

In Focus



Professor Matthew W. Daus, Esq.

*President, International Association of Transportation Regulators
Distinguished Lecturer, University Transportation Research Center, Region 2
Partner and Chairman, Windels Marx Transportation Practice Group*

Contact: mdaus@iatr.global

www.iatr.global

✉ mdaus@windelsmarx.com 📍 156 West 56th Street | New York, NY 10019 ☎ 212.237.1106 | 212.262.1215

Medallions on the Auction Block: Interest and Values on the Rise!

It seems like only yesterday that the NYC Taxi & Limousine Commission (TLC) auctioned medallions at sealed-bid competitive auctions in excess of \$1 million per medallion.¹ Following several decades of virtually unimpeded growth, the value of New York City taxi medallions peaked at \$1,259,000 in 2013.²

On or about November 27, 2014, the open marketplace came to a halt due to investor and lender fear. This was caused by slightly exaggerated drops in ridership reported by the media³ with further declines continuing to accrue slowly over time.⁴ Liquidity dried up, and with banks not lending, the market entered a state of hibernation.

Non arms-length transactions were routinely reported, including estate sales, stock swaps, cash buyouts and foreclosure sales, and there has been little consistency to the deals and values reported.

Current cash flow valuations prepared by accountants and economists, that were accepted by banking regulators and bankruptcy courts alike, capture the revenue generating potential of the NYC taxi medallion at anywhere between \$11,000 and \$14,000 per month, and a valuation of anywhere from \$390,000 to \$441,000 for individually owned medallions.

In 2017, the average price for an independent medallion was \$301,773, while the average price for a corporate medallion was \$384,467.⁵ As medallion values have declined, some owners who previously obtained financing have found themselves unable to make their monthly payments, though the vast majority can and do.

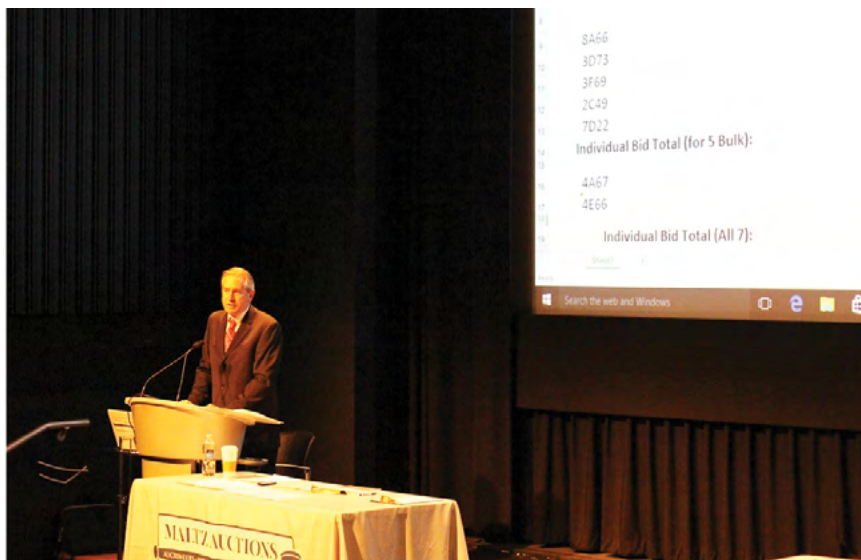
The untold story is that other than one high profile corporate medallion owner, no reported corporate foreclosures or bankruptcies have hit the marketplace. While most individual medallion owner/drivers have continued to repay their loans in a timely fashion, a smaller number of the overall industry wide banking portfolios involve non-payment scenarios or loan defaults.

Similar to homeowners reacting to the housing crisis of the mid-2000s, many drivers in search of a better loan deal stop paying their loans until approached by a bank or credit union to engage in a workout or loan modification on better terms of repayment length and/or more favorable interest rates.

Lending institutions have embraced this negotiation process and the vast majority of loans have been modified. Those who do not reach an agreement or who fail to respond to the banks may find themselves faced with a foreclosure proceeding where the lenders seek to repossess and gain title to the medallion.



Matthew W. Daus, Esq, former NYC Taxi & Limousine Commissioner / Chairman, welcomes the bidders at the Aspire Federal Credit Union Tax Medallion Auction on January 16, 2018



Thomas O'Shea, President of Aspire Federal Credit Union delivering opening remarks at New York Institute of Technology Auditorium for the NYC Tax Medallion Auction.

A smaller number of drivers sometimes file for bankruptcy protection to seek a stay (or stoppage) of any foreclosure litigation. After motions are filed by banking counsel, most of these stays are lifted and the bank ends up repossessing the medallion and regaining title, or negotiating a loan modification at a later stage.

As foreclosures and bankruptcy proceedings for medallions have been filed and completed, the lenders (or trustees for the bankruptcy actions) have transferred title to the medallions. Such sales are governed by Article 9 of the Uniform Commercial Code as adopted in the State of New York (the "UCC"). The UCC regulates the creation and enforcement of security interests in personal property, such as taxi medallions.

In the event of default, the secured party may choose to pursue a public or private sale. A public sale, such as an auction, requires the public to have access to the sale and for the sale to be advertised. For a sale to be proper under the UCC, the secured lender must provide notice to the debtor and interested parties and the sale must be commercially reasonable.

Prior to public auction the secured party can entertain stalking horse bids. A stalking horse bid is an initial bid from an interested buyer chosen by the secured party selling the assets. The intent is to maximize the value of its assets or avoid low bids, as part of, or before, a court auction.

A stalking horse bid can often be accompanied by certain protections such as a break-up fee, where the stalking horse is awarded a fee in the event they are outbid at auction, and overbid protection, where the next qualifying bid must be of a certain percentage over the stalking horse bid.

Medallion transactions in late 2017 have ranged anywhere from \$175,000-\$500,000 for corporate medallions, and from \$150,000-\$400,000 for individual medallions. While the prices of corporate and individual medallions are coming closer together due to the abolition of the owner must drive rule, these transactions, coupled with simultaneous and subsequent public UCC auctions held in late 2017 and very early 2018, show evidence of a bottom having been reached. That bottom is around \$150,000 for individual medallions and around \$175,000 for corporate medallions.

While the September 18, 2017 bankruptcy auction by Citigroup had some competition, the bids submitted in the marketplace were \$167,500, \$175,000, \$193,000 and \$194,000 before the stalking horse came with a comeback bid of \$186,000.

The auctions with credit bids of \$335,000 on September 12, 2017 and \$262,500 on December 5, 2017, did not involve extensive competitive bidding but bids by a bank to take title back. The First Jersey Credit Union auction on January 11, 2018 saw competitive bidding starting with the stalking horse at \$180,000 and ending, after bidding, at \$185,000 for the winning bids.

On January 16, 2018, Aspire Federal Credit Union held a public auction of seven (7) medallions. Prior to the auction, a stalking horse bulk bid in the amount \$875,000 was accepted for five (5) of the medallions, with overbid protection in the amount of \$50,000. In other words, the next bulk bid to be considered would have needed to be \$925,000 or higher.

There was bidding on these five medallions individually, with high bids ranging from \$165,000 to \$190,000. However, the sum of the individual bids failed to reach the \$925,000 required to surpass the overbid protection provided to the stalking horse and the bulk bid was ultimately successful for those five medallions.

Although the stalking horse bidder won, there was robust bidding between \$165,000 and \$190,000. Also, two remaining medallions were won with opening bids of \$189,000 and \$199,000 which were not surpassed.

The results of the January 16, 2018 Aspire auction provide some evidence of a steady and organic comeback through the medallion foreclosure marketplace. Robust and competitive bidding at the Aspire auction, coupled with bids at other recent public auctions by individuals and investors alike, support an encouraging upward trend and a conclusion that the market has already bottomed out.

Both the First Jersey and Aspire auctions in early January 2018 all involved individual medallions – so the floor may have been around \$150,000 in November 2017. Now the foreclosure marketplace has climbed to the \$180,000 range, as the highest bid by the stalking horse at the Aspire auction was \$186,400, and the winning bidder at the First Jersey auction paid \$185,000.

If revenues and ridership do not suffer any further significant declines and regulators do not engage in any drastic disruptive activities, there is no place to go except onward and upward!

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1. In 1937, Mayor Fiorello LaGuardia signed an ordinance (“the Haas Act”) to freeze the number of taxis at 13,595, converting outstanding taxicab licenses into taxi medallions, with a property interest that is fully transferable.¹ There are currently 13,587 NYC medallion taxicabs.
2. For example, independent medallion values reached \$26,000 in 1964, \$55,000 in 1977, \$101,600 in 1986, \$155,633 in 1994, \$335,583 in 2005, \$750,000 in 2012, and, according to the winning bid from the last medallion auction, \$965,000 in February 2014. Corporate medallions have also enjoyed upward valuation at nearly the same rate as independent medallions, starting at \$34,145 in 1964, and, according to the winning bid from the November 2013 medallion auction, reaching a value of \$1,259,000. See http://www.nyc.gov/html/tlc/html/industry/medallion_auction_current_and_past_auction_results.shtml
3. Josh Barro, Under Pressure From Uber, Taxi Medallion Prices Are Plummeting, The New York Times, Nov. 27, 2014.
4. There are many reasons attributed to the decline of medallion prices, including the entry of app-based, ride-hailing companies such as Uber and Lyft. These companies are typically better financed and their number of licensed vehicles in operation has grown to several times more than the number of medallion taxicabs. By March 2017, the monthly difference between trips completed by app-based companies and taxicabs has widened to 1.5 million (12.3 million trips per month for vs. 10.8 million trips per month for taxis). See Emma G. Fitzsimmons and Winnie Hu, The Downside of Ride-Hailing: More New York City Gridlock, The New York Times, March 6, 2017, [http://www.craigslist.com/article/20170516/SMALLBIZ/170519940/taxi-medallion-sales-rev-up-as-investors-kick-tires](https://www.nytimes.com/2017/03/06/nyregion/uber-ride-hailing-new-york-transportation.html? r=0; Matthew Flamm, Taxi-medallion sales rev up as investors kick tires, Crain’s New York Business, May 16, 2017, <a href=).
5. Based on TLC’s medallion transfers data (http://www.nyc.gov/html/tlc/html/about/medallion_transfers.shtml) and further analysis by Windels Marx.



NOTICE OF PUBLIC AUCTION

SALE OF NEW YORK CITY TAXI MEDALLIONS PURSUANT TO THE UNIFORM COMMERCIAL CODE OF NEW YORK

Aspire Federal Credit Union and Aspire Medallion Funding, LLC, shall offer for sale at public auction the following property of certain debtors, pursuant to the Uniform Commercial Code as adopted in the State of New York.

Place and Time of Auction: The auction will commence on January 16, 2018 at 1:00 PM at the **NYIT Auditorium on Broadway, 1871 Broadway at 61st Street, New York, NY 10023**

Collateral to be Auctioned: The following fourteen (14) Individual New York City Taxi & Limousine Commission Taxi Medallions: 2T75, 5D84, 4A67, 3D73, 9B79, 6B55, 4E66, 3F69, 2C49, 4B62, 7D22, 1F75, 7T13, 8A66.

Terms of Sale: Aspire shall determine which bid, or combination of bids, is the highest or best bid for the medallions. The successful bidder(s) at auction must produce a deposit of \$30,000.00 for each medallion, by official bank check payable to Windels, Marx, Lane & Mittendorf, LLP, as attorneys for Aspire. Aspire will accept bids for individual, combination and/or bulk bids.

Aspire is willing to entertain stalking horse bids. A stalking horse bid shall constitute a bid, at an amount agreed upon by Aspire and the bidder, to serve as an opening bid for the medallions bid upon, with the next bid being required to be at a negotiated percentage higher than the stalking horse bid.

The medallions will be sold "AS IS," "WITH ALL FAULTS" and "WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND." Complete terms and conditions of sale are available prior to auction upon request.

PLEASE TAKE NOTICE, that pursuant to defaults under the terms and provisions of certain Promissory Notes and Security Agreements executed on various dates from certain debtors to Aspire Federal Credit Union and Aspire Medallion Funding (hereinafter collectively “Aspire”), being the holder of said Notes and Security Agreements and the indebtedness secured thereby, will conduct a public auction each consisting of fourteen (14) New York City Taxi Medallions and related property of the debtor (the “Collateral”), to be conducted by Richard B. Maltz DCA # 1240836 or David A. Constantino, DCA #1424944 as auctioneer, to the highest qualified bidder(s) at the above listed date, time and place. The borrower and Collateral to be auctioned are as follows: Michael Chawki, New York City Taxi Medallion Nos. 2T75 and the associated rate cards, meters and other personal property of the debtor; Malik Ghulam Sabir, New York City Taxi Medallion Nos. 5D84 and the associated rate cards, meters and other personal property of the debtor; Mahkon Cab Corp., New York City Taxi Medallion Nos. 4A67 and the associated rate cards, meters and other personal property of the debtor; Kenan Fidan, New York City Taxi Medallion Nos. 3D73 and the associated rate cards, meters and other personal property of the debtor; Jagmohan Singh, New York City Taxi Medallion Nos. 9B79 and the associated rate cards, meters and other personal property of the debtor; Murtaza Ahmad Corp., New York City Taxi Medallion Nos. 6B55 and the associated rate cards, meters and other personal property of the debtor; Mehmet Demir, New York City Taxi Medallion Nos. 4E66 and the associated rate cards, meters and other personal property of the debtor; Bajit Multani and Jasvir Multani, New York City Taxi Medallion Nos. 3F69 and the associated rate cards, meters and other personal property of the debtor; Jaswinder Singh and Sukhraj Singh, New York City Taxi Medallion Nos. 2C49 and the associated rate cards, meters and other personal property of the debtor; Harsimran Singh, New York City Taxi Medallion Nos. 4B62 and the associated rate cards, meters and other personal property of the debtor; Jatinderjit Singh, New York City Taxi Medallion Nos. 7D22 and the associated rate cards, meters and other personal property of the debtor; Dalip Transit Corp., New York City Taxi Medallion Nos. 1F75 and the associated rate cards, meters and other personal property of the debtor; Mohamad Alam, New York City Taxi Medallion Nos. 7T13 and the associated rate cards, meters and other personal property of the debtor, and; Moien Butt, New York City Taxi Medallion Nos. 8A66 and the associated rate cards, meters and other personal property of the debtor. The Collateral will be sold “AS IS”, “WITH ALL FAULTS” and “WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND.” All potential bidders are presumed to have conducted any and all necessary due diligence of any kind, prior to the commencement of the auction, including but not limited to research as to the existence of fines, violations or unpaid taxes with regard to the Collateral. The sales are subject to the conditions set forth in the Terms and Conditions of Sale available upon request from the undersigned and such revisions thereto as may be announced at or before the start of the auction. Prior to entry into the auction each bidder will be required to execute an acknowledgement of the Terms and Conditions of Sale. The successful bidder(s) at auction must produce a deposit of \$30,000.00 for each medallion, by official bank check payable to Windels, Marx, Lane & Mittendorf, LLP, as attorneys for Aspire. Only bona fide bidders who exhibit and display a check for the initial deposit, lien holders and the debtor will be permitted to participate in the auction. The successful bidder(s) will be required to pay a six (6%) percent buyer’s premium. Aspire reserves the right to bid all or a portion of its claim(s) against the owner(s) of the Collateral without the need for deposit; amend the terms of payment as Aspire sees fit; elect not to dispose of certain portions of the Medallions prior to, at or during the auction, and/or; reject any and all bids.

ATTENTION TO ALL PERSONS WISHING TO ATTEND OR PARTICIPATE AT THE AUCTION:

Persons wishing to attend the auction must contact Robert F. Bedford, Esq. of Windels, Marx, Lane & Mittendorf, LLP at rbedford@windelsmarx.com, **at least three (3) days prior to the auction**, and provide a copy of their driver’s license or other form of valid photo identification. Those who register to attend or register as bidders will be placed on a listserv for any updates and/or additional notices related to this auction and any future auctions.

If you are interested in being a stalking horse bidder, please contact Richard B. Maltz at rmaltz@maltzauctions.com. For detailed information on the auction, please visit www.MaltzAuctions.com





Please be advised the following medallions are hereby removed from the auction: 5D84, 9B79, 6B55, 4B62, 1F75. Updated terms and conditions and frequently asked questions are provided below.

In addition, we are providing you with a media link from the appearance of Matt Daus on [The Cat's Roundtable](#) with John Catsimatidis, a radio program on AM 970 The Answer, discussing the upcoming medallion auction.

Please note that the location of the auction was changed after the radio show was recorded. The auction date, time, and location are:

AUCTION DATE AND TIME: January 16, 2018, 1:00 PM

PLACE OF AUCTION: NYIT Auditorium on Broadway

1871 Broadway at 61st Street

New York, NY 10023

**PUBLIC AUCTION OF
FOURTEEN NEW YORK CITY TAXI MEDALLIONS
CONDUCTED BY
MALTZ AUCTIONS, INC., AUCTIONEER, ON BEHALF OF
WINDELS, MARX, LANE & MITTENDORF, LLP,
ATTORNEYS FOR**

ASPIRE FEDERAL CREDIT UNION AND ASPIRE MEDALLION FUNDING, LLC

AUCTION DATE AND TIME: January 16, 2018, 1:00 PM

PLACE OF AUCTION: NYIT Auditorium on Broadway

1871 Broadway at 61st Street

New York, NY 10023

Pursuant to defaults under the terms and provisions of certain Promissory Notes and Security Agreements (as amended, restated, or otherwise modified at various times, the "Loan Documents"), made by the borrowers identified on [Schedule A](#) (each, a "Debtor," collectively, the "Debtors") in connection with various loans to the Debtors, and pursuant to the Uniform Commercial Code as adopted in the State of New York (the "UCC"), Aspire Federal Credit Union and Aspire Medallion Funding, LLC (hereinafter collectively "Aspire" or the "Secured Party"), being the holder of said Notes and Security Agreements and

the indebtedness secured thereby, will sell at public auctions the New York City Taxi Medallions identified on Schedule A, their associated rate cards and meters and all associated licenses (collectively, the “Collateral”). Said public auction shall be conducted in accordance with the following terms and conditions:

TERMS AND CONDITIONS OF SALE

1. Persons wishing to attend the Auctions must contact Robert F. Bedford, at rbedford@windelsmarx.com prior to the first scheduled Auction. **Each bidder must present valid photo identification and execute a copy of these terms and conditions of sale prior to entry into the auction.**
2. The Medallions identified on Schedule A will be sold at the public auction on January 16, 2018, at 1:00 PM Eastern Time (the “Auction Date and Time”) conducted by Richard B. Maltz, DCA#1240836, or David A. Constantino, DCA#1424944 (the “Auctioneer”) under the direction of Windels, Marx, Lane & Mittendorf, LLP, attorneys for Aspire.
3. Bids will be accepted on individual Medallions identified on Schedule A, multiple Medallions identified on Schedule A, and all Medallions identified on Schedule A in bulk. The Terms of Sale apply equally to a sale on any individual Medallion and/or the purchase of multiple Medallions or the Medallions in bulk.
4. Aspire shall determine which bid, or combination of bids, constitute the highest or best bid for the Medallions and reserves the rights to: (a) cancel or adjourn some or all of the Auctions at any time without notice; (b) alter the terms of payment; (c) abandon or elect not to dispose of certain Medallions; and/or (d) reject all bids.
5. Each purchaser shall be required to provide the Auctioneer with his or her name and address prior to commencement of the auction and present a government issued form of photo identification. Upon being declared the successful purchaser, each purchaser must deliver a down payment, to the Auctioneer in the amount of at least \$30,000 per medallion being purchased, in the form specified herein. Aspire reserves the right to require any bidder to submit proof of liquid assets and/or committed financing sufficient to satisfy the price bid by such bidder, in each case as determined by Aspire in its sole and absolute discretion.
6. Any successful purchaser must pay the amount of the bid selected by Aspire, less the amount of any Deposit, as directed by Aspire within 90 days after the conclusion of the Auctions or at such other time as may be agreed by Aspire and the successful purchaser. Upon receipt of the bid amount, Aspire will deliver to the successful purchaser(s) an executed bill of sale with no representations or warranties of any kind or nature whatsoever.
7. All deposits and final settlements are payable by certified or bank check(s) drawn on a member bank of the New York Clearing House and payable to the order of “Windels, Marx, Lane & Mittendorf, as Attorneys.” Cash and other forms of checks will not be accepted.

8. No notice will be sent to the successful purchaser, and if the successful purchaser neglects to complete transfer of the medallion, within the time period set forth in these Terms of Sale, he will be held in default and the down payment will be forfeited to the Secured Party. In the event that the Secured Party shall deem it proper to extend the time for the completion of said transfer, such extension shall be granted only on the following terms and conditions: (a) any extensions of time granted herein shall not exceed thirty (30) calendar days; (b) the successful purchaser shall assume all responsibility for all fees, fines, taxes or other amounts accrued from any cause whatsoever during the period of such extension; (d) TIME SHALL BE OF THE ESSENCE, with respect to the Closing Date as to the purchaser only.
9. The purchaser will at the time and place of transfer sign a memorandum of his purchase and agrees to comply with the Terms and Conditions of sale herein contained.
10. The sale is subject to a six (6%) buyer's premium.
11. THE AUCTION SALE OF THE MEDALLION BY THE SECURED PARTY IS AN ALL CASH SALE. THERE CAN BE NO ASSURANCE TO UTILIZE THE MEDALLION AS SECURITY TO OBTAIN FINANCING FOR THE PURCHASE. THE FAILURE OF THE SUCCESSFUL PURCHASER TO OBTAIN FINANCING OR TO REMIT THE BALANCE OF THE SUCCESSFUL BID SHALL NOT CONSTITUTE GROUNDS FOR THE RETURN OF THE DOWN PAYMENT. IN THE EVENT THAT THE SUCCESSFUL PURCHASER FAILS TO PAY THE BALANCE OF THE SUCCESSFUL BID WITHIN THE TIME PERIOD SET FORTH IN THESE TERMS OF SALE, THE DOWN PAYMENT WILL BE FORFEITED TO THE SECURED PARTY.
12. Upon the failure of the successful purchaser to complete the purchase pursuant to these Terms of Sale, the Secured Party, in its sole discretion, may – on any number of occasions – either accept the next highest bid or re-notice the sale. The successful purchaser shall be governed by these Terms of Sale, unless a subsequent sale is held at which different Terms of Sale are applicable.
13. The successful purchaser shall be obligated to pay any fines, fees, violations, New York City Real Property Transfer Taxes, New York State Transfer taxes, stock transfer stamps and any other amount necessary to complete, or tax on, the transfer of the medallions.
14. By announcement made at the sale without further publication or notice, the Secured Party and the Auctioneer reserve the right to adjourn, delay or terminate the sale.
15. All potential bidders are presumed to have conducted any and all necessary due diligence of any kind, prior to the commencement of the auction, including but not limited to research as to the existence of fines, violations or unpaid taxes with regard to the Collateral.

16. The Secured Party reserves the right to bid at this sale, shall not be required to post a deposit with the Auctioneer and may credit against the purchase price bid all sums due to the Secured Party under the Security Agreement.
17. It shall be the responsibility of the purchaser to make contact with and obtain any and all permission from the New York City Taxi & Limousine Commission (“TLC”) in order to allow the purchaser to take possession of the Medallion. In the event the purchaser is unable to obtain permission from the TLC the purchase may be cancelled by the purchaser and the deposit returned to them. In the event the purchaser is denied by the TLC for an existing criminal record, known to the purchaser prior to application to the TLC, the purchaser shall be in default and the Secured Party may retain the deposit as liquidated damages. It is understood by all parties hereto that the Secured Party’s damages in case of the purchaser’s default might be impossible to ascertain and that the down payment constitutes a fair and reasonable amount of damages under the circumstances and is not a penalty.
18. Notwithstanding any provision contained herein to the contrary, in the event that the Medallions cannot be delivered for whatever reason, whatsoever, except for the default of the purchaser, the purchaser’s sole remedy shall be a return of the down payment. The sale is without recourse, to the Auctioneer, Secured Party, or attorney for the Secured Party.
19. In the event of a dispute between purchasers, the Secured Party and Auctioneer reserve the right to determine the successful purchaser or to offer the Medallions for resale.
20. The record of sale maintained by the Auctioneer will be absolute and final in all disputes.
21. The Terms and Conditions of Sale herein are subject to addition or amended terms and conditions, if any, which may be announced at or prior to the time of sale.
22. The Medallions are being sold pursuant to the “medallion offered” section listed on Schedule A attached hereto. Those being offered “AS IS,” “WITH ALL FAULTS,” “WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND,” are further subject to (a) all violations and orders of government entities having jurisdiction over the medallions; (b) liens, encumbrances and adverse interest; (c) the fees charged by the TLC in connection with the sale of the Medallion to the purchaser; (d) gains and sales taxes assessed by any government entity with jurisdiction over the sale.
23. By executing these Terms and Conditions, the undersigned represents and warrants to Aspire that they: (a) have carefully read and understand the above Terms and Conditions; (b) have consulted with their attorneys concerning the Auction and these Terms and Conditions or knowingly and intentionally waives the opportunity to do so; (c) have the financial capability to acquire the Collateral in the event their bid is accepted they are declared the successful purchaser; and (d) is familiar with the TLC Rules and is eligible to own Medallions as set forth in the TLC Rules.

Print Name: _____

Signature: _____ Date: _____

MEMORANDUM OF SALE

I/We have this 16th day of January, 2018 purchased New York City Taxi & Limousine Commission Medallion bearing medallion number _____ as identified by Identification No. _____ on Schedule A for the sum of \$ _____, plus a six (6%) percent buyer's premium of \$ _____, and hereby promise and agree to comply with the terms and conditions of the sale as above mentioned and set forth.

Purchaser:

Name:

Title:

Purchaser:

Address:

Telephone Number:

Email:

I have received from the purchaser above the sum of \$ _____ being the amount specified as the applicable down payment for the collateral sold by me under the terms of sale.

BY: _____

Auctioneer

SCHEDULE A

Identification Number	Medallion Number	Medallion Offered	Medallion Owner
1	2T75	As is	MICHAEL CHAWKI
2	4A67	As is	MAKHON CAB CORP.
3	8A66	Free and Clear of all liens and encumbrances	MOIEN BUTT
4	3D73	Free and Clear of all liens and encumbrances	KENAN FIDAN
5	4E66	As is	MEHMET DEMIR
6	3F69	Free and Clear of all liens and encumbrances	BAJIT AND JASVIR MULTANI
7	2C49	Free and Clear of all liens and encumbrances	JASWINDER AND SUKHRAJ SINGH

8	7D22	Free and Clear of all liens and encumbrances	JATINDERJIT SINGH
9	7T13	As is	MOHAMAD ALAM



AUCTION OF 14 NEW YORK CITY TAXI MEDALLIONS BY ASPIRE FEDERAL CREDIT UNION AND ASPIRE MEDALLION FUNDING, LLC

FREQUENTLY ASKED QUESTIONS

What do I need to bid at the auction?

- Prior to the auction you need to register by emailing Robert Bedford at rbedford@windelsmarx.com and provide a government-issued photo ID. When you arrive at the auction, you will need to present your ID again, sign the terms and conditions, and present the deposit checks you have brought with you. If you are the successful purchaser, you will need to provide a deposit check in the amount of **\$30,000.00 per medallion** made out to Windels, Marx, Lane & Mittendorf, LLP, as attorneys. **(Bank or cashier's checks only. Personal or business checks will NOT be accepted!)**

Where is the auction?

- The auction will be held at the **NYIT Auditorium on Broadway**, 1871 Broadway at 61st Street, New York, NY 10023.

What is the closing period?

- You must complete the transfer of the medallion through the New York City Taxi & Limousine Commission (the "TLC") within 45 days from the date of your successful bid. If you need an extension you may request one in writing, but it will be up to Aspire whether or not to grant your request. If granted, extensions will be for 30 days at a time.

What happens if I do not close?

- If you are unable to close for any reason, other than the seller's default or TLC denial as discussed below, you will be considered to be in default and Aspire may retain the deposit as liquidated damages.

Am I buying the medallions free and clear?

- The medallions are being offered with clear title with regard to ownership. However, there could still be liens, taxes, or other amounts owed that affect the medallions. We have made our best efforts to determine what is due and open on all of the medallions being auctioned; however, we offer that information without any representation or warranty. It's important for parties interested in bidding to make their own best due diligence efforts to determine those amounts. These amounts could include, but are not limited to, traffic and parking fines and fees, TLC fines, and fees and Metropolitan Transportation Authority taxes.

What if I am not approved by the TLC (do I receive my deposit back)?

- In the event you are not approved by the TLC, through no fault of your own, and have acted in good faith, you may be entitled to the return of your down payment. Not being approved for the transfer by the TLC due to any wrongdoing on your part, your withholding of any information know to you prior to your application or your criminal record known to you prior to your application, does not entitle you to a return of your deposit. You would be considered to be in default and Aspire may retain the deposit as liquidated damages.

Can someone attend the auction for me?

- Yes, through the use of a valid power of attorney, or by assignment of the successful bid following the auction.

What is a stalking horse bid?

- A stalking horse bid is a bid submitted by a party prior to auction, and accepted by the seller, setting the minimum bid price for some or all of the medallions being offered at auction. Certain benefits can be offered to a stalking horse. In this auction, an accepted stalking horse bidder would be offered overbid protection. This means the next accepted bid would have to be a negotiated percent higher than the stalking horse bid.

How can I submit a stalking horse bid?

- To submit a stalking horse bid, please contact the auctioneer, Richard Maltz at Maltz Auctions. 516-349-7022.

What determines a better bid for individual vs. bulk?

- Aspire would make the final decision as to what the "highest or best" bid is. For example, if your bid for one medallion was two thousand dollars more than another party's per medallion bid for all of the medallions, Aspire may decide the bid that allows them to sell all of the medallions at once to one purchaser is the "best bid."

What is the opening bid?

- We are working to determine the opening bid on all of the medallions. As soon as that information is finalized, we will distribute immediately.

Is there a limit to on the number of medallions on which I may bid?

- No, there is no limit to how many medallions you may place a bid, provided you have a \$30,000.00 check for each medallion.

Will financing be offered?

- At this time, financing is not being offered by Aspire on the sale of these medallions. In the event financing becomes available on any of the medallion, we will immediately distribute that information. Purchasers are of course welcome to obtain financing from any other source to facilitate the purchase of the medallions being offered at auction.

INFORMATION REGARDING MEDALLION STATUS

The following represents information obtained by Windels, Marx, Lane & Mittendorf, LLP (“Windels”) on behalf of Aspire Federal Credit Union and Aspire Medallion Funding, LLP (“Aspire”) from the New York City Taxi & Limousine Commission (“TLC”). Windels and Aspire make no representation, warranty or guaranty as to the accuracy of the information contained herein, either at the time provided or any time in thereafter. Further, neither Windels nor Aspire provide the information contained herein as an agent or representative of TLC, nor is it provided on their behalf. Windels and Aspire deny any and all liability for any damages or costs, financial or otherwise, of any kind, suffered or incurred as result of any party’s reliance on the information contained herein.

Medallion Owner	Medallion Number	Current Medallion Status	Open Amounts/Violations
Michael Chawki	2T75	Currently unrestricted, on a WAV cycle	
Makhon Cab Corp.	4A67	Currently unrestricted, on a WAV cycle	
Moien Butt	8A66	Currently unrestricted, on a WAV cycle	Selling free and clear

Kenan Fidan	3D73	Unrestricted	Selling free and clear
Mehmet Demir	4E66	Currently unrestricted, on a WAV cycle	TIFF/Fines/Penalties: \$859.20
Bajit and Jasvir Multani	3F69	Unrestricted	Selling free and clear
Jaswinder and Sukhraj Singh	2C49	Unrestricted	Selling free and clear
Jatinderjit Singh	7D22	Currently unrestricted, on a WAV cycle	Selling free and clear
Mohamad Alam	7T13	Alt Fuel	TIFF/Fines/Penalties: \$1,261.20; 1 open TLC violation

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About Windels Marx

With offices in New York, NY, New Brunswick, NJ, Madison, NJ, and Stamford, CT, Windels Marx Lane & Mittendorf, LLP is a full service law firm formed in the mid-nineteenth century. Today, we represent domestic and international clients in the banking and financial institutions, energy and environmental, government and tribal interests, healthcare, hospitality, insurance, manufacturing, real estate, technology and intellectual property and transportation industries.

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Mailing Address

Windels Marx, 156 West 56th Street, New York, NY 10019