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By Email

July 8, 2014

Stuart Sugarman, Esq.  
Henman, Howard and Katrell  
825 Third Avenue Suite 229  
New York, New York 10022

Re: 425 East 86 Apartment Corp.  
("Cooperative")/Musey

Dear Mr. Sugarman:

Reference is made to your letter to me, dated June 26, 2014, and to the draft complaint that was sent to me.

On June 11, 2014, I received a telephone call from Mr. Kreig of your firm during which he told me that Mr. Musey prefers not to sue the Cooperative and that you and he would work on editing the Cooperative's terrace rules in an effort to settle Mr. Musey's problems with the Cooperative. I heard nothing further from either Mr. Kreig or you until I received your June 26, 2014 letter. This is the second time that Mr. Kreig and/or you undertook to "settle" Mr. Musey's dispute with the Cooperative only to turn around and make even more onerous demands. Those are hardly "settlement" efforts. In fact, I am not quite sure how to characterize them but your "settlement" efforts do mirror your client's approach toward the Cooperative virtually from the outset of his ownership at the Cooperative; one step forward and two steps back.

Regarding your suggestion that the former terrace rules be reinstated, I wish to point out to you that the revised terrace rules were modeled after those used without issue by numerous cooperatives and condominiums managed by Douglas Elliman, for many years. The only other penthouse lessees at the Cooperative, who lived for many years under the old terrace rules, installed the very same protective layers above the terrace membrane that Mr. Musey refuses to accept, at their own cost and expense.

Your new demands now include the installation of three terrace doors. The Cooperative's professionals have determined that only one door needs to be replaced, notwithstanding Mr. Musey's failed attempts to attribute the three door scenario to the Cooperative's professionals. This is another example of Mr. Musey's attempts to have the Cooperative shoulder the cost of his apartment renovations.

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Another new Musey demand concerns the parapet wall and railings on the building roof. Replacement of those items was planned as part of the Cooperative's waterproofing project well before Mr. Musey purchased his apartment and have been fully completed.

A still other new Musey demand is for him to be credited with 50% of his maintenance charges from July 2013 to the present. The Cooperative absolutely rejects the premise under which that demand is made on several grounds, all of which have previously been transmitted to you. I am advised that the delays in Mr. Musey's alteration plans are attributable, in large part, to Mr. Musey's own doing. Even if we accept your theory of liability, which we emphatically reject, a 50% maintenance rebate is far, far in excess of that which is appropriate in a terrace dispute. In addition, he only recently moved into the building. With all due respect, if Mr. Musey were not continually hammering the Cooperative with threats of a law suit, this demand would be laughable.

Turning to your complaint; it is riddled with falsehoods. You make a big point about "promises" that the members of the Board made regarding the terrace at Mr. Musey's application interview. There is ample evidence that the terrace was not discussed at all during that interview. Indeed, during our meeting in my office I asked you why Mr. Musey did not question the state of the terrace during his interview. You replied that the building was then obviously undergoing façade work and Mr. Musey just assumed that the terrace would be addressed. Then, you turn around and come up with dramatically opposite statements in your complaint. You were right the first time.

The Cooperative has stood ready from the outset of Mr. Musey's demands to attempt in good faith to resolve the issues. Mr. Musey has used this period of time to steadily increase his demands.

I am aware that I have not addressed all of the issues raised in your complaint and letter. Please do not assume that my silence about these issues indicate my or my client's acquiescence.

Very truly yours,



Herbert L. Cohen

cc: Board of Directors