From Congregation Financials
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Excerpts of Other Exhibits

THE CONGREGATION SHEARITH ISRAEL
STATEMENTS OF ASSETS, LIABILITIES AND NET ASSETS - CASH BASIS
APRIL 30, 2014 AND 2013

	2014	2013
ASSETS		
Cash	$ 175,311	$ 1,496,158
Investments in marketable securities, at fair value	2,069,433	2,357,293
Due from broker	38,519	232,271
Co-operative apartment	73,315	73,315
Land - 10 West 70th Street	70,369	70,369
Other	30,615	506
TOTAL ASSETS	$ 2,457,562	$ 4,229,912
LIABILITIES AND NET ASSETS		
LIABILITIES:		
Advances	$ -	$ 52,307
Loan payable	121,180	181,973
TOTAL LIABILITIES	121,180	234,280
NET ASSETS:		
Unrestricted:		
Operating	(920,828)	818,032
Board designated	871,146	773,814
Cemetery maintenance	196,192	154,478
Total unrestricted	146,510	1,746,324
Temporarily restricted	486,239	545,675
Permanently restricted:		
Endowment and designated	928,625	928,625
Perpetual care	775,008	775,008
Total permanently restricted	1,703,633	1,703,633
TOTAL NET ASSETS	2,336,382	3,995,632
TOTAL LIABILITIES AND NET ASSETS	$ 2,457,562	$ 4,229,912

See Accompanying Independent Accountants' Review Report and Notes to Financial Statements.

SCHEDULE A: ANALYSIS SUMMARY

		REVISED AS OF RIGHT CF/RESIDENTIAL DEVELOPMENT	REVISED PROPOSED DEVELOPMENT
BUILDING AREA (SQ.FT.)			
BUILT RESIDENTIAL AREA		7,594	22,352
SELLABLE AREA		5,316	15,243
CAPITAL INVESTMENT SUMMARY			
ACQUISITION COST		$12,347,000	$12,347,000
HOLDING & PREP. COSTS		$0	$0
BASE CONSTRUCTION COSTS		$3,722,000	$7,398,000
SOFT CONSTRUCTION COSTS		$3,977,000	$6,322,000
		$20,046,000	$26,067,000
PROJECT VALUE			
SALE OF UNITS		$12,702,000	$36,394,000
(less) SALES COMMISSIONS	6%	($762,000)	($2,184,000)
EST. NET PROJECT VALUE		$11,940,000	$34,210,000
PROJECT INVESTMENT			
ACQUISITION COST		$12,347,000	$12,347,000
HOLDING & PREP. COSTS		$0	$0
BASE CONSTRUCTION COSTS		$3,722,000	$7,398,000
SOFT CONSTRUCTION COSTS		$3,977,000	$6,322,000
CARRYING COSTS DURING SALES PERIOD		$419,000	$664,000
EST. TOTAL INVESTMENT		$20,465,000	$26,731,000
RETURN ON INVESTMENT			
ESTIMATED PROJECT VALUE		$11,940,000	$34,210,000
(less)EST.TOTAL INVESTMENT		($20,465,000)	($26,731,000)
(less) EST.TRANSACTION TAXES		($232,000)	($664,000)
EST.PROFIT (loss)		($8,757,000)	$6,815,000
DEVELOPMENT/SALES PERIOD (MONTHS)		23	28
ANNUALIZED PROFIT (loss)		($4,569,000)	$2,921,000
RETURN ON TOTAL INVESTMENT		0.00%	25.49%
ANNUALIZED RETURN ON TOTAL INVESTMENT		0.00%	10.93%

NOTE : ALL $ FIGURES ROUNDED TO NEAREST THOUSAND

From Risk Reward Analysis, Hiller Ex. 10.

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Excerpts of Other Exhibits

Exhibit I

EXHIBIT I

		RISK			REWARD		
		Construction	Market	Partnership	Income	Facility Improvement	Control & Optionality
Equity Partner	Buckingham	Medium	Low	Low	High	High	High
Development Partner	Taurus	Low	Low	Medium	Low	High	Low

RISKS

Construction Risk: In both scenarios, CSI absorbs all direct costs in the construction of the CSI condominium, including cost increases associated with below grade subsurface conditions and force majeure events. The development partner absorbs additional risks associated with the management of the development process, while the equity partner would not absorb this risk.

Market Risk: In the development partner scenario the partner absorbs all market risks, but saddles CSI with a permanent mortgage of $8,000,000. In this scenario the development partner must sell the units in excess of $3,000 per net sellable square foot before CSI participates in the waterfall to decrease the permanent mortgage. In the equity partner scenario CSI absorbs all market risk, but the threshold for CSI achieving a break-even ($2,350 per net sellable square foot) is substantially lower. In this scenario CSI would have to sell out the units for less than $1900 per net sellable square foot to achieve an economic result of an $8,000,000 permanent mortgage.

Partnership Risk: If there are disputes within the partnership, the exit from the equity partner is clean and simple – the equity partner simply gets paid back. In the development partner scenario it will be extremely difficult and expensive to extract ourselves from the partnership until all condominium units are sold.

REWARD

Income: In the development partner scenario we will likely be carrying an $8,000,000 permanent mortgage, which means that the revenue associated with the school lease, ballroom, etc will be consumed in paying down the mortgage. In the equity partner scenario we envision a break even, which means that the net operating proceeds generated by the new facility will provide a source of income to the synagogue.

Facility Improvement: In both scenarios, CSI obtains the same new facility.

Control and Optionality: In the development partner scenario CSI is locked into condo sales from day one. Selling condominiums to third parties limits CSI's future generations in redeveloping the property. The only way to exit this scenario would be to negotiate a very expensive buy-out of all condominium units. In the equity partner scenario CSI can explore selling off condominium units, raising funds to keep apartments for parsonage use, or undertaking a substantial fundraising campaign to pay back the construction loan and provide CSI with a rental building as a long term annuity.