

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON D.C. 20268-0001

Center for Art and Mindfulness, Inc. and Norton Hazel

vs.

United States Post Office,

Docket No. _____

Patrick R. Donahoe, Postmaster General of the United States

and Cappelli Family Limited Partnership III

COMPLAINT

Pursuant to 39 C. F. R. 3030 the Center for Art and Mindfulness, Inc. and Norton Hazel by and through their undersigned counsel, present the following claims regarding the sale process for and the closing of the downtown Stamford, Connecticut post office.

JURISDICTION AND VENUE

1. The Stamford Post Office (later redesignated the “Atlantic Street Station” by the United States Post Office (“USPS”)) is an historic post office registered on the National Registry of Historic Places, and is located at 421 Atlantic Street, Stamford, CT 06904 (the “Stamford Post Office”).

2. The Center for Art and Mindfulness, Inc. (the “Art Center”) formerly known as the Lower Fairfield Art Center, Inc., is a nonprofit entity operating in Fairfield County,

Connecticut and is the high bidder in an auction to purchase the Stamford Post Office in the summer of 2012 in two rounds of competitive bidding. The USPS and the Art Center signed a contract for purchase and sale of the Stamford Post Office in September, 2012 for a sale price of \$5 million dollars. The Art Center plans to create a regional Art Center where an art education program and varied visual art exhibition programs would include cultural programming with an additional emphasis on mindfulness teachings.

3. Patrick R. Donahoe is the Postmaster General and Chief Executive Officer of the USPS an instrumentality of the U.S. federal government. As the Postmaster General he is responsible for enforcing the laws, regulations and policies applicable to the USPS.

4. The USPS is “an independent establishment of the executive branch of the Government of the United States,” with the power to “be sued in its official name.” 39 U.S.C. §§201 and 401(1).

5. Cappelli Family Limited Partnership III (“Cappelli”) was the lower bidder for the sale of the Stamford, Connecticut post office, with a purchase price of \$4.3 million. The USPS and Cappelli signed a purchase contract in December, 2012. Cappelli either has closed upon or will soon close upon the purchase and sale of the Stamford Post Office, after the termination of the Federal Court case referenced below and its applicable injunction was dissolved on November 26, 2014. Even if Cappelli has closed on the sale the PRC has the power to order the rescission of the sale due to the undisclosed conflict of interest of the USPS contracting officer that occurred during the bidding process for the sale.

6. The Postal Regulatory Commission (“PRC”) has original and exclusive subject matter jurisdiction over the claims in this Complaint pursuant to 39 U.S.C. §403(c) (general duty of USPS to not give undue preference to one user of the mails and at the same

time unreasonable discriminate against another user of the mails with respect to any operations of the Postal Service), and 39 U. S. C. § 3662(a), under which the PRC has jurisdiction to hear this Complaint as a violation of 39 U. S. C. § 403 (c), and postal policy with respect to the sale of its surplus buildings, and the Act and of Regulations promulgated thereunder. Amendments to the Portal Reorganization Act of 1970 (“PRA”) made under the Postal Accountability and Enhancement Act of 2006 (the “PAEA”) make it clear that the reach of these jurisdictional provisions goes beyond consideration of just rates and terms of postal service, to consideration of all complaints regarding the operation of the Postal Service. House Report on Postal Accountability and Enhancement Act, 1109-66 at page 52. See also, *LeMay v. U. S. Postal Service*, 450 F.3d 797 (Eighth Circuit 1986).

FIRST CLAIM

UNDUE PREFERENCE AND UNREASONABLE DISCRIMINATION UNDER 39 U.S.C. § 403(c).

7. Plaintiffs incorporate, by reference the preceding paragraphs 1-6 of this Complaint, and restates those paragraphs as though fully set forth herein.
8. Like most members of the public, the Art Center is a “user of the mails” within the meaning of 39 U.S.C. §403(c), as is the Cappelli Family Limited Partnership III (“Cappelli”) , the lower price bidder to purchase such real estate in the 2012 bidding process.
9. The USPS, and its Stamford Post Office, provide “services” to mail users, such as the Art Center and Cappelli, as part of the USPS network.
10. In addition to traditional “postal services,” the USPS provides many other “services” to the public, including, but not limited to, passport services, banking services

in Alaska, a “Carrier Alert” service in which carriers watch out for signs of need or emergency services for its elderly and disabled customers, and more recently special Sunday delivery services for Amazon and the sale of greeting cards and packaging supplies. (the “Ancillary Services”).

11. The USPS, charged with the responsibility of operating a financially viable and self-sustaining postal service, has increasingly sought to market and sell a large number of post office facilities throughout the United States and is now doing so in the ordinary course of its business.

12. As it has continued to market and sell numerous postal facilities, the marketing and sale of historic post offices and other postal properties has increasingly fallen within the ordinary course of the USPS’s business and its provision of services, and such endeavors have become intrinsically related to, supplemental and ancillary to the USPS’s ability to offer a full range of other postal services to the general public. The USPS entered in an exclusive contract with CB Richard Ellis, Inc. (“CBRE”) in June, 2011 for the national representation to dispose of the USPS’s excess real estate assets.

13. The USPS, through its commercial realtor, Cushman and Wakefield (“C & W”), entered a real estate listing contract to sell the Stamford Post Office through a sealed bid process, with second round bids due on May 31, 2012. C & W continued as the listing broker for the Stamford post office sale, even after the exclusive CBRE contract was executed in June, 2011.

14. The Art Center was the high bidder in the second round of bids reviewed by C & W on or about May 31, 2012 with a bid of \$5.5 million. This amount was subsequently reduced by \$500,000, to \$5.0 million, because the Stamford Post Office had

asbestos and lead paint in it (existing far earlier than the date of the USPS “emergency suspension” declared in October, 2013 by the USPS for the Stamford Post Office closure justification), as determined by an environmental report the Art Center conducted as part of the due diligence process.

15. The second highest bidder, Cappelli, bid substantially less for the Stamford Post Office in an amount of \$4.3 million.

16. When the Art Center tried to negotiate over a three month period a contingent purchase agreement with a reasonable down payment of \$300,000 and a year to raise the philanthropic money to close the purchase, C & W and the USPS refused to deal with the Art Center in a reasonably businesslike manner, continually attempted to terminate the negotiation and refused to deal with the Art Center other than with a “take it or leave it” high down payment (\$500,000), forfeitable, noncontingent contract basis. On information and belief a contract buyer for the sale of the St. Paul, Minnesota post office signed a similar contract, deposited its down payment and when it was unable to close the USPS kept a substantial down payment as liquidated damages. The Art Center was concerned the USPS would act similarly with respect to its contract.

17. The founder and Executive Director of the Art Center is Debra Sherwood (“Sherwood”). She is the driving force, with the inspiration and devotion for the last two years that created the concept of an art exhibition, educational and mindfulness center.

18. Sherwood developed the details of the Art Center. Her credentials to found and operate an Art Center are outstanding for the multi-dimensional nature of the Art Center which includes aspects of arts management, studio arts and community leadership.

Sherwood has an MFA in Sculpture with work in architecture; and a three year “Certificate

of Arts Management.” She has an extensive art exhibition resume, and has taught as a visiting artist at the graduate and undergraduate level in both private and public colleges throughout the country. Sherwood founded two businesses, developing studio spaces to rent to artists. Ace Studios in Seattle, Washington was launched in 1983 and YoHo Studios in Yonkers, New York in 1985. Both businesses continue to flourish under different management at the present time.

19. The USPS did not review or consider Sherwood’s credentials (past artistic and business accomplishments, background and qualifications) and sought to steer the sale to a known developer bidder, Cappelli, at a substantially lower price than that offered by the Art Center. After the initial bidding round in the spring of 2012, the Art Center met with the C & W realtors to discuss due diligence concerns of the Art Center. A few days after that meeting, Jim Fagan of C & W called an Art Center board member and asked him about the Art Center’s ability to close a transaction. Mr. Fagan also pressed the same Board member about whether Sherwood had money and the undersigned indicated she had the ability to fund the down payment, but that the majority of the funds would be raised through philanthropic donations and a mortgage on the property. Subsequent to that conversation the Art Center received a letter dated June 8, 2012, signed by Brian Scruton (“Scruton”) of C & W that told the Art Center that “We will consider your Offer withdrawn if you are not able to demonstrate by 5:00 PM EDT on Wednesday, June 20th-time being of the essence, that; (i) the buying entity has the financial wherewithal to consummate the transaction, and (ii) any due diligence that you might still have to complete is definable and within market standards”.

20. The Art Center next contacted David Rouse (“Rouse”), the USPS employee and

contracting officer for the Stamford Post Office sale to avoid being excluded from the sale process at that point. The Art Center then continued to negotiate in good faith with the USPS in July and August of 2012. C & W and the negotiating USPS contract officer refused to deal with the Art Center on other than a “take it or leave it” high forfeitable down payment, short duration (six months) transaction, which both parties signed but the Art Center refused to fund because of the misconduct of the C & W realtors.

21. Instead of negotiating in good faith solely with the Art Center, the USPS went back to the significantly lower bidder, Cappelli, in August, 2012 and offered it the opportunity to purchase the building, and accepted its contingent offer, ultimately allowing Cappelli much more favorable terms than it was willing to grant to the Art Center for no legitimate business reason. In its transaction, Cappelli could purchase the Stamford Post Office for \$4.3 million, substantially less than the Art Center’s bid. Cappelli’s original bid proposed a quick close of the purchase, but Cappelli’s second bid had a much longer time from signing a purchase agreement to the proposed closing date (up to two years), and was, according to C & W, a bid that “migrated from one that closed very quickly to a somewhat unorthodox deal structure where you put down a series of deposits for a closing in 2013”. A letter with this description was sent to Cappelli by Scruton of C & W on June 7, 2012. The Cappelli contract also subjected the USPS to a three year “lock up” on the property for no other consideration. That provision provided that if the USPS breached the Cappelli purchase contract, the Cappelli entity had a three year right of first refusal to match the purchase price of any other contract buyer contracted with by the USPS. The Art Center attempted to negotiate a purchase agreement with C & W on behalf of the

USPS that was contingent upon financing or raising charitable contributions with a reasonable down payment of \$300,000 and one year to close the transaction, over a three month period from June, 2012 to September, 2012. On June 7, 2012, in the letter referenced previously in this Complaint, Scruton of C & W told the Art Center that “It would be extraordinary difficult for the Owner [USPS] to enter into a transaction with a party who did not have cash on hand for a closing that was 60-70 days away”. See, **Exhibit A**. Then on June 11, 2012, the Art Center received a second letter signed by Scruton of C & W that stated that, “We will consider your Offer withdrawn if you are not able to demonstrate by 5:00 pm EDT on Wednesday, June 20-time being of the essence, that: (i) the buying entity has the financial wherewithal to consummate the transaction, and (ii) any due diligence that you might still have to complete is definable and within market standards”. See, **EXHIBIT B**. In addition, James Fagan, a senior employee of C & W misrepresented to the Art Center that the bidders in the auction included buyers who would sign a noncontingent contract and close in sixty days. This statement was false at the time and it was made to pressure the Art Center into a noncontingent highly risky contract to cause the Art Center to be unsuccessful in closing a transaction, thus allowing Cappelli to purchase at a substantially lower price.

22. In sum, when dealing with the much higher purchase price bid from the Art Center, the USPS pressed for a noncontingent sale transaction, with a short period from signing to closing the transaction, but instead agreed to sell the building for an appreciably lower price to a losing lower priced bidder, Cappelli, while allowing it contingent and other significantly better terms which it had refused to negotiate with the Art Center. For instance, the USPS refused to strike a no specific performance clause in the contract with

the Art Center, but allowed removal of the clause in the Cappelli contract. The actions of the USPS gave an unreasonable preference to a lower-price Cappelli contract party and discriminated against the higher-price contract party, the Art Center. The actions of the C & W realtor agents and the USPS personnel discriminated against the Art Center, the highest bidder, in violation of 39 U. S. C. 403(c).

23. The Art Center and two other plaintiff's sued the USPS and the Postmaster General in the Federal District Court of Connecticut in September, 2013 challenging the proposed sale of the Stamford Post Office on various legal grounds, including 39 U. S. C. § 403(c). In an interim order in that case on October 29, 2013, that Court indicated that it did not have jurisdiction over this claim since this body had the exclusive jurisdiction to hear this claim. See, National Post Office Collaborate et. al. vs. Patrick Donohoe and the United States Post Office, Civil Action No. 3:13-CV-01406 (JBA) (ECF docket No. 53). United States District Court, District of Connecticut.

SECOND CLAIM

CONFLICT OF INTEREST VOIDS CAPPELLI ENTITY CONTRACT

24. The plaintiffs incorporate by reference the preceding paragraphs 1-23 of this Complaint and restate them as though fully set forth herein.

25. The contracting officer in charge of the negotiation of the Art Center sale contract was David Rouse. On information and belief, David Rouse also commenced the negotiation of the Cappelli entity purchase agreement, even though another contracting office completed the Cappelli negotiations since Mr. Rouse left the USPS to work for CBRE, the company with the exclusive real estate sales contract for the USPS's sale of all of its surplus

properties and an agent of Cappelli for real estate transactions, including this transaction. Based on information and belief, Mr. Rouse most likely had discussions about his new position with CBRE during some of the time frame of the Art Center and the Cappelli negotiations. On information and believe, Jeff Dunn of the CBRE office in Stamford Connecticut has and is active as a real estate broker for CBRE and advisor to Cappelli, and on information and belief advised Cappelli on the proposed purchase of the post office property.

26. The USPS Real Estate Handbook states that “Conflicts of interest are more likely to occur in contracts involving real estate professional or consulting services. COs should identify potential conflicts of interest and consult with assigned counsel to mitigate or avoid them.” RE Handbook at page 8.

27. David Rouse failed to disclose a material conflict of interest to the USPS legal counsel as required by federal ethics rules, because of his prospective and pending employment by CBRE in November, 2012. 5 C. F. R. §2635. As a result, the proposed sale or actual sale to the Cappelli entity is void because this conflict of interest was never disclosed to legal counsel for the USPS and never disclosed to the two bidders that Mr. Rouse negotiated with. The failure to properly disclose the future employment of Rouse by CBRE, the exclusive realtor for all USPS realty sale transactions, who has the second bidder, the Cappelli entity, for a client, is an undisclosed conflict of interest that makes the Cappelli contract void ab initio under the present ethics rules and applicable case law. See, *Express One International, Inc. v. USPS*, 814 F. Supp. 93 (U. S. District Court D. C. 1992). Rouse should have disclosed his potential future employment and should have removed himself from the sale process of the Stamford Post Office because of the potential of and actual

event of accepting a job with the real estate agent that on information and belief represented Cappelli in some or all aspects of this sale transaction. That company also the exclusive sales agency with the USPS to sell all surplus property of the USPS nationwide.

COUNT THREE

BREACH OF CONTRACT

28. The Art Center incorporates by reference the preceding paragraphs 1-27 of this Complaint and restates them as thought set forth herein.

29. The Art Center and the USPS executed a contract with the USPS in September, 2012 to purchase the Stamford Post Office.

30. The USPS breached the Art Center contract when it executed a contract with Cappelli in December, 2012, on terms it denied the Art Center.

31. The USPS is estopped from enforcing the Cappelli contract and must waive several defenses to the Art Center contract because of the misrepresentations and misconduct of its real estate agents and the contracting officer, David Rouse who had an undisclosed conflict of interest relating to the transaction. These legal violations are imputed to the USPS as Rouse and C & W are the agents of the USPS.

32. The breach of the contract by the USPS caused the Art Center material damages and a loss of the opportunity to complete a purchase of the Stamford Post Office on terms denied to it but provided to Cappelli who offered to pay a much lower price for the property. This breach of contract has damaged the Art Center which demands an equitable

remedy regarding the enforcement of its sales contract.

COUNT FOUR

VIOLATION OF THE USPS'S POLICY TO OBTAIN THE BEST VALUE THROUGH SALE OF ITS SURPLUS REAL ESTATE

33. The USPS has policies and procedures regarding its practices and operations. One such procedure is its procedures relating to its real estate holdings.

34. The Real Estate handbook currently in effect for the USPS is Handbook, RE-1 U. S. Postal Service Facilities Guide to Real Estate Property Acquisition and Related Services, issued in October, 2008 ("Real Estate Handbook"). The Real Estate Handbook states that it is applicable "to all activities of the Postal Service with respect to real property, and its related rights, interests, and services related thereto." See, Real Estate Handbook p 1. The Real Estate Handbook also requires that deviations from the procedures in that publication be approved by the Facilities vice president or designee. See, RE Handbook (p2).

35. The Real Estate Handbook also provides that "Postal Service employees are held to the highest standards of conduct in the performance of their duties and must conduct themselves to avoid even the appearance of any impropriety. All employees must adhere to the Standards of Ethical Conduct for Employees of the Executive Branch, 5 Code of Federal Regulations 2635." Real Estate Handbook at page 7.

36. The Real Estate Handbook requires the USPS to obtain a recent appraisal to the extent that "the anticipated market value of the property exceeds \$250,000, or when the project requires Headquarter approval". Real Estate Handbook at page 11. The PRC

has the authority to review the USPS's actions with respect to the proposed sale of the Stamford Post Office for a lower price than that offered by the Art Center and to obtain copies of all appraisals of the property obtained by the USPS at or around the time of the sale.

37. When disposing of surplus property, the Real Estate Handbook requires the USPS to "dispose of excess real property under the terms and conditions that provide the greatest value to the Postal Service". Greatest value has the common meaning of obtaining the highest price for the real estate. Real Estate Handbook at page 15. In agreeing to sell the Stamford Post Office to Cappelli for a lower bid, the USPS violated its own RE policy to sell surplus property to provide "the greatest value" to the USPS and in a way that "avoids even the appearance of impropriety".

COUNT FIVE

CLOSURE OF THE STAMFORD DOWNTOWN CENTRAL POST OFFICE WITHOUT A HEARING AND ADMINISTRATIVE SAFEGUARDS APPLICABLE TO CLOSING OF ANY POSTAL RETAIL CENTER VIOLATES REGULATIONS APPLICABLE TO THE USPS.

38. Paragraphs 1-37 preceding this count are hereby incorporated by reference as though states herein.

39. The USPS closed the Stamford Post Office on September 20, 2013 at 5 p.m. in violation of its own notice and public meeting regulatory procedures required to be complied with before a post office closure occurs. The USPS closure violates other

applicable federal laws applicable to the national program of the USPS to dispose of excess postal facilities. While the United States District Court dismissed the national environmental policy act and historic preservation act counts in the Federal Court case involving the Stamford Post Office on a motion for summary judgment on November 26, 2014, this closure issue was not resolved in the Federal case, and is subject to the jurisdiction of the PRC.

40. The Stamford Post Office was closed with two days' posted notice on the building. This action is a closure because there is no replacement post office in the downtown area for customers with replacement post office boxes for the customers at this time. The Art Center and another postal service customer filed a complaint with this PRC relating to the closure in September, 2013. This Commission dismissed that complaint without prejudice in January, 2014 but required the USPS to report to it about the progress of establishing a new downtown post office location. On February 14, 2014 the USPS reported to the PRC that it had considered thirteen locations for a downtown facility and was now down to two locations, one at 800 East Main Street and another at 550 Summer Street. It is now nine months later and the USPS has never opened a replacement downtown Stamford Post Office and has made no further reports to the PRC as required by Order No. 180 in Case Number A-2014-1. Therefore at this point the facts support a determination that post office is now functionally a closure and that the USPS finessed its prior closure actions as an "emergency suspension" due to the condition of the building, when in fact it had no intention of opening a new downtown Stamford postal facility. These alleged "emergency" conditions of the building existed much the same in September, 2013 as it existing in the summer of 2012 when the Art Center inspected the building and many years prior thereto.

In addition, an emergency suspension has a life by regulation of ninety days. See, Handbook, PO-101, August 2004, as amended. The USPS has exceeded the ninety day period to address and resolve the emergency suspension and is in violation of its own handbook and procedures on emergency suspensions. This alleged suspension is clearly at this time factually a de facto closure of the Stamford Post Office. No sixty days advance notice was provided to customers, employees or other persons affected by this closure in violation of the USPS rules and no public hearing to discuss the community effect of the closing was conducted by the USPS. Factually this is a closure because the USPS told the PRC in February, 2013 that it would sign a lease on a new location, which implies an actual new location. No lease has ever been signed for a replacement downtown post office. Because no new location has been opened this is not a relocation, it is a post office closure.

41. The requirement to provide sixty (60) days' notice to customers, employees and other persons affected by the closure and to conduct a public hearing about the effect of the closing upon the public is set forth in 39 C. F. R. 241.3 and has never been complied with. This action is also in violation of Section 302 of the Postal Accountability and Enhancement Act that sets forth service standards for postal service. The actions here have eroded the service standards to downtown Stamford Connecticut customers of the post office, including Mr. Norton Hazel, who owns a vacuum cleaning supply and equipment company located in Stamford. He had a post office box at the downtown Stamford, Connecticut post office and that location was very accessible and near his business since he lives and works in downtown Stamford, within walking distance of the former post office location. The alternative post office location provided to him by the USPS (West Avenue) is much further away, does not have sufficient post office boxes for rent and has inadequate

parking facilities. The level of service at the alternative location is also inadequate, lines are sometimes long and the staff is not very helpful. The actions of the USPS have further degraded the postal service standards in the Stamford, Connecticut mail delivery and service area.

42. Mr. Hazel and the Art Center are customers of the post office and the Art Center and another customer of the Stamford post office filed the Petition for Review and an Application for Suspension of the sudden and unexplained closing of the historic Stamford, Connecticut in September, 2013. There has been no opportunity for the Art Center, Mr. Hazel or other downtown post office customers to discuss this closing at any public hearing and the USPS did not give me proper notice of this closure of the facility. This closing occurred: (i) without notice required by the USPS regulations regarding closure of a facility 39 CFR 241.3, and (ii) without any analysis of or cost benefit analysis of the closing, or consideration of the effect on the community, the effect on the USPS employees or the need to provide the maximum degree of effectiveness and regular postal service as required by 39 U. S. C. §404(d)(2)(A), or in essence the effect of the closure on postal service standards.

43. The downtown post office in Stamford is listed on the national registry of historic places and was built in 1916. It has a long tradition of use for public purposes. It is in the central business district of the Stamford, Connecticut community. The USPS closed this facility on two days' notice without any meaningful input from the community it serves, the postal customers, the City of Stamford or any other constituency groups affected by this precipitous decision made in haste without provision of a replacement facility. These

actions violate the spirit of and the rule set forth in Section 302 of the Postal Accountability and Enhancement Act of 2006.

PRAYER FOR RELIEF

The Plaintiffs request that the PRC order the suspension of this post office closing and further order that the USPS either reopen the Stamford Post Office until such time as the USPS has complied with its Congressional mandate to consider the needs of postal service customers, its workers, and the community at large and conduct a public hearing or alternatively that the USPS be ordered to sign a lease for a new downtown Stamford Post Office location. Further, the plaintiffs request that the PRC: (i) appoint an investigator to investigate the factual issues raised in this Complaint under 39 C. F. R. § 3030.21 with respect to (a) the sale process misconduct and misrepresentations of the C & W realtors that resulted in their ultimate acceptance of the lower Cappelli bid; and (b) the undisclosed conflict of interest of the USPS's contracting officer in failing to disclose his future employment by CBRE the holder of the national sales contract to sell all surplus real estate of the USPS and the agent of Cappelli, and (c) the sale of the property for less than its full value, as required by the Real Estate Handbook, (ii) order the USPS to produce all appraisals it has obtained upon the Stamford Post Office in connection with the sale process, (iii) allow the plaintiffs to conduct discovery under 39 C. F. R. §§ 3001.25-28 and 3001.37, and ^(iv)~~(iii)~~ provide such other relief as it determines necessary to enforce applicable USPS statutes, regulations and policies with respect to the disposition of the other actions of the PRC, including holding that the sale of the property to Cappelli is void ab initio

because of the undisclosed conflict of interest of the USPS contracting officer. The plaintiffs request an award of costs and attorney's fees pursuant to the Equal Access to Justice Act, 28 U. S. C. § 2412.

The plaintiffs' hereby certify that prior to filing this Complaint, they attempted to meet or confer with the Postal Service's general counsel to resolve or settle the complaint by have been unable to resolve the issues raised in this Complaint. This Complaint has been served on the United States Postal Service as required by 3030 C. F. R. § 3030.11.

ESigned on this 9th day of December, 2014.

CENTER FOR ART AND MINDFULNESS, INC.

By: *Del Seward*

Its: *Executive Director*

Norton Hazel, individually



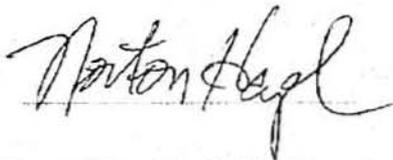
Drew S. Backstrand
Attorney for Center for Art and Mindfulness, Inc.
And Norton Hazel
75 Lane Road, Suite 301
Fairfield, NJ 07004
973-830-2460
(fax) 973-830-2960

E Signed on this 9th day of December, 2014.

CENTER FOR ART AND MINDFULNESS, INC.

By: _____

Its: _____

A handwritten signature in cursive script that reads "Norton Hazel".

Norton Hazel, individually

A handwritten signature in cursive script that reads "Drew S. Backstrand".

Drew S. Backstrand

Attorney for Center for Art and Mindfulness, Inc.

And Norton Hazel

75 Lane Road, Suite 301

Fairfield, NJ 07004

973-830-2460

(fax) 973-830-2960

Brian Scruton
Associate Director



Cushman & Wakefield of Connecticut Inc.
107 Elm Street
Four Stamford Plaza, 8th Floor
Stamford, CT 06902
(203) 326-5800 Direct
(203) 348 6203 Fax

June 7, 2012

Re: *US Post Office Facility*
421 Atlantic Street, Stamford, CT

Dear Ms. Sherwood & Mr. Backstrand:

We are in receipt of your offer dated May 31, 2012 for the Property referenced above.

I would like to set up a time to discuss this offer with you in more detail. Specifically the issues that are of interest to us in clarifying are as follows:

- A. Due Diligence Period – We would like to understand exactly what concerns that you might have with regard to same and if there is a way to abbreviate the due diligence period and or make it very specific as to why you would be able to back out of the transaction.
- B. Financial wherewithal – Going hand-in-hand with A above, we are keenly interested in knowing that you have the financial ability to close a transaction such as this. It would be extraordinarily difficult for the Owner to enter into a transaction with a party who did not have cash on hand for a closing that was 60-75 days away.
- C. Interim Rent for the Property - We'd like to see your offer to have rent for the first 180 days to be net \$0.00 with the post office paying for building expenses. And then you could quote a market rent starting on day 181.

Please let me know a time when you might be available for a conference call

Very truly yours,

A handwritten signature in cursive script, appearing to read "Brian Scruton".

Brian Scruton

Exhibit B

Brian Scruton
Associate Director



Cushman & Wakefield of Connecticut Inc.
107 Elm Street
Four Stamford Plaza, 8th Floor
Stamford, CT 06902
(203) 326-5800 Direct
(203) 348-6203 Fax

June 11, 2012

Debra Sherwood
Drew S. Backstrand
General Counsel
North Central Equity LLC
75 Lane Road, Suite 301
Fairfield, New Jersey 07004

Re: ***US Post Office Facility***
421 Atlantic Street, Stamford, CT

Dear Ms. Sherwood & Mr. Backstrand:

With regard to your Offer dated May 31, 2012 for the Property referenced above, and pursuant to our brief conversation with Drew Friday morning, it has become apparent that the offer is not and can not be a credible offer until you have the backers who have the verifiable financial wherewithal to perform under the terms outlined in your letter. Furthermore the due diligence period anticipated in your Offer does not meet with our expectations as there are other purchasers who have no due diligence period.

We will consider your Offer withdrawn if you are not able to demonstrate by 5:00 PM EDT on Wednesday, June 20th – time being of the essence, that: (i) the buying entity has the financial wherewithal to consummate the transaction, and, (ii) any due diligence that you might still have to complete is definable and within market standards.

As you know, the USPS is considering other offers and reserves the right to accept or reject offers at any point and it may accept an offer other than yours either before or after the June 20th date.

The Postal Service and Cushman & Wakefield appreciate your interest in the Postal property and appreciate your efforts in submitting an offer.

Very truly yours,

Brian Scruton



INSTR # 2014022346
 VOL 11139 PG 325
 RECORDED 12/09/2014 01:50:00 PM
 DONNA M LOGLISCI
 CITY & TOWN CLERK STAMFORD CT
 BLOCK 4

08/06/14

12/09/2014

4

After Recording Return To:

COUNSEL:

Drew S. Backstrand (Bar No. MN 0147904)
 ATTORNEY AT LAW
 75 LANE ROAD, SUITE 301
 FAIRFIELD, NJ 07004
 Telephone: (973) 830-2460
 Facsimile: (973) 830-2960
 ATTORNEY FOR PLAINTIFFS

**BEFORE THE POSTAL REGULATORY COMMISSION
 WASHINGTON D. C. 20268-0001**

CENTER FOR ART AND MINDFULNESS,
 INC. AND NORTON HAZEL, AN
 INDIVIDUAL,

Plaintiffs,

vs.

PATRICK R. DONAHOE, POSTMASTER
 GENERAL OF THE UNITED STATES
 POSTAL SERVICE, THE UNITED
 STATES POSTAL SERVICE AND LOUIS
 R. CAPPELLI FAMILY LIMITED
 PARTNERSHIP III

Defendants.

NOTICE OF LIS PENDENS

Docket No. _____

Property Address: 421 Atlantic Street, Stamford, CT 06901;

Parcel ID Number 002-5822

TO ALL INTERESTED PERSONS, YOU WILL PLEASE TAKE NOTICE:

**SCHEDULE A
PROPERTY DESCRIPTION**

ALL THAT CERTAIN lot or tract of land, together with the buildings and improvements thereon, situated in the City of Stamford, County of Fairfield and State of Connecticut, bounded and described as follows, to wit:

BEGINNING at the northeasterly corner of said tract at a point in the westerly side of Atlantic Street adjoining land of The Young Men's Christian Association of Stamford, thence running southerly along said westerly side of Atlantic Street one hundred and forty (140) feet to the northerly side of Federal Street, thence deflecting to the right at an angle of 90° 39' and running westerly along said Federal Street one hundred and fifty (150) feet to land of said The Morewood Realty Company, thence deflecting to the right at an angle of 89° 21' and running northerly one hundred and forty (140) feet along land of The Morewood Realty Company to the said Land of The Young Men's Christian Association of Stamford, thence deflecting to the right at an angle of 90° 39' and running easterly one hundred and fifty (150) feet along the said land of The Young Men's Christian Association of Stamford to the point or place of beginning, said northeasterly corner of said tract is distant southerly from the curb line of the south sidewalk of Willow Street two hundred and twenty five and 85/100 (225.85) feet and the northwesterly corner is distant eleven and 5/10 (11.5) feet on a prolongation of the westerly line of the tract conveyed from the southerly wall of the building of said Young Men's Christian Association

SAID TRACT is bounded northerly by land of said The Young Men's Christian Association of Stamford, easterly by Atlantic Street, southerly by Federal Street and west by Land of the Grantor, The Morewood Realty Company, and the same is laid out and delineated upon a certain map or plat thereof on file in the office of Supervising Architect of the Treasury Department of the United States, reference thereto being had

PLUS:

ALL THAT CERTAIN piece, parcel or tract of land, together with the buildings and improvements thereon, situated in the City of Stamford, County of Fairfield and State of Connecticut, and known and designated as Lot Numbered Nine (9) on a certain map entitled "Map of Property of The Morewood Realty Company, Stamford, Connecticut", now on file as Map No. 911 in the office of the Town Clerk of said City of Stamford, reference thereto being had for a more particular description of said premises.

TOGETHER WITH a right of way over a strip of land fifteen feet in width from said Lot Number Nine to Guernsey Street as laid out on said above described map, said tract aforesaid being thirty (30) feet wide on Federal Street and one hundred forty (140) feet in depth and adjoining other land of the United States of America

PLUS:

ALL THAT CERTAIN tract or parcel of land, together with the buildings and improvements thereon, lying and being in the City of Stamford, County of Fairfield and State of Connecticut, bounded and described as follows:

BEGINNING at a point in the northerly side of Federal Street, said point being the southwesterly corner of the United States Post Office site, running thence in a northwardly direction along the westerly side of the Post Office site a distance of 140 feet to a point in the southerly side of land now or formerly of the Young Men's Christian Association; thence in a westerly direction along the southerly side of land of said Young Men's Christian Association a distance of 25 feet to a point being the northeasterly corner of land now or formerly of Homer S. Cummings; thence in a southwardly direction along the easterly side of land of said Homer S. Cummings a distance of 140 feet to a point in the northerly side of Federal Street, thence in a eastwardly direction along the northerly side of Federal Street a distance of 25 feet to the point or place of beginning, as shown on plat made September 9th, 1938, by L. Bromfield, Jr. Engineer & Surveyor, attached to the proposal of said grantor of July 28th, 1938, which plat is also on file in the Office of the Town Clerk of said City of Stamford.

TOGETHER WITH a right of way to pass and repass over a strip of land 15 feet in width, and extending from the westerly line of the land hereinbefore described in a westerly direction across the northerly 15 feet of the land now or formerly of Humer S. Cummings and land now or formerly of Onax Building Association, Inc., to the easterly side of Guernsey Avenue as now laid out

PLUS:

ALL THAT CERTAIN tract or parcel of land, together with the buildings and improvements thereon, situated in the City of Stamford, County of Fairfield and State of Connecticut, bounded on the north by land of Y.M.C.A., on the south by the northerly line of Federal Street as presently laid out, on the east by land now or formerly of Charles F. Maguire and on the west by land now or formerly of The Onax Building Association, Inc., and particularly described as follows:

BEGINNING at a point in the northerly side of Federal Street distant 205.00 feet westerly from a point where the northerly line of Federal Street intersects the westerly line of Atlantic Street as now laid out, and which beginning point is at the southwesterly corner of land now or formerly of Charles F. Maguire which bounds the land herein conveyed on the east; thence running along the westerly line of land now or formerly of Charles F. Maguire, North $3^{\circ} 28'$ East, 140.00 feet to a point in the northerly side of a stone wall standing at the southerly boundary line of the land of Y.M.C.A.; thence running along the northerly side of said stone wall along the southerly line of the land of Y.M.C.A., North $85^{\circ} 53'$ West, 130.15 feet to a point where the said southerly line of land of Y.M.C.A. intersects the easterly line of land now or formerly of The Onax Building Association, Inc.; thence running along the easterly line of land now or formerly of The Onax Building Association, Inc., South $4^{\circ} 07'$ West, 139.99 feet to a point in the northerly line of said Federal Street; thence running along the northerly line of said Federal Street, South $85^{\circ} 53'$ East, 131.78 feet to the point or place of beginning

TOGETHER WITH a right of way to pass and repass over a strip of land 15 feet in width, and extending from the westerly line of the land hereinbefore described in a westerly direction across the northerly 15 feet of the land now or formerly of The Onax Building Association, Inc., to the easterly side of Guernsey Avenue as now laid out

Properties are known as 421 Atlantic Street, Stamford, Connecticut &
0 Federal Street, Stamford, Connecticut

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