

PROSKAUER ROSE LLP
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Attorneys for Plaintiff

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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BLEECKER CHARLES COMPANY. : 00 Civ. 7827 (GEL)

Plaintiff, :

-against- :

**DECLARATION OF
BRUCE E. FADER**

350 BLEECKER STREET APARTMENT :
CORPORATION, :

Defendant, :

-against- :

BLEECKER PARKING CORP., :

Additional Counterclaim Defendant. :

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I, BRUCE E. FADER, hereby declare:

1. I am a member of the Bar of the State of New York and this Court. I am the engagement partner at Proskauer Rose LLP (“Proskauer”), attorneys for the Sponsor, with respect to this action and have been involved in it from its inception.

2. I am also the Chair of Proskauer’s Litigation Department. Proskauer’s litigation practice is believed to date back to the time Judge Proskauer joined the Firm in 1930, and now

includes considerably more than 100 litigating attorneys in this City. It is, I believe, generally well-regarded for its litigation knowledge and skills.

The Sponsor's Engagement of Proskauer Rose LLP

3. The Sponsor engaged Proskauer's services in June 1999. Proskauer was engaged on an hourly basis and at its customary rates prevailing at the time services are rendered, including its charges and disbursements.

4. When I was initially consulted in connection with this matter, I determined that my partner, Dale A. Schreiber, had the requisite expertise to lead this representation. Thus, although I stayed involved at all stages and participated in the strategy meetings and review and editing of papers submitted to the Court, Mr. Schreiber has been lead counsel throughout.

5. Because Mr. Schreiber, a senior partner at Proskauer was leading the engagement, only a small fraction of the approximately 70 hours I expended in connection with this matter was billed to the client; the rest was either logged to an administrative number or not recorded at all.

Method of Billing and Reasonableness of Rates

6. Proskauer's standard method of billing, and the one followed in this case, is hourly rate billing. Each attorney and other timekeepers (principally legal assistants) are assigned an hourly rate, based on position, experience, and seniority. Mr. Schreiber's hourly rate through the course of this representation has started at \$525 and was later revised to \$560. Mr. Schreiber was assisted throughout by Allison Feld, who is a 1998 graduate of Brooklyn Law School. Ms. Feld's billing rate started at \$240 per hour which was raised to \$245 per hour and then \$290 per hour as her seniority in the Firm increased. My billing rate has been \$600 per hour.

7. All timekeepers record their time on a daily basis, along with a description of the services they rendered on that day for each client. At the end of each month, Proskauer's billing department generates a computer report for each client matter. Each such computer report (referred to as a "proforma statement") contains, on a daily basis, the name of each timekeeper who recorded time on that matter that day, the amount of time recorded, and a description of the timekeeper's services. The proforma statement also contains the costs and disbursements chargeable to the client for the particular matter, broken down by category (such as, for example, photocopying, facsimiles, long distance telephone bills, filing fees, etc.)

8. These proforma statements are provided to the billing partner for the particular client matter (in this case, myself and Mr. Schreiber), who then creates a monthly invoice to the client from the information contained on the proforma statement. Like the proforma statements, the invoices contain, (a) for each day of the month, the name of each timekeeper who recorded time on that matter that day, the amount of time recorded, and a description of the timekeeper's services; and (b) a description of the disbursements and other charges chargeable to the client by category.

9. To the best of my knowledge, my billing rate and those of Mr. Schreiber and Ms. Feld are within the range of those charged by attorneys with comparable experience and seniority at comparable firms in this City. Mr. Schreiber and Ms. Feld also consulted other senior counsel and associates in the firm's real estate and tax departments. These attorneys provided expertise in their respective areas to aid in the litigation and/or possible settlement of this matter. I believe that their rates also are the normal rates the Firm charges for their services and that those rates are typical of those charged by comparable firms in the City.

The Reasonableness of the Fees

10. In addition to the amounts of my time I did not charge to the Sponsor in connection with this matter, Mr. Schreiber and I also agreed, for various reasons, to eliminate certain of the other time charges logged to this matter before bills were rendered; those additional non-billed amounts totaled \$13,584.25

11. I believe the total billed to and paid by the Sponsor is more than reasonable for the work done.

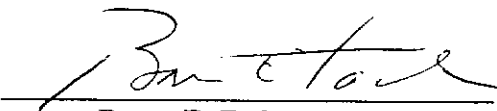
12. In reaching that conclusion, we have taken into account the extensive work — detailed in the printouts attached to the bills actually sent to the Sponsor — that was necessary to determine the legal strategy the Sponsor should pursue in the face of the threatened shareholder termination, to prepare the complaint, to respond to the Co-op's counterclaim, to prepare for and to participate in the Court appearance, to do the legal and factual research that was required and to prepare the Sponsor's summary judgment motion.

13. Proskauer also expended a great deal of time in investigating, preparing and negotiating the Stipulation of Undisputed Facts — which eliminated the need for formal document and deposition discovery. This stipulation presented in great detail the 15-year history of the Co-op, the sales of units by both the Sponsor and others, and the alteration of some of the units. The Stipulation also recounted the events leading up to the termination votes in 1999 and 2000.

14. In addition, there was extensive time expended in properly responding to the defendant's cross-motion — which raised a multitude of complex factual and legal issues involving the alterations of apartments over the last 10 years — including the related Board minutes and New York City Building and Zoning Code issues that needed to be fully analyzed

and addressed. To address these issues, Proskauer's attorneys needed to review past board minutes, by-laws, obtain and review documents submitted to the New York City Department of Buildings, review proprietary leases and share certificates and the various amendments to the Co-op's offering plan.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on November 16, 2001


Bruce E. Fader