

SETTLEMENT AGREEMENT

This Agreement is made as of the 1st day of September, 2002, by and between the Urban Redevelopment Commission of the City of Stamford, Connecticut (hereinafter referred to as "URC" or "Plaintiff") and Sidney Epstein (hereinafter referred to as "Epstein" or "Defendant").

WITNESSETH:

WHEREAS, on December 20, 1999, the URC filed with the clerk of the Stamford Superior Court a statement of compensation in regard to the taking of the property commonly known as 54-56 West Park Place, Stamford, Connecticut (hereinafter referred to the "Property" and deposited with the Clerk of the Court \$403,000.00 ("Initial Condemnation Award") for the use of the persons entitled thereto;

WHEREAS, Epstein was the record owner of the Property at the time of the taking and is aggrieved by the statement of compensation filed by the URC;

WHEREAS, Epstein appealed ("Appeal") to the Court (J.D. Stamford/Norwalk, Docket No.CV-99-0176040-S) for a review and an upward adjustment of the of the statement of compensation;

WHEREAS, the Court, as a preliminary Order, required the Clerk of the Court to pay to Epstein the Initial Compensation Award.

WHEREAS, the parties agree to settle the Appeal, and to settle the related litigation ("Related Litigation")(J.D. Stamford/Norwalk, Docket No. CV-02-0189581S) on the terms set forth herein.

NOW, THEREFORE, in consideration of the valuable consideration and the mutual covenants contained herein, the parties agree as follows:

1. The recitals above are incorporated in and form a part of this Agreement.
2. The URC agrees that the fair market value of the Property as of the date of taking was \$875,000.00;

3. The URC agrees to pay the principal sum of \$472,000 (\$875,000.00 less \$403,000.00); collectively referred to as "Settlement Amount") to Epstein, together with interest at a rate of 6% per annum. The Settlement Amount is to be paid upon the earlier to occur of (i) August 31, 2007 or (ii) the URC or its designee receiving moneys or other compensation upon the sale, lease or transfer of possessory rights and/or other indicia of ownership ("Transfer Event") for the Property. The URC shall immediately provide notice of the occurrence of a Transfer Event.
4. Interest on the aforementioned \$472,000.00 will begin to accrue on September 1, 2002. The provisions of paragraphs 3 and 4 hereof (hereinafter referred to as "Obligations") shall become Exhibit A to that certain Mortgage hereinafter referred to herein.
5. Concurrent with the execution of this Agreement, the URC and the City of Stamford shall grant a mortgage ("Mortgage") to Epstein in the amount of the Obligations. A copy of the Mortgage is attached hereto as Exhibit B. A condition precedent to the entry into this Agreement shall be Epstein's determination, in his sole discretion, as to whether the Mortgage stands as satisfactory security for the Obligations, in terms of prior encumbrances and/or liens and/or clouds of title on the Property.
6. Additionally, the URC shall obtain and deliver to Epstein a "clean" legal opinion letter from its counsel a copy of which such opinion letter is attached hereto as Exhibit C.
7. In consideration of the Agreement, Epstein agrees to waive any claim for interest pursuant to General Statutes 37-3c from the date of taking to September 1, 2002.
8. Provided that the foregoing provisions have been fully complied with, the parties agree that, with the exception of rights arising herefrom or preserved hereunder, this Settlement Agreement shall constitute the parties' accord and satisfaction and mutual release of any and all demands, rights, claims, remedies, actions, causes of actions or liabilities (collectively referred to herein as "claims") that any party hereto may have against any other party hereto

or against representatives, heirs, successors, assigns, officers, directors, partners, agents, members or employees of the other, arising from or relating to the above referenced Appeal and/or Related Litigation.

9. Upon mutual execution of this Settlement Agreement, Exhibit A and receipt of Exhibit C, Epstein shall withdraw both his Appeal and the Related Litigation with prejudice.
10. The parties acknowledge that they have read this Agreement and are entering into the same freely and voluntarily, that they have ascertained and weighed all the facts and circumstances likely to influence their judgment herein, that they have been advised of the right to and have each had the opportunity to obtain separate and independent legal consultation and representation and have acted of their choosing, that the provisions hereof as well as all questions pertinent thereto have been fully clarified in their minds, that they have given due consideration to such provisions and questions, and that they clearly understand and assent to all provisions hereof.
11. The URC represents and warrants to Epstein as follows:
 - a. This Agreement and each of the documents executed in connection herewith have been duly executed and delivered by the URC and/or by a duly authorized officer of the URC and constitute the valid and binding obligation of URC enforceable against the URC in accordance with their terms. This Agreement and the performance by URC of the transactions contemplated hereby have been duly authorized.
 - b. No further consent or approval is required to be obtained from, made with or given to any person or entity in connection with the execution, delivery and performance of this Agreement or the consummation of the transactions contemplated by this Agreement.
12. All parties hereto agree that all terms and conditions of this Agreement shall be construed under the laws of the State of Connecticut.

13. All parties hereto agree that the State of Connecticut Superior Court shall have exclusive jurisdiction to resolve any disputes between the parties arising herefrom.
14. In order to be effective, any modification to this Agreement must be in writing and must be signed by all parties.
15. If a party fails to perform its obligations under this agreement, that party shall be liable to the other party for its costs and reasonable attorney's fees incurred in enforcing this agreement.

1. Notices, if any are required to be given hereunder or necessary to effectuate the purpose of

this Settlement Agreement and Exhibit B shall be given by facsimile and first class mail to:

Sidney Epstein
62 Eden Road
Stamford, CT 06907
Fax No. (203) 329-9661

Urban Redevelopment Commission
City of Stamford Government Center
888 Washington Boulevard
Stamford, CT 06904
Fax No. (203) 975-1552

and to

and to

Matthew J. Forstadt, Esq.
Wofsey, Rosen, Kweskin & Kuriansky, LLP.
600 Summer Street
Stamford, CT 06901
Fax No. (203) 967-9273

Corporation Counsel
City of Stamford
888 Washington Boulevard
Stamford, CT 06901
Fax No. (203) 975-1552

1. The address for Notices can be changed by the parties by notification of such address change in the manner hereinabove set forth.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals as of the date first above written.

URBAN REDEVELOPMENT COMMISSION
OF THE CITY OF STAMFORD

By: _____

Sidney Epstein

DRAFT

PROMISSORY NOTE

\$472,000.00

**Stamford, Connecticut
August , 2002**

FOR VALUE RECEIVED, the undersigned Urban Redevelopment Commission for the City of Stamford ("URC"), 888 Washington Boulevard, Stamford, Connecticut, 06901, promises to pay to the order of Sidney Epstein, at 62 Eden Road, Stamford, Connecticut, 06907, or at such other address as Holder may designate, the principal sum of FOUR HUNDRED SEVENTY TWO THOUSAND (\$472,000.00) DOLLARS, together with interest at the rate of SIX (6%) PERCENT per annum from September 1, 2002, payable on the earlier to occur of (i) August 31, 2007 or (ii) the URC or its designee receiving moneys or other compensation upon the sale, lease or transfer of possessory rights and/or other indicia of ownership ("Transfer Event") for the Property, at which time the unpaid balance together with any accrued interest shall be due and payable. The Maker hereof shall have the privilege of prepaying the unpaid balance or any portion thereof prior to maturity, without penalty, provided that any such pre-payment(s) are each in multiples of \$50,000.00.

The Maker, endorser and all parties to this Note hereby waive presentment for payment, demand, protest, notice of protest and notice of dishonor hereof.

Upon default in any payment due hereunder, undersigned shall be responsible for the holder's costs of collection, including reasonable attorney's fees.

URBAN REDEVELOPMENT COMMISSION
FOR THE CITY OF STAMFORD

By _____

Duly Authorized

Exhibit "B"

**STATUTORY FORM
MORTGAGE DEED**

DRAFT

TO ALL PEOPLE TO WHOM THESE PRESENTS SHALL COME, GREETING:

Know Ye, That we, the Urban Renewal Commission of the City of Stamford ("URC") and the City of Stamford ("Stamford") for the consideration of **TEN (\$10.00) DOLLARS**, and other good and valuable considerations, and to secure the obligations, in favor of Sidney Epstein, as more fully set forth in Exhibit "B" attached hereto and made a part hereof, do GRANT unto Sidney Epstein, **WITH MORTGAGE COVENANTS**:

All that certain piece or parcel of real property, together with the buildings and improvements thereon, situated in the Town of Stamford, County of Fairfield and State of Connecticut, more particularly described on Schedule A attached hereto and made a part hereof.

_____ The aforesaid premises are conveyed subject to all liens, encumbrances and exceptions to title of record.

This Mortgage is made upon the STATUTORY CONDITION.

Signed this _____ day of _____, 2002.

Witnessed by:

**URBAN REDEVELOPMENT
COMMISSION**

By: _____

Its:

Witnessed by:

CITY OF STAMFORD

By: _____

Its:

Letterhead
City of Stamford, Connecticut, Law Department

Date

Matthew J. Forstadt, Esquire
Wofsey, Rosen, Kweskin & Kuriansky, LLP
600 Summer Street
Stamford, Connecticut 06901

Re: Epstein Mortgage

Dear Mr. Forstadt:

This will confirm that City of Stamford, Connecticut Urban Redevelopment Commission, the Stamford Planning Board, the Board of Representatives of the City of Stamford and the Board of Finance of the City of Stamford have all authorized the granting of the attached mortgage from the URC to Epstein in connection with that certain settlement agreement between the URC and Epstein dated as of 2003.

In light of the aforementioned approvals, it is the opinion of this office that the mortgage referred to in the settlement agreement and attached hereto is a valid and binding encumbrance upon the land referred to therein.

Very truly yours,

Corporation Counsel