

**PUBLIC AUCTION OF REAL PROPERTY AND COOPERATIVE
APARTMENTS BY THE PUBLIC ADMINISTRATOR OF KINGS COUNTY**

TERMS AND CONDITIONS

SALE DATE: WEDNESDAY, AUGUST 13, 2008.

TIME: PUBLIC AUCTION COMMENCES PROMPTLY AT 2:00 P.M.

ALL BIDDERS MUST PRE-REGISTER PRIOR TO THE AUCTION TO BID ON THE PROPERTIES OFFERED FOR SALE. ALL BIDDERS ARE REQUIRED TO PRE-REGISTER AT THE AUCTION LOCATION NO LATER THAN THIRTY MINUTES BEFORE THE AUCTION COMMENCES. PRE-REGISTRATION SHALL COMMENCE AT 12:30 P.M.

AUCTION AND PRE-REGISTRATION LOCATION: ROOM 274 LOCATED IN THE KINGS COUNTY SUPREME COURT BUILDING, 360 ADAMS STREET, BROOKLYN, NEW YORK 11201.

TO PARTICIPATE IN THE AUCTION A BIDDER MUST BE A "QUALIFIED BIDDER" MEANING AT THE TIME OF REGISTRATION, THE BIDDER MUST SHOW SATISFACTORY PROOF OF FOLLOWING:

1. CERTIFIED FUNDS LIMITED TO BANK, CERTIFIED CHECK(S) OR MONEY ORDER(S) IN THE AMOUNT OF \$20,000. ALL CERTIFIED FUNDS SHOULD BE MADE PAYABLE TO "THE PUBLIC ADMINISTRATOR OF KINGS COUNTY";

AND

2. EITHER A BLANK CHECK OR ADDITIONAL CERTIFIED FUNDS TO PAY THE BALANCE OF THE MINIMUM AMOUNT OF THE DOWN PAYMENT (IN THE EVENT THE BID IS IN EXCESS OF THE OPENING BID PRICE). THE MINIMUM AMOUNT OF THE DOWN PAYMENT ON A CONTRACT OF SALE IS 10% OF THE BIDDER'S FINAL BID. PLEASE NOTE THAT IN SOME CASES THE DOWN PAYMENT MAY EXCEED 10% OF THE BIDDER'S FINAL BID AS A PROPERTY IN THIS AUCTION MAY SELL FOR LESS THAN \$200,000.

PLEASE NOTE: NO ONE WILL BE PERMITTED TO BID WITHOUT SHOWING SATISFACTORY PROOF (AT THE TIME OF REGISTRATION) OF CERTIFIED FUNDS IN THE AMOUNT OF \$20,000 MADE PAYABLE TO "THE PUBLIC ADMINISTRATOR OF KINGS COUNTY" AND EITHER A BLANK CHECK OR ADDITIONAL CERTIFIED FUNDS TO PAY 10% OF THE DOWN PAYMENT AS SET FORTH IN POINT "2" ABOVE. UPON PROVIDING SATISFACTORY PROOF OF THE SAME, THE BIDDER WILL BE ISSUED A NUMBERED "PADDLE OR BIDDING CARD" TO BE RAISED AT SUCH TIME DURING THE AUCTION WHEN THE BIDDER WISHES TO PLACE A BID ON A

PROPERTY. ANYONE BIDDING WITHOUT PRE-REGISTERING PRIOR TO THE AUCTION WILL BE ASKED TO LEAVE THE AUCTION AND WILL NOT BE PERMITTED TO RETURN.

THE OPENING BID PRICE FOR THE AUCTIONED PROPERTIES IS THE PRICE AT WHICH THE BIDDING WILL COMMENCE FOR EACH PROPERTY. INFORMATION REGARDING THE PROPERTIES, INCLUDING THE OPENING BID PRICES, IS AVAILABLE ON THE INTERNET WEBSITE FOR THE PUBLIC ADMINISTRATOR OF KINGS COUNTY AT **WWW.NYC/GOV/HTML/KCPA**. INFORMATION MAY ALSO BE OBTAINED IN PERSON AT THE PUBLIC ADMINISTRATOR'S OFFICE LOCATED IN THE KINGS COUNTY SUPREME COURT BUILDING, ROOM 144, 360 ADAMS STREET, BROOKLYN, NEW YORK 11201.

PLEASE READ THE FOLLOWING TERMS AND CONDITIONS OF SALE VERY CAREFULLY! IF YOU HAVE ANY QUESTIONS OR DO NOT UNDERSTAND THESE TERMS AND CONDITIONS YOU MAY WISH TO CONSULT AN ATTORNEY. THE FOLLOWING IS A PARTIAL LIST OF THE TERMS AND CONDITIONS OF PURCHASE. THE TERMS AND CONDITIONS OF THE SALE ARE NON-NEGOTIABLE AND MUST BE AGREED TO BY EVERY SUCCESSFUL BIDDER DESIROUS OF ENTERING INTO A CONTRACT OF SALE WITH THE PUBLIC ADMINISTRATOR. THERE WILL BE NO EXCEPTIONS.

A. THESE PROPERTIES ARE BEING OFFERED FOR SALE BY THE PUBLIC ADMINISTRATOR OF KINGS COUNTY IN "AS IS" PHYSICAL CONDITION SUBJECT TO ALL ENVIRONMENTAL CONDITIONS AND VIOLATIONS. THE CONDITIONS OF SALE ARE MORE FULLY SPECIFIED IN THE CONTRACT OF SALE WHICH SHALL PROVIDE IN PART THAT EACH PROPERTY IS BEING SOLD SUBJECT TO ALL VIOLATIONS, ANY STATE OF FACTS AN ACCURATE SURVEY MAY SHOW, COVENANTS, RESTRICTIONS, EASEMENTS, AND AGREEMENTS OF RECORD AND ANY TENANTS AND/OR PERSONS IN POSSESSION. ANY PERSONAL PROPERTY, DEBRIS OR GARBAGE NOT REMOVED FROM THE PROPERTY BY THE PUBLIC ADMINISTRATOR OF KINGS COUNTY PRIOR TO A CLOSING ON THE CONTRACT OF SALE WILL BE THE RESPONSIBILITY OF THE PURCHASER TO REMOVE. THE PUBLIC ADMINISTRATOR MAKES NO REPRESENTATIONS OR WARRANTIES REGARDING ANY PERSONAL PROPERTY LOCATED ON THE PROPERTIES WHICH IS EXCLUDED FROM THE AUCTION UNLESS OTHERWISE SPECIFIED IN THE CONTRACT OF SALE. THE PUBLIC ADMINISTRATOR RESERVES THE RIGHT TO REMOVE ANY AND ALL SUCH PERSONAL PROPERTY PRIOR TO THE CLOSING. THE PUBLIC ADMINISTRATOR MAKES NO REPRESENTATIONS CONCERNING THE VALUE, INCOME POTENTIAL OR THE CURRENT AND/OR FUTURE USE OF THESE PROPERTIES. ALL PROPERTIES ARE LOCATED IN KINGS COUNTY UNLESS OTHERWISE SPECIFIED. ALL BIDDERS SHOULD COMPLETE THEIR DUE DILIGENCE IN CONNECTION WITH THE PURCHASE OF THE PROPERTIES PRIOR TO THE AUCTION. ACCORDINGLY, CONTRACTS OF SALE SHALL NOT BE MADE CONTINGENT ON THE BIDDERS COMPLETING A PERIOD OF FURTHER INVESTIGATION OR DUE DILIGENCE.

B. THE BIDDING FOR EACH PROPERTY WILL START WITH THE OPENING BID PRICE. FOR A QUALIFIED BIDDER TO ENTER INTO A CONTRACT OF SALE WITH THE PUBLIC ADMINISTRATOR, SUCH QUALIFIED BIDDER MUST HAVE BID THE HIGHEST PRICE FOR THE PROPERTY (REFERRED TO HEREINAFTER AS THE "HIGHEST QUALIFYING BID") AND THAT BID MUST BE ACCEPTED BY THE PUBLIC ADMINISTRATOR OF KINGS COUNTY. THE PUBLIC ADMINISTRATOR RESERVES THE RIGHT AND DISCRETION TO REJECT ANY AND ALL BIDS, INCLUDING THE HIGHEST QUALIFYING BID, AND/OR TO WITHDRAW ANY PROPERTY FROM THE AUCTION WITHOUT PRIOR NOTICE.

C. A DOWN PAYMENT OF 10% OF THE ACCEPTED HIGHEST QUALIFYING BID MUST BE PAID ON SIGNING OF THE CONTRACT OF SALE. IF 10% OF THE ACCEPTED HIGHEST QUALIFYING BID EXCEEDS 10% OF THE OPENING BID PRICE, THE DIFFERENCE IN THESE AMOUNTS MUST ALSO BE PAID ON THE SIGNING OF THE CONTRACT. CERTIFIED FUNDS AND/OR PERSONAL CHECKS ARE ACCEPTABLE FOR THIS PURPOSE AND MUST BE MADE PAYABLE TO "THE PUBLIC ADMINISTRATOR OF KINGS COUNTY".

D. CONTRACTS OF SALE ARE NOT CONDITIONAL OR CONTINGENT ON THE PURCHASER OBTAINING MORTGAGE FINANCING, LOAN OR ANY FINANCIAL ASSISTANCE OF ANY KIND, INCLUDING GIFTS, FROM ANY THIRD PARTIES. AT THE CONCLUSION OF THE AUCTION, THE SUCCESSFUL BIDDER MUST IMMEDIATELY EXECUTE THE CONTRACT OF SALE PREPARED BY THE PUBLIC ADMINISTRATOR OF KINGS COUNTY. THE FAILURE TO DO SO WILL RESULT IN THE DISQUALIFICATION OF THE ACCEPTED HIGHEST QUALIFYING BID. THE CONTRACT OF SALE IS A LEGALLY BINDING DOCUMENT AND WILL PROVIDE FOR A TIME OF THE ESSENCE CLOSING DATE OF "ON OR BEFORE" 45 DAYS AFTER THE DATE OF THE AUCTION. FAILURE TO CLOSE ON OR BEFORE THE DATE SET FORTH IN THE CONTRACT OF SALE SHALL RESULT IN THE PURCHASER'S DEFAULT MEANING THAT THE TOTAL DOWN PAYMENT TENDERED THEREUNDER WILL BE SUBJECT TO FORFEITURE. THE PUBLIC ADMINISTRATOR IS UNDER NO LEGAL OBLIGATION TO EXTEND THE CONTRACT CLOSING DATE. MOREOVER, THE CONTRACT OF SALE IS NOT ASSIGNABLE TO A THIRD PARTY.

E. THE REAL ESTATE, WATER AND SEWER TAXES LISTED FOR THE PROPERTIES ARE THOSE BELIEVED TO BE CURRENTLY CHARGED. HOWEVER, NO REPRESENTATION IS MADE AS TO THE AMOUNT OF SUCH CHARGES, FUTURE USES AND RENTS, IF ANY, OR THE AMOUNT OF REAL ESTATE TAXES THAT WILL BE ASSESSED AFTER CLOSING. ALL BIDDERS ARE ENCOURAGED TO INVESTIGATE THESE AND OTHER RELEVANT MATTERS RELATED TO THE PROPERTIES PRIOR TO THE AUCTION. THE PUBLIC ADMINISTRATOR MAY BE REQUIRED TO OBTAIN APPROVAL OF THE SALE FROM THE SURROGATE'S COURT OF KINGS COUNTY. IN THE EVENT THE SURROGATE'S COURT DOES NOT APPROVE THE SALE FOR ANY REASON, THE SOLE LIABILITY AND RESPONSIBILITY OF THE PUBLIC ADMINISTRATOR SHALL BE TO RETURN THE TOTAL CONTRACT DOWN PAYMENT TO THE PURCHASER. LIKEWISE, IN THE

EVENT THAT THE PUBLIC ADMINISTRATOR IS UNABLE TO PERFORM ON THE CONTRACT OF SALE OR CONVEY TITLE TO A PURCHASER FOR ANY REASON, THE SOLE RESPONSIBILITY AND LIABILITY OF THE PUBLIC ADMINISTRATOR SHALL BE TO RETURN THE TOTAL CONTRACT DOWN PAYMENT TO THE PURCHASER.

IN ADDITION TO THE ABOVE AND SPECIFICALLY REGARDING COOPERATIVE APARTMENTS (HEREINAFTER REFERRED TO AS CO-OPS): CO-OPS ARE SOLD SUBJECT TO THE GOVERNING PROVISIONS OF THE COOPERATIVE'S BY-LAWS, PROPRIETARY LEASE, AND THE RULES AND REGULATIONS OF THE COOPERATIVE. IN MOST INSTANCES, THE SALES OF THESE CO-OPS ARE SUBJECT TO THE APPROVAL OF COOPERATIVE BOARD. THE MAINTENANCE CHARGES LISTED BY THE PUBLIC ADMINISTRATOR IS BELIEVED TO BE THE AMOUNT CURRENTLY CHARGED FOR THE CO-OP. HOWEVER, NO REPRESENTATION IS MADE AS TO THE PRESENT AMOUNT OF THE MAINTENANCE CHARGES AND ANY CURRENT ASSESSMENTS OR THE AMOUNT OF THE SAME THAT WILL BE CHARGED TO THE PURCHASER AFTER THE CLOSING. ALL BIDDERS INTERESTED IN COOPERATIVE APARTMENTS ARE ENCOURAGED TO CONTACT THE MANAGING AGENT FOR THE COOPERATIVE TO OBTAIN ADDITIONAL INFORMATION INCLUDING ANY PERTINENT FINANCIAL INFORMATION. HOWEVER, THE PUBLIC ADMINISTRATOR IS NOT RESPONSIBLE FOR ANY STATEMENTS, INFORMATION AND/OR REPRESENTATIONS MADE BY SUCH MANAGING AGENTS, THEIR EMPLOYEES OR ANYONE CONNECTED WITH OR PURPORTING TO REPRESENT THE COOPERATIVE. THE PURCHASER WILL BE REQUIRED TO SUBMIT TO THE COOPERATIVE A PURCHASER'S APPLICATION FOR APPROVAL OF THE SALE AND THE PURCHASER AGREES TO ATTEND ONE OR MORE PERSONAL INTERVIEWS AS REQUIRED BY THE COOPERATIVE. THE PURCHASER AGREES TO PROMPTLY SUBMIT SUCH APPLICATION FOR APPROVAL TOGETHER WITH ANY AND ALL FINANCIAL AND PERSONAL DOCUMENTATION, PERSONAL REFERENCES, INFORMATION AND FEES AS REQUESTED BY THE COOPERATIVE. **ALL PURCHASERS OF COOPERATIVE APARTMENTS SHALL AGREE IN THE CONTRACT OF SALE TO BE RESPONSIBLE TO PAY ANY FLIP TAX AND/OR TRANSFER FEE THAT THE COOPERATIVE IMPOSES ON THE TRANSFER OF THE CO-OP SHARES AND PROPRIETARY LEASE/OCCUPANCY AGREEMENT.**

ATTENTION TO ALL SECOND HIGHEST QUALIFYING BIDDERS:

IT IS AGREED AND UNDERSTOOD THAT THE SECOND HIGHEST QUALIFYING BIDDER FOR EACH AUCTIONED PROPERTY WILL REMAIN AT THE AUCTION TO ENTER INTO A CONTRACT OF SALE IN THE EVENT THAT THE ACCEPTED HIGHEST QUALIFYING BIDDER FAILS OR DECLINES TO EXECUTE A CONTRACT OF SALE AT THAT TIME. THE SECOND HIGHEST QUALIFYING BIDDER FOR EACH PROPERTY WILL ALSO PROVIDE THE PUBLIC ADMINISTRATOR WITH THEIR CONTACT INFORMATION. IN THE EVENT THE ACCEPTED HIGHEST QUALIFYING BIDDER DEFAULTS ON THE CONTRACT OF SALE; THE PUBLIC ADMINISTRATOR MAY CHOOSE TO CONTACT THE SECOND HIGHEST QUALIFYING BIDDER TO

DETERMINE IF SUCH BIDDER IS WILLING TO ENTER INTO A CONTRACT OF SALE AT THE PRICE THE SECOND QUALIFYING BIDDER BID AT THE AUCTION. THE PUBLIC ADMINISTRATOR SHALL BE UNDER NO LEGAL OBLIGATION TO CONTACT THE SECOND HIGHEST QUALIFYING BIDDER IN THE EVENT THE ACCEPTED HIGHEST QUALIFYING BIDDER DEFAULTS ON THE CONTRACT.