



ANDREW M. CUOMO
Governor

Homes and Community Renewal

RUTHANNE VISNAUSKAS
Commissioner/CEO

May 31, 2018

VIA EMAIL

Joao MacDowell
203 West 111th Apt. 4A New
York NY - 10026-4159

Re: FOIL REQUEST #463-022018
The Park North Project

Dear Mr. MacDowell:

New York State Homes and Community Renewal submits the following to your FOIL Request dated February 7, 2018:

You requested:

1. Please provide the job description for Maggie Qingxiao Kuang - Asset Manager.

Asset Manager responsible for an affordable housing portfolio throughout the New York City area. Ensures compliance with various NYS Housing Programs. Compliance functions include the administration, management, maintenance and operations of housing projects.

2. How long has Maggie Qingxiao Kuang been working on the Park North Project? Is there any other officer assigned to the Park North Project? Have there been others working on the project assessment? Who is responsible for checking the accuracy of Maggie Qingxiao Kuang reports/actions? What is the standard organizational procedure for compliance on LIHTC as far as the assignment of tasks and responsibilities?

Since September 27, 2017; No other asset manager assigned to project; David Muniz is responsible for oversight of the NYC Office of Asset Management; Compliance with the LIHC program is in accordance of Section 42 of the IRS code.

3. If possible, please provide the previous history in the position of Maggie Qingxiao Kuang especially in what is related to the Park North Project, including inspection records and reports, all permissions granted violations notified, and penalties applied. Please be as detailed as possible.

No previous history outside of compliance visit completed on September 27, 2017.

- 4. During this time have there been found any reported violations in the Park North Project?**

Refer to attached letters.

- 5. Please list all violations found, if any, with dates.**

Refer to attached letters.

- 6. Please list all penalties and fines applied, if any, with dates.**

Refer to attached letters

- 7. Is the Park North Project a "Deep Rent Skew" as defined by section 142(d)(4)(B) of the statute?**

No.

- 8. If possible, please provide the list of all 39 LIHTC units in the project, including the name of the person on the lease and contact information, as detailed as you can be according to the law.**

Disclosure of the names of the tenants of affordable housing units would constitute an invasion of personal privacy. The list of names are therefore exempt under NY Pub Off L § 89 2(b).

- 9. Has the project ever been audited? Is the management providing books and records of administration, according to section 7(a) of the Regulatory Agreement and following the appropriate requirements of Section 42 of the Internal Revenue Code? Have the books been audited? Have any violations been found? What violations, if any? What penalties have been applied, if any?**

Only as required by the Section 42 of the IRS code.

- 10. Has the management provided a copy of the Regulatory Agreement attached to all leases of the LIHTC units in the Project? If a tenant has not received a copy of the Regulatory Agreement, as stated in section 7(b) what is the appropriate penalty? - If the management withholds information about the legal status of a unit, as a LIHTC unit, can that be interpreted as a deliberate attempt to misrepresent the situation in order to overcharge? What is the institutional procedure to prevent such situations from happening? What are the penalties to be applied in the case of attempt to overcharge by withholding proper information about the legal status of a unit?**

Yes; Subject to IRS Section 42.

11. Has the management been providing the Annual Income Recertification for all tenants in the LIHTC units?

Refer to attached documentation.

12. The Management seems to have stopped recertification in (or around) 2011. Please provide a copy of form 8877 - Request for Waiver of Annual Income Recertification Requirement for Low Income Housing Credit. If such a waiver was granted, who authorized it and on what basis?

No record of waiver granted.

13. According to Section 42(8)(B), I only see the possibility of the waiver being granted for buildings that are 100% LIHTC - Which is not the case - Are there other exceptions to the rule?

No.

14. Does the Project still have to comply with the "Next Available" rule and the 140% rule? If so, how can the management do it, without the recertification?

Subject to Section 42 of IRS Code.

15. Who was responsible for authorization of the sale of the Park North Project to its present owner? Purchased circa 2011.

Not Applicable.

16. Please provide copies of the documentation pertaining to the analysis and approval of the sale of the project to present owner.

Not Applicable to HCR.

17. Please provide evidence that all rules in Section 42 of the Internal Revenue Code were followed, regarding but not limited to the purchase of buildings in the project, especially including, but not limited to: (7) tenant's right of 1st refusal to acquire property and priority of sale to qualifying non-profit. Including but not limited to proper advertising of option to purchase and communication notice to all tenants.

Not Applicable.

18. If the buildings in the project were indeed sold and managed illegally, as the evidence collected so far seems to indicate: What is the appropriate procedure to restore all tenant's rights?

Not Applicable.

You have a right to appeal the decision of this request within thirty (30) days of the date the FOIL was issued by writing to the Appeals Officer. Appeals must be made in writing and directed to the attention of the Appeals Officer.

Appeals via U.S. Mail should be sent to:
NYS Homes & Community Renewal
Linda Manley, Appeals Officer
641 Lexington Avenue
New York, New York 10022

Appeals via E-mail should be sent to:
HCRFOILappeals@nyshcr.org

This should conclude your FOIL request.

Thank you,

NYSHCR RECORDS ACCESS OFFICER
Office of Legal Affairs



Homes and Community Renewal

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RUTHANNE VISNAUSKAS
Commissioner/CEO

March 9, 2018

Jonathan Hess
Property Manager
Pyrgos Property Group, Inc.
48-02 25th Ave, Suite 403
Astoria, NY 11103

Project Name: Park North Associates LP
Shars#: 1991-0831
Subject: LIHC programs Compliance Review

Dear Mr. Hess:

On September 27, 2017, the Division of Housing and Community Renewal Asset Management Unit conducted a compliance review under the Low-Income Housing Tax Credit (LIHTC) Program for the above referenced project.

The office has not received a response to the required documentation listed on our letter dated October 30, 2017 (except the items with a check mark.) We have made several attempts to resolve the events of non-compliance documented in our letter. Please note the project will continue to be rated unsatisfactory until such time the events of non-compliance have been resolved. In addition, please note the following:

1. Project will be placed on our troubled project list.
2. The Office of Finance and Development has been notified of continued non-compliance which will affect applications for funding with the project developer.
3. The performance of managing agent will be documented for future project applications.
4. Project request for special transactions, rent increases, withdrawals from reserves can be held in abeyance until such time the non-compliance is resolved.

Should you have any questions, please feel free to contact me at 212-480-7351.

Sincerely,

Maggie Qingxiao Kuang
Asset Manager
Asset Management Unit

CC: John Sismanoglou – Park North Realty LLC



Homes and Community Renewal

ANDREW M. CUOMO
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October 30, 2017

Jonathan Hess
Property Manager
Park North Associates LP
48-02 25th Avenue, Suite #403
Astoria, NY 11103

Project Name: Park North Associates LP
SHARS #: 1991-0831
Subject: Tax Credit Compliance Review

Dear Jonathan Hess:

On September 27, 2017, the Division of Housing and Community Renewal Asset Management Unit conducted a compliance review under the Low-Income Housing Tax Credit (LIHTC) Program for the above referenced project.

The regulations for the LIHTC program required a minimum inspection of twenty percent of the project resident files, rent records and low-income units. A physical inspection of the property and a review of other program requirements were also completed.

The results of the site visit indicated compliance with the tax credit program requirements is unsatisfactory. The following non-compliance events are required to be corrected during the correction period.

A. Physical Inspection:

(Please provide complete signed work order.)

Common Area:

1. Replace inoperative smoke detector in hallway on each floor for all buildings (Fire hazard) — *Done*
2. Scrape/plaster/paint the bulkhead in building 233/217/201 West 111th Street.
3. Replace broken floor tiles and steps in the vestibule in building 217 West 111th Street. (Tripping hazard.)

4. Repair one of the inoperative roof vent in building 203 West 111th Street
5. Remove bike in the 4th floor hallway, shoe case in front of Apt. 2B and all the floor mats on each floor in building 203 W. 111th Street
6. Remove all items stored in the electrical room/repair leaks from hot water tank valve in boiler room/remove cabinet in front of apt. 2A in building 201 West 111th Street
7. Provide invoice for new compactor system.

Tenant Units

[REDACTED]
Replace damaged floor tiles in bathroom
Scrape/plaster/paint water-damaged bathroom ceiling
Fix chips in bathtub

✓ Replace carbon monoxide detector — *Done*

[REDACTED]
✓ Replace carbon monoxide detector — *Done*
Replace bathtub stopper

[REDACTED]
✓ Replace smoke/carbon monoxide detector battery — *Done*

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✓ Replace carbon monoxide detector — *Done*
Caulk bathtub
Scrape/plaster/paint water-damaged bathroom ceiling
Check/repair the radiator in living room when the heat is turned on.

B. File Review

[REDACTED]
Missing initial tenant income certification (TIC)
Missing annual TIC from 2016-2017

[REDACTED]
Missing initial tenant income certification (TIC)
Missing annual TIC with income documents from 2015-2017

[REDACTED]
Missing annual TIC for 2017.

[REDACTED]

Missing annual TIC from 2012-2016

Tenant's rent is over LIHTC rent limit at 60% AMI. Please see the table below and provide a schedule repayment.

# of brs	Tenant Rent	U.A.	Gross Rent	Restricted Rent	\$over- charged per month	Over charged period	Total amount overcharged
2	\$1348.53	\$41	\$1,389.53	\$1,165	\$224.53	12/1/2015 to 11/30/2017	\$5,388.72

You must submit information required to correct the events of non-compliance or respond to the findings by **November 30, 2017** (30 days from the issuance of this notice). Your cooperation in the completion of the management review and site inspection is greatly appreciated. Should you have any questions, please feel free to contact me at (212) 480-7351 or via email at: qingxiao.kuang@nyshcr.org

Sincerely,



Maggie Qingxiao Kuang
Asset Manager
Asset Management Unit

Rent Roll 2017 Park Noth LLC

# of Beds	Lease Expiration	Move in date	Rent	Rent Stabilized	Section 8/ Scrie/Drie	Tax Credited
201 West 111th St						
3	8/31/2018	9/1/2014	\$ 1,290.78	Yes		Yes
2	10/31/2018	1/1/2001	\$ 1,096.79	Yes		No
1	6/30/2019	1/1/2001	\$ 669.48	Yes	SCRIE	Yes
3	6/30/2019	1/1/2001	\$ 861.36	Yes	SCRIE	Yes
2	6/30/2018	1/1/2001	\$ 761.00	Yes		Yes
2	7/31/2019	1/1/2001	\$ 1,155.37	Yes		Yes
3	6/30/2018	1/1/2001	\$ 861.32	Yes		Low
2	7/31/2018	1/1/2001	\$ 1,027.29	Yes		Yes
2	10/31/2018	1/1/2001	\$ 873.26	Yes		Yes
3	7/31/2018	1/1/2001	\$ 844.47	Yes		Yes
2	1/31/2018	2/1/2015	\$ 1,120.09	Yes		Yes
2	3/31/2018	1/1/2001	\$ 956.20	Yes		Yes
3	11/30/2018	1/1/2001	\$ 1,154.20	Yes		Yes
2	6/30/2018	1/1/2001	\$ 781.43	Yes		Yes
2	1/31/2018	1/1/2001	\$ 862.36	Yes		Yes
203 West 111th St						
1	9/30/2019	1/1/2001	\$ 879.21	Yes		Yes
2	1/31/2018	2/1/2015	\$ 1,650.00	Yes		No
studio	10/31/2018	10/15/2012	\$ 895.24	Yes		Yes
1	4/30/2018	1/1/2001	\$ 1,138.82	Yes		No
3	3/31/2018	1/1/2001	\$ 1,175.14	Yes		Yes
2	10/30/2017	1/1/2001	\$ 849.22	Yes		Yes
studio	2/28/2018	3/1/2014	\$ 862.54	Yes		Yes
1	7/31/2018	1/1/2001	\$ 971.60	Yes		No
3	12/31/2017	1/1/2001	\$ 1,741.49	Yes		No
2	5/31/2018	6/1/2015	\$ 1,666.50	Yes		No
studio	12/31/2017	1/1/2001	\$ 1,122.03	Yes		No
1	11/30/2017	1/1/2001	\$ 883.00	Yes		Yes
3	10/31/2017	11/1/2015	\$ 2,000.00	Yes		No
2	7/31/2018	1/1/2001	\$ 772.31	Yes		Low
studio	12/31/2017	1/1/2001	\$ 875.82	Yes		No
1	1/31/2019	1/1/2001	\$ 970.46	Yes		Yes
3	12/31/2017	1/1/2015	\$ 1,800.00	Yes		No
2	7/31/2018	1/1/2001	\$ 1,089.89	Yes		No
studio	8/31/2018	1/1/2001	\$ 985.65	Yes		No
1	7/31/2019	1/1/2001	\$ 727.80	Yes		No
3	4/30/2018	1/1/2001	\$ 970.47	Yes		Yes
2	5/31/2018	1/1/2001	\$ 1,156.28	Yes	SECTION 8	Yes
studio	7/31/2018	8/1/2013	\$ 945.36	Yes		No
217 West 111th St						
2	3/31/2018	1/1/2001	\$ 1,144.26	Yes		No
1	8/31/2018	1/1/2001	\$ 822.00	Yes	SECTION 8	Yes
1	8/31/2018	1/1/2001	\$ 1,031.17	Yes		No
3	11/30/2017	1/1/2001	\$ 1,150.77	Yes		Yes
2	10/30/2017	1/1/2001	\$ 1,392.63	Yes		No
1	8/31/2019	1/1/2001	\$ 650.24	Yes		Yes
1	9/30/2018	1/1/2001	\$ 1,139.36	Yes		No
3	11/30/2017	1/1/2001	\$ 1,276.78	Yes		No
2	11/30/2017	1/1/2010	\$ 1,348.53	Yes		Yes
1	8/31/2019	1/1/2001	\$ 963.55	Yes		No
1	2/28/2018	3/1/2015	\$ 1,350.00	Yes		No
3	12/31/2017	1/1/2001	\$ 1,317.97	Yes		No
2	11/30/2018	1/1/2001	\$ 1,276.86	Yes		No
1	8/31/2018	1/1/2001	\$ 663.63	Yes		yes
1	5/31/2018	6/1/2014	\$ 1,224.00	Yes		No
3	6/30/2018	1/1/2001	\$ 1,374.36	Yes		No
2	8/31/2019	1/1/2001	\$ 1,338.67	Yes		No
1	2/28/2018	1/1/2001	\$ 1,096.10	Yes		No
1	11/30/2018	1/1/2001	\$ 984.73	Yes		No
3	10/31/2018	1/1/2001	\$ 1,247.61	Yes		No
2	12/31/2017	1/1/2001	\$ 1,257.50	Yes		No
1	11/30/2017	1/1/2001	\$ 935.48	Yes		No
1	3/31/2019	4/1/2013	\$ 1,189.53	Yes		No
3	5/31/2018	1/1/2001	\$ 1,308.21	Yes		Yes

233 West 111th ST

1	10/30/2017	1/1/2001	\$	552.02	Yes		Yes
1	7/31/2019	1/1/2001	\$	1,065.99	Yes		No
2	5/31/2018	1/1/2001	\$	1,105.68	Yes	PREF RENT	Yes
3	7/31/2019	1/1/2001	\$	1,631.29	Yes		No
1	2/28/2019	3/1/2016	\$	949.62	Yes		Yes
1	6/30/2018	1/1/2001	\$	768.46	Yes		Yes
2	8/31/2019	1/1/2001	\$	1,066.47	Yes		Yes
3	12/31/2018	1/1/2001	\$	1,276.95	Yes		Yes
1	10/31/2017	1/1/2001	\$	1,010.19	Yes	SECTION 8	No
1	10/31/2018	1/1/2001	\$	631.16	Yes		Yes
2	12/31/2018	1/1/2001	\$	1,150.71	Yes		No
3	10/31/2018	1/1/2001	\$	1,609.62	Yes	SECTION 8	No
1	3/31/2018	3/1/2017	\$	1,115.00	Yes		No
1	8/31/2018	1/1/2001	\$	681.57	Yes		Yes
2	9/30/2017	1/1/2001	\$	1,156.97	Yes		No
3	7/31/2019	1/1/2001	\$	1,631.29	Yes		No
1	9/30/2018	1/1/2001	\$	673.11	Yes		Yes
1	4/30/2019	1/1/2001	\$	1,409.66	Yes		No
2	6/30/2019	1/1/2001	\$	1,150.71	Yes		No
3	10/31/2017	1/1/2001	\$	1,251.90	Yes		No
1	10/31/2017	1/1/2001	\$	1,151.77	Yes		No
1	10/31/2018	1/1/2001	\$	625.76	Yes		Yes
2	12/31/2017	1/1/2001	\$	1,212.85	Yes		Yes
3	10/31/2018	1/1/2001	\$	827.68	Yes		Yes



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Tenant Units

[REDACTED]

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Fix chips in bathtub

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[REDACTED]

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[REDACTED]

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	3	6/30/2018	1/1/2001	\$ 861.32	Yes		Low
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2	8/31/2019	1/1/2001	\$ 1,338.67	Yes		No
1	2/28/2018	1/1/2001	\$ 1,096.10	Yes		No
1	11/30/2018	1/1/2001	\$ 984.73	Yes		No
3	10/31/2018	1/1/2001	\$ 1,247.61	Yes		No
2	12/31/2017	1/1/2001	\$ 1,257.50	Yes		No
1	11/30/2017	1/1/2001	\$ 935.48	Yes		No
1	3/31/2019	4/1/2013	\$ 1,189.53	Yes		No
3	5/31/2018	1/1/2001	\$ 1,308.21	Yes		Yes

233 West 111th ST

1	10/30/2017	1/1/2001	\$ 552.02	Yes	PREF RENT	Yes
1	7/31/2019	1/1/2001	\$ 1,065.99	Yes		No
2	5/31/2018	1/1/2001	\$ 1,105.68	Yes		Yes
3	7/31/2019	1/1/2001	\$ 1,631.29	Yes		No
1	2/28/2019	3/1/2016	\$ 949.62	Yes		Yes
1	6/30/2018	1/1/2001	\$ 768.46	Yes		Yes
2	8/31/2019	1/1/2001	\$ 1,066.47	Yes		Yes
3	12/31/2018	1/1/2001	\$ 1,276.95	Yes		Yes
1	10/31/2017	1/1/2001	\$ 1,010.19	Yes	SECTION 8	No
1	10/31/2018	1/1/2001	\$ 631.16	Yes		Yes
2	12/31/2018	1/1/2001	\$ 1,150.71	Yes		No
3	10/31/2018	1/1/2001	\$ 1,609.62	Yes	SECTION 8	No
1	3/31/2018	3/1/2017	\$ 1,115.00	Yes		No
1	8/31/2018	1/1/2001	\$ 681.57	Yes		Yes
2	9/30/2017	1/1/2001	\$ 1,156.97	Yes		No
3	7/31/2019	1/1/2001	\$ 1,631.29	Yes		No
1	9/30/2018	1/1/2001	\$ 673.11	Yes		Yes
1	4/30/2019	1/1/2001	\$ 1,409.66	Yes		No
2	6/30/2019	1/1/2001	\$ 1,150.71	Yes		No
3	10/31/2017	1/1/2001	\$ 1,251.90	Yes		No
1	10/31/2017	1/1/2001	\$ 1,151.77	Yes		No
1	10/31/2018	1/1/2001	\$ 625.76	Yes		Yes
2	12/31/2017	1/1/2001	\$ 1,212.85	Yes		Yes
3	10/31/2018	1/1/2001	\$ 827.68	Yes		Yes



Homes and Community Renewal

ANDREW M. CUOMO
Governor

RUTHANNE VISNAUSKAS
Commissioner/CEO

March 9, 2018

Jonathan Hess
Property Manager
Pyrgos Property Group, Inc.
48-02 25th Ave, Suite 403
Astoria, NY 11103

Project Name: Park North Associates LP
Shars#: 1991-0831
Subject: LIHC programs Compliance Review

Dear Mr. Hess:

On September 27, 2017, the Division of Housing and Community Renewal Asset Management Unit conducted a compliance review under the Low-Income Housing Tax Credit (LIHTC) Program for the above referenced project.

The office has not received a response to the required documentation listed on our letter dated October 30, 2017 (except the items with a check mark.) We have made several attempts to resolve the events of non-compliance documented in our letter. Please note the project will continue to be rated unsatisfactory until such time the events of non-compliance have been resolved. In addition, please note the following:

1. Project will be placed on our troubled project list.
2. The Office of Finance and Development has been notified of continued non-compliance which will affect applications for funding with the project developer.
3. The performance of managing agent will be documented for future project applications.
4. Project request for special transactions, rent increases, withdrawals from reserves can be held in abeyance until such time the non-compliance is resolved.

Should you have any questions, please feel free to contact me at 212-480-7351.

Sincerely,

Maggie Qingxiao Kuang
Asset Manager
Asset Management Unit

CC: John Sismanoglou – Park North Realty LLC



Homes and Community Renewal

ANDREW M. CUOMO
Governor

RUTHANNE VISNAUSKAS
Commissioner/CEO

October 30, 2017

Jonathan Hess
Property Manager
Park North Associates LP
48-02 25th Avenue, Suite #403
Astoria, NY 11103

Project Name: Park North Associates LP
SHARS #: 1991-0831
Subject: Tax Credit Compliance Review

Dear Jonathan Hess:

On September 27, 2017, the Division of Housing and Community Renewal Asset Management Unit conducted a compliance review under the Low-Income Housing Tax Credit (LIHTC) Program for the above referenced project.

The regulations for the LIHTC program required a minimum inspection of twenty percent of the project resident files, rent records and low-income units. A physical inspection of the property and a review of other program requirements were also completed.

The results of the site visit indicated compliance with the tax credit program requirements is unsatisfactory. The following non-compliance events are required to be corrected during the correction period.

A. Physical Inspection:

(Please provide complete signed work order.)

Common Area:

1. ☒ Replace inoperative smoke detector in hallway on each floor for all buildings (Fire hazard) — *Done*
2. Scrape/plaster/paint the bulkhead in building 233/217/201 West 111th Street.
3. Replace broken floor tiles and steps in the vestibule in building 217 West 111th Street. (Tripping hazard.)

4. Repair one of the inoperative roof vent in building 203 West 111th Street
5. Remove bike in the 4th floor hallway, shoe case in front of Apt. 2B and all the floor mats on each floor in building 203 W. 111th Street
6. Remove all items stored in the electrical room/repair leaks from hot water tank valve in boiler room/remove cabinet in front of apt. 2A in building 201 West 111th Street
7. Provide invoice for new compactor system.

Tenant Units

[REDACTED]
Replace damaged floor tiles in bathroom
Scrape/plaster/paint water-damaged bathroom ceiling
Fix chips in bathtub
✓ Replace carbon monoxide detector — Done

[REDACTED]
✓ Replace carbon monoxide detector — Done
Replace bathtub stopper

[REDACTED]
✓ Replace smoke/carbon monoxide detector battery — Done

[REDACTED]
✓ Replace carbon monoxide detector — Done
Caulk bathtub
Scrape/plaster/paint water-damaged bathroom ceiling
Check/repair the radiator in living room when the heat is turned on.

B. File Review

[REDACTED]
Missing initial tenant income certification (TIC)
Missing annual TIC from 2016-2017

[REDACTED]
Missing initial tenant income certification (TIC)
Missing annual TIC with income documents from 2015-2017

[REDACTED]
Missing annual TIC for 2017.

Missing annual TIC from 2012-2016

Tenant's rent is over LIHTC rent limit at 60% AMI. Please see the table below and provide a schedule repayment.

# of brs	Tenant Rent	U.A.	Gross Rent	Restricted Rent	Sover- charged per month	Over charged period	Total amount overcharged
2	\$1348.53	\$41	\$1,389.53	\$1,165	\$224.53	12/1/2015 to 11/30/2017	\$5,388.72

You must submit information required to correct the events of non-compliance or respond to the findings by **November 30, 2017** (30 days from the issuance of this notice). Your cooperation in the completion of the management review and site inspection is greatly appreciated. Should you have any questions, please feel free to contact me at (212) 480-7351 or via email at: qingxiao.kuang@nyshcr.org

Sincerely,



Maggie Qingxiao Kuang
Asset Manager
Asset Management Unit

Apt with "X" not Tax Credit

Rent Roll 2017 Park Noth LLC

Apt #	# of Beds	Name	Last	Lease Expiration	Move in date	Rent	Rent Stabalized	tion 8/ Scrie	Tax Credited
201 West 111th St									
	3			8/31/2018	9/1/2014	\$ 1,290.78	Yes		Yes
	2			10/31/2018	1/1/2001	\$ 1,096.79	Yes		No
	1			6/30/2019	1/1/2001	\$ 669.48	Yes	SCRIE	Yes
	3			6/30/2019	1/1/2001	\$ 861.36	Yes	SCRIE	Yes
	2			6/30/2018	1/1/2001	\$ 761.00	Yes		Yes
	2			7/31/2019	1/1/2001	\$ 1,155.37	Yes		Yes
	3			6/30/2018	1/1/2001	\$ 861.32	Yes		Low
	2			7/31/2018	1/1/2001	\$ 1,027.29	Yes		Yes
	2			10/31/2018	1/1/2001	\$ 873.26	Yes		Yes
	3			7/31/2018	1/1/2001	\$ 844.47	Yes		Yes
	2			1/31/2018	2/1/2015	\$ 1,120.09	Yes		Yes
	2			3/31/2018	1/1/2001	\$ 956.20	Yes		Yes
	3			11/30/2018	1/1/2001	\$ 1,154.20	Yes		Yes
	2			6/30/2018	1/1/2001	\$ 781.43	Yes		Yes
	2			1/31/2018	1/1/2001	\$ 862.36	Yes		Yes
→ 203 West 111th St (205 ?)									
	1			9/30/2019	1/1/2001	\$ 879.21	Yes		Yes
	2			1/31/2018	2/1/2015	\$ 1,650.00	Yes		No
	studio			10/31/2018	10/15/2012	\$ 895.24	Yes		Yes
	1			4/30/2018	1/1/2001	\$ 1,138.82	Yes		No
	3			3/31/2018	1/1/2001	\$ 1,175.14	Yes		Yes
	2			10/30/2017	1/1/2001	\$ 849.22	Yes		Yes
	studio			2/28/2018	3/1/2014	\$ 862.54	Yes		Yes
	1			7/31/2018	1/1/2001	\$ 971.60	Yes		No
	3			12/31/2017	1/1/2001	\$ 1,741.49	Yes		No
	2			5/31/2018	6/1/2015	\$ 1,666.50	Yes		No
	studio			12/31/2017	1/1/2001	\$ 1,122.03	Yes		No
	1			11/30/2017	1/1/2001	\$ 883.00	Yes		Yes
	3			10/31/2017	11/1/2015	\$ 2,000.00	Yes		No

13 out of 15

10 out of 15

Rent Roll 2017 Park Noth LLC

6 out of 24

Apt #	# of Beds	Name	Last	Lease Expiration	Move in date	Rent	Rent Stabalized	tion 8/ Scie/	Tax Credited
	2			7/31/2018	1/1/2001	\$ 772.31	Yes		Low
	studio			12/31/2017	1/1/2001	\$ 875.82	Yes		No
	1			1/31/2019	1/1/2001	\$ 970.46	Yes	1074-57-1017	Yes
	3			12/31/2017	1/1/2015	\$ 1,800.00	Yes		No
	2			7/31/2018	1/1/2001	\$ 1,089.89	Yes		No
	studio			8/31/2018	1/1/2001	\$ 985.65	Yes		No
	1			7/31/2019	1/1/2001	\$ 727.80	Yes		No
	3			4/30/2018	1/1/2001	\$ 970.47	Yes		Yes
	2			5/31/2018	1/1/2001	\$ 1,156.28	Yes	SECTION 8	Yes
	studio			7/31/2018	8/1/2013	\$ 945.36	Yes		No
217 West 111th St									
	2			3/31/2018	1/1/2001	\$ 1,144.26	Yes		No
	1			8/31/2018	1/1/2001	\$ 822.00	Yes	SECTION 8	Yes
	1			8/31/2018	1/1/2001	\$ 1,031.17	Yes		No
	3			11/30/2017	1/1/2001	\$ 1,150.77	Yes		Yes
	2			10/30/2017	1/1/2001	\$ 1,392.63	Yes		No
	1			8/31/2019	1/1/2001	\$ 650.24	Yes		Yes
	1			9/30/2018	1/1/2001	\$ 1,139.36	Yes		No
	3			11/30/2017	1/1/2001	\$ 1,276.78	Yes		No
	2			11/30/2017	12/15/10 1/1/2010	\$ 1,348.53	Yes	over	Yes
	1			8/31/2019	1/1/2001	\$ 963.55	Yes		No
	1			2/28/2018	3/1/2015	\$ 1,350.00	Yes		No
	3			12/31/2017	1/1/2001	\$ 1,317.97	Yes		No
	2			11/30/2018	1/1/2001	\$ 1,276.86	Yes		No
	1			8/31/2018	1/1/2001	\$ 663.63	Yes		yes
	1			5/31/2018	6/1/2014	\$ 1,224.00	Yes		No
	3			6/30/2018	1/1/2001	\$ 1,374.36	Yes		No
	2			8/31/2019	1/1/2001	\$ 1,338.67	Yes		No
	1			2/28/2018	1/1/2001	\$ 1,096.10	Yes		No
	1			11/30/2018	1/1/2001	\$ 984.73	Yes		No
	3			10/31/2018	1/1/2001	\$ 1,247.61	Yes		No

Rent Roll 2017 Park Noth LLC

Apt #	# of Beds	Name	Last	Lease Expiration	Move in date	Rent	Rent Stabalized	tion 8/ Scrie/	Tax Credited
	2			12/31/2017	1/1/2001	\$ 1,257.50	Yes		No
	1			11/30/2017	1/1/2001	\$ 935.48	Yes		No
	1			3/31/2019	4/1/2013	\$ 1,189.53	Yes		No
	3			5/31/2018	1/1/2001	\$ 1,308.21	Yes		Yes
233 West 111th ST									
	1			10/30/2017	1/1/2001	\$ 552.02	Yes		Yes
	1			7/31/2019	1/1/2001	\$ 1,065.99	Yes		No
	2			5/31/2018	1/1/2001	\$ 1,105.68	Yes	PREF RENT	Yes
	3			7/31/2019	1/1/2001	\$ 1,631.29	Yes		No
	1			2/28/2019	3/1/2016	\$ 949.62	Yes		Yes
	1			6/30/2018	1/1/2001	\$ 768.46	Yes		Yes
	2			8/31/2019	1/1/2001	\$ 1,066.47	Yes		Yes
	3			12/31/2018	1/1/2001	\$ 1,276.95	Yes		Yes
	1			10/31/2017	1/1/2001	\$ 1,010.19	Yes	SECTION 8	No
	1			10/31/2018	1/1/2001	\$ 631.16	Yes		Yes
	2			12/31/2018	1/1/2001	\$ 1,150.71	Yes		No
	3			10/31/2018	1/1/2001	\$ 1,609.62	Yes	SECTION 8	No
	1			3/31/2018	3/1/2017	\$ 1,115.00	Yes		No
	1			8/31/2018	1/1/2001	\$ 681.57	Yes		Yes
	2			9/30/2017	1/1/2001	\$ 1,156.97	Yes		No
	3			7/31/2019	1/1/2001	\$ 1,631.29	Yes		No
	1			9/30/2018	1/1/2001	\$ 673.11	Yes		Yes
	1			4/30/2019	1/1/2001	\$ 1,409.66	Yes		No
	2			6/30/2019	1/1/2001	\$ 1,150.71	Yes		No
	3			10/31/2017	1/1/2001	\$ 1,251.90	Yes		No
	1			10/31/2017	1/1/2001	\$ 1,151.77	Yes		No
	1			10/31/2018	1/1/2001	\$ 625.76	Yes		Yes
	2			12/31/2017	1/1/2001	\$ 1,212.85	Yes		Yes
	3			10/31/2018	1/1/2001	\$ 827.68	Yes		Yes

10 out of 24



Homes and Community Renewal

ANDREW M. CUOMO
Governor

RUTHANNE VISNAUSKAS
Commissioner/CEO

March 9, 2018

Jonathan Hess
Property Manager
Pyrgos Property Group, Inc.
48-02 25th Ave, Suite 403
Astoria, NY 11103

Project Name: Park North Associates LP
Shars#: 1991-0831
Subject: LIHC programs Compliance Review

Dear Mr. Hess:

On September 27, 2017, the Division of Housing and Community Renewal Asset Management Unit conducted a compliance review under the Low-Income Housing Tax Credit (LIHTC) Program for the above referenced project.

The office has not received a response to the required documentation listed on our letter dated October 30, 2017 (except the items with a check mark.) We have made several attempts to resolve the events of non-compliance documented in our letter. Please note the project will continue to be rated unsatisfactory until such time the events of non-compliance have been resolved. In addition, please note the following:

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4. Project request for special transactions, rent increases, withdrawals from reserves can be held in abeyance until such time the non-compliance is resolved.

Should you have any questions, please feel free to contact me at 212-480-7351.

Sincerely,

A handwritten signature in black ink, appearing to read "Maggie".

Maggie Qingxiao Kuang
Asset Manager
Asset Management Unit

CC: John Sismanoglou – Park North Realty LLC



Homes and Community Renewal

ANDREW M. CUOMO
Governor

RUTHANNE VISNAUSKAS
Commissioner/CEO

October 30, 2017

Jonathan Hess
Property Manager
Park North Associates LP
48-02 25th Avenue, Suite #403
Astoria, NY 11103

Project Name: Park North Associates LP
SHARS #: 1991-0831
Subject: Tax Credit Compliance Review

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The results of the site visit indicated compliance with the tax credit program requirements is **unsatisfactory**. The following non-compliance events are required to be corrected during the correction period.

A. Physical Inspection:

(Please provide complete signed work order.)

Common Area:

1. Replace inoperative smoke detector in hallway on each floor for all buildings (Fire hazard) — *Done*
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3. Replace broken floor tiles and steps in the vestibule in building 217 West 111th Street. (Tripping hazard.)

4. Repair one of the inoperative roof vent in building 203 West 111th Street
5. Remove bike in the 4th floor hallway, shoe case in front of Apt. 2B and all the floor mats on each floor in building 203 W. 111th Street
6. Remove all items stored in the electrical room/repair leaks from hot water tank valve in boiler room/remove cabinet in front of apt. 2A in building 201 West 111th Street
7. Provide invoice for new compactor system.

Tenant Units

[REDACTED]

Replace damaged floor tiles in bathroom
Scrape/plaster/paint water-damaged bathroom ceiling
Fix chips in bathtub

✓ Replace carbon monoxide detector — *Done*

[REDACTED]

✓ Replace carbon monoxide detector — *Done*

Replace bathtub stopper

[REDACTED]

✓ Replace smoke/carbon monoxide detector battery — *Done*

[REDACTED]

✓ Replace carbon monoxide detector — *Done*

Caulk bathtub

Scrape/plaster/paint water-damaged bathroom ceiling

Check/repair the radiator in living room when the heat is turned on.

B. File Review

[REDACTED]

Missing initial tenant income certification (TIC)

Missing annual TIC from 2016-2017

[REDACTED]

Missing initial tenant income certification (TIC)

Missing annual TIC with income documents from 2015-2017

[REDACTED]

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[REDACTED]

Missing annual TIC from 2012-2016

Tenant's rent is over LIHTC rent limit at 60% AMI. Please see the table below and provide a schedule repayment.

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Sincerely,



Maggie Qingxiao Kuang
Asset Manager
Asset Management Unit

Park North Associates, L.P.

and

NEW YORK STATE

DIVISION OF HOUSING AND COMMUNITY RENEWAL

LOW-INCOME HOUSING CREDIT
REGULATORY AGREEMENT

Dated as of January 31, 1995

This instrument affects real and personal property situated in the State of New York, Block 1827, Lots 29, 26, 20 and 16, County of New York, City of New York, commonly known as 201 West 111th Street; 203 West 111th Street; 217 West 111th Street and 233 West 111th Street, New York, N.Y..

DHCR Project Manager Horace Augustin.
Project SHARS I.D. No. 91000831.

RECORD AND RETURN TO:
OFFICE OF LEGAL AFFAIRS
N.Y.S. DIVISION OF HOUSING
AND COMMUNITY RENEWAL
38-40 State Street
Albany, New York 12207

NEW YORK STATE
DIVISION OF HOUSING AND COMMUNITY RENEWAL

Regulatory Agreement

Agreement made this 31st day of January 1995 between the New York State Division of Housing and Community Renewal ("DHCR") with an office at 38-40 State Street, Albany, New York 12207 and Park North Houses Associates, L.P., having its principal place of business at c/o Charles F. Wolff, Inc., 175 RIVERSTREET AVENUE NEW YORK, N.Y. 10014 ^{LEMLE} ~~H. Greenthal Commercial, Four Park Avenue - Third Floor, New York, N.Y. 10016~~ ("Recipient"). 5925 BROADWAY, BROOK, N.Y. 10463

Whereas, pursuant to Section 42 of the United States Internal Revenue Code (the "Statute"), Executive Order No. 135 issued by Governor Mario Cuomo and 9 NYCRR Part 2040 (the "DHCR Regulations"), DHCR is authorized to allocate certain federal income tax credits for the purpose of facilitating investment in housing meeting the eligibility requirements of the Statute ("Low-Income Housing Credits"); and

Whereas, Recipient has submitted an application to DHCR for an allocation of Low-Income Housing Credits for a certain project as more fully described in Exhibit A attached hereto (the "Project") with respect to land and improvements (collectively the "Property") located at 201 West 111th Street; 203 West 111th Street; 217 West 111th Street and 233 West 111th Street, New York, N.Y., which land is more fully described in Exhibit B attached hereto; and

Whereas, DHCR has allocated Low-Income Housing Credits to Recipient in accordance with the Statute to assist the Project in consideration of, among other things, Recipient's undertaking to comply

with all the terms and conditions of this agreement, the Statute, the rules and regulations promulgated thereunder (the "Regulations") and the DHCR Regulations, as may be amended from time to time; and

Whereas, as a condition of receiving Low-Income Housing Credits Recipient is required by the Statute to enter into an extended Low-Income Housing commitment as evidenced by an agreement which is recorded pursuant to State law as a restrictive covenant;

Now, therefore, the parties agree that the Project will be operated in accordance with the following terms and conditions:

1. Definitions

The capitalized terms utilized herein shall have the meanings set forth in the Statute unless otherwise defined herein.

2. Agreement to Run with the Land; Recording

This agreement shall apply to the Property and the Project. This agreement and all of the promises, agreements and covenants herein contained shall be recorded by the Recipient as a restrictive covenant and shall be binding on the Recipient and all successors of the Recipient.

3. Term

The term of this agreement shall begin on the date that the Project is Placed In Service and, subject to the limitations set forth in the Statute, shall terminate:

- a) fifteen (15) years after the close of the fifteen (15) year Compliance Period; or
- b) on the date the Project is acquired by foreclosure or an instrument in lieu of foreclosure; or

c) one year after DHCR's receipt of Recipient's written request for a Qualified Contract for the purchase of both the non low-income portion of the building for fair market value and the low-income portion of the project, if DHCR has failed to present such a Qualified Contract during the one year period. Such a request may be made at any time after the Project has been in service as a Qualified Low-Income Building for a period of fourteen (14) years.

d) In the event that this agreement terminates pursuant to 3(b) or (c) of this agreement, no tenant residing in any Low-Income Unit in the Project shall be evicted except for good cause, nor shall any such tenant be subject to an increase in the gross rent of such unit before the close of the three (3) year period following a termination of this agreement pursuant to subsections 3(b) or (c) of this agreement.

4. Annual Certification

a) One calendar month subsequent to the close of Recipient's fiscal year, or at such other time as the Commissioner may prescribe, Recipient shall certify to DHCR under penalty of perjury, in a form prescribed by the Commissioner, that the Project as owned and operated is in compliance with all provisions of the Statute, the Regulations, the DHCR Regulations and DHCR's policies and procedures and shall provide all information relevant to the Project which DHCR requires. The Recipient shall also certify that, if the Recipient has been notified by any governmental authority having jurisdiction over the Recipient, the Project or the construction thereon or the use and occupancy thereof ("Governmental Authority"), that the Project, any construction thereon, or the use and occupancy thereof, is being conducted in violation of the provisions of any law, ordinance, rule, regulation or requirements of such Governmental Authority, Recipient shall additionally certify that Recipient has cured such violation, within 90 days of receipt of such notification or if such violation could not with due diligence be cured within such period, that Recipient has commenced to cure within such period and, having so

commenced, shall thereafter proceed and complete such cure with due diligence.

b) DHCR shall, in addition to any remedies it may have at law or equity in the event of Recipient's failure to comply with this agreement, notify the United States Internal Revenue Service ("IRS") of any and all violations of the Statute or the Regulations. Failure to file the certification required by section 4(a) of this agreement shall result in DHCR's notification to the IRS of such failure.

5. Eligible Occupants; Rights and Requirements

a) The Project shall contain ~~Eighth-eight~~^{NINE (89)} dwelling units. Thirty-five (35) units shall be occupied by persons or families whose incomes, at the time of initial occupancy, do not exceed 60% of the Area Median Gross Income as determined in accordance with the Statute ("Qualifying Tenant(s)").

b) Unless the Project is a Deep Rent Skewed Project as defined by section 142(d)(4)(B) of the Statute, if any unit in the low-income portion of the project is occupied by a Qualifying Tenant(s) at the time of initial occupancy, and such Qualifying Tenant's income should subsequently exceed 140% of the applicable income limit, the Recipient shall, after such determination of income, rent the next available residential unit of comparable or smaller size in the Project to a person or family whose income meets the requirements of paragraph (a) of this section.

c) If the Project is a Deep Rent Skewed Project as defined by section 142(d)(4)(B) of the Statute, if any unit in the low-income portion of the project is occupied by a Qualifying Tenant(s) at the time of initial occupancy, and such Qualifying Tenant's income should subsequently exceed 170% of the applicable income limit, the Recipient shall, after such determination of income, rent the next available low-income unit in the building to a person or family whose income is not

in excess of 40% of Area Median Gross Income as determined in accordance with the Statute.

d) The Applicable Fraction (as defined in Section 42(c)(1) of the Statute) for the Project shall not be less than that shown in Exhibit C (1) attached hereto.

e) Recipient shall not evict or otherwise terminate the tenancy of any tenant of any low-income unit for other than good cause, nor increase the gross rent with respect to such unit except as permitted by the Statute.

f) Recipient shall not refuse to lease to a holder of a voucher or certificate of eligibility under section 8 of the United States Housing Act of 1937 because of the status of the prospective tenant as such a holder.

6. Applicable Statutes, Rules, Regulations

The Recipient shall comply with the terms and provisions of the Statute, the Regulations, the DHCR Regulations currently published at 9 NYCRR Part 2040, and the policies and procedures promulgated by the Federal government and DHCR regarding Low-Income Housing Credit projects and allocations.

7. Management During the term hereof, the Recipient shall:

a) conduct its business and maintain its books and records to assure that the development, construction, management, operation and maintenance and any sale of the Project and the units are carried out in accordance with all applicable federal, State, and local laws, ordinances, rules, regulations and requirements including, but not limited to those listed in Section 6 above, the policies and procedures of DHCR, and with applicable agreements relating to the Project executed by the Project Recipient;

- b) complete and attach the summary of this agreement, attached hereto as exhibit D, to the lease of each low-income unit and shall provide a copy of this agreement, free of charge, to any person who requests a copy;
- c) disclose the Restricted Rent for a dwelling to a prospective tenant prior to the execution of a lease for that dwelling unit;
- d) require as a condition of initial and continued occupancy, that each person who is or who intends to become a tenant in the low-income portion of the project shall, prior to occupancy and on an annual basis, submit to the Recipient a statement regarding the income of the person(s) occupying or intending to occupy the dwelling unit ("Income Certification"). In addition, the Recipient shall require as a condition of occupancy that all such persons shall provide the Recipient with any other information or documentation necessary to verify the information contained in the income certification;
- e) not retaliate against any tenant or lawful occupant of the Project who notifies DHCR of alleged violations of this agreement;
- f) shall not transfer, to any person or entity, or otherwise dispose of any portion of any building to which this agreement applies unless all of such building is transferred to such person or entity;
- g) determine each year whether the occupants of each unit in the low income portion of the Project are Qualifying Tenants in accordance with the Statute, the Regulations, and the DHCR Regulations, policies, and procedures; and
- h) Recipient shall maintain Reserve and Escrow accounts as shown in Exhibit D (1).

8. Monitoring Fees

The Recipient shall pay, at such time as the Commissioner may require, an annual fee to DHCR of .5% multiplied by the maximum

Restricted Rents of the low-income portion of the Project or such other fee as the Commissioner may prescribe (the "Monitoring Fee"). The fee shall be paid by check made payable to New York State Division of Housing and Community Renewal, and shall be sent to the DHCR Finance Unit, 38 - 40 State Street, Albany, N.Y. 12207. The check shall bear the project's SHARS I.D. number and the words "monitoring fee".

9. Standing of Past, Present and Prospective Occupants

Project tenants, occupants and all individuals who meet the income limitation applicable to the Project under Section 42(g) of the Statute (whether prospective, present or former tenants or occupants of the Project) shall have the right to enforce section 3 (d) and section 5 of this Agreement for each taxable year in which the Project is subject to this Agreement or any provision of this agreement, in any New York State court.

10. Miscellaneous

a) All notices or other communications with respect to the subject matter of this agreement shall be in writing and shall be deemed to have been given when received and shall be sent by certified mail, return receipt requested, to the Recipient at ^{5925 BROADWAY, ALBANY, N.Y. 10463} ~~c/o Charles H. Lemle & Wolff, Inc., 400 Greenwich Avenue, New York, N.Y. 10014~~ ^{LEMLE} ~~Greenthal Commercial, Four Park Avenue - Third Floor, New York, N.Y. 10016~~ and to DHCR at 38-40 State Street, Albany, New York 12207, Attention: Low-Income Housing Credit Compliance Officer, or at such other address as a party to receive such notice may designate by giving such notice in writing. In circumstances deemed appropriate by DHCR, notice may be deemed given when received via facsimile transmission or via overnight courier, by agreement between DHCR and Recipient.

b) The Recipient and any successor in interest shall inform DHCR of any change in Recipient's address, and of any change in ownership of the Project (or any building in the Project if the Project is a multiple building Project), and the full name(s), address(es), and Federal Tax I.D. Number(s) of the new owner(s), within 30 days of any

such change. Any transfer occurring without compliance with the above requirements is hereby prohibited.

IN WITNESS WHEREOF, the parties have each duly executed this agreement as of the day and year first above written.

DIVISION OF HOUSING
AND COMMUNITY RENEWAL

By: 

Name: Ronald E. Webster
Title: Director of Development

HOUSES
PARK NORTH ASSOCIATES, L.P.
BY: HAF DEVELOPMENT CORP.
GENERAL PARTNER

By: 

Name: FRANK J. AMELANTE, JR.
Title: PRESIDENT

STATE OF NEW YORK)

: ss.:

COUNTY OF)

On the _____ day of _____, 199____, before me personally came _____, to me known, who, being by me duly sworn, did depose and say that he/she resides at _____; that he/she is the _____ of _____, the [corporation] [partnership] described in and which executed the foregoing instrument; and that he/she signed his/her name thereto [by order of the board of directors of said corporation] [on behalf of said partnership].

 Notary Public

STATE OF NEW YORK)

: ss.:

COUNTY OF)

On the 31st day of January, 1995, before me personally came Ronald E. Webster, to me known, who, being by me duly sworn, did depose and say that he/she resides at One Fordham Plaza, Bronx, New York 10458; that he/she is the Director of Development of the New York State Division of Housing and Community Renewal ("DHCR"), and that he/she signed his/her name thereto on behalf of DHCR.


 Notary Public

EDWARD FONTE
 Notary Public, State of New York
 No. 43-4936794
 Qualified in Richmond County
 Commission Expires June 27th, 1996

EXHIBIT ATHE PROJECT**Scope of Work**

Exhibit:

Applicant: Park North AssociatesProject Name: ~~91N0012~~ Park N. As.Project Number: 91N0012

Briefly describe the Project in the space provided below. If additional space is needed, attach no more than one additional page clearly marked "Scope of Work." The general description should include the following topics:

- | | |
|---|---|
| <ul style="list-style-type: none"> a. Work to be undertaken b. Service Area c. Type of occupants to be served and their income levels d. Services to be provided to special populations e. All funding sources | <ul style="list-style-type: none"> f. Present uses, zoning requirements and conditions of site g. Proposed use of building/site h. Use of recaptured funds if Project is to be sold by Applicant. i. Evidence that rents and carrying charges will be lowered if Infrastructure Development Demonstration Program funds are involved. |
|---|---|

The subject site is comprised of four apartment buildings located on 111th Street. 201 E. 111th Street is a four story walk-up apartment building and will comprise 16 units. 203-205 E. 111th Street is a six story elevated apartment building and will comprise 25 units. 217-219 E. 111th Street is a six story elevated apartment building and will comprise 24 units. 233-235 E. 111th Street is a six story elevated apartment building and will comprise 24 units.

The service area is Central Harlem, Census Tract 216 the neighborhood is in a CDBG Target Area, UDAG Target Area Blighted Area, Area of Chronic Economic Distress, Neighborhood Preservation Program Area & a Rental Rehabilitation Area.

The occupants will be comprised mainly of the following categories: Homeless Families, Homeless Single Adults, Physically Handicapped Persons, Veterans, Single Parent Households.

Funding for the rehabilitation will be provided via a combination of loans from The Community Preservation Corp. & New York City Housing Preservation & Development, the sale of Low Income Housing Tax Credits and Developer Equity.

The properties are located in R7-2 zoning area. The building will be used as a residential apartment buildings.

At the present time the properties are under common ownership by Park North Associates. They were acquired from the City of New York under the Vacant Buildings Program in April 1991. The rehabilitation of the properties began in August and is currently 35% completed.

EXHIBIT BTHE PROPERTY**PARCEL I:**

ALL that certain lot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York known and designated as Lot 16 in Block 1827, Section 7 on the Tax Map of the City of New York for the Borough of Manhattan, as said Map was on 11-26-74.

FOR INFORMATION ONLY: Premises known as 233-235 West 11th Street.

PARCEL II:

ALL that certain lot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York known and designated as Lot 20 in Block 1827, Section 7 on the Tax Map of the City of New York for the Borough of Manhattan, as said Map was on 8/29/78.

FOR INFORMATION ONLY: Premises known as 217-219 West 11th Street.

PARCEL III:

ALL that certain lot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York known and designated as Lot 26 in Block 1827, Section 7 on the Tax Map of the City of New York for the Borough of Manhattan, as said Map was on 11/26/74.

FOR INFORMATION ONLY: Premises known as 203-205 West 11th Street.

PARCEL IV:

ALL that certain lot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York known and designated as Lot 29 in Block 1827, Section 7 on the Tax Map of the City of New York for the Borough of Manhattan, as said Map was on 3/30/71.

FOR INFORMATION ONLY: Premises known as 201 West 11th Street.

EXHIBIT C(1)
BUILDING BY BUILDING
APPLICABLE FRACTION SCHEDULE

<u>Building Location</u>	<u>Applicable Fraction</u>
201 West 111th Street, New York, N.Y.-----	84.92% 18.750% based on 13 qualified units 8 out of 16) to be occupied by qualified tenants.
203 West 111th Street, New York, N.Y.-----	36.81% 70.579% based on 13,394 sq.ft. occupied by qualified tenants out of a total of 18,979 sq.ft. of rentable area. Number of units occupied by qualified tenants is 27 ⁹ out of a total of 24 ²⁵
217 West 111th Street, New York, N.Y.-----	20.34 20.306% based on 3,766 sq.ft. occupied by qualified tenants out of a total of 18,546 sq.ft. of rentable area. Number of units occupied by qualified tenants is 5 ⁴ out of 24.
233 West 111th Street, New York, N.Y.-----	33.55 38.303% based on 7,237 sq.ft. occupied by qualified tenants out of a total of 18,894 sq.ft. of rentable area. Number of units occupied by qualified tenants is 10 ⁹ out of 24.

Exhibit D Summary of Tenant Rights and Obligations**1. TERM OF REGULATION**

The Building in which you live is a Low-Income Housing Credit Project which is subject to regulation by the New York State Division of Housing and Community Renewal (DHCR) and the United States Internal Revenue Service pursuant to U.S. Internal Revenue Code Section 42 (the "Statute"). The term of regulation began on the date that the Project was placed in service and ends on the earlier of the following dates (except as indicated in section 5(b)(2) below):

A. 30 years later; or

B. on the date the Project is acquired by foreclosure or an instrument in lieu of foreclosure; or

C. one year after DHCR's receipt of Recipient's written request for a Qualified Contract for the purchase of both the non-low income portion of the building for fair market value and the low-income portion of the project, if DHCR has failed to present such a Qualified Contract during the one year period. Such a request may be made at any time after the Project has been in service as a Qualified Low-Income Building for a period of fourteen (14) years.

2. AVAILABILITY OF THE AGREEMENT/RENT DISCLOSURE

The landlord must attach a copy of this Summary to all leases for regulated apartments and must give a copy of the entire agreement to any person who requests a copy. The landlord must disclose the restricted rent for a regulated apartment to a prospective tenant prior to the signing of a lease for that apartment.

3. RETALIATION PROHIBITED

The landlord cannot retaliate against any tenant or lawful occupant of the Project who notifies DHCR of alleged violations of this Summary or the Agreement.

4. ANNUAL INCOME CERTIFICATION REQUIRED

Prior to occupancy, and on an annual basis, you must submit a statement regarding your income and the income of all other persons occupying your apartment (or intending to occupy the apartment unit as the case may be) and any other information and/or documentation necessary to verify the information contained in that statement.

5. RIGHTS TENANTS MAY ENFORCE IN ANY NEW YORK STATE COURT

Any person whose income makes them eligible to rent a low-income apartment in the Project can enforce the rights listed below in any New York State Court. You do not have to be a tenant in the project to enforce these rights. These rights are secured by a regulatory agreement between DHCR and the owner of the project which is recorded in the _____ County Clerk's Office at Book _____ of [Deeds] [Mortgages] Page _____ (the "Agreement").

a. **AVAILABILITY OF APARTMENTS TO PERSONS OF LOW INCOME**

1. The project must contain ~~Eight-eight~~^{NINE (89)} dwelling units and Thirty-five units must be occupied by persons or families whose incomes at the time of initial occupancy, do not exceed 60% of the "Area Median Gross Income". The Area Median Gross Income is an amount established by the U.S. Department of Housing and Urban Development.
2. Unless the Project is a Deep Rent Skewed Project as defined by section 142(d)(4)(B) of the Statute, if any unit in the low-income portion of the project is occupied by a Qualifying Tenant(s) at the time of initial occupancy, and such Qualifying Tenants' income should subsequently exceed 140% of the applicable income limit, the Recipient shall, after such determination of income, rent the next available residential unit of comparable or smaller size in the Project to a person or family whose income meets the requirements of paragraph 1 above.
3. If the Project is a Deep Rent Skewed Project as defined by section 142(d)(4)(B) of the Statute, if any unit in the low-income portion of the project is occupied by a Qualifying Tenant(s) at the time of initial occupancy, and such Qualifying Tenants' income should subsequently exceed 170% of the applicable income limit, the Recipient shall, after such determination of income, rent the next available low-income unit in the building to a person or family whose income is not in excess of 40% of Area Median Gross Income as determined in accordance with the Statute.
4. The Applicable Fraction (as defined in Section 42(c)(1) of the Statute) for the building(s) in the project shall not be less than shown in the Schedule attached hereto.
5. You can not be refused an apartment because of your status as a holder of a voucher or certificate of eligibility under section 8 of the United States Housing Act of 1937.

b. **EVICCTIONS/RENT INCREASES**

1. You and the other lawful occupants of your apartment can not be evicted or otherwise have your tenancy terminated for other than good cause, nor can the landlord increase the rent for your apartment except as permitted by the Statute.
2. In the event that regulation of the Project is terminated pursuant to Section 1(B) or 1(C) of this summary, no tenant residing in any low-income apartment in the Project can be evicted except for good cause, nor can the new landlord increase the rent for your apartment before the close of the three (3) year period following a termination of this agreement pursuant to subsections 1(B) or 1(C) above.

EXHIBIT D (1)

RESERVES

Applicant is required to established a Reserve Account in the amount of \$35,000.

Park North Associates, L.P.

and

NEW YORK STATE

DIVISION OF HOUSING AND COMMUNITY RENEWAL

LOW-INCOME HOUSING CREDIT
REGULATORY AGREEMENT

Dated as of January 31, 1995

This instrument affects real and personal property situated in the State of New York, Block 1827, Lots 29, 26, 20 and 16, County of New York, City of New York, commonly known as 201 West 111th Street; 203 West 111th Street; 217 West 111th Street and 233 West 111th Street, New York, N.Y..

DHCR Project Manager Horace Augustin.
Project SHARS I.D. No. 91000831.

RECORD AND RETURN TO:
OFFICE OF LEGAL AFFAIRS
N.Y.S. DIVISION OF HOUSING
AND COMMUNITY RENEWAL
38-40 State Street
Albany, New York 12207

NEW YORK STATE
DIVISION OF HOUSING AND COMMUNITY RENEWAL

Regulatory Agreement

Agreement made this 31st day of January 1995 between the New York State Division of Housing and Community Renewal ("DHCR") with an office at 38-40 State Street, Albany, New York 12207 and Park North Houses Associates, L.P., having its principal place of business at c/o ^{LEMLE} Charles F. Wolff, Inc., 170 ~~Shenandoah Avenue~~ ^{5925 Broadway}, New York, N.Y. 10004 ~~H. Greenthal Commercial, Four Park Avenue - Third Floor, New York, N.Y. 10016~~ ("Recipient").

Whereas, pursuant to Section 42 of the United States Internal Revenue Code (the "Statute"), Executive Order No. 135 issued by Governor Mario Cuomo and 9 NYCRR Part 2040 (the "DHCR Regulations"), DHCR is authorized to allocate certain federal income tax credits for the purpose of facilitating investment in housing meeting the eligibility requirements of the Statute ("Low-Income Housing Credits"); and

Whereas, Recipient has submitted an application to DHCR for an allocation of Low-Income Housing Credits for a certain project as more fully described in Exhibit A attached hereto (the "Project") with respect to land and improvements (collectively the "Property") located at 201 West 111th Street; 203 West 111th Street; 217 West 111th Street and 233 West 111th Street, New York, N.Y., which land is more fully described in Exhibit B attached hereto; and

Whereas, DHCR has allocated Low-Income Housing Credits to Recipient in accordance with the Statute to assist the Project in consideration of, among other things, Recipient's undertaking to comply

with all the terms and conditions of this agreement, the Statute, the rules and regulations promulgated thereunder (the "Regulations") and the DHCR Regulations, as may be amended from time to time; and

Whereas, as a condition of receiving Low-Income Housing Credits Recipient is required by the Statute to enter into an extended Low-Income Housing commitment as evidenced by an agreement which is recorded pursuant to State law as a restrictive covenant;

Now, therefore, the parties agree that the Project will be operated in accordance with the following terms and conditions:

1. Definitions

The capitalized terms utilized herein shall have the meanings set forth in the Statute unless otherwise defined herein.

2. Agreement to Run with the Land; Recording

This agreement shall apply to the Property and the Project. This agreement and all of the promises, agreements and covenants herein contained shall be recorded by the Recipient as a restrictive covenant and shall be binding on the Recipient and all successors of the Recipient.

3. Term

The term of this agreement shall begin on the date that the Project is Placed In Service and, subject to the limitations set forth in the Statute, shall terminate:

- a) fifteen (15) years after the close of the fifteen (15) year Compliance Period; or
- b) on the date the Project is acquired by foreclosure or an instrument in lieu of foreclosure; or

c) one year after DHCR's receipt of Recipient's written request for a Qualified Contract for the purchase of both the non low-income portion of the building for fair market value and the low-income portion of the project, if DHCR has failed to present such a Qualified Contract during the one year period. Such a request may be made at any time after the Project has been in service as a Qualified Low-Income Building for a period of fourteen (14) years.

d) In the event that this agreement terminates pursuant to 3(b) or (c) of this agreement, no tenant residing in any Low-Income Unit in the Project shall be evicted except for good cause, nor shall any such tenant be subject to an increase in the gross rent of such unit before the close of the three (3) year period following a termination of this agreement pursuant to subsections 3(b) or (c) of this agreement.

4. Annual Certification

a) One calendar month subsequent to the close of Recipient's fiscal year, or at such other time as the Commissioner may prescribe, Recipient shall certify to DHCR under penalty of perjury, in a form prescribed by the Commissioner, that the Project as owned and operated is in compliance with all provisions of the Statute, the Regulations, the DHCR Regulations and DHCR's policies and procedures and shall provide all information relevant to the Project which DHCR requires. The Recipient shall also certify that, if the Recipient has been notified by any governmental authority having jurisdiction over the Recipient, the Project or the construction thereon or the use and occupancy thereof ("Governmental Authority"), that the Project, any construction thereon, or the use and occupancy thereof, is being conducted in violation of the provisions of any law, ordinance, rule, regulation or requirements of such Governmental Authority, Recipient shall additionally certify that Recipient has cured such violation, within 90 days of receipt of such notification or if such violation could not with due diligence be cured within such period, that Recipient has commenced to cure within such period and, having so

commenced, shall thereafter proceed and complete such cure with due diligence.

b) DHCR shall, in addition to any remedies it may have at law or equity in the event of Recipient's failure to comply with this agreement, notify the United States Internal Revenue Service ("IRS") of any and all violations of the Statute or the Regulations. Failure to file the certification required by section 4(a) of this agreement shall result in DHCR's notification to the IRS of such failure.

5. Eligible Occupants; Rights and Requirements

a) The Project shall contain ^{NINE (89)} ~~Eighth-eight (88)~~ dwelling units. Thirty-five (35) units shall be occupied by persons or families whose incomes, at the time of initial occupancy, do not exceed 60% of the Area Median Gross Income as determined in accordance with the Statute ("Qualifying Tenant(s)").

b) Unless the Project is a Deep Rent Skewed Project as defined by section 142(d)(4)(B) of the Statute, if any unit in the low-income portion of the project is occupied by a Qualifying Tenant(s) at the time of initial occupancy, and such Qualifying Tenant's income should subsequently exceed 140% of the applicable income limit, the Recipient shall, after such determination of income, rent the next available residential unit of comparable or smaller size in the Project to a person or family whose income meets the requirements of paragraph (a) of this section.

c) If the Project is a Deep Rent Skewed Project as defined by section 142(d)(4)(B) of the Statute, if any unit in the low-income portion of the project is occupied by a Qualifying Tenant(s) at the time of initial occupancy, and such Qualifying Tenant's income should subsequently exceed 170% of the applicable income limit, the Recipient shall, after such determination of income, rent the next available low-income unit in the building to a person or family whose income is not

in excess of 40% of Area Median Gross Income as determined in accordance with the Statute.

d) The Applicable Fraction (as defined in Section 42(c)(1) of the Statute) for the Project shall not be less than that shown in Exhibit C (1) attached hereto.

e) Recipient shall not evict or otherwise terminate the tenancy of any tenant of any low-income unit for other than good cause, nor increase the gross rent with respect to such unit except as permitted by the Statute.

f) Recipient shall not refuse to lease to a holder of a voucher or certificate of eligibility under section 8 of the United States Housing Act of 1937 because of the status of the prospective tenant as such a holder.

6. Applicable Statutes, Rules, Regulations

The Recipient shall comply with the terms and provisions of the Statute, the Regulations, the DHCR Regulations currently published at 9 NYCRR Part 2040, and the policies and procedures promulgated by the Federal government and DHCR regarding Low-Income Housing Credit projects and allocations.

7. Management During the term hereof, the Recipient shall:

a) conduct its business and maintain its books and records to assure that the development, construction, management, operation and maintenance and any sale of the Project and the units are carried out in accordance with all applicable federal, State, and local laws, ordinances, rules, regulations and requirements including, but not limited to those listed in Section 6 above, the policies and procedures of DHCR, and with applicable agreements relating to the Project executed by the Project Recipient;

- b) complete and attach the summary of this agreement, attached hereto as exhibit D, to the lease of each low-income unit and shall provide a copy of this agreement, free of charge, to any person who requests a copy;
- c) disclose the Restricted Rent for a dwelling to a prospective tenant prior to the execution of a lease for that dwelling unit;
- d) require as a condition of initial and continued occupancy, that each person who is or who intends to become a tenant in the low-income portion of the project shall, prior to occupancy and on an annual basis, submit to the Recipient a statement regarding the income of the person(s) occupying or intending to occupy the dwelling unit ("Income Certification"). In addition, the Recipient shall require as a condition of occupancy that all such persons shall provide the Recipient with any other information or documentation necessary to verify the information contained in the income certification;
- e) not retaliate against any tenant or lawful occupant of the Project who notifies DHCR of alleged violations of this agreement;
- f) shall not transfer, to any person or entity, or otherwise dispose of any portion of any building to which this agreement applies unless all of such building is transferred to such person or entity;
- g) determine each year whether the occupants of each unit in the low income portion of the Project are Qualifying Tenants in accordance with the Statute, the Regulations, and the DHCR Regulations, policies, and procedures; and
- h) Recipient shall maintain Reserve and Escrow accounts as shown in Exhibit D (1).

8. Monitoring Fees

The Recipient shall pay, at such time as the Commissioner may require, an annual fee to DHCR of .5% multiplied by the maximum

Restricted Rents of the low-income portion of the Project or such other fee as the Commissioner may prescribe (the "Monitoring Fee"). The fee shall be paid by check made payable to New York State Division of Housing and Community Renewal, and shall be sent to the DHCR Finance Unit, 38 - 40 State Street, Albany, N.Y. 12207. The check shall bear the project's SHARS I.D. number and the words "monitoring fee".

9. Standing of Past, Present and Prospective Occupants

Project tenants, occupants and all individuals who meet the income limitation applicable to the Project under Section 42(g) of the Statute (whether prospective, present or former tenants or occupants of the Project) shall have the right to enforce section 3 (d) and section 5 of this Agreement for each taxable year in which the Project is subject to this Agreement or any provision of this agreement, in any New York State court.

10. Miscellaneous

a) All notices or other communications with respect to the subject matter of this agreement shall be in writing and shall be deemed to have been given when received and shall be sent by certified mail, return receipt requested, to the Recipient at ^{5925 BROADWAY, ARONK, N.Y. 10463} ~~c/o Charles W. Lemle and Wolff, Inc., 400 Broadway, New York, N.Y. 10034~~ ^{LEMLE} ~~Greenthal Commercial, Four Park Avenue - Third Floor, New York, N.Y. 10016~~ and to DHCR at 38-40 State Street, Albany, New York 12207, Attention: Low-Income Housing Credit Compliance Officer, or at such other address as a party to receive such notice may designate by giving such notice in writing. In circumstances deemed appropriate by DHCR, notice may be deemed given when received via facsimile transmission or via overnight courier, by agreement between DHCR and Recipient.

b) The Recipient and any successor in interest shall inform DHCR of any change in Recipient's address, and of any change in ownership of the Project (or any building in the Project if the Project is a multiple building Project), and the full name(s), address(es), and Federal Tax I.D. Number(s) of the new owner(s), within 30 days of any

such change. Any transfer occurring without compliance with the above requirements is hereby prohibited.

IN WITNESS WHEREOF, the parties have each duly executed this agreement as of the day and year first above written.

DIVISION OF HOUSING
AND COMMUNITY RENEWAL

By: 

Name: Ronald E. Webster

Title: Director of Development

HOUSES
PARK NORTH ASSOCIATES, L.P.
BY: HAF DEVELOPMENT CORP.
GENERAL PARTNER

By: 

Name: FRANK J. AVERLANTE, JR.

Title: PRESIDENT

STATE OF NEW YORK)

: ss.:

COUNTY OF)

On the _____ day of _____, 199____, before me personally came _____, to me known, who, being by me duly sworn, did depose and say that he/she resides at _____; that he/she is the _____ of _____, the [corporation] [partnership] described in _____ and which executed the foregoing instrument; and that he/she signed his/her name thereto [by order of the board of directors of said corporation] [on behalf of said partnership].


 Notary Public

STATE OF NEW YORK)

: ss.:

COUNTY OF)

On the 31st day of January, 1995, before me personally came Ronald E. Webster, to me known, who, being by me duly sworn, did depose and say that he/she resides at One Fordham Plaza, Bronx, New York 10458; that he/she is the Director of Development of the New York State Division of Housing and Community Renewal ("DHCR"), and that he/she signed his/her name thereto on behalf of DHCR.



 Notary Public

EDWARD FONTE
 Notary Public, State of New York
 No. 43-4936794
 Qualified in Richmond County
 Commission Expires June 27th, 1926

EXHIBIT ATHE PROJECT**Scope of Work**

Exhibit:

Applicant: Park North AssociatesProject Name: ~~91N0012~~ Park N. AsProject Number: 91N0012

Briefly describe the Project in the space provided below. If additional space is needed, attach no more than one additional page clearly marked "Scope of Work." The general description should include the following topics:

- a. Work to be undertaken
- b. Service Area
- c. Type of occupants to be served and their income levels
- d. Services to be provided to special populations
- e. All funding sources
- f. Present uses, zoning requirements and conditions of site
- g. Proposed use of building/site
- h. Use of recaptured funds if Project is to be sold by Applicant.
- i. Evidence that rents and carrying charges will be lowered if Infrastructure Development Demonstration Program funds are involved.

The subject site is comprised of four apartment buildings located on 111th Street. 201 E. 111th Street is a ~~four~~ story walk-up apartment building and will comprise 16 units. 203-205 E. 111th Street is a six story elevated apartment building and will comprise 25 units. 217-219 E. 111th Street is a six story elevated apartment building and will comprise 24 units. 233-235 E. 111th Street is a six story elevated apartment building and will comprise 24 units.

The service area is Central Harlem, Census Tract 216 the neighborhood is in a CDBG Target Area, UDAG Target Area Blighted Area, Area of Chronic Economic Distress, Neighborhood Preservation Program Area & a Rental Rehabilitation Area.

The occupants will be comprised mainly of the following categories: Homeless Families, Homeless Single Adults, Physically Handicapped Persons, Veterans, Single Parent Households.

Funding for the rehabilitation will be provided via a combination of loans from The Community Preservation Corp. & New York City Housing Preservation & Development, the sale of Low Income Housing Tax Credits and Developer Equity.

The properties are located in R7-2 zoning area. The building will be used as a residential apartment buildings.

At the present time the properties are under common ownership by Park North Associates. They were acquired from the City of New York under the Vacant Buildings Program in April 1991. The rehabilitation of the properties began in August and is currently 35% completed.

EXHIBIT BTHE PROPERTY**PARCEL I:**

ALL that certain lot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York known and designated as Lot 18 in Block 1827, Section 7 on the Tax Map of the City of New York for the Borough of Manhattan, as said Map was on 11-26-74.

FOR INFORMATION ONLY: Premises known as 233-235 West 11th Street.

PARCEL II:

ALL that certain lot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York known and designated as Lot 20 in Block 1827, Section 7 on the Tax Map of the City of New York for the Borough of Manhattan, as said Map was on 8/29/78.

FOR INFORMATION ONLY: Premises known as 217-219 West 11th Street.

PARCEL III:

ALL that certain lot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York known and designated as Lot 26 in Block 1827, Section 7 on the Tax Map of the City of New York for the Borough of Manhattan, as said Map was on 11/26/74.

FOR INFORMATION ONLY: Premises known as 203-205 West 11th Street.

PARCEL IV:

ALL that certain lot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York known and designated as Lot 29 in Block 1827, Section 7 on the Tax Map of the City of New York for the Borough of Manhattan, as said Map was on 3/30/71.

FOR INFORMATION ONLY: Premises known as 201 West 11th Street.

EXHIBIT C(1)
BUILDING BY BUILDING
APPLICABLE FRACTION SCHEDULE

Building Location**Applicable Fraction**

201 West 111th Street, New York, N.Y.-----	84.92% 18.750% based on ¹³ qualified units (2 out of 16) to be occupied by qualified tenants.
203 West 111th Street, New York, N.Y.-----	36.81% 70.579% based on 13,394 sq.ft. occupied by qualified tenants out of a total of 18,979 sq.ft. of rentable area. Number of units occupied by qualified tenants is 27 ⁹ out of a total of 24 ²⁵ .
217 West 111th Street, New York, N.Y.-----	20.34 20.306% based on 3,766 sq.ft. occupied by qualified tenants out of a total of 18,546 sq.ft. of rentable area. Number of units occupied by qualified tenants is 5 ⁴ out of 24.
233 West 111th Street, New York, N.Y.-----	33.55 30.303% based on 7,237 sq.ft. occupied by qualified tenants out of a total of 18,894 sq.ft. of rentable area. Number of units occupied by qualified tenants is 10 ⁹ out of 24.

Exhibit D Summary of Tenant Rights and Obligations**1. TERM OF REGULATION**

The Building in which you live is a Low-Income Housing Credit Project which is subject to regulation by the New York State Division of Housing and Community Renewal (DHCR) and the United States Internal Revenue Service pursuant to U.S. Internal Revenue Code Section 42 (the "Statute"). The term of regulation began on the date that the Project was placed in service and ends on the earlier of the following dates (except as indicated in section 5(b)(2) below):

A. 30 years later; or

B. on the date the Project is acquired by foreclosure or an instrument in lieu of foreclosure; or

C. one year after DHCR's receipt of Recipient's written request for a Qualified Contract for the purchase of both the non-low income portion of the building for fair market value and the low-income portion of the project, if DHCR has failed to present such a Qualified Contract during the one year period. Such a request may be made at any time after the Project has been in service as a Qualified Low-Income Building for a period of fourteen (14) years.

2. AVAILABILITY OF THE AGREEMENT/RENT DISCLOSURE

The landlord must attach a copy of this Summary to all leases for regulated apartments and must give a copy of the entire agreement to any person who requests a copy. The landlord must disclose the restricted rent for a regulated apartment to a prospective tenant prior to the signing of a lease for that apartment.

3. RETALIATION PROHIBITED

The landlord cannot retaliate against any tenant or lawful occupant of the Project who notifies DHCR of alleged violations of this Summary or the Agreement.

4. ANNUAL INCOME CERTIFICATION REQUIRED

Prior to occupancy, and on an annual basis, you must submit a statement regarding your income and the income of all other persons occupying your apartment (or intending to occupy the apartment unit as the case may be) and any other information and/or documentation necessary to verify the information contained in that statement.

5. RIGHTS TENANTS MAY ENFORCE IN ANY NEW YORK STATE COURT

Any person whose income makes them eligible to rent a low-income apartment in the Project can enforce the rights listed below in any New York State Court. You do not have to be a tenant in the project to enforce these rights. These rights are secured by a regulatory agreement between DHCR and the owner of the project which is recorded in the _____ County Clerk's Office at Book _____ of [Deeds] [Mortgages] Page _____ (the "Agreement").

a. **AVAILABILITY OF APARTMENTS TO PERSONS OF LOW INCOME**

1. The project must contain ~~Eight-eight (88)~~^{NINE (89)} dwelling units and Thirty-five units must be occupied by persons or families whose incomes at the time of initial occupancy, do not exceed 60% of the "Area Median Gross Income". The Area Median Gross Income is an amount established by the U.S. Department of Housing and Urban Development.
2. Unless the Project is a Deep Rent Skewed Project as defined by section 142(d)(4)(B) of the Statute, if any unit in the low-income portion of the project is occupied by a Qualifying Tenant(s) at the time of initial occupancy, and such Qualifying Tenants' income should subsequently exceed 140% of the applicable income limit, the Recipient shall, after such determination of income, rent the next available residential unit of comparable or smaller size in the Project to a person or family whose income meets the requirements of paragraph 1 above.
3. If the Project is a Deep Rent Skewed Project as defined by section 142(d)(4)(B) of the Statute, if any unit in the low-income portion of the project is occupied by a Qualifying Tenant(s) at the time of initial occupancy, and such Qualifying Tenants' income should subsequently exceed 170% of the applicable income limit, the Recipient shall, after such determination of income, rent the next available low-income unit in the building to a person or family whose income is not in excess of 40% of Area Median Gross Income as determined in accordance with the Statute.
4. The Applicable Fraction (as defined in Section 42(c)(1) of the Statute) for the building(s) in the project shall not be less than shown in the Schedule attached hereto.
5. You can not be refused an apartment because of your status as a holder of a voucher or certificate of eligibility under section 8 of the United States Housing Act of 1937.

b. **EVICCTIONS/RENT INCREASES**

1. You and the other lawful occupants of your apartment can not be evicted or otherwise have your tenancy terminated for other than good cause, nor can the landlord increase the rent for your apartment except as permitted by the Statute.
2. In the event that regulation of the Project is terminated pursuant to Section 1(B) or 1(C) of this summary, no tenant residing in any low-income apartment in the Project can be evicted except for good cause, nor can the new landlord increase the rent for your apartment before the close of the three (3) year period following a termination of this agreement pursuant to subsections 1(B) or 1(C) above.

EXHIBIT D (1)RESERVES

Applicant is required to established a Reserve Account in the amount of \$35,000.

REEL 2 110 PG 0859

NEW YORK STATE
DIVISION OF HOUSING AND COMMUNITY RENEWAL

Regulatory Agreement

Agreement made as of the 31st day of December 1997 between the New York State Division of Housing and Community Renewal ("DHCR") with an office at 38-40 State Street, Albany, New York 12207 and Park North Housing Associates, L.P., having its principal place of business at c/o Lewis & Wolff, Inc., 8925 Broadway, Bronx, N.Y. 10461 ("Recipient").

Whereas, pursuant to Section 42 of the United States Internal Revenue Code (the "Statute"), Executive Order No. 135 dated February 27, 1990 and 9 NYCRR Part 2040 (the "DHCR Regulations"), DHCR is authorized to allocate certain federal income tax credits for the purpose of facilitating investment in housing meeting the eligibility requirements of the Statute ("Low-Income Housing Credits"); and

Whereas, Recipient has submitted an application to DHCR for an allocation of Low-Income Housing Credits for a certain project as more fully described in Exhibit A attached hereto (the "Project") with respect to land and improvements (collectively the "Property") located at 1836 Adam C. Powell Blvd., 205 West 111th Street, 217 West 111th Street and 233 West 111th Street, New York, N.Y., which land is more fully described in Exhibit B attached hereto; and

Whereas, DHCR has allocated Low-Income Housing Credits to Recipient in accordance with the Statute to assist the Project in consideration of, among other things, Recipient's undertaking to comply with all the terms and conditions of this agreement, the Statute, the

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REEL 2170PG0860

rules and regulations promulgated thereunder (the "Regulations") and the DHCR Regulations, as may be amended from time to time; and

Whereas, as a condition of receiving Low-Income Housing Credits Recipient is required by the Statute to enter into an extended Low-Income Housing commitment as evidenced by an agreement which is recorded pursuant to State law as a restrictive covenant;

Now, therefore, the parties agree that the Project will be operated in accordance with the following terms and conditions:

1. Definitions

The capitalized terms utilized herein shall have the meanings set forth in the Statute unless otherwise defined herein.

2. Agreement to Run with the Land; Recording

This agreement shall apply to the Property and the Project. This agreement and all of the promises, agreements and covenants herein contained shall be recorded by the Recipient as a restrictive covenant and shall be binding on the Recipient and all successors of the Recipient.

3. Term

The term of this agreement shall begin on the date that the Project is Placed in Service and, subject to the limitations set forth in the Statute, shall terminate:

- a) fifteen (15) years after the close of the fifteen (15) year Compliance Period; or
- b) on the date the Project is acquired by foreclosure or an instrument in lieu of foreclosure; or
- c) one year after DHCR's receipt of Recipient's written request for a Qualified Contract for the purchase of both the non low-income portion

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REEL 2770 PG 0861

of the building for fair market value and the low-income portion of the project, if DHCR has failed to present such a Qualified Contract during the one year period. Such a request may be made at any time after the Project has been in service as a Qualified Low-Income Building for a period of fourteen (14) years.

d) In the event that this agreement terminates pursuant to 3(b) or (c) of this agreement, no tenant residing in any Low-Income Unit in the Project shall be evicted except for good cause, nor shall any such tenant be subject to an increase in the gross rent of such unit before the close of the three (3) year period following a termination of this agreement pursuant to subsections 3(b) or (c) of this agreement.

4. Annual Certification

a) One calendar month subsequent to the close of Recipient's fiscal year, or at such other time as the Commissioner may prescribe, Recipient shall certify to DHCR under penalty of perjury, in a form prescribed by the Commissioner, that the Project as owned and operated is in compliance with all provisions of the Statute, the Regulations, the DHCR Regulations and DHCR's policies and procedures and shall provide all information relevant to the Project which DHCR requires. The Recipient shall also certify that, if the Recipient has been notified by any governmental authority having jurisdiction over the Recipient, the Project or the construction thereon or the use and occupancy thereof ("Governmental Authority"), that the Project, any construction thereon, or the use and occupancy thereof, is being conducted in violation of the provisions of any law, ordinance, rule, regulation or requirements of such Governmental Authority, Recipient shall additionally certify that Recipient has cured such violation, within 90 days of receipt of such notification or if such violation could not with due diligence be cured within such period, that Recipient has commenced to cure within such period and, having so commenced, shall thereafter proceed and complete such cure with due diligence.

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REEL 2170PG0062

b) DHCR shall, in addition to any remedies it may have at law or equity in the event of Recipient's failure to comply with this agreement, notify the United States Internal Revenue Service ("IRS") of any and all violations of the Statute or the Regulations. Failure to file the certification required by section 4(a) of this agreement shall result in DHCR's notification to the IRS of such failure.

5. Eligible Occupants: Rights and Requirements

a) The Project shall contain ~~eighty-nine~~ (82) dwelling units. ~~Thirty-nine~~ (12) units shall be occupied by persons or families whose incomes, at the time of initial occupancy, do not exceed 60% of the Area Median Gross Income as determined in accordance with the Statute ("Qualifying Tenant(s)"). Two units shall be occupied by resident managers. The Recipient shall immediately notify DHCR when and if both 1) a resident manager's unit ceases to be occupied by a resident manager and 2) the Recipient does not intend to employ another resident manager; the Recipient shall then make the unit available to a qualified tenant. Recipient shall also notify DHCR of any such changes as required by the Statute, the Regulations and any notices or revenue rulings issued by the IRS.

The Recipient shall adhere to the marketing plan attached hereto as Exhibit C (the "Marketing Plan"). The Recipient shall adhere to the marketing plan attached hereto as Exhibit C (the "Marketing Plan"). The Marketing Plan shall set forth the procedure for the selection of occupants who qualify as members of special populations as may be defined by governmental agencies and the minimum number of units that will be available for those occupants. The Recipient's tenant selection procedure shall be conducted in accordance with all applicable state and federal laws including but not limited to fair housing laws, rules and regulations.

b) Unless the Project is a Deep Rent Skewed Project as defined by section 142(d)(4)(B) of the Statute, if any unit in the low-income portion of the project is occupied by a Qualifying Tenant(s) at the time of initial occupancy, and such Qualifying Tenant's income should subsequently exceed 140% of the applicable income limit, the Recipient

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REEL 2170 PG 0863

shall, after such determination of income, rent the next available residential unit of comparable or smaller size in the Project to a person or family whose income meets the requirements of paragraph (a) of this section.

c) If the Project is a Deep Rent Skewed Project as defined by section 142(d)(4)(B) of the Statute, if any unit in the low-income portion of the project is occupied by a Qualifying Tenant(s) at the time of initial occupancy, and such Qualifying Tenant's income should subsequently exceed 170% of the applicable income limit, the Recipient shall, after such determination of income, rent the next available low-income unit in the building to a person or family whose income is not in excess of 40% of Area Median Gross Income as determined in accordance with the Statute.

d) The Applicable Fraction (as defined in Section 42(c)(1) of the Statute) for the Project buildings shall not be less than that shown in Exhibit C (1) attached hereto.

e) Recipient shall not evict or otherwise terminate the tenancy of any tenant of any low-income unit for other than good cause, nor increase the gross rent with respect to such unit except as permitted by the Statute.

f) Recipient shall not refuse to lease to a holder of a voucher or certificate of eligibility under section 8 of the United States Housing Act of 1937 because of the status of the prospective tenant as such a holder.

6. Applicable Statutes, Rules, Regulations

The Recipient shall comply with the terms and provisions of the Statute, the Regulations, the DHCR Regulations currently published at 9 NYCRR Part 2040, and the policies and procedures promulgated by the Federal government and DHCR regarding Low-Income Housing Credit projects and allocations.

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REL 2170 PG 0864

7. Management

During the term hereof, the Recipient shall:

- a) conduct its business and maintain its books and records to assure that the development, construction, management, operation and maintenance and any sale of the Project and the units are carried out in accordance with all applicable federal, State, and local laws, ordinances, rules, regulations and requirements including, but not limited to those listed in Section 6 above, the policies and procedures of DHCR, and with applicable agreements relating to the Project executed by the Project Recipient;
- b) complete and attach the summary of this agreement, attached hereto as exhibit D, to the lease of each low-income unit and shall provide a copy of this agreement, free of charge, to any person who requests a copy;
- c) disclose the Restricted Rent for a dwelling to a prospective tenant prior to the execution of a lease for that dwelling unit;
- d) require as a condition of initial and continued occupancy, that each person who is or who intends to become a tenant in the low-income portion of the project shall, prior to occupancy and on an annual basis, submit to the Recipient a statement regarding the income of the person(s) occupying or intending to occupy the dwelling unit ("Income Certification"). In addition, the Recipient shall require as a condition of occupancy that all such persons shall provide the Recipient with any other information or documentation necessary to verify the information contained in the income certification;
- e) not retaliate against any tenant or lawful occupant of the Project who notifies DHCR of alleged violations of this agreement;

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REL 2770PG0865

f) shall not transfer, to any person or entity, or otherwise dispose of any portion of any building to which this agreement applies unless all of such building is transferred to such person or entity;

g) determine each year whether the occupants of each unit in the low income portion of the Project are Qualifying Tenants in accordance with the Statute, the Regulations, and the DHCR Regulations, policies, and procedures; and

h) Recipient shall maintain Reserve and Escrow accounts as shown in Exhibit E.

8. Monitoring Fees

The Recipient shall pay, at such time as the Commissioner may require, an annual fee to DHCR of .5% multiplied by the maximum Restricted Rents of the low-income portion of the Project or such other fee as the Commissioner may prescribe (the "Monitoring Fee"). The fee shall be paid by check made payable to New York State Division of Housing and Community Renewal, and shall be sent to the DHCR Finance Unit, 38 - 40 State Street, Albany, N.Y. 12207. The check shall bear the project's SHARS I.D. number and the words "monitoring fee".

9. Standing of Past, Present and Prospective Occupants

Project tenants, occupants and all individuals who meet the income limitation applicable to the Project under Section 42(g) of the Statute (whether prospective, present or former tenants or occupants of the Project) shall have the right to enforce section 3 (d) and section 5 of this Agreement for each taxable year in which the Project is subject to this Agreement or any provision of this agreement, in any New York State court.

10. Miscellaneous

a) All notices or other communications with respect to the subject matter of this agreement shall be in writing and shall be deemed to have been given when received and shall be sent by certified mail, return receipt requested, to the Recipient at c/o Lemle & Wolff.

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REEL 2770PG0866

INC., 5925 Broadway, Bronx, N.Y. 10463 and to DHCR at 38-40 State Street, Albany, New York 12207, Attention: Low-Income Housing Credit Compliance Officer, or at such other address as a party to receive such notice may designate by giving such notice in writing. In circumstances deemed appropriate by DHCR, notice may be deemed given when received via facsimile transmission or via overnight courier, by agreement between DHCR and Recipient.

b) The Recipient and any successor in interest shall inform DHCR of any change in Recipient's address, and of any change in ownership of the Project (or any building in the Project if the Project is a multiple building Project), and the full name(s), address(es), and Federal Tax I.D. Number(s) of the new owner(s), within 30 days of any such change. Any transfer occurring without compliance with the above requirements is hereby prohibited.

IN WITNESS WHEREOF, the parties have each duly executed this agreement as of the day and year first above written.

Park North Houses Associates, L.P.

By: Frank J. Anelante, Jr.

Name: Frank J. Anelante, Jr.

Title: President of HAF Development Corp.
General Partner
Park North Houses Associates, L.P.

DIVISION OF HOUSING
AND COMMUNITY RENEWAL

By: Marvin Church

Name: Marvin Church

Title: Deputy Regional Director
N.Y.C. Regional Office

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NEEL 2 110 PG 0867

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

On the 20th day of August, 1992, before me personally came Frank J. Anselante, Jr., to me known, who, being by me duly sworn, did depose and say that he resides at 3024 Palisade Avenue, Riverdale, New York; that he is the President of NAV Development Corp., the general partner of Park North Houses Associates, L.P. the partnership described in and which executed the foregoing instrument; and that he signed his name thereto by order of the board of directors of said corporation and on behalf of said partnership.

J. Thomas McLaughlin
Notary Public
A. MARIA MACCULLOUGH
Notary Public, State of New York
No. 01498548
Qualified in Bronx County
Certificate Filed in New York County
Commission Expires July 1, 1995

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

On the 19th day of August, 1992, before me personally came Marvin Church, to me known, who, being by me duly sworn, did depose and say that he resides at One Fordham Plaza, Bronx, New York 10458; that he is the N.Y.C. Deputy Regional Director of the New York State Division of Housing and Community Renewal ("DHCR"), and that he signed his name thereto on behalf of DHCR.

Edward F. Foye
Notary Public
EDWARD FOYE
Notary Public, State of New York
No. 43485794
Qualified in Richmond County
Commission Expires June 27, 1995

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REEL 2 170PG0868

EXHIBIT A

PROJECT

The subject site is comprised of four apartment buildings located on 11th Street. 201 E. 11th Street is a four story walk-up apartment building and will comprise 16 units. 203-205 E. 11th Street is a six story elevated apartment building and will comprise 28 units. 217-219 E. 11th Street is a six story elevated apartment building and will comprise 24 units. 223-225 E. 11th Street is a six story elevated apartment building and will comprise 24 units.

The service area is Central Harlem, Census Tract 214 the neighborhood is in a CDBG Target Area, Urban Target Area, Alighted Area, Area of Chronic Economic Distress, Neighborhood Preservation Program Area & a Rental Rehabilitation Area.

The occupants will be comprised mainly of the following categories: Homeless Families, Homeless Single Adults, Physically Handicapped Persons, Veterans, Single Parent Households.

Funding for the rehabilitation will be provided via a combination of loans from The Community Preservation Corp. & New York City Housing Preservation & Development, the sale of Low Income Housing Tax Credits and Developer Equity.

The properties are located in R7-2 zoning area. The building will be used as a residential apartment buildings.

At the present time the properties are under common ownership by Park North Associates. They were acquired from the City of New York under the Vacant Buildings Program in April 1981.

REEL 2 170 PG 0869

EXHIBIT B

PROPERTY

PARCEL I:

ALL that certain lot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York known and designated as lot 18 in Block 1827, Section 7 on the Tax Map of the City of New York for the Borough of Manhattan, as said Map was on 11/26/74.

FOR INFORMATION ONLY: Premises known as 213-215 West 11th Street.

PARCEL II:

ALL that certain lot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York known and designated as lot 20 in Block 1827, Section 7 on the Tax Map of the City of New York for the Borough of Manhattan, as said Map was on 11/26/74.

FOR INFORMATION ONLY: Premises known as 217-219 West 11th Street.

PARCEL III:

ALL that certain lot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York known and designated as lot 18 in Block 1827, Section 7 on the Tax Map of the City of New York for the Borough of Manhattan, as said Map was on 11/26/74.

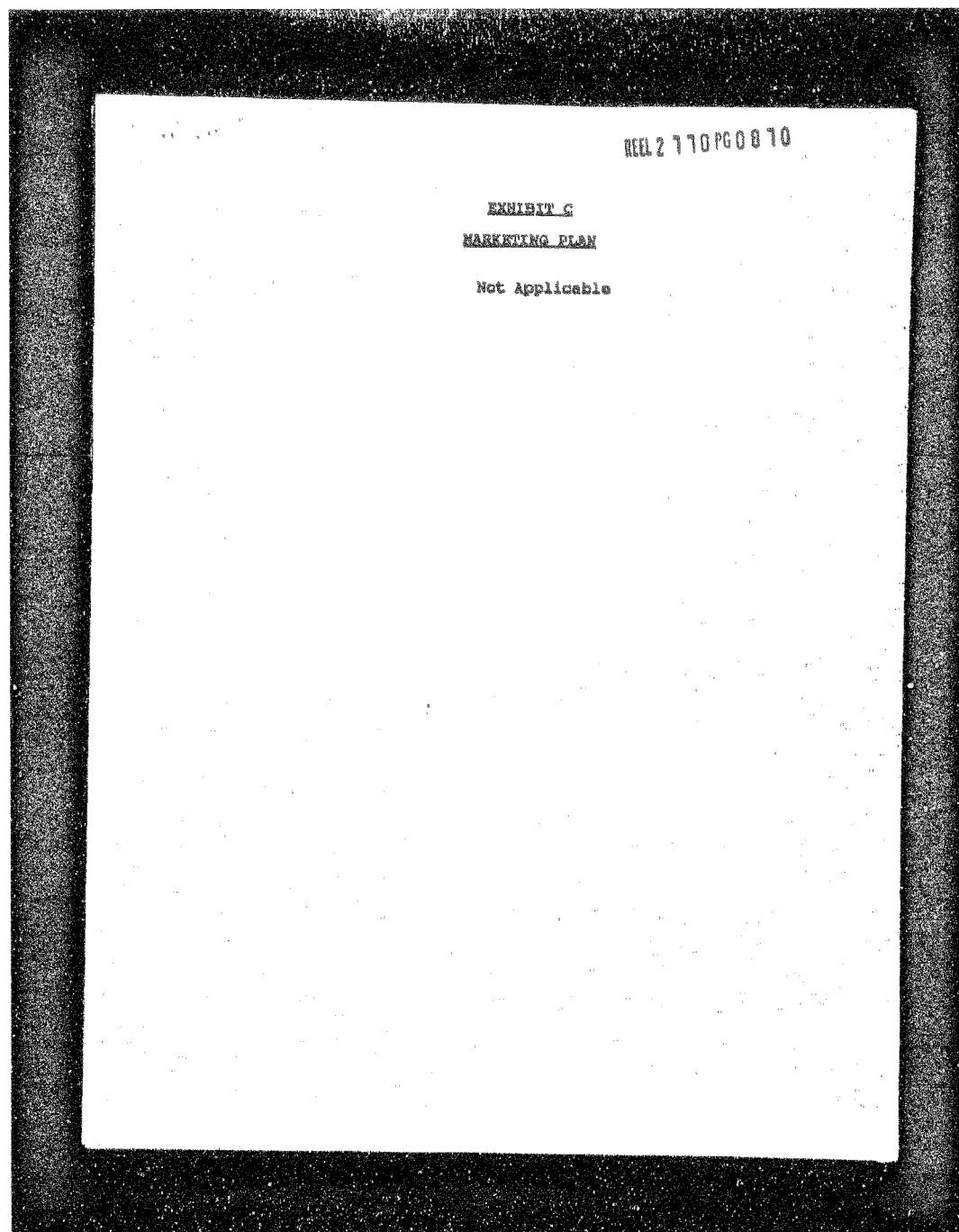
FOR INFORMATION ONLY: Premises known as 221-223 West 11th Street.

PARCEL IV:

ALL that certain lot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York known and designated as lot 19 in Block 1827, Section 7 on the Tax Map of the City of New York for the Borough of Manhattan, as said Map was on 11/26/74.

FOR INFORMATION ONLY: Premises known as 221 West 11th Street, also known as 1836 Adam Clayton Powell Blvd., NY, NY.

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REEL 2 110 PG 0871

EXHIBIT C(1)
BUILDING BY BUILDING
APPLICABLE FRACTION SCHEDULE

<u>Building Location</u>	<u>Applicable Fraction</u>
* 201 West 111th Street, New York, N.Y....	84.92% based on Sq.Ft. 10,910 sq.ft. of 12,848 sq.ft. (13 out of 15 units) (Plus 1 Resident Manager Unit)
205 West 111th Street, New York, N.Y....	36.81% based on Sq.Ft. 6,046 sq.ft. of 16,428 sq.ft. (10 out of 24 units) (Plus 1 Resident Manager Unit)
217 West 111th Street, New York, N.Y....	24.48% based on Sq.Ft. 3,742 sq.ft of 15,288 sq.ft. (6 out of 24 units)
233 West 111th Street, New York, N.Y....	37.69% based on Sq.Ft. 6,238 sq.ft of 16,551 sq.ft. (10 out of 24 units)

* Also known as 1836 Adam Clayton Powell Blvd.,
NY, NY

REEL 217060872

Exhibit D Summary of Tenant Rights and Obligations

1. TERM OF REGULATION

The Building in which you live is a Low-Income Housing Credit Project which is subject to regulation by the New York State Division of Housing and Community Renewal (DHCR) and the United States Internal Revenue Service pursuant to U.S. Internal Revenue Code Section 42 (the "Statute"). The term of regulation began on the date that the Project was placed in service and ends on the earlier of the following dates (except as indicated in section 5(b)(2) below):

- A. 30 years later; or
- B. on the date the Project is acquired by foreclosure or an instrument in lieu of foreclosure; or
- C. one year after DHCR's receipt of Recipient's written request for a Qualified Contract for the purchase of both the non-low income portion of the building for fair market value and the low-income portion of the project, if DHCR has failed to present such a Qualified Contract during the one year period. Such a request may be made at any time after the Project has been in service as a Qualified Low-Income Building for a period of fourteen (14) years.

2. AVAILABILITY OF THE AGREEMENT/RENT DISCLOSURE

The landlord must attach a copy of this Summary to all leases for regulated apartments and must give a copy of the entire agreement to any person who requests a copy. The landlord must disclose the restricted rent for a regulated apartment to a prospective tenant prior to the signing of a lease for that apartment.

3. RETALIATION PROHIBITED

The landlord cannot retaliate against any tenant or lawful occupant of the Project who notifies DHCR of alleged violations of this Summary or the Agreement.

4. ANNUAL INCOME CERTIFICATION REQUIRED

Prior to occupancy, and on an annual basis, you must submit a statement regarding your income and the income of all other persons occupying your apartment (or intending to occupy the apartment unit as the case may be) and any other information and/or documentation necessary to verify the information contained in that statement.

5. RIGHTS TENANTS MAY ENFORCE IN ANY NEW YORK STATE COURT

Any person whose income makes them eligible to rent a low-income apartment in the Project can enforce the rights listed below in any New York State Court. You do not have to be a tenant in the project to enforce these rights. These rights are secured by a regulatory agreement between DHCR and the owner of the project which is recorded in the _____ County Clerk's Office at Book _____ of [Deeds] [Mortgages] Page _____ (the "Agreement").

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REEL 2110 PG 0813

a. AVAILABILITY OF APARTMENTS TO PERSONS OF LOW INCOME

1. The project must contain ~~eighty-nine (82)~~ dwelling units and ~~thirty-nine (32)~~ units must be occupied by persons or families whose incomes at the time of initial occupancy, do not exceed 100% of the "Area Median Gross Income". The Area Median Gross Income is an amount established by the U.S. Department of Housing and Urban Development.

2. Unless the Project is a Deep Rent Skewed Project as defined by section 142(d)(4)(B) of the Statute, if any unit in the low-income portion of the project is occupied by a Qualifying Tenant(s) at the time of initial occupancy, and such Qualifying Tenants' income should subsequently exceed 140% of the applicable income limit, the Recipient shall, after such determination of income, rent the next available residential unit of comparable or smaller size in the Project to a person or family whose income meets the requirements of paragraph 1 above.

3. If the Project is a Deep Rent Skewed Project as defined by section 142(d)(4)(B) of the Statute, if any unit in the low-income portion of the project is occupied by a Qualifying Tenant(s) at the time of initial occupancy, and such Qualifying Tenants' income should subsequently exceed 170% of the applicable income limit, the Recipient shall, after such determination of income, rent the next available low-income unit in the building to a person or family whose income is not in excess of 40% of Area Median Gross Income as determined in accordance with the Statute.

4. The Applicable Fraction (as defined in Section 42(c)(1) of the Statute) for the buildings in the project shall not be less than that shown in the schedule attached hereto.

5. You can not be refused an apartment because of your status as a holder of a voucher or certificate of eligibility under section 8 of the United States Housing Act of 1937.

b. EVICTIONS/RENT INCREASES

1. You and the other lawful occupants of your apartment can not be evicted or otherwise have your tenancy terminated for other than good cause, nor can the landlord increase the rent for your apartment except as permitted by the Statute.

2. In the event that regulation of the Project is terminated pursuant to Section 1(B) or 1(C) of this summary, no tenant residing in any low-income apartment in the Project can be evicted except for good cause, nor can the new landlord increase the rent for your apartment before the close of the three (3) year period following a termination of this agreement pursuant to subsections 1(B) or 1(C) above.

REEL 2 110 PG 0874

EXHIBIT E

Recipient shall have, at the date of this agreement, deposited a total of \$12,000 into an operating reserve account.

Recipient is hereby prohibited from making any withdrawals from the above reserve accounts without the written consent of DHCR. The consent of DHCR shall not be necessary in the event that withdrawals from the above account(s) require the approval of the City of New York's Department of Housing Preservation and Development, or the Community Preservation Corporation.

The Recipient shall submit an annual budget to the DHCR Office of Housing Management proposing the level of disbursements from pre-funded reserves. Withdrawals in excess of 110% of the approved level may not be made without the approval of DHCR.

The recipient shall annually document, to the satisfaction of DHCR, reserve account activity for the prior year. If an independent audit is required by any regulating or financing entity, a copy must be submitted to DHCR.

REEL 2 110P50875

Park North Houses Associates, L.P.

and

NEW YORK STATE

DIVISION OF HOUSING AND COMMUNITY RENEWAL

LOW-INCOME HOUSING CREDIT
REGULATORY AGREEMENT

Dated as of 12/31/93

This instrument affects real and personal property situated in the State of New York, Block 1827, Lots 22, 26, 28 and 16, County of New York, City of New York, commonly known as 205 West 111th Street, New York, N.Y., and 1836 Adam Clayton Powell Blvd., NY, NY

DHCR Project Manager Horace Augustin.
Project SHARH I.D. No. 21000811.

RECORD AND RETURN TO:
Horace Augustin
N.Y.S. DIVISION OF HOUSING
AND COMMUNITY RENEWAL
One Fordham Plaza
Bronx, New York 10458

68535 REEL 2770 PG 876

L.T. SERVICE CORP.
331 MADISON AVENUE
NEW YORK, N.Y. 10017
(212) 589-1300

REL 217050876

Park North Houses
Associates LP
TO
NYS Division of Housing
& Community Renewal

100. V.M.
BY AMERICAN
RECORD & RETURN TO: 3 Extra Lots

Horace Augustin
N.Y.S. Division of Housing
Community Renewal
One Fordham Plaza
BZ NY 10458

OFFICE OF CITY REGISTER
New York County
RECORDED
Witness my hand
and official seal
J. A. Brennan

1998 DEC -8 P 215

CEL 117762135 4TH 34120

REGULATORY AGREEMENT

This Regulatory Agreement is entered into as of the 12th day of April 1991, by and between PARK NORTH ASSOCIATES ("Sponsor"), a partnership duly formed pursuant to the laws of the State of New York, having an office at c/o Frank Aniello, 173 Sherman Avenue, New York, New York 10034 and the CITY OF NEW YORK ("City"), a municipal corporation of the State of New York, acting by and through its DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT ("HPD"), having an office at 100 Gold Street, New York, New York 10038.

WHEREAS, the City holds legal title to certain real property being conveyed to Sponsor, as more fully described in Schedule A attached hereto and made a part hereof ("Disposition Site"), which is to be developed or rehabilitated as an Urban Development Action Area Project (the "Project") pursuant to Article XVI of the General Municipal Law of the State of New York; and

WHEREAS, the Project will be partially financed by a mortgage or mortgages between Sponsor and the City of even date herewith (collectively the "Mortgage") to be recorded in the land records of New York in the county in which the Disposition Site is located; and

WHEREAS, the Disposition Site will be conveyed to Sponsor for the consideration of One (\$1.00) Dollar per building; and

WHEREAS, in order for the Project to enjoy the benefits of the mortgage financing provided by the City and for Sponsor to purchase the Disposition Site for One (\$1.00) Dollar per building, HPD requires the Sponsor, as a condition to conveying the Disposition Site, to agree that the restrictions set forth in this Regulatory Agreement shall be running with the land and binding on all of the Sponsor's successors, assigns, heirs, grantees, or lessees; and

NOW THEREFORE, the parties do hereby agree as follows:

1. Term of Restrictions

The term of the restrictions set forth in this Regulatory Agreement shall commence on the date a Temporary Certificate of Occupancy is issued for all of the Project units ("Commencement Date") and terminate on the thirtieth (30th) anniversary date from the Commencement Date ("Restriction Period").

2. Residential Rent Levels

A. Maximum initial rents for Project units are as set forth in Schedule B attached hereto and made a part hereof.

B. On or prior to the Commencement Date, Sponsor shall follow the procedures with respect to each Project unit for rent registration set forth in Title 26, Chapter 4 of the New York City Administrative Code (and any successor statute) and the regulations promulgated in connection thereto ("Rent Stabilization"). The rent so registered for each Project unit shall be its rent as of the Commencement Date, which thereafter shall be deemed its initial legal regulated rent for the purposes of Rent Stabilization.

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REEL 177762136

C. During the Restriction Period Sponsor shall lease a vacant unit only to a tenant ("Eligible Tenant") whose annual household income does not exceed the annual rent (excluding utilities) of the applicable unit multiplied by four (4), and where at least one member was a resident of the City of New York at the time the household applied for the apartment.

D. Any Eligible Tenant shall be entitled to remain in occupancy in accordance with Rent Stabilization, notwithstanding that such Eligible Tenant's income, after initial occupancy, may exceed the maximum for initial eligibility.

E. In order to determine whether a prospective tenant is an Eligible Tenant, Sponsor shall ascertain the annual income of such tenant's household. "Annual Income" is the anticipated total income from all sources to be received by the household head and spouse and by each additional member of the household, including all net income derived from assets, for the 12 months period following the date of initial determination of income, exclusive of income that is temporary, non-recurring or sporadic, as defined in 24 CFR 813.106(c) and exclusive of certain other types of income specified in 24 CFR 813.106(d) (or any successor regulations). Sponsor may consult with HPD to obtain advice and guidance with respect to income determinations. Sponsor must retain documentation of all records and documents relating to the Sponsor's determination for at least three years after the date the tenant commences occupancy. Sponsor shall provide for the termination of the lease and eviction of any tenant who falsely or fraudulently certifies income to Sponsor.

F. Sponsor shall submit to HPD no later than thirty (30) days after the Commencement Date and upon each anniversary thereafter until the end of the Restriction Period a written certification setting forth the annual income of all tenants of units who began occupancy during the prior year together with all supporting documentation.

3. Minimum Household Size and Dwelling Units

For each dwelling unit type there will be a required minimum number of occupants as specified below:

Bedrooms	Minimum of Persons
0	1
1	1
2	2
3	4
4	6

The number and configuration of residential units and any commercial space must be as set forth in Schedule B.

4. Boiler Requirement

The premises located at 201 West 111th Street and 203-205 West 111th Street shall either share the boiler or have independently operating boilers, as required by the New York City Department of Building, or its successor agency. This restriction shall run with the land in perpetuity.

5. Prohibition of Condominium or Cooperative Conversions

Conversion of the Project to cooperative or condominium ownership is prohibited during the Restriction Period, except that if the Mortgage is prepaid in full then such prohibition shall be in effect for twenty (20) years from the Commencement Date ("Conversion Prohibition Period"). Any conversion after such period must conform to State and City of New York laws and must be on the basis of a non-eviction plan.

6. Marketing Plan

Sponsor shall adhere to the Tenant Selection Procedure annexed hereto as Schedule C and made a part hereof.

7. Amendments

This Agreement may only be amended by HPD and Sponsor by an instrument in recordable form, executed by both parties.

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8. Enforcement

If a violation of any of the foregoing covenants occurs and such occurrence is not corrected for a period of thirty (30) days, the City and its successors and assigns, without regard to whether the City and its successors and assigns is an owner of any land or interest therein to which these covenants relate, shall (i) institute and prosecute any proceeding at law or in equity to abate, prevent or enjoin any such violation or to compel specific performance by Sponsor, its successors and assigns, of its obligations hereunder, and may (ii) at its sole discretion extend the Restriction Period and Conversion Prohibition Period by up to ten (10) years. No delay in enforcing the provisions hereof as to any breach or violation shall impair, damage or waive the right of any party entitled to enforce the provisions hereof to obtain relief against or recover for the continuation or repetition of such breach or violation or any similar breach or violation hereof at any later time.

9. Investigations

Sponsor agrees to be bound by the provisions of Schedule O annexed hereto and made a part hereof.

9. Binding Nature of Restrictions

The restrictions set forth in this Regulatory Agreement shall run with the land and bind Sponsor, Sponsor's successors, assigns, heirs, grantees, and lessees.

10. Notices

All notices shall be delivered by certified or registered mail, return receipt requested, to the respective parties hereto, at the addresses at first above written, unless such addresses are otherwise modified in writing by the addressee.

11. Expiration

Except as otherwise provided herein, upon the expiration of the Restriction Period, this Regulatory Agreement shall become null and void and of no further force and effect and HPD shall, at its sole cost and expense, execute and deliver to Sponsor any document in recordable form requested by Sponsor to reflect the expiration of this Regulatory Agreement.

THE CITY OF NEW YORK

By: Barbara Leeds
Barbara Leeds
Assistant Commissioner
NYC Housing Preservation and
Development

PARK NORTH ASSOCIATES
PAP

By: Frank Anselmi
FRANK ANSELMI
general partner

By: Frank Anselmi
Frank Anselmi

APPROVED AS TO FORM
BY STANDARD TYPE AND
CLASS FOR ONE YEAR'S USE

By: DANIEL MULLER
Daniel Muller
Acting Corporation Counsel

-3-

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SEEK 177762130

HPD NEIGHBORHOOD PREFERENCE POLICY

At least thirty (30%) percent of the units, which units shall be of varying apartment size in proportion to the overall apartment size distribution of the project, shall be initially rented to income-eligible applicants who reside within the Community Board District in which the project is located.

3235U

Insurance Corporation
NATIONAL HEADQUARTERS
RICHMOND, VIRGINIA
APR 1 1977 10 2 13 9

MDM-11872
201-205 WEST 111TH STREET

SCHEDULE A

PARTIAL I:

ALL that certain lot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York known and designated as Lot 16 in Block 1827, Section 7 on the Tax Map of the City of New York for the Borough of Manhattan, as said Map was on 11-26-74.

FOR INFORMATION ONLY: Premises known as 213-215 West 111th Street.

PARTIAL II:

ALL that certain lot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York known and designated as Lot 20 in Block 1827, Section 7 on the Tax Map of the City of New York for the Borough of Manhattan, as said Map was on 4/29/76.

FOR INFORMATION ONLY: Premises known as 217-219 West 111th Street.

PARTIAL III:

ALL that certain lot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York known and designated as Lot 26 in Block 1827, Section 7 on the Tax Map of the City of New York for the Borough of Manhattan, as said Map was on 11/26/74.

FOR INFORMATION ONLY: Premises known as 203-205 West 111th Street.

PARTIAL IV:

ALL that certain lot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York known and designated as Lot 29 in Block 1827, Section 7 on the Tax Map of the City of New York for the Borough of Manhattan, as said Map was on 3/26/71.

FOR INFORMATION ONLY: Premises known as 201 West 111th Street.

Schedule A Page 2 No. DP-080513

EXTRA CHARGE

<https://a836-acris.nyc.gov/DS/DocumentSearch/DocumentImageVtu?searchCriteriaString...> 3/27/2018

REEL 117-102121

SCHEDULE C

Tenant Selection Procedures

1. NOTICE OF INTENT
 Sponsor/Developer, or a representative, must submit to HPO a Notice of Intent to begin marketing at least 6 months prior to the expected occupancy of the first unit in the project.
2. WRITING AND PLACING ADVERTISEMENT.
 Marketing must begin at least 4 months prior to expected occupancy of the first unit. The Developer, or a representative shall begin marketing by placing an advertisement for applicants in accordance with the following:
 - a) HPO will provide developer with the ad format.
 - b) Developer, or a representative, is responsible for placing ad.
 - c) Developer, or a representative, must send any ad changes to HPO's Assistant Commissioner of Community and Support Services for approval.
 - d) Developer, or representative, must receive HPO approval of the ad prior to placing ad.
 - e) Ad must be advertised in at least 3 newspapers, including one local newspaper, one daily newspaper with a general circulation of at least 200,000, and one Spanish language newspaper.
 - f) Ad to run at least 1 week, at least 60 days prior to application deadline.
3. OTHER FORMS OF ADVERTISEMENT.
 a) HPO will provide marketing sign after construction begins. Developer must place sign on site and in public view to advertise project. Sign will be bi-lingual.
 b) Developer, or a representative, will notify HPO of other advertising plans along with the Notice of Intent.
4. CONTENTS OF APPLICATION
 a) Format for Application will be provided by HPO. Any changes to the application must receive prior approval from HPO.
 b) Application must be accompanied by a cover letter that reiterates program guidelines and highlights the post office box to which applications must be returned. The format will be provided by HPO. Any changes to the letter must receive prior approval from HPO.
5. PICKING UP COMPLETED APPLICATIONS.
 a) Applications will be picked up from the post office box 1 week after the postmark deadline, at which time post office box will be closed. The applications must be picked up by the Developer, or a representative, in the presence of HPO staff.
 b) If the post office requires that letters be picked up on a regular basis due to the large volume of mail, the Developer must notify HPO prior to picking up the mail and place all letters, unopened, in one secure location. The Developer will then return to the post office 1 week after the postmark deadline to pick up, in the presence of HPO staff, any remaining mail. Any applications postmarked after the deadline will not be considered.

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6. OPENING APPLICATIONS & CREATING LOG

a) In the presence of HPD staff, all applications for a number of applications equal to 10 times the number of units in the project (whichever is less) will be randomly selected and entered into a log (whichever is less) will be randomly selected and entered into a log book in the order of which they were randomly chosen. All names will then be selected in order from this Log. Any unopened applications must be retained for 2 years.

b) Log format will be provided by HPD.

c) Developer or a representative must provide a copy of the Log to HPD immediately after the lottery described under section 6a. The Log must be completed. If the lottery takes more than one day, Developer must provide a copy of the updated Log after each day's logging is completed.

d) Developer or a representative must also provide a copy of the Log to HPD for review indicating each applicant's selection status. The copies must be provided prior to notifying applicants of their selection status (offering apartments to eligible applicants) and prior to the start of the project.

e) All offers of apartments must be made by Developer or a representative to applicants who meet program requirements (eligible applicants) and must be made in numbered order from this Log and according to procedures defined below as long as units of appropriate size are available. An eligible applicant must be given a reasonable, specific amount of time to respond to an offer before a Developer can proceed to rent an apartment to the next eligible applicant on the Log.

f) If units of appropriate size are unavailable to eligible applicants from the Log as they are being reviewed, the applicant's name will remain on the Log until an appropriate unit becomes available or until Log expires.

g) The Applicant Log will be maintained for 2 years from the date the first tenant begins occupancy and all available apartments, including vacancies during this 2 year period, must be filled with eligible applicants from the Log. (See also Section 11).

7. TENANTING APARTMENTS

a) Referrals. Developer, if directed by HPD, must first offer units to eligible applicants referred by the City, if any. (See Section 12). These referrals might include:

- 1) Families in private buildings with vacant orders due to unsafe conditions or fire;
- 2) Families to be relocated from City-owned buildings undergoing consolidation;
- 3) Urban Renewal displaces;
- 4) Families referred by the Human Resources Administration of the City of New York.

The referrals will be made at the beginning of the marketing process, and must be incorporated into the Log by the Developer, or a representative. Developer must indicate referral status of applicant on the Log. Refer to the Regulatory Agreement for required percentage, if any, of units to be tenanted by HPD referrals.

b) Logged Applications. After following procedures described under Section 7a above, Developer must proceed to offer the remaining units to eligible applicants in numbered order from the Log in accordance with Section 6a above and the following:

- 1) Neighborhood Preference. Developer must rent not less than 30% of the total number of units in the project to eligible neighborhood residents (as defined below) if the project is located in one Community Board, or must rent not less than 40% of the total units to eligible neighborhood residents if determined by HPD the project is located in two Community Boards or is on the border of two Community Boards, whichever is applicable. "Eligible neighborhood residents" are eligible applicants whose permanent address at the time of application is in the Community Board(s) in which the project is located, and when applicable, in the Community Board upon which the project borders. When 70% (in the case of a 30% neighborhood preference requirement) or 60% (in the case of a 40% neighborhood preference requirement) of the total units in the project have been rented, Developer must rent the next remaining units to only eligible neighborhood residents until the applicable neighborhood preference requirement is met.

11/20/09

8. INTERVIEWS

9. QUALIFYING APPLICANTS

11/20/89

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h) As required under Section 6d, Developer will provide HPD with a copy of the completed log indicating the final selection status of each applicant and reason for any rejection, such as:

- income ineligibility;
- applicant's being an employee of Developer or Developer's agent (See section 9d);
- does not meet New York City residency requirement (if such requirement is in the Regulatory Agreement) (See section 9c);
- lack of adequate income to support rent payments;
- ineligible household size;
- poor rent payment or credit history;
- receipt of application after deadline;
- receipt of more than one application per family;
- falsification of information;
- other.

i) Developer, or a representative cannot disqualify an applicant (who is otherwise eligible for an apartment) on the basis that the applicant receives Section 8 assistance.

j) HPD reserves the right to spot-check.

10. SIGNING LEASES

Developer shall not enter into any written lease for an apartment until HPD has issued the Rent Stabilization Rent Order for such apartment.

11. COMPLETING RENT-UP AND FILLING VACANCIES

a) All apartments, including vacancies, rented during the first 2 years must be filled with eligible applicants from the Applicant Log (See also Section 6).

b) If after following procedures listed above apartments are still available or become available within the first 2 year period, and, if Developer has exhausted all eligible names on the Log but some applications remain unopened (since they exceeded the number of applications initially required to be opened by the Developer), Developer, or a representative, must notify HPD, and in the presence of HPD and pursuant to procedures listed above, randomly open and log all the remaining applications or a number of applications sufficient to tenant the remaining vacancies. The Developer, or a representative will then follow tenant selection procedures listed above.

c) If within the 2 year period, apartments are still available or become available and, if the Developer has exhausted all remaining applications, Developer, or a representative, must notify HPD for guidance on re-advertising. Developer, or a representative must then follow tenant selection procedures listed above.

12. City reserves the right to refer potential tenants to the Developer for a portion of the units in the project. Developer must evaluate potential tenants referred by City first, before turning to the Developer Log. Developer has the right to screen the referrals under reasonable criteria consistent with the program. (See Section 7a).

13. Developer must comply with maximum income, minimum occupancy, neighborhood preference, New York City residency and all other program requirements as set forth in the project's Regulatory Agreement and, if applicable, the Request for Proposals (RFP). Developer must consult with HPD as to the acceptable forms of documentation needed to comply with these requirements. Developer must certify compliance with these requirements in a form acceptable to HPD. Developer must retain all records and documents pertaining to the certification of each tenant for at least three years after the date the tenant begins occupancy. Documents relating to recertifications, if required, shall be retained for three years following recertification.

14. HPD reserves the right to amend the tenant selection process if necessary.

15. All notices to HPD regarding the Tenant Selection Procedures must be sent by regular mail to the attention of the Assistant Commissioner of Community and Support Services, Department of Housing Preservation and Development, 100 Gold Street, New York, New York 10038.

Blder
Tenant Selection Procedures
Vacant Building Program
(For Round 1-6 Projects Marketed After October 1, 1989)

1. Advertised Rents
Where buildings have master gas meters, developers will be allowed to charge an extra \$9 in rent. For these projects, the rents reflected in the project advertisement will be the rents cited in the project award letters (base rents) to which \$9 gas utility allowances are added.

2. Advertised Maximum Income
For all projects, the maximum incomes reflected in the project advertisements reflect the following: 4 times the annualized award letter rent (base rent) plus a \$2000 utility allowance. Tenant income cannot exceed these maximum income limits.

3. Rent to Income Ratio
There is no minimum income requirement. However, a Developer cannot disqualify any applicant for reason of inadequate income if the applicant's rent to income ratio is 30% or less. The Developer must also apply the same rent to income ratio when determining the income eligibility of each applicant.

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SCHEDULE D

INVESTIGATION CLAUSE

1.1 The parties to this agreement agree to cooperate fully and faithfully with any investigation, audit or inquiry conducted by a State of New York (State) or City of New York (City) governmental agency or authority that is empowered directly or by designation to compel the attendance of witnesses and to examine witnesses under oath, or conducted by the Inspector General of a governmental agency that is a party in interest to the transaction, submitted bid, submitted proposal, contract, lease, permit, or license that is the subject of the investigation, audit or inquiry.

1.2(a) If any person who has been advised that his or her statement, and any information from such statement, will not be used against him or her in any subsequent criminal proceeding refuses to testify before a grand jury or other governmental agency or authority empowered directly or by designation to compel the attendance of witnesses and to examine witnesses under oath concerning the award of or performance under any transaction, agreement, lease, permit, contract, or license entered into with the City, the State, or any political subdivision or public authority thereof, or the Port Authority of New York and New Jersey, or any local development corporation within the City, or any public benefit corporation organized under the laws of the State of New York, or:

1.2(b) If any person refuses to testify for a reason other than the assertion of his or her privilege against self-incrimination in an investigation, audit or inquiry conducted by a City or State governmental agency or authority empowered directly or by designation to compel the attendance of witnesses and to take testimony under oath, or by the Inspector General of the governmental agency that is a party in interest in, and is seeking testimony concerning the award of, or performance under, any transaction, agreement, lease, permit, contract, or license entered into with the City, the State, or any political subdivision thereof or any local development corporation within the City, then:

1.3(a) The commissioner or agency head whose agency is a party in interest to the transaction, submitted bid, submitted proposal, contract, lease, permit, or license shall convene a hearing, upon not less than five (5) days written notice to the parties involved to determine if any penalties should attach for the failure of a person to testify.

1.3(b) If any non-governmental party to the hearing requests an adjournment, the commissioner or agency head who convened the hearing may, upon granting the adjournment, suspend any contract, lease, permit, or license pending the final determination pursuant to paragraph 1.5 below without the City incurring any penalty or damages for delay or otherwise.

1.4 The penalties which may attach after a final determination by the commissioner or agency head may include but shall not exceed:

(a) The disqualification for a period not to exceed five (5) years from the date of an adverse determination for any person, or any entity of which such person was a member at the time the testimony was sought, from submitting bids for, or transacting business with, or entering into or obtaining any contract, lease, permit or license with or from the City and/or

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(b) The cancellation or termination of any and all such existing City contracts, leases, permits or licenses that the refusal to testify concerns and that have not been assigned as permitted under this agreement, nor the proceeds of which pledged, to an unaffiliated and unrelated institutional lender for fair value prior to the issuance of the notice scheduling the hearing, without the City incurring any penalty or damages on account of such cancellation or termination; monies lawfully due for goods delivered, work done, rentals, or fees accrued prior to the cancellation or termination shall be paid by the City.

1.5 The commissioner or agency head shall consider and address in reaching his or her determination and in assessing an appropriate penalty the factors in paragraphs (a) and (b) below. He or she may also consider, if relevant and appropriate, the criteria established in paragraphs (c) and (d) below in addition to any other information which may be relevant and appropriate:

(a) The party's good faith endeavors or lack thereof to cooperate fully and faithfully with any governmental investigation or audit, including but not limited to the discipline, discharge, or disassociation of any person failing to testify, the production of accurate and complete books and records, and the forthcoming testimony of all other members, agents, assignees or fiduciaries whose testimony is sought.

(b) The relationship of the person who refused to testify to any entity that is a party to the hearing, including, but not limited to, whether the person whose testimony is sought has an ownership interest in the entity and/or the degree of authority and responsibility the person has within the entity.

(c) The nexus of the testimony sought to the subject entity and its contracts, leases, permits or licenses with the City.

(d) The effect a penalty may have on an unaffiliated and unrelated party or entity that has a significant interest in an entity subject to penalties under 1.4 above, provided that the party or entity has given actual notice to the commissioner or agency head upon the acquisition of the interest, or at the hearing called for in 1.5(a) above gives notice and proves that such interest was previously acquired. Under either circumstance the party or entity must present evidence at the hearing demonstrating the potential adverse impact a penalty will have on such person or entity.

1.6 (a) The term "license" or "permit" as used herein shall be defined as a license, permit, franchise or concession not granted as a matter of right.

(b) The term "person" as used herein shall be defined as any natural person doing business alone or associated with another person or entity as a partner, director, officer, principal or employee.

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(c) The term "entity" as used herein shall be defined as any firm, partnership, corporation, association, or person that receives monies, benefits, licenses, leases, or permits from or through the City or otherwise transacts business with the City.

(d) The term "member" as used herein shall be defined as any person associated with another person or entity as a partner, director, officer, principal or employee.

1.7(a) The parties to this Agreement warrant and represent that to the best of their knowledge, (1) no officer, agent, employee or representative of the City of New York has received any payment or other consideration for the making of this agreement or in connection with the performance thereof, and (2) that no officer, agent, employee or representative of the City of New York has any interest, directly or indirectly, in this agreement or the proceeds thereof. The parties to this agreement agree that they shall not hereafter make or pay any consideration as aforesaid and that they will cooperate fully with the Commissioner of Investigation of the City of New York and will promptly report in writing any solicitation of money, goods, requests for future employment or other benefit or thing of value, by or on behalf of any employee of the City or other person, firm, procurement or obtaining of this agreement by the parties or effecting the performance of this agreement.

1.7(b) In the event of a violation of 1.7(a), the Commissioner of the Department of Housing Preservation and Development may convene a hearing pursuant to Section 1.3(a) hereof and upon such hearing, make a determination, in accordance with the considerations set forth in Section 1.5 hereof, as to whether a violation has occurred, the penalties imposed may include but shall not exceed the penalties set forth in Section 1.4(a) hereof.

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ACKNOWLEDGMENT

STATE OF NEW YORK)
COUNTY OF NEW YORK) ss.:
On this 20 day of March, 1991, before me personally came Barbara Leads, to me known, who being by me duly sworn did depose and say that she has an address at 100 Gold Street, New York, New York; that she is the (Acting) Assistant Commissioner with the New York City Department of Housing Preservation and Development, the agency described in and which executed the foregoing instrument, and that she executed this instrument as the act and deed of that agency.

[Signature]
Notary Public

STATE OF NEW YORK)
COUNTY OF NEW YORK) ss.:
On this 20 day of March, 1991, before me personally came Frank Anelante to me known, who being by me duly sworn, did depose and say that (s)he is a general partner of Park North Associates, a partnership duly formed pursuant to the laws of the State of New York, described in and which executed the foregoing instrument; and (s)he acknowledged that (s)he signed her/his name to said instrument as the act for and on behalf of said partnership.

NOTARY PUBLIC

STATE OF NEW YORK)
COUNTY OF NEW YORK) ss.:
On the _____ day of _____, 1991, before me personally came _____ me known, who being by me duly sworn, did depose and say that he resides at _____ that he is the _____ of _____ the corporation which executed the foregoing instrument as a _____ of _____ the _____ described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.

STATE OF NEW YORK)
COUNTY OF NEW YORK)

On this 12 day of April, 1991, before me personally came Frank Amelante, Jr. to be known to be the person who executed this instrument, who being by me duly sworn, did depose and say that (s)he resides at 173 Sherman Avenue, New York; that (s)he is the President of Park Development Corp. a corporation duly formed pursuant to the laws of the State of New York and the general partner of Park North Associates, the partnership described in and which executed the foregoing instrument, and (s)he acknowledged that (s)he signed his/her name to said instrument by order of the Board of Directors of said corporation as the act for an on behalf of said partnership.

Michael Clarke
NOTARY PUBLIC

60650/30-57

MICHAEL CLARKE
Notary Public, State of New York
No. 64-4785602
Qualified in Warren County
Commission Expires May 31, 1992

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MTM-34120

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AGREEMENT
by and between
THE CITY OF NEW YORK
and
PARK NORTH ASSOCIATES

REGULATORY AGREEMENT
Dated as of May 12, 1991

The property affected by this written instrument lies within:

Borough: Manhattan
County: New York
Section: 10C.173

Block(s): 1827
Lot(s): 18, 20, 26, 29

Street Address: 201-205, 217, 233 West 113th Street

EXTRA LOTS

Record and Return to:
Gail D. Ellington, Esq.
Department of Housing Preservation
and Development
Office of Legal Affairs
100 Gold Street, Room 90-12
New York, New York 10038

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