

JEROME AVENUE TENANTS HDFC
c/o TOTAL REALTY ASSOC., INC.
733 YONKERS AVENUE
YONKERS, NEW YORK 10704
(914) 964-0554

TO ALL SHAREHOLDERS
JEROME AVENUE TENANTS HDFC

RE: RESALE PROCEDURES

Dear Shareholder(s):

Please be advised that the Board of Directors (the "Board") of Jerome Avenue Tenants HDFC (the "Corporation") has adopted the following conditions and procedures with respect to the resale of cooperative apartments at 941 Jerome Avenue, Bronx, New York. These procedures should be followed in every instance in order to avoid unnecessary delay and inconvenience.

A. RESALE RULES:

An application form has been prepared and may be obtained from **Total Realty Assoc., Inc.** (the "Managing Agent"). The completed application form must be submitted to the Managing Agent at least **thirty (30) days** prior to the intended closing date, along with each of the following items:

- (a) A check in the amount of **\$400.00** made payable to **Total Realty Assoc., Inc.**, representing a non-refundable application fee and credit report charge;
- (b) A copy of the executed Contract of Sale;
- (c) A copy of the Loan Commitment Letter, if applicable;
- (d) A fully executed Credit Report Authorization Form (see attached);
- (e) Copies of the last two (2) years of Federal Income Tax Returns as were filed by each Prospective Purchaser;
- (f) Copies of the last two (2) years of W-2 Forms for each Prospective Purchaser;
- (g) An employer reference letter for each Prospective Purchaser;
- (h) A personal reference letter for each Prospective Purchaser;
- (i) Copies of two (2) most recent pay stubs for each Prospective Purchaser;

- (j) Copies of two (2) most recent bank statements for each Prospective Purchaser; and
- (k) A fully executed Lead-Based Paint Disclosure Acknowledgment.

The Board reserves the right to require additional evidence of financial responsibility as to the Prospective Purchaser(s).

No transfer of shares shall be deemed consented to unless it is authorized by a resolution of the Board and thereafter a written consent is signed by the President or other authorized officer of the Corporation. The Managing Agent will inform the shareholder of the Board's decision. No closing should be scheduled until approval has been given. No one will be allowed to move into an apartment without Board approval.

B. CLOSING PROCEDURE:

Please note when approval of the Board to a proposed sale has been granted, closings should be arranged through the offices of **Smith, Buss & Jacobs, LLP 733 Yonkers Avenue, Yonkers, New York 10704 (914) 476-0600** (the "Transfer Agent"). At least ten (10) **business days** are required to arrange and attend the Closing.

Any unfinanced closings will be held in the Transfer Agent's office. If the Prospective Purchaser(s) are financing their purchase, the Closing may be held in either the office of the Transfer Agent or the attorney for the Prospective Purchaser's lending institution. Please note in the event a closing is held outside of the Transfer Agent's office there will be a travel fee imposed in the amount of **\$200.00**.

The Transfer Agent will prepare either an Assignment of Proprietary Lease and the Acceptance and Assumption of the Proprietary Lease or a new Proprietary Lease. It will arrange for the stock transfer to be reflected on the corporate books and will issue a new Stock Certificate to the Prospective Purchaser. It will also confirm, via communication with the Managing Agent, and in reliance thereon, that all maintenance charges and assessments have been paid in full through the date of closing. Any outstanding fees due to the Corporation will be payable at the Closing.

At the Closing, it is absolutely necessary that all parties to the transaction be present. For example, if the shareholder's stock certificate and proprietary lease are in the name of both a husband and wife, or mother and daughter/son, etc. both parties must be present.

If the shareholder financed his/her purchase through a lending institution, the Lender must be notified. A representative from the lending institution must attend the Closing and deliver the shareholder's original Stock Certificate and Proprietary Lease. **THE TRANSACTION WILL NOT CLOSE UNLESS THESE DOCUMENTS ARE SURRENDERED AT CLOSING.**

C. CLOSING COSTS:

The following fees must be paid at closing:

1. A Reserve Fund Contribution fee in the sum equal to thirty (30%) percent of the sales price, payable by the seller to **Jerome Avenue Tenants HDFC**;
2. **\$500.00** payable to **Smith, Buss & Jacobs, LLP** by the shareholder, representing the fee for the preparation of transfer documents;
3. **\$0.05** per share payable to **Smith, Buss & Jacobs Escrow Account** by the shareholder, representing the New York State Stock Transfer Tax;
4. **\$200.00** payable to **Smith, Buss & Jacobs, LLP** by the Prospective Purchaser, representing the fee for preparation/review of the Recognition Agreement. This charge will only be incurred in the event that the Prospective Purchaser(s) is financing his/her purchase; and
5. **\$250.00** move-in and a **\$250.00** move-out deposit payable to **Jerome Avenue Tenants HDFC** by both the Prospective Purchaser(s) and shareholder(s), representing a refundable security deposit, which will be returned to both the Prospective Purchaser(s) and ~~shareholder(s)~~ upon verification from the Superintendent that no damage was caused to the common areas during the moving in or moving out of the respective parties. Certificate of Insurance is required at **CLOSING**.

D. GENERAL GUIDELINES:

The following guidelines will be applied with respect to applications for transfer:

1. The income of the Prospective Purchaser(s) must be no greater than six (6) times the annual maintenance charges plus utilities ("Household Costs") for the subject unit or no greater than seven (7) times the Household Costs if the Prospective Purchaser(s) have three (3) or more dependants.
2. The Board will not approve applications for a sale by more than the following number of individuals:
 - Studio Apartment – 2 adults.
 - 1 Bedroom Apartment – 2 adults and no more than 1 child; and
 - 2 Bedroom Apartment - 2 adults and no more than 2 children.
3. No pets are allowed.

These guidelines are not intended to limit the right of the Board to consider all information and factors deemed relevant by the Board.

In the event that the Board consents to a transfer of shares and it is subsequently ascertained that there has been a material misrepresentation made by either the Prospective Purchaser or the shareholder in connection with the application, the Board has the right to withdraw its consent to the transfer of shares.

Any further questions or inquiries should be directed to the Managing Agent at the address and telephone number listed above.

Very truly yours,

BOARD OF DIRECTORS
JEROME AVENUE TENANTS HDFC

APPLICATION FOR STOCK PURCHASE APPROVAL

Date of Application: _____ Building #: _____
Apartment #: _____ # Bedrooms: _____
Purchase Price: \$ _____ Cash Down Payment: \$ _____
Monthly Maintenance: \$ _____ # Shares: _____
Anticipated Transfer Date: _____
Anticipated Possession/Move In Date: _____
Names of Purchasers who will hold stock: (1) _____ Tel. #: _____
(2) _____ Tel. #: _____
Name (Last) of Seller-Shareholders: _____ Tel. #: _____
Attorney for Sellers: _____
Address: _____ Tel. #: _____
Attorney for Purchasers: _____
Address: _____ Tel. #: _____
Purchasers' Lender: _____
Address: _____ Account No.: _____
Loan Amount: \$ _____ Int. Rate: _____ Term: _____
Monthly Payment: \$ _____
Real Estate Broker(s): _____ Tel. #: _____
Contact Person/Agent: _____

PLEASE NOTE:

All questions must be answered. If additional space is required, please attached a separate page. Where more than one applicant will be named on the stock certificate, information requested in the application must be provided for each applicant. The Board reserves the right to request additional information regarding each applicant and/or persons who intend to reside in the above-stated apartment. False statements herein will be grounds for rejection of the application immediately or in the future. This application must be signed by each applicant.

APPLICANT'S INFORMATION:

Name of Applicant(s): 1) _____

2) _____

Social Security #: _____

Social Security #: _____

Home Phone: _____

Business Phone: 1) _____

2) _____

Email: _____

Present Address: _____

Length of Time at Present Address: _____

Monthly Rent/Mortgage and Maintenance at Present Address:\$ _____

Do you -Board _____ Rent _____ Own _____ (check one)

Name and Telephone of Present Landlord: _____

*United States Citizen: Yes _____ No _____ (check one)

Number of Dependent Children: _____

Other Dependents: _____

List of all other persons, other than applicants, who will reside in the apartment:

	Name	Relationship	Age
1)	_____	_____	_____
2)	_____	_____	_____
3)	_____	_____	_____

*Will this apartment be your primary residence? Yes _____ No _____

*Do you own a pet? Yes _____ No _____

*Do you own a car? Yes _____ No _____

EMPLOYMENT HISTORY OF APPLICANT(S):

Current Employer: _____ How Long: _____

Nature of Business: _____ Position: _____

Business Address: _____ Salary: _____

If Employed In Current Position For Less Than Two (2) Years:

Previous Employer: _____ How Long: _____

Nature of Business: _____ Position: _____

Business Address: _____ Salary: _____

Employment History of Co-Applicant:

Current Employer: _____ How Long: _____

Nature of Business: _____ Position: _____

Business Address: _____ Salary: _____

If Employed In Current Position For Less Than Two (2) Years:

Previous Employer: _____ How Long: _____

Nature of Business: _____ Position: _____

Business Address: _____ Salary: _____

ASSETS

Description

Cash or Market Value

Checking & Savings Accounts

Acct #

Stocks and Bonds

Shares/Description

Life Insurance Policies

Net Cash Value Face Amount

Real Estate Owned

Vested Interest In Retirement Fund

Net Worth of Business Owned

(Please attach Financial Statement)

Automobile(s)

Make/Model

Furniture and Personal Assets

Other Assets

Total Assets:

***LIABILITIES**

<u>Description</u>	<u>Monthly Payment</u> <u>Months Left</u>	<u>Unpaid Balance</u>
Installment Debts (Creditor Name, Address & Acct#)		
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Other Debts (Include Stock Pledges)		
_____	_____	_____
_____	_____	_____
_____	_____	_____
Real Estate Loans		
_____	_____	_____
_____	_____	_____
_____	_____	_____
Automobile Loans		
_____	_____	_____
_____	_____	_____
Alimony, Child Support & Separate Maintenance Payments Owed		
_____	_____	_____
_____	_____	_____
_____	_____	_____
	Total Monthly Payments: _____	
	Total Liabilities: _____	

PLEASE ANSWER YES OR NO TO ALL QUESTIONS BELOW:

(if yes, please explain on a separate sheet)

	APPLICANT	CO-APPLICANT
Have you any outstanding judgments?	_____	_____
Have you declared bankruptcy in the past seven (7) years?	_____	_____
Have you had property foreclosures or given title or deed in lieu of?	_____	_____
Have you ever been convicted of criminal wrong doing in the past ten (10) years?	_____	_____
Do you have any lawsuits pending:	_____	_____

In case of emergency, notify: _____

Relationship: _____ Telephone No.: _____

Address: _____

I(We) have attached hereto the following:

- (a) A check in the amount of \$400.00 made payable to **Total Realty Assoc., Inc.**, representing a non-refundable application fee and credit report charge;
- (b) A copy of the executed Contract of Sale;
- (c) A copy of the Loan Commitment Letter, if applicable;
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- (g) An employer reference letter for each Prospective Purchaser;
- (h) A personal reference letter for each Prospective Purchaser;

- (i) Copies of two (2) most recent pay stubs for each Prospective Purchaser;
- (j) Copies of two (2) most recent bank statements for each Prospective Purchaser; and
- (k) A fully executed Lead-Based Paint Disclosure Acknowledgment.

All statements made herein and on supplementary information or documents are to be true and correct. Applicant(s) understands and agrees that any misstatement of fact will be grounds for denial of the Application.

Signature of Applicant: _____ Date: _____

Signature of Co-Applicant: _____ Date: _____

LANDLORD GUARD INC.

36 West 36th Street New York NY 10018 TEL: 212-695-6505 FAX: 212-695-5369 Email: info@landlordguard.com

Total Realty Assoc
Tel. 914-964-0554
Fax. 914-964-1804

- Package 1 (Credit Report, Social Security # Fraud, Credit Score, Housing Court Record)
- Package 2 (Credit Report, Social Security # Fraud, Credit Score, Housing Court Record Bad check writing history)
- Criminal Background Search State level only All levels
- Sex Offender Search

APPLICANT INFORMATION					
First Name	Middle	Last Name	Jr. Sr.	Sex	
				M <input type="checkbox"/>	F <input type="checkbox"/>
Social Security #	Date Of Birth	Day Phone	Evening Phone		
CURRENT RESIDENCY					
Address	Apt.	City	State	Zip	
PRIOR RESIDENCY					
Address	Apt.	City	State	Zip	

AUTHORIZATION TO RELEASE INFORMATION I the Applicant, give full authorization for an investigative report whereby third parties may be contacted to report on my character, general reputation, personal characteristics, and mode of living, including salary-income, consumer credit, court and criminal history, and banking financial practices. I have the right to make a written request for disclosure of the nature, result and scope of this investigation. I may not, however, receive or view my consumer credit file. I agree to hold Landlord Guard, Inc. harmless for any claims that may arise as a result of this investigation. I further authorize Banks, Financial Institutions, Landlords, Civil and Criminal Courts, Motor Vehicle Bureaus, Business Associates, Credit Bureaus, Attorneys, Accountants, and other persons or institutions with whom I am acquainted to furnish any and all information regarding me. This authorization also applies to any update reports which may be ordered as needed. I am willing that a photocopy or fax of this authorization be accepted with the same authority as this original.

 MY PRINTED NAME

 MY SIGNATURE

 DATE

HOME VISIT

Dear Applicant,

Thank you for your application. Part of the application process includes a home visit. Please expect to receive a call from one of our agents regarding this home visit in the very near future. You will need to make an appointment as soon as possible with our investigator. The investigator will provide a 3 hour window in which the home visit will take place. You and all people moving with you need to be waiting in your home during this time.

1. The home visit will take place at the address (which should be your current residence) on your application.
2. All persons moving with you need to be present.
3. The investigator will do a brief interview and take a picture of all applicants and others moving with applicant.
4. Pictures will also be taken of each room occupied or used by the applicant(s) (the living room, kitchen, bathroom and bedrooms).
5. If any of the above requirements are not met, the home visit will be deemed a *no show*, and your application will be considered voided and/or an additional fee will be charged.
6. You will be provided with a phone number to cancel appointments in case of an emergency. All cancellations must be made at least 12 hours in advance, or it will be considered a *no show*.

Please note: This whole process takes only 10 minutes. It is required that you are present for this process. If you have any questions or concerns it is important that you speak to the management group at the time of your application. Please note the investigator does not make decisions regarding applications; they only conduct the home visit. Your cooperation is appreciated.

Name:	
Complete Address (include house number, street, apartment number, city, state zip code)	
Home phone:	
Work Phone:	
Cell Phone:	

By signing below I have read, understand and agree to the conditions and terms of the home visit.

X _____

Disclosure of Information on Lead Based Paint and Lead-Based Paint Hazards

Lead Warning Statement

Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips, and dust can pose health hazards if not taken care of properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing, landlords must disclose the presence of known lead-based paint and lead-based paint hazards in the dwelling. Tenants ^{must} also receive a Federally approved pamphlet on lead poisoning prevention.

Lessor's Disclosure (Initial)

____ (a) Presence of lead-based paint or lead-based paint hazards (check one below):

Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).

Lessor has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to the lessor (check one below):

Lessor has provided the lessee with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

Lessor has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Lessee's Acknowledgment (initial)

____ (c) Lessee has received copies of all information listed above.

____ (d) Lessee has received the pamphlet "Protect Your Family from Lead in Your Home."

Agent's Acknowledgment (Initial)

____ (e) Agent has informed the lessor of the lessor's obligations under 42 U.S.C. 485(d) and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information provided by the signatory is true and accurate.

Lessor	Date	Lessor	Date
Lessee	Date	Lessee	Date
Agent	Date	Agent	Date