduction in the amount of the authorized capital stock and the number of shares of common stock to be issued by amending Article SEVENTH of the said Certificate of Incorporation to read as follows:

ARTICLE SEVENTH:

The total number of shares that may be issued by the Corporation is 33,568, each of which is to have a par value of \$10.00 and each of such shares shall be common stock.

IN WITNESS WHEREOF, we have made and subscribed this Certificate this 15th day of February, 1967.

/s/ Winslow Carlton
Winslow Carlton, President

/s/ S. F. Boden
S. F. Boden, Secretary

STATE OF NEW YORK)
 : SS.:
COUNTY OF NEW YORK)

On the 15th day of February, 1967, before me personally came WINSLOW CARLTON and S. F. BODEN, to me known and known to me to be the individuals described in and who executed the foregoing instrument and they severally acknowledged to me that they executed the same.

/s/ Samuel R. Friedman
Samuel R. Friedman
Notary Public, State of New York
No. 60-1328900
Qualified in Westchester County
Commission Expires March 30, 1967

STATE OF NEW YORK)
 : SS.:
COUNTY OF NEW YORK)

WINSLOW CARLTON and S. F. BODEN, being severally duly sworn, do depose and say, and each for himself, deposes and says that:

He, the said Winslow Carlton, the President of Lindenwood Gardens Cooperative, Inc., and that he, the said S. F. Boden, the Secretary thereof; and that they have been authorized to execute and file the foregoing Certificate with the approval of at least two-thirds

(2/3) of the Directors of the Corporation and by affirmative votes cast in person by members of the entire regular membership entitled to vote thereon and that such votes were cast at a membership meeting held in Washington, D. C. on February 9, 1967, upon due and timely notice as prescribed by law, and that they, the undersigned, were also authorized by the affirmative vote of at least two-thirds (2/3) of the members of the Board of Directors at a meeting held on February 9, 1967, upon due and timely notice of such meeting having been given to all members of said Board.

/s/ Winslow Carlton
Winslow Carlton

/s/ S. F. Boden
S. F. Boden

Sworn to before me this 15th
day of February, 1967.

/s/ Samuel R. Friedman
Samuel R. Friedman
Notary Public, State of New York
No. 60-1328900
Qualified in Westchester County
Commission Expires March 30, 1967

BY-LAWS
OF
LINDENWOOD GARDENS COOPERATIVE, INC.

- ARTICLE I. NAME AND LOCATION OF CORPORATION
- ARTICLE II. PURPOSE
- ARTICLE III. MEMBERSHIP
- Section 1. Eligibility
 - Section 2. Application for Membership
 - Section 3. Subscription Funds
 - Section 4. Members, Authorized Memberships, and
 Occupancy Agreements
 - Section 5. Stock Certificates
 - Section 6. Lost Certificates
 - Section 7. Lien
 - Section 8. Transfer of Membership
 - (a) Death of Member
 - (b) Option of Corporation to Purchase
 - (c) Procedure Where Corporation Does
 Not Exercise Option
 - (d) Transfer Value
 - Section 9. Termination of Membership for Cause
 - Section 10. Non-Speculation on Sales of Memberships
- ARTICLE IV. MEETINGS OF MEMBERS
- Section 1. Place of Meetings
 - Section 2. Annual Meetings
 - Section 3. Special Meetings
 - Section 4. Notice of Meetings
 - Section 5. Quorum
 - Section 6. Adjourned Meetings
 - Section 7. Voting
 - Section 8. Proxies
 - Section 9. Order of Business
- ARTICLE V. DIRECTORS
- Section 1. Number and Qualification
 - Section 2. Powers and Duties
 - Section 3. Election and Term of Office
 - Section 4. Vacancies
 - Section 5. Removal of Directors
 - Section 6. Compensation
 - Section 7. Organization Meeting
 - Section 8. Regular Meetings
 - Section 9. Special Meetings
 - Section 10. Waiver of Notice
 - Section 11. Quorum
 - Section 12. Fidelity Bonds
 - Section 13. Safeguarding Subscription Funds
- ARTICLE VI. OFFICERS
- Section 1. Designation
 - Section 2. Election of Officers
 - Section 3. Removal of Officers
 - Section 4. President
 - Section 5. Vice President
 - Section 6. Secretary
 - Section 7. Treasurer
- ARTICLE VII. REGULATORY AGREEMENT OF FHA
Rights of Federal Housing Administration
- ARTICLE VIII. AMENDMENTS
- ARTICLE IX. CORPORATE SEAL

- ARTICLE X. FISCAL MANAGEMENT
Section 1. Fiscal Year
Section 2. Books and Accounts
Section 3. Auditing
Section 4. Inspection of Books
Section 5. Execution of Corporate Documents
Section 6. Association with Other Cooperatives

ARTICLE XI. SAVING CLAUSE

ARTICLE I. NAME AND LOCATION OF CORPORATION

Section 1. The name of this corporation is Lindenwood Gardens Cooperative, Inc. Its principal office is located in the City of New York, County of Queens, State of New York.

ARTICLE II. PURPOSE

Section 1. The purpose of this Corporation is to provide its stockholders (hereinafter referred to as "Members") with housing and community facilities, if any, on a nonprofit basis consonant with the provisions set forth in its Certificate of Incorporation.

ARTICLE III. MEMBERSHIP

Section 1. Eligibility. Any natural person approved by the Board of Directors shall be eligible for stock ownership (hereinafter referred as "Membership"), provided that he or she executes a Subscription Agreement and Occupancy Agreement in the usual form employed by the Corporation covering a specific unit in the housing project.

Section 2. Application for Membership. Application for membership shall be presented in person on a form prescribed by the Board of Directors, and all such applications shall be acted upon promptly by the Board of Directors.

Section 3. Subscription Funds. All subscription funds (except funds required for credit reports) received from applicants prior to the acquisition of title to the Project by the Corporation from the Federal Housing Administration (hereinafter sometimes referred to as the "Administration") shall be deposited promptly without deduction in a special account or accounts (savings or checking) of the Corporation as escrowee or trustee for the Subscribers to Membership, which monies shall not be general corporate funds, but shall be held solely for the benefit of the Subscribers until transferred to the account of the Corporation as hereinafter provided. Such special account or accounts shall be established with such bank or banks or savings and loan association or associations (whose deposits are insured by an agency of the Federal Government) as may be approved by the Administration. Such account or accounts may be interest bearing, with the interest earned to be retained and owned by the Corporation. Such funds shall be subject to withdrawal, or transfer to the account of the Corporation or disbursed in a manner directed by the Corporation only upon certification (which certification shall appear on the face of any check, if such funds have been deposited in a checking account) by the President or Vice President and Secretary or any Assistant Secretary of the Corporation to the above-named institution or institutions that:

- (a) The Subscription Agreement of a named applicant has been terminated pursuant to its terms and such withdrawal is required to repay the amount paid by him under such agreement; or

- (b) Applicants for at least 80% of the dwelling units to be covered by the mortgage have not been procured within the period specified in the Contract of Sale between the Cooperative and FHA, or any extension thereof, and such withdrawal is required to repay to the applicants the amount paid by them; or
- (c) Applicants for at least 80% of the dwelling units to be covered by the mortgage (or such lesser number as may be approved by the Administration) have signed Subscription Agreements, have been approved as to their credit by the Administration, and have paid the subscription price in full and when, in addition, there is sufficient occupancy to assure that the Project can meet its obligations. If these requirements have been met and the purchase money mortgage loan has been scheduled for closing with the approval of the Administration, the entire amount of the funds in the subscription escrow account may be transferred to the Corporation, at which time the Corporation shall issue and deliver stock certificates to all members.

Section 4. Members, Authorized Memberships, and Occupancy Agreements. The members shall consist of the individuals comprising the first Board of Directors, as identified in the Certificates of Incorporation, or their successors and such subscribers as have been approved for membership by the Board of Directors and who have paid for their membership and received their stock certificates. The status of the Directors named in the Certificates of Incorporation (or their successors elected by them) as members shall terminate at the first annual membership meeting, unless they have executed Subscription Agreements and, where required, by the Administration, Occupancy Agreements, and paid the subscription price in full.

Section 5. Stock Certificates. Each stock certificate shall state that the Corporation is organized under the laws of the State of New York, the name of the registered holder of the stock represented thereby, the Corporation lien rights as against such stock as set forth in this Article, and the preferences and restrictions applicable thereto, and shall be in such form as shall be approved by the Board of Directors. Stock certificates shall be consecutively numbered, bound in one or more books, and shall be issued therefrom upon certification as to full payment. Every stock certificate shall be signed by the President or Vice President, and the Secretary or Assistant Secretary, and shall be sealed with the corporate seal.

Section 6. Lost Certificates. The Board of Directors may direct a new certificate or certificates to be issued in place of any certificate or certificates previously issued by the Corporation and alleged to have been destroyed or lost upon the making of an affidavit of that fact by the person claiming the certificate to be lost or destroyed. When authorizing such issuance of a new certificate or certificates, the Board of Directors may, in its discretion, and as a condition precedent to the issuance thereof, require the registered owner of such lost or destroyed certificate or certificates, or his legal representative, to advertise the same in such manner as the Board of Directors shall require and to give the Corporation a bond in such sum as the Board of Directors may require as indemnity against any claim that may be made against the Corporation.

Section 7. Lien. The Corporation shall have a lien on the outstanding regular shares of common stock in order to secure payment of any sums which shall be due or become due from the holders thereof for any reason whatsoever, including any sums due under any Occupancy Agreements.

Section 8. Transfer of Membership. Except as provided herein, membership shall not be transferable and, in any event, no transfer of membership shall be made upon the books of the Corporation within ten (10) days next preceding the annual meeting of the members.

- (a) Death of Member. If, upon death of a member, his stock in the Corporation passes by will or intestate distribution to a member of his immediate family, such legatee or distributee may, by assuming in writing the terms of the Subscription Agreement and Occupancy Agreement, where required by the Administration, within sixty (60) days after member's death, and paying all amounts due thereunder, become a member of the Corporation. If member dies and the obligations are not assumed in accordance with the foregoing, then the Corporation shall have an option to purchase the stock from the deceased member's estate in the manner provided in paragraph (b) of this Section, written notice of the death being equivalent to notice of intention to withdraw. If the Corporation does not exercise such option, the provisions of paragraph (c) of this Section shall be applicable, the references to "member" therein to be construed as references to the legal representative of the deceased member.
- (b) Option of Corporation to Purchase. If the member desires to leave the project, he shall notify the Corporation in writing of such intention and the Corporation shall have an option for a period of thirty (30) days thereafter, but not the obligation, to purchase the membership, together with all of the member's rights with respect to the dwelling unit, at an amount to be determined by the Corporation as representing the transfer value thereof, less any amounts due by the member to the Corporation under the Occupancy Agreement, and less the cost or estimated cost of all deferred maintenance, including painting, redecorating, floor finishing, and such repairs and replacements as are deemed necessary by the Corporation to place the dwelling unit in suitable condition for another occupant. The purchase by the Corporation of the membership will immediately terminate the member's rights and the member shall forthwith vacate the premises.
- (c) Procedure Where Corporation Does Not Exercise Option. If the Corporation waives in writing its right to purchase the stock under the foregoing option, or if the Corporation fails to exercise such option within the thirty (30) day period, the member may sell his stock to any person who has been duly approved by the Corporation as a member and occupant. If the Corporation agrees, at the request of the member, to assist the member in finding a purchaser, the Corporation shall be entitled to charge the member a fee it deems reasonable for this service. When the transferee has been approved for membership and has executed the prescribed Occupancy Agreement, the retiring member shall be released of his obligations under his Occupancy Agreement, provided he has paid all amounts due the Corporation to date.

(d) Transfer Value. Whenever the Board of Directors elects to purchase a member's stock the term "transfer value" shall mean the sum of the following:

- (1) The consideration (i.e. purchase price) paid for the stock by the first occupant of the unit involved as shown on the books of the Corporation;
- (2) The value, as determined by the Directors, of any improvements installed at the expense of the member with the prior approval of the Directors, under a valuation formula which does not provide for reimbursement in an amount in excess of the typical initial cost of the improvements; and
- (3) The amount of principal amortized by the Corporation on its mortgage indebtedness and attributable to the dwelling unit involved as paid by the member involved and previous holders of the stock representing the same apartment.

Section 9. Termination of Membership for Cause. In the event the Corporation has terminated the rights of a member under the Occupancy Agreement, the member shall be required to deliver promptly to the Corporation his stock certificate and his Occupancy Agreement, both endorsed in such manner as may be required by the Corporation. The Corporation shall thereupon at its election either (1) repurchase said stock at its transfer value (as hereinabove defined) or the amount the retiring member originally paid for the acquisition of his stock certificate, whichever is the lesser, or (2) proceed with reasonable diligence to effect a sale of the stock to a purchaser, and at a sales price acceptable to the Corporation. The retiring member shall be entitled to receive the amount so determined, less the following amounts (the determination of such amounts by the Corporation to be conclusive):

- (a) any amounts due to the Corporation from the member under the Occupancy Agreement;
- (b) the cost or estimated cost of all deferred maintenance, including painting, re-decorating, floor finishing, and such repairs and replacements as are deemed necessary by the Corporation to place the dwelling unit in suitable condition for another occupant; and
- (c) legal and other expenses incurred by the Corporation in connection with the default of such member and the resale of his stock. In the event the retiring member for any reason should fail for a period of 10 days after demand to deliver to the Corporation his endorsed stock certificate, said stock certificate shall forthwith be deemed to be cancelled and may be reissued by the Corporation to a new purchaser.

Section 10. Non-Speculation on Sales of Memberships.

(a) The Corporation shall observe the basic cooperative principle that purchase and sales of memberships are not for speculative purposes and that investments in the Corporation by members are for the purpose of securing a home for their use and benefit. To this end, the policies established by the Corporation shall be designed to discourage and avoid speculation both in the sale and resale of memberships by members or by the Corporation. Accordingly, the Corporation shall resell memberships and Occupancy Agreements which it acquires at an amount representing:

(f) The amount paid by the Corporation as the Transfer Value (as provided in Section 8(d) of this Article III);

PLUS

(ii) Such amounts as the Corporation may expend to pay the costs of any improvements made in a dwelling unit to facilitate its resale.

(b) The Corporation may establish from time to time the amount which it deems necessary as a service fee for resale of memberships and Occupancy Agreements in dwelling units. Such service fee shall be uniform in its application to all withdrawing members except that it may take into account varying prices and types of dwelling units: Provided that such service fee shall be computed on a basis which is calculated to reimburse the Corporation for its costs in handling resales generally without realizing profits from its operations.

(c) The determination by the Corporation shall be conclusive as to service fees and costs of improvements for the purposes set forth in subparagraphs (a) and (b).

ARTICLE IV. MEETINGS OF MEMBERS

Section 1. Place of Meetings. Meetings of the membership shall be held at the principal office or place of business of the Corporation or at such other suitable place convenient to the membership as may be designated by the Board of Directors.

Section 2. Annual Meetings. The first annual meeting of the Corporation shall be held within 60 days after the acquisition of title to the Project by the Corporation (or such later date as may be established by resolution of the Board of Directors of the Corporation with the prior written approval of the Federal Housing Administration). Thereafter the annual meeting of the Corporation shall be held on the third Thursday of March of each succeeding year. At such meeting there shall be elected by ballot of the members a Board of Directors in accordance with the requirements of Section 3 of Article V of these By-Laws. The members may also transact such other business of the Corporation as may properly come before them.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the members as directed by resolution of the Board of Directors or upon a petition signed by twenty (20) percent of the members having been presented to the Secretary, or at the request of the Federal Housing Commissioner or his duly authorized representative. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent of four-fifths of the members present, either in person or by proxy. Special meetings may not be called by the members until a time subsequent to the date of the first annual meeting except as directed by resolution of the Board of Directors, or by the Federal Housing Commissioner or his duly authorized representative.

Section 4. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each stockholder of record, at his address as it appears on the stock book of the Corporation, or if no such address appears, at his last known place of address, at least ten (10) but not more than forty (40) days prior to such meeting. Service may also be accomplished by the delivery of any such notice to the member at his dwelling unit or last known address. Notice of either such method shall be considered as notice served. Notices of all meetings shall be mailed to the Director of the local insuring office of the Federal Housing Administration.

Section 5. Quorum. The presence, either in person or by proxy, of at least fifteen (15) percent of the members of record of the Corporation shall be requisite for, and shall constitute a quorum for the transaction of business at all meetings of members. If the number of members at a meeting drops below the quorum and the question of a lack of quorum is raised, no business may thereafter be transacted.

Section 6. Adjourned Meetings. If any meeting of members cannot be organized because a quorum has not attended, or a meeting has been ended because the number of members at said meeting has dropped below the quorum, the members who are present, either in person or by proxy, may, except as otherwise provided by law, adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called, at which subsequent meeting the quorum requirement shall be ten (10) percent.

Section 7. Voting. At every meeting of the regular members, each member present, **either** in person or by proxy, shall have the right to cast one vote on each question and never more than one vote. The vote of the majority of those present, in person or by proxy, shall decide any question brought before such meeting, unless the question is one upon which, by express provision of statute or of the Certificate of Incorporation or of these By-Laws, a different vote is required, in which case such express provision shall govern and control. No member shall be eligible to vote or to be elected to the Board of Directors who is shown on the books or management accounts of the Corporation to be more than 30 days delinquent in payments due the Corporation under his Occupancy Agreement.

Section 8. Proxies. A member may appoint as his proxy only a member of his immediate family (as defined by the Board of Directors) except that an unmarried member may appoint any other member as his proxy. In no case may a member cast more than one vote by proxy in addition to his own vote. Any proxy must be filed with the Secretary before the appointed time of each meeting.

Section 9. Order of Business. The order of business at all regularly scheduled meetings of the regular members shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Reports of committees.
- (f) Report of manager or managing agent.
- (g) Election of inspectors of election.
- (h) Election of directors.
- (i) Unfinished business.
- (j) New business.

In the case of special meetings, items (a) through (d) shall be applicable and thereafter the agenda shall consist of the items specified in the notice of meeting.

If present, a representative of the Administration will be given an opportunity to address any regular or special meeting.

ARTICLE V. DIRECTORS

Section 1. Number and qualification. The affairs of the Corporation shall be governed by a Board of Directors composed of not less than five (5), nor more than nine (9) persons, a majority of whom shall be members of the Corporation.

Section 2. Powers and Duties. The Board of Directors shall have all the powers and duties necessary for the administration of the affairs of the Corporation and may do all such acts and things as are not by law or by these By-Laws directed to be exercised and done by the members. The powers of the Board of Directors shall include, but not be limited:

- (a) To accept or reject all applications for membership and admission to occupancy of a dwelling unit in the cooperative housing project, either directly or through an authorized representative;
- (b) Subject to the approval of the Administration, to establish monthly carrying charges as provided for in the Occupancy Agreement, based on an operating budget formally adopted by such Board;
- (c) Subject to the approval of the Administration, to engage an agent or employees for the management of the project under such terms as the Board may determine;

- (d) To authorize in their discretion patronage refunds from residual receipts when and as reflected in the annual report;
- (e) To terminate membership and occupancy rights for cause;
- (f) To promulgate such rules and regulations pertaining to use and occupancy of the premises as may be deemed proper and which are consistent with these By-Laws, the Articles of Incorporation, and the Regulatory Agreement; and

Section 3. Election and Term of Office. The term of the Directors named in the Certificate of Incorporation shall expire when their successors have been elected at the first annual meeting or any special meeting called for that purpose; Provided, that any such special meetings to be held prior to the first annual meeting shall be called only as directed by resolution of the Board of Directors or by the Federal Housing Commissioner or his duly authorized representative. At the first annual meeting of the stockholders the Board of Directors shall be increased to 9 and divided into 3 classes. The stockholders shall elect from among themselves 3 directors of the first class for a term of 1 year; 3 directors for a second class for a term of 2 years; and 3 directors of the third class for a term of 3 years. At the expiration of the initial term of office of each respective Director, his successor shall be elected to serve a term of three 3 years. The Directors shall hold office until their successors have been elected and hold their first meeting.

Section 4. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the membership shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum; and each person so elected shall be a Director until a successor is elected by the members at the next annual meeting to serve out the unexpired portion of the term.

Section 5. Removal of Directors. At any regular or special meeting duly called, any Director elected by the members may be removed with or without cause by the affirmative vote of the majority of the entire regular membership of record and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the members shall be given an opportunity to be heard at the meeting. The term of any Director who becomes more than 30 days delinquent in payment of his carrying charges shall be automatically terminated and the remaining Directors shall appoint his successor as provided in Section 4, above.

Section 6. Compensation. No compensation shall be paid to Directors for their services as Directors. No remuneration shall be paid to a Director for services performed by him for the Corporation in any other capacity, unless a resolution authorizing such remuneration shall be unanimously adopted by the Board of Directors before the services are undertaken. No remuneration or compensation shall in any case be paid to a Director without the approval of the Administration. A Director may not be an employee of the Corporation.

Section 7. Organization Meeting. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

Section 8. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least four such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting.

Section 9. Special Meetings. Special meetings of the Board of Directors may be called by the President on three days notice to each Director, given personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least three Directors.

Section 10. Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting. Where all of the Directors unanimously approve and sign a corporate resolution or authorization (which is to be included in the minute book), this shall be recognized as proper corporate action taken at a duly authorized meeting, without proceeding under the provisions hereof that would otherwise be applicable for calling and holding Directors meetings.

Section 11. Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 12. Fidelity Bonds. The Board of Directors shall require that all officers and employees of the Corporation handling or responsible for corporate or trust funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Corporation.

Section 13. Safeguarding Subscription Funds. It shall be the duty of the Board of Directors to see to it that all sums received in connection with membership subscriptions prior to the acquisition of title to the housing project by the Corporation, are deposited and withdrawn only in the manner provided for in Article III, Section 3 of these By-Laws.

ARTICLE VI. OFFICERS

Section 1. Designation. The principal officers of the Corporation shall be a President, one or more Vice Presidents, a Secretary, and a Treasurer, all of whom shall be elected by and from the Board of Directors. The Directors may appoint assistant treasurers and assistant secretaries, and such other officers as in their judgment may be necessary.

Section 2. Election of Officers. The officers of the Corporation shall be elected annually by the Board of Directors at the organization meeting of each new board and shall hold office at the pleasure of the Board.

Section 3. Removal of Officers. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose.

Section 4. President. The President shall be the chief executive officer of the Corporation. He shall preside at all meetings of the members and of the Board of Directors. He shall have all the general powers and duties which are usually vested in the office of president of a corporation, including but not limited to the power to appoint committees from among the membership from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Corporation.

Section 5. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the members of the Corporation; he shall have the custody of the seal of the Corporation; he shall have charge of the membership transfer books and of such other books and papers as the Board of Directors may direct; and he shall, in general, perform all the duties incident to the office of secretary.

Section 7. Treasurer. The Treasurer shall have responsibility for corporate funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Corporation. He shall be responsible for the deposit of all moneys and other valuable effects in the name, and to the credit, of the Corporation in such depositories as may from time to time be designated by the Board of Directors.

ARTICLE VII. REGULATORY AGREEMENT OF FHA

Rights of Federal Housing Administration. The management, operation and control of the affairs of the Corporation shall be subject to the rights, powers, and privileges of the Federal Housing Administration pursuant to a Regulatory Agreement between the Corporation and the Federal Housing Administration. The Corporation is bound by the provisions of the Regulatory Agreement which is a condition precedent to the acquisition of title to the Project by the Corporation.

ARTICLE VIII. AMENDMENTS

These By-Laws may be amended by the affirmative vote of the majority of the entire regular membership of record at any regular or special meeting, provided that no amendment shall become effective unless and until it has received the written approval of the Administration. Amendments may be proposed by the Board of Directors or by petition signed by at least twenty (20) percent of the members. A description of any proposed amendment shall accompany the notice of any regular or special meeting at which such proposed amendment is to be voted upon.

ARTICLE IX. CORPORATE SEAL

The Board of Directors shall provide a suitable corporate seal containing the name of the Corporation, which seal shall be in charge of the Secretary. If so directed by the Board of Directors, a duplicate of the seal may be kept and used by the Treasurer or any assistant secretary or assistant treasurer.

ARTICLE X. FISCAL MANAGEMENT

Section 1. Fiscal Year. The fiscal year of the Corporation shall begin on the 1st day of January of each year, except that the first fiscal year of the Corporation shall begin at the date of incorporation. The commencement date of the fiscal year herein established shall be subject to change by the Board of Directors should corporate practice subsequently dictate, but not without the prior written approval of the Administration.

Section 2. Books and Accounts. Books and accounts of the Corporation shall be kept under the direction of the Treasurer and in accordance with the Uniform System of Accounts prescribed by the FHA Commissioner. That amount of the carrying charges required for payment on the principal of the mortgage of the Corporation or any other capital expenditures shall be credited upon the books of the Corporation to the "Paid-In-Surplus" account as a capital contribution by the members.

Section 3. Auditing. At the closing of each fiscal year, the books and records of the Corporation shall be audited by a Certified Public Accountant or other person acceptable to the Administration, whose report will be prepared and certified in accordance with the requirements of the Administration. Based on such reports, the Corporation will furnish its members with an annual financial statement including the income and disbursements of the Corporation. The Corporation will also supply the members, as soon as practicable after the end of each calendar year, with a statement showing each member's pro rata share of the real estate taxes and mortgage interest paid by the Corporation during the preceding calendar year.

Section 4. Inspection of Books. Financial reports such as are required to be furnished to the Administration and the membership records of the Corporation shall be available at the principal office of the Corporation for inspection at reasonable times by any member.

Section 5. Execution of Corporate Documents. With the prior authorization of the Board of Directors, all notes and contracts, including Occupancy Agreements, shall be executed on behalf of the Corporation by any officer of the Corporation, and all checks shall be executed on behalf of the Corporation by any two officers of the Corporation.

Section 6. Association with Other Cooperatives. The Corporation may become a member of an association of cooperatives who join together for purposes of mutual aid and of advancing the cooperative movement as a means of providing housing for consumers.

ARTICLE XI. SAVING CLAUSE

Any provision of these By-Laws that is inconsistent with or in violation of any provision or requirements contained in the Certificate of Incorporation or amended Certificate or Certificates, or that is inconsistent with and in violation of the statutes or the law of the State of New York, shall be considered inoperative, and the provision contained in the Certificate of Incorporation or any amended Certificate, and the provisions of the applicable laws of the State of New York shall be considered part of these By-Laws as if set forth herein.

REGULATORY AGREEMENT

LINDENWOOD GARDENS COOPERATIVE, INC.

FHA Project Nos. 012-30241

012-30242

012-30243

AGREEMENT dated this day of 1966, by and between LINDENWOOD GARDENS COOPERATIVE, INC. (hereinafter called the "Mortgagor") whose address is c/o FCH Company, Inc., 155-04 81st Street, Howard Beach, Queens, New York, party of the first part, and PHILIP N. BROWNSTEIN, as Federal Housing Commissioner (hereinafter called the "Commissioner"), acting pursuant to the authority granted to him by the National Housing Act, as amended (hereinafter called the "Act"), party of the second part,

WITNESS THAT:

WHEREAS, the Mortgagor is owner of certain premises upon which has been erected a cooperative housing development designated as FHA Project Nos. 012-30241, 012-30242, and 012-30243 (hereinafter collectively called the "Project"); and

WHEREAS, the Mortgagor has purchased the Project from the Commissioner for a purchase price of \$4,400,000.00 upon the following terms, namely, a cash downpayment of \$120,000.00 and the balance of the purchase price for credit, which balance of purchase price is evidenced by a certain note secured by a purchase money mortgage (hereinafter called the "Mortgage") given by the Mortgagor to the Commissioner; and

WHEREAS, the Mortgagor and the Commissioner have agreed that as a condition of the sale of the Project to the Mortgagor, that so long as the Project is encumbered by a mortgage owned or insured by the Commissioner, the Mortgagor will consent to be regulated and restricted by the Commissioner as provided in Section 213 of the Act.

NOW THEREFORE, in consideration of the sum of one dollar (\$1.00) in hand paid and other good and valuable considerations by each party to the other, the receipt of which is hereby acknowledged, and in order to induce the Commissioner to sell the Project to the Mortgagor, and in order that the Mortgagor may be regulated and restricted by the Commissioner as provided in said Section 213 and the applicable Rules, the parties hereto agree as follows: that as long as the Commissioner shall be the owner, holder, or insurer of the Mortgage, or during any time the Commissioner is obligated to insure a mortgage on the mortgaged property:

1. The Mortgagor shall promptly make all payments due under the Note and Mortgage.
2. The Mortgagor shall establish and maintain a reserve fund for replacements for the Project by the allocation to such reserve fund in a separate account with the Mortgagee or in a safe and responsible depository designated by the Mortgagee, commencing on the date of the first payment towards amortization of the principal of the mortgage insured by the Commissioner, of an amount equal to \$ 850.16 , and a like amount monthly thereafter. Such fund may be in the form of a cash deposit or invested in obligations of, or fully guaranteed as to principal by the United States of America, and shall at all times be under the control of the Mortgagee. Such fund is for the purpose of effecting replacement of structural elements and mechanical equipment of the Project and for such other purposes as may be agreed to in writing by the Commissioner. Disbursements from such fund may be made only after receiving the consent in writing of the Commissioner.

3. Commencing with occupancy, the Mortgagor shall establish and maintain a general operating reserve for the Project by allocation and payment there-to monthly of a sum equivalent to not less than 3 percent of the monthly amount otherwise chargeable to the members residing in the Project (hereinafter referred to as "Members") pursuant to their occupancy agreements. Upon accrual in said General Operating Reserve Account of an amount equal to 15 percent of the current annual amount, otherwise chargeable to the members pursuant to their Occupancy Agreements, the rate of such monthly allocations may, by appropriate action of the Mortgagor, be reduced from 3 percent to 2 percent, provided, however, that in the event withdrawals from such account reduce it below said 15 percent accrual, the rate of such monthly deposits shall immediately be restored to 3 percent; at any time thereafter upon accrual in said General Operating Reserve Account of an amount equal to 25 percent of the current annual amount otherwise chargeable to the Members pursuant to their Occupancy Agreement, such monthly deposits may, by appropriate action of the Mortgagor, be discontinued and no further deposits need be made into such General Operating Reserve so long as said 25 percent level is maintained and provided, further, that upon any reduction of such reserve below said 25 percent level, monthly deposits shall forthwith be made at the 3 percent rate until the 25 percent level is restored. (This reserve shall remain in a special account and may be in the form of a cash deposit or invested in obligations of, or fully guaranteed as to principal by, the United States of America, and shall at all times be under the control of the Mortgagor. This cumulative reserve is intended to provide a measure of financial stability to the Project during the periods of special stress and may be used to meet deficiencies from time to time as a result of delinquent payments by individual cooperators in the Project to provide funds for the re-purchase of stock of withdrawing Members, and other contingencies. Disbursements totaling in excess of 20 percent of the total balance in the reserve as of the close of the preceding annual period may not be made during any annual period without the consent of the Commissioner. Reimbursement shall be made to the account upon payment of delinquencies or sale of stock for which funds were withdrawn from the reserve.)
4. The Mortgagor shall establish and collect monthly carrying charges for the Project pursuant to the conditions set forth hereinafter. Monthly carrying charges charged to Members during the initial occupancy period shall be made by the Mortgagor in accordance with a schedule of charges filed with and approved in writing by the Commissioner prior to the opening of the Project for occupancy. Such charges shall be in an amount sufficient to meet the FHA estimate of cooperative management expense, operating expense, and maintenance expense, debt service, taxes, special assessments and ground rents, if any, reserves, and all other expenses of the Mortgagor for the Project. Subsequent to the initial occupancy period, charges made by the Mortgagor for its accommodations shall be in accordance with a schedule of charges filed with and approved in writing by the Commissioner and shall be in an amount sufficient to meet the Mortgagor's estimate of expenses set forth in an operating budget which shall be prepared and submitted to the FHA 60 days prior to the beginning of each fiscal year. The operating budget shall set forth the anticipated income of the Project and a sufficiently detailed estimate of expenses which will include separate estimates for administration expenses, operating expense, maintenance expense, utilities, hazard insurance, taxes and assessments, ground rent, interest and amortization, mortgage insurance premium, replacement reserve and operating reserve. The Mortgagor shall not permit occupancy of its accommodations except in accordance with a schedule of charges approved by the Commissioner and such schedule shall not be changed except with the written approval of the Commissioner; nor shall occupancy be permitted by the Mortgagor except upon the execution of an Occupancy Agreement in a form approved by the Commissioner. The Project shall not be rented as an entirety. Commercial accommodations and non-dwelling facilities, if any, shall be rented only according to a schedule of charges fixed by the directors and approved in writing by the Commissioner, and the form of lease shall be subject to the written approval of the Commissioner. Mortgagor shall provide for the management of the project in a manner satisfactory to the Commissioner. Any management contract entered into by the Mortgagor involving the Project shall contain a provision that it shall be subject to termination, without penalty and with or without cause, upon written request by the Commissioner addressed to the

Mortgagor and the management agent. Upon receipt of such request the Mortgagor shall immediately terminate the contract within a period of not more than thirty (30) days and shall make arrangements satisfactory to the Commissioner for continuing proper management of the Project.

5. The Mortgagor shall not without prior approval of the Commissioner, given in writing:
- (a) Sell, assign, transfer, dispose of or encumber any real or personal property of the Project, except as specifically permitted by the terms of the Mortgage;
 - (b) remodel, reconstruct, demolish, or subtract from the premises constituting the Project and subject to the Mortgage;
 - (c) permit the occupancy of any of the dwelling accommodations of the Project except at the charges fixed by the schedule of charges provided herein;
 - (d) permit occupancy of any of the dwelling accommodations of the Project except by Members;
 - (e) consolidate or merge the Corporation into or with any other Corporation; go into voluntary liquidation; carry into effect any plan of reorganization of the Corporation; effect any changes whatsoever in its capital structure; alter or amend its Certificate of Incorporation; or amend its by-laws;
 - (f) fail to establish and maintain the Fund for Replacements and general operating reserve as set forth herein;
 - (g) incur liabilities pertaining to the Project (direct or contingent) which will at any time exceed in the aggregate \$42,800.00, except that indebtedness secured by the Mortgage or necessarily incidental to the execution and delivery thereof;
 - (h) enter into any contract or contracts for supervisory or managerial services;
 - (i) invest any funds of the Corporation in any property, real, personal, or mixed, except obligations of, or fully guaranteed as to principal by, the United States of America;
 - (j) encumber or dispose of in any manner whatsoever any funds derived from the proceeds of its insured mortgage on the Project in excess of sums required to pay the applicable statutory percentage of the actual cost of legitimate obligations incurred in the construction of the physical improvements on the mortgaged property and for which mortgage funds were made available, nor fail to apply such excess funds to the reduction of the principal due under such insured Mortgage.
6. Commencing with the date hereof, no compensation or fee pertaining to the Project shall be paid by the Mortgagor except for necessary services and except at such rate as is fair and reasonable in the locality for similar services, nor, except with the prior written approval of the Commissioner, shall any compensation be paid by the Mortgagor to its officers, directors or stockholders, or to any person, or corporation, for supervisory or managerial services; nor shall any compensation be paid by the Corporation to any employee in excess of \$5,000 per annum, except with such prior written approval. No officer, director, stockholder, agent, or employee of the Mortgagor shall in any manner become indebted to the Mortgagor, except on account of approved occupancy charges.

7. The Mortgagor shall maintain the Project, the grounds, buildings, and equipment appurtenant thereto, in good repair and in such condition as will preserve the health and safety of its occupants.
8. The Mortgagor, its property, equipment, buildings, plans, office, apparatus, devices, books, contracts, records, documents and papers shall be subject to inspection and examination by the Commissioner or his duly authorized agent at all reasonable times.
9. The books and accounts of the Mortgagor shall be kept in accordance with the Uniform System of Accounting prescribed by the Commissioner. The Mortgagor shall file with the Commissioner and the Mortgagee the following reports verified by the signature of such officers of the Mortgagor as may be designated and in such form as may be prescribed by the Commissioner:
 - (a) monthly or quarterly operating reports, when required by the Commissioner;
 - (b) semi-annual financial statement within sixty days after the semi-annual period when required by the Commissioner;
 - (c) annual reports prepared by a certified public accountant or other person acceptable to the Commissioner, within sixty days after the end of each fiscal year;
 - (d) specific answers to questions upon which information is desired from time to time relative to the operation and condition of the property and the status of the Mortgage;
 - (e) copies of minutes of all stockholders' meetings certified to by the secretary of the Mortgagor within thirty days after such meetings, and when required by the Commissioner, copies of minutes of directors' meetings.
10. The Mortgagor shall not execute or file for record any instrument which imposes a restriction upon the sale, leasing, or occupancy of the property subject to the insured mortgage, or any part thereof, on the basis of race, color or creed.
11. No litigation seeking the recovery of a sum in excess of \$3,000 nor any action for specific performance or other equitable relief shall be instituted nor shall any claim for a sum in excess of \$3,000 be settled or compromised by the Mortgagor unless prior written consent thereto has been obtained from the Commissioner. Such consent may be subject to such terms and conditions as the Commissioner may prescribe.
12. The Mortgagor agrees to observe and perform each and every one of the covenants, and provisions required to be observed and performed under or pursuant to the terms of the Mortgage.
13. The Mortgagor shall not file any petition in bankruptcy, or for a receiver, or in insolvency, or for reorganization or composition, or make any assignment for the benefit of creditors or to a trustee for creditors, or permit an adjudication in bankruptcy, or the taking of possession of the mortgaged property or any part thereof by a receiver, or the seizure and sale of the mortgaged property or any part thereof under judicial process or pursuant to any power of sale.

14. Upon a violation of any of the above provisions of this Agreement by the Mortgagor, the Commissioner may give written notice thereof to the Mortgagor, by registered or certified mail, addressed to the addresses stated in this Agreement. If such violation is not corrected to the satisfaction of the Commissioner within 15 days after the date such notice is mailed, or within such additional period of time as is set forth in the notice, or where the Mortgagor proceeds immediately and diligently, within such further time as the Commissioner determines is necessary to correct the violation, without further notice the Commissioner may declare a default under this Agreement and upon such default the Commissioner may:
- (a) (i) If the Commissioner holds the Note - declare the whole of said indebtedness immediately due and payable and then proceed with the foreclosure of the Mortgage;
 - (ii) If said Note is not held by the Commissioner - notify the holder of the Note of such default, and the holder, with the prior written consent of the Commissioner, may declare the whole indebtedness due, and thereupon proceed with foreclosure of the Mortgage; or assign the Note and Mortgage to the Commissioner as provided in the Regulations;
- (b) Collect all rents and charges in connection with the operation of the Project and use such collections to pay the Mortgagor's obligations under this Agreement and under the note and Mortgage and the necessary expenses of preserving the property and operating the Project;
 - (c) Take possession of the mortgaged property, bring any action necessary to enforce any rights of the Mortgagor of the Project, and any rights of the Commissioner, arising by reason of the Agreement, and operate the Project in accordance with the terms of this Agreement until such time as the Commissioner in his discretion determines that the Mortgagor is again in a position to operate the Project in accordance with the terms of this Agreement and in compliance with the requirements of the note and Mortgage;
 - (d) Apply to any court, State or Federal, for specific performance of this Agreement, for an injunction against any violation of the Agreement, for the appointment of a receiver to take over and operate the Project in accordance with the terms of the Agreement, or for such other relief as may be appropriate, since the injury to the Commissioner arising from a default under any of the terms of this Agreement would be irreparable and the amount of the damage would be difficult to ascertain.
15. As security for the payment due under this Agreement for the Reserve Fund for Replacements, and to secure the Commissioner because of his liability under the endorsement of the Note for insurance, and as security for the other obligations under this Agreement, the Mortgagor assigns, pledges and mortgages to the Commissioner its rights to the rents, profits, income and charges of whatever sort which it may receive or be entitled to receive from the operation of the mortgaged property, subject, however, to any assignment of rents in the insured Mortgage referred to herein: Provided, however, that permission is granted to the Mortgagor to collect and retain under the provisions of this Agreement the rents, profits, income and charges, during any such period or periods of time for which the Commissioner has not declared a default. Upon declaration by the Commissioner of a default, the said permission is terminated and shall not be deemed to be reinstated until the Commissioner has declared this default to be cured.
16. The Mortgagor agrees that there shall be full compliance with the provisions of (1) any state or local laws prohibiting discrimination in housing on the basis of race, color, creed, or national origin, and (2) with the Regulations of the Federal Housing Administration providing for non-discrimination and equal

opportunity in housing. It is understood and agreed that failure or refusal to comply with any such provisions shall be a proper basis for the Commissioner to take any corrective action he may deem necessary including, but not limited to, the rejection of future applications for FHA mortgage insurance and the refusal to enter into future contracts of any kind with which the Mortgagor is identified, and further if the Mortgagor is a corporation or any other type of business association or organization which may fail to refuse to comply with the aforementioned provisions, the Commissioner shall have a similar right of corrective action (1) with respect to any individuals who are officers, directors, trustees, managers, partners, associates, or stockholders of the Mortgagor, and (2) with respect to any corporation or any other type of business association or organization with which the officers, directors, trustees, managers, partners, associates or stockholders of the Mortgagor may be identified.

17. The covenants and agreements herein set out shall be deemed to run with the land herein described so long as there is a mortgage on said property insured or owned by the Commissioner and to bind any future purchasers of the real property or any part thereof.
18. As used in this Agreement the term:
 - (a) "Mortgage" shall include "Deed of Trust";
 - (b) "Note" shall include "Bond";
 - (c) "Mortgagor" shall include "Grantor" under any Deed of Trust;
 - (d) "Mortgagee" shall include the "Beneficiary" under Mortgage or Deed of Trust however designated;
 - (e) "Default" means a default declared by the Commissioner when a violation of this Agreement is not corrected to his satisfaction within the time allowed by this Agreement or such further time as may be allowed by the Commissioner after written notice;
 - (f) "Stock" shall include Membership Certificates or other forms designating member ownership;

(The use of the plural shall include the singular; the singular the plural; and the use of any gender shall be deemed to include all genders.)
19. This instrument shall bind, and the benefits shall inure to, the respective parties hereto, their legal representatives, executors, administrators, successors in office or interest, and assigns.
20. The invalidity of any clause, part or provisions of this Agreement shall not affect the validity of the remaining portions thereof.
21. The Mortgagor agrees and assumes the obligation to have this Agreement recorded in the appropriate land records in the jurisdiction in which the real property herein described is situated; and in the event of failure to do so, it is agreed that the Commissioner may have the same recorded at the expense of the Mortgagor.
22. It is specifically agreed between the parties hereto that the breach of any of the terms of this Agreement by the Mortgagor will substantially damage and injure the Commissioner in the proper performance of his duties under the provisions of the Act, and will impede and injure the proper operations intended under such Act; that such damage will be irrespective of and in addition to any damages to the security of the mortgaged premises or to any financial damage the Commissioner may suffer as insurer; that except for the agreements herein contained, the Commissioner would not issue and would not be authorized to issue his Contract of Mortgage Insurance, and that the Mortgagee would not lend the sum above-mentioned on the security of the said Mortgage unless the same were insured by the Commissioner.

IN WITNESS WHEREOF the parties hereto have duly executed this Agreement
the day and year first above written.

WITNESS:

LINDENWOOD GARDENS COOPERATIVE, INC.

By _____

_____ (SEAL)

FEDERAL HOUSING COMMISSIONER
c/o Federal Housing Administration

By _____
Authorized Agent

This instrument was prepared by:
William J. Delany, Esq.
Krooth & Altman Law Offices
1001 Fifteenth Street, N. W.
Washington, D. C. -20005

STATE OF)
) SS
COUNTY OF)

I, _____, do hereby certify that
Vice President of the above named _____, personally
known to me to be the person whose name is subscribed to the foregoing agreement
as such Vice President, appeared before me this day in person, and acknowledged
that he signed, sealed, and delivered the foregoing agreement as the free and
voluntary act of said _____, and as his own free
and voluntary act as such Vice President for the uses and purposes therein set forth.

Given under my hand and seal this date of:

My Commission expires on

(SEAL)

Notary Public

STATE OF)
) SS
COUNTY OF)

I, _____, do hereby certify that
authorized agent of the Federal Housing Commissioner, personally known to me to
be the person whose name is subscribed to the foregoing document as such
authorized agent, appeared before me this day in person and acknowledged that
he signed, sealed, and delivered the foregoing agreement as a free and voluntary
act of the Federal Housing Commissioner and as his own free and voluntary act
as such authorized agent for the uses and purposes therein set forth.

Given under my hand and seal this date of:

My Commission expires on

(SEAL)

Notary Public

- (g) Provide the foregoing services until memberships are sold for all dwelling units in the Project, and use its best efforts to accomplish this objective, but such services are not to continue beyond one year after the date of cooperative acquisition of title to the Project (hereinafter called "Project Acquisition Date"): Provided, that, notwithstanding the fact that memberships have been sold for all dwelling units in the Project, FCH shall in any event provide consulting services (with respect to the foregoing) for a period of 90 days after the Project Acquisition Date.

4. Krooth & Altman will render such legal services hereunder as are necessary up to a time ninety (90) days after Project Acquisition Date, but excluding the handling of litigation or individual transactions with members. Such legal services shall include:

- (a) Preparation of the legal documents involved in the organization and sales program, including but not limited to the By-Laws and the forms of Subscription Agreement, Occupancy Agreement, and Certificate evidencing membership.
- (b) Preparation of the legal documents involved in the program for the Cooperative's acquisition of title to the land, and for financing by the Cooperative through a purchase money mortgage.
- (c) Consultations, when requested, on legal problems or the aforesaid financing; and
- (d) Participations, when requested, in negotiations with the FHA.

5. The Cooperative recognizes and agrees that while FCH advised and consulted with the FHA concerning the acquisition of the Project, and in the future will continue to do so, FCH (including Associated Counsel and the Trustees of The Foundation for Cooperative Housing) so long as it acts in good faith, does not accept, nor will the Cooperative charge it with, any liability or responsibility whatsoever for the design or construction of the Project, the purchase price or the performance of others who contract directly with the Cooperative for services, work, facilities or other matters.

6. As compensation for the above work, FCH and Associated Counsel will be entitled to receive and the Cooperative hereby agrees to cause the following sums to be paid, which sums, as approved by FHA, shall be disbursed by checks payable jointly to FCH and Krooth & Altman as follows:

(a) If on Project Acquisition Date, memberships have been sold on 100% of the dwelling units in the Project, the sum of \$132,000.00 for services and expenses of FCH and Krooth & Altman (hereinafter referred to as the "Service Fee") shall be paid at the time of Project Acquisition Date; or

(b) If on Project Acquisition Date, memberships have not been sold on 100% of the dwelling units in the Project, the sum of \$132,000.00 as Service Fee shall be paid less an amount (hereinafter referred to as the "Hold-Back") equal to the difference between:

(i) the amount of \$335,680; and

(ii) the amount actually collected for memberships (which amounts have been deposited in the subscription account for the cooperative) as of the Project Acquisition Date, which amount shall in no event be less than the aggregate of the full subscription prices under subscription agreements covering 80% of the dwelling units in the Project; and

(c) There shall be paid to the Cooperative (for its use toward payment of the purchase price of the Project and its other acquisition costs and its working capital) an amount equal to the Hold-Back, subject to the continuing obligation on the part of the Cooperative or its agents to deposit immediately in a special account all moneys collected from the sale of memberships, which were not sold on the Project Acquisition Date (hereinafter referred to as the "Unsold Memberships") until there has been deposited in such special account an amount equal to the Hold-Back; such special account shall be under the sole control of FCH and Krooth & Altman jointly, who shall have the sole right to make withdrawals therefrom.

(d) Notwithstanding any other provision hereof, the Hold-Back herein provided shall not exceed whichever of the following is greater:

(i) 10% of the Service Fee, or

(ii) The cash which will be payable upon the future sale of Unsold Memberships.

(e) Until the Unsold memberships have been sold, FCH and Krooth & Altman shall have no right to make withdrawals from the special account described in subparagraph (C) of this paragraph 6 after the aggregate amount paid to them equals 90% of the Service Fee; Provided, however, that at such time as the number of Unsold Memberships equals not more than 3% of all of the dwelling units in the Project (hereinafter referred to as the "Last 3% of Unsold Memberships"), FCH and Krooth & Altman jointly shall have the following rights:

(i) To make withdrawals from such special account of all of the Hold-Back, except an amount equal to whichever of the following is greater:

A. One-half of the remaining Hold-Back; or

B. The sum of \$5,000; or

C. The cash which will be payable upon the future sale of the Last 3% of Unsold Memberships.

(ii) When sales have thereafter been made of all of the Last 3% of Unsold Memberships, FCH and Krooth & Altman shall have the right to make withdrawals from such special account of the undistributed portion of the Hold-Back described in sub-subparagraph (e)(i) of this paragraph 6: Provided that, if any of the Last 3% of Unsold Memberships have not been sold by a date two years from the Project Acquisition Date (hereinafter referred to as the "Sales Termination Date") there shall be no right of FCH and Krooth & Altman to receive payment of said undistributed portion of the Hold-Back and any such funds then remaining in the Special Account shall be applied as directed by the Federal Housing Administration; Provided, further, that nothing herein shall preclude an agreement between FCH and Krooth & Altman and the Cooperative under which the Cooperative will undertake to complete the sale of the Last 3% of Unsold Memberships (or such number thereof as may remain unsold at the time of such agreement) for such consideration as may be acceptable to the parties. Upon payment to the Cooperative of the consideration for such agreement, FCH and Krooth & Altman shall be entitled to receive payment of the undistributed portion of the Hold-Back in the special account and shall have the right to make withdrawals from such special account in payment of these amounts.

7. (a) FCH shall use its best efforts to achieve sales of memberships for at least the minimum number of approved cooperative members required by the Contract of Purchase and Sale within six months from the date hereof (unless said period is extended with the written consent of the parties hereto and the FHA).

(b) If FCH fails to achieve the minimum number of approved cooperative members required by the Contract of Purchase and Sale with FHA by the date applicable under subparagraph (a) hereof, the Cooperative shall have the right to terminate this Agreement by ten (10) days' written notice to FCH. If the FHA makes a written request that the Cooperative terminate this Agreement in the event of the failure of FCH to achieve the minimum number of approved cooperative members required by the Contract of Purchase and Sale by the aforesaid date applicable under subparagraph (a) hereof, the Cooperative shall promptly comply with such request and terminate this Agreement by ten (10) days' written notice to FCH.

(c) If this Agreement is terminated pursuant to this paragraph 7, neither the Cooperative nor FCH shall have any claim or right of action against the other for any losses, damages, or liabilities sustained, nor shall FCH have any right to any payments under this Agreement, such termination of this Agreement shall constitute a full and complete mutual release and mutual discharge of the Cooperative and FCH, respectively, of all liabilities and obligations of each party to the other party, respectively. The foregoing release by and of FCH shall include Krooth & Altman.

8. Krooth & Altman have joined in the execution of this Cooperative Agency Agreement to evidence their agreement to perform the legal services set forth in paragraph 4 hereof (subject to the limitations in paragraph 5 hereof) their compensation being included in the amount to be paid hereunder under paragraph 6.

9. The foregoing provisions of this Agreement are not in any way intended to limit, restrict, or bind the FHA in any way in its functions and determinations in connection with the Project.

10. Any other provisions of this Agreement to the contrary notwithstanding, the following modifications in and additions to, the foregoing provisions are hereby made:

NONE

11. Wherever FHA approval or consent is called for in this Agreement, such must be obtained in writing prior to the act or condition to which it pertains.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year first above written.

ATTEST:

LINDENWOOD GARDENS COOPERATIVE, INC.

By: _____

ATTEST:

FCH COMPANY, INC.

By: _____

We agree to provide the legal services as provided above.

KROOTH & ALTMAN

By: _____

LINDENWOOD GARDENS COOPERATIVE, INC.

OCCUPANCY AGREEMENT

(For use by Sec. 213 Cooperative)

THIS AGREEMENT, made and entered into this _____ day of _____, 19____, by and between LINDENWOOD GARDENS COOPERATIVE, INC. (hereinafter referred to as the Corporation), a corporation having its principal office and place of business in the County of Queens, State of New York, and _____ (hereinafter referred to as "Member"),

WHEREAS, the Corporation has been formed for the purpose of acquiring, owning and operating a cooperative housing project to be located in the County of Queens, State of New York, with the intent that its stockholders (hereinafter called "Members" shall have the right to occupy the dwelling units thereof under the terms and conditions hereinafter set forth; and

WHEREAS, the Member is the owner and holder of _____ shares of common capital stock of the Corporation and has a bona fide intention to reside in the project;

NOW, THEREFORE, in consideration of One Dollar (\$1.00) to each of the parties paid by the other party, the receipt of which is hereby acknowledged, and in further consideration of the mutual promises contained herein, the Corporation hereby lets to the Member, and the Member hereby hires and takes from the Corporation, dwelling unit number _____, located at _____;

TO HAVE AND TO HOLD said dwelling unit unto the Member, his executors, administrators and authorized assigns, on the terms and conditions set forth herein and in the corporate Charter and By-laws of the Corporation and any rules and regulations of the Corporation now or hereafter adopted pursuant thereto, from the date of this agreement, for a term terminating on _____, 19____, renewable thereafter for successive three-year periods under the conditions provided for herein.

ARTICLE 1. MONTHLY CARRYING CHARGES.

Commencing at the time indicated in ARTICLE 2 hereof, the Member agrees to pay to the Corporation a monthly sum referred to herein as "Carrying Charges", equal to one-twelfth of the Member's proportionate share of the sum required by the Corporation, as estimated by its Board of Directors to meet its annual expenses, including but not limited to the following items:

- (a) The cost of all operating expenses of the project and services furnished.
- (b) The cost of necessary management and administration.
- (c) The amount of all taxes and assessments levied against the project of the Corporation or which it is required to pay, and ground rent, if any.
- (d) The cost of fire and extended coverage insurance on the project and such other insurance as the Corporation may effect or as may be required by any mortgage on the project.
- (e) The cost of furnishing water, electricity, heat, gas, garbage, and trash collection, and other utilities, if furnished by the Corporation.
- (f) All reserves set up by the Board of Directors, including the general operating reserve and the reserve for replacements.
- (g) The estimated cost of repairs, maintenance and replacements of the project property to be made by the Corporation.
- (h) The amount of principal, interest, mortgage insurance premiums, and other required payments on the hereinafter-mentioned insured mortgage.
- (i) Any other expenses of the Corporation approved by the Board of Directors, including operating deficiencies, if any, for prior periods.

The Board of Directors shall determine the amount of the Carrying Charges annually, but may do so at more frequent intervals, should circumstances so require. No member shall be charged with more than his proportionate share thereof as determined by the Board of Directors. That amount of the Carrying Charges required for payment on the principal of the mortgage of the Corporation or any other capital expenditures shall be credited upon the books of the Corporation to the "Paid-In Surplus" account as a capital contribution by the members. Until further notice from the Corporation, the Monthly Carrying Charges for the above-mentioned dwelling unit shall be \$_____.

ARTICLE 2. WHEN PAYMENT OF CARRYING CHARGES TO COMMENCE.

After thirty days' notice by the Corporation to the effect that the dwelling unit is available for occupancy, or upon acceptance of occupancy, whichever is earlier, the Member shall make a payment for Carrying Charges covering the unexpired balance of the month. Thereafter, the Member shall pay Carrying Charges in advance on the first day of each month.

ARTICLE 3. PATRONAGE REFUNDS.

The Corporation agrees on its part that it will refund or credit to the Member within ninety (90) days after the end of each fiscal year, his proportionate share of such sums as have been collected in anticipation of expenses which are in excess of the amount needed for expenses of all kinds, including reserves, in the discretion of the Board of Directors.

ARTICLE 4. MEMBER'S OPTION TO RENEW.

It is covenanted and agreed that the term herein granted shall be extended and renewed from time to time by and against the parties hereto for further periods of three years each from the expiration of the term herein granted, upon the same covenants and agreements as herein contained unless: (1) notice of the Member's election not to renew shall have been given to the Corporation in writing at least four months prior to the expiration of the then current term, and (2) the Member shall have on or before the expiration of said term (a) endorsed all his stock for transfer in blank and deposited same with the Corporation, and (b) met all his obligations and paid all amounts due under this agreement up to the time of said expiration, and (c) vacated the premises, leaving same in good state of repair. Upon compliance with provisions (1) and (2) of this Article, the Member shall have no further liability under this agreement and shall be entitled to no payment from the Corporation.

ARTICLE 5. PREMISES TO BE USED FOR RESIDENTIAL PURPOSES ONLY.

The Member shall occupy the dwelling unit covered by this agreement as a private dwelling unit for himself and/or his immediate family and for no other purpose, and may enjoy the use in common with other members of the corporation of all community property and facilities of the project so long as he continues to own a share of common stock of the Corporation, occupies his dwelling unit, and abides by the terms of this agreement. Any sublessee of the Member, if approved pursuant to Article 7 hereof, may enjoy the rights to which the Member is entitled under this Article 5.

The Member shall not permit or suffer anything to be done or kept upon said premises which will increase the rate of insurance on the building, or on the contents thereof, or which will obstruct or interfere with the rights of other occupants, or annoy them by unreasonable noises or otherwise, nor will he commit or permit any nuisance on the premises or commit or suffer any immoral or illegal act to be committed thereon. The Member shall comply with all of the requirements of the Board of Health and of all other governmental authorities with respect to the said premises. If by reason of the occupancy or use of said premises by the Member the rate of insurance on the building shall be increased, the Member shall become personally liable for the additional insurance premium.

ARTICLE 6. MEMBER'S RIGHT TO PEACEABLE POSSESSION.

In return for the Member's continued fulfillment of the terms and conditions of this agreement, the Corporation covenants that the Member may at all times while this agreement remains in effect, have and enjoy for his sole use and benefit the dwelling unit hereinabove described, after obtaining occupancy, and may enjoy in common with all other members of the Corporation the use of all community property and facilities of the project.

ARTICLE 7. NO SUBLETTING WITHOUT CONSENT OF CORPORATION.

The Member hereby agrees not to assign this agreement nor to sublet his dwelling unit without the written consent of the Corporation on a form approved by the Federal Housing Administration. The liability of the Member under this Occupancy Agreement shall continue notwithstanding the fact that he may have sublet the dwelling unit with the approval of the Corporation and the Member shall be responsible to the Corporation for the conduct of his sublessee. Any unauthorized subleasing shall, at the option of the Corporation, result in the termination and forfeiture of the member's rights under this Occupancy Agreement.

ARTICLE 8. TRANSFERS.

Neither this agreement nor the Member's right of occupancy shall be transferable or assignable except in the same manner as may now or hereafter be provided for the transfer of memberships in the By-Laws of the Corporation.

ARTICLE 9. MANAGEMENT, TAXES AND INSURANCE.

The Corporation shall provide necessary management, operation and administration of the project; pay or provide for the payment of all taxes or assessments levied against the project; procure and pay or provide for the payment of fire insurance and extended coverage, and other insurance as required by any mortgage on property in the project, and such other insurance as the Corporation may deem advisable on the property in the project. The Corporation will not, however, provide insurance on the Member's interest in the dwelling unit or on his personal property.

ARTICLE 10. UTILITIES

The Corporation shall provide heat, hot and cold water, gas, electricity, refuse removal and customary maintenance in amounts which it deems reasonable. The Member shall pay directly to the supplier for all other utilities. There is a metered laundry concession available.

ARTICLE 11. REPAIRS.

(a) By Member. The Member agrees to repair and maintain his dwelling unit at his own expense as follows:

- (1) Any repairs or maintenance necessitated by his own negligence or misuse;
- (2) Any redecoration of his own dwelling unit;
- (3) Any repairs, maintenance or replacements required on items and appliances not supplied by the Corporation; and
- (4) Repair and Replacement of the kitchen range, refrigerator and dishwasher is the responsibility of the individual member.

(b) By Corporation. The Corporation shall provide and pay for all necessary repairs, maintenance and replacements, except as specified in clause (a) of this Article. The officers and employees of the Corporation shall have the right to enter the dwelling unit of the Member in order to effect necessary repairs, maintenance, and replacements, and to authorize entrance for such purposes by employees of any contractor, utility company, municipal agency, or others, at any reasonable hour of the day and in the event of emergency at any time.

(c) Right of Corporation to Make Repairs at Member's Expense. In case the Member shall fail to effect the repairs, maintenance or replacements specified in clause (a) of this Article in a manner satisfactory to the Corporation and pay for same, the latter may do so and add the cost thereof to the Member's next month's Carrying Charge payment.

ARTICLE 12. ALTERATIONS AND ADDITIONS.

The Member shall not, without the written consent of the Corporation, make any structural alterations in the premises or in the water, gas or steampipes, electrical conduits, plumbing or other fixtures connected therewith, or remove any additions, improvements, or fixtures from the premises.

If the Member for any reason shall cease to be an occupant of the premises he shall surrender to the Corporation possession thereof, including any alterations, additions, fixtures and improvements.

The Member shall not, without the prior written consent of the Corporation, install or use in his dwelling unit any air conditioning equipment, washing machine, clothes dryer, electric heater, or power tools. The Member agrees that the Corporation may require the prompt removal of any such equipment at any time, and that his failure to remove such equipment upon request shall constitute a default within the meaning of Article 13 of this agreement.

ARTICLE 13. DEFINITION OF DEFAULT BY MEMBER AND EFFECT THEREOF.

It is hereby mutually agreed as follows: If at any time after the happening of any of the events specified in clauses (a) to (i) of this Article the Corporation shall give to the Member a notice that this agreement will expire at a date not less than ten (10) days thereafter, this agreement and all of the Member's rights under this agreement will expire on the date so fixed in such notice, unless in the meantime the default has been cured in a manner deemed satisfactory by the Corporation, it being the intention of the parties hereto to create hereby conditional limitations, and it shall thereupon be lawful for the Corporation to re-enter the dwelling unit and to remove all persons and personal property therefrom, either by summary dispossession proceedings or by suitable action or proceeding at law or in equity or by any other proceedings which may apply to the eviction of tenants or by force or otherwise, and to repossess the dwelling unit in its former state as if this agreement had not been made:

- (a) In case at any time during the term of this agreement the Member shall cease to be the owner and legal holder of a share of stock of the Corporation.
- (b) In case the Member attempts to transfer or assign this agreement in a manner inconsistent with the provisions of the By-Laws.
- (c) In case at any time during the continuance of this agreement the Member shall be declared a bankrupt under the laws of the United States.
- (d) In case at any time during the continuance of this agreement a receiver of the Member's property shall be appointed under any of the laws of the United States or of any State.
- (e) In case at any time during the continuance of this agreement the Member shall make a general assignment for the benefit of creditors.

- (f) In case at any time during the continuance of this agreement any of the stock of the Corporation owned by the Member shall be duly levied upon and sold under the process of any Court.
- (g) In case the Member fails to effect and/or pay for repairs and maintenance as provided for in Article 11 hereof.
- (h) In case the Member shall fail to pay any sum due pursuant to the provisions of Article 1 hereof.
- (i) In case the Member shall default in the performance of any of his obligations under this agreement.

The Member hereby expressly waives any and all right of redemption in case he shall be dispossessed by judgment or warrant of any Court or judge; the words "enter", "re-enter", and "re-entry", as used in this agreement are not restricted to their technical legal meaning, and in the event of a breach or threatened breach by the Member of any of the covenants or provisions hereof, the Corporation shall have the right of injunction and the right to invoke any remedy allowed at law or in equity, as if re-entry, summary proceedings, and other remedies were not herein provided for.

The Member expressly agrees that there exists under this Occupancy Agreement a landlord-tenant relationship and that in the event of a breach or threatened breach by the Member of any covenant or provision of this Agreement, there shall be available to the Corporation such legal remedy or remedies as are available to a landlord for the breach or threatened breach under the law by a tenant of any provision of a lease or rental agreement. The parties hereto hereby do waive trial by jury in any action, proceeding, or counterclaim brought by either of the parties hereto against the other on any matter whatsoever arising out of or in any way connected with this agreement, the Member's use of occupancy of said premises, or any claim of injury or damage.

The failure on the part of the Corporation to avail itself of any of the remedies given under this agreement shall not waive nor destroy the right of the Corporation to avail itself of such remedies for similar or other breaches on the part of the Member.

ARTICLE 14. MEMBER TO COMPLY WITH ALL CORPORATE REGULATIONS.

The Member covenants that he will preserve and promote the cooperative ownership principles on which the Corporation has been founded, abide by the Charter, By-Laws, rules and regulations of the Corporation and any amendments thereto, and by his acts of cooperation with its other members bring about for himself and his co-members a high standard in home and community conditions. The Corporation agrees to make its rules and regulations known to the Member by delivery of same to him or by promulgating them in such other manner as to constitute adequate notice.

ARTICLE 15. EFFECT OF FIRE LOSS ON INTERESTS OF MEMBER.

In the event of loss or damage by fire or other casualty to the above-mentioned dwelling unit without the fault or negligence of the Member, the Corporation shall determine whether to restore the damaged premises and shall further determine, in the event such premises shall not be restored, the amount which shall be paid to the Member to redeem the common stock of the Member and to reimburse him for such loss as he may have sustained.

If, under such circumstances, the Corporation determines to restore the premises, Carrying Charges shall abate wholly or partially as determined by the Corporation until the premises have been restored. If on the other hand the Corporation determines not to restore the premises, the Carrying Charges shall cease from the date of such loss or damage.

ARTICLE 16. INSPECTION OF DWELLING UNIT.

The member agrees that the representatives of any mortgagee holding a mortgage on the property of the Corporation, the officers and employees of the Corporation, and with the approval of the Corporation the employees of any contractor, utility company, municipal agency or others shall have the right to enter the dwelling unit of the Member and make inspections thereof at any reasonable hour of the day and at any time in the event of emergency.

ARTICLE 17. SUBORDINATION CLAUSE.

Title to the cooperative housing project, of which the above-mentioned dwelling unit is a part, was acquired by the Corporation with the assistance of a purchase-money mortgage loan advanced to the Corporation by the Federal Housing Administration with the understanding between the Corporation and the Federal Housing Administration that the Corporation would conduct its affairs pursuant to the Rules and Regulations published by the Federal Housing Administration under Section 213 of the National Housing Act, as amended. Therefore, it is specifically understood and agreed by the parties hereto that this agreement and all rights, privileges and benefits hereunder are and shall be at all times subject to and subordinate to the lien of a first mortgage and the accompanying documents to be executed by the Corporation payable to the Federal Housing Commissioner in the principal sum of \$4,280,000.00 with interest at 5-1/4 per centum and to any and all modifications, extensions and renewals thereof and to any mortgage or deed of trust made in replacement thereof and to any mortgage or deed of trust which may at any time hereafter be placed on the property of the Corporation or any part thereof. The Member hereby agrees to execute, at the Corporation's request and expense, any instrument which the Corporation or any lender may deem necessary or desirable to effect the subordination of this agreement to any such mortgage, or deed of trust, and the Member hereby appoints the Corporation and each and every officer thereof, and any future officer, his irrevocable attorney-in-fact during the term hereof to execute any such instrument on behalf of the Member. The Member does hereby expressly waive any and all notices of default and notices of foreclosure of said mortgage which may be required by law.

In the event a waiver of such notices is not legally valid, the Member does hereby constitute the Corporation his agent to receive and accept such notices on the Member's behalf.

ARTICLE 18. LATE CHARGES AND OTHER COSTS IN CASE OF DEFAULT.

The Member covenants and agrees that, in addition to the other sums that have become or will become due, pursuant to the terms of this Agreement, the Member shall pay to the Corporation a late charge in an amount to be determined from time to time by the Board of Directors for each payment of Carrying Charges, or part thereof, more than 10 days in arrears.

If a Member defaults in making a payment of Carrying Charges or in the performance or observance of any provision of this Agreement, and the Corporation has obtained the services of any attorney with respect to the defaults involved, the Member covenants and agrees to pay to the Corporation any costs or fees involved, including reasonable attorney's fees, notwithstanding the fact that a suit has not yet been instituted. In case a suit is instituted, the Member shall also pay the costs of the suit, in addition to other aforesaid costs and fees.

ARTICLE 19. NOTICES.

Whenever the provisions of law or the By-Laws of the Corporation or this agreement require notice to be given to either party hereto, any notice by the Corporation to the Member shall be deemed to have been duly given, and any demand

by the Corporation upon the Member shall be deemed to have been duly made if the same is delivered to the Member at his unit or to the Member's last known address; and any notice or demand by the Member to the Corporation shall be deemed to have been duly given if delivered to an officer of the Corporation. Such notice may also be given by depositing same in the United States mails addressed to the Member as shown in the books of the Corporation, or to the President of the Cooperative, as the case may be, and the time of mailing shall be deemed to be the time of giving of such notice.

ARTICLE 20. ORAL REPRESENTATION NOT BINDING.

No representations other than those contained in this agreement, the Charter, and the By-Laws of the Corporation shall be binding upon the Corporation.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be signed and sealed the day and year first above written.

LINDENWOOD GARDENS COOPERATIVE, INC.

BY _____ (SEAL)

Stockholder

SUBSCRIPTION AGREEMENT

Application No. _____

Dwelling Unit No. _____

Date _____

1. Subscription Amount

(a) I/We _____, a legal resident of the State of New York, hereinafter called the "Subscriber," in consideration of the mutual promises of other subscribers and other good and valuable considerations, hereby subscribe for membership in Lindenwood Gardens Cooperative, Inc., a cooperative housing corporation hereinafter called the "Corporation," and hereby subscribe for _____ shares of common capital stock of said Corporation having a par value of \$10.00 per share.

I/We also agree to pay for the appliances and interior improvements (hereinafter called the "Appliances and Improvements") listed in paragraph 1(c) below.

(b) I/We hereby agree to pay the subscription price of \$ _____ as follows:

- (i) \$ _____ upon signing this Agreement;
- (ii) \$ _____ on written demand by the Corporation. (Such demand will constitute notification of Subscriber's acceptability for membership; provided that, if full payment is made of the subscription price without a written demand therefor, the Subscriber's acceptability for membership shall not occur until written notification thereof is sent to the Subscriber.)

(c) I/We hereby agree to pay \$ _____ for the Appliances and Improvements, hereinafter listed, as follows:

- (i) \$ _____ upon signing this Agreement;
- (ii) \$ _____ on written demand of the Corporation. (Such demand will be simultaneous with the written demand for the balance of the subscription price set forth in paragraph 1(b)(ii) above.)

APPLIANCES AND IMPROVEMENTS

The determination of amounts to be collected for Appliances and Improvements, the safeguarding of such funds, and the disbursements of such funds shall be in accordance with the provisions of RIDER I attached to and made a part hereof.

2. Ratification of Other Provisions

I/We hereby ratify the provisions contained in the Certificate of Incorporation, By-Laws, Regulatory Agreement, Information Bulletin, Cooperative Agency Agreement, Occupancy Agreement and Contract of Sale and Purchase of Lindenwood Gardens Cooperative, Inc., copies of which are attached hereto and receipt of which is hereby acknowledged.

Type of Dwelling Unit	Appliances and Improvements (All are new) for Type of Dwelling Unit	Price (Includes removal of old, installation of new equipment and tax)
2 Bedrooms 1 Bath (Continued)	If less than all are purchased, the separate price for each item is:	
	Kitchen cabinets.....	\$ 289.50
	Stainless steel sink.....	27.30
	14 cu. ft. two-door Refrigerator.....	164.80
3 Bedrooms 1 Bath	If all Appliances and Improvements are purchased: Kitchen cabinets, stainless steel sink, 14 cu. ft. two-door Refrigerator, and gas stove.....	590.00
	If less than all are purchased, the separate price for each item is:	
	Kitchen cabinets.....	349.50
	Stainless Steel sink.....	27.30
	14 cu. ft. two-door Refrigerator.....	164.80
	Gas stove.....	99.75
3 Bedrooms 2 Baths	If all Appliances and Improvements are purchased: Kitchen cabinets, stainless steel sink, full formica back splash, 14 cu. ft. two-door Refrigerator, gas stove, ductless hood, vinyl asbestos flooring and dishwasher.....	850.00
	If less than all are purchased, the separate price for each item is:	
	Kitchen cabinets.....	319.50
	Stainless steel sink.....	27.30
	Full formica back splash.....	26.25
	14 cu. ft. two-door refrigerator.....	164.87
	Gas stove.....	99.75
	Ductless hood.....	29.50
	Vinyl asbestos flooring.....	50.00
	Dishwasher.....	170.00

3. Safeguarding of Funds. The funds paid by the Subscriber pursuant to paragraph 1(c) of the Subscription Agreement (together with the funds of all other Subscribers paid pursuant to paragraph 1(c) of their Subscription Agreements) will be deposited by the Corporation into a special non-interest bearing account (hereinafter called the "Special Account") to be established for such purpose under the name "LINDENWOOD GARDENS COOPERATIVE, INC., SPECIAL ACCOUNT, as Escrowee of Funds of Subscribers for Appliances and Improvements". The Special Account will be in Bankers Trust Company, 1107 Broadway, New York, New York. The Corporation will hold all such funds received by it, directly or through its agents, employees, or escrow agents, in trust, until actually employed in connection with the purchase and installation of the Appliances and Improvements or until returned to the Subscriber in the manner hereinafter set forth. The funds will not be deposited with or otherwise under the control or responsibility of the FHA.

4. Disbursement or withdrawal of Funds. The funds in the Special Account will be subject to withdrawal or disbursement only upon certification of two officers of the Corporation to the above-mentioned Bank that:

a. The Subscription Agreement of the Subscriber has been cancelled pursuant to the terms thereof and such withdrawal is required to repay the Subscriber the funds deposited by him pursuant to paragraph 1(c) thereof. In such case, the funds deposited by the Subscriber pursuant to paragraph 1(c) of the Subscription Agreement will be returned to him without interest and without deduction; or

b. The Corporation fails to acquire title to the Property within the effective period of the FHA Contract of Sale and Purchase (or any extension thereof) on the Property and such withdrawal is required to repay the Subscriber the funds deposited by him pursuant to paragraph 1(c) of the Subscription Agreement. In such case, the funds deposited by the Subscriber will be returned to him without interest and without deduction; or

c. The Corporation has acquired title to the Property and such withdrawal is required to pay the cost of the purchase and installation of the Appliances and Improvements set forth in paragraph 1(c) of the Subscription Agreement.

Together with the appurtenances, including all articles of personal property and supplies owned by the Seller and used in connection with the operation of the property which shall be located on the premises at the time of the closing.

2. The agreed purchase price of said property is \$4,400,000. (Four million, four hundred thousand and 00/100 dollars), to be paid at closing as follows:

\$120,000 in cash
\$4,280,000 by note secured as provided hereinafter.

3. The note referred to in (2) above will be secured by a mortgage and an appropriate chattel security instrument. The note, mortgage and chattel security instrument will be in the forms customarily used by the Seller in the State of New York and will contain such covenants and conditions as the Seller may require for his protection. The note, which will bear the date of closing, will be on a level annuity amortization basis over a term of 480 months and bear interest at the rate of $5\frac{1}{2}\%$ per annum; it will recite the due date of the first monthly payment of interest as the first day of the first calendar month following the month in which the sale is closed; it will further recite the due date of the first monthly payment of principal and interest as the first day of the 25th calendar month following the month in which the sale is closed. For the first 2 years following closing however, pursuant to paragraph §20 hereof, an amount equal to principal and service charges will be used to fund the special escrow for deferred repairs and replacements, however the amounts payable into such special escrow shall not in any event be considered in reduction of the principal amount of the mortgage note.

The instruments will contain a provision requiring a monthly service charge of $\frac{1}{2}$ of 1% during such time as the mortgage may be held by the Seller, or a mortgage insurance premium in like amount in the event the note and security instruments are sold and insured by the Seller; and a provision requiring payment of a 2% penalty on installments due on the note which are delinquent more than 15 days. A provision in the mortgage will incorporate by reference the Regulatory Agreement and will indicate that in the event of a default under the Regulatory Agreement, the Federal Housing Commissioner may declare the mortgage in default and may declare the entire indebtedness due and payable.

4. The Purchaser agrees, within six months from the date of this contract, to organize a consumer cooperative corporation duly qualified to do business in the State of New York and to cause its membership certificates to be subscribed for and

paid for in such amount and at such value as to provide corporate funds to pay all the commitments payable by the Purchaser, all organizational expense, all fees and taxes and all closing expenses, including all state or federal revenue or documentary stamps, state or federal deed taxes covering both the deed and mortgage, recording fees covering both the deed and mortgage, any legal or title expense in connection with such examination of title as may be required by the Purchaser, and any other expense incident to acquisition by the Purchaser, all of which the Purchaser assumes the obligation to pay, in cash or in a manner satisfactory to and approved by the Seller.

The Articles of Incorporation of the cooperative corporation shall follow the FHA instructions except as modifications may be required to conform to New York statutes and procedures.

The Purchaser shall, consistent herewith, undertake on behalf of said cooperative, a sales program and use its best efforts to obtain subscribers for membership therein; all subscription agreements shall require the approval of the Seller.

5. The consumer cooperative corporation to which title is to be conveyed hereunder shall execute the Regulatory Agreement. The Regulatory Agreement will contain a provision requiring compliance (a) with any state or local laws prohibiting discrimination in housing, and (b) with the Regulations of the Federal Housing Administration providing for nondiscrimination and equal opportunity in housing. The covenants therein as to restriction of sale or occupancy shall apply so long as the mortgage is insured or held by the Seller. Required deposits to the Reserve Fund for Replacements required under the Regulatory Agreement will be in accordance with FHA requirements.

6. The Purchaser agrees to pay for all closing expenses, including all state or federal revenue or documentary stamps, all state or federal deed taxes, all recording fees, any legal or title expenses in connection with such examination of title as may be required by the Purchaser, and any and all other expenses or taxes incident to acquisition by the Purchaser.

7. Interest, ground rents (if any), water rates, sewer charges, garbage removal charges, taxes, casualty and surety insurance, operating income and operating expenses shall be adjusted as between Purchaser and Seller as of the close of business on the last day of the month preceeding closing of the sale, hereinafter referred to as the cut-off date. The Purchaser: (a) shall receive the benefit of all income from the property and shall bear all expenses of operation of the property (including sums due the Broker for services as provided hereinafter) accruing after said cut-off date; (b) shall pay to the Seller the pro rata cost of casualty and surety coverages now in force and the pro rata portion of taxes assumed by the Purchaser as prescribed by Paragraph 9 hereinafter if prepaid by the Seller; and (c) shall pay interest from the cut-off date until the date of the note, such interest to be at the rate specified and on an amount equal to the principal of said note.

8. All rents due and unpaid at the close of business on the cut-off date shall be assigned to the Purchaser, and any such rents collected by the Seller subsequent to the cut-off date shall be credited to the Purchaser.

9. All real property taxes and like charges against the property, if any, including improvement assessment installments with interest, sewer charges, water charges, garbage removal charges and ground rents, due and payable on or before the cut-off date shall be paid by the Seller. The Purchaser shall pay and bear the expense of all improvement assessment installments (including interest) becoming due and payable after the cut-off date; and shall pay real property taxes, water charges, ground rents and the like charges accruing after the cut-off date. Real property taxes for the current year shall be prorated as between Seller and Purchaser as of the cut-off date, and the portion thereof due to be paid by the Seller to the Purchaser, if any, shall be retained by the Seller as a credit to the Purchaser in the tax escrow account under the provisions of the mortgage, to be disbursed as therein provided.

10. Seller and Purchaser acknowledge that the property in question is subject to an outstanding management contract which is terminable by the Seller. Purchaser shall forthwith upon the execution of this purchase agreement, execute and deliver to the Seller a Project Management Contract. (PMA Form 3-P attached) which is to

run for a period of six months from the date the Purchaser assumes management. Seller agrees to utilize its best efforts to terminate the existing management contract at an early date, following execution of this purchase agreement.

11. No representations are made by the Seller as to the physical condition of the property to be conveyed, the number and occupancy of revenue producing units, and any factor bearing upon valuation of said property. The Purchaser agrees to accept said property in its present condition and subject to existing leases and tenancies. Prior to the closing of the sale the Seller assumes the risk of loss from damage to the property by any cause (including but not limited to fire, flood, earthquake, tornado, and vandalism) other than willful acts of neglect of the Purchaser, and in the event of such damage will provide for the restoration of the property to a condition as good as prior thereto, except that if such damage is so extensive that the Seller is unwilling to so restore the property, the Seller may rescind this agreement of sale and return to the Purchaser all moneys deposited by the Purchaser herewith, and the return of such moneys deposited by the Purchaser herewith, and the return of such moneys or the tender thereof shall release the Seller from any and all claims arising from this transaction.

12. The conveyance shall be in the form of a special warranty deed (attached), the form customarily used in the jurisdiction in which the property is located and in which the Seller warrants to defend title against the lawful claims of all persons claiming by, from, through or under the grantor therein. The grantee in said deed shall be the cooperative corporation organized by the Purchaser pursuant to paragraph 4 herein. Transfer of title and possession will not become effective until midnight of the day of closing, as provided in the Collateral Agreement. Purchaser agrees that Seller shall retain and record the deed, along with the mortgage, as soon as practicable thereafter. Purchaser will provide the necessary funds for payment of recording expenses (see paragraph 6).

13. When said cooperative corporation shall have obtained subscribers for membership, approved as to credit by FHA equal to 70% of the number of dwelling

units, and when there is sufficient occupancy as determined by FHA to assure that the project can meet its obligations, the "closing" of this sale shall forthwith take place; but in no event shall said "closing" date exceed six months from the date of Purchaser's execution of this contract, unless a written extension shall be granted by the Seller.

14. The Seller agrees to accord the Purchaser the privilege of inspecting such books, records, leases and title papers in his possession pertaining to the property as may be desired by the Purchaser; and the Purchaser is to have a period of three weeks from the date hereof (or such extension thereof as may be agreed to in writing) within which to notify the Seller of any objection to title; and, if no objection is made within such period, the Purchaser agrees to accept the title in its present condition. If any defect in title appears that would render the property unmarketable, and that cannot be cured within a reasonable time, or Seller is unable or unwilling to cure the objection, the Purchaser shall have the right to terminate this contract and, in the event of such title defect, the Seller reserves the right to rescind this agreement and such rescission, return or tender of same shall release the Seller from and all claims of the Purchaser arising hereunder.

15. At closing the Purchaser shall present insurance policies conforming with FHA Property Insurance Requirements, issued by insurers satisfactory to the Seller.

16. The sale shall be closed at a place designated by the Seller. Time is of the essence of this contract. Should the Purchaser fail or refuse to perform his part of the contract promptly at the time or in the manner herein specified, the Purchaser shall forthwith, upon notice from the Seller, terminate its management functions and return control of the property to the Seller.

17. No member of or delegate to Congress, or Resident Commissioner, shall be admitted to any share or part of this contract or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

18. It is agreed and understood that the provisions of items 6, 7, 8, and 9 above will not be consummated before the Purchaser takes possession hereunder, but that the same will be held open for subsequent adjustment by a Collateral Agreement to be executed within _____ days from the date of this contract by Seller and Purchaser. The Collateral Agreement will be incorporated in and made a part of the mortgage by reference therein, which reference will provide that, in the event of a default under said Collateral Agreement, the Commissioner may declare the mortgage in default and may declare the whole of the indebtedness secured thereby due and payable.

19. This Contract shall be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns but shall not be assignable except with the written consent of the parties hereto.

20. To assure that the property will be brought to a suitable condition for cooperative ownership, there will be created at closing, a special escrow fund for repairs, replacements and other work. For a period of two years from the date of closing, the Seller agrees that a sum equal to the amount payable monthly under the mortgage for principal and service charges, shall be deposited monthly into said special escrow fund and used to cover the costs of such repairs and replacements in accordance with plans and a budget approved by the Seller. Any moneys remaining in said special escrow fund upon the completion of this work, shall be transferred to the reserve fund for replacements.

21. The Seller agrees that the Purchaser may, in conjunction with this contract, enter into a cooperative agency agreement with the cooperative corporation to be formed, pursuant to an agreement approved by the Seller, wherein the Purchaser would provide all the necessary services in the cooperative conversion program, including the preparation of all documents involved and the completion of the cooperative acquisition of the property. In the event that the Purchaser shall not accomplish "closing" within the time prescribed herein, there will be no reimbursement of payment to Purchaser or its counsel for their expenses on service under said Cooperative Agency Agreement; likewise there would be no liability on their part or the part of the cooperative or FHA.

22. All forms referred to herein shall be the standard FHA forms prepared by Seller and in use at the time the sale is closed. The forms will be completed, executed and filed in the number of copies and in such manner as Seller shall prescribe.

23. In the event that the Purchaser shall fail to organize a consumer cooperative corporation pursuant to paragraph 4 hereunder, or to achieve membership and occupancy pursuant to paragraph 13 herein, within the prescribed six-month period, or within such written extensions thereof as the Seller may approve, this contract shall terminate and be otherwise null and void; further, the Seller and Purchaser may, by mutual consent terminate this agreement at an earlier date. In either event, such termination shall relieve both Seller and Purchaser of any liability hereinafter.

IN WITNESS WHEREOF the Purchaser has executed this instrument in triplicate the day and year first above written and the Seller has executed this instrument in triplicate the day and year stated hereinafter.

ROBERT C. WEAVER
Secretary of Housing and Urban Development

By PHILIP H. BRONSTEIN as
Federal Housing Commissioner

this 22nd day of August 1966

Witness as to Seller:

Karen S. Braner
William M. [unclear]

By W.K. Cameron
W. K. Cameron
Assistant Commissioner
for Property Disposition

Witness as to Purchaser:

Richard H. [unclear]
Richard [unclear]

FCH COMPANY, INC.,
on behalf of the cooperative to be formed

[Signature]
Purchaser : Roger Willcox, President

SCHEDULE A

All those certain plots, pieces or parcels of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough and County of Queens, City and State of New York, bounded and described as follows:

PARCEL ONE

BEGINNING at the corner formed by the intersection of the Southerly side of 155th Avenue, 80 feet wide, with the Easterly side of 81st Street, 70 feet wide, as said 155th Avenue and 81st Street are laid out and shown on Alteration Map No. 3733 of the Borough of Queens, adopted May 27, 1954; thence running due East along the Southerly side of 155th Avenue 67.37 feet to a point; thence running South 88 degrees 59 minutes 30 seconds East along the Southerly side of 155th Avenue 431.27 feet to a point; thence running due South 70.03 feet to a point; thence running South 58 degrees 06 minutes 10 seconds East 18.96 feet to a point; thence running due East 21.83 feet to a point; thence running due South 125 feet to a point; thence running South 45 degrees 00 minutes 00 seconds West 92.38 feet to a point; thence running due West 216.35 feet to a point; thence running due South 76.96 feet to a point; thence running due West 26.08 feet to a point; thence running due South 5 feet to a point; thence running due West 21.83 feet to a point; thence running due South 93 feet to a point; thence running due East 21.83 feet to a point; thence running South 61 degrees 23 minutes 20 seconds East 12.53 feet to a point; thence running due South 71.50 feet to the Northerly side of 156th Avenue 100 feet wide as said 156th Avenue is laid out and shown on Alteration Map No. 3733 of the Borough of Queens, adopted May 27, 1954; thence running due West along the Northerly side of 156th Avenue 239.75 feet to the corner formed by the intersection of the Easterly side of 81st Street with the Northerly side of 156th Avenue; thence running due North along the Easterly side of 81st Street 530.42 feet to the Southerly side of 155th Avenue, at the point or place of BEGINNING.

PARCEL TWO

BEGINNING at the corner formed by the intersection of the northerly side of 156th Avenue, 100 feet wide, and the westerly side of 81st Street, 70 feet wide, as said Avenue and Street are shown on Alteration Map No. 3733 of the Topographical Bureau of the City of New York for the Borough of Queens, adopted May 27, 1954; running thence due west along the northerly side of said 156th Avenue, 454.75 feet; thence due north parallel with the easterly side of 79th Street, 70 feet wide, as shown on said Alteration Map, 530.42 feet to the southerly side of 155th Avenue, 80 feet wide, as shown on said Alteration Map; thence due east along the southerly side of 155th Avenue, 454.75 feet to the corner formed by the intersection of the southerly side of 155th Avenue and the westerly side of said 81st Street, 70 feet wide; thence due south along the westerly side of 81st Street, 530.42 feet to the corner at the point or place of BEGINNING.

PARCEL THREE

BEGINNING at the corner formed by the intersection of the northerly side of Shore Parkway, 350 feet wide, and the easterly side of 80th Street, 60 feet wide, as said Parkway and Street are shown on Alteration Map No. 3733 of the Topographical Bureau of the City of New York for the Borough of Queens, adopted May 27, 1954; running thence due north along the easterly side of said 80th Street 475.11 feet to the corner formed by the intersection of the easterly side of said 80th Street and the southerly side of 156th Avenue, 100 feet wide, as said 156th Avenue is shown on said Alteration Map; thence due east along the southerly side of 156th Avenue, 721.75 feet to a point of curvature; thence easterly along the southerly side of 156th Avenue on a curve to the right having a radius of 380 feet a distance of 88.39 feet to a point of compound curve; thence on a curve to the right connecting the southerly side of 156th Avenue with the northerly side of Shore Parkway and running easterly southerly and westerly along said curve to the right having a radius of

10 feet a distance of 24.66 feet to the northerly side of Shore Parkway, 350 feet wide; thence westerly along the northerly side of Shore Parkway on a curve to the left having a radius of 7704.569 feet a distance of 926.44 feet to the point or place of BEGINNING.

Subject to easements, restrictions and reservations of record.

The distances and dimensions used in the above descriptions are according to the United States Standard of Measurement.

The bearings used in the above descriptions are based upon the arbitrary assumption that the streets known as 78th Street to 92nd Street, inclusive, run in a true north and south direction as said streets were shown on the Final City Map prior to the adoption of the said Alteration Map No. 3733 on May 27, 1954.

Being the same properties conveyed to Neal J. Hardy, as Federal Housing Commissioner, by Arthur Levitt, Comptroller of the State of New York, as Trustee of the New York State Employees' Retirement System, by deeds dated June 7, 1962, and recorded June 25, 1962, in the Office of City Register, Queens County, New York, as follows:

Parcel One: Liber 7427, page 34;
Parcel Two: Liber 7427, page 19;
Parcel Three: Liber 7427, page 24.

Bargain and Sale Deed - New York

THIS INDENTURE, Made the _____ day of _____, 19____, between _____, Secretary of Housing and Urban Development, of Washington, D. C., acting by and through the Federal Housing Commissioner, 811 Vermont Avenue, N. W., Washington, D. C., party of the first part, and _____ party(ies) of the second part.

WITNESSETH: That the party of the first part, in consideration of the sum of ONE DOLLAR (\$1.00) lawful money of the United States, and other good and valuable considerations paid by the party(ies) of the second part, does hereby grant and release unto the party(ies) of the second part, and to the heirs and assigns of said party(ies) of the second part, forever

BEING the same property acquired by the party of the first part pursuant to the provisions of the National Housing Act, as amended (12 USC 1701 et seq.) and the Department of Housing and Urban Development Act (79 Stat. 667).

TOGETHER WITH the appurtenances and all the estate and rights of the party of the first part in and to said premises.

TO HAVE AND TO HOLD the premises herein granted unto the party(ies) of the second part, and to the heirs and assigns of said party(ies) of the second part, forever.

SUBJECT TO ALL covenants, restrictions, reservations, easements, conditions and rights appearing of record; and SUBJECT to any state of facts an accurate survey would show.

AND THE party of the first part covenants that he has not done or suffered anything whereby the said premises have been incumbered in any way whatsoever.

THE PARTY of the first part covenants that if any improvements, repairs or alterations to the premises have been commenced and have not been completed at least four months before the recording of this deed, the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for the purpose of paying the cost of improvement, and that said Grantor will apply the same first to the payment of the cost of improvement using any part of the total of the same for any other purpose.

IN WITNESS WHEREOF the undersigned has set his hand and seal as Field Office, FHA Field Office, New York, for and on behalf of the said Secretary of Housing and Urban Development, under authority and by virtue of the Code of Federal Regulations, Title 24, Chapter II, Part 200, Subpart D.

In presence of:

Secretary of Housing and Urban Development
By: Federal Housing Commissioner

By _____ (SEAL)

Field Office
FHA Field Office, New York

STATE OF NEW YORK : ss
COUNTY OF

On this _____ day of _____, 19____, before me personally came _____ having his official station in _____ New York, and the person described in and who executed the foregoing instrument bearing date _____, by virtue of the authority vested in him by the Code of Federal Regulations, Title 24, Chapter II, Part 200, Subpart D and acknowledged the same to be his free act and deed as Field Office _____, FHA Field Office, _____, Secretary of New York, for and on behalf of _____, Housing and Urban Development.

Notary Public

