



Goodman-Marks Associates, Inc.

REAL ESTATE APPRAISERS AND CONSULTANTS

APPRAISAL REPORT

**Proposed Residential/Community Facility Condominium Development
8 West 70th Street
Lincoln Square, New York, New York**

PREPARED FOR:

**Mr. Louis Solomon
President
Congregation Shearith Israel
8 West 70th Street
New York, NY 10023**

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Addenda

New York City Department of Buildings Permit



Goodman-Marks Associates, Inc.

REAL ESTATE APPRAISERS AND CONSULTANTS

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September 17, 2015

Mr. Louis Solomon
President
Congregation Shearith Israel
8 West 70th Street
New York, NY 10023

Re: Proposed Residential/Community Facility
Condominium Development
8 West 70th Street
Lincoln Square, New York, New York
Our File No. 15-713

Dear Mr. Solomon:

Pursuant to your request, we have inspected and appraised the above-captioned property, which is located on a rectangular parcel of land located on the south side of West 70th Street, between Central Park West and Columbus Avenue, in the Lincoln Square neighborhood of the Borough of Manhattan, City and State of New York. The property is identified on the tax maps of New York as Block 1122, Lot 37.

The subject property consists of a rectangular parcel containing a total of 6,432± square feet of R8B (73.44%) and R10A (26.56%) residential zoned land, according to information provided to us by the zoning analysis plans created by the architect (Platt Byard Dovell White). The NYC public records indicate the land area of the subject property (Lot 36) contains 6,427± square feet; however, we have utilized the information from the zoning analysis provided. At the time of inspection, the site was vacant land and was waiting for the current demolition permit to be signed off by NYC Department of Buildings. According to the NYC DOB, a permit was issued on 5/8/2015 for the demolition of the previously existing, four-story building (Job No. 122185839). Additionally, as of 5/4/2015, a permit was approved for the construction of a nine-story, 41,565± square foot mixed use building containing 20,013± square feet of community facility space located on floors one through four and 21,551± square feet of residential condominiums located on floors five through nine. Additionally, the building will contain a total of 13,258± square feet located on the cellar and sub-cellar levels.

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According to the Department of Buildings, the architectural drawings were prepared by Platt Byard Dovell White Architects, LLP (20 West 22nd Street, New York, New York) and approved as-of-right on July 30, 2014 (See Addenda). The final product will be a nine-story, elevator-serviced, mixed-use building with community facility use space on floors one through four and luxury condominiums on floors five through nine. This report assumes the proposed property will be built as described and detailed in the provided plans.

Proposed Subject Property Layout

Zoning Plans	Size
<u>Community Facility</u>	<u>(Sq. Ft.)</u>
Lower Level I	6,629
Lower Level II	<u>6,629</u>
Total Lower Level Area	13,258
First Floor	6,094
Second Floor	5,892
Third Floor	4,976
Fourth Floor	<u>4,976</u>
Total Community Facility Area	21,938
<u>Residential</u>	
Fifth Floor	4,343
Sixth Floor	4,196
Seventh Floor	4,183
Eighth Floor/Ninth Floor (Penthouse)	6,763
Tenth Floor (Bulkhead)	<u>272</u>
Total Residential Area	19,757
Total Above Grade Gross Building Area	41,695
Total Area (Including Lower Level)	54,953

The subject property parcel (Lot 37) is located to the west of a rectangular corner parcel (Lot 36) which is owned by the same entity (Cong Shearith Israel) and currently improved with a Landmarked, two-story, religious facility. According to the zoning analysis provided to us and the New Building permit from the NYC Department of Buildings, the subject property (Lot 37) will use the excess development rights from Lot 36 in order to complete the construction of the proposed development. Additionally, there was a zoning lot merger which occurred between Lots 36 & 37 on January 29, 2015 (CRFN: 2015000050524).

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According to the information provided to us in the zoning analysis from Platt Byard Dovell White, the portion of the subject property located in the R8B zoning district (4,723.5± square feet) can achieve an as-of-right FAR of 4.0 and the portion of the subject property located in the R10A zoning district (1,708.5± square feet) can achieve an as-of-right FAR of 10.0. Therefore, the vacant subject property (Lot 37) has an as-of-right maximum buildable area of 35,979± square feet. We have included an analysis of the maximum buildable area in the following chart:

Zoning Analysis (Lot 36) – (Excerpted from Platt Byard Dovell White Analysis)

Zoning	% of Zoning Sq. Ft.	Max FAR	Total Buildable	% of Zoning
R8B	4,723.5	4	18,894	73.44%
R10A	<u>1,708.5</u>	<u>10</u>	<u>17,085</u>	26.56%
Total	6,432.0	5.59	35,979	

The developer of the subject property anticipates that construction will begin in October 2015 and we have estimated the construction to be completed in twelve months, or October 2016. Based on provided documentation, the estimated remaining cost, including contingencies, to construct the new improvements for the site clearing and demolition is \$600,000.00, for the residential occupancy is \$26,329,272 in hard costs, \$6,345,745.00 in soft costs (exclusive of financing costs) and \$1,792,236 in miscellaneous costs, for a total of \$35,067,253.

The purpose of this appraisal report is to estimate the market value of the subject property under the following scenarios.

- 1) "As Is" Market Value,
- 2) "Prospective as complete" value of the subject property as developed into a residential/community facility market building, pursuant to the proposed building plans,
- 3) "Prospective as complete" value of the net proceeds from the sale of the luxury residential condominium units

The intended use of this appraisal is to assist the intended users in understanding the value of the underlying asset, subject to the extraordinary assumptions and limiting conditions contained within the report. The intended users of this appraisal are Mr. Louis Solomon and those persons authorized by the Congregation Shearith Israel to utilize this report.

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This appraisal report conforms to the guidelines of the current Uniform Standards of Professional Appraisal Practice (USPAP), as promulgated by the Appraisal Standards Board of the Appraisal Foundation, the Code of Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. We are not responsible for unauthorized use of this report.

We have not been provided with any title documentation for the subject property. Therefore, we were unable to determine whether the subject is burdened by any restrictions, encumbrances or use limitations that may have a substantial impact on the property. Any undisclosed restrictions and/or limitations on the use of the subject property could affect our value estimates.

We did not investigate the subject property for contaminants or environmental hazards (site or building), because environmental audits must be conducted by professional environmental specialists. Should an environmental audit disclose the presence of contaminants on the subject site and/or in the building, this finding could affect our value estimates. This appraisal assumes that the subject site will be developed in accordance with the building plans as submitted to us, and that the developer will receive all the necessary building permits from the New York City Department of Buildings for the development, including the final issuance of a Certificate of Occupancy. This appraisal is intended to be used in the underwriting of a mortgage for the subject property.

In arriving at the appraised values, we have given consideration to all items influencing value, including the location of the subject property, existing and projected competition, continued demand, current and anticipated market conditions, current mortgage rates, actual income, expenses and lease terms, government rules and regulations, income rates for similar properties, as well as the rates of return of competitive properties and investments.

It is our opinion that the "As Is" market value of the fee simple estate of the subject property, as of the date of inspection, July 17, 2015, was:

THIRTY SIX MILLION DOLLARS
(\$36,000,000.00)

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It is our opinion that the "prospective as complete" value of the subject property as developed into a residential/community facility condominium market building, pursuant to the proposed building plans, *predicated upon the extraordinary assumptions and limiting conditions as defined within the body of this report*, as of October 2016, will be:

EIGHTY NINE MILLION NINE HUNDRED THOUSAND DOLLARS
(\$89,900,000.00)

It is our opinion that the "prospective as complete" value of net proceeds from the sale of the luxury residential condominium units, *predicated upon the extraordinary assumptions and limiting conditions as defined within the body of this report*, as of October 2016, will be:

SIXTY ONE MILLION THREE HUNDRED THOUSAND DOLLARS
(\$61,300,000.00)

A report of 129 pages, plus Addenda, is attached hereto and made part hereof, and the valuation is expressly made subject to the conditions and comments made herein.

Very truly yours,

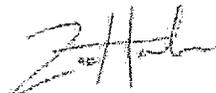
GOODMAN-MARKS ASSOCIATES, INC.



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Certified General Real Estate Appraiser
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Matthew F. Boylan
Senior Vice President
Goodman-Marks Associates, Inc.
Certified General Real Estate Appraiser
New York Certificate #4651008



Zachary Hendrickson
Assistant Vice President
Goodman-Marks Associates, Inc.
Real Estate Appraiser Assistant
New York Certificate #4851266

CERTIFICATE OF APPRAISAL

Premises: 8 West 70th Street – Lincoln Square, New York, New York

We, Matthew J. Guzowski, Matthew F. Boylan and Zachary Hendrickson, certify that, to the best of our knowledge and belief:

THAT, the statements of fact contained in this report are true and correct.

THAT, the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions;

THAT, we have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved;

THAT, we have performed no services, as an appraiser(s), regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment;

THAT, we have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;

THAT, our engagement in this assignment was not contingent upon developing or reporting predetermined results;

THAT, our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal;

THAT, our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice (USPAP)* as well as the *2010 Interagency Appraisal and Evaluation Guidelines*;

THAT, we have each made a personal interior and exterior inspection of the property that is the subject of this report;

THAT, no one provided significant real property appraisal assistance to the person(s) signing this certification;

THAT, the reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

THAT, the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives;

THAT, as of the date of this report, Matthew J. Guzowski, has completed the continuing education program for Designated Members of the Appraisal Institute

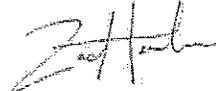
DATE: September 17, 2015



Matthew J. Guzowski, MAI, MRICS
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Zachary Hendrickson
Assistant Vice President
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New York Certificate #4851266

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Property Location:	8 West 70th Street Lincoln Square, Borough of New York City and State of New York
Tax Map Designation:	Block 1122, Lot 37
Owner of Record:	Cong Shearith Israel
Census Tract:	153.00/5
Property Rights Appraised:	We have appraised the market value of the fee simple estate of the subject property under the following scenarios:
Valuation Scenarios:	<p>1) Market Value "As-Is";</p> <p>2) "prospective as complete" value of the subject property as developed into a residential/community facility condominium development, pursuant to the proposed building plans and upon completion of construction,</p> <p>3) "Prospective as complete" value of net proceeds from the sale of the luxury residential condominium</p>
Land Area:	6,432± square feet
Proposed Building Area	41,695± square feet above grade (13,258± square feet below grade)
Zoning (Lot 37):	R8B – 73.44% R10A – 26.56% (City of New York)
Highest and Best Use:	<p><i>As Vacant</i> – Construction of a residential building built to the maximum density and bulk permitted under the existing zoning.</p> <p><i>As Improved</i> – N/A</p>
Property Description:	The subject property consists of a rectangular parcel containing a total of 6,432± square feet of R8B (73.44%) and R10A (26.56%) residential zoned land. As of the date of inspection, the subject property was raw, vacant land. According to the architectural plans provided to us, the subject property is proposed to be improved with a nine-story, plus cellar and sub-cellar, elevator-serviced, mixed-use building with community facility use space on floors one through four and luxury condominiums on floors five through nine. This report assumes the proposed property will be built as described and detailed in the provided plans.

SUMMARY OF SALIENT FACTS AND CONCLUSIONS*(continued)*

<u>TYPE OF VALUE</u>	<u>VALUATION DATE</u>
1) "As Is" Market Value,	July 17, 2015
2) "Prospective as complete" value of the subject property as developed into a residential/community facility market building, pursuant to the proposed building plans	October 2016
3) "Prospective as complete" value of the net proceeds from the sale of the luxury residential condominium units	October 2016

VALUE CONCLUSIONS

<u>Value Conclusions</u>	<u>As Is" Value</u>	<u>Prospective Value of the Condominium Development "Upon Completion of Construction"</u>	<u>Prospective Value of the Net Proceeds from the Sale of Luxury Apartment Units "Upon Completion of Construction"</u>
Cost Approach	N/A	N/A	N/A
Income Capitalization Approach	N/A	N/A	N/A
Sales Comparison Approach	\$36,000,000.00	\$89,900,000.00	\$61,300,000.00
Final Opinion of Market Value	\$36,000,000.00	\$89,900,000.00	\$61,300,000.00

** Predicated upon the extraordinary assumptions and limiting conditions as defined within the body of this report.

**UNDERLYING ASSUMPTIONS AND
LIMITING & QUALIFYING CONDITIONS**

1. This report is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice for an appraisal report. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. We are not responsible for unauthorized use of this report.
2. No responsibility is assumed for legal or title considerations. Title to the property is assumed to be good and marketable unless stated otherwise in this report.
3. The property was appraised free and clear of any or all liens and encumbrances unless stated otherwise in this report.
4. Responsible ownership and competent property management are assumed unless stated otherwise in this report.
5. The information furnished by others for the appraised property is believed to be reliable. However, no warranty is given for its accuracy.
6. All engineering is assumed to be correct. Any plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
7. It is assumed that there are no hidden or unapparent conditions of the property, subsoil or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
8. It is assumed that there is full compliance with all applicable federal, state and local environmental regulations and laws unless stated otherwise in this report.
9. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined and considered in this report.
10. It is assumed that all required licenses, Certificates of Occupancy or other legislative or administrative authority from any local, state or national government or private entity have been or can be obtained or renewed for any use on which the value estimates contained in this report are based.
11. Any sketch in this report may show approximate dimensions and is included to assist the reader in visualizing the property. Maps and exhibits found in this report are provided for reader reference purposes only. No guarantee as to accuracy is expressed or implied unless stated otherwise in this report. No survey has been made for the purpose of this report.
12. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described, and that there is no encroachment or trespass unless stated otherwise in this report.
13. We are unaware of any easements or encumbrances that substantially impact the subject property. However, we have not been provided with a title report and if in the event such report detailed the existence of an otherwise unknown easement or encumbrance, the value conclusion contained herein may be subject to change.
14. We are not qualified to detect hazardous waste and/or toxic materials. Any comment by us that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. Our value estimate(s) is predicated on the assumption that there is no such material on or in the property that would cause a loss in value unless stated otherwise in this report. No responsibility is assumed for any environmental conditions or any expertise or engineering knowledge required to discover them. Our descriptions and comments are the result of our routine observations made during the appraisal process.

15. Unless stated otherwise in this report, the subject property was appraised without a specific compliance survey having been conducted to determine whether the property is or is not in conformance with the requirements of the Americans with Disabilities Act (ADA). The presence of architectural and communications barriers that are structural in nature that would restrict access by disabled individuals may adversely affect the property's value, marketability or utility.
16. Any proposed improvements are assumed to be completed in a good and workmanlike manner in accordance with the submitted plans and specifications, and conforming to all municipal, building and health codes.
17. Our value conclusions were based on the assumption that the subject property will continue to be adequately maintained and professionally managed to sustain its competitiveness in the marketplace.
18. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
19. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser(s), and in any event, only with properly written qualification and only in its entirety.
20. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser(s) or the firm with which the appraiser(s) is/are connected) shall be disseminated to the public through advertising, public relations, news sales or other media without the prior written consent and approval of the appraiser(s).

APPRAISAL DEFINITIONS

Market Value¹

“The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.” (12 C.F.R. Part 34.42(g); *55 Federal Register* 34696, August 24, 1990, as amended at *57 Federal Register* 12202, April 9, 1992; *59 Federal Register* 29499, June 7, 1994.)”

Fee Simple Estate²

“Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.”

Intended Use³

“The manner in which the intended users expect to employ the information contained in a report.”

¹ *The Dictionary of Real Estate Appraisal – Fifth Edition, Appraisal Institute, Chicago, IL, 2010, p. 123.*

² *Ibid.*, p. 78.

³ *Ibid.*, p. 102.

Intended User⁴

1. “The client and any other party as identified, by name or type, as user of the appraisal or appraisal review report by the appraiser on the basis of communication with the client at the time of the assignment. (USPAP, 2014-2015 ed.)

2. A party who the appraiser intends will employ the information contained in a report.”

Extraordinary Assumption⁵

“An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser’s opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis.”

Prospective Opinion of Value⁶

“A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.”

⁴ *Uniform Standards of Professional Appraisal Practice (USPAP) 2014-2015 Edition*, The Appraisal Foundation, Washington, DC, 2014 p. U-3

⁵ *Ibid.*, p. U-3.

⁶ *The Dictionary of Real Estate Appraisal – Fifth Edition*, Appraisal Institute, Chicago, IL, 2010, p. 153.

VALUATION DATES

The date of "as is" valuation is July 17, 2015, the date of inspection of the subject property. The prospective date of completion of construction under "Valuation II" and "Valuation III" is October 2016.

PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to estimate the value of the subject property under the following scenarios, to assist the client in asset valuation:

- 1) "As Is" Market Value,
- 2) "Prospective as complete" value of the subject property as developed into a residential/community facility market building, pursuant to the proposed building plans,
- 3) "Prospective as complete" value of the net proceeds from the sale of the luxury residential condominium units

INTENDED USE AND USERS OF THE APPRAISAL

The intended use of this appraisal report is to assist our client, Congregation Shearith Israel, in a understanding the market value of the underlying asset. The intended users of this appraisal are Mr. Louis Solomon and those persons authorized by Congregation Shearith Israel to utilize the report.

IDENTIFICATION OF THE SUBJECT PROPERTY

The subject property is located on the southwest corner of East 70th Street and Central Park West, at 8 West 70th Street in the Lincoln Square of the Borough of Manhattan, City and State of New York. The tax assessment identification is Block 1122, Lot 37.

SUBJECT PROPERTY OWNERSHIP HISTORY

The subject property is owned by Cong Shearith Israel. According to NYC public records, there have been no transfers of the subject property within the previous five years. Additionally, we are not aware of current offerings of contracts of sale on the subject property.

EXTRAORDINARY ASSUMPTIONS & LIMITING CONDITIONS

The value estimates derived in this report are predicated upon the following extraordinary assumptions and limiting conditions, which were relied on herein. Any evidence to the contrary may affect the value conclusions:

1. The owner-submitted plans for the proposed construction of a nine-story mixed use building are approved by the City of New York and any change in the proposed construction plans and budget may reflect a change in our valuation herein.
2. The NYCDOB permit approved the construction of a 41,565± square foot building on 5/4/2015. The subject property architectural plans we have been provided with consist of a gross building area containing 41,695± square feet. We assume that the plans that we have been provided with are approved by the NYCDOB.
3. There was a zoning lot merger which occurred between Lots 36 & 37 on January 29, 2015 (CRFN: 2015000050524), we have assumed that the additional development rights from Lot 36 are not included in the subject property development plans and have not been valued herein. We have based our value only on the plans submitted to us by the owner of the property. Additionally, the land value is based on the "as-of-right" FAR of Lot 37, excluding any excess development rights from Lot 36.

MARKETING PERIOD AND EXPOSURE TIME

A *marketing period* is generally defined as “An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of the Appraisal Foundation and Statement on Appraisal Standards No. 6, “Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions” address the determination of reasonable exposure and marketing time.)”⁷

As of the inspection date, the subject property was a vacant parcel of residentially zoned land. Were the property available for sale “as-is”, we estimate the marketing period would be less than one year. The subject property is proposed to be developed to a nine-story mixed-use building with community facility use on the first four floors and residential condominium units on floors five through nine, we estimate that the marketing period for the proposed condominium building will also be less than one year.

Exposure time is generally defined as “1) the time a property remains on the market and 2) the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; an estimate based upon an analysis of past events assuming a competitive and open market.”⁸

We estimate that the exposure time for the subject property would also be less than a year for the “as is” and “as completed” subject property.

⁷ *The Dictionary of Real Estate Appraisal - Fifth Edition, Appraisal Institute, Chicago, IL, 2010, p 121.*

⁸ *Ibid., p 73.*

PHOTOGRAPHS OF THE SUBJECT PROPERTY



View of Subject Property Site from West 70th Street

PHOTOGRAPHS OF THE SUBJECT PROPERTY
(continued)



View of Subject Property Site – Post-Demolition

PHOTOGRAPHS OF THE SUBJECT PROPERTY
(continued)



Street Scene Looking West along West 70th Street



Street Scene Looking East along West 70th Street

SCOPE OF THE APPRAISAL AND METHODS OF VALUATION

The subject property consists of a rectangular shaped parcel containing a total of 6,432± square feet of R10A/R8B residentially-zoned land. According to the cost estimate and construction proposal received from ownership, as well as the approved plans according to the NYC Department of Buildings, the subject site will be developed with an nine-story, elevator-serviced condominium building with basement and second floor community facility use. The subject property will contain a total of 41,695± square feet of above-grade gross building area, plus a 13,258± square foot cellar and sub-cellar area.

The following are value estimates requested and provided herein:

- 1) "As Is" Market Value,
- 2) "Prospective as complete" value of the subject property as developed into a residential/community facility market building, pursuant to the proposed building plans,
- 3) "Prospective as complete" value of the net proceeds from the sale of the luxury residential condominium units

There are three generally accepted approaches to the valuation of real estate: the cost approach, the income capitalization approach and the sales comparison approach. In all valuation methods, local market data is sought, when appropriate, for sales and offerings of tracts of vacant land and similar residential/community facility condominium properties, current prices for construction materials and labor, operating expenses and current rates of return on investments. From this data, value estimates may be developed for the land and the property as a whole.

Cost Approach

This approach assumes that an informed purchaser would pay no more for a property than the cost of producing a similar investment. The approach entails estimating the value of the land as if vacant, which is then added to the depreciated value of the improvements. This is considered a valid indicator when a property is new and there are a sufficient number of land sales. The Cost Approach was not applicable for the "prospective as complete" valuation because the land value opinion provided assumes "Highest and Best Use" as a residential development site and the proposed "prospective as complete" development represents a specific development plan of a not-for-profit group. Therefore, the value indications of these two components do not comply with the "consistent use" theory of the Cost Approach and a value indication would be unreliable.

Income Capitalization Approach

The income capitalization approach values the future benefits from an income-producing property by measuring the potential net income received. This approach is significant in determining the market value of a property that investors typically purchase for its income generation. The subject property proposed building will contain condominium units, which are typically sold as owner occupied units, therefore, the income capitalization approach was not applicable herein.

Sales Comparison Approach

The major premise of the sales comparison approach is the principle of substitution, which states that an informed and knowledgeable purchaser would pay no more for a property than the cost of acquiring an existing property of similar investment features.

For the "as is" value of the subject property vacant land area, we researched the market for vacant land sales on the Upper West Side as well as, competing, areas. We applied this approach by researching and analyzing several sales transactions, comparing them to the subject property based on their price per square foot of maximum buildable area. We then

analyzed and adjusted each sale price to reflect the similarities and differences between the sales and the subject to arrive at an indicated value estimate.

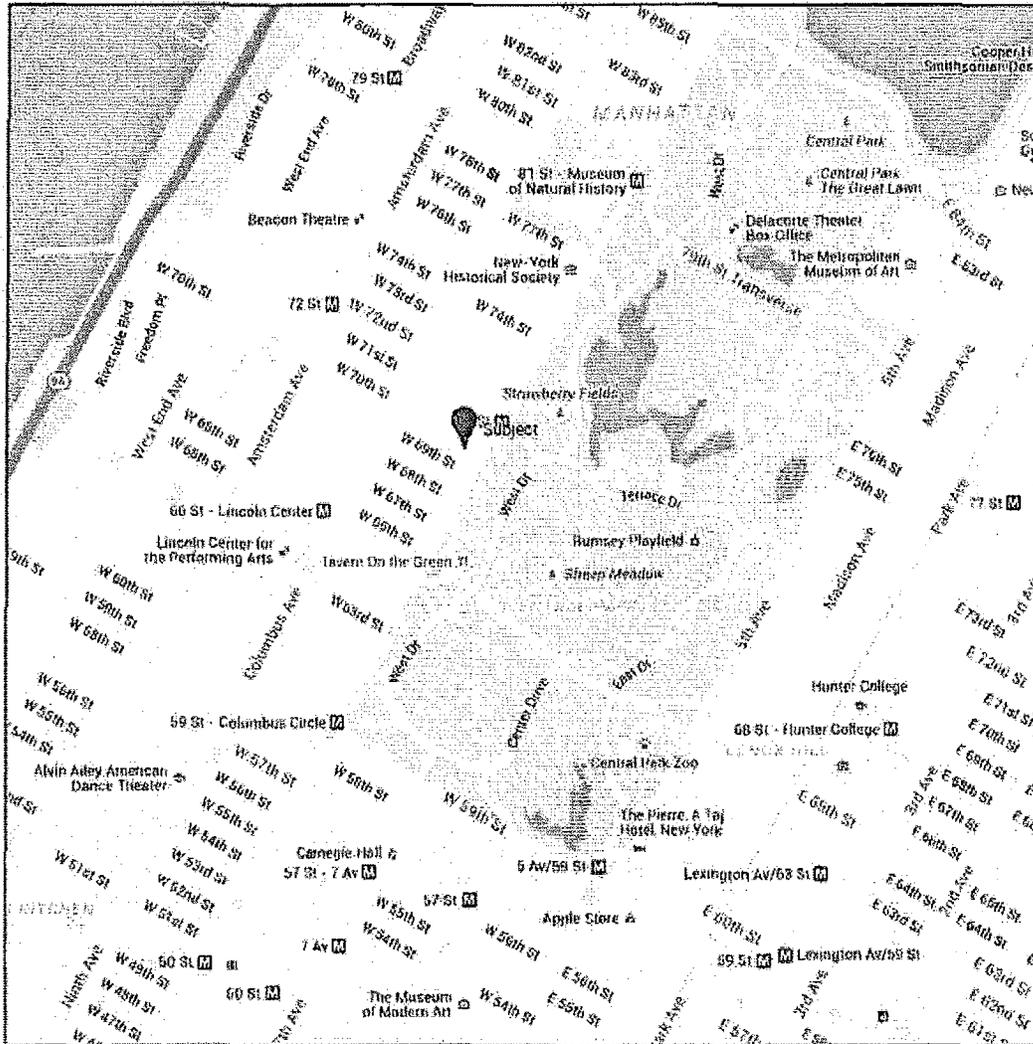
For the “prospective as complete” valuation, we have estimated the sale price of the subject property proposed residential and community facility condominium units. To conclude a market value for “Valuation II”, pertinent sales, listings, offerings that were available for comparable luxury residential, penthouse and community facility units were researched. The important attributes of each comparable property were compared to the corresponding ones of the subject under the general categories of time, tenant mix, location, unit size and property characteristics. All dissimilarities and their probable effect on the price of each comparable property were considered to derive a market value indication for the subject. An opinion of market value for the subject property condominium units per square foot was formulated from the analyzed data and estimated in the sell-out of the discounted cash flow. From there, absorption rates were estimated for the proposed luxury residential and penthouse units by researching similar new construction building condominium sales. Then a series of annual cash flows over each projected holding period. Using a market-derived rate, the annual cash flows were discounted to present values. A reversionary value of the development at the end of the holding period is not applicable for the condominium analyses because all of the condominium units will be sold off.

To conclude a market value for “Valuation III” we provided a net-sellout valuation of the subject property luxury condominium residential units and deducted a percentage to account for the market and brokerage of the units to arrive at a net sellout value as of the “prospective as complete” valuation date of October 2016.

Reconciliation

As a concluding step, we reconciled the value estimates derived by the various approaches into our final “as is” and “prospective as complete” value choices under each valuation scenario. Since, the only applicable approach was the Sales Comparison Approach, we have relied on this approach in our conclusion of market value.

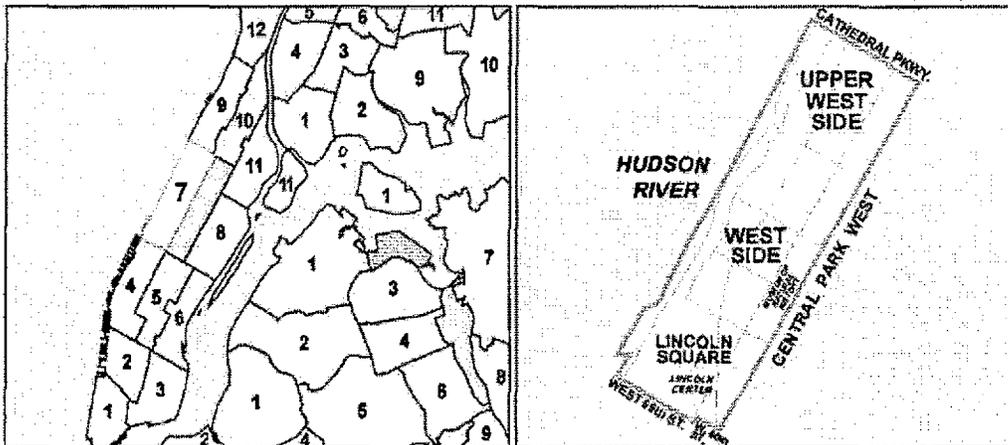
LOCAL AREA MAP



LOCAL AREA DESCRIPTION

The subject property is located in Manhattan's Community District #7. Community District #7 encompasses the neighborhoods of Lincoln Square on the southern end of the district, and the Lincoln Square. The district borders include all properties located north of West 59th Street, south of Cathedral Parkway (West 110th Street), east of the Hudson River and west of Central Park West.

Community District #7 is bounded by two parks, Central Park on the east and Riverside Park on the west. The district includes a number of cultural venues and is home to Lincoln Center and to the American Museum of Natural History located at Central Park West and West 79th Street.



There are several public, private and parochial elementary schools and high schools located throughout the district. Post-secondary degrees are granted by John Jay College of Criminal Justice (part of the City University of New York), Fordham University Lincoln Center, the Juilliard School, Mannes College of Music and the New York Institute of Technology-Metro campus.

The Manhattan Valley area is adequately served by public transportation. There are local subway stations along Broadway (1 line) at the intersections of West 103rd Street and at

Cathedral Parkway, and along Central Park West (B and C lines) at West 103rd Street and at Cathedral Parkway, and an express subway station located at the intersection of Broadway and West 96th Street (2 and 3 lines). There are also bus routes along the avenues and a cross-town bus along 96th Street.

The 2010 U.S. Census estimated the population of Community District #7 at 209,084 residents, up 0.7% from the 2000 level of 207,699. The American Community Survey (ASC) results indicate that over half of the district residents are living alone, and of these, approximately 25% are 65 years and older. During 2005, 12.7% of the population received some form of public assistance. This decreased to 11.5% by 2014.

The following table details the land use within Community District #7 as of 2014:

2014 Land Uses - Manhattan Community District #7

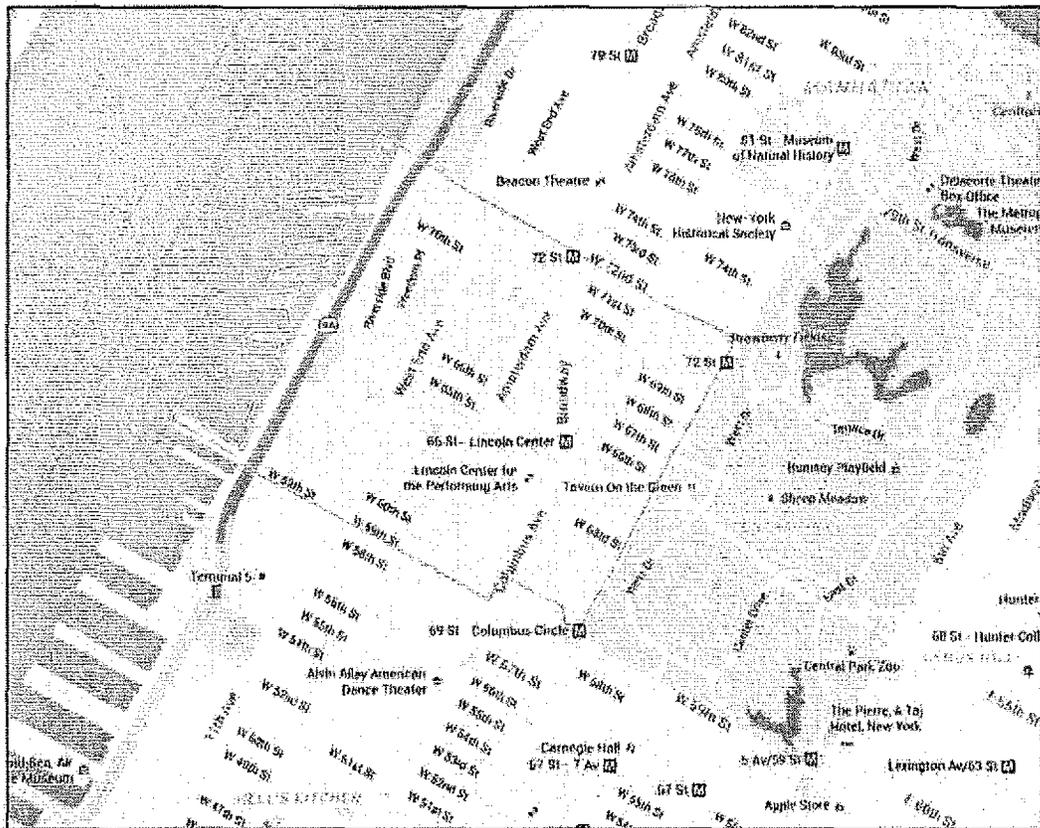
	Lots	Lot Area	
		Sq. Ft.(000)	%
1- 2 Family Residential	429	793.5	2.1
Multi-Family Residential	2,815	14,588.9	38.5
Mixed Resid. / Commercial	722	6,655.1	17.6
Commercial / Office	148	1,587.7	4.2
Industrial	4	30.2	0.1
Transportation / Utility	9	1,048.2	2.8
Institutions	228	4,146.2	10.9
Open Space / Recreation	27	7,024.6	18.5
Parking Facilities	28	323.5	0.9
Vacant Land	55	1,686.1	4.5
Miscellaneous	6	7.3	0.0
Total	4,471	37,891.4	100.0

Source: New York City Department of City Planning.

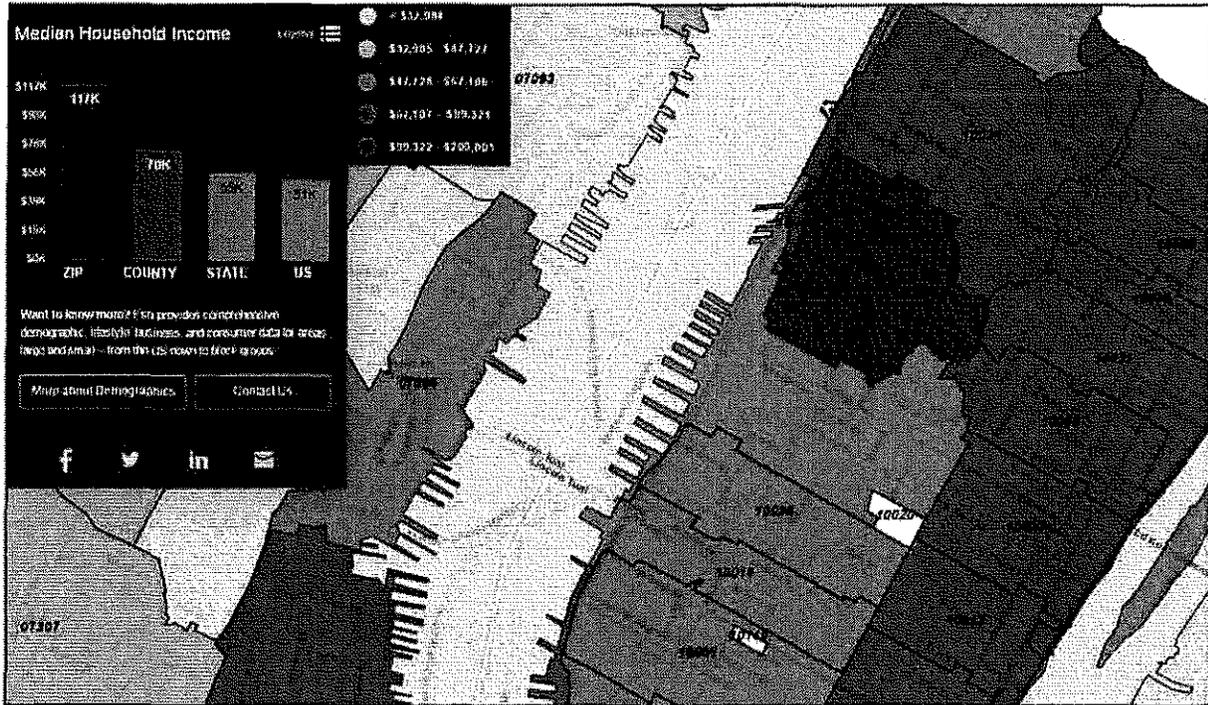
As indicated in the Land Use table above, the primary use of property in the community district is multi-family residential, which, including mixed residential/commercial properties, makes up 38.5% of the district's total lot area. The three-year 2006-2008 ASC survey indicates that less than 3% of the district's housing

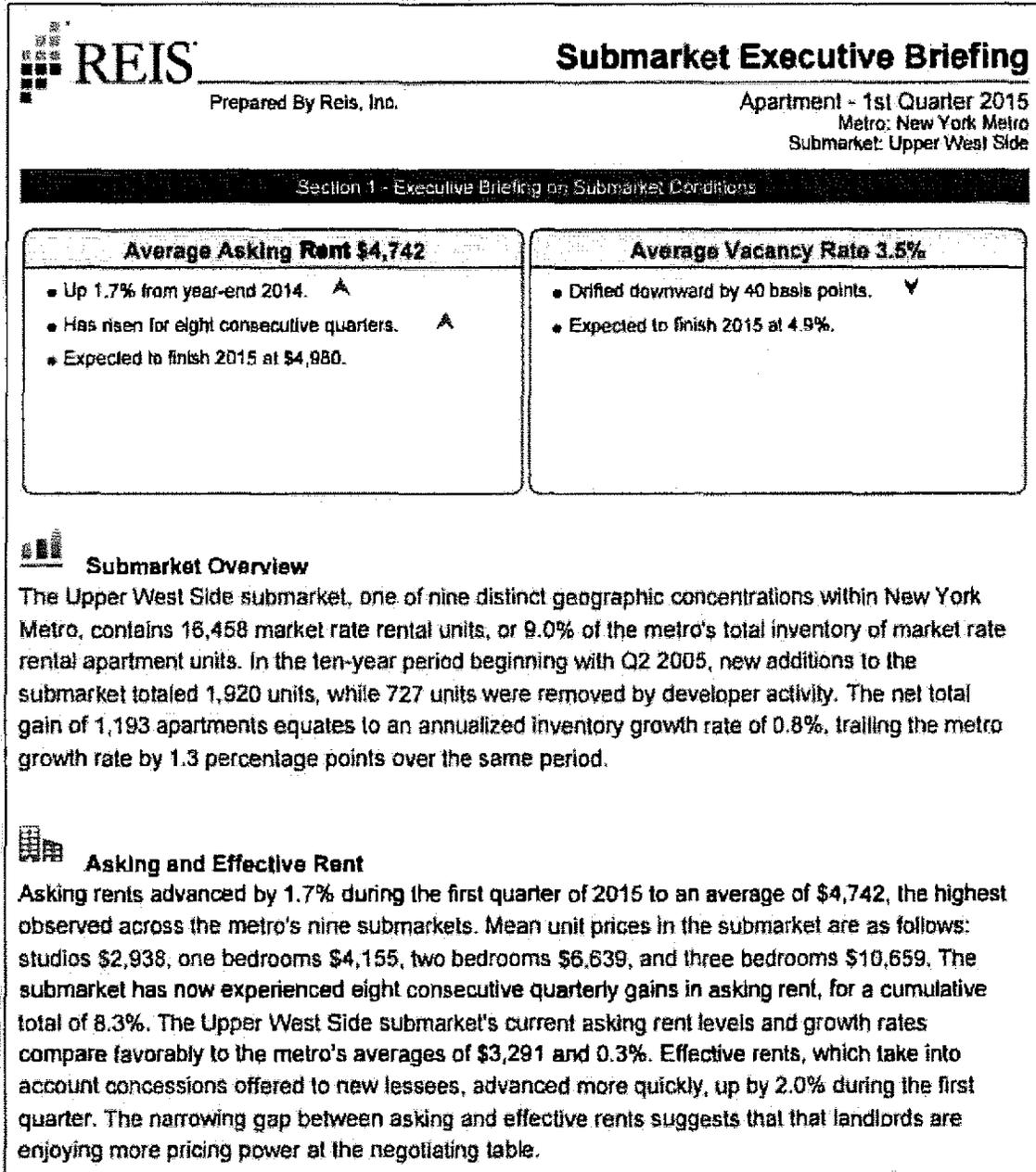
stock was built during 2000 or later. Much of the housing stock is located within older buildings—65.9% of the housing stock is located in structures built prior to 1950. During the 1950's, much of the area was considered blighted, leading to massive urban renewal projects. The Lincoln Square Urban Renewal Area was approved in 1955, which resulted in the development of Lincoln Center at the southern end of the community district. In 1959, the preliminary plan was released for the West Side Urban Renewal Area located between West 87th and West 97th Streets and Amsterdam Avenue and Central Park West.

The subject property is located within Lincoln Square, which is located on the southern third of the Community District, as shown below:



As shown in the graphic below, the zip code (10023), which surrounds the subject property area has an above average median household income of \$117k per annum, as shown by the Zip Code Lookup from ESRI.



RESIDENTIAL MARKET ANALYSIS (REIS)

RESIDENTIAL MARKET ANALYSIS (REIS)*(continued)***REIS**

Prepared By Reis, Inc.

Submarket Executive Briefing
 Apartment - 1st Quarter 2015
 Metro: New York Metro
 Submarket: Upper West Side
**Competitive Inventory, Household Formations, Absorption**

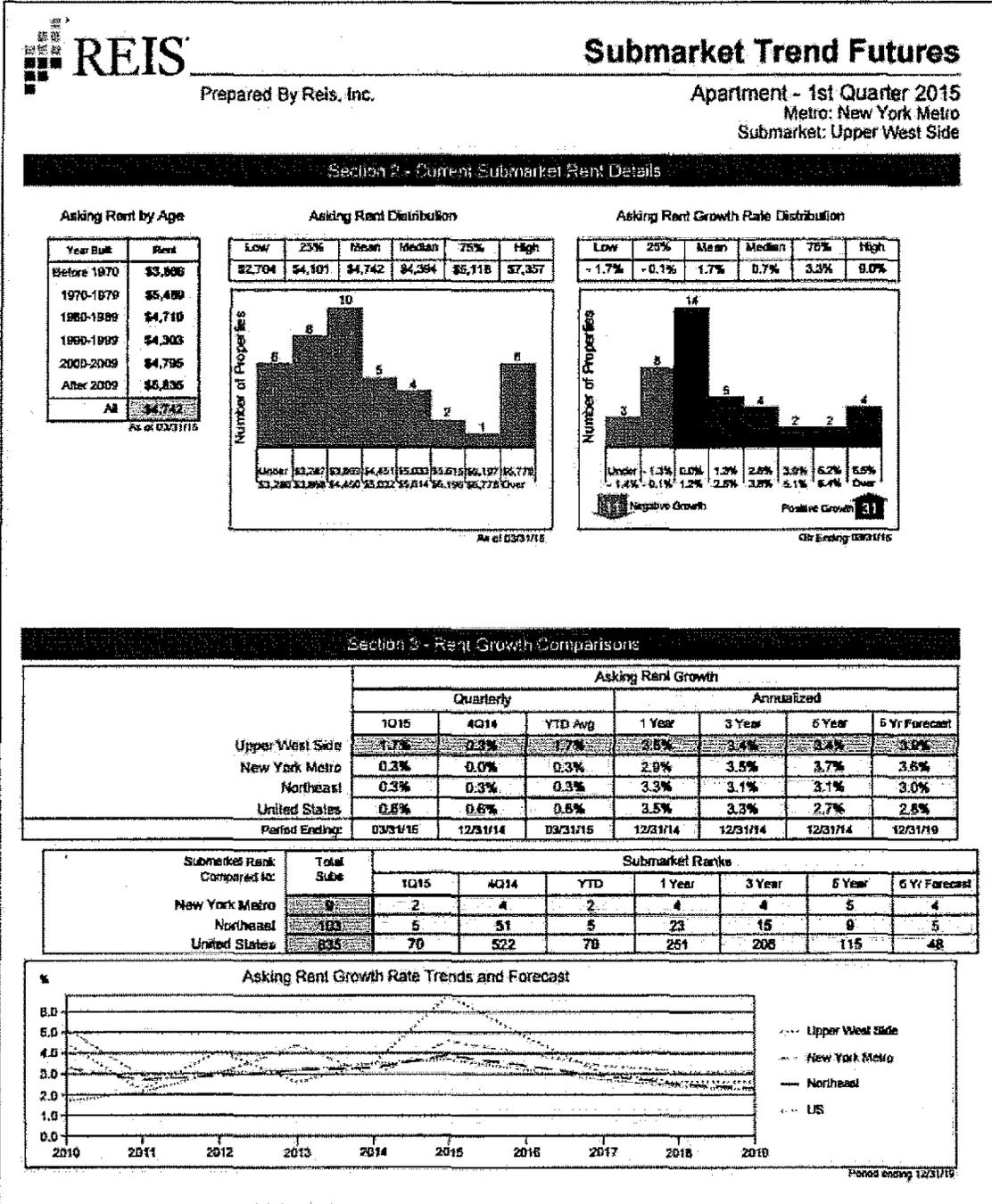
Net new household formations in New York Metro were 3,790 during the first quarter. Typically, changes in the total number of households are at least partially reflected in the average occupancy levels of market rate apartment units; therefore, it is useful to consider longer-term economic and demographic performance as a factor affecting current absorption rates. Since the beginning of Q2 2005, household formations in New York Metro have averaged 0.3% per year, representing the average annual addition of 8,400 households. Over the same time period, the metro posted an average annual absorption rate of 3,311 units. During the first quarter, metropolitan absorption totaled 528 units, of which the Upper West Side submarket captured 66 units. Over the last four quarters, submarket absorption totaled 182 units, nearly double the average annual absorption rate of 102 units recorded since the beginning of Q2 2005. The submarket's average vacancy rate drifted downward by 40 basis points during the first quarter to 3.5%, which is 0.8 percentage points higher than the long-term average, and 0.4 percentage points higher than the current metro average.

**Outlook**

Reis is tracking apartment construction activity that will deliver 724 units to the submarket by the end of the year, and net total absorption will be positive 458 units. Consequently, the vacancy rate will drift upward by 1.4 percentage points to 4.9%. During 2016 and 2017, developers are expected to deliver a total of 332 units of market rate rental apartment units to the submarket amounting to 2.4% of the new construction introduced to New York Metro. Net new household formations at the metro level during 2016 and 2017 are projected to average 1.2% annually, enough to facilitate an absorption rate averaging 5,655 units per year. The Upper West Side submarket will claim an insignificant 2.2% of this demand. Because this amount does not exceed the forecasted new construction, the submarket vacancy rate will rise by 40 basis points to finish 2017 at 5.3%. Between now and year-end 2015 asking rents are expected to climb 5.0% to a level of \$4,980, while effective rents will rise by 4.6% to \$4,810. On an annualized basis through 2016 and 2017, asking and effective rents are projected to increase by 3.9% and 3.8%, respectively, to finish 2017 at \$5,377 and \$5,179.

RESIDENTIAL MARKET ANALYSIS (REIS)

(continued)



RESIDENTIAL MARKET ANALYSIS (REIS)
(continued)



REIS

Submarket Trend Futures

Prepared By Reiss, Inc.

Apartment - 1st Quarter 2015
Metro: New York Metro
Submarket: Upper West Side

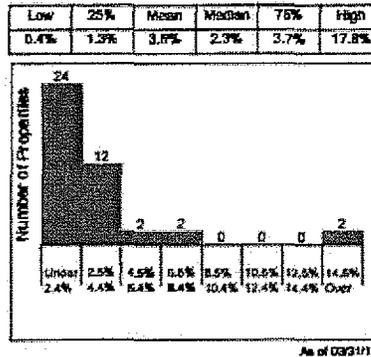
Section 4 - Current Submarket Vacancy Details

Vacancy Rate By Age

Year Built	Vac. Rate
Before 1970	2.4%
1970-1979	1.3%
1980-1989	3.8%
1990-1999	2.9%
2000-2009	6.0%
After 2009	3.2%
All	3.5%

As of 03/31/15

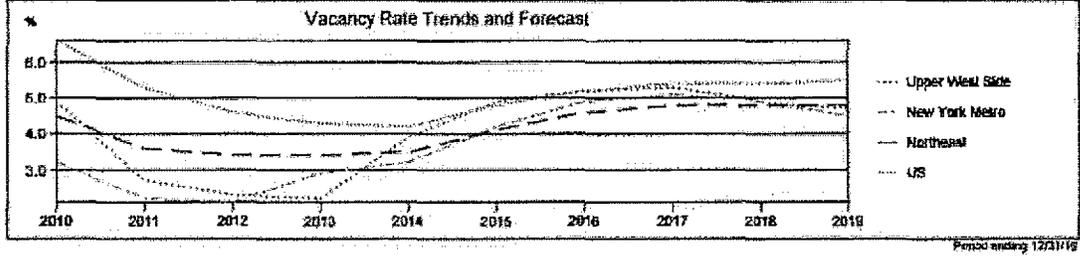
Vacancy Rate Distribution



Section 5 - Vacancy Rate Comparisons

	Vacancy Rates						
	Quarterly			Annualized			
	1Q15	4Q14	YTD Avg	1 Year	3 Year	5 Year	5 Yr Forecast
Upper West Side	3.5%	3.0%	3.6%	3.1%	2.8%	3.0%	3.0%
New York Metro	3.1%	3.2%	3.1%	3.0%	2.6%	2.7%	4.8%
Northeast	3.5%	3.5%	3.5%	3.4%	3.5%	3.0%	4.5%
United States	4.2%	4.2%	4.2%	4.3%	4.6%	5.5%	5.3%
Period Ending:	03/31/15	12/31/14	03/31/15	12/31/14	12/31/14	12/31/14	12/31/19

Submarket Rank Compared to:	Total Subs	Submarket Ranks						
		1Q15	4Q14	YTD	1 Year	3 Year	5 Year	5 Yr Forecast
New York Metro	9	7	7	7	6	6	6	7
Northeast	103	70	75	70	54	39	29	75
United States	835	385	422	385	266	136	77	465



RESIDENTIAL MARKET ANALYSIS (REIS)

(continued)



REIS

Prepared By Reis, Inc.

Submarket Trend Futures

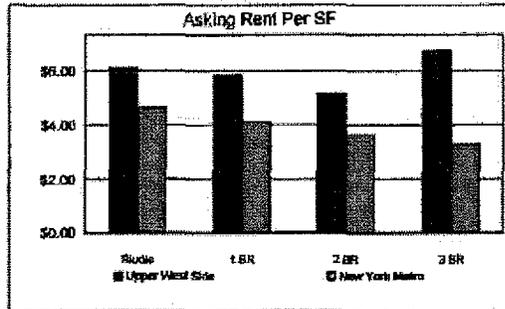
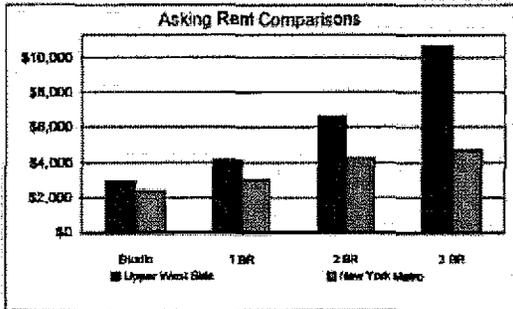
Apartment - 1st Quarter 2015

Metro: New York Metro

Submarket: Upper West Side

Section 6 - Submarket Unit Mix Rent Details

Studio/Efficiency	Current Submarket Average Rents and Sizes			Asking Rent Growth					
	1Q 2015			Quarterly			Annualized		
	Rent	Avg. SF	Avg. Rent PSF	1Q15	4Q14	YTD	1 Year	3 Year	5 Year
One Bedroom	\$2,938	470	\$ 6.14	0.4%	-0.3%	0.4%	0.6%	2.5%	3.4%
Two Bedroom	\$4,155	710	\$ 5.85	1.7%	0.1%	1.7%	6.1%	3.6%	3.2%
Three Bedroom	\$6,639	1280	\$ 5.15	1.7%	0.8%	1.7%	2.6%	3.8%	3.8%
	\$10,659	1523	\$ 6.73	5.3%	0.0%	5.3%	-1.6%	0.7%	2.7%
Average over period change:				03/31/15	12/31/14	03/31/15	12/31/14	12/31/14	12/31/14



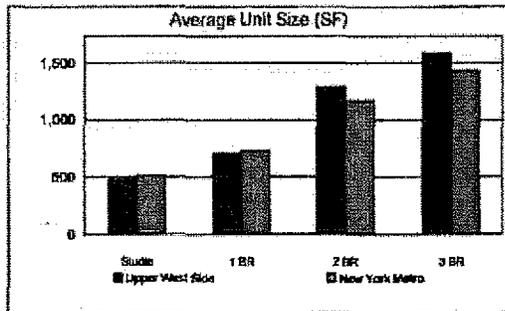
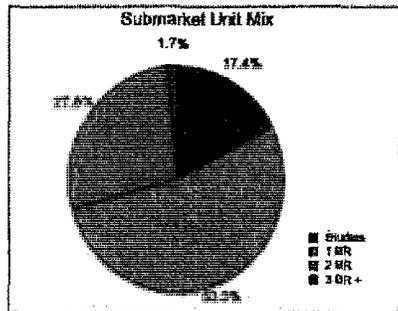
	Studio	1 BR	2 BR	3 BR
Upper West Side	\$2,835	\$4,155	\$6,639	\$10,659
New York Metro	\$2,985	\$3,024	\$4,255	\$4,701

As of 03/31/15

	Studio	1 BR	2 BR	3 BR
Upper West Side	\$ 6.14	\$ 5.85	\$ 5.15	\$ 6.73
New York Metro	\$ 4.54	\$ 4.11	\$ 3.54	\$ 3.28

As of 03/31/15

Section 7 - Submarket Unit Mix Inventory Details



RESIDENTIAL MARKET ANALYSIS (REIS)

(continued)



REIS

Prepared By Reis, Inc.

Submarket Trend Futures

Apartment - 1st Quarter 2015
 Metro: New York Metro
 Submarket: Upper West Side

Section 8 - Submarket Inventory Details

Inventory By Building Age

Year Built	Percent
Before 1970	17.0%
1970-1979	6.0%
1980-1989	24.0%
1990-1999	18.0%
2000-2009	22.0%
After 2009	13.0%
All	100.0%

As of 03/31/15

Apartment Stock Traits

Year Built	Submarket			
	Low	Mean	Median	High
1903	1975	1989	2014	
Size (units)	20	23	26	30
Distance to Highway (miles)	0	0.1	0.1	0.3
Distance to CBD (miles)	4.2	5.1	4.9	6
Distance to Landmark (miles)	0.1	0.4	0.3	0.2

As of 03/31/15 Landmark = Nearest Subway Station

Average Submarket Lease Terms

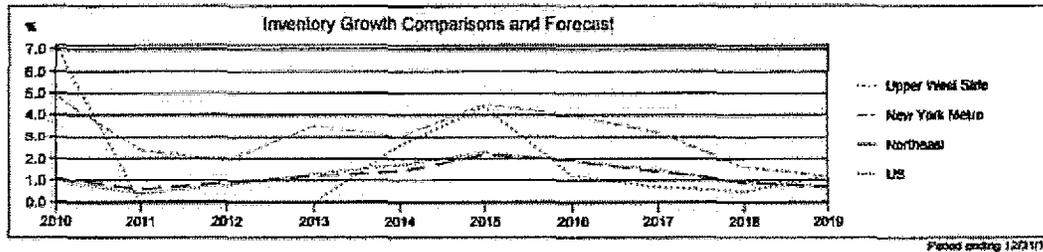
Free Rent (mo)	Expenses % (Apartment)
0.58	62.7%

As of 03/31/15

Section 9 - Inventory Growth Comparisons

	Inventory Growth Rates						
	Quarterly			Annualized			
	1Q15	4Q14	YTD Avg	1 Year	3 Year	5 Year	5 Yr Forecast
Upper West Side	0.0%	0.0%	0.0%	2.8%	0.0%	1.0%	1.6%
New York Metro	0.2%	1.1%	0.2%	3.0%	2.8%	3.1%	2.9%
Northeast	0.2%	0.2%	0.2%	1.4%	1.1%	1.0%	1.4%
United States	0.3%	0.4%	0.3%	1.7%	1.3%	1.0%	1.5%
Period Ending:	03/31/15	12/31/14	03/31/15	12/31/14	12/31/14	12/31/14	12/31/15

Submarket Rank Compared to:	Total Subs	Submarket Ranks						
		1Q15	4Q14	YTD	1 Year	3 Year	5 Year	5 Yr Forecast
New York Metro	9	6	7	6	4	6	6	6
Northeast	103	41	49	41	19	29	12	34
United States	834	270	307	270	191	362	160	313



RESIDENTIAL MARKET ANALYSIS (REIS)

(continued)



REIS

Prepared By Reits, Inc.

Submarket Trend Futures

Apartment - 1st Quarter 2015

Metro: New York Metro

Submarket: Upper West Side

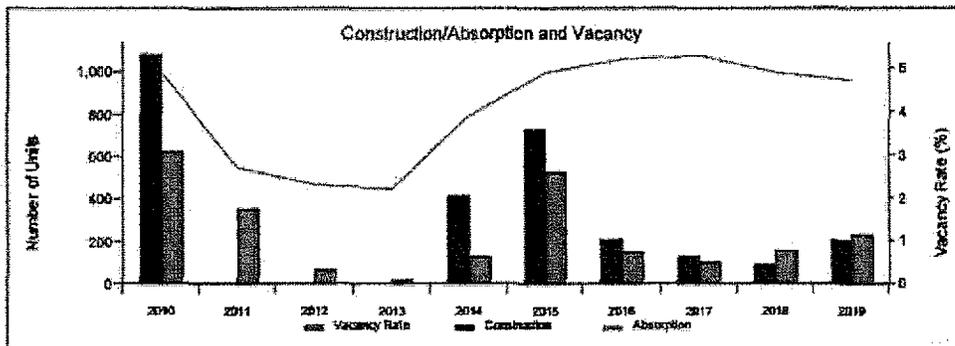
Section 10 - Construction/Absorption Change

Construction and Absorption

	Quarterly								
	1Q15			4Q14			YTD Avg		
	Units Built	Units Absorbed	Con/Abs Ratio	Units Built	Units Absorbed	Con/Abs Ratio	Units Built	Units Absorbed	Con/Abs Ratio
Upper West Side	0	0	0.0	0	0	0.0	0	0	0.0
New York Metro	378	528	0.7	2,021	1,163	1.7	378	528	0.7
Average over period ending:	03/31/15	03/31/15	03/31/15	12/31/14	12/31/14	12/31/14	03/31/15	03/31/15	03/31/15

	Annualized								
	1 Year History			3 Year History			5 Year History		
	Units Built	Units Absorbed	Con/Abs Ratio	Units Built	Units Absorbed	Con/Abs Ratio	Units Built	Units Absorbed	Con/Abs Ratio
Upper West Side	414	125	3.3	138	68	2.0	298	235	1.3
New York Metro	5,303	4,815	1.1	4,861	4,118	1.2	5,138	4,920	1.0
Average over period ending:	12/31/14	12/31/14	12/31/14	12/31/14	12/31/14	12/31/14	12/31/14	12/31/14	12/31/14

	Annualized		
	5 Year Forecast		
	Units Built	Units Absorbed	Con/Abs Ratio
Upper West Side	260	230	1.2
New York Metro	5,529	4,774	1.2
Average over period ending:	12/31/19	12/31/19	12/31/19



Period ending 12/31/19

RESIDENTIAL MARKET ANALYSIS (Douglas Elliman)
(continued)

**2005-2014
MANHATTAN
DECADE**

**WEST SIDE
LINCOLN CENTER CONDOS**

Average Price Per Square Foot / Number of Sales



Matrix	Current Year	% Chg	Prior Year	% Chg	Prior Decade
Average Sales Price	\$3,130,363	26.1%	\$2,482,932	67.2%	\$1,872,287
Average Price Per Sq. Ft	\$2,009	23.9%	\$1,694	60.5%	\$1,308
Median Sales Price	\$1,700,000	7.9%	\$1,575,000	58.8%	\$1,070,000
Number of Sales	366	-3.7%	390	-1.8%	373

Boundary

North: West 72nd Street
 South: West 57th Street
 East: Central Park West
 West: Hudson River

Average Sales Price

	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4+ Bedroom	ALL
2014	\$1,210,507	\$1,184,459	\$2,046,046	\$6,064,676	\$11,604,425	\$3,130,363
2013	\$836,956	\$1,163,316	\$2,513,364	\$4,635,279	\$7,519,600	\$2,482,932
2012	\$730,287	\$806,052	\$2,275,921	\$4,036,095	\$9,544,319	\$2,009,102
2011	\$658,466	\$857,409	\$2,101,285	\$4,427,057	\$8,231,930	\$2,472,878
2010	\$475,997	\$807,333	\$1,616,178	\$3,693,398	\$8,109,497	\$2,029,735
2009	\$495,072	\$880,265	\$3,151,032	\$4,128,891	\$8,025,970	\$2,698,711
2008	\$674,920	\$980,703	\$3,131,056	\$7,152,426	\$19,712,486	\$3,471,808
2007	\$810,808	\$920,521	\$2,280,583	\$7,716,854	\$13,713,989	\$2,281,407
2006	\$582,520	\$858,558	\$2,162,825	\$5,681,632	\$9,734,930	\$2,013,825
2005	\$514,286	\$851,027	\$2,362,090	\$5,773,017	\$14,070,000	\$1,872,287

Average Price Per Square Foot

	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4+ Bedroom	ALL
2014	\$2,013	\$1,464	\$2,028	\$3,116	\$3,625	\$2,099
2013	\$1,164	\$1,361	\$1,721	\$2,452	\$2,479	\$1,694
2012	\$1,136	\$1,097	\$1,693	\$2,040	\$2,998	\$1,700
2011	\$1,118	\$1,085	\$1,532	\$2,227	\$2,395	\$1,852
2010	\$944	\$1,027	\$1,288	\$1,777	\$2,320	\$1,335
2009	\$887	\$1,108	\$1,907	\$1,828	\$2,307	\$1,628
2008	\$1,171	\$1,281	\$2,042	\$2,701	\$3,734	\$1,942
2007	\$1,191	\$1,164	\$1,619	\$2,391	\$2,944	\$1,513
2006	\$1,139	\$1,080	\$1,488	\$2,072	\$2,398	\$1,376
2005	\$952	\$1,041	\$1,642	\$1,879	\$2,112	\$1,308

Median Sales Price

	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4+ Bedroom	ALL
2014	\$790,000	\$1,100,000	\$2,150,000	\$4,000,000	\$8,655,125	\$1,700,000
2013	\$635,000	\$895,000	\$1,861,250	\$3,222,913	\$6,389,464	\$1,575,000
2012	\$500,000	\$870,000	\$1,780,000	\$3,000,000	\$5,189,760	\$1,760,000
2011	\$530,000	\$825,000	\$1,620,000	\$3,060,000	\$5,625,000	\$1,380,000
2010	\$507,000	\$810,783	\$1,415,000	\$2,862,925	\$6,000,000	\$1,326,800
2009	\$515,000	\$818,000	\$1,750,000	\$2,800,000	\$6,460,000	\$1,890,000
2008	\$667,500	\$957,166	\$2,061,856	\$6,109,600	\$14,250,000	\$1,578,000
2007	\$800,000	\$860,000	\$1,704,316	\$5,625,000	\$10,700,000	\$1,267,550
2006	\$595,000	\$840,000	\$1,800,000	\$5,000,000	\$7,895,000	\$1,275,000
2005	\$490,000	\$835,000	\$2,080,000	\$5,450,000	\$12,000,000	\$1,070,000

Number of Sales

	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4+ Bedroom	ALL
2014	29	133	122	58	24	366
2013	25	143	137	51	24	380
2012	23	110	126	96	37	392
2011	31	163	173	80	37	483
2010	37	154	260	99	31	581
2009	26	128	169	82	18	413
2008	45	145	322	65	29	609
2007	48	146	262	36	0	501
2006	25	122	204	18	10	389
2005	35	147	174	12	5	373

NEW YORK OFFICE MARKET OVERVIEW

The Penn Plaza/Garment Submarket has picked up the pace this quarter on deals signed and construction starts. 1 Manhattan West signed Skadden, Arps, Slate, Meagher & Flom LLP and 55 Hudson Yards signed Boies, Schiller & Flexner LLP. Both properties along with 30 Hudson Yards, started construction this quarter as well. WeWork continues to lease space in Manhattan signing for another 140,000 square feet at 315 W 36th St, also in the Penn Plaza/Garment Submarket, bringing its total in the Market to 552,069 square feet for the year.

The New York City Office market ended the second quarter 2015 with a vacancy rate of 7.8%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 2,114,794 square feet in the second quarter. Vacant sublease space decreased in the quarter, ending the quarter at 3,683,877 square feet. Rental rates ended the second quarter at \$58.40, an increase over the previous quarter. One building delivered to the market in the quarter totaling 473,672 square feet, with 11,924,108 square feet still under construction at the end of the quarter.

Absorption

Net absorption for the overall New York City office market was positive 2,114,794 square feet in the second quarter 2015. That compares to negative (831,765) square feet in the first quarter 2015, positive 3,319,822 square feet in the fourth quarter 2014, and positive 895,715 square feet in the third quarter 2014.

Tenants moving out of large blocks of space in 2015 include: JP Morgan moving out of 946,674 square feet at 28 Liberty; Kaplan moving out of 147,670 square feet at 395 Hudson st; and Morgan Stanley consolidating space by vacating 136,650 square feet at One New York Plaza. Tenants moving into large blocks of space in 2015 include: Mount Sinai moving into 448,819 square feet at 150 E 42nd St; The Bank of New York Mellon Corporation moving into 376,818 square feet at 225 Liberty St; and Google, Inc. moving into 178,064 square feet at 85 Tenth Ave. The Class-A office market recorded net absorption of positive 2,226,651 square feet in the second quarter 2015, compared to negative (627,230) square feet in the first

quarter 2015, positive 2,934,437 in the fourth quarter 2014, and positive 1,313,300 in the third quarter 2014.

The Class-B office market recorded net absorption of negative (255,494) square feet in the second quarter 2015, compared to positive 67,311 square feet in the first quarter 2015, positive 633,309 in the fourth quarter 2014, and positive 150,145 in the third quarter 2014. The Class-C office market recorded net absorption of positive 143,637 square feet in the second quarter 2015 compared to negative (271,846) square feet in the first quarter 2015, negative (247,924) in the fourth quarter 2014, and negative (567,730) in the third quarter 2014.

Vacancy

The office vacancy rate in the New York City market decreased to 7.8% at the end of the second quarter 2015. The vacancy rate was 8.1% at the end of the first quarter 2015 and at the end of the fourth quarter 2014, and 8.2% at the end of the third quarter 2014. Class-A projects reported a vacancy rate of 9.3% at the end of the second quarter 2015, 9.8% at the end of the first quarter 2015, 9.6% at the end of the fourth quarter 2014, and 9.7% at the end of the third quarter 2014. Class-B projects reported a vacancy rate of 6.0% at the end of the second quarter 2015, 5.8% at the end of the first quarter 2015, 6.2% at the end of the fourth quarter 2014, and 6.6% at the end of the third quarter 2014.

Class-C projects reported a vacancy rate of 5.2% at the end of the second quarter 2015, 5.5% at the end of first quarter 2015, 5.2% at the end of the fourth quarter 2014, and 5.4% at the end of the third quarter 2014.

Largest Lease Signings

The largest lease signings occurring in 2015 included: the 544,009-square-foot lease signed by Skadden, Arps, Slate, Meagher & Flom LLP at 1 Manhattan West in the Penn Plaza/Garment Submarket; the 506,009-square-foot deal signed by Publicis Groupe at 1675 Broadway in the Columbus Circle Submarket; and the 495,551-square-foot lease signed by MetLife, Inc. at the MetLife Bldg in the Grand Central Submarket.

Sublease Vacancy

The amount of vacant sublease space in the New York City market decreased to 3,683,877 square feet by the end of the second quarter 2015, from 3,827,980 square feet at the end of the first quarter 2015. There was 3,824,601 square feet vacant at the end of the fourth quarter 2014 and 4,016,907 square feet at the end of the third quarter 2014. New York City's Class-A projects reported vacant sublease space of 2,548,813 square feet at the end of second quarter 2015, down from the 2,865,278 square feet reported at the end of the first quarter 2015. There were 2,896,798 square feet of sublease space vacant at the end of the fourth quarter 2014, and 2,930,952 square feet at the end of the third quarter 2014.

Class-B projects reported vacant sublease space of 879,621 square feet at the end of the second quarter 2015, up from the 666,802 square feet reported at the end of the first quarter 2015. At the end of the fourth quarter 2014 there were 679,722 square feet, and at the end of the third quarter 2014 there were 879,922 square feet vacant. Class-C projects reported decreased vacant sublease space from the first quarter 2015 to the second quarter 2015. Sublease vacancy went from 295,900 square feet to 255,443 square feet during that time. There was 248,081 square feet at the end of the fourth quarter 2014, and 206,033 square feet at the end of the third quarter 2014.

Rental Rates

The average quoted asking rental rate for available office space, all classes, was \$58.40 per square foot per year at the end of the second quarter 2015 in the New York Citymarket. This represented a 2.5% increase in quoted rental rates from the end of the first quarter 2015, when rents were reported at \$56.99 per square foot. The average quoted rate within the Class-A sector was \$60.76 at the end of the second quarter 2015, while Class-B rates stood at \$59.01, and Class-C rates at \$52.02. At the end of the first quarter 2015, Class-A rates were \$60.14 per square foot, Class-B rates were \$56.37, and Class-C rates were \$50.18.

Deliveries and Construction

During the second quarter 2015, one building totaling 473,672 square feet was completed in the New York City market. This compares to one building totaling 18,000 square feet that was completed in the first quarter 2015, two buildings totaling 3,082,668 square feet completed in the fourth quarter 2014, and 36,000 square feet in one building completed in the third quarter 2014.

There were 11,924,108 square feet of office space under construction at the end of the second quarter 2015. Some of the notable 2015 deliveries include: 7 Bryant Park, a 473,672-square-foot facility that delivered in second quarter 2015 and is now 61% occupied and 135 Bowery, a 18,000- square-foot building that delivered in first quarter 2015. The largest projects underway at the end of second quarter 2015 were 3 World Trade Center, a 2,861,402-square-foot building with 31% of its space pre-leased, and 30 Hudson Yards, a 2,390,516-square-foot facility that is approximately 50% preleased.

Inventory

Total office inventory in the New York City market amounted to 560,816,707 square feet in 3,794 buildings as of the end of the second quarter 2015. The Class-A office sector consisted of 326,115,951 square feet in 458 projects. There were 1,363 Class-B buildings totaling 162,213,352 square feet, and the Class-C sector consisted of 72,487,404 square feet in 1,973 buildings. Within the Office market there were 207 owner occupied buildings accounting for 25,478,882 square feet of office space.

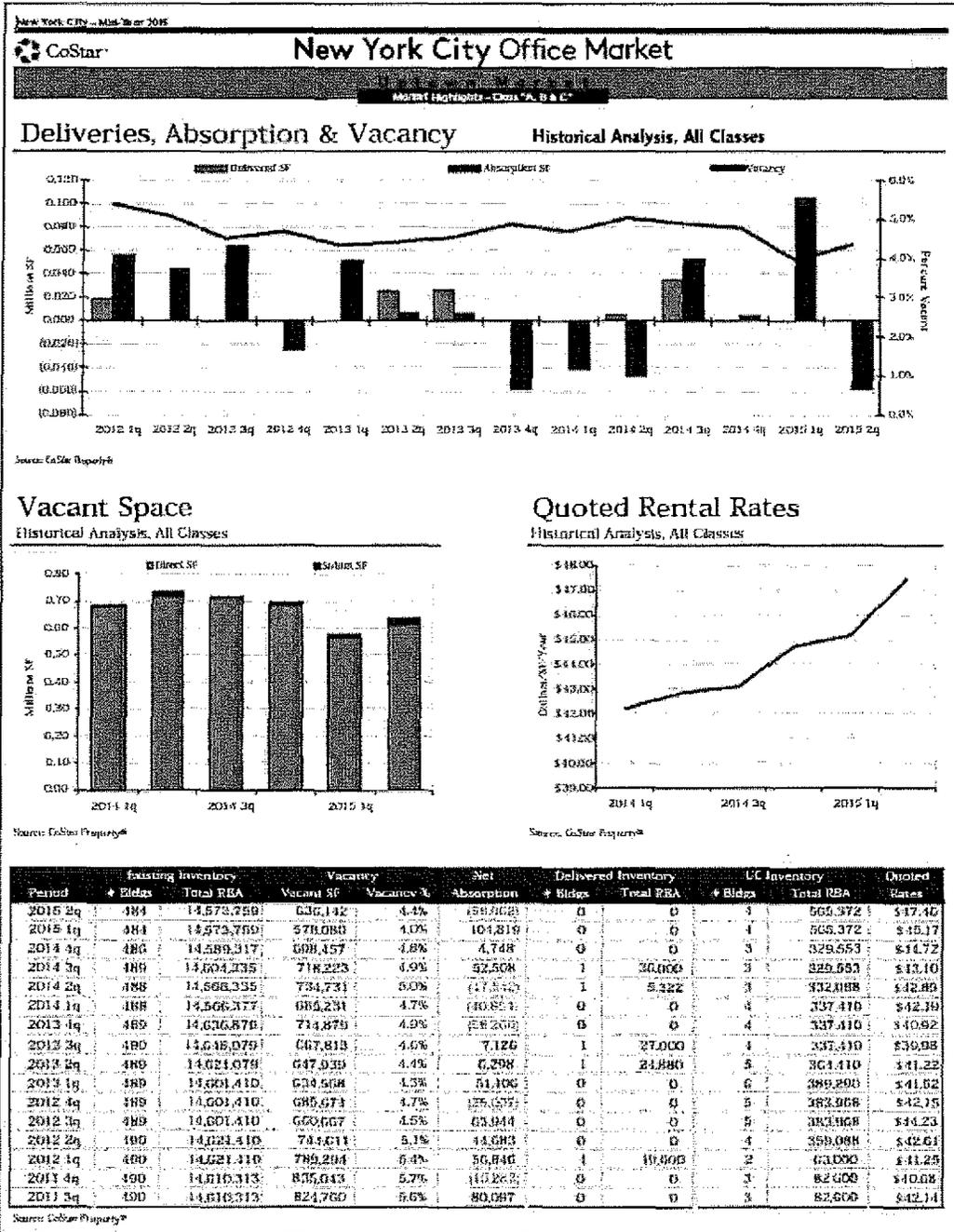
Sales Activity

Tallying office building sales of 15,000 square feet or larger, New York City office sales figures rose during the first quarter 2015 in terms of dollar volume compared to the fourth quarter of 2014.

In the first quarter, 29 office transactions closed with a total volume of \$5,690,528,151. The 29 buildings totaled 6,029,343 square feet and the average price per square foot equated to \$943.81 per square foot. That compares to 26 transactions totaling

\$5,213,365,559 in the fourth quarter 2014. The total square footage in the fourth quarter was 6,986,005 square feet for an average price per square foot of \$746.26. Total office building sales activity in 2015 was up compared to 2014. In the first three months of 2015, the market saw 29 office sales transactions with a total volume of \$5,690,528,151. The price per square foot averaged \$943.81. In the same first three months of 2014, the market posted 22 transactions with a total volume of \$2,855,025,000. The price per square foot averaged \$771.72. Cap rates have been lower in 2015, averaging 4.03% compared to the same period in 2014 when they averaged 4.43%. One of the largest transactions that has occurred within the last four quarters in the New York City market is the sale of Three Bryant Park in the Penn Plaza/Garment submarket. This 1,200,000-square-foot office building sold for \$2.2 Billion or \$1,833.33 per square foot. The property sold on 1/16/2015.

Uptown - New York City Office Market - 2nd Quarter 2015



AERIAL VIEW OF SUBJECT PROPERTY



PROPERTY DESCRIPTION

A summary of the subject site characteristics is presented as follows:

SITE CHARACTERISTICS

Total Land Area:	6,432± square feet
Location:	South of West 70 th Street between Central Park West and Columbus Avenue
Shape/Frontage:	Rectangular-shaped lot: 64± feet on West 70 th Street
Access/Visibility:	Good
Topography/Soil Conditions:	Apparent adequate soil/subsoil conditions to support development. Our physical inspection did not include an analysis of hazardous soil or contamination problems. Our indicated value conclusion is based on the assumption that the subject is not affected by any environmental contaminants or remediation.
Functional Utility:	Appears adequate for its intended residential with second floor and basement community space use
Utilities:	Plumbing, electric, gas, telephone, internet, and cable television are available in the area and installed at adjacent properties.
Site Improvements:	Wood fence.
Easements/Encroachments:	We are unaware of any easements or encroachments that have a substantial impact on the subject property. However, we have not been provided with a title report, and in the event such report detailed the existence of an otherwise unknown easement, encroachment or encumbrance, the value conclusion contained herein may be subject to change.
Flood Zone/Drainage:	Zone X, according to Flood Insurance Rate Map Community-Panel Number 360497-0226-F, dated September 5, 2007. We expect drainage will be adequate.
Detrimental Conditions:	No detrimental conditions restricting the efficient use or appeal of the property were identified.
Adjacent Property Uses:	One-, two-, and three-family residences along streets, low- and mid-rise multi-family apartment buildings with and without ground floor retail on Queens Boulevard.

The following physical description was based on our review of the written descriptions and costs estimates provide by the owner of the subject property, as well as the approved plans. A summary of the subject building characteristics of the project is below and on the following pages.

GENERAL CHARACTERISTICS (AS COMPLETED)

Number of Stories:	Nine, plus cellar and sub-cellar
Gross Building Area:	41,565± square feet, plus a 3,905± square foot basement
Use:	Elevator-serviced, residential condominium building with community facility units located on floors one through four.
Year Built:	New construction
Community Facility Space	21,938± square feet on floors one through four
Condominium Units	19,485± square feet on floors five through nine. All of the condominiums are full floor. Floors number five and six are five bedroom, four bathroom condos. Floor number seven is a four bedroom, two and a half bath apartment and Floors eight and nine comprise a duplex condominium which will be sold as a "white box" with no partitions of layout design.

EXTERIOR/STRUCTURAL CHARACTERISTICS

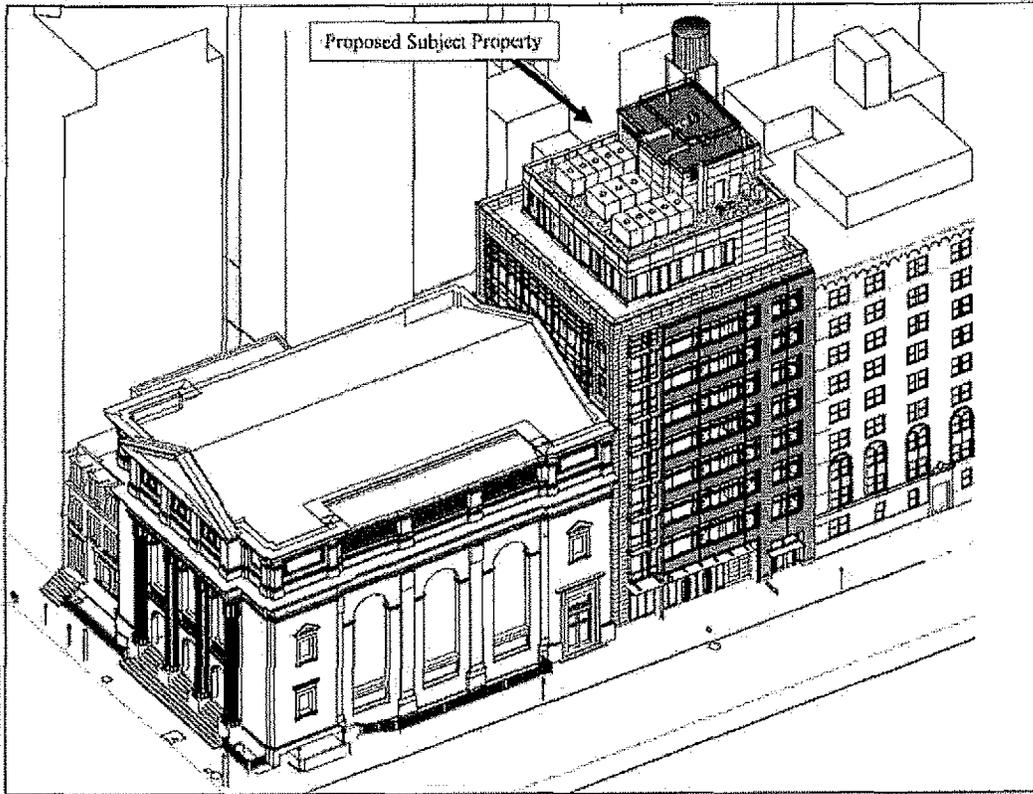
Footing/Foundation:	Poured Concrete (typical for area new construction)
Framing:	Concrete Block (typical for area new construction)
Facade:	Not indicated
Fenestration:	Double-hung, insulated windows (typical)
Roof:	Not indicated

INTERIOR AND MECHANICAL CHARACTERISTICS

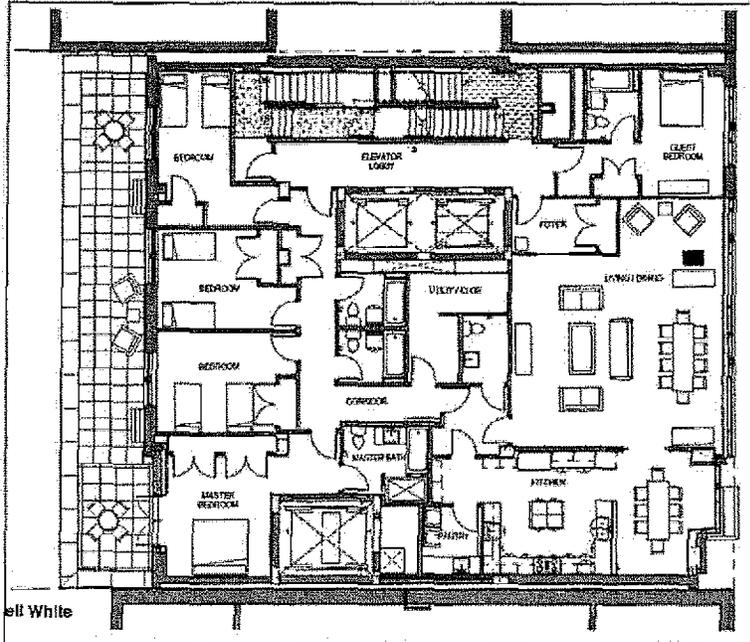
Doors:	Not indicated
Stairwells:	Yes.
Elevators:	One Elevator
Heating/Cooling:	It is estimated that each unit will have individual HVAC units, providing heat and air conditioning within the apartment, under control of the tenant.
Gas & Electric:	It is estimated that the units will be individually metered for heating and cooking gas as well as electric.
Fire Safety/Sprinkler:	Building should be fully sprinklered throughout; carbon monoxide and smoke detectors.
Security:	Typical residential locks, and, we expect, an audio-visual buzzer system will be in each apartment.
Kitchens/Bathrooms:	We expect finishes to be consistent with new construction condominium offerings in local market.
Actual Age:	0 years
Effective Age:	0 years
Est. Remaining Economic Life:	50 years
Condition/Functional Utility:	The subject's improvements are expected to be in new, excellent condition overall, with no deferred maintenance at the time of completion. We expect there will be no active violations according the New York City Department of Buildings.

According to plans provided by the owner, the layout and design of the building is typical for new construction and is expected to be functionally adequate to compete effectively in the marketplace.

Proposed Subject Property Drawing

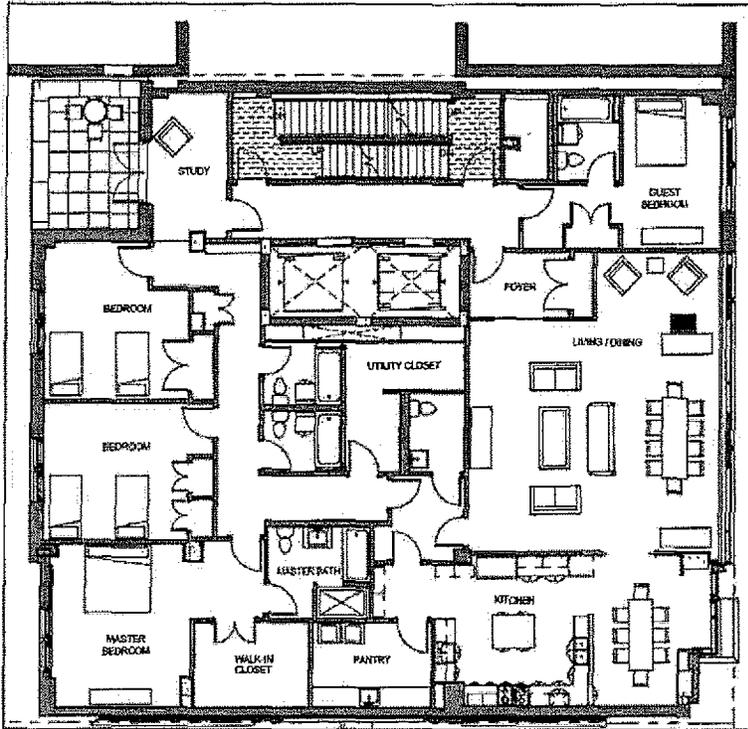


PROPOSED SUBJECT PROPERTY BUILDING LAYOUT - (FLOOR 5)



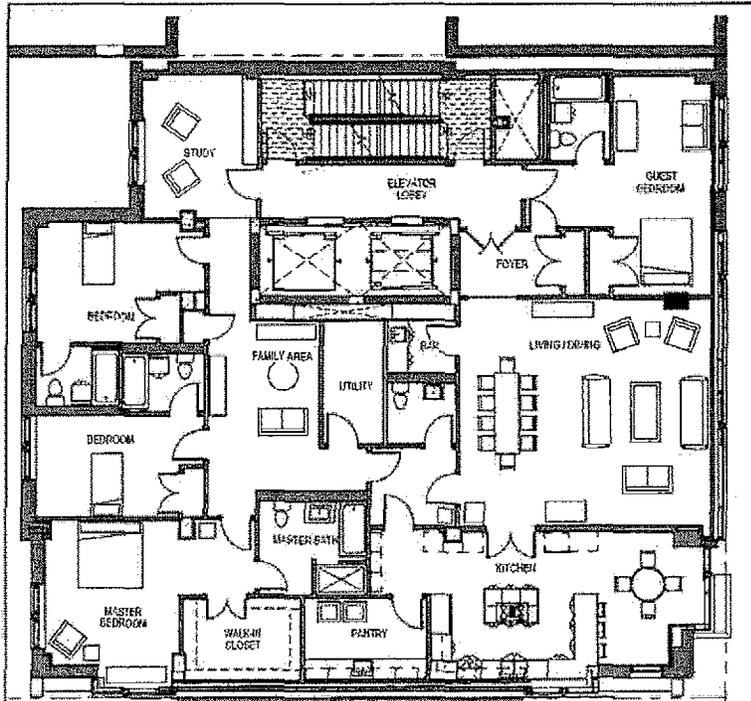
RESIDENTIAL (PROPOSED) R8B			
A R8B	1.17'	1.22'	1.42 SF
B R8B	45.67'	70.42'	3,215.69 SF
C R8B	0.75'	29.32'	21.99 SF
D R8B	1.17'	1.22'	1.42 SF
3,240.53 SF			
RESIDENTIAL (PROPOSED) R10A			
E R10A	2.00'	69.42'	138.83 SF
F R10A	8.17'	67.99'	555.79 SF
G R10A	4.83'	66.08'	318.87 SF
H R10A	1.83'	1.17'	2.14 SF
J R10A	1.33'	62.92'	83.89 SF
K R10A	1.83'	1.14'	2.08 SF
L R10A	1.17'	1.00'	1.17 SF
1,102.78 SF			

PROPOSED SUBJECT PROPERTY BUILDING LAYOUT - (FLOOR 6)



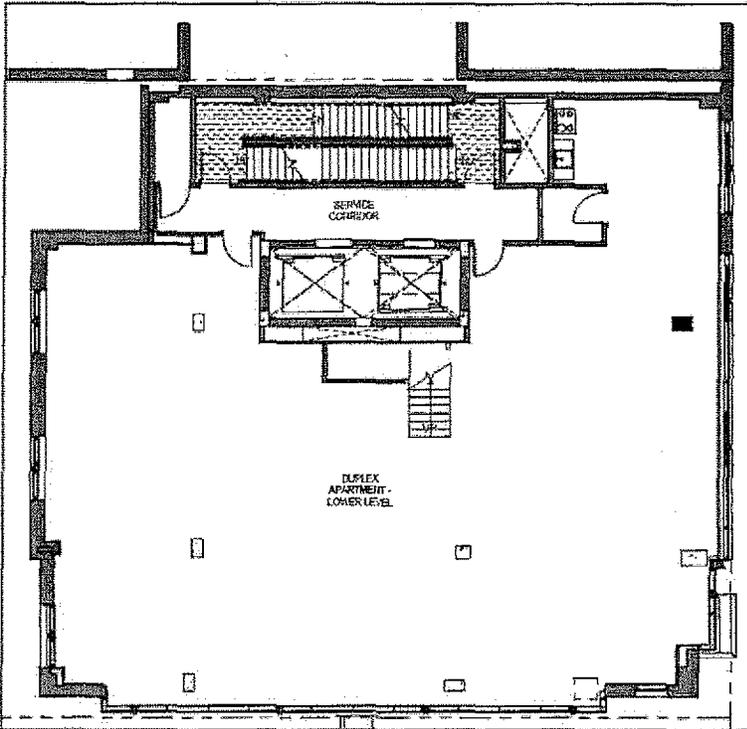
DOB_FLOOR AREA - LEVEL 6			
	LENGTH	WIDTH	AREA
RESIDENTIAL (PROPOSED) R8B			
A R8B	1.17'	1.22'	1.42 SF
B R8B	45.67'	59.75'	2,728.58 SF
C R8B	0.75'	29.32'	21.99 SF
D R8B	1.17'	1.22'	1.42 SF
E R8B	31.83'	10.67'	339.56 SF
			3,092.98 SF
RESIDENTIAL (PROPOSED) R10A			
F R10A	2.00'	69.42'	138.83 SF
G R10A	8.17'	67.99'	555.79 SF
H R10A	4.83'	66.08'	318.87 SF
J R10A	1.83'	1.17'	2.14 SF
K R10A	1.33'	62.92'	83.89 SF
L R10A	1.83'	1.14'	2.08 SF
M R10A	1.17'	1.00'	1.17 SF
			1,102.78 SF
Grand total			4,195.75 SF

PROPOSED SUBJECT PROPERTY BUILDING LAYOUT - (FLOOR 7)



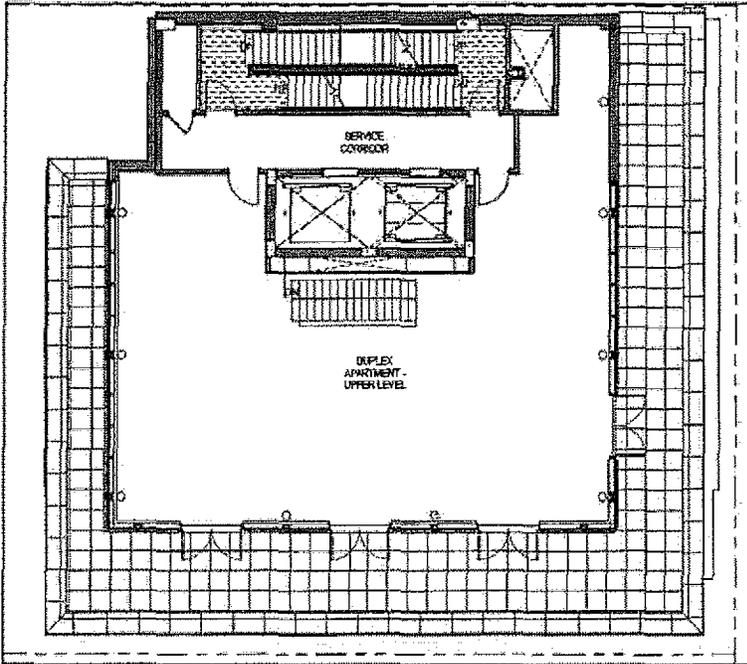
DOB FLOOR AREA - LEVEL 7			
	LENGTH	WIDTH	AREA
RESIDENTIAL (PROPOSED) R8B			
A R8B	1.17'	1.22'	1.42 SF
B R8B	45.67'	59.75'	2,728.58 SF
C R8B	0.75'	28.99'	21.74 SF
D R8B	1.17'	1.22'	1.42 SF
E R8B	31.83'	10.67'	339.56 SF
			3,092.73 SF
RESIDENTIAL (PROPOSED) R10A			
F R10A	2.00'	69.42'	138.83 SF
G R10A	8.17'	67.99'	555.79 SF
H R10A	4.83'	66.08'	318.87 SF
J R10A	1.50'	50.45'	75.67 SF
K R10A	1.17'	1.00'	1.17 SF
			1,090.34 SF
Grand total			4,183.06 SF

PROPOSED SUBJECT PROPERTY BUILDING LAYOUT - (FLOOR 8)



_DOB_FLOOR AREA - LEVEL 8			
	LENGTH	WIDTH	AREA
RESIDENTIAL (PROPOSED) R8B			
A R8B	1.17'	1.22'	1.42 SF
B R8B	45.67'	59.75'	2,728.56 SF
C R8B	0.75'	29.32'	21.99 SF
D R8B	1.17'	1.22'	1.42 SF
E R8B	31.83'	10.67'	339.56 SF
			3,092.96 SF
RESIDENTIAL (PROPOSED) R10A			
F R10A	2.00'	69.42'	138.83 SF
G R10A	8.17'	67.99'	555.79 SF
H R10A	4.83'	66.08'	318.87 SF
J R10A	1.50'	50.45'	75.67 SF
K R10A	1.17'	1.00'	1.17 SF
			1,090.34 SF
Grand total			4,183.31 SF

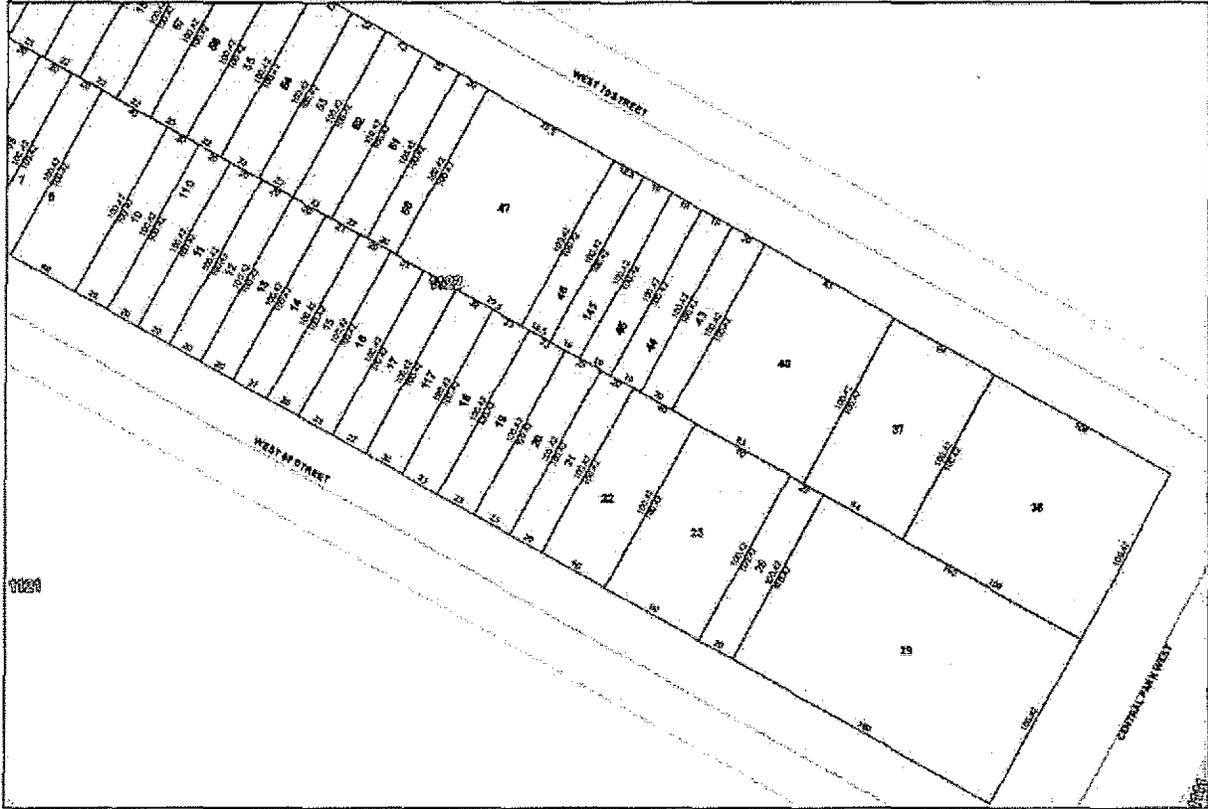
PROPOSED SUBJECT PROPERTY BUILDING LAYOUT - (FLOOR 9)



_DOB_FLOOR AREA - LEVEL 9			
	LENGTH	WIDTH	AREA
RESIDENTIAL (PROPOSED) R8B			
A R8B	14.58'	47.69'	695.44 SF
B R8B	2.19'	51.69'	113.34 SF
C R8B	29.64'	51.31'	1,520.88 SF
			2,329.65 SF
RESIDENTIAL (PROPOSED) R10A			
D R10A	4.85'	51.47'	249.83 SF
			249.83 SF
Grand total			2,579.49 SF

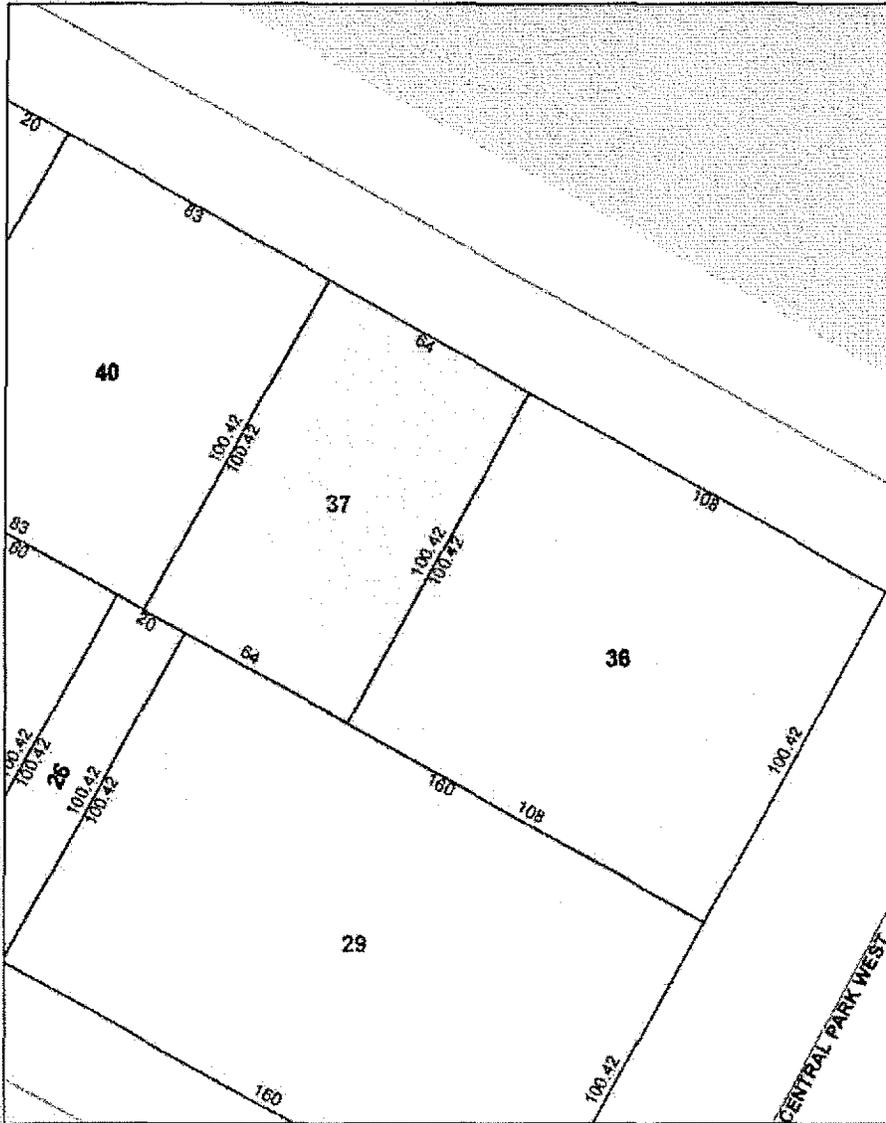
TAX MAP

Block 1122, Lot 37



TAX MAP
Block 1122, Lot 37

(zoomed in)



ASSESSMENT AND REAL ESTATE TAX DATA

The subject property is identified by the City of New York as Block 1122, Lot 37. In its "as-is" condition, as of the date of valuation, the property consists of vacant, unimproved, raw land. However, the subject property site was previously improved with a four-story, 14,474± square foot religious facility building and was signed off for complete demolition on 8/3/2015 (Job No. 122185839). Therefore, the current real estate taxes reflect the subject property with the previous improvements. It should also be noted that the subject property is described by the NYC Department of Finance as class W2 (Parochial School, Yeshiva) and is currently 100% real estate tax exempt.

Various changes in the real property tax law have been implemented to promote a more equal assessment among properties, such that changes in the assessed valuation are implemented over a five-year period. Along with each actual assessed value, the assessment department creates a transitional assessed value that will phase in the increase in the actual assessed value in equal amounts over a five-year period until the actual assessed value is achieved. Real estate taxes are based on the lower of the actual or transitional assessed values. The New York City tax year extends from July 1st to June 30th.

The 2015/16 Class IV Real Estate Tax Rate for the City of New York is \$10.684% per \$100.00 of assessed valuation. Applying the 2014/15 tax rate to the 2015/16 final assessed value would result in the following tax liability for the "as-is" property, as shown below:

Subject Property Current Real Estate Taxes

Block 1122, Lot 37	
Land Area (Sq. Ft.)	6,432
2015/16 Land Assessment	\$2,459,340.00
2015/16 Building Assessment	\$659,610.00
2015/16 Total Assessment Value	\$3,118,950.00
2014/15 Class IV Tax Rate	10.6840%
Total Real Estate Taxes	\$333,228.62
(Rounded)	\$333,230.00
Amount/Sq. Ft. of Land Area	\$51.81

However the subject property real estate taxes above consider the previously existing four-story, religious facility that was located on the property before demolition. Therefore, we have utilized the real estate taxes for the land assessment portion only for the subject property for the first year of our discounted cash flow model. The subject property real estate taxes for the land area only are shown in the following chart.

Subject Property Current Real Estate Taxes

Block 1122, Lot 37	
Land Area (Sq. Ft.)	6,432
2015/16 Land Assessment	\$2,459,340.00
2014/15 Class IV Tax Rate	10.6840%
Total Real Estate Taxes	\$262,755.89
(Rounded)	\$262,756.00
Amount/Sq. Ft. of Land Area	\$40.85

In order to project a reasonable post-construction assessment, we have utilized the per-square foot assessments of Tax Class II comparable properties near the subject property. Our comparable findings of new construction residential condominiums were analyzed on a per square foot basis, and are presented in the following table:

Real Estate Tax Comparables (Luxury Residential Condominiums)

<u>No.</u>	<u>Location</u>	<u>B/L</u>	<u>Assessed Value</u>	<u>Tax Rate</u>	<u>Total RETX</u>	<u>GBA</u>	<u>RETX \$/Sq. Ft.</u>
1	27 West 72nd Street	1125/1314	\$383,814.00	12.855%	\$49,339.29	2,864	\$17.23
2	279 Central Park West	1202/1022	\$281,682.00	12.855%	\$36,210.22	2,215	\$16.35
3	230 West 78th Street	1169/1127	\$563,510.00	12.855%	\$72,439.21	3,840	\$18.86
4	1965 Broadway	1138/1428	\$382,354.00	12.855%	\$49,151.61	3,138	\$15.66
5	111 West 67th Street	1139/1274	\$421,169.00	12.855%	\$54,141.27	3,808	\$14.22

The real estate tax comparables for the residential condominiums had an indicated range of real estate taxes between \$14.22 and \$18.86 per square foot with a mean of \$16.46 per square foot and is shown in the following chart for the residential portion of the proposed development.

Total Estimated Real Estate Taxes (Proposed Residential Portion)

Residential Portion	
Size (Sq. Ft.)	19,485
RETX/Sq. Ft.	\$16.50
Total RETX Projection	\$321,496.00

In order to project a reasonable post-construction assessment, we have utilized the per-square foot assessments of Tax Class IV comparable properties near the subject property for the community facility portion of the subject property building. Our comparable findings of community facility condominiums were analyzed on a per square foot basis, and are presented in the following table:

Real Estate Tax Comparables (Community Facility Condominiums)

No.	Location	B/L	Assessed Value	Tax Rate	Total RETX	GBA Sq. Ft.	RETX/Sq. Ft.
1	149-151 East 62nd Street	1397/1101	\$ 68,220.00	10.684%	\$7,288.62	550	\$13.25
2	117 East 29th Street	885/1001	\$161,535.00	10.684%	\$17,258.40	1,291	\$13.37
3	161 Madison Avenue	862/1028	\$120,030.00	10.684%	\$12,824.01	1,178	\$10.89
4	104-110 East 40th Street	895/1023	\$216,524.00	10.684%	\$23,133.42	1,384	\$16.71
5	170 East 77th Street	1411/1158	\$375,483.00	10.684%	\$40,116.60	3,138	\$12.78
6	900 Park Avenue	1491/1011	\$213,660.00	10.684%	\$22,827.43	1,500	\$15.22

The real estate tax comparables for the community facility condominiums had an indicated range of real estate taxes between \$10.89 and \$16.71 per square foot with a mean of \$13.70 per square foot and is shown in the following chart for the community facility portion of the proposed development.

Total Estimated Real Estate Taxes (Proposed Community Facility Portion)

Community Facility Portion	
Size (Sq. Ft.)	21,938
RETX/Sq. Ft.	\$13.50
Total RETX Projection	\$296,163.00

Real estate taxes are projected to increase at a rate of 3.0% per annum. As condominium units are sold, the developer is released from this expense. Therefore, we have estimated the real estate taxes based on the amount of the subject property based on each year of the cash flow.

The total subject property real estate taxes are estimated by adding the residential condominium to the community facility portion of the proposed new construction building, as shown in the following chart.

Total Estimated Real Estate Taxes for Proposed Subject Property Development

Proposed Subject Property Development	
Residential Portion RETX	\$321,496.00
Community Facility RETX	<u>\$296,163.00</u>
Total Estimated Real Estate Taxes	\$617,659.00

ZONING MAP



ZONING EXCERPT

The subject property is located in an R8B General Residence zoning district, as regulated by the Planning Commission of the City of New York.

The regulations of R8B zoning are similar to those of R8A districts in that they result in lower-rise, higher-coverage residential buildings. The front wall of a new building must occupy the full width of the lot and must align with the front walls of adjacent buildings within a minimum required distance from the street line of eight feet on wide streets and 15 feet on narrow streets. The building envelope is determined by a set of front and rear sky exposure planes.

Major regulations of the R8B district are as follows:

Maximum FAR:	4.0
<u>Maximum Lot Coverage</u>	
Interior:	70%
Corner:	80%
Minimum Lot Area/Dwelling Unit:	169 sq. ft.
Maximum Dwelling Units/Acre:	258
<u>Minimum Yard Requirements</u>	
Front:	None
Sides:	None
Rear:	30 feet
Off-Street Parking:	50% of the units
Quality Housing Program:	Mandatory

The subject property is also located in an R10A Residential zoning district, which was designed to provide for all types of residential buildings in order to permit a broad range of housing types, with appropriate standards for density, open space and the spacing of buildings.

The property is mapped in relation to a desirable future residential density pattern, with emphasis on accessibility to transportation and various community facilities, as well as upon the character of the existing developments. The district includes community facilities and open uses that serve area residents or are benefited by a residential environment.

Any development, enlargement, extension or conversion must comply not only with the regulations appropriate to District R10A, but also with the requirements of the Quality Housing Program.

Major regulations of the R10A district are as follows

Permitted Uses:	Various residences, including apartments
<u>Height, Area & Bulk Requirements</u>	
Minimum Lot Size (multi-family):	1,800 sq. ft. lot area; 18-ft. width
Maximum FAR:	10.00
Maximum Lot Coverage:	70% - interior lot; 100% - corner lot
Minimum Lot Area/Room:	30 sq. ft.
<u>Minimum Yard Requirements</u>	
Front:	None
Sides:	None
Rear:	30 feet
Parking:	One space each is required for 40% of the dwelling units.

The subject improvement will be newly constructed, and will consist of a nine-story, plus cellar and sub-cellar, residential building with commercial community space. According to architectural plans provided by Platt Byard Dovell White Architects, LLP, the subject property has 19,485± square feet of residential zoning area and 21,938± square feet of community facility use area and is conforming within the zoning requirements.

For the purpose of this appraisal, we have assumed that, as a newly approved project, the subject's development will be in compliance with zoning as determined by the New York City Department of Buildings, and will receive a Certificate of Occupancy for the completed project on or before the completed date of October 2016. The actual determination of the building's compliance with the City's zoning regulations will be made by the Department of Buildings upon review of the submitted building plans for the subject development.

We recognize that issues involving zoning compliance are complex and require the special ability, knowledge and training of professionals familiar with the appropriate regulations. Therefore, the determination of zoning compliance can be determined only by an engineer or architect.

HIGHEST AND BEST USE

Highest and Best Use⁹

“The reasonably probable and legal use of vacant land or an improved property, that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property, specific with respect to the user and timing of the use, that is adequately supported and results in the highest present value.”

To determine the highest and best use of the subject site, we consider the physically possible, legally permitted, economically feasible and maximally productive uses of the property in its “as is” vacant condition.

Highest and Best Use of Land or a Site as Though Vacant¹⁰

“Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements.”

The subject site is a rectangular-shaped, mid-block parcel of land. The size and configuration of the site would enable development for several uses. However, the legally permitted uses are determined by the current zoning regulations allow for only multi-family residential uses with additional community use space and are subject to certain restrictions imposed by the R8B and R10A zoning designation.

After determining the physically possible and legally permissible uses, the next step is to determine which of the uses are economically feasible. The most economically feasible use is that use which provides the greatest return to the land and is the most reasonably probable use in the subject market.

⁹ *The Dictionary of Real Estate Appraisal – Fifth Edition*, Appraisal Institute, Chicago, IL, 2010, p. 93.

¹⁰ *Ibid.*, p. 93.

We have considered the subject's location in a stabilized, mature, residential area of Lincoln Square with older stock and new construction. The site is located within an area where there has been strong demand for residences, as a result of being near Midtown Manhattan, Central Park, mass transit, and retail.

Given the character of land uses in the subject's immediate area and considering the recent propensity to purchase underdeveloped properties for the renovation and expansion, or construction of, higher-density residential redevelopment projects, the financially feasible use of the subject property is for the development of a multi-story, multi-family residential building.

The final step is to determine which financially feasible use is maximally productive. In light of the recent escalation of apartment rents, the maximally productive use of the subject site is for multi-story, multi-unit residential development.

Therefore, we have concluded, the highest and best use of the subject site as vacant is for a multi-story, multi-unit, residential building.

Highest and Best Use of Property as Improved¹¹

"The use that should be made of a property as it exists. An existing improvement should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one."

As the subject property is vacant, undeveloped, raw land, and this analysis is not appropriate.

¹¹ *The Dictionary of Real Estate Appraisal – Fifth Edition*, Appraisal Institute, Chicago, IL, 2010, p. 94.

SALES APPROACH – “AS IS”

SALES APPROACH – LAND ANALYSIS

The subject property is a rectangular, mid-block parcel of land with frontage on the south side of West 70th Street between Central Park West and Columbus Avenue, in the Lincoln Square section of the Borough of Manhattan, City and State of New York. The subject property parcel contains 6,432± square feet, of land area, with a maximum, as-of-right, allowable building development of 35,979± square feet.

As per approved plans, we expect the site to be improved with a nine-story, 41,695± square foot, plus 13,258± square feet of lower level area, elevator-serviced, multifamily building with commercial community space on the first through fourth floors. The site is R8B (73.44%) and R10A (26.56%) zoned for residential development.

We have derived an estimate of land value for the subject property through an analysis of sales of similar vacant land parcels in nearby locations. All of the comparable sites that we selected for analysis were located in residential zoning districts. We used the sale price per buildable square foot (FAR) as the unit of comparison, because this is the most common practice among real estate professionals who buy, sell, broker and value similar residential sites in the boroughs of New York City.

The following table summarizes the summary of the comparable land sales:

Summary of Comparable Residential Land Sales

<u>B/L</u>	<u>Sale No.</u>	<u>Location</u>	<u>Sale Date</u>	<u>Adj. Sale Price</u>	<u>Land Area (Sq. Ft.)</u>	<u>Max FAR</u>	<u>Maximum Buildable Area</u>	<u>Zoning</u>	<u>Sale Price/FAR</u>
1832/21	1	19 West 96th Street Upper West Side	2/12/2015	\$ 12,160,000	2,018	7.52	15,175	R9	\$801.30
1168/38	2	219 West 77th Street Upper West Side	10/30/2014	\$ 64,050,000	7,663	10.00	76,630	C4-6A	\$835.83
1118/45 - 48	3	36 - 44 West 66th Street Lincoln Square	12/17/2014 3/4/2014	\$130,400,000	15,020	10.0	150,200	C4-7	\$868.18
1168/38	4	210 West 77th Street Upper West Side	6/28/2013	\$ 56,528,000	7,663	10.00	76,630	C4-6A	\$737.67

*We have adjusted all of the comparable sales for the demolition of former improvements at \$25.00 per square foot.

The comparable residential sites range between 15,175± and 150,200± buildable square feet, with sale prices from \$737.67 to \$868.18 per square foot of buildable FAR with a mean of \$810.75 per square foot of buildable FAR and a median of \$818.57 per square foot of buildable FAR.

Residential Land Sales Adjustment Process

Prior to estimating the subject's land value, we considered the presented land sales and the difference between the comparables as they relate to the subject. On this basis, we have applied quantitative adjustments to each of the prices per developable unit to reflect these differences and refine the indicated range. An upward adjustment indicates that the comparable is inferior to the subject, while a downward adjustment indicates the comparable to be superior.

Market Conditions (Time)

We have considered adjustments for financing and market conditions (i.e., time). Specifically, since each of the sales was transferred for cash or its equivalent, financing adjustments were not necessary. Sale #1 occurred under similar market conditions as compared to the present and was not adjusted for this category. We have considered that sales #2, #3 and #4 occurred in inferior markets as compared to the present and were adjusted upwards for this category.

Location

The next adjustment considered was for location. The subject improvements are situated on a rectangular, mid-block parcel with frontage on West 70th Street between Central Park West in the Lincoln Square section of the Borough of Manhattan, City of New York. Lincoln Square is mature, stabilized and desirable neighborhood with good access to Manhattan.

Sales #1, #2 and #4 are located in a similar neighborhood on the Upper West Side of Manhattan, but are further north and further from Central Park and were considered inferior as

compared to the subject property in location. Sale #3 is located further from Central Park as compared to the subject property and was also adjusted for location.

Size

An additional adjustment was considered for size, based on the economy of scale theory. Typically, smaller properties tend to sell for more on a per-square foot basis than their larger counterparts, based on the presumption of a "bulk" discount. We compared the comparable land sales based on a per square foot of maximum buildable area, according to the specific zoning district, as-of-right, maximum FAR restrictions.

Sale #1 was considered similar in size and was not adjusted for size. Sales #2, #3 and #4 are larger than the subject property and were adjusted upward for size.

Zoning

The final adjustment considered was for zoning. Under consideration were the legal and as-of-right construction possibilities of the site. The subject is within the R8B and the R10A zoning districts.

Sale #1 is located within the R9 zoning district and was considered to be similar as compared to the subject property. Sales #2, #3 and #4 contain commercial zoning districts and have a superior amount of uses as compared to the subject property and were adjusted downwards.

The table on the following page summarizes the above-described adjustments made to the comparable residential land sales.

ADJUSTMENTS TO THE COMPARABLE RESIDENTIAL LAND SALES

Sale No.	Location	Sale Date	Sale Price/ FAR	Time Adj.	Time-Adj. Price/ Sq. Ft.	Location	Size	Zoning	Total Adj.	Adj. Price/ Sq. Ft. of GBA
1	19 West 96th Street Upper West Side	2/12/2015	\$801.30	1.00	\$801.30	1.20	1.00	1.00	1.20	\$ 961.56
2	219 West 77th Street Upper West Side	10/30/2014	\$835.83	1.05	\$877.63	1.10	1.10	0.95	1.15	\$1,009.27
3	36 - 44 West 66th Street Lincoln Square	12/17/2014 3/4/2014	\$868.18	1.10	\$954.99	1.05	1.10	0.95	1.10	\$1,050.49
4	210 West 77th Street Upper West Side	6/28/2013	\$737.67	1.15	\$848.33	1.10	1.10	0.95	1.15	\$975.57

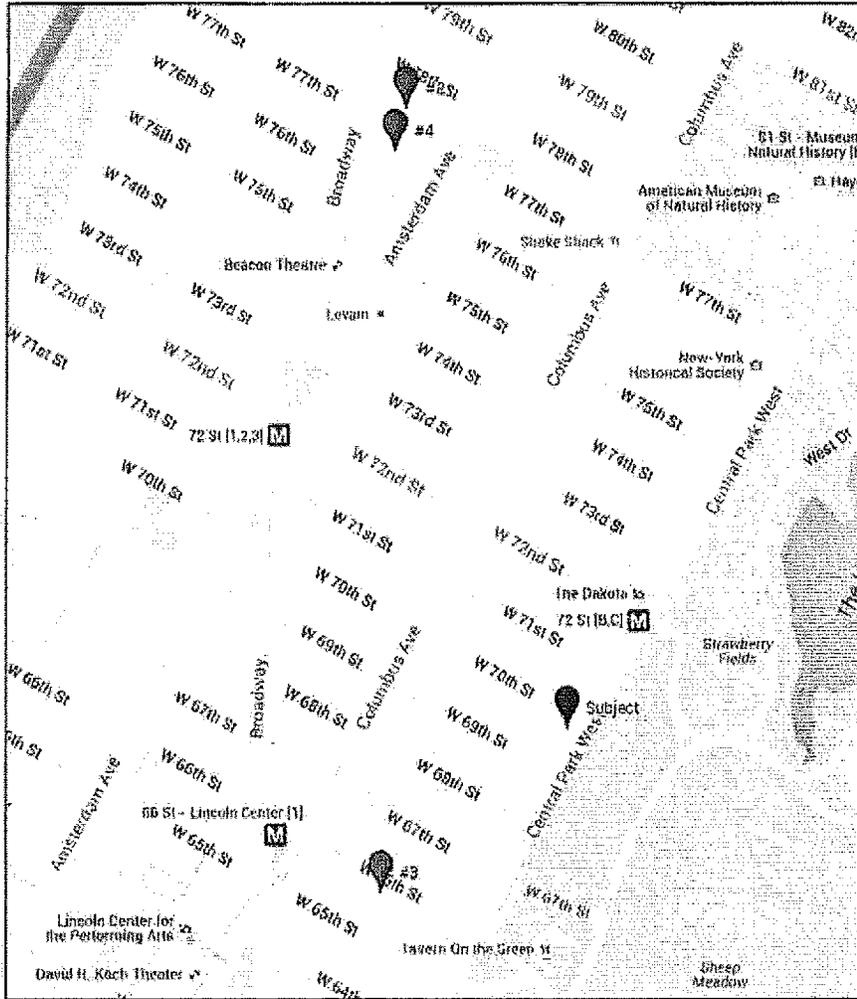
RESIDENTIAL LAND SALES VALUE CONCLUSION

Prior to adjustments, the comparable residential land sales ranged in price from \$737.67 to \$868.18 per square foot of buildable FAR. After consideration of the adjustments, the comparable sales narrowed to a range of \$961.56 to \$1,050.49, with a mean of \$999.22 per square foot of FAR and a median of \$992.42 per square foot of FAR.

Based on all of the above, we have selected a value of \$1,000.00 per square foot of FAR to be applied to the subject land, which is well supported by the above analysis and resulted in the following land value estimate:

Price/Sq. Ft. of FAR		Buildable FAR (Sq. Ft. #)		Indicated Land Value via Sales Approach
\$1,000.00	x	35,979	=	\$35,979,000.00
			Rounded	\$36,000,000.00

COMPARABLE LAND SALES LOCATION MAP



1	19 West 96th Street, Upper West Side
2	219 West 77th Street, Upper West Side
3	36 - 44 West 66th Street, Upper West Side
4	210 West 77th Street, Upper West Side

SUMMARY OF COMPARABLE RESIDENTIAL LAND SALES "AS IS"

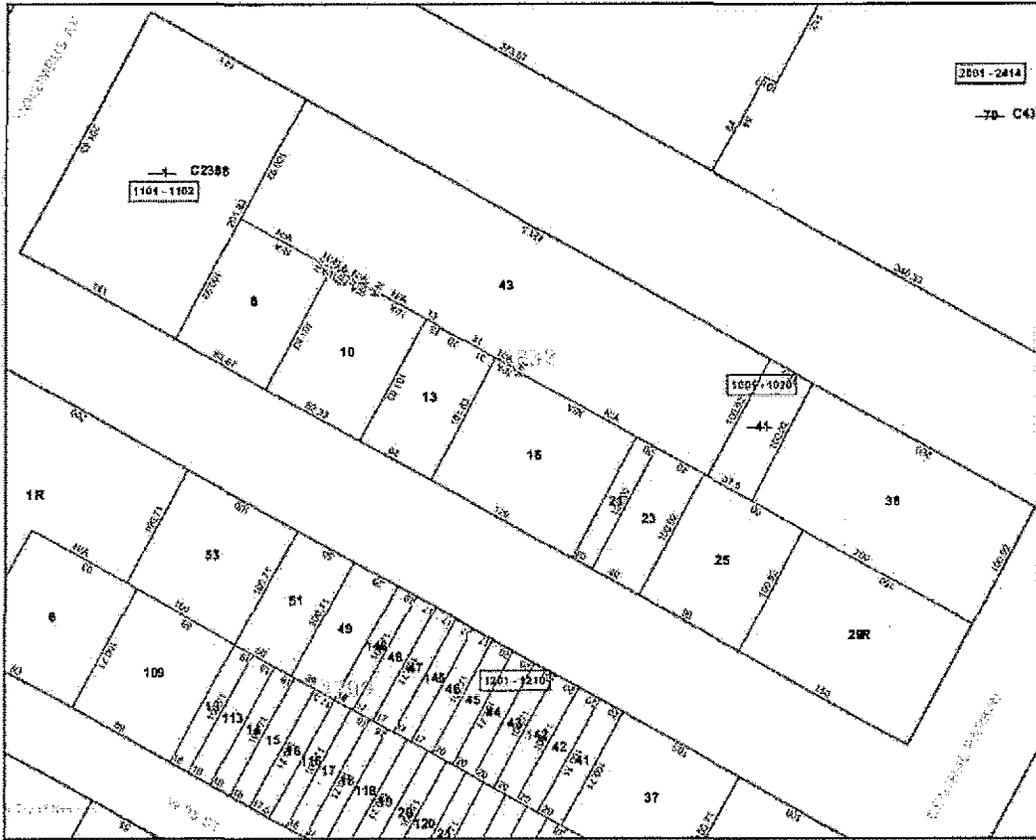
Residential Land Sale #1
Block 1832, Lot 21

19 West 96th Street
Upper West Side, New York



Grantor/Grantee	Asian Inc. / West 96 th Development
Date of Sale	2/12/2015 (2/25/2015)
CRFN	201500063420
Description	Rectangular, mid-block parcel of land located on West 96 th Street, between Central Park West and Columbus Avenue. According to the NYC DOB there was an application approved on 2/17/2015 for the demolition of the five-story, 6,400± square foot building located on the parcel. There have been no plans submitted in regards to reconstruction.
Zoning	R9
Maximum FAR	7.52 – Residential
Land Area	2,018± square feet
Buildable FAR	15,175± square feet
Indicated Sale Price	\$12,000,000.00
Plus: Est. Demolition Costs	\$ 160,000.00
Adj. Sale Price	\$12,160,000.00
Sale Price/FAR	\$801.30

Tax Map - Sale #1



Residential Land Sale #2
Block 1168, Lot 38

219 West 77th Street
New York, New York



Grantor/Grantee	Sylgar Garage LLC / 223 West 77 th St Owner LLC
Date of Sale	10/30/2014 (11/12/2014)
CRFN	201400034760
Description	Rectangular, mid-block parcel located on West 77 th Street between Broadway and Amsterdam Avenue. According to the NYC Department of Buildings, there was a demolition permit signed off on 6/8/2015 for the demolition of a five-story, 41,850± square foot building. Additionally, there was a permit issued for a 79,899± square foot mixed-use building consisting of 18 stories, which was approved on 7/21/2015 (Job No. 121187508).
Zoning	C4-6A
Maximum FAR	3.4 – Commercial 10.0 – Residential
Land Area	7,663± square feet
Buildable FAR	76,630± square feet
Indicated Sale Price	\$63,000,000.00
Plus: Est. Demolition Costs	\$ 1,050,000.00
Adj. Sale Price	\$64,050,000.00
Sale Price/FAR Ft.	\$835.83

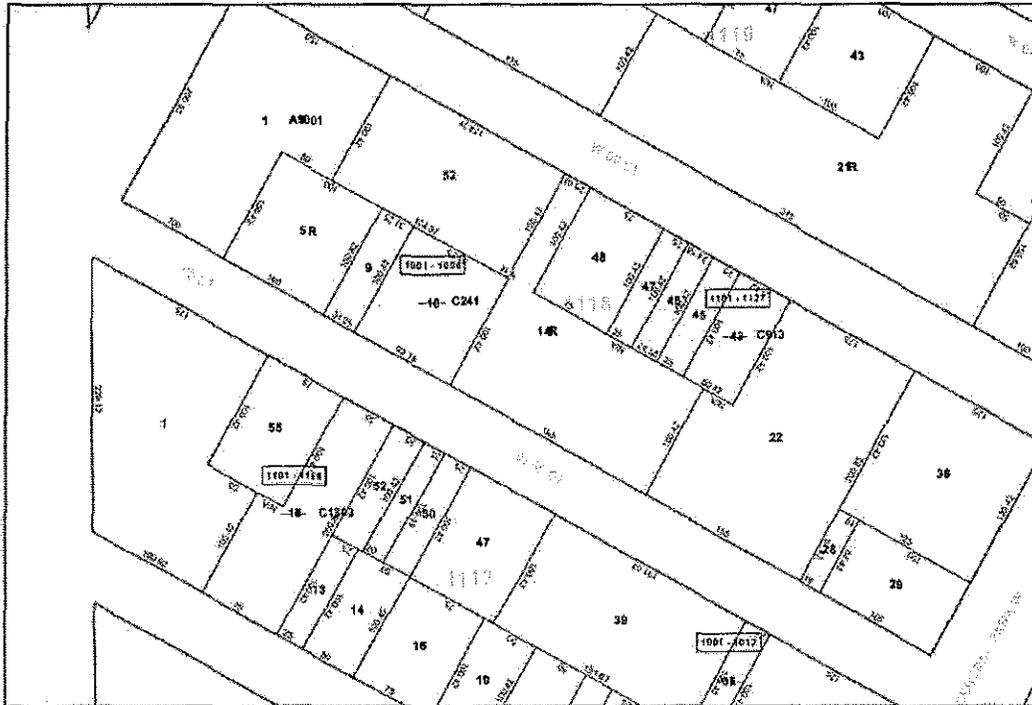
Residential Land Sale #3
Block 1118 Lot 45, 46, 47 & 48

36-44 West 66th Street
New York, New York



	36-40 West 66 th Street	36-40 West 66 th Street
Grantor	Congregation Habonim Inc	36/38/40 West 66 Realty Company, Inc.
Grantor/Grantee	. / West 66 th Investor LLC	Megalith Urban Park I LLC
Date of Sale	12/17/2014 (1/9/2015)	3/24/2014 (4/1/2014)
CRFN	2015000011070	2014000110958
Description	Rectangular mid-block parcel located on the southern side of West 66 th Street between Central Park West and Columbus Avenue. According to the NYC DOB (Lot 48) on 2/23/2015 the parcel was approved for the demolition of the one story building, attributing \$25 per square foot for demolition costs to the sale price. According to the NYC Department of Buildings, (Lots 45, 46, 47) filed for a demolition permit, on 11/7/2014. There have been no files for the construction of a new building since the time of sale, however, public news reports indicate that the subject property purchaser (Extell Development) will develop the parcel, with a 150,000 square foot residential condominium tower.	
Zoning	C4-7	
Maximum FAR	10.0 – Residential 10.0 – Commercial	
Land Area	15,020± square feet	
Buildable FAR	150,200± square feet	
Indicated Sale Price	\$130,000,000.00	
Plus: Est. Demolition Costs	\$ 400,000.00	
Adj. Sale Price	\$130,400,000.00	
Sale Price/FAR Ft.	\$868.18	

Tax Map - Sale #3



Residential Land Sale #4
Block 1168, Lot 38

210 West 77th Street
Upper West Side, New York



Grantor/Grantee	Jewish Board of Family and Children's / 206-210 W. 77 th Property Owner, LLC
Date of Sale	6/28/2013 (7/16/2013)
CREN	2013000280565
Description	The site is located on a rectangular, mid-block parcel with frontage on West 77 th Street between Broadway and Amsterdam Avenue. According to NYCDOB, there was a permit signed off on 10/15/2014 for the demolition of the existing 42,058± square foot parking garage. Additionally, there was a permit filed on 5/28/2015 for the construction of an eighteen story, 80,802± square foot, mixed-use building.
Zoning	C4-6A
Maximum FAR	10.0 - Residential 3.4 - Commercial
Land Area	7,663± square feet
Buildable FAR	76,630± square feet
Indicated Sale Price	\$55,478,000.00
Plus: Est. Demolition Costs	\$ 1,050,000.00
Adj. Sale Price	\$56,528,000.00
Sale Price/FAR	\$737.67

SALES COMPARISON APPROACH – “AS COMPLETE”

SALES COMPARISON APPROACH METHODOLOGY

In using the sales comparison approach to value, we have valued the future potential benefits to be realized from this income-producing property by measuring the potential net income to be received by the owner. The following steps were implemented in arriving at an estimate of market value of the subject's development site:

- 1) Pertinent sales, listings, offerings that were available for comparable luxury residential, penthouse and community facility units were researched. The prices as to the terms, motivating forces and bona fide nature of each transaction were confirmed and qualified. The important attributes of each comparable property were compared to the corresponding ones of the subject under the general categories of time, tenant mix, location, unit size and property characteristics. All dissimilarities and their probable effect on the price of each comparable property were considered to derive a market value indication for the subject. An opinion of market value for the subject property condominium units per square foot was formulated from the analyzed data and estimated in the sell-out of the discounted cash flow.
- 2) Absorption rates were estimated for the proposed luxury residential and penthouse units by researching similar new construction building condominium sales.
- 3) A series of annual cash flows over each projected holding period. Using a market-derived rate, the annual cash flows were discounted to present values. A reversionary value of the development at the end of the holding period is not applicable for the condominium analyses because all of the condominium units will be sold off.

ANALYSIS OF COMPARABLE CONDOMINIUM UNIT SALES (FLOORS 5-7)

The first task in preparing the development model is to review the local market to determine the type of new condominium product that is most likely to sell, the corresponding price levels and the rate at which it sells (e.g., absorption). We have researched the Lincoln Square and Upper West Side neighborhoods and surrounding submarkets, for recent residential condo unit sales in order to estimate the value of the subject property condominium units in their "prospective as complete" condition. We have selected several recent sales that are comparable to the subject for analysis purposes. All of the comparable sales were analyzed herein on the basis of their price per square foot of gross floor area.

The following table presents a summary of the most recent condo unit sales transactions that we have utilized:

Summary of Comparable Condominium Unit Sales (Floors 5-7)

<u>Sale No.</u>	<u>Location</u>	<u>Unit</u>	<u>Sale Date</u>	<u>Sale Price</u>	<u>Beds/ Bath</u>	<u>Gross Building Area (Sq. Ft.)</u>	<u>Year Built</u>	<u>Sale Price/ Sq. Ft.</u>
1	535 West End Avenue	#7A	7/23/2015	\$12,150,000	5/5	4,396	2009	\$2,763.88
2	27 West 72nd Street	#1010	6/12/2015	\$ 8,125,000	3/3.5	2,864	1924	\$2,836.94
3	279 Central Park West	#9B	4/16/2015	\$ 7,385,000	3/4	2,215	1988	\$3,334.09
4	230 West 78th Street	#16A	2/9/2015	\$11,000,000	4/4	3,840	2008	\$2,864.58
5	45 West 67th Street	#15ABC	2/6/2015	\$10,950,000	5/3.5	4,059	1983	\$2,697.71
6	1965 Broadway	#28E	8/23/2013	\$10,250,000	4/5.5	3,138	1997	\$3,266.41
7	111 West 67th Street	#25DH	8/7/2013	\$14,000,000	5/4.5	3,808	1994	\$3,676.47

Comparable Sales Adjustment Analysis

The comparable sales occurred between August 2013 and July 2015, with unadjusted sale prices ranging from \$2,697.71 and \$3,676.47 per square foot with a mean of \$3,062.87 per square foot.

To derive a value for the subject from these sales, we considered different factors that affect the sale price of each commercial condominium unit as compared to the subject's. In our analysis, we made price adjustments for differences and narrowed the range indicated by the comparables through this process. Upward adjustments suggest that the comparable is inferior to the subject while downward adjustments indicate the comparable to be superior.

We considered the terms of the sale and financing. All of the comparable sales were sold under similar conditions and did not require adjustments for these factors.

Market Conditions (Time)

We have considered an adjustment for market conditions (time), whereby older sales have been adjusted to consider current sales trends. The sales occurred between August 2013 and July 2015. Sales #1 through #5 occurred under similar market conditions and did not require adjustments. Sales #6 and #7 occurred under inferior market conditions as compared to the current and were adjusted upwards for this category.

Location

A location adjustment was considered that reflects the locations of the subject property and the comparables condominium sales and listings. We considered such elements as the density of pedestrian traffic, the density of the population in the surrounding buildings and the proximity to mass transit outlets. The subject property is located along the south side of West 70th Street between Central Park West and Broadway. All of the comparable sales are located in the Upper West Side, however, sales #1 and #4 were adjusted upwards for being in an inferior location, which are further away from Central Park.

Size

Typically, smaller units lease for more on a per-square-foot basis than their larger counterparts. This assumes a quantity discount and the diminishing number of users that require larger spaces. The subject property condominium units on floors five through seven will contain between 4,183± and 4,343± square feet. Comparable sales #1, #4, #5 and #7 are similar in size as compared to the subject property units and were not adjusted. Sales #2, #3 and #6 are smaller in size as compared to the subject property and were adjusted downwards for this category.

Property Characteristics

We last considered an adjustment for the residential condominium unit's quality, age, condition, amenities and overall market appeal. The subject property residential condominium units will be of excellent and new condition. Sales #1 and #4 are new construction and were not adjusted for this category. Sales #2, #3, #3, #6 and #7 are located in older buildings and were considered inferior as compared to the subject property and were adjusted upwards for this category.

The table on the following page presents the various adjustments made to each of the comparable condominium sales:

ADJUSTMENTS TO COMPARABLE CONDOMINIUM UNIT SALES (FLOORS 5-7)

Sale No.	Location	Unit	Sale Date	Sale Price/ Sq. Ft.	x	Time Adj.	=	Time- Adj. Price/ Sq. Ft.	Adjustments			Total Adj.	=	Adj. Price/ Sq. Ft. of GBA
									x	Loc.	x			
1	535 West End Avenue	#7A	7/23/2015	\$2,763.88		1.00		\$2,764	1.10	1.00	1.00	1.10		\$3,040.26
2	27 West 72nd Street	#1010	6/12/2015	\$2,836.94		1.00		\$2,837	1.00	0.95	1.15	1.09		\$3,092.27
3	279 Central Park West	#9B	4/16/2015	\$3,334.09		1.00		\$3,334	1.00	0.90	1.05	0.95		\$3,167.38
4	230 West 78th Street	#16A	2/9/2015	\$2,864.58		1.00		\$2,865	1.10	1.00	1.00	1.10		\$3,151.04
5	45 West 67th Street	#15ABC	2/6/2015	\$2,697.71		1.00		\$2,698	1.00	1.00	1.05	1.05		\$2,832.59
6	1965 Broadway	#28E	8/23/2013	\$3,266.41		1.05		\$3,430	1.00	0.95	1.05	1.00		\$3,429.73
7	111 West 67th Street	#25DH	8/7/2013	\$3,676.47		1.05		\$3,860	1.00	1.00	1.05	1.05		\$4,053.31

CONCLUSION – CONDOMINIUM SALES (FLOORS 5-7)

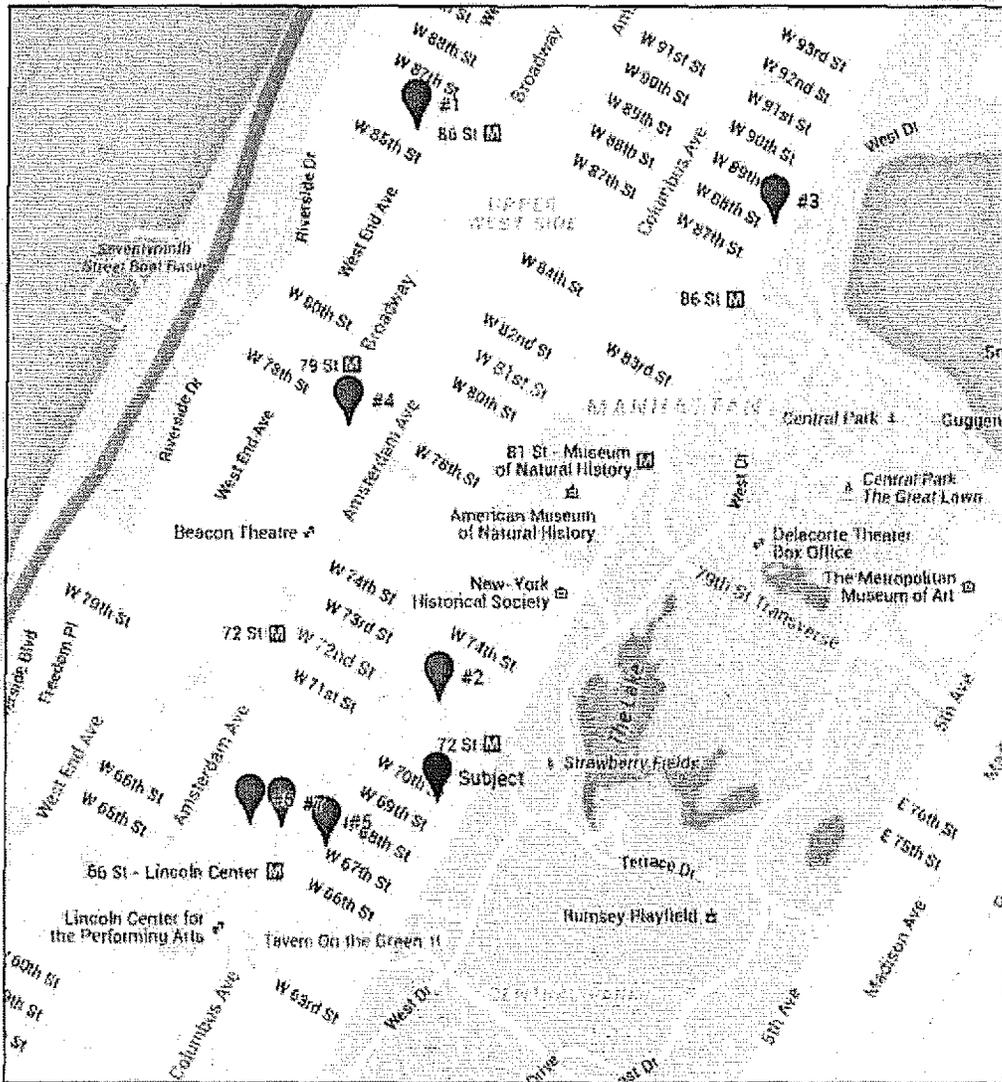
Prior to adjustments, the subject property comparable condominium sales produced a range of values from \$2,697.71 to \$3,676.47 per square foot. After adjustments this evolved to a range for the two-bedroom units of \$2,832.59 to \$4,053.31 per square foot with a mean indicator of \$3,252.37 per square foot.

Based on the preceding information, we have selected a market value of \$3,200.00 per square foot for the proposed condominium units located on floors five through seven.

Subject Property Residential Condominium Units – Market Value

Apartment Unit No.	Rentable Sq. Ft.	Sellout Value Sq. Ft.	Sell-out Value
5	4,343	\$3,200.00	\$13,897,600.00
6	4,196	\$3,200.00	\$13,426,432.00
7	4,183	\$3,200.00	\$13,385,792.00

COMPARABLE CONDOMINIUM UNIT SALES LOCATION MAP



No.	Address
1	535 West End Avenue, Upper West Side
2	27 West 72nd Street, Upper West Side
3	279 Central Park West, Upper West Side
4	230 West 78th Street, Upper West Side
5	45 West 67th Street, Upper West Side
6	1965 Broadway, Upper West Side
7	111 West 67th Street, Upper West Side

SUMMARY OF COMPARABLE CONDOMINIUM UNIT SALES

Sale #1 Block 1247, Lot 1116	535 West End Avenue, Unit #7A Upper West Side, New York
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Grantor/Grantee	Lemle, Laura / Klein, Marla J
Date of Sale / (Recorded)	7/23/2015 (7/31/2015)
CRFN	2015000263781
Description	Unit located on the 7th floor of the luxury condominium apartment building. The building contains state-of-the-art amenities including an indoor swimming pool, fitness center, billiards & ping pong room and private entertaining space with an outdoor courtyard.
Gross Building Area	4,396± square feet
Beds/Baths	5/5
Indicated Sale Price	\$12,150,000.00
Sale Price/Sq. Ft.	\$2,763.88

Sale #2 Block 1125 Lot 1314	27 West 72nd Street #1010 New York, New York
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Grantor/Grantee	Julinka Capital LLC/ Andrew C. Pizzo
Date of Sale / (Recorded)	6/12/2015 (7/6/2015)
CRFN	2015000228989
Description	The condominium building known as The Olcott is a 16 story building built in 1924 containing 152 units. The full service landmark building features a restored grand lobby and wonderful amenities including a private resident's dining room, children's play room, cold storage, and a fitness room. The apartments contain oak hardwood floors, custom Italian cabinetry, exceptional kitchen appliances, and complete bathrooms. The Olcott is conveniently situated a half block from Central Park and a close proximity to major subway lines.
Gross Building Area	2,864± square feet
Indicated Sale Price	\$8,125,000.00
Sale Price/Sq. Ft.	\$2,836.94

Sale #3
Block 1202, Lot 1022

279 Central Park West, Unit #9B
Upper West Side, New York



Grantor/Grantee	Rockefeller, Nelson A Jr. / Takeda Yasumasa
Date of Sale / (Recorded)	4/16/2015 (5/8/2015)
CRFN	2015000156194
Description	Unit is located on the ninth floor of a twenty-three story, condominium building which was originally constructed circa 1988 and in good overall condition. The building amenities include 24 hour doorman, concierge, a children's indoor and outdoor playroom, exercise room, bike room, and common storage.
Gross Building Area	2,215± square feet
Indicated Sale Price	\$7,385,000.00
Sale Price/Sq. Ft.	\$3,334.09

Sale #4
Block 1169 Lot 1127

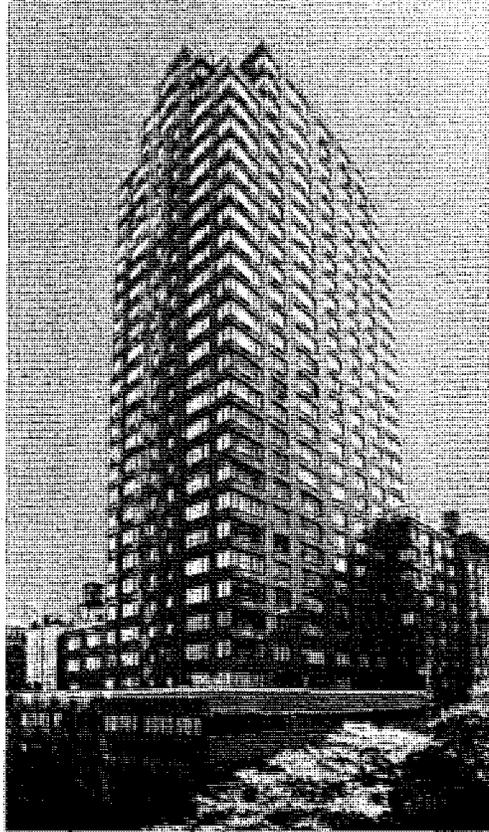
230 West 78th Street, Unit #16A
New York, New York



Grantor/Grantee	Stephen P. Murray/ Bruno Mejean
Date of Sale / (Recorded)	2/9/2015 (2/20/15)
CRFN	201500058897
Description	Building Linden 78 is a new construction condominium located in the Upper West Side steps from both Central Park and the Hudson River. The buildings main amenities include 24/7 attended lobby, a landscaped garden and roof deck, fitness center, children's play room, and also a bike/storage room.
Gross Building Area	3,840± square feet
Indicated Sale Price	\$11,000,000
Sale Price/Sq. Ft.	\$2,864.58

Sale #5
Block 1120 Lot 1077

45 West 67th Street, Unit #15ABC
New York, New York



Grantor/Grantee	Lengard Projects LLC/ David Almeida
Date of Sale / (Recorded)	3/2/2015 (5/1/2015)
CRFN	2015000147111
Description	Built in 1983 this red brick structure was built as a 33 story building containing 175 units. The units range from studio to three bedroom homes, including several duplex layouts. The apartments were designed with ceramic tile kitchens, marble baths, parquet floors, and picture windows. The building amenities include 24 hour doorman, concierge, valet service, private courtyard, storage, and a laundry room. Located on West 67 th Street it is just steps from Lincoln Center, Central Park, and many other upscale boutiques and restaurants.
Gross Building Area	4,059± square feet
Indicated Sale Price	\$10,950,00.00
Sale Price/Sq. Ft.	\$2,697.71

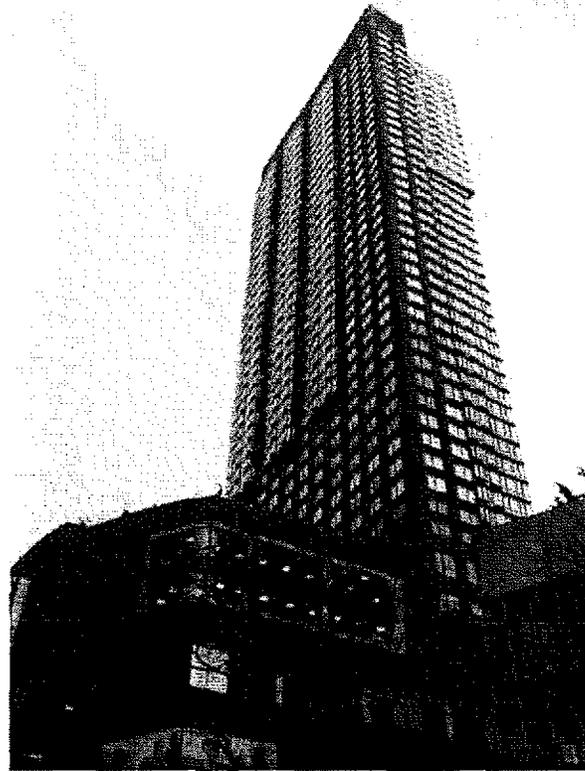
Sale #6
Block 1138, Lot 1428

1965 Broadway, Unit #28E
Upper West Side, New York



Grantor/Grantee	Green, Gary M / 1965 Broadway LLC
Date of Sale / (Recorded)	8/19/2013 (9/6/2013)
CRFN	2013000361860
Description	The twenty-eight floor unit is located in the luxury apartment building known as the Grand Millennium building, which was originally constructed circa 1997. The Grand Millennium's amenities include a 24-hour doorman, concierge and valet service, resident storage and preferential access to the Reebok Sports Club located across the street.
Gross Building Area	3,138± square feet
Beds/Baths	4/5.5
Indicated Sale Price	\$10,250,000.00
Sale Price/Sq. Ft.	\$3,266.41

Sale #7 Block 1139 Lot 1274	111 West 67th Street #25DH New York, New York
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Grantor/Grantee	SB Manhattan LLC/ KAMJ LLC
Date of Sale / (Recorded)	8/7/2013 (8/23/2013)
CRFN	2013000338194
Description	The Park Millennium is regarded as one of Lincoln Square's most coveted buildings. Built in 1994 the building contains 56 floors which encompasses the entire block from Broadway to Columbus and West 67 th to West 68 th street. The ground floor of the building is occupied by a 140,000 square foot multi-level Equinox Sports Club with a myriad of offerings. Resident amenities include a 24 hour doorman, concierge, live in super, and private/bike storage. The building is in a prime location located in Lincoln Square with close proximity to Central Park, public transportation, and neighborhood conveniences.
Gross Building Area	3,808± square feet
Indicated Sale Price	\$14,000,000.00
Sale Price/Sq. Ft.	\$3,676.47

ANALYSIS OF COMPARABLE CONDOMINIUM UNIT SALES (PENTHOUSE)

We have researched the Lincoln Square and Upper West Side neighborhoods and surrounding submarkets, for recent condo unit sales in order to estimate the value of the subject property penthouse level condominium units in their "prospective as complete" condition. We have selected several recent sales that are comparable to the subject for analysis purposes. All of the comparable sales were analyzed herein on the basis of their price per square foot of gross floor area.

The following table presents a summary of the most recent penthouse condo unit sales transactions that we have utilized:

Summary of Comparable Condominium Unit Sales (Penthouse)

Sale No.	Location	Unit	Sale Date	Sale Price	Bed/Bath	Gross Building Area (Sq. Ft.)	Sale Price/SF
1	1965 Broadway	PHB3	For Sale	\$23,500,000	4/4	4,566	\$5,146.74
2	120 West 72nd Street	PH1	12/19/2014	\$ 8,962,500	4/3	3,335	\$2,687.41
3	150 Columbus Avenue	PH2A	12/11/2014	\$13,000,000	3/4.5	3,553	\$3,658.88
4	101 West 87th Street	PH	11/5/2014	\$10,000,000	5/5	3,077	\$3,249.92

Comparable Sales Adjustment Analysis

The comparable sales occurred between November 2014 and December 2014, plus one current offering, with unadjusted sale prices ranging from \$2,687.41 and \$5,146.74 per square foot with a mean of \$3,685.74 per square foot.

To derive a value for the subject from these sales, we considered different factors that affect the sale price of each commercial condominium unit as compared to the subject's. In our analysis, we made price adjustments for differences and narrowed the range indicated by the comparables through this process. Upward adjustments suggest that the comparable is inferior to the subject while downward adjustments indicate the comparable to be superior.

We considered the terms of the sale and financing. All of the comparable sales were sold under similar conditions and did not require adjustments for these factors.

Market Conditions (Time)

We have considered an adjustment for market conditions (time), whereby older sales have been adjusted to consider current sales trends. The sales occurred between November 2014 and December 2014, plus one current offering. Sale #1 is a current offering and was adjusted downwards for typical negotiation procedures. The remaining sales occurred under similar market conditions to the current and were not adjusted.

Location

A location adjustment was considered that reflects the locations of the subject property and the comparables condominium sales and listings. We considered such elements as the density of pedestrian traffic, the density of the population in the surrounding buildings and the proximity to mass transit outlets. The subject property is located along the south side of West 70th Street between Central Park West and Broadway. All of the comparable sales are located in the Upper West Side, however, sale #4 was adjusted upwards for being in an inferior location, which is north of the subject property.

Size

Typically, smaller units lease for more on a per-square-foot basis than their larger counterparts. This assumes a quantity discount and the diminishing number of users that require larger spaces. The subject property penthouse unit is a duplex (floors eight and nine) and contains 6,763± square feet. All of the subject property units are smaller than the subject property and were adjusted downwards.

Property Characteristics

We last considered an adjustment for the building and rental unit's quality, age, condition, amenities and overall market appeal. The subject property residential penthouse condominium units will be of excellent and new condition. All of the subject property is of

older stock as compared to the subject property and were considered inferior and were adjusted upwards.

The table on the following page presents the various adjustments made to each of the comparable condominium sales:

ADJUSTMENTS TO COMPARABLE CONDOMINIUM UNIT SALES (PENTHOUSE)

Sale No.	Location	Unit	Sale Date	Sale Price/ SF	Time Adj.	Time-Adj. Price/ Sq. Ft.	Adjustments			Total Adj.	Adj. Price/ Sq. Ft. of GBA
							Location	Size	Property Char.		
1	1965 Broadway	PHB3	For Sale	\$5,146.74	0.90	\$4,632	1.00	0.95	1.05	1.00	\$4,632.06
2	120 West 72nd Street	PH1	12/19/2014	\$2,687.41	1.00	\$2,687	1.00	0.90	1.05	0.95	\$2,553.04
3	150 Columbus Avenue	PH2A	12/11/2014	\$3,658.88	1.00	\$3,659	1.00	0.90	1.10	0.99	\$3,622.29
4	101 West 87th Street	PH	11/5/2014	\$3,249.92	1.00	\$3,250	1.10	0.90	1.10	1.09	\$3,542.41

CONCLUSION – CONDOMINIUM SALES (PENTHOUSE)

Prior to adjustments, the subject property comparable condominium sales produced a range of values from \$2,687.41 to \$5,146.74 per square foot. After adjustments this evolved to a range for the penthouse units of \$2,553.04 to \$4,632.06 per square foot with a mean indicator of \$3,587.45 per square foot and a median of \$3,582.35 per square foot.

Based on the preceding information, we have selected a market value of \$3,600.00 per square foot for the proposed penthouse condominium unit.

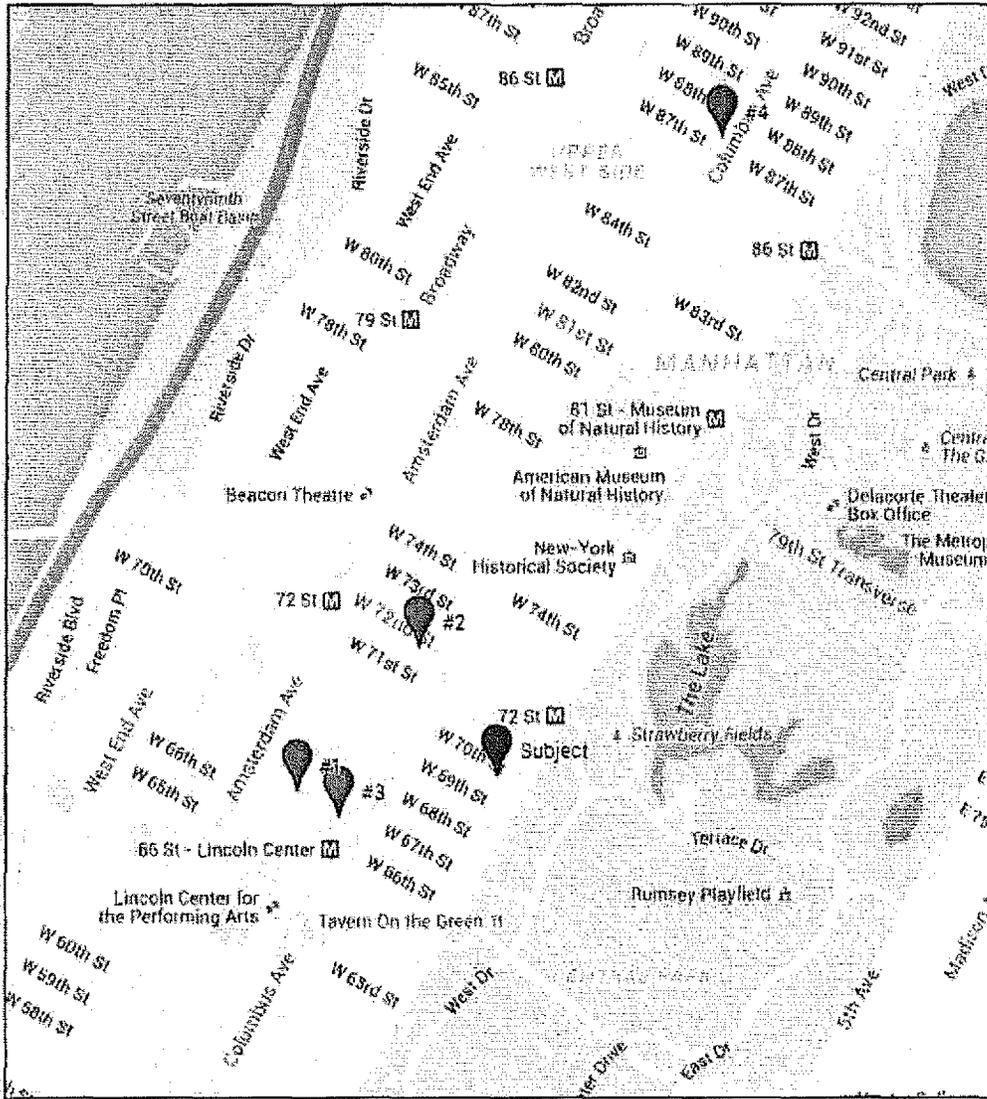
Additionally, according to the proposed construction plans, as submitted by the owner, the subject property duplex penthouse unit will be delivered as a “white box” with no wall partitions or build-outs. Therefore, we have estimated the costs of the interior buildout for the unit using *Marshall Swift Estimate Services* and deducted \$175.00 per square foot from the estimated per square foot value of the penthouse units

Subject Property Residential Condominium Units – Market Value

Market Value/Sq. Ft.	\$3,600.00
Less: Interior Buildout for Penthouse Unit (per Sq. Ft.)	\$ 175.00
Total Market Value/Sq. Ft.	\$3,425.00

Size (Sq. Ft.)	Value /Sq. Ft.	Total Sell-out Value
6,763	\$3,425.00	\$23,162,590.00
	Rounded	\$23,200,000.00

COMPARABLE CONDOMINIUM PENTHOUSE UNIT SALES LOCATION MAP



No.	Address
1	1965 Broadway, New York
2	120 West 72nd Street, New York
3	150 Columbus Avenue, New York
4	101 West 87th Street, New York

Sale #1**1965 Broadway, #PHB3
New York, New York**

Listing Broker	Douglas Elliman
Date of Sale / (Recorded)	Current Offering
CRFN	N/A
Description	The penthouse unit is located on the thirty-third story of the luxury apartment building known as the Grand Millennium building, which was originally constructed circa 1997. The penthouse unit contains 1,000± square feet of exterior area, contains Boffi stainless steel kitchen appliances and is laid out as a four bedroom/four and a half bath unit. The Grand Millennium's amenities include a 24-hour doorman, concierge and valet service, resident storage and preferential access to the Reebok Sports Club located across the street.
Gross Building Area	4,566± square feet
Indicated Sale Price	\$23,500,000.00
Sale Price/Sq. Ft.	\$5,146.74

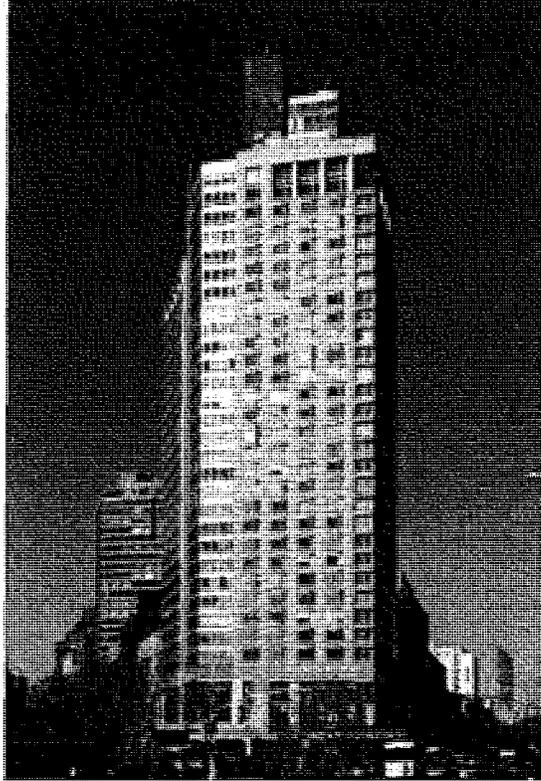
Sale #2 Block 1143 Lot 1419	120 West 72nd Street #PH1 New York, New York
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Grantor/Grantee	Stanly Parker Jr./ Mewprop2 LLC
Date of Sale/ (Recorded)	2/19/2014 (2/21/2014)
CRFN	2014000065757
Description	The Harsen House is a 10 story, 17 unit condominium building which was constructed circa in 2007. This luxury condominium building is LEED certified by the US Green Building Council. The units are comprised of two and four bedroom layouts and have 10' ceilings, gas fireplaces, hardwood floors, and floor to ceiling windows. The interior contains custom kitchen cabinetry with Miele appliances, and the bathrooms are accented with decorative stonework and Waterworks fixtures. As for the amenities there is a 24 hour concierge, fitness center, and individual storage.
Gross Building Area	3,335± square feet
Indicated Sale Price	\$8,962,500.00
Sale Price/Sq. Ft.	\$2,687.41

Sale #3
Block 1138 Lot 1143

150 Columbus Avenue #PH2A
New York, New York



Grantor/Grantee	Marvin Albert/ SAG 150 Columbus LLC
Date of Sale / (Recorded)	12/11/2014 (1/16/2015)
CRFN	2015000019932
Description	The 30 story condominium containing 143 units was built in 1995. The building has a low-rise base at the north end of the full block site along with an asymmetrical slab tower which holds the apartments. The tower offers great views and a great location surrounded by major retail and the convenience of the Lincoln Center. The buildings main amenities include a doorman, concierge, bike room, and live in super.
Gross Building Area	3,553± square feet
Indicated Sale Price	\$13,000,000
Sale Price/Sq. Ft.	\$3,658.88

Sale #4
Block 1218 Lot 1072

101 West 87th Street #PH
New York, New York



Grantor/Grantee	Michael Cook/ Elizabeth A. Epstein
Date of Sale / (Recorded)	11/5/2014 (11/14/2014)
CRFN	2014000378364
Description	A luxury condominium located in the Upper West Side only steps away from Central Park. The building is 12 stories containing 72 units built in 1986. The building was converted to a condominium in 2013 and the apartments were reconfigured and renovated along with the common areas. The amenities in the building include a full time doorman, concierge, fitness center, children's play room, club lounge, courtyard garden, roof deck, and central laundry. Some units also contain their own private storage and bike storage.
Gross Building Area	3,077± square feet
Indicated Sale Price	\$10,000,000
Sale Price/Sq. Ft.	\$3,249.92

ANALYSIS OF COMPARABLE MEDICAL CONDOMINIUM SALES

The proposed subject property building will contain community facility units on floors one through four, therefore, we have researched comparable community facility condominium unit sales to estimate a sell-out value for the first four floors of the building. We have considered the highest and best use of the subject property community facility condominium units is for medical office. Therefore, we have researched sales of similar medical condominium units in the subject's Upper West Side submarket and surrounding areas.

We have utilized this sale data as the basis of estimating value through the sales comparison approach. This data was considered to be relevant as these sales are the most recent and proximate, and reflect similar attributes to the subject property. The sales were comparable on a price per square foot basis. The comparable sales used in the valuation of the subject property are summarized as follows:

Summary of Comparable Medical Condominium Unit Sales

Sale No.	Location	Unit Number	Sale Date	Sale Price	Unit Size (Sq. Ft.)	Sale Price/Sq. Ft.
1	135-145 W 70th Street Upper West Side	1L	9/15/2014	\$ 850,000.00	835	\$1,017.96
2	215 East 77th Street Upper East Side	1	6/24/2014	\$2,550,000.00	2,184	\$1,167.58
3	160-170 West End Avenue Upper West Side	1H	5/9/2014	\$ 935,000.00	781	\$1,197.18
4	170 East 77th Street Upper East Side	Prof 1	5/2/2014	\$4,568,062.00	4,549	\$1,004.19
5	149-151 East 62nd Street Upper East Side	1A/1B	2/6/2014	\$1,461,000.00	1,275	\$1,145.88

Sales Analysis and Comparison

The properties sold between February 2014 and September 2014, with unadjusted sale prices ranging from \$1,004.19 to \$1,197.18 per square foot with a mean of \$1,106.56 per square foot. We have valued the subject property utilizing these market sales on the basis of price per square foot because this is the most common element of comparison to market participants in the area. To derive a value for the subject from these sales, we considered different factors that affect the sale price of each property as compared to the subject. In our analysis we made price adjustments for differences and narrowed the range indicated by the comparables through this process. Positive adjustments suggest that the comparable is inferior to the subject while negative adjustments indicate the comparable to be superior.

The following is an explanation of the adjustments made to the comparable condominium sales used in the sales comparison approach to value.

Market Conditions (Time)

We considered an adjustment for market conditions (time). The sale dates ranged from February 2014 and September 2014. Market conditions in the commercial asset class are strong in core areas such as New York City, and have been relatively stable since late 2013. All of the comparable sales occurred during similar market conditions to those that exist as of the valuation date, and no adjustments were warranted.

Location

The subject condominium unit is located on West 70th Street in the Upper West Side area of Manhattan. All of the comparable sales are located in a similar area as compared to the subject property and were not adjusted for location.

Size

We considered a size adjustment, based on the premise that larger units usually sell for less on a per square foot basis than their smaller counterparts, given the economy of scale and a diminished number of potential buyers for the larger spaces. The subject property condominium units contain between 4,976± and 6,094± square feet per floor.

Comparable sales #1, #2, #3 and #5 are smaller than the subject property average floor area and were adjusted downwards for size. Sale #4 is similar in size to the average subject property size and was not adjusted for this category.

Property Characteristics

The final adjustment considered was for building quality, features, age and condition, and overall market appeal. The subject of this appraisal consists of the condominium unit which is located on the first floor of a condominium mixed use building, and is used as medical office space. The subject improvements are in good overall condition.

All comparable sales are located in similar buildings and contain similar medical office space as compared to the subject property and were not adjusted for property characteristics.

The following table summarizes the differences we observed between the comparable sales and the subject property:

ADJUSTMENTS TO THE COMPARABLE MEDICAL OFFICE CONDOMINIUM SALES

Sale No.	Location	Sale Date	Sale Price/ Sq. Ft.	Time Adj.	Time-Adj. Price/ Sq. Ft.	Adjustments				Adj. Price/ Sq. Ft. of GBA
						Loc.	Size	Property Char.	Total Adj.	
1	135-145 W 70th Street Upper West Side	9/15/2014	\$1,017.96	1.00	\$1,017.96	1.00	0.90	1.00	0.90	\$ 916.17
2	215 East 77th Street Upper East Side	6/24/2014	\$1,167.58	1.00	\$1,167.58	1.00	0.95	1.00	0.95	\$1,109.20
3	160-170 West End Avenue Upper West Side	5/9/2014	\$1,197.18	1.00	\$1,197.18	1.00	0.90	1.00	0.90	\$1,077.46
4	170 East 77th Street Upper East Side	5/2/2014	\$1,004.19	1.00	\$1,004.19	1.00	1.00	1.00	1.00	\$1,004.19
5	149-151 East 62nd Street Upper East Side	2/6/2014	\$1,145.88	1.00	\$1,145.88	1.00	0.95	1.00	0.95	\$1,088.59

Sales Comparison Approach Conclusion

Prior to adjustments, the comparable sales indicated a range of \$1,004.19 to \$1,197.18 per square foot, with a mean of \$1,106.56 per square foot. After considering the various characteristics that affect value and applying adjustments to the sales, the indicated values evolved to a range of \$916.17 to \$1,109.20 per square foot, with a mean of \$1,039.12 per square foot and a median of \$1,077.46 per square foot.

Based on the sales comparison approach, considering the subject's location, size and property characteristics, we estimate the market value of the subject property to be \$1,000.00 per square foot, which produced the following value estimate of the subject property, together with its undivided interest in the common elements, as follows:

Value Conclusion (Above Grade Community Facility)

Community Facility Floor	Rentable Sq. Ft.	Sellout-Value Sq. Ft.	Sell-out Value
1	6,094	\$1,000.00	\$ 6,094,040.00
2	5,892	\$1,000.00	\$ 5,891,940.00
3	4,976	\$1,000.00	\$ 4,976,000.00
4	<u>4,976</u>	\$1,000.00	<u>\$ 4,976,000.00</u>
Total Above Grade	21,938		\$21,937,980.00

Additionally, according to the plans provided to us by ownership, the two lower levels will contain community facility area, which will include a banquet hall, kitchen area, restrooms, utility service rooms and lobby areas. We have estimated the sell-out value of the lower level by discounting the above floor areas by 50%, as shown in the following chart:

Value Conclusion (Below Grade Community Facility)

Community Facility Floor	Rentable Sq. Ft.	Sellout-Value Sq. Ft.	Sell-out Value
Lower Level 1	6,629	\$500.00	\$3,314,640.00
Lower Level 2	<u>6,629</u>	\$500.00	<u>\$3,314,420.00</u>
Total Below Grade	13,258		\$6,629,060.00

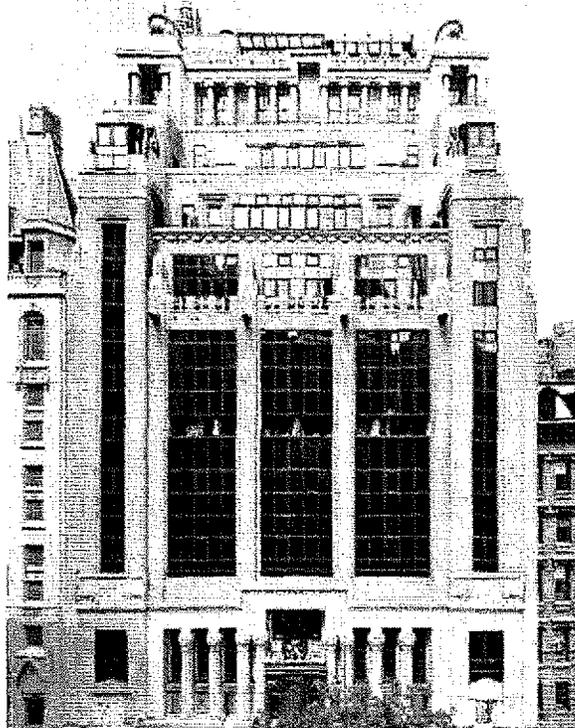
COMPARABLE MEDICAL CONDOMINIUM SALES LOCATION MAP



No.	Location
1	135-145 W 70 th Street, Upper West Side
2	215 East 77th Street, Upper East Side
3	160-170 West End Avenue, Upper West Side
4	170 East 77th Street, Upper East Side
5	149-151 East 62nd Street, Upper East Side

LIST OF COMPARABLE MEDICAL CONDOMINIUM SALES

Condominium Sale #1 Block 1142 Lot 1011	135-145 W 70th Street Upper West Side, New York
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Grantor / Grantee	Felina Rakowski-Gallagher/ Narberth Manhattan LLC
Date of Sale (Recorded)	9/15/2014 (9/26/2014)
CRFN#	2014000319290
Description	Condominium medical-office (Unit #1L) located within a seven-story, mixed-use, condominium building located on a rectangular, mid-block parcel with frontage on West 70 th Street. The building is in good overall condition and was originally constructed circa 1927. The unit was vacant at the time of the sale.
Unit Size	835± square feet
Indicated Sale Price	\$850,000.00
Sale Price/Sq. Ft.	\$1,017.96

Condominium Sale #2
Block 1432, Lot 1001

215 East 77th Street
Upper East Side, New York



Grantor / Grantee	John D. Bonanno M.D. / 215 East 77 Realty
Date of Sale (Recorded)	6/24/2014 (7/24/2014)
CRFN#	2014000245842
Description	Medical office condominium unit (Unit #1) located below street grade, within a six-story, mixed-use, condominium building located on a rectangular, mid-block parcel with frontage on East 77 th Street. The building is in good overall condition and was originally constructed circa 1930. The unit contains 4 exam rooms with sinks and one and a half baths according to a recent marketing brochure from the broker on the sale.
Unit Size	2,184± square feet
Indicated Sale Price	\$2,550,000.00
Sale Price/Sq. Ft.	\$1,167.58

Condominium Sale #3
Block 1158 Lot 1003

160-170 West End Avenue
Upper West Side, New York



Grantor / Grantee	Humberto Portillo/ West End Comprehensive LLC
Date of Sale (Recorded)	5/9/2014 (5/19/2014)
CREN#	2014000170788
Description	Medical office unit (Unit 1H) located within a twenty nine-story, 482,878+ square foot mixed use condominium building, with frontage on West End Avenue and West 66 th Street. The building was originally constructed circa 1963 and is in good overall condition.
Unit Size	781± square feet
Indicated Sale Price	\$935,000.00
Sale Price/Sq. Ft.	\$1,197.18

Condominium Sale #4
Block 1411, Lot 1158

170 East 77th Street
Upper East Side, New York



Grantor / Grantee	170 East 77 th 1 LLC / 77 th Street Medical Realty LLC
Date of Sale (Recorded)	5/2/2014 (5/29/2014)
CRFN#	2014000183756
Description	Medical office condominium unit (Prof 1) located on the ground floor of an eleven story, mixed-use office and residential condominium building. The improvements are in average overall condition.
Unit Size	4,549± square feet
Indicated Sale Price	\$4,568,062.00
Sale Price/Sq. Ft.	\$1,004.19

Condominium Sale #5
Block 1397, Lots 1101, 1102, 1103

149-151 East 62nd Street
Upper East Side, New York



Block/Lot	1397/1101	1397/1102, 1103
Unit	1A (149)	1A (159), 1B (159)
Grantor	149-151 East 62 nd Street Realty Co.	
Grantee	149 E 62 nd 1A 10065 LLC	151 E 62 nd 1AB Partners LLC
Date of Sale (Recorded)	2/6/2014 (2/28/2014)	2/6/2014 (2/21/2014)
CREN#	2014000072235	2014000065490
Description	This transaction represents three medical condominiums below street grade that were purchased on the same sale date. The units were formerly occupied by Core Strength Physical Therapy. The units are located on the ground floor of a four-story condominium building constructed circa 1899 and in average overall condition.	
Unit Size	550± square feet	725± square feet
Total Unit Size	1,275± square feet	
Indicated Sale Price	\$691,000.00	\$770,000.00
Total Indicated Sale Price	\$1,461,000.00	
Total Sale Price/Sq. Ft.	\$1,145.88	

**RESIDENTIAL/COMMUNITY FACILITY
CONDOMINIUM DEVELOPMENT "VALUATION II"**

To arrive at the prospective valuation of the residential/community facility condominium development as of the completion of construction, we have valued the residential and community facility condominium sell-out of the fee simple estate of the subject property. We anticipate that the absorption period for the selling of the subject units will be approximately 12 months, based on the following market survey.

Sales Absorption Survey – New Construction Condominium Buildings

No.	Building	Year Built	Sale Start Date	Sale End Date	Total # of Days	No. of Units Sold	Amount of Days per Sale
1	535 West End Avenue	2010	2/16/2010	11/6/2013	1,359	23	59
2	135 East 79th Street	2014	10/16/2013	4/15/2015	546	30	18
3	303 East 77th Street	2010	11/23/2010	9/13/2013	1,025	30	34
4	160 East 23rd Street	2014	8/25/2014	5/6/2015	254	16	16
5	461 West 150th Street	2012	12/21/2012	6/5/2015	896	11	81
6	227 East 7th Street	2015	10/28/2014	1/20/2015	84	5	17
Average							38

We researched new development condominium buildings to conclude to an absorption schedule in the discounted cash flow. According to the six comparable buildings above, the mean of amount of days per sale is 38 with a median of 26 days. The subject property contains four (4) residential condominium units. Considering that the units will be available concurrently and there will be a period of pre-sale before the building is complete, we have assumed that the subject property unit located on floors five through seven will be sold within 12 months which is reasonable given the preceding survey.

However, the subject property penthouse unit was projected to have a longer absorption period because of the decreased number of market participants and higher prices per square foot as compared to units on middle floors. The following survey highlights penthouse units on the Upper West Side and Upper East Side of Manhattan and their corresponding average days on market.

Penthouse Units – Average Amount of Days on Market

No.	Address	Unit	Sqft	Price	Bedrooms	Baths	Created At	Closed At	Days on Market
1	1355 First Avenue	#PH2	7,198	\$20,695,000.00	8	8	4-Apr-14	10-Aug-15	493
2	182 West 82nd Street	#PHE	2,525	\$5,995,000.00	2	3	6-Nov-13	7-Aug-15	639
3	2112 Broadway	#7/8E	2,733	\$5,495,000.00	4	3	11-Mar-15	16-Jul-15	71
4	1200 Fifth Avenue	#PHB	4,215	\$9,895,000.00	4	5	5-Nov-13	8-Jun-15	105
5	303 East 77th Street	#PHA	2,559	\$5,950,000.00	3	3	20-Feb-15	18-May-15	66
6	135 East 79th Street	#PH19E	3,558	\$14,950,000.00	2	3	29-Jan-14	17-Apr-15	406
7	300 East 79th Street	#PHCD	4,900	\$9,995,000.00	5	5	19-Sep-14	16-Mar-15	178
8	2112 Broadway	#PHE	2,733	\$5,495,000.00	3	3	9-Feb-15	11-Mar-15	30
9	1 Central Park West	#PH51B	5,018	\$37,500,000.00	4	4	25-Apr-14	21-Jan-15	271
10	515 East 72nd Street	#PHA	5,390	\$18,500,000.00	5	4	16-Oct-14	6-Jan-15	53
11	150 Columbus Avenue	#PH2A	3,553	\$14,900,000.00	3	4	3-May-14	5-Jan-15	177
12	60 Riverside Boulevard	PH-3702	3,096	\$8,900,000.00	4	4	23-Sep-14	31-Dec-14	53
13	135 East 79th Street	#PH19W	5,429	\$26,500,000.00	5	4	29-Jan-14	14-Nov-14	244
14	150 East 72nd Street North	NORTH-PENTHO	3,662	\$15,500,000.00	4	6	3-Dec-13	11-Nov-14	328
15	2112 Broadway	#7/8B	4,055	\$9,750,000.00	4	4	15-Mar-14	14-Sep-14	183
16	29 West 85th Street	#4/5PH	3,140	\$6,575,000.00	3	3	6-Mar-14	22-Jul-14	88
17	101 West 87th Street	#PHI	3,077	\$7,600,000.00	4	5	13-Mar-13	2-Jul-14	476
18	524 East 72nd Street	#PH3	3,366	\$9,200,000.00	3	4	15-Mar-14	24-Jun-14	20
19	2150 Broadway	#PH3A	2,532	\$9,888,000.00	3	2	24-Jan-14	23-Jun-14	67
20	408 East 79th Street	#PHA	3,549	\$8,495,000.00	5	5	11-Sep-13	18-Jun-14	128
21	234 East 70th Street	#PHI	2,634	\$4,300,000.00	4	3	1-Nov-13	16-Jun-14	136
22	8 West 65th Street	#PHAB	2,500	\$5,499,000.00	4	5	25-Jun-13	6-May-14	284
23	135 East 79th Street	#PH15E	5,188	\$23,000,000.00	5	5	13-Oct-12	25-Apr-14	211
24	170 East End Avenue	#PH1A	4,902	\$14,800,000.00	5	6	3-Feb-14	17-Apr-14	38
25	101 West 87th Street	#912	2,518	\$3,950,000.00	4	3	12-Mar-13	5-Mar-14	358
26	120 West 72nd Street	#PHI	3,335	\$9,450,000.00	4	3	2-Dec-13	20-Feb-14	43
27	101 West 87th Street	#812	2,518	\$3,720,000.00	4	3	13-Mar-13	7-Feb-14	331
28	135 East 79th Street	#PH15W	5,086	\$25,000,000.00	5	5	11-May-13	6-Feb-14	137
29	132 East 65th Street	#PHI	4,346	\$19,995,000.00	5	5	14-Jan-12	16-Jan-14	727
30	135 East 79th Street	#PH17W	5,334	\$23,500,000.00	5	5	22-Aug-13	6-Jan-14	137
Average Amount of Days									216

The above survey shows that the range of penthouse units on the market has an average of 216 days. Therefore, we have estimated that the penthouse unit would be sold in the second year of the discounted cash flow herein.

The following section shows the net sellout value of the subject property:

CHOICE OF DISCOUNT RATE

The discount rate we used reflects the sum of all the anticipated benefits and risks contained in the series of cash flows that we anticipate will be received by the property owner, inclusive of the subject property unit sell-out.

There are various methods of capitalizing income (i.e., discounting an income stream to a present value), and each method embodies its own strengths and weaknesses. However, the selection of an appropriate discount rate is heavily reliant on market-driven factors, including competitive interest rates, including money market rates.

Among the factors we considered in choosing the discount rate are risk, the cost of funds, the long-term yield on exempt, tax-sheltered and taxable, competing investments, the quality of the income stream and liquidity.

Short- and long-term economic indicators, as published in the Federal Reserve Statistical Release H.15 for the week-ending September 14, 2015, were as follows:

<u>Long-Term</u>	<u>Indicator</u>
Treasury Bonds (10-year)	2.21%
Treasury Bonds (20-year)	2.65%
Med. Qual. Corporate Bonds (Baa)	5.33%
Municipal Bonds	3.82%
<u>Short-Term</u>	
Federal Funds	0.14%
Treasury Bills (3-month)	0.04%
Reserve Bank Discount Rate	0.75%
Prime Rate (monthly average)	3.25%

The measure of risk inherent in a real estate investment is partly available in the bond market. The yields on corporate and municipal obligations are an indication of the market's measure of the worth of a given cash flow, providing an indication of the cost of funds within a liquid financial environment. To the basic yield indicated by the cost of funds we added the risk, liquidity and entrepreneurial effort necessary to produce an appropriate discount for a real estate investment such as the subject property.

Investor Indices and Investment Parameters

The national apartment market's growing pipeline of new supply has some investors fine-tuning their strategies and underwriting practices. "We are holding assets to see how additions to supply play out, and we are not buying new assets in markets with significant levels of new construction," explains one investor. "Our purchases are much more selective now because an asset's specific location matters due to the high level of new construction occurring," says another.

In addition, Survey participants reveal they are "more careful underwriting rents and rent growth," and "factoring in more concessions and lower market rent forecasts in the early years of an analysis." Despite such cautions, this market's key indicators reflect a positive overall outlook this quarter. First, its average initial year market rent change rate rises 15 basis points to 2.98% (see Table 29). Second, its average overall cap rate slides six basis points to 5.30%.

Over the next six months, surveyed investors unanimously foresee overall cap rates holding steady amid continued additions to apartment stock. "Investors appear willing to accept lower returns knowing that underwriting is more conservative now than it was when the supply pipeline was virtually nonexistent in this sector," summarizes a participant.

The following table presents a synopsis of the *PwC National Apartment Market Report, 2nd Quarter 2015*:

NATIONAL APARTMENT MARKET
(Second Quarter 2015)

Table 29 NATIONAL APARTMENT MARKET Second Quarter 2015					
	CURRENT	LAST QUARTER	1 YEAR AGO	3 YEARS AGO	5 YEARS AGO
DISCOUNT RATE (IRR)^a					
Range	5.00% - 10.00%	5.50% - 10.00%	6.00% - 13.00%	5.25% - 14.00%	6.25% - 14.00%
Average	7.24%	7.33%	7.98%	8.30%	9.89%
Change (Basis Points)		-9	-74	-106	-265
OVERALL CAP RATE (OAR)^a					
Range	3.50% - 8.00%	3.50% - 8.00%	3.50% - 10.00%	3.75% - 10.00%	5.00% - 11.00%
Average	5.30%	5.36%	5.59%	5.76%	7.68%
Change (Basis Points)		-6	-29	-46	-238
RESIDUAL CAP RATE					
Range	4.25% - 8.50%	4.25% - 8.50%	4.25% - 9.50%	4.50% - 9.75%	5.50% - 11.00%
Average	5.93%	5.96%	6.02%	6.15%	7.84%
Change (Basis Points)		-3	-9	-22	-191
MARKET RENT CHANGE^b					
Range	0.00% - 8.00%	0.00% - 5.00%	0.00% - 8.00%	(2.00%) - 8.00%	(10.00%) - 3.00%
Average	2.98%	2.83%	2.75%	2.80%	(0.49%)
Change (Basis Points)		+15	+23	+18	+347
EXPENSE CHANGE^b					
Range	1.00% - 4.00%	1.00% - 4.00%	1.00% - 4.00%	1.00% - 4.00%	0.00% - 4.00%
Average	2.74%	2.74%	2.76%	2.65%	2.38%
Change (Basis Points)		0	-2	+9	+36
MARKETING TIME^c					
Range	1 - 9	1 - 9	0 - 10	0 - 18	1 - 18
Average	4.2	4.1	4.1	5.3	7.1
Change (▼, ▲, =)		▲	▲	▼	▼

a. Rate on unleveraged, all-cash transactions b. Initial rate of change c. In months

Investor Indices and Investment Parameters

The Manhattan office market ranks as one of the best-performing markets in the country, and investors continue to pay top prices in order to acquire assets here. For the 12-month period ending with the first quarter of 2015, the average price for office assets in Manhattan was \$756.00 per square foot, as per Real Capital Analytics. Office towers that have sold recently include 1095 Sixth Avenue, 11 Times Square, and 757 Third Avenue.

As local fundamentals tighten, many tenants are trying to lock in rental rates before they increase. Even though this market's average initial year market rent change rate decreases to 4.00% this quarter, certain investors are using rent spikes in their

analyses. “The pendulum has not fully swung in favor of landlords, but it is very close and rents will spike when it happens,” remarks a participant. At the same time, tenants and owners are keeping an eye on new supply as “New York is in the midst of its biggest construction boom with office skyscrapers rising in Hudson Yards and the World Trade Center,” says an investor. The delivery of this new space is expected to create “a lot of leverage for tenants during lease negotiations,” especially for companies who are flexible in terms of office location and lease timing.

The following table presents a synopsis of the *PwC National Manhattan Office Market Report, 2nd Quarter 2015*:

MANHATTAN OFFICE MARKET
(Second Quarter 2015)

Table 14 MANHATTAN OFFICE MARKET Second Quarter 2015					
	CURRENT	LAST QUARTER	1 YEAR AGO	2 YEARS AGO	3 YEARS AGO
DISCOUNT RATE (IRR)^a					
Range	6.00% - 9.00%	6.00% - 9.00%	6.00% - 9.00%	6.00% - 10.00%	6.00% - 10.00%
Average	7.00%	6.98%	7.44%	7.50%	7.98%
Change (Basis Points)		+2	-44	-50	-98
OVERALL CAP RATE (OAR)^b					
Range	3.75% - 8.00%	3.75% - 8.00%	4.00% - 8.00%	4.00% - 8.00%	5.00% - 8.00%
Average	5.15%	5.04%	5.25%	5.38%	6.58%
Change (Basis Points)		+11	-10	-23	-143
RESIDUAL CAP RATE					
Range	5.00% - 8.00%	5.00% - 8.00%	5.00% - 8.00%	5.00% - 7.50%	6.00% - 8.50%
Average	6.02%	5.95%	6.08%	6.08%	7.13%
Change (Basis Points)		+7	-6	-6	-111
MARKET RENT CHANGE^b					
Range	0.00% - 7.00%	0.00% - 8.00%	0.00% - 10.00%	3.00% - 10.00%	(10.00%) - 3.00%
Average	4.00%	4.43%	3.67%	5.21%	(1.42%)
Change (Basis Points)		-43	+33	-121	+542
EXPENSE CHANGE^b					
Range	1.00% - 4.00%	1.00% - 4.00%	0.00% - 4.00%	2.00% - 3.00%	1.00% - 3.00%
Average	2.83%	2.93%	2.75%	2.92%	2.67%
Change (Basis Points)		-10	+8	-9	+16
MARKETING TIME^c					
Range	1 - 9	1 - 12	1 - 6	3 - 6	3 - 9
Average	4.8	4.8	4.1	4.1	5.9
Change (▼, ▲, =)		=	▲	▲	▼

a. Rate on unleveraged, all-cash transactions

b. Initial rate of change

c. In months

A review of second quarter 2015 national discount rates for the National Apartment Market indicated a range of 5.00% to 10.00% with an average of 7.24%. A review of the second quarter 2015 Manhattan Office Market in the PwC survey indicated a range of 6.00% to 9.00%, with a mean of 7.00%. We have taken into consideration the subject property's location on West 70th Street, within close proximity of Central Park and the local commercial market and overall new/excellent condition.

The discount rate we used reflects the sum of all the anticipated benefits and risks contained in the series of cash flows that we anticipate will be received by the property owner, inclusive of the subject property sell-out of residential and community facility units.

The discount applied to the DCF analysis has been estimated at 5.00%. This discount rate is within the range of the PwC survey and is reasonable for the subject property given the prime location and new construction of the units.

RECAPITULATION OF ASSUMPTIONS – DEVELOPMENT PARCEL

The following assumptions were made regarding income and expense forecasts for the proposed development:

General

- 1) The discounted cash flow analysis is structured on an annual basis, commencing in October 2016.
- 2) The developer of the property has indicated to us that the construction of the building is projected to commence on October 1, 2015. Additionally, according to a representative of the owner, the excavation of the property has already started as of August 2015 and the pre-construction and permitting has been filed with the NYC DOB. A permit was issued on 5/4/2015, for the construction of a nine-story, 41,565± square foot mixed use building containing 20,013± square feet of community facility space located on floors one through four and 21,551± square feet of residential condominiums located on floors five through nine. We have projected that construction permitting and all site improvements shall be completed by August 2016. Construction is estimated to occur from October 2015 to October 2016.
- 3) The calculation of the cash flow was accomplished through a computer-automated spreadsheet prepared on Microsoft Excel software.

Income

- 1) According to the PwC, second quarter 2015 report for the National Development Land Market “Growth rates for development expenses, such as amenities, real estate taxes, advertising, and administration, typically range from 1.0% to 5.0% and average 3.3%. For lot pricing, investors indicate a range up to 5.0%; the average growth rate for lot pricing is 3.2%”. Therefore, we have projected a unit sale prices forecast to increase at a rate of 3.0% per annum.
- 2) The sale of the residential and community facility condominium units begins October 2016 and is projected to be completed by July 2018. We have projected the price per square foot for the proposed community facility units located in the Lower Level and the units located on Floors one through four and the proposed residential condominium units on Floors 5 through 7 and the Penthouse, duplex unit located on Floors 8 and 9.

Cash Flow

- 1) In the discounted cash flow analysis a discount rate of 5.0% was used on an annual basis, which includes the projected entrepreneurial profit of the development.

The discounted cash flow models for the varying components of the Development Parcel are presented on the following pages.

DISCOUNTED CASH FLOW ANALYSIS "VALUATION II"¹²

Annual Period	10/2016 - 9/2017	10/2017 - 9/2018	
Term	1	2	
Inflation Period	1	2	Totals
ABSORPTION			
<u>Residential Condominium Units</u>			
Floor 5	1	0	1
Floor 6	1	0	1
Floor 7	1	0	1
Floors 8 and 9 (Penthouse Duplex)	<u>0</u>	<u>1</u>	1
Total Units Absorbed	3	1	4
Residential GBA Absorbed Per Year (Sq. Ft.)	<u>12,722</u>	<u>6,763</u>	<u>19,485</u>
Total GBA Absorbed	12,722	19,485	32,206
Total Residential Sell-Out (Floor 5)	\$14,314,528	\$0	\$14,314,528
Total Residential Sell-Out (Floor 6)	\$13,829,225	\$0	\$13,829,225
Total Residential Sell-Out (Floor 7)	\$13,787,366	\$0	\$13,787,366
Total Residential Sell-Out (Penthouse)	\$0	<u>\$24,573,192</u>	<u>\$24,573,192</u>
Total Sell-Out	\$41,931,119	\$24,573,192	\$66,504,311
<u>Community Facility</u>			
Floors (Lower Level 1 & 2)	0	1	1
Floors 1 and 2	1	0	1
Floors 3 and 4	<u>0</u>	<u>1</u>	<u>1</u>
Total Units Absorbed	1	2	3
Total GBA Absorbed Per Year (Sq. Ft.) - (Lower Level)	0	13,258	13,258
Total GBA Absorbed Per Year (Sq. Ft.) - (Floors 1-4)	<u>11,986</u>	<u>9,952</u>	<u>21,938</u>
Total GBA Absorbed	11,986	23,210	35,196
Total Community Facility Sell-out (Lower Level 1,2)	\$0	\$7,032,770	\$7,032,770
Total Community Facility Sell-out (Floors 1,2)	\$12,345,580	\$0	\$12,345,580
Total Community Facility Sell-out (Floors 3,4)	<u>\$0</u>	<u>\$10,558,077</u>	<u>\$10,558,077</u>
Total Community Facility Sell-Out (Floors 1 through 4)	\$12,345,580	\$17,590,847	\$29,936,427
CASH FLOWS BEFORE DEBT SERVICE	\$54,276,699	\$42,164,039	\$96,440,738
Discount Rate	<u>0.95238</u>	<u>0.90703</u>	
Present Value Annual Cash Flows	\$51,692,094	\$38,244,026	
Net Present Value Cash Flow (as of 10/2016)	\$89,936,120		
Rounded	\$89,900,000		

¹² Predicated on the extraordinary assumptions and limiting conditions as defined within the body of this report.

NET SELLOUT - LUXURY RESIDENTIAL CONDOMINIUMS - "VALUATION III"

To arrive at the net sellout value of the fee simple estate of the subject property, we have utilized the luxury residential condominium sales provided previously. The net sellout value of the subject property condominium units are shown in the following chart.

To arrive at the net sellout value of the subject condominium units we have deducted estimated marketing and sales commissions, which we have estimated to be 4.0% of the gross sales value of the subject condominium units in their "prospective as complete" condition. The following table shows our calculation for the values of the subject condominium units in their "as complete" condition as of the prospective date of value, August 1, 2016:

Estimated Net Sellout Value - Luxury Residential Condominium Units

Apartment Unit No.	Rentable Sq. Ft.	Sellout-Value Sq. Ft.	Sell-out Value
5	4,343	\$3,200.00	\$13,897,600.00
6	4,196	\$3,200.00	\$13,426,432.00
7	4,183	\$3,200.00	\$13,385,792.00
PH (8-9)	<u>6,763</u>	\$3,425.00	<u>\$23,162,590.00</u>
Total	19,485		\$63,872,414.00
		Less: Marketing and Sales Commissions at 4%	<u>\$ 2,554,897.00</u>
		Total Net-Sellout Value of Luxury Residential Units	\$61,317,517.00
		Rounded	\$61,300,000.00

FINAL VALUE CHOICE

The subject property consists of a rectangular-shaped parcel containing a total of 6,432± square feet of vacant land area. The site is currently raw, undeveloped, vacant land. The subject site will be developed with a nine-story, elevator-serviced residential condominium building with a commercial community space containing 41,695± square feet of above grade building area.

We have been requested to estimate the market value of the subject property under the following scenarios:

- 1) "As Is" Market Value,
- 2) "Prospective as complete" value of the subject property as developed into a residential/community facility market building, pursuant to the proposed building plans,
- 3) "Prospective as complete" value of the net proceeds from the sale of the luxury residential condominium units

The three traditional approaches to value were considered in the appraisal of the subject property, however, as previously mentioned in the Scope of Work section, only the sales comparison approach was applicable for each valuation herein. The tables below summarize the different value conclusions indicated by each scenario:

VALUE CONCLUSIONS

<u>Value Conclusions</u>	<u>As Is" Value</u>	<u>Prospective Value of the Condominium Development "Upon Completion of Construction"</u>	<u>Prospective Value of the Net Proceeds from the Sale of Luxury Apartment Units "Upon Completion of Construction"</u>
Cost Approach	N/A	N/A	N/A
Income Capitalization Approach	N/A	N/A	N/A
Sales Comparison Approach	\$36,000,000.00	\$89,900,000.00	\$61,300,000.00
Final Opinion of Market Value	\$36,000,000.00	\$89,900,000.00	\$61,300,000.00

QUALIFICATIONS

The firm of Goodman-Marks Associates, Inc., with offices located at 170 Old Country Road, Mineola, New York, 420 Lexington Avenue, New York, New York, and 55 Madison Avenue, Morristown, New Jersey is a licensed real estate broker in the State of New York. Members of the firm are licensed real estate appraisers in the States of New York and New Jersey.

The firm has furnished real estate appraisals to financial institutions for mortgage and sale purposes, and many of these valuation assignments have been performed throughout the country.

The types of assignments that we typically handle encompass all facets of the real estate appraisal/consultation spectrum. These have included office buildings (both urban and suburban), shopping centers (strip, neighborhood and regional mall), freestanding department stores, fast-food buildings, gas stations, apartment houses (both urban and suburban; high-rise and garden type), cooperative and condominium residential housing (to be developed as well as to be converted), mixed-use development, hotels and motels, industrial and warehouse facilities and vacant land. Special types have included banks, auto showrooms, theaters, schools, bowling alleys, golf courses, nursing homes, etc.

Members of the firm have testified as to the value of land and buildings before the Supreme Court of the State of New York, the Court of Claims of New York State and the United States Federal Court.

The above history, the additional personal experience, affiliations, numerous similar properties appraised and education of the appraisers, as outlined on this and the following pages, qualify them as competent to complete this assignment.

MATTHEW J. GUZOWSKI, MAI, MRICS, PRESIDENT
GOODMAN-MARKS ASSOCIATES, INC.

GENERAL EXPERIENCE

Over 31 years as a commercial real estate appraiser and consultant

Testified as an expert witness – New York State Supreme Court, New York County
New York State Supreme Court, Queens County
New York State Supreme Court, Kings County
New York State Supreme Court, Nassau County
New York State Supreme Court, Suffolk County
U.S. Supreme Court, Eastern District of New York
U. S. Bankruptcy Court, Kings County
Civil Court of the City of New York, Kings County
Zoning and Arbitration Testimony, Nassau County

EMPLOYMENT

4/91 to Date:

Goodman-Marks Associates, Inc.

Principal preparing narrative appraisal reports of income-producing and other properties to determine market valuations. These reports are used for mortgage purposes, settlement of estates, real estate tax certiorari actions and condemnation cases.

1/83 to 4/91:

New York City Economic Development Corporation
161 William Street
New York, New York

Vice President of appraisal services preparing narrative appraisal reports and reviewing fee appraisals to determine the market value of real estate for disposition, development and lease.

EDUCATION

College:

St. John's University
Degree: MBA – Finance
December, 1989

Queens College, C.U.N.Y.
Degree: BA – English
January, 1981

Professional:

Appraisal Institute
Courses successfully completed:

1A1 - Real Estate Appraisal Principles
1A2 - Basic Valuation Procedures
SPP - Standards of Professional Practice
1BA - Capitalization Theory & Techniques - Part A
1BB - Capitalization Theory & Techniques - Part B
2-1 Case Studies in Real Estate Valuation
2-2 Report Writing and Valuation Analysis

Seminars attended:

Arbitration in Real Estate
Real Estate Financial Statement Analysis

***MATTHEW J. GUZOWSKI, MAI, MRICS, PRESIDENT
GOODMAN-MARKS ASSOCIATES, INC. (continued)***

PROFESSIONAL MEMBERSHIP

Appraisal Institute - MAI Designation #10114
Long Island, New York Chapter
Chairman – Admissions Committee, Long Island Chapter, 2000-2006
Chairman – Budget & Finance Committee, Long Island Chapter, 2007
Treasurer – Long Island Chapter, 2007
Secretary – Long Island Chapter, 2008
Vice President – Long Island Chapter, 2009
Senior Vice President – Long Island Chapter, 2010
President – Long Island Chapter, 2011

The Royal Institution of Chartered Surveyors I.D. #6404964

REBNY – Membership I.D. #49202

Community Bankers Mortgage Forum

GUEST LECTURER New York University – Real Estate Institute

LICENSES

Certified General Real Estate Appraiser
State of New York Certificate #468986
State of New Jersey Certificate #42RG00146100
State of Connecticut Certificate #RCG0001210
New York State Salesperson License #10401205644

MATTHEW F. BOYLAN, SENIOR VICE PRESIDENT
GOODMAN-MARKS ASSOCIATES, INC.

EMPLOYMENT

5/12 to Present: *Goodman-Marks Associates, Inc.* – Vice President
Senior Vice President preparing advanced narrative appraisal reports of income-producing and other properties to determine market valuations. These reports are used for mortgage purposes, settlement of estates, litigation, real estate tax certiorari actions and condemnation cases.

5/10 to 4/12: *Goodman-Marks Associates, Inc.* – Assistant Vice President

7/07 to 4/10: *Goodman-Marks Associates, Inc.* – Staff Appraiser

EDUCATION

Professional:

Courses successfully completed

Appraisal Institute

Course 100GR – Basic Appraisal Principles
Course 101GR – Basic Appraisal Procedures
Course 300GR – Real Estate Finance Statistics and Valuation Modeling
Course 401G – General Appraiser Sales Comparison Approach
Course 400G – General Appraiser Market Analysis and Highest & Best Use
Course N403G – General Appraiser Income Approach/Part 1
Course N404G – General Appraiser Income Approach/Part 2
Course 402G – General Appraiser Site Valuation and Cost Approach
Course N420DM – Business Practices and Ethics
Course 405G – General Appraiser Report Writing and Case Studies
AQ-GE-1 – Fair Housing, Fair Lending and Environmental Issues
Course 501GD – Advanced Income Capitalization
Course 503GD – Advanced Concepts & Case Studies

New York University

USPAP - Uniform Standards of Professional Appraisal Practice

New York Real Estate Institute

GE-3 – Using the HP12C Financial Calculator

College:

Buffalo State College, Buffalo, New York
Bachelor of Science Degree
Major: Business Administration
2003-2007

Computer:

MS Word, Excel, Lotus, Access, PowerPoint, QuickBooks, Argus

PROFESSIONAL MEMBERSHIP

Candidate for Designation, Appraisal Institute #508971
Long Island, New York Chapter

LICENSE

Certified General Real Estate Appraiser
New York State Certificate #4651008

ZACHARY M. HENDRICKSON, ASSISTANT VICE PRESIDENT
GOODMAN-MARKS ASSOCIATES, INC.

EMPLOYMENT

6/12 to Date:

Goodman-Marks Associates, Inc.

Assistant Vice President preparing narrative appraisal reports of income-producing and other properties to determine market valuations. These reports are used for mortgage purposes, settlement of estates, litigation, real estate tax certiorari actions and condemnation cases.

LICENSES

Real Estate Appraiser Assistant
New York Certificate #4851266

EDUCATION

Professional:

Manfred Real Estate Learning Center – Albany, NY

R-6 Basic Appraisal Procedures – 30 hours

USPAP 15

American Real Estate School – Hauppauge, NY

R5: Basic Appraisal Principles

R7: Residential Market Analysis and Highest and Best Use

R8: Residential Appraisal Site Valuation and Cost Approach

R9: Residential Sales Comparison and Income Approach

R10: Residential Report Writing and Case Studies

Supervisory Appraiser/Trainee Appraiser Course

College:

Nichols College (May, 2012)

Bachelor of Science in Business Administration

Major: Economics

Minor: Environmental Management

ADDENDA

APPRAISER'S LICENSES

UNIQUE ID NUMBER 46000008786	State of New York Department of State DIVISION OF LICENSING SERVICES	FOR OFFICE USE ONLY Control No. 74479
PURSUANT TO THE PROVISIONS OF ARTICLE 6E OF THE EXECUTIVE LAW AS IT RELATES TO R. E. APPRAISERS.		EFFECTIVE DATE MO. DAY YR. 03 24 14
SUZOWSKI MATTHEW J C/O GOODMAN MARKS ASSOCIATES 170 OLD COUNTRY RD STE 501 MINEOLA, NY 11501-4385		EXPIRATION DATE MO. DAY YR. 03 23 16
HAS BEEN DULY CERTIFIED TO TRANBACT BUSINESS AS A R. E. GENERAL APPRAISER		
<small>In Witness Whereof, The Department of State has caused this official seal to be hereunto affixed.</small> CESAR A. PERALES SECRETARY OF STATE		
<small>DOCS-1006 (Rev. 3/01)</small>		

UNIQUE ID NUMBER 46000051008	State of New York Department of State DIVISION OF LICENSING SERVICES	FOR OFFICE USE ONLY Control No. 80057
PURSUANT TO THE PROVISIONS OF ARTICLE 6E OF THE EXECUTIVE LAW AS IT RELATES TO R. E. APPRAISERS.		EFFECTIVE DATE MO. DAY YR. 09 23 14
BOYLAN MATTHEW F C/O GOODMAN MARKS ASSOCIATES 170 OLD COUNTRY RD STE 501 MINEOLA, NY 11501-4312		EXPIRATION DATE MO. DAY YR. 09 22 16
HAS BEEN DULY CERTIFIED TO TRANBACT BUSINESS AS A R. E. GENERAL APPRAISER		
<small>In Witness Whereof, The Department of State has caused this official seal to be hereunto affixed.</small> CESAR A. PERALES SECRETARY OF STATE		
<small>DOCS-1006 (Rev. 3/01)</small>		

APPRAISER'S LICENSES
(continued)

UNIQUE ID NUMBER 48000051266	State of New York Department of State DIVISION OF LICENSING SERVICES	FOR OFFICE USE ONLY Control No. 82995
KNOW ALL MEN BY THESE PRESENTS THAT PURSUANT TO THE PROVISIONS OF ARTICLE 6E OF THE EXECUTIVE LAW AS IT RELATES TO REAL ESTATE APPRAISERS.		EFFECTIVE DATE MO. DAY YR. 02 17 15
[HENRICKSON ZACHARY M C/O GOODMAN MARKS ASSOCIATES 170 OLD COUNTRY RD STE 501 MINEOLA, NY 11501		EXPIRATION DATE MO. DAY YR. 02 16 17
HAS BEEN DULY LICENSED AS A REAL ESTATE APPRAISER ASSISTANT		
<small>In Witness Whereof, The Commissioners of State has caused This License to be hereunto affixed</small> CESAR A. PERALES SECRETARY OF STATE		
005 1638 (REV 201)		

Floor Area Schedule – (Zoning Analysis from Platt Byard Dovell White)

FLOOR AREA SCHEDULE								
FLOOR	USE	GROSS FLOOR AREA PROPOSED		GROSS FA EXISTING R10A	COMM. FAC. GROSS FLOOR AREA	RESIDENTIAL GROSS FLOOR AREA	COMBINED R8B & R10A GROSS FLOOR AREA	ZONING FA
		R8B	R10A					
1L2	COMMUNITY FACILITY	4,882.53	1,746.31	1,414.11	8,042.65	0.00	8,042.65	N/A
1L1	COMMUNITY FACILITY	3,465.84	1,510.84	10,636.48	15,581.14	0.00		N/A
	RESIDENTIAL	1,427.48	236.12	0.00		1,863.60	17,224.74	N/A
1	COMMUNITY FACILITY	3,526.58	1,694.29	11,521.83	16,843.28	0.00		
	RESIDENTIAL	972.59	0.00	0.00	0.00	972.59	17,615.87	17,615.87
2	COMMUNITY FACILITY	3,175.71	1,282.60	6,493.63	10,952.14	0.00		
	CP EXTERIOR TERRACE	589.28	326.68		915.94			
	RESIDENTIAL	517.69	0.00	0.00	0.00	517.69	12,385.77	12,385.77
3	COMMUNITY FACILITY	3,175.71	1,282.60	1,151.69	5,610.20	0.00		
	RESIDENTIAL	517.69	0.00	0.00	0.00	517.69	6,127.89	6,127.89
4	COMMUNITY FACILITY	3,175.71	1,282.60	2,004.79	6,463.10	0.00		
	RESIDENTIAL	517.69	0.00	0.00	0.00	517.69	6,980.79	6,980.79
6	COMMUNITY FACILITY	0.00	0.00	6,567.47	6,567.47	0.00		
	RESIDENTIAL	3,240.28	1,102.78	0.00	0.00	4,343.06	10,910.53	10,910.53
6	RESIDENTIAL	3,092.73	1,102.78	0.00	0.00	4,195.51	4,195.51	4,195.51
7	RESIDENTIAL	3,092.73	1,990.34	0.00	0.00	4,183.07	4,183.07	4,183.07
8	RESIDENTIAL	3,092.73	1,652.34	0.00	0.00	4,183.07	4,183.07	4,183.07
9	RESIDENTIAL	2,329.85	249.63	0.00	0.00	2,579.48	2,579.48	2,579.48
10- BULKHEAD	RESIDENTIAL	272.71	0.00	0.00	0.00	272.71	272.71	272.71
TOTAL ZONING FLOOR AREA		R8B COMMUNITY					13,642.95	
TOTAL ZONING FLOOR AREA		R8B RESIDENTIAL					17,646.49	
TOTAL ZONING FLOOR AREA		R8B					31,289.44	
TOTAL ZONING FLOOR AREA		R10A COMMUNITY			5,769.37			
TOTAL ZONING FLOOR AREA		R10 RESIDENTIAL			4,836.07			
TOTAL ZONING FLOOR AREA		R10A EXISTING COMM.			27,738.81			
TOTAL ZONING FLOOR AREA		R10A			38,145.25			
TOTAL ZONING FLOOR AREA		EXISTING COMMUNITY					27,738.81	
TOTAL ZONING FLOOR AREA		PROPOSED COMMUNITY			13,642.95	5,769.37	18,412.32	
TOTAL ZONING FLOOR AREA		COMMUNITY					47,152.13	
TOTAL ZONING FLOOR AREA		EXISTING RESIDENTIAL					0.00	
TOTAL ZONING FLOOR AREA		PROPOSED RESIDENTIAL			17,646.49	4,636.07	22,282.56	
TOTAL ZONING FLOOR AREA		RESIDENTIAL					22,282.56	
NEW BUILDING & EXISTING		TOTAL SYNAGOGUE					94,702.38	69,434.69
TOTAL NEW BUILDING							94,953.04	41,684.88

Lot Area (Lot 36) (Zoning Analysis from Platt Byard Dovell White)

2. LOT AREA:	
	6-10 W. 70TH
R8B	4,723.5 SF
R10A	1,708.5 SF
TOTAL	6,432.0 SF

NYC Department of Buildings Permit

NYC Department of Buildings Application Details					
JUMP TO: Doc 1 Go					
Premises: WEST 70 STREET MANHATTAN					Job No: 121328819
BIN: 1028510 Block: 1122 Lot: 37					Document: 01 OF 4
					Job Type: NB - NEW BUILDING
Document Overview	Items Required	Virtual Job Folder	All Permits	Schedule A	Schedule B
Fees Paid	Forms Received		All Comments	C/O Summary	Plumbing Inspections
Crane Information	Plan Examination			C/O Preview	
After Hours Variance Permits					
Zoning Documents	Challenge Period Status			Challenge Results	
Last Action: PERMIT ISSUED - PARTIAL JOB 08/05/2015 (Q)					
Application approved on: 05/04/2015					
Pre-Filed: 05/24/2013		Building Type: Other		Estimated Total Cost: \$0.00	
Date Filed: 06/24/2013				Electronically Filed: Yes	
Fee Structure: EXEMPT					
Review is requested under Building Code: 2008				Hub Job #: Yes	
					Job Description Comments
1 Location Information (Filed At)					
House No(s): 8		Street Name: WEST 70TH STREET			
Borough: Manhattan		Block: 1122		Lot: 37	
BIN: 1028510		CB No: 107			
Work on Floor(s): SUB,CEL,ROF 001 thru 009		Apt/Condo No(s):		Zip Code: 10023	
2 Applicant of Record Information					
Name: SAMUEL G WHITE					
Business Name: PLATT BYARD DOVELL WHITE LLP			Business Phone: 212-691-2440		
Business Address: 20 WEST 22ND STREET NEW YORK NY 10010			Business Fax:		
E-Mail: SWHITE@PBDW.COM			Mobile Telephone:		
			License Number: 014775		
Applicant Type: <input type="checkbox"/> P.E. <input checked="" type="checkbox"/> R.A. <input type="checkbox"/> Sign Hanger <input type="checkbox"/> R.L.A. <input type="checkbox"/> Other					
Directive 14 Applicant: Not Applicable					
Previous Applicant of Record: Not Applicable					
3 Filing Representative					
Name: HELEN A GOLDBER					
Business Name: DESIGN 2147, LTD.			Business Phone: 718-383-9340		
Business Address: 52 DIAMOND STREET BROOKLYN NY 11222			Business Fax:		
E-Mail: HGOLDBER@DESIGN2147.COM			Mobile Telephone:		
			Registration Number: G46540		
4 Filing Status					
Click Here to View					
5 Job Types					
<input type="checkbox"/> Alteration Type 1 or Alteration Type 1 required to meet New Building requirements (28-101.4.5)					
<input type="checkbox"/> Alteration Type 1, OT "No-Work"		<input checked="" type="checkbox"/> New Building			
<input type="checkbox"/> Alteration Type 2		<input type="checkbox"/> Full Demolition			
<input type="checkbox"/> Alteration Type 3		<input type="checkbox"/> Subdivision: Improved			
<input type="checkbox"/> Sign		<input type="checkbox"/> Subdivision: Condo			
Directive 14 acceptance requested? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
6 Work Types					
<input type="checkbox"/> BL - Boiler		<input type="checkbox"/> FA - Fire Alarm		<input type="checkbox"/> FB - Fuel Burning	
<input type="checkbox"/> FP - Fire Suppression		<input type="checkbox"/> MH - Mechanical		<input type="checkbox"/> FS - Fuel Storage	
<input type="checkbox"/> SP - Sprinkler		<input checked="" type="checkbox"/> EQ - Construction Equipment		<input type="checkbox"/> PL - Plumbing	
<input checked="" type="checkbox"/> OT - GEN. CONSTR.				<input type="checkbox"/> SD - Standpipe	
				<input type="checkbox"/> CC - Curb Cut	
7 Plans/Construction Documents Submitted					
Plans Page Count: 205			Foundation approved on: 05/04/2015		
8 Additional Information					
Enlargement proposed? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes					
		<input type="checkbox"/> Horizontal		<input type="checkbox"/> Vertical	
Total Construction Floor Area: 55,027 sq.ft.					

NYC Department of Buildings Permit
(continued)

9. Additional Considerations, Limitations or Restrictions

<p>Yes No</p> <p><input type="checkbox"/> <input type="checkbox"/> Alt. required to meet New Building req's (28-101.4.5)</p>	<p>Yes No</p> <p><input type="checkbox"/> <input type="checkbox"/> Alteration is a major change to exits</p> <p><input type="checkbox"/> <input type="checkbox"/> Change in number of dwelling units</p> <p><input type="checkbox"/> <input type="checkbox"/> Change in Occupancy / Use</p> <p><input type="checkbox"/> <input type="checkbox"/> Change is inconsistent with current certificate of occupancy</p> <p><input type="checkbox"/> <input type="checkbox"/> Change in number of stories</p>
---	---

<p><input type="checkbox"/> <input type="checkbox"/> Facade Alteration</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Adult Establishment</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Compensated Development (Inclusionary Housing)</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Low Income Housing (Inclusionary Housing)</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Single Room Occupancy (SRO) Multiple Dwelling</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Filing includes Lot Merger / Reapportionment</p>	<p><input type="checkbox"/> <input checked="" type="checkbox"/> Infill Zoning</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Loft Board</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Quality Housing</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Site Safety Job / Project</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Included in LMCCC</p> <p>Work Includes:</p> <p><input type="checkbox"/> <input type="checkbox"/> Prefab wood I-joists</p> <p><input type="checkbox"/> <input type="checkbox"/> Structural cold-formed steel</p> <p><input type="checkbox"/> <input type="checkbox"/> Open-web steel joists</p>
--	--

Landmark
 Environmental Restrictions (Little E or RD) Landmark Docket Number: LPC152
 Unmapped/CCO Street
 Legalization
 Other, Specify:
 Filed to Comply with Local Law
 Restrictive Declaration / Easement
 CRFN No.: 2014000392039 2014000374598 2015000000355
 Zoning Exhibit Record (I,II,III,etc)
 CRFN No.: 2015000050523 2015000050524
 Filed to Address Violation(s)

Work includes lighting fixture and/or controls, installation or replacement. [ECC §404 and §505]
 Work includes modular construction under New York State jurisdiction
 Work includes modular construction under New York City jurisdiction
 Structural peer review required per BC §1627 Peer Reviewer License No.(P.E.):
 Work includes permanent removal of standpipe, sprinkler or fire suppression related systems
 Work includes partial demolition as defined in AC §28-101.5, or the raising/moving of a building
 Structural Stability affected by proposed work

BSA Calendar No.(s): 74-07-6Z
 CPC Calendar No.(s):

10. NYCECC Compliance New York City Energy Conservation Code (Applicant Statement)
 To the best of my knowledge, belief and professional judgment, this application is in compliance with the NYCECC.
 Energy analysis is on another job number:
Yes No
 This application is, or is part of, a project that utilizes trade-offs among different major systems
 This application utilizes trade-offs within a single major system

11. Job Description
 FILING HERewith NEW BUILDING AS PER PLANS.
 Related BIS Job Numbers:
 Primary application Job Number:

12. Zoning Characteristics
 District(s): R8B - GENERAL RESIDENCE DISTRICT R10A - GENERAL RESIDENCE DISTRICT
 Overlay(s):
 Special District(s):
 Map No.: 8c Street legal width (ft.): 60 Street status: Public Private
 Zoning lot includes the following tax lots: 00036 00037

Proposed Use	Zoning Area (sq.ft.)	District	FAR
COMMUNITY FACILITY	5,641	R10A	0.33
COMMUNITY FACILITY	14,372	R8B	0.83
RESIDENTIAL	4,686	R10A	0.27
RESIDENTIAL	16,685	R8B	0.98
Proposed Totals:	41,565		2.41
Existing Total:			

Proposed Lot Details: Lot Type: Corner Interior Through
 Lot Coverage (%): 80 Lot Area (sq.ft.): 17,285 Lot Width (ft.): 172

Proposed Yard Details: No Yards Or
 Front Yard (ft.): 0 Rear Yard (ft.): 20 Rear Yard Equivalent (ft.): 0
 Side Yard 1 (ft.): 0 Side Yard 2 (ft.): 0

Proposed Other Details: Perimeter Wall Height (ft.): 95
 Enclosed Parking? Yes No No. of parking spaces:

NYC Department of Buildings Permit
(continued)

Structural Occupancy Category:	Proposed III - SUBSTANTIAL HAZARD TO HUMAN LIFE																																											
Seismic Design Category:	CATEGORY B																																											
Occupancy Classification:	R-2 - RESIDENTIAL APARTMENT HOUSES	2014/2008 Code Designations?																																										
Construction Classification:	I-B; 2 HOUR PROTECTED - NON-COMBUST	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No																																										
Multiple Dwelling Classification:	HAEA	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No																																										
Building Height (ft.):	106																																											
Building Stories:	9																																											
Dwelling Units:	4																																											
	Mixed use building? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No																																											
14 Fill	<input type="checkbox"/> Not Applicable <input type="checkbox"/> Off-Site <input checked="" type="checkbox"/> On-Site <input type="checkbox"/> Under 300 cubic yards																																											
15 Construction Equipment	<input type="checkbox"/> Chute <input type="checkbox"/> Sidewalk Shed Construction Material: WOOD <input checked="" type="checkbox"/> Fence <input type="checkbox"/> Size: linear ft. BSA/MEA Approval No.: <input type="checkbox"/> Supported Scaffold <input type="checkbox"/> Other																																											
16 Curb Cut Description	Not Applicable																																											
17 Tax Lot Characteristics	Not Provided																																											
18 Fire Protection Equipment																																												
	<table border="0"> <tr> <td></td> <td align="center">Existing</td> <td align="center">Proposed</td> <td></td> <td align="center">Existing</td> <td align="center">Proposed</td> </tr> <tr> <td></td> <td align="center">Yes</td> <td align="center">No</td> <td align="center">Yes</td> <td align="center">No</td> <td align="center">Yes</td> </tr> <tr> <td>Fire Alarm</td> <td align="center"><input type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> <td align="center"><input checked="" type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> </tr> <tr> <td>Fire Suppression</td> <td align="center"><input type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> <td align="center"><input checked="" type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td align="center">Sprinkler</td> <td align="center">Standpipe</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td align="center"><input type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td align="center"><input checked="" type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> </tr> </table>		Existing	Proposed		Existing	Proposed		Yes	No	Yes	No	Yes	Fire Alarm	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Fire Suppression	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>					Sprinkler	Standpipe					<input type="checkbox"/>	<input type="checkbox"/>					<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Existing	Proposed		Existing	Proposed																																							
	Yes	No	Yes	No	Yes																																							
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				Sprinkler	Standpipe																																							
				<input type="checkbox"/>	<input type="checkbox"/>																																							
				<input checked="" type="checkbox"/>	<input type="checkbox"/>																																							
19 Open Spaces	Not Provided																																											
20 Site Characteristics																																												
	<table border="0"> <tr> <td>Yes</td> <td>No</td> <td>Yes</td> <td>No</td> </tr> <tr> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>Tidal Wetlands</td> <td>Coastal Erosion Hazard Area</td> <td>Freshwater Wetlands</td> <td>Urban Renewal</td> </tr> <tr> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Fire District</td> <td></td> <td>Flood Hazard Area</td> <td></td> </tr> <tr> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </table>	Yes	No	Yes	No	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Tidal Wetlands	Coastal Erosion Hazard Area	Freshwater Wetlands	Urban Renewal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Fire District		Flood Hazard Area		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>															
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Floodshields part of proposed work?																																												
21 Demolition Details	Not Applicable																																											
22 Asbestos Abatement Compliance	Not Applicable																																											
23 Signs	Not Applicable																																											
24 Comments																																												
25 Applicant's Statements and Signatures: (See paper form or check <u>Forms Received</u>)																																												
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26 Owner's Information																																												
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Notes and Bounds:	To view metes and bounds, see the Plot Diagram (form PD-1). A scanned image may be available here .																																											

Engagement Letter
Goodman-Marks Associates, Inc.
 REAL ESTATE APPRAISERS AND CONSULTANTS

CORPORATE HEADQUARTERS, ACCOUNTING DEPARTMENT
 170 OLD COURTHOUSE ROAD, SUITE 301, RIFLES, N.Y. 11782
 PHONE: (516) 248-0777 FAX: (516) 248-0628

NEW YORK CITY OFFICE
 429 LEXINGTON AVENUE, SUITE 2122, NEW YORK, NEW YORK 10017
 PHONE: (212) 691-2855 FAX: (212) 691-2476

NEW JERSEY OFFICE
 55 MADISON AVENUE, SUITE 201, FORT LINDEN, NEW JERSEY 07033
 PHONE: (973) 245-1165
 WWW.GOODMANMARKS.COM

<http://www.goodmanmarks.com>

July 8, 2015

Mr. Louis Solomon
 President
 Congregation Shearith Israel
 8 West 70th Street
 New York, NY 10023

Re: 8 West 70th Street
 New York, New York
 Block 1132, Lots 36 & 37
Van Lile No. 15-713

Dear Mr. Solomon:

We have been asked to prepare an appraisal report for the purpose of estimating the "as is" and "as proposed" and additional market values of the fee simple estate of the subject property under the three (3) valuation scenarios listed below. The subject property consists of two adjacent vacant lots on which a mixed-use residential and community facility condominium building will be constructed. The following is my understanding of the scope of the appraisal assignment as well as our fee requirements for these services to be performed.

Valuation Scenario I ("As Is" - Vacant Land)

In Valuation Scenario I, we will appraise the subject property "As Is" as vacant land and to its highest and best use.

Valuation Scenario II (As Proposed - Residential Community Facility Condominium Development)

In Valuation Scenario II, we will appraise the market value of the subject property as developed into a residential and community facility condominium development, pursuant to the proposed building plans to be supplied to us, along with the proposed construction and soft cost budgets. We have been informed that the proposed new construction improvements will include: community facility (floors 1 through 4 plus two below grade level floors) and luxury residential units on floors 5 through 9.

Engagement Letter
(continued)

GOODMAN-MARKS ASSOCIATES, INC.
REAL ESTATE APPRAISERS AND CONSULTANTS

Congregation Shcureth Israel
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Valuation Scenario II (Net Proceeds from Residential Condominium Units)

In Valuation Scenario III, we will estimate the value of the "net proceeds" from the sale of the luxury residential condominium, which will be received from the proposed developer of which 40% will be allotted with the Congregation.

The valuation dates will be the current date.

This assignment will be conducted in conformity with the requirements of the Code of Ethics and Standards of Professional Practice of the Appraisal Institute, along with the Uniform Standards of Professional Appraisal Practice (USPAP), as promulgated by the Appraisal Standards Board of the Appraisal Foundation.

Our fee for this assignment will be \$ 12,500.00, payable, 50% (\$6,250.00) upon retainer and the balance (\$6,250.00), due upon submission of a draft report to you for your review of factuality. The report will be delivered to you or your designee by July 27, 2015. Please return this signed retainer and submit also the initial retainer fee and all pertinent subject property data as soon as possible so not to delay the scheduled delivery date.

In addition to said professional fee for these assignments, you agree to compensate us for any time expended by us should we be required (by subpoena or otherwise) or requested by you or your representatives to become involved in any litigation, arbitration, legal proceeding or negotiation in any way involving this engagement. Should such litigation or arbitration become necessary, we will bill at our prevailing hourly rates. As of the date of this retainer agreement, they are:

Senior Designated Appraiser	\$400.00/hour
Senior Staff Appraiser	\$300.00/hour
Staff Appraiser	\$250.00/hour
Research Time	\$100.00/hour

If the above is agreeable to you, I ask that you sign and return this letter to our Corporate Headquarters;

Goodman-Marks Associates, Inc.
170 Old Country Road, Suite 501
Mineola, NY 11501

Engagement Letter
(continued)

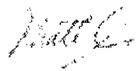
GOODMAN-MARKS ASSOCIATES, INC.
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We look forward to being of service to you in this matter.

Very truly yours,

GOODMAN-MARKS ASSOCIATES, INC.



Matthew J. Guzowski, MAI, MRICS
President

Agreed and Accepted:

By: 
Mr. Louis Solomon

Date: 

15-713