

**Terms and Conditions of Sale**

- a. The Sale of the property known alternatively as 723 Bristol Street, 9829 Ditmas Avenue, 9833 Ditmas Avenue, and 738 Chester Street along with the driveways and loading docks that unite them, collectively designated by the City of New York as Block 3642, Lot 1 (the “Property”) will be conducted on **Thursday, May 1, 2025, at 11:00 a.m. EST** by Zoom (or another virtual platform) (instructions to be provided separately in advance of the Sale)
- b. 723 Bristol Street Funding LLC (the “Lender”) may credit bid for the Property at the Sale pursuant to section 363(k) of the Bankruptcy Code. The Lender: (a) shall in all events be deemed a qualified bidder at the Sale and be permitted to bid at the Sale; and (b) shall not be required to pay a Qualifying Deposit (as defined in ¶ “c” below of the Terms and Conditions of Sale) or any other Deposit (as defined in ¶ “f” below of the Terms and Conditions of Sale) of any kind whatsoever.
- c. To register for the Sale and bid on the Property, on or before **5:00 p.m. on Tuesday, April 29, 2025**, each prospective bidder (other than the Lender) must deliver to the auctioneer: (a) a certified or bank check drawn on an account of such bidder and payable to “Law Office of Alla Kachan as Attorneys for Royal Development, Inc., as DIP” in the amount of five hundred thousand dollars (\$500,000) (“Qualifying Deposit”), which amount shall serve as a good faith deposit against payment of the purchase price for the Property; and (b) the Terms and Conditions of Sale, executed by such prospective bidder. The seller reserves the right to reject any bidder (other than the Lender) who, in the sole discretion of the seller, the seller believes is not financially capable of consummating the purchase of the Property.
- d. At the conclusion of the Sale, the first highest bidder (“Highest Bidder”) and the second highest bidder (“Second Highest Bidder”) for the Property must also execute, and thereby agree to be bound by, a Memorandum of Sale.
- e. The Highest Bidder or, as applicable, the Second Highest Bidder (other than the Lender) shall be solely responsible to pay the Debtor’s retained broker, MYC & Associates, Inc., four (4%) percent of the amount bid by

the Highest Bidder or, as applicable, the Second Highest Bidder at the Sale (such percentage amount being the “Buyer’s Premium”). If the Lender is the Highest Bidder, the Buyer’s Premium shall be \$50,000 plus up to \$25,000 in MYC & Associates’ marketing and sale-related expense reimbursement. The sum of the amount bid at the Sale and the Buyer’s Premium is defined therein as the “Purchase Price”.

- f. **By 5:00 p.m. on May 2, 2025**, the Highest Bidder (other than the Lender) shall deliver to the Debtor’s attorney to be held in escrow, by certified check, bank check, or wire transfer an amount equal to 10% of the Purchase Price minus the amount of the Qualifying Deposit, as and for a good faith deposit (such amount, plus the Qualifying Deposit, hereinafter “Deposit”).
- g. The Highest Bidder (other than the Lender) must pay the balance of the Purchase Price to the seller, by wire transfer at the closing of title to the Property (“Closing”).
- h. The hearing to confirm the sale to the Highest Bidder will be held by videoconference on **May 6, 2025 at 2:30 p.m.**
- i. The Highest Bidder must close title to the Property on or before **3:00 p.m. on June 13, 2025** (“Closing Date”), **TIME BEING OF THE ESSENCE as to the Highest Bidder**, although such date may be extended solely by the Debtor, with consent of the Lender. The Closing shall take place on or before the Closing Date at the offices of the attorneys for the Seller, Law Offices of Alla Kachan, P.C., 2799 Coney Island Ave, #202, Brooklyn, NY 11235 or by mail, as elected by the seller.
- j. Real estate taxes, water and sewer charges, and rent/use and occupancy (only to the extent actually received by or on behalf of the Debtor’s estate) will be apportioned as of 12:00 a.m. on the Closing Date. There will be no other apportionments pertaining to the Property.
- k. The Highest Bidder shall pay, on the Closing Date, any and all city, county, state or other transfer taxes incurred by or in connection with the transfer of the Property.

1. The Property is being sold:
  - i. **“AS IS” “WHERE IS”, “WITH ALL FAULTS,”** without any representations, covenants, guarantees or warranties of any kind or nature whatsoever;
  - ii. vacant and free and clear of any and all monetary interests of whatever kind or nature including, but not limited to, liens, claims, encumbrances, monetary fines or penalties for violations, judgments and/or mortgages (collectively, “Interests”), with such Interests, if any, to attach to the proceeds of sale in such order and priority as they existed immediately prior to the entry of the Order for Relief against the Debtor; and
  - iii. subject to, among other things:
    1. any state of facts that an accurate survey may show;
    2. any state of facts a physical inspection may show;
    3. any covenants, restrictions and easements of record;
    4. any building or zoning ordinances or other applicable
    5. municipal regulations and violations thereof;
    6. environmental conditions; and
    7. the conditions giving rise to any and all non-monetary violations existing on the Property as of the Closing Date.