



LOAN POLICY OF TITLE INSURANCE

ISSUED BY

First American Title Insurance Company of New York

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at the address shown in Section 17 of the Conditions.

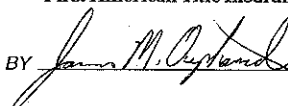
COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B, AND THE CONDITIONS, FIRST AMERICAN TITLE INSURANCE COMPANY OF NEW YORK, a New York corporation (the "Company") insures as of Date of Policy and, to the extent stated in Covered Risks 11, 13, and 14, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
 - (a) A defect in the Title caused by
 - (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
 - (ii) failure of any person or Entity to have authorized a transfer or conveyance;
 - (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered; failure to perform those acts necessary to create a document by electronic means authorized by law;
 - (iv) a document executed under a falsified, expired, or otherwise invalid power of attorney;
 - (v) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
 - (vi) a defective judicial or administrative proceeding.
 - (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
 - (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.
4. No right of access to and from the Land.
5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (a) the occupancy, use, or enjoyment of the Land;
 - (b) the character, dimensions, or location of any improvement erected on the Land;
 - (c) the subdivision of land; or
 - (d) environmental protection if a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
9. The invalidity or unenforceability of the lien of the Insured Mortgage upon the Title. This Covered Risk includes but is not limited to insurance against loss from any of the following impairing the lien of the Insured Mortgage
 - (a) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
 - (b) failure of any person or Entity to have authorized a transfer or conveyance;
 - (c) the Insured Mortgage not being properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
 - (d) failure to perform those acts necessary to create a document by electronic means authorized by law;
 - (e) a document executed under a falsified, expired, or otherwise invalid power of attorney;
- (f) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
- (g) a defective judicial or administrative proceeding.
10. The lack of priority of the lien of the Insured Mortgage upon the Title over any other lien or encumbrance.
11. The lack of priority of the lien of the Insured Mortgage upon the Title
 - (a) as security for each and every advance of proceeds of the loan secured by the Insured Mortgage over any statutory lien for services, labor, or material arising from construction of an improvement or work related to the Land when the improvement or work is either
 - (i) contracted for or commenced on or before Date of Policy; or
 - (ii) contracted for, commenced, or continued after Date of Policy if the construction is financed, in whole or in part, by proceeds of the loan secured by the Insured Mortgage that the Insured has advanced or is obligated on Date of Policy to advance; and
 - (b) over the lien of any assessments for street improvements under construction or completed at Date of Policy.
12. The invalidity or unenforceability of any assignment of the Insured Mortgage, provided the assignment is shown in Schedule A, or the failure of the assignment shown in Schedule A to vest title to the Insured Mortgage in the named Insured assignee free and clear of all liens.
13. The invalidity, unenforceability, lack of priority, or avoidance of the lien of the Insured Mortgage upon the Title
 - (a) resulting from the avoidance in whole or in part, or from a court order providing an alternative remedy, of any transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction creating the lien of the Insured Mortgage because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
 - (b) because the Insured Mortgage constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records
 - (i) to be timely, or
 - (ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.
14. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 13 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the Insured Mortgage in the Public Records.

The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this policy, but only to the extent provided in the Conditions.

First American Title Insurance Company of New York

BY  PRESIDENT

BY  SECRETARY

BY  AUTHORIZED SIGNATURE



First American Title Insurance Company

Schedule A - Loan Policy

Amount of Insurance: \$650,000.00

Policy No.: 1201023-0048002

File No.: 603N10265

Date of Policy: June 12, 2007

- 1. **Name of Insured:** **EDGE CAPITAL LLC
ITS SUCCESSORS AND/OR ASSIGNS**
- 2. **The estate or interest in the land which is encumbered by the insured mortgage is Fee Simple**
- 3. **Title to the estate or interest in the land is vested in:**

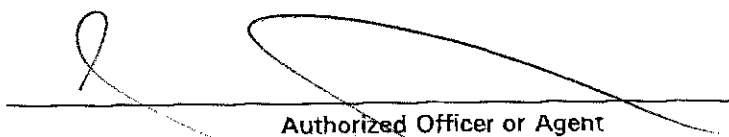
ELIAS GROISMAN
- 4. **The insured mortgage and assignments thereof, if any, are described as follows:**

Mortgage, Assignment of Leases and Rents and Security Agreement made by Brisco Properties LLC to Edge Capital LLC dated 3-23-2006 in the amount of \$650,000.00 recorded on 4-3-2006 in Liber 30292 page 19 as assumed by Assumption of Note, Mortgage, and Other Loan Documents made by Brisco Properties LLC, Elias Groisman, Itzhak Hershko and Esther Hershko and Edge Capital LLC dated 6-12-2007 and being duly recorded in the Nassau County Clerk's Office which has been amended and restated by Amended and Restated Mortgage made by ELIAS GROISMAN to EDGE CAPITAL LLC, Its Successors and/or Assigns, in the amount of \$650,000.00 dated June 12, 2007 and to be duly recorded in the Nassau County Clerk's Office.
- 5. **The land referred to in this policy is described as set forth in the insured mortgage, is situated in the County of Nassau, State of New York, and is identified as follows:**

See Schedule A attached hereto

Countersigned:

ALTA Loan Policy
Schedule A



Authorized Officer or Agent

**(631) 234-1100
PARAGON ABSTRACT INC.**

First American Title Insurance Company**Schedule B - Loan Policy****Exceptions from Coverage**

Policy No.: 1201023-0048002

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Covenants and Restrictions recorded in Liber 11411 Page 999.
2. Covenants and restrictions, easements, agreements of record, if any; but policy insures the existing improvements on the premises insured may remain undisturbed, the use of the property for residential purposes will not be impaired, and no provision for the forfeiture or reversion of title will be enforced.
3. Covenants and Restrictions in Liber 11411 Page 999 which are not violated by the improvements on the premises shown on the survey used herein. A future violation of said covenants and restrictions will not result in a forfeiture or reversion of title to said premises.
4. Survey made by Barrett, Bonacci & Van Weele, P.C., dated 11-17-2005, shows premises improved by a two story frame dwelling; one story, roof over concrete and pond and masonry area at south; wood wall and concrete area at north; block curbs, gate, wood curb and fences within record lines, concrete area at east. Further shows shed encroaches up to 2.1 feet north of northerly record line; concrete wall shown at variation to easterly record line; fences at variation to southerly, westerly and northerly record lines; wall shown up to 2.8 feet north of northerly record lines. No further variations or encroachments.

PARAGON ABSTRACT INC.

Title No. 603N10265

SCHEDULE A

ALL that certain plot, piece or parcel of land, situate, lying and being at Lawrence, Town of Hempstead, County of Nassau, State of New York, being more particularly bounded and described as follows:

BEGINNING at a point on the westerly side of Rockaway Turnpike distant 120.00 feet northerly from the corner formed by the intersection of the westerly side of Rockaway Turnpike with the northerly side of Mott Avenue;

RUNNING THENCE South 74 degrees 14 minutes 40 seconds West, 149.56 feet;

THENCE North 16 degrees 01 minute West, 43.00 feet;

THENCE North 74 degrees 14 minutes 40 seconds East, 50.76 feet to the westerly side of Rockaway Turnpike;

THENCE North 15 degrees 45 minutes 20 seconds West, a distance of 7.00 feet;

THENCE North 74 degrees 14 minutes 40 seconds East, a distance of 99.00 feet to the easterly side of Rockaway Turnpike;

THENCE South 15 degrees 45 minutes 20 seconds East along the westerly side of Rockaway Turnpike, 50.00 feet to the point or place of BEIGNNING.

FOR
CONVEYANCING
ONLY

The policy to be issued under this report will insure the title to such buildings and improvements erected on the premises which by law constitute real property.

TOGETHER with all the right, title and interest of the party of the first part, of, in and to the land lying in the street in front of and adjoining said premises.

First American Title Insurance Company

File No.: 603N10265

**STANDARD NEW YORK ENDORSEMENT
(LOAN POLICY)**

1. Covered Risk Number 2(c) is deleted if the Land is improved by other than a 1-4 family dwelling or is vacant land.

2. Exclusion Number 7 is deleted, and the following is substituted:

7. Any lien on the Title for real estate taxes assessments, water charges or sewer rents imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public records. This exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

3. Covered Risk Number 11 is deleted and the following is substituted:

11. The lack of priority of the lien of the Insured Mortgage upon the Title

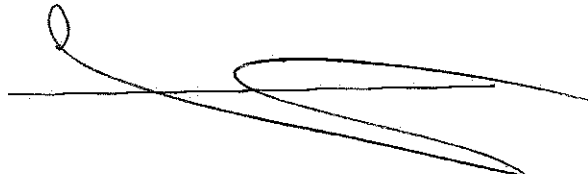
(a) as security for each and every advance of proceeds of the loan secured by the Insured Mortgage over any statutory lien for services, labor or materials furnished prior to the Date of Policy, and which has now gained or which may hereafter gain priority over the lien of the Insured Mortgage; and

(b) over the lien of any assessments for street improvements under construction or completed at Date of Policy.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

DATED: 06-12-2007

By: _____



STANDARD NEW YORK ENDORSEMENT (5/1/07)
FOR USE WITH ALTA LOAN POLICY (6/17/06)

First American Title Insurance Company

**ENVIRONMENTAL PROTECTION LIEN ENDORSEMENT
- NEW YORK -**

ATTACHED to and forming a part of **POLICY NO.:** 1201023-0048002

The Policy insures the insured against loss or damage sustained by reason of lack of priority of the lien of the insured mortgage over:

(a) any environmental protection lien which, at Date of Policy, is recorded in those records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge, or filed in the records of the clerk of the United States district court for the district in which the land is located, except as set forth in Schedule B; or

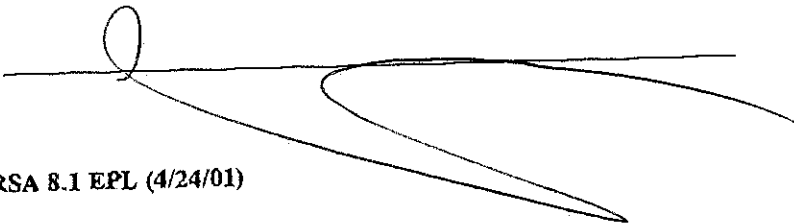
(b) any environmental protection lien provided for by any state statute in effect at Date of Policy, except environmental protection liens provided for by the following state statutes:

Section 1307 of the Public Health Law

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any other endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any other endorsements, nor does it extend the effective date of the Policy and any other endorsements, nor does it increase the amount of insurance.

Dated: 06-12-2007

By



TIRSA 8.1 EPL (4/24/01)

**First American Title Insurance Company
WAIVER OF ARBITRATION ENDORSEMENT
(OWNER'S OR LOAN POLICY)**

Attached to and made part of Loan Policy Number 1201023-0048002


The policy is amended by deleting therefrom:

- (A) If this endorsement is attached to an ALTA Loan Policy: Condition and Stipulation Section 13.
- (B) If this endorsement is attached to an ALTA Owners Policy: Condition and Stipulation Section 14.
- (C) If this endorsement is attached to a TIRSA Owners Extended Protection Policy: Condition Number 12.

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any other endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any other endorsements, nor does it extend the effective date of the Policy and any other endorsements, nor does it increase the face amount thereof.

DATED: 06-12-2007

Countersigned

By  _____
Authorized Officer or Agent

TIRSA WAIVER OF ARBITRATION ENDORSEMENT OWNER'S OR LOAN POLICY] (4/24/01)

**First American Title Insurance Company
VARIABLE RATE MORTGAGE ENDORSEMENT**

FIXED RATE CONVERSION

- NEW YORK -

Attached to and made part of Policy No. 1201023-0048002

The Company hereby insures against loss or damage by reason of:

1. The invalidity or unenforceability of the lien of the insured mortgage resulting from the provisions therein which provide for changes in the rate of interest, including the provision in the mortgage which permits the borrower to convert to a fixed interest rate as provided therein.
2. Loss of priority of the lien of the insured mortgage as security for the unpaid principal balance of the loan, together with interest as changed in accordance with the provisions of the insured mortgage, which loss of priority is caused by said changes in the rate of interest, including the provision in the mortgage that permits the borrower to convert to a fixed interest rate as provided therein.

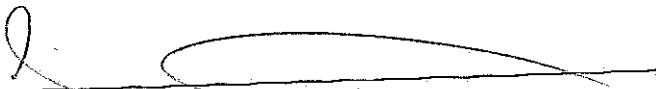
"Changes in the rate of interest", as used in this endorsement, shall mean only those changes in the rate of interest calculated pursuant to the formula provided in the insured mortgage at Date of Policy.

This endorsement does not insure against loss or damage based upon (a) usury, or (b) any consumer credit protection or truth in lending law.

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto, except that the insurance afforded by this endorsement is not subject to Section 3(d) of the Exclusions From Coverage. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the amount of insurance.

DATED: 06-12-2007

Countersigned

By 
Authorized Officer or Agent